



Planning Commission  
AGENDA

Wednesday, February 26, 2025, 6:00 p.m.

Council Chambers, 990 Palm Street, San Luis Obispo

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**INSTRUCTIONS FOR PUBLIC COMMENT:**

**Public Comment prior to the meeting (must be received 3 hours in advance of the meeting):**

**Mail - Delivered by the U.S. Postal Service.** Address letters to the City Clerk's Office at 990 Palm Street, San Luis Obispo, California, 93401.

**Email - Submit Public Comments via email to [advisorybodies@slocity.org](mailto:advisorybodies@slocity.org).** In the body of your email, please include the date of the meeting and the item number (if applicable). Emails *will not* be read aloud during the meeting.

**Voicemail - Call (805) 781-7164 and leave a voicemail.** Please state and spell your name, the agenda item number you are calling about, and leave your comment. Verbal comments must be limited to 3 minutes. Voicemails *will not* be played during the meeting.

*\*All correspondence will be archived and distributed to members, however, submissions received after the deadline may not be processed until the following day.*

**Public Comment during the meeting:**

**Meetings are held in-person.** To provide public comment during the meeting, you must be present at the meeting location.

**Electronic Visual Aid Presentation.** To conform with the City's Network Access and Use Policy, Chapter 1.3.8 of the [Council Policies & Procedures Manual](#), members of the public who desire to utilize electronic visual aids to supplement their oral presentation must provide display-ready material to the City Clerk by 12:00 p.m. on the day of the meeting. Contact the City Clerk's Office at [cityclerk@slocity.org](mailto:cityclerk@slocity.org) or (805) 781-7114.

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1. **CALL TO ORDER**

Chair Cooley will call the Regular Meeting of the Planning Commission to order.

2. **PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA**

At this time, people may address the Commission about items not on the agenda. Comments are limited to three minutes per person. Items raised at this time are generally referred to staff and, if action by the Commission is necessary, may be scheduled for a future meeting.

3. **CONSENT**

Matters appearing on the Consent Calendar are expected to be non-controversial and will be acted upon at one time. A member of the public may request the Planning Commission to pull an item for discussion. The public may comment on any and all items on the Consent Agenda within the three-minute time limit.

3.a **CONSIDERATION OF MINUTES - FEBRUARY 12, 2025 PLANNING COMMISSION MINUTES**

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Recommendation:

To approve the Planning Commission Minutes of February 12, 2025.

4. **PUBLIC HEARINGS**

Note: Any court challenge to the action taken on public hearing items on this agenda may be limited to considering only those issues raised at the public hearing or in written correspondence delivered to the City of San Luis Obispo at, or prior to, the public hearing. If you wish to speak, please give your name and address for the record. Please limit your comments to three minutes; consultant and project presentations limited to six minutes.

4.a **CONSIDERATION OF THE 2024 GENERAL PLAN ANNUAL REPORT**

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*\*This item will be continued to a date certain, the March 12, 2025 Planning Commission meeting, to allow staff additional time to verify development activity data.*

**4.b REVIEW OF PROPOSED CIRCULATION MODIFICATIONS TO THE PREVIOUSLY APPROVED 600 TANK FARM ROAD PROJECT (MOD-0753-2024)**

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Recommendation:

Adopt the Draft PC Resolution recommending the City Council:

1. Approve a modification to conditions of approval related to revised offsite public circulation improvements for the previously approved 600 Tank Farm Road project; and
2. Approve an Addendum to the previously certified Final Environmental Impact Report (FEIR) for the 600 Tank Farm Road project, pursuant to the California Environmental Quality Act (CEQA).

**4.c REVIEW OF AMENDMENTS TO THE AIRPORT AREA SPECIFIC PLAN (SPEC-0457-2023)**

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Recommendation:

Adopt the Draft PC Resolution recommending approval to the City Council to introduce an Ordinance to amend the Airport Area Specific Plan to allow for mixed-use residential development in the Service Commercial (C-S) and Manufacturing (M) zones subject to a conditional use permit, and to approve an Addendum to the Final EIR for the Airport Area and Margarita Area Specific Plans.

**5. COMMENT AND DISCUSSION**

**5.a STAFF UPDATES AND AGENDA FORECAST**

Receive a brief update from Deputy Community Development Director Tyler Corey.

## 6. ADJOURNMENT

The next Regular Meeting of the Planning Commission is scheduled for March 12, 2025 at 6:00 p.m. in the Council Chambers at City Hall, 990 Palm Street, San Luis Obispo.

LISTENING ASSISTIVE DEVICES for the hearing impaired--see the Clerk

The City of San Luis Obispo wishes to make all of its public meetings accessible to the public. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the City Clerk's Office at (805) 781-7114 at least 48 hours before the meeting, if possible. Telecommunications Device for the Deaf (805) 781-7410.

Planning Commission meetings are televised live on Charter Channel 20 and on the City's YouTube Channel: [www.youtube.com/CityofSanLuisObispo](http://www.youtube.com/CityofSanLuisObispo). Agenda related writings or documents provided to the Planning Commission are available for public inspection on the City's website:

<https://www.slocity.org/government/mayor-and-city-council/agendas-and-minutes>.



## Planning Commission Minutes

February 12, 2025, 6:00 p.m.  
Council Chambers, 990 Palm Street, San Luis Obispo

Planning Commissioners Present: Commissioner Sheryl Flores, Commissioner Bob Jorgensen, Commissioner Steve Kahn, Commissioner Eric Tolle, Vice Chair Dave Houghton, Chair Justin Cooley

Planning Commissioners Absent: Commissioner Juan Munoz-Morris

City Staff Present: Deputy Community Development Director Tyler Corey, Deputy City Attorney Sadie Symens, Megan Wilbanks, Deputy City Clerk

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### 1. CALL TO ORDER

A Regular Meeting of the San Luis Obispo Planning Commission was called to order on February 12, 2025 at 6:00 p.m. in the Council Chambers at City Hall, 990 Palm Street, San Luis Obispo, by Chair Cooley.

### 2. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

Public Comment:

None

--End of Public Comment--

### 3. CONSENT

#### 3.a CONSIDERATION OF MINUTES - JANUARY 22, 2025 PLANNING COMMISSION MINUTES

**Motion By** Vice Chair Houghton

**Second By** Commissioner Flores

To approve the Planning Commission Minutes of January 22, 2025.

Ayes (6): Commissioner Flores, Commissioner Jorgensen, Commissioner Kahn, Commissioner Tolle, Vice Chair Houghton, and Chair Cooley

Absent (1): Commissioner Munoz-Morris

CARRIED (6 to 0)

**4. PUBLIC HEARING**

4.a REVIEW OF PROPOSED AMENDMENTS TO TITLE 16 (SUBDIVISION REGULATIONS) AND TITLE 17 (ZONING REGULATIONS) (CODE-0031-2025) OF THE CITY'S MUNICIPAL CODE

Housing Policy & Program Manager Teresa McClish, Assistant Planner Ethan Estrada, and Housing Coordinator David Amini presented the staff report and responded to Commission inquiries.

Chair Cooley opened the Public Hearing

Public Comment:

Eric Veium  
Michael Clark  
Emily Ewer  
Chris Allen  
Christina Pires  
Dustin Pires

*--End of Public Comment--*

Chair Cooley closed the Public Hearing

**Motion By** Vice Chair Houghton

**Second By** Commissioner Jorgensen

Adopt the Draft Resolution, which recommends that the City Council introduce and adopt an Ordinance amending Title 16 (Subdivision Regulations) and Title 17 (Zoning Regulations) of the City's Municipal Code regarding accessory dwelling units, junior accessory dwelling units, urban lot splits, and clarifications to regulations for affordable housing projects.

"A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SAN LUIS OBISPO RECOMMENDING THE CITY COUNCIL INTRODUCE AND ADOPT AN ORDINANCE AMENDING TITLE 16 (SUBDIVISION REGULATIONS) AND TITLE 17 (ZONING REGULATIONS) OF THE MUNICIPAL CODE WITH CHANGES ADDRESSING STATE LEGISLATIVE UPDATES ON ACCESSORY AND JUNIOR ACCESSORY DWELLING UNITS AND URBAN LOT SPLITS, AND CLARIFICATIONS TO REGULATIONS FOR AFFORDABLE HOUSING PROJECTS, WITH AN EXEMPTION FROM ENVIRONMENTAL REVIEW (CEQA) AS REPRESENTED IN THE STAFF

REPORT AND ATTACHMENTS DATED FEBRUARY 12, 2025 (CODE-0031-2025)" with the following changes:

- Section 16.15.020.I.2: Copies of the unrecorded easement agreements must be submitted with the application. The easement agreements must be recorded against the property ~~before~~ **prior to or concurrent with** the final parcel map ~~may~~ **being** approved.
- Section 16.15.025.D.2: There is a car share vehicle, as defined in Section **16.26.065**, located within one block[...]
- Section 17.86.020.B.4.c: **Building permit applications that propose the expansion or alteration of an existing single-family or multifamily dwelling, or the conversion of existing space within a single-family or multifamily dwelling, for the purpose of creating an accessory dwelling unit or a junior accessory dwelling unit, are permissible under this Chapter. Said expansion or alteration to an existing single-family or multifamily dwelling shall be consistent with the City's objective design standards and any applicable zoning regulations. The number of ADUs within the existing or proposed converted space of a multifamily dwelling shall not exceed 25 percent of the existing number of multifamily dwelling units. The provisions of this section do not apply to new construction multifamily dwellings.**
- Section 17.86.020.C.5: Except as **provided** by state law, the owner of the property shall occupy either the primary residence or the junior accessory dwelling unit.
- Section 17.86.020.C.6: Except as **provided** by state law, prior to the issuance of building permits for a junior accessory dwelling unit[...]

Ayes (6): Commissioner Flores, Commissioner Jorgensen, Commissioner Kahn, Commissioner Tolle, Vice Chair Houghton, and Chair Cooley

Absent (1): Commissioner Munoz-Morris

CARRIED (6 to 0)

**5. COMMENT AND DISCUSSION**

**5.a STAFF UPDATES AND AGENDA FORECAST**

Deputy Community Development Director Tyler Corey provided the following update of upcoming projects:

- Scheduled for the February 26, 2025 meeting, is review of the General Plan Annual Report (GENP-0089-2025), review of amendments to the Airport Area Specific Plan (120 Venture, SPEC-0457-2023), review a modification to ARCH-0406-2021, a previously approved mixed-use development located at 600 Tank Farm Road (MOD-0753-2024).

Commissioner Tolle will be absent for the February 26, 2025 meeting.

**6. ADJOURNMENT**

The meeting was adjourned at 7:08 p.m. The next Regular Meeting of the Planning Commission is scheduled for February 26, 2025 at 6:00 p.m. in the Council Chambers at City Hall, 990 Palm Street, San Luis Obispo.

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APPROVED BY PLANNING COMMISSION: XX/XX/2025





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## **PLANNING COMMISSION AGENDA REPORT**

**SUBJECT:** PLANNING COMMISSION CONSIDERATION OF THE 2024 GENERAL PLAN ANNUAL REPORT

**BY:** Ethan Estrada, Assistant Planner  
Phone Number: (805) 781-7576  
Email: [ejestrada@slocity.org](mailto:ejestrada@slocity.org)

**FROM:** Tyler Corey, Deputy Director  
Phone Number: (805) 781-7169  
Email: [tcorey@slocity.org](mailto:tcorey@slocity.org)

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This item will be continued to a date certain, the March 12, 2025 Planning Commission meeting, to allow staff additional time to verify development activity data.



## PLANNING COMMISSION AGENDA REPORT

**SUBJECT:** REVIEW OF PROPOSED CIRCULATION MODIFICATIONS TO THE PREVIOUSLY APPROVED 600 TANK FARM ROAD PROJECT, AND ASSOCIATED ADDENDUM TO THE CERTIFIED FINAL ENVIRONMENTAL IMPACT REPORT

**PROJECT ADDRESS:** 600 Tank Farm Road    **BY:** John Rickenbach, Contract Planner  
 Phone Number: 805-610-1109  
**FILE NUMBERS:** MOD-0753-2024                      Email: [JFRickenbach@aol.com](mailto:JFRickenbach@aol.com)

**APPLICANT:** Covelop, Inc.    **FROM:** Tyler Corey, Deputy Director

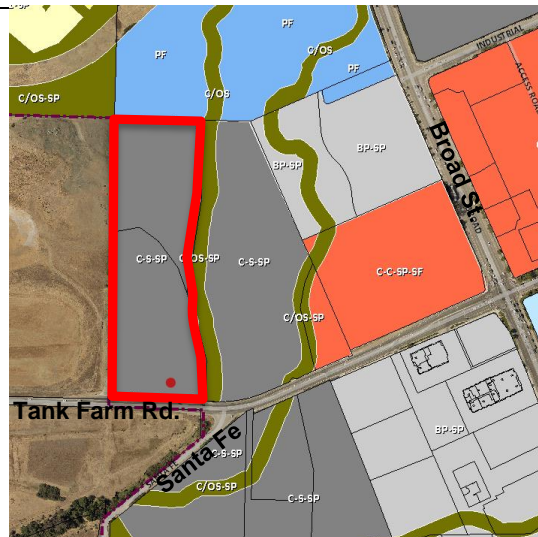
### RECOMMENDATION

Adopt the Draft PC Resolution (Attachment A) recommending the City Council:

1. Approve a modification to conditions of approval related to revised offsite public circulation improvements for the previously approved 600 Tank Farm Road project; and
2. Approve an Addendum to the previously certified Final Environmental Impact Report (FEIR) for the 600 Tank Farm Road project, pursuant to the California Environmental Quality Act (CEQA).

### SITE DATA

<b>Applicant</b>	Covelop, Inc.
<b>Representative</b>	Damien Mavis
<b>General Plan</b>	Services & Manufacturing
<b>Zoning</b>	Service Commercial (C-S) with Airport Area Specific Plan overlay (C-S-SP)
<b>Site Area</b>	~11.7 acres; current action only affects offsite improvements
<b>Environmental Status</b>	A <a href="#">Final EIR</a> was certified when the 600 Tank Farm Road project was approved in 2022. An Addendum to that document has been prepared.



### BACKGROUND AND SUMMARY

The 600 Tank Farm Road mixed-use development project was approved by the City Council on [February 1, 2022](#). The approved project included 280 residential units and 12,500 square feet of commercial space on an 11.7-acre parcel near the intersection of Tank Farm and Santa Fe Roads. The approved site plan is included as Attachment B of

this report. As part of the approval, the project was required to construct several transportation improvements, including:

- Extending Santa Fe Road (West) north as a new collector street for primary access to the site.
- Widening Tank Farm Road to add width for two westbound lanes along the project frontage.
- Adding curb/gutter, landscaped parkways, elevated one-way protected bike lanes, sidewalks, street trees, and lighting along the Tank Farm and Santa Fe (West) project frontages.
- Designing and constructing the north, east and west legs of a roundabout at the Tank Farm/Santa Fe (West) intersection.
- Creating a shared-use path through the site and along Acacia Creek to connect to Damon Garcia Sports Complex.
- Connecting to a pedestrian, bike, and emergency vehicle bridge to link the site with the 650 Tank Farm development (bridge to be built by 650 Tank Farm).
- Conducting preliminary design and environmental studies for a future shared-use path along Tank Farm Road between Santa Fe (West) and Innovation Way.

Since the project was approved in 2022, the project applicant, Covelop, Inc., has worked on designing the required on-site and off-site improvements. However, they have been unable to acquire the necessary off-site land from Chevron/Union Oil to build the planned Tank Farm/Santa Fe roundabout. Chevron/Union Oil is conducting environmental testing for polyfluoroalkyl substances (PFAS) substances on the former tank farm property and is not ready to proceed with sale of the full right-of-way needed for the roundabout until that testing is complete, which could take several more years, or longer.

After several years of coordination between the applicant, City Attorney's Office, and City Transportation staff, the City has confirmed that all reasonable efforts to acquire the land have been made. Since the roundabout is currently considered infeasible, the applicant has requested a modification to this aspect of the approved project, removing the roundabout as a requirement for the 600 Tank Farm project.

To address circulation at this location, the applicant has proposed a modified/interim access design concept for City review, detailed later in this report and in Attachment C and Attachment D. This circulation change would not affect the land use plan, buildout potential, or other required circulation improvements associated with project approval. The reimbursement agreement for 600 Tank Farm, previously approved in 2022 for the roundabout construction, would need to be updated if the roundabout is not constructed, which is reflected in updated conditions of approval #113, #114, #116, #117, #118, and #119. The applicant is still required to contribute to Transportation Impact Fees (TIF) for future construction of the roundabout by others, as reflected in updated conditions of approval #113 and #116.

In addition to modifications to the Tank Farm Road transportation improvements, the developer is requesting modification to the conditions of approval related to undergrounding of utilities. There are eight (8) PG&E poles and overhead lines combined on the project site and along the project frontage which are required to be undergrounded with development. The developer is requesting to modify conditions of approval to allow one (1) PG&E pole at the southeast corner of the project site to remain overhead due to field conditions, lack of existing easements, and inability to obtain required new easements from neighboring property owners that prevent the undergrounding of the one PG&E pole without significant increases in undergrounding costs across several neighboring property frontages. Seven (7) poles and attached lines are proposed to be undergrounded including all poles and lines along the project frontage. In addition, the developer would construct a conduit crossing the creek to the east of the project site to facilitate future undergrounding of the pole and power line that is proposed to remain in place. The pole that would remain in place would not conflict with the proposed interim public improvements or future roundabout construction.

## 1.0 COMMISSION'S PURVIEW

The Planning Commission's (PC's) role is to 1) review and make recommendations to the City Council regarding the proposed project modifications' consistency with the previous project approval, which was found to be consistent with the General Plan<sup>1</sup>, Airport Area Specific Plan (AASP)<sup>2</sup>, Zoning Regulations<sup>3</sup>, Active Transportation Plan<sup>4</sup>, and other applicable City development standards, and 2) review and make a recommendation to the City Council regarding the associated Addendum to the Final Environmental Impact Report (EIR).

## 2.0 PREVIOUS REVIEW

The original [City Council February 1, 2022](#) project approval was based on previous review from various advisory bodies from July 2020 through November 2021, including the Active Transportation Committee (ATC), Tree Committee (TC), Architectural Review Commission (ARC), and Planning Commission. The project was also reviewed by the Airport Land Use Commission (ALUC) and found to be consistent with the San Luis Obispo County Airport Land Use Plan. One of the required offsite improvements of the City Council approved project was a roundabout at the intersection of Tank Farm Road and Santa Fe Road (West).

On [January 16, 2025, the Active Transportation Committee \(ATC\)](#) reviewed the proposed modified/interim circulation improvements for consistency with the Active Transportation Plan (ATP). The ATC recommended approval of the proposed interim transportation improvements, subject to additional modifications which have since been incorporated

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<sup>1</sup> General Plan: [Land Use Element](#) Chapter 2 (Conservation and Development of Residential Neighborhoods), [Housing Element](#) Chapter 3 (Goals, Policies and Programs), [Circulation Element](#) Chapter 6 (Multi-Modal Circulation) and Chapter 9 (Street Network Changes)

<sup>2</sup> [AASP](#): Chapter 4.0 (Land Use); Chapter 5.0 (Community Design)

<sup>3</sup> [Zoning Regulations](#) Article 3 (Regulations and Standards Applicable to All Zones) and Article 8 (Housing-Related Regulations)

<sup>4</sup> [Active Transportation Plan](#) Chapter 5 (Recommended Bicycle & Pedestrian Projects), Chapter 6 (Bicycle & Pedestrian Programs), and Chapter 7 (Implementation)

into the proposal by the applicant as further detailed and analyzed in Section 4.3 of this report below.

### **3.0 PROPOSED CHANGES TO THE PREVIOUSLY APPROVED PROJECT**

As currently proposed by the developer, the modified project would eliminate the previously planned roundabout at the intersection of Tank Farm Road and Santa Fe Road (West), replacing this project component with a modified/interim access design concept that would provide access to the project site without the roundabout until it can be built in the future by the City or other private development when the required right-of-way is available. Key features of the interim transportation improvements include:

- Tank Farm Road/Santa Fe Road (West) Intersection: Unsignalized, with stop control on the Santa Fe Road (West) approach.
- Minor Road Widening on Tank Farm Road: Widening to add an eastbound left-turn lane into Santa Fe Road (West) and buffered on-street bike lanes along Tank Farm Road.
- Frontage Improvements:
  - Santa Fe Road (West): Landscaped parkway, lighting, street trees, and an elevated (sidewalk-level) two-way shared-use pedestrian/bicycle path on the east side of street only. The shared-use path is to be constructed with permanent materials (concrete) and designed with flexibility to convert to a separate pedestrian sidewalk and one-way northbound protected bike lane in the future by others, which is the ultimate configuration recommended per the ATP.
  - Tank Farm Road: Landscaped parkway, lighting, street trees, and a two-way shared-use path between Santa Fe (West) and the Mindbody traffic signal. Shared-use path constructed in permanent materials (concrete) along 600 Tank Farm Road frontage, and with temporary (asphalt) east of frontage to Mindbody signal. The shared-use path is to be designed with flexibility to convert to a separate sidewalk and one-way westbound protected bike lane in the future by others, consistent with the ATP. Tank Farm Road improvements also include widening of the existing culvert at Acacia Creek.
- Temporary Sidewalk: Asphalt sidewalk on street-level along the north side of Tank Farm Road from the Mindbody signal to Broad Street with a protective curb separating pedestrians from vehicle traffic. This provides pedestrian connectivity between the development and Tank Farm Road/Broad Street intersection until permanent sidewalks are constructed by neighboring properties in the future.
- Traffic Safety Features: Landscaped center median along Tank Farm Road frontage to prevent illegal left turns, acceleration lanes to improve left-turn access to Tank Farm Road from southbound Santa Fe (West) and northbound Santa Fe (East), radar speed feedback signs, striping and warning signage to encourage safer speeds.

- Signal Modifications: Updates to the Tank Farm Road/Mindbody intersection to add pedestrian and bicycle signals phases and bicycle left turn box to improve Tank Farm Road crossings.

The improvements on Tank Farm Road east of the project site (in the direction of the Tank Farm Road/Mindbody intersection and Broad Street) would occur on two adjacent properties with approved projects: the 650 Tank Farm Road Mixed-Use Project (Mitigated Negative Declaration SCH #2018111054) and the 660 Tank Farm Northwest Corner Broad and Tank Farm Mixed-Use Commercial/Assisted Living Project (Mitigated Negative Declaration SCH #2019049030). The modified project transportation improvements are substantially consistent with the existing entitlements on these properties in the context of their footprints and area of potential disturbance.

The interim transportation improvement design concept proposed by the applicant is shown in Figure 1 below and included as Attachment C of this report, and the applicant's narrative of the proposed transportation modifications is included as Attachment D.

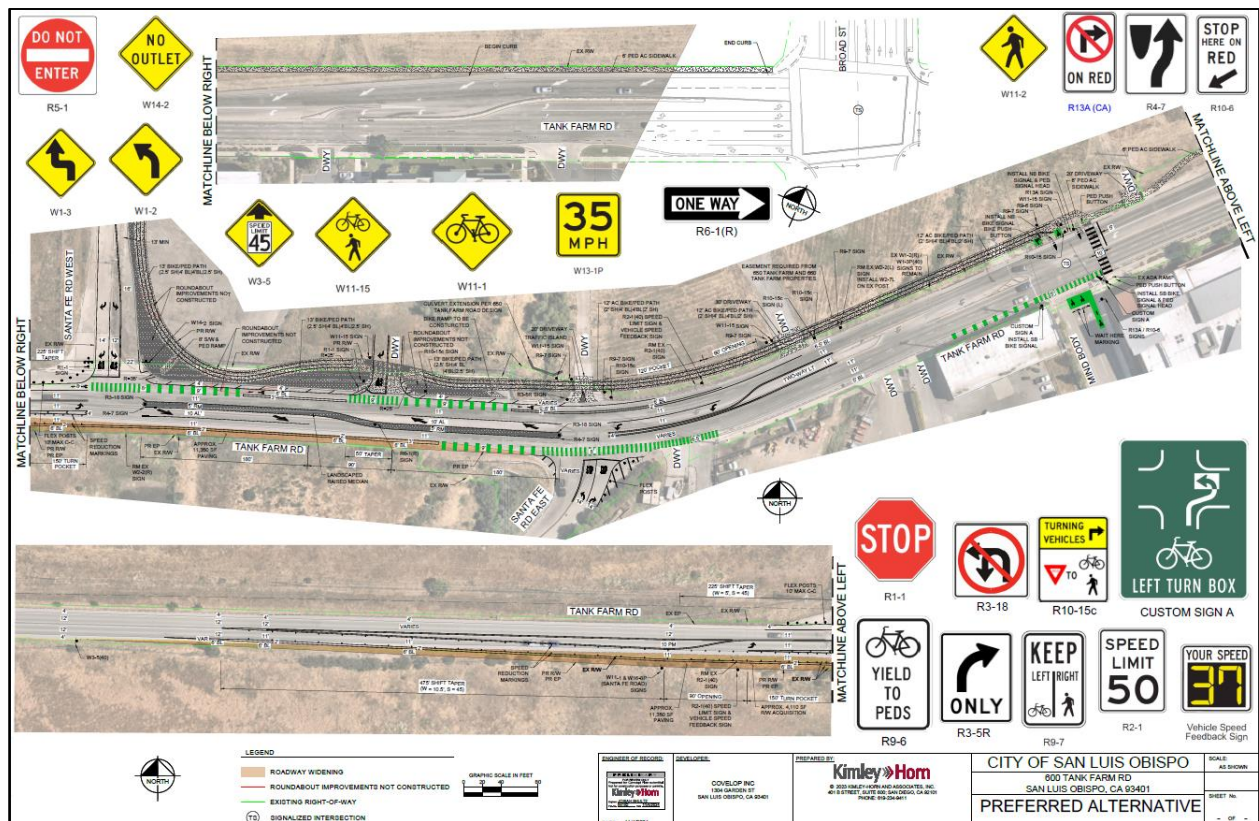


Figure 1: Proposed Interim Transportation Improvements Design Concept: Tank Farm Road

In addition to the proposed interim transportation improvements, the applicant is proposing a modification to conditions of approval regarding undergrounding of overhead utility lines. There are eight (8) PG&E poles and overhead lines combined on the project site and along the project frontage which are required to be undergrounded with development. The developer is requesting to modify conditions of approval to allow one (1) PG&E pole at the southeast corner of the project site to remain overhead. The applicant's written request regarding undergrounding is included as Attachment E.

Coordination with PG&E over the past year has provided cost estimates for undergrounding. Due to site conditions, lack of existing easements, and the inability to obtain new easements for electrical facilities needed to underground the pole at the southeast corner of the project site, the additional offsite undergrounding that would be required to comply with the current undergrounding condition would exceed \$1.3 million in addition to the costs for undergrounding on the project site and along the project frontage. The applicant is requesting the project's conditions of approval be modified to allow the pole at the southeast corner to be left in place or moved slightly as required to underground the rest of the project frontage to allow for undergrounding by a neighboring property at a later date. In addition, the developer proposes to construct a conduit crossing the creek to the east of the project site to facilitate future undergrounding of the pole and power line that is proposed to remain in place. The pole that would remain in place would not conflict with the proposed interim public improvements or future roundabout construction.

#### **4.0 PROJECT ANALYSIS**

The 600 Tank Farm project as approved in 2022 was found to be in conformance with the General Plan, AASP, and applicable aspects of the Zoning Regulations, as well as applicable Engineering Standards. The currently proposed modification to offsite transportation features and undergrounding of utilities must also conform with applicable policies and standards. Staff has evaluated the proposed project modifications and identified discussion items for the Planning Commission to consider, including recommendations provided by the ATC. These are discussed Section 4.1 below.

No other aspect of the approved project's development potential or any related onsite improvements are proposed to change as a result of this action and remain in conformance with applicable provisions of the City's regulatory framework.

#### **4.1 Consistency with the General Plan**

The previously approved project was found to be consistent with all aspects of the General Plan. The discussion below is limited to the proposed circulation modifications and undergrounding of utilities as they relate to the relevant aspects of the General Plan.

Land Use Element (LUE): The approved project has components that support circulation-oriented policies in the LUE. LUE Policy 10.4 (Encourage Walkability) states that the City shall encourage projects which provide for and enhance active and environmentally sustainable modes of transportation, such as pedestrian movement, bicycle access, and transit services. The proposed circulation modification is consistent with that policy, as it still provides multi-modal access between the project site and nearby non-residential destinations.

Circulation Element (CE): The CE describes how transportation will be provided in the community. The project includes features that support multi-modal transportation, consistent with the following policies. CE Policy 4.1.1 (Bicycle Use) states that the City shall expand the bicycle network and provide end of trip facilities to encourage bicycle use and to make bicycling safe, convenient and enjoyable. CE Policy 5.1.2 (Sidewalks and Paths) states that the City should complete a continuous pedestrian network



connecting residential areas with major activity centers as well as trails leading into city and county open spaces.

Project Features that Support General Plan Policies

Project components that support Circulation-related policies include improvements to transit, bicyclist facilities, and pedestrian facilities. Bicycle facilities in the study area consist of Class II bike lanes, which provide a striped lane for one-way on-street bicycle travel. Broad Street and Tank Farm Road both have Class II bike lanes on both sides of the road throughout the study segments. The modified project would still provide improvements to pedestrian circulation facilities along Tank Farm Road and Santa Fe Road. The proposed project would provide for improved pedestrian facilities and connectivity by connecting and improving existing sidewalks, crosswalks, and pedestrian signals at signalized intersections. The reconfigured intersection of Tank Farm Road and Santa Fe Road without a roundabout would still provide multi-modal access to nearby offsite non-residential destinations, traffic operations consistent with the City’s adopted performance thresholds, and remain consistent with Circulation Element policies.

Table 5 of the Circulation Element provides direction for the design of improvements to Tank Farm Road, as follows:

*“Widen Tank Farm Road as a Parkway Arterial with 2 lanes in each direction, a center turn lane/landscaped median, Class II bike lanes, sidewalks and Class I bike lanes (where feasible) from Higuera to Broad. (see AASP)”*

Based on this, the project remains consistent with the General Plan, since it does not specify whether or not a roundabout is required at the intersection of Tank Farm and Santa Fe Road. However, the table also refers to the AASP, which provides more direction on the nature of this improvement. As discussed in the following section on the AASP, that document *does* specify a roundabout at the intersection of Tank Farm and Santa Fe Road. The project’s consistency with that document is discussed in the following section of this report.

In relation to undergrounding of utilities, the General Plan does not include specific requirements for undergrounding. General Plan Policy 8.1.2 refers to specific plans, which include development standards that would apply to the Airport Area, as discussed in detail in the following section of this report.

**4.2 Consistency with the Airport Area Specific Plan**

The project area is within the Airport Area Specific Plan (AASP) boundaries, and thus subject to its goals and policies. The AASP effectively establishes a link between implementing policies of the General Plan and the individual development proposals within the AASP boundaries.

Circulation Modifications

Chapter 6 of the AASP includes goals and policies related to circulation. The AASP defines the roadway classifications for roads traversing the area. Tank Farm Road is defined as a “Parkway Arterial”, while Santa Fe Road is a “Commercial Collector.” As part of the 2022 project approval, required improvements to those roadways were consistent with those classifications.

Figure 6-1 of the AASP shows a roundabout at the intersection of Tank Farm Road and Santa Fe Road. The approved project included a roundabout and was consistent with this aspect of the AASP. The proposed modification to this intersection does not include the roundabout. However, the project applicant is constrained by the inability to acquire the land needed for the roundabout for reasons beyond the applicant’s control.

Section 6.2.1 of the AASP acknowledges the potential tradeoffs in designing the street system within the plan area, and states the following:

“A unique challenge is to design the AASP arterial and collector street system to meet the access, mobility, safety and vehicle classification needs of the area without over-designing the facilities.”

The intent of this statement is the overall circulation goal of the AASP is to ensure access, mobility and safety in the design of the arterial and collector streets. The plan is open to different design approaches to meeting goals related to safety, access, and mobility.

Based on the City Engineer’s review of the updated circulation concept, the modified design meets the goals of the AASP. Notably, while constructing a more standard intersection configuration than the previously planned roundabout, the applicant shall also prepare designs, dedicate on-site right-of-way, and pay fair share fees towards the future roundabout to be constructed by others, as required by conditions of approval #113 through #117. The modified conditions of approval not only reflect elimination of the obligation to construct the Tank Farm/Santa Fe Roundabout, but also include the following considerations to facilitate future construction of the roundabout at a later date:

- In addition to payment of TIF fees, the applicant is required to pay additional fair share fee for the portion of the Tank Farm/Santa Fe Roundabout costs that exceed the amount currently programmed in the Citywide TIF program under which the project will remain vested. Through the preliminary designs developed over the past several years, the roundabout has been identified to cost significantly more than the current TIF identifies. If the applicant receives approval to defer construction of the roundabout to others, the project is still required to pay their fair share percentage of that delta, as noted in condition #113.
- Updated condition #113 requires the applicant to pay a deposit for the costs needed to remove/reconstruct their interim frontage improvements when the future roundabout is constructed by others. The proposed condition requires the applicant to provide an engineer’s estimate for this cost and escalate the amount out 10 years into the future using California Construction Cost index. The intent is that these funds would be used in the future by whomever is constructing the roundabout, so that the City (or other developer) is not paying any direct costs for reconstruction of 600 Tank Farm’s interim frontage improvements.

The proposed project modification is considered consistent with the intent of the circulation aspects of the AASP because the interim improvements will provide the transportation improvements required to serve the 600 Tank Farm project and will also provide right-of-way, design work, and fair share funding to facilitate the Tank Farm roundabout build out in the future once land acquisitions are available. Please also refer to the discussion in Section 4.3, which analyzes the project’s consistency with the City’s Active Transportation Plan (ATP).

#### Utility Undergrounding

Utility undergrounding requirements are also identified in the AASP. Section 7.7 states “All new development shall be responsible for undergrounding of existing overhead utility lines along that development’s frontage or constructing underground utility lines along new roadways concurrent with the construction of new roadways.” The project conditions of approval #75 and #76 were included to reflect this requirement.

AASP section 7.8 acknowledges that interim utility solutions may be needed if the permanent systems cannot be made available at the time of development. Due to the interconnection of the southeasterly pole to other power poles located offsite from the 600 Tank Farm project frontage, and the high cost associated with undergrounding the pole at the southeastern corner of the project site, which would require continuing the undergrounding beyond the southeast corner of the project site along several adjacent property frontages, the applicant’s proposal to underground 7 of the 8 poles on the property and along the project frontage and construction of the conduit crossing the creek east of the project site to facilitate future undergrounding of the one remaining pole can be considered an interim improvement, consistent with the long term plan for undergrounding to be completed at a later date by other adjacent property owners. Therefore, the applicant’s current proposal for modification to undergrounding requirements is consistent with the AASP. Condition #76 has been modified in the attached resolution to reflect the applicant’s request for one pole (and powerlines to the east of that pole) to remain and require the installation of the conduit to the east across Acacia Creek to facilitate future undergrounding of the lines/pole.

#### **4.3 Consistency with the Active Transportation Plan**

The project was reviewed by the Active Transportation Committee (ATC) on January 16, 2025. In that meeting, the ATC provided recommendations to address key design issues related to the revised circulation concept, in order to ensure consistency with both the Circulation Element and the Active Transportation Plan (ATP). These included the following:

1. Support the proposed two-way shared-use path on Tank Farm as an interim design, with a recommendation to design this so it could be converted to a separate one-way protected bike lane and sidewalk (per the original project design and ultimate plans per the ATP) in the future, if needed; and
2. Recommend designing the portion of the Santa Fe (west) bikeway similar to Tank Farm. This would be as a two-way shared-use path instead of separate sidewalk and one-way protected bike lane, designed so that it could be converted back to a separate sidewalk and bike lane in the future consistent with the ATP, if desired; and

3. Direction to staff to monitor use of the Broad/Tank Farm intersection once the project is occupied to see if right-turn on red restrictions or other features are warranted if there are conflicts with new eastbound cyclists at this intersection.

The ATC recommendations (1 and 2 above) have been incorporated into the updated improvement design by the applicant, as shown in Figure 1 above and in Attachment C. In addition to deferring the Tank Farm/Santa Fe Roundabout, there are a few other components of the modified/interim access design that differ from the long-term bicycle and pedestrian facilities proposed on Tank Farm Road per the City's currently adopted Active Transportation Plan (ATP). Table 1, included as Attachment H of this report, summarizes the consistency of the modified project to relevant city transportation plans/policies and compares that to the originally approved project. Visual representations of the bicycle and pedestrian circulation from both the approved 2022 designs and the proposed 2025 design are included in the [January 16, 2025 ATC agenda report](#).

The most noteworthy difference of the modified project is the elimination of the Tank Farm/Santa Fe (West) roundabout as a project requirement, which has been deemed infeasible at this time. Without the roundabout, it will be less convenient for autos, bikes, and pedestrians to cross Tank Farm Road directly at this intersection. The Transportation Impact Study prepared for the modified/interim project design (Attachment F) indicates that Tank Farm/Santa Fe (West) intersection will operate within the City's adopted delay/congestion targets for autos until future planned modifications to Santa Fe are constructed—if Santa Fe (West) is extended north to Prado Road or Santa Fe (East) is realigned to the Santa Fe (West) as a single intersection, as planned per the Circulation Element and AASP, installation of a roundabout or a traffic signal will be required. It should also be noted that the modified project improves operations at the existing Tank Farm/Santa Fe (East) intersection compared to current conditions through the addition of a left-turn acceleration lane, which allows drivers to make the northbound left-turn onto Tank Farm Road in two stages, which reduces delays and congestion.

Per the modified project proposal, pedestrians and bicyclists are encouraged to cross Tank Farm Road at the nearby Mindbody signal. Under the modified project, the applicant would construct improvements to this signal to better facilitate bike/pedestrian crossings and construct a two-way shared-use path along the north side of Tank Farm between Santa Fe and Mindbody to improve access to this crossing for eastbound cyclists. As noted in Table 1 (Attachment H), this differs from the ATP, which calls for a westbound one-way protected bike lane for this segment. The project applicant explored the possibility of extending this two-way shared-use path all the way east to Broad Street; however, the existing right-of-way east of Mindbody is not wide enough and the current property owner(s) are not interested in negotiating additional right-of-way at this time. For this reason, the project proposes a narrow temporary sidewalk only on the north side between Mindbody and Broad Street for pedestrians, while eastbound cyclists would need to cross the street at the Mindbody signal to continue easterly.

While the proposal to provide a two-way shared-use path on the north side of Tank Farm along the project frontage is a logical interim design, it is not consistent with the ATP, which calls for one-way protected bike lanes and separate sidewalks on each side of Tank

Farm Road east of Santa Fe. However, the interim design does not preclude converting the two-way path to separate one-way westbound bike lane and sidewalk at a future date to ensure ATP consistency when other adjacent developments move forward. As identified in modified condition of approval #126, the applicant shall demonstrate a good faith effort to acquire the off-site right-of-way needed to extend this shared-use pedestrian/bicycle path all the way east to the Tank Farm/Broad Street intersection, and if right-of-way cannot be obtained, the interim pedestrian sidewalk shall be constructed by the applicant within the available right-of-way.

At the January 2025 meeting, the ATC approved a motion supporting the design as two-way shared-use ped/bike paths (Class I bikeway per Caltrans naming convention), but did not want to formally amend the ATP. The direction was to provide two-way shared-use paths for added connectivity in the interim, but to design in a way that could reasonably be converted to separate sidewalk and one-way protected bike lanes (Class IV bikeway per Caltrans naming) as called for in the ATP at a future date. For example, the previously-approved developments at neighboring 650 Tank Farm and 660 Tank Farm include plans for internal bicycle and pedestrian connectivity to Broad Street parallel to Tank Farm Road; however, it is currently uncertain when these properties will develop. The modified project design provides efficient two-way, east-west connectivity in the interim until this off-street parallel route is available. If the neighboring properties at 650 and 660 Tank Farm develop in the future, there would be potential to then modify striping/signage on the Tank Farm and Santa Fe shared-use paths to designate separate sidewalk and one-way bike lanes, consistent with the ATP. The interim design proposed by the applicant and recommended by ATC does not preclude the ultimate plans per the ATP (which calls for one-way Class IV bikeways and separate sidewalks).

#### **4.4 Consistency with the Zoning Regulations**

The proposed circulation modifications and revised utility undergrounding do not affect any aspect of the approved development related to zoning, including mixed-use provisions, building design, square footage, the number of units, or other development standards addressed in the zoning regulations. Therefore, the project as modified remains consistent with the zoning regulations, as described in the February 2022 City Council agenda report in support of the project's original approval.

#### **4.5 Consistency with the Subdivision Regulations**

The proposed circulation modifications and revised utility undergrounding do not affect any aspect of the approved development related to the approved common interest phased subdivision. Therefore, the project as modified remains consistent with the subdivision regulations, as described in the February 2022 City Council agenda report in support of the project's original approval.

#### **4.6 Consistency with the Airport Land Use Plan**

The San Luis Obispo County Airport Land Use Commission (ALUC) oversees development subject to the ALUP to ensure safety related to airport operations, while the City has ultimate jurisdiction over potential land use decisions and future development. The ALUC reviewed the project on August 18, 2021 and determined that development facilitated under the proposed AASP Amendment and rezone would be consistent with the ALUP subject to conditions that are now required as part the project approval. The

proposed circulation modifications do not affect any aspect of the project's consistency with the ALUP. In December 2024, ALUC staff confirmed that no ALUP conformity review would be required for the modified project.

## **5.0 ENVIRONMENTAL REVIEW**

A Draft Environmental Impact Report (EIR) was prepared for the originally approved project under the California Environmental Quality Act (CEQA), and circulated for a 50-day public review period that began on June 15, 2021 and ended on August 3, 2021. In addition, a public meeting was held on Wednesday July 14, 2021 at a Planning Commission meeting to receive public comments on the Draft EIR. The Final EIR, which addressed public comments received during the public review period, was certified at the time the project was approved in February 2022. The [Final EIR](#), including responses to comments on the Draft EIR, maybe be found on the City website in its entirety.

An Addendum to the Final EIR has been prepared to address changes to the approved project, and is included as Attachment G. Pursuant to Section 15164(b) of the CEQA Guidelines, an addendum to an adopted Final EIR may be prepared by the Lead Agency that prepared the original Final EIR if only minor technical changes or additions are necessary or none of the conditions described in Section 15162 have occurred that require preparation of a subsequent EIR.

An Addendum is appropriate to address the modified project because the proposed changes to the approved project do not meet the conditions of Section 15162(a) for preparation of a subsequent EIR.

## **6.0 OTHER DEPARTMENT COMMENTS**

The project has been reviewed by various City departments and divisions including Planning, Engineering, Transportation, Building, Utilities, and Fire. Any conditions of approval or informational notes from these departments and divisions have been incorporated into the Draft Resolution (Attachment A) for recommendation of project approval.

## **7.0 ALTERNATIVES**

1. Continue the item. An action to continue the hearing should include a detailed list of additional information or analysis required.
2. Deny the project. An action recommending that the City Council deny the project should include findings that cite the basis for denial and should reference inconsistency with the General Plan, Community Design Guidelines, AASP, Zoning Regulations or other policy documents. Should the PC want to pursue this alternative, Staff recommends that the specific findings under Government Code § 65915(d)(1)(B) and (d)(3) are adequately addressed.

**8.0 ATTACHMENTS**

- A – Draft PC Resolution Recommending City Council Approve the Modification
- B – Previously Approved Site Plan and Roundabout (February 2022)
- C – Proposed Project Modification: Tank Farm Road Transportation Improvements
- D – Applicant Narrative: Proposed Project Modification
- E – Applicant Proposal for Utilities Undergrounding Modification
- F – Transportation Impact Study (Access Evaluation for Proposed Design)
- G – Addendum to the 600 Tank Farm Final EIR
- H – Policy Consistency of Proposed Active Transportation Facilities (Table 1)





**RESOLUTION NO. PC-XXXX-25**

**A RESOLUTION OF THE SAN LUIS OBISPO PLANNING COMMISSION RECOMMENDING THE CITY COUNCIL APPROVE THE PROPOSED CIRCULATION AND CONDITION MODIFICATIONS FOR THE PREVIOUSLY APPROVED 600 TANK FARM ROAD PROJECT AND APPROVE THE ASSOCIATED ADDENDUM TO THE CERTIFIED FINAL ENVIRONMENTAL IMPACT REPORT AS REPRESENTED IN THE PLANNING COMMISSION AGENDA REPORT AND ATTACHMENTS DATED FEBRUARY 26, 2025 (MOD-0753-2024)**

**WHEREAS**, the City Council of the City of San Luis Obispo conducted a web based teleconference hearing on February 1, 2022, pursuant to a proceeding instituted under ARCH-0406-2021, SBDV-0407-2021, GENP-0814-2019, SPEC-0407-2020, and EID-0608-2020, Covelop Inc., applicant, and adopted Resolution 11304 (2022 Series) approving the 600 Tank Farm Road project and certifying the Final EIR for that project; and

**WHEREAS**, as part of project development, the applicant has worked with City staff to implement required mitigation measures and project conditions, one of which would require a new roundabout at the intersection of Tank Farm Road and Santa Fe Road; and

**WHEREAS**, the City has determined that all reasonable efforts have been made by the applicant to acquire the land needed for the roundabout, but that the land is unavailable for acquisition at this time; and

**WHEREAS**, the applicant has requested a modification to the roundabout requirement and conditions of approval, proposing an alternate transportation design that does not require as much land from the adjacent property owner; and

**WHEREAS**, an Addendum to the certified Final Environmental Impact Report (EIR) (SCH #2020110426) was prepared to address changes to the previously-approved project, pursuant to Section 15164(b) of the CEQA Guidelines, since only minor technical changes or additions are necessary to the certified Final EIR and none of the conditions described in Section 15162 of the CEQA Guidelines have occurred that require preparation of a subsequent EIR; and

**WHEREAS**, the Active Transportation Committee of the City of San Luis Obispo conducted a hearing on January 16, 2025, and provided recommended direction on the modified circulation design; and

**WHEREAS**, the Planning Commission of the City of San Luis Obispo conducted a hearing on February 26, 2025, pursuant to a proceeding instituted under MOD-0753-2024, Covelop Inc., applicant, to consider the modified project and recommendations from the Active Transportation Committee; and

**WHEREAS**, notices of said public hearings were made at the time and in the manner required by law; and

**NOW, THEREFORE, BE IT RESOLVED** by the Planning Commission of the City of San Luis Obispo to recommend that the City Council approve the Addendum to the certified Final EIR and approve the modified circulation design and conditions of approval for the previously-approved 600 Tank Farm Mixed Use Project. This resolution is based on the following findings, California Environmental Quality Act (CEQA) findings, and conditions:

**SECTION 1.** Findings. The Planning Commission does hereby recommend approval of the modified 600 Tank Farm Road project, based on the following findings:

1. The originally approved project (Resolution 11304 – 2022 Series) as conditioned was found to be consistent with the General Plan and Airport Area Specific Plan (AASP). As conditioned, the proposed project modification, together with the provisions for design and improvement, is consistent with the General Plan, including compatibility with objectives, policies, general land uses, and programs specified in the General Plan and the AASP because Housing Element Program 6.13 specifically identifies the project site as appropriate for zoning to provide for higher-density or mixed-use housing as compatible with other projects in the vicinity.
2. As conditioned, the County of San Luis Obispo Airport Land Use Commission, on August 18, 2021, found the originally approved project to be consistent with the Airport Land Use Plan.
3. The modified project as conditioned is consistent with the land use and circulation requirements of the General Plan, Airport Area Specific Plan, and Active Transportation Plan, based on the analysis included in the Planning Commission Agenda Report of February 26, 2025.
4. The originally approved project (Resolution 11304 – 2022 Series) as conditioned was found to be conformance with development review requirements related to project scale, size, character, or other considerations related to public health, safety and welfare.
5. The modified project will not be detrimental to the health, safety, and welfare of persons living or working at the project site or in the vicinity because the proposed circulation modification will not introduce design issues detrimental to public health, since the subdivision will occur on a previously developed site within an urbanized area and, approval of this subdivision modification does not include variances or exceptions from applicable design standards set forth in the Subdivision Regulations, and the project modification has been found in conformance with development standards and the Airport Area Specific Plan, and the project will be compatible with site constraints, the scale/character of the site and the surrounding neighborhood. As a Common Interest Subdivision, the project is subject to architectural review and enforcement of relevant building and safety codes.

6. The project is consistent with Housing Element Policies 6.1 and 7.4 because the project supports the development of more housing in accordance with the assigned Regional Housing Needs Allocation and establishes a new neighborhood, with pedestrian and bicycle linkages that provide direct, convenient and safe access to adjacent neighborhoods consistent with the AASP.
7. As conditioned, the applicant has agreed to an indemnification clause to defend, indemnify and hold harmless the City and/or its agents, officers and employees from any claim, action or proceeding against the City and/or its agents, officers or employees to attack, set aside, void or annul, the approval by the City of this project, and all actions relating thereto, including but not limited to environmental review and deferral of construction of the Tank Farm/Santa Fe Roundabout (“Indemnified Claims”). Upon request of the City, applicant shall execute an indemnification agreement in a form provided by the City prior to building permit issuance. The site is physically suited for the type and density allowed in the Service Commercial zone (C-S-SP) within the Specific Plan overlay, because the adjacent property at 650 Tank Farm is also zoned C-S-SP and provides for a similar mixed-use development project.
8. Due to property acquisition, environmental, and permitting constraints, and the costs and timeframes associated with those constraints, current construction of the Tank Farm/Santa Fe Roundabout project as originally contemplated is infeasible at this time. As conditioned, the alternative interim transportation improvements identified with this project modification are suitable for the density of the development proposed and will not preclude the construction of future facilities consistent with the ultimate long-term improvements consistent with the City’s Active Transportation Plan and the Airport Area Specific Plan.
9. Due to property acquisition, environmental, and permitting constraints, and the costs associated with those constraints, undergrounding of one single identified utility pole has been determined to be infeasible at this time. As conditioned, the utility undergrounding identified with this project modification, including the single power pole that would remain in place or be moved slightly offsite, would not conflict with the proposed interim public improvements or future roundabout construction, with final location to be reviewed and approved by the City Engineer to ensure compatibility, as required by conditions of approval.

**SECTION 2.** California Environmental Quality Act (CEQA) Findings. Based upon all the evidence, the Planning Commission recommends that the City Council approve the Addendum to the certified Final Environmental Impact Report (FEIR) (State Clearing House #2020110426), subject to the following CEQA findings in support of the modified circulation improvements as conditioned and as related to the 600 Tank Farm Mixed Use project:

1. The 600 Tank Farm Mixed Use Final Environmental Impact Report (Final EIR) was prepared in accordance with the California Environmental Quality Act (CEQA) and the State CEQA Guidelines, adequately addressing impacts associated with the project.

2. The previously approved project was found to be consistent with the requirements of the 600 Tank Farm Mixed Use FEIR as proposed based on the CEQA Findings and Statement of Overriding Considerations, and prepared consistent with CEQA Guidelines Sections 15091 and 15093, and this approval incorporates those FEIR mitigation measures as applicable to the project, as described more fully in the CEQA Findings of Fact and Statement of Overriding Considerations (Resolution No.11304, Exhibit A) and Mitigation, Monitoring, and Reporting Program (Resolution No.11304, Exhibit B).
3. All potentially significant effects were analyzed adequately in the referenced FEIR, and reduced to the extent feasible, provided identified mitigation measures are incorporated into the project and the mitigation monitoring program (refer to Resolution No.11304, Exhibit B, Mitigation Monitoring and Reporting Program).
4. The proposed circulation modifications would not introduce any new impact nor increase the severity of any previously-identified impact described in the certified FEIR, nor would it modify or eliminate any previously-required mitigation measures, as described in the Addendum to the FEIR prepared pursuant to CEQA Guidelines Sections 15162 and 15164.
5. An addendum to the FEIR is the appropriate level of environmental review for the modified project because neither the proposed project nor the circumstances under which it is undertaken will result in substantial changes to the original project which will require major revisions to the FEIR due to new or increased significant environmental effects, and no new information of substantial importance shows significant environmental effects not previously examined or newly-feasible mitigation measures.

**SECTION 3. Recommendation.** The Planning Commission does hereby recommend the City Council approve the proposed project modification with incorporation of the following conditions, which were all part of the original 2022 project approval (Resolution 11304), except modified as noted in strikethrough and underline to reflect current 2025 modifications:

The project conditions of approval do not include mandatory code requirements. Code compliance will be verified during the plan check process, which may include additional requirements applicable to the project.

#### *Planning Division*

1. Final project design and construction drawings submitted for a building permit shall be in substantial compliance with the project plans approved by the Planning Commission (ARCH-0406-2021). A separate, full-size sheet shall be included in working drawings submitted for a building permit that lists all conditions and code requirements of project approval listed as sheet number 2. Reference shall be made in the margin of listed items as to where in plans requirements are

addressed. Any change to approved design, colors, materials, landscaping, or other conditions of approval must be approved by the Director or Architectural Review Commission, as deemed appropriate.

2. Plans submitted for a building permit shall incorporate the design considerations as described at the ARC hearing on October 4, 2021, the final designs of the proposed project shall be modified to incorporate the following items, subject to the satisfaction of the Community Development Director:
  - a. Provide one more color scheme for Building A types.
  - b. Incorporate balcony railings that provide more privacy; 66%-75% solid panels to screen views.
  - c. On the Building B rear elevation provide white garage doors rather than gray to blend in more.
  - d. Provide more planting or other visual indicators for pedestrians and traffic calming (referencing the red arrow shown on sheet A10 descending from Santa Fe Road)
  - e. Use landscaping to reduce massing of Building E.
  - f. Provide well thought out pedestrian-scale elements.
3. Plans submitted for a building permit shall call out the colors and materials of all proposed building surfaces and other improvements. Colors and materials shall be consistent with the color and material board submitted with Major Development (Architectural) Review application. The project shall avoid repetition of design color schemes, such that adjacent townhomes or buildings of a similar layout use different color schemes. The applicant shall also note the use of smooth finish stucco on the building plans to the satisfaction of the Community Development Director.
4. Plans submitted for a building permit shall include recessed window details or equivalent shadow variation, and all other details including but not limited to awnings and railings. Plans shall indicate the type of materials for the window frames and mullions, their dimensions, and colors. Plans shall include the materials and dimensions of all lintels, sills, surrounds recesses and other related window features. Plans shall demonstrate the use of high-quality materials for all design features that reflect the architectural style of the project and are compatible with the neighborhood character, to the approval of the Community Development Director.
5. Plans submitted for a building permit shall include a revised railing system for the balconies that provides a design that visually obscures views of storage on the balconies and provides additional privacy between existing and new residential units, subject to the satisfaction of the Community Development Director.
6. The property owner shall be responsible for maintaining and updating the current parking calculation for the commercial component of the project upon the submittal of Planning and Building permits for tenant changes or improvements, and/or each business license, to ensure the site does not become under-parked.

7. All surface parking spaces must be available for common use and not exclusively assigned to any individual use, required residential parking may be reserved, but commercial parking must be made available for guests or overflow from residences.
8. Plans submitted for a building permit shall clearly depict the location of all required short and long-term bicycle parking for all intended uses, plans submitted for construction permits shall include bicycle lockers or interior space within each residential unit or parking area for the storage of at least two bicycle per residential unit. Short-term bicycle racks such as “Peak Racks” shall be installed in close proximity to, and visible from, the main entry into the buildings (inverted “U” rack designs shall not be permitted). Sufficient detail shall be provided about the placement and design of bike racks and lockers to demonstrate compliance with relevant Engineering Standards and Community Design Guidelines, to the satisfaction of the Public Works and Community Development Directors.
9. Plans submitted for building permit shall include a photometric plan, demonstrating compliance with maximum light intensity standards not to exceed a maintained value of 10 foot-candles. The locations of all lighting, including bollard style landscaping or path lighting, shall be included in plans submitted for a building permit. All wall-mounted lighting fixtures shall be clearly called out on building elevations included as part of working drawings. All wall-mounted lighting shall complement building architecture. The lighting schedule for the building shall include a graphic representation of the proposed lighting fixtures and cut-sheets on the submitted building plans. The selected fixture(s) shall be shielded to ensure that light is directed downward consistent with the requirements of the City’s Night Sky Preservation standards contained in Chapter §17.70.100 of the Zoning Regulations.
10. Mechanical and electrical equipment shall be located internally to the buildings. With submittal of working drawings, the applicant shall include sectional views of the buildings, which clearly show the sizes of any proposed condensers and other mechanical equipment. If any condensers, transformers, or other mechanical equipment are to be ground mounted or placed on the roof, plans submitted for a building permit shall confirm that these features will be adequately screened. A line-of-sight diagram may be required to confirm that proposed screening will be adequate. This condition applies to initial construction and later improvements.
11. The storage area for trash and recycling cans shall be screened from the public right-of-way consistent with §17.70.200 of the Zoning Regulations. The subject property shall be maintained in a clean and orderly manner at all times; free of excessive leaves, branches, and other landscape material. The applicant shall be responsible for the clean-up of any landscape material in the public right-of-way.
12. A final landscaping plan, including irrigation details and plans, shall be submitted to the Community Development Department along with working drawings. The legend for the landscaping plan shall include the sizes and species of all

- groundcovers, shrubs, and trees with corresponding symbols for each plant material showing their specific locations on plans. Landscaping plans shall include the following information, at a minimum:
- a. The species, diameter at breast height, location, and condition of all existing trees;
  - b. Identification of trees that will be retained, removed, or relocated;
  - c. Location and size of plant and tree species proposed to be planted;
  - d. The location of proposed utilities, driveways, street tree locations, and the size and species of proposed street trees; and
  - e. A reclaimed water irrigation plan.
13. Plans submitted for construction permits shall include elevation and detail drawings of all walls and fences. Fences, walls, and hedges will comply with the development standards described in the Zoning Regulations (§17.70.070 – Fences, Walls, and Hedges), except those identified in the Wall Height Exception attached to the staff report dated November 17, 2021. Walls and fences should remain as low as possible, long expanses of fence or wall surfaces shall be offset and architecturally designed to prevent monotony. Evergreen ivy shall be planted along the downslope side of all retaining walls that exceed 6-feet in height, planting of ivy shall be spaced out at a minimum of every 15 feet along the retaining walls, to the satisfaction of the Community Development Director.
14. The location of any required backflow preventer and double-check assembly shall be shown on all site plans submitted for a building permit, including the landscaping plan. Construction plans shall also include a scaled diagram of the equipment proposed. Where possible, as determined by the Utilities Director, equipment shall be located inside the building within 20 feet of the front property line. Where this is not possible, as determined by the Utilities Director, the backflow preventer and double-check assembly shall be located in the street yard and screened using a combination of paint color, landscaping and, if deemed appropriate by the Community Development Director, a low wall. The size and configuration of such equipment shall be subject to review and approval by the Utilities and Community Development Directors.
15. Prior to building permit issuance, the applicant shall submit an application and receive approval for the installation of public art as part of the project or pay the in-lieu fee (Municipal Code §17.32.030.E.5.b.(ii).(g)). Public art shall be installed prior to occupancy of the project, to the satisfaction of the Community Development Director.
16. The design of proposed structures will incorporate noise attenuating construction techniques that reduces noise exposure to acceptable levels. Exposure in outdoor activity areas must not exceed 60 dB and indoor exposure must not exceed 45 dB consistent with the City's Noise Ordinance. Plans submitted for construction permits must clearly indicate and describe noise attenuation measures, techniques, and materials, and demonstrates their compliance with noise levels limits.

17. Prior to building occupancy, the owner of the property shall provide a Residential Noise Notice in writing for residential occupants stating that the property is located within a commercial zone in an urban-type environment and that noise levels may be higher than a strictly residential area.
18. Plans submitted for a building permit shall ensure consistency with the Airport Land Use Commission's (ALUC) conditions from the August 18, 2021 hearing. Any increase in the number of dwelling units or commercial square footage shall be referred to the ALUC for determination of consistency with the Airport Land Use Plan (ALUP). The project is subject to the following ALUC conditions;
  - a. The average density/intensity for the site shall not exceed 75 persons per acre.
  - b. The densest portion of the site (southwest 1 acre containing the two mixed-use buildings) shall have an intensity not to exceed 150 persons per acre.
  - c. The maximum height limit of structures on the Project site shall not exceed 36 feet for any occupied structures, and 46 feet for any non-occupied architectural features. The construction plans for the proposed dwelling shall be submitted via FAA Form 7460-1 to the Air Traffic Division of the FAA regional office having jurisdiction over San Luis Obispo County at least 45 days before proposed construction or application for a building permit, to determine compliance with the provisions of FAR Part 77.
  - d. The Project shall comply with all noise policies as required by the ALUP.
  - e. No structure, landscaping, apparatus, or other feature, whether temporary or permanent in nature shall constitute an obstruction to air navigation or a hazard to air navigation, as defined by the ALUP.
  - f. Any use is prohibited that may entail characteristics which would potentially interfere with the takeoff, landing, or maneuvering of aircraft at the Airport, including:
    - Creation of electrical interference with navigation signals or radio communication between the aircraft and airport;
    - Lighting which is difficult to distinguish from airport lighting;
    - Glare in the eyes of pilots using the airport;
    - Uses which attract birds and create bird strike hazards;
    - Uses which produce visually significant quantities of smoke; and
    - Uses which entail a risk of physical injury to operators or passengers of aircraft (e.g., exterior laser light demonstrations or shows).
  - g. Avigation easements shall be recorded for each property developed within the Project site prior to the issuance of any building permit or land use permit.
  - h. All owners, potential purchasers, occupants (whether as owners or renters), and potential occupants (whether as owners or renters) shall receive full and accurate disclosure concerning the noise, safety, or overflight impacts associated with Airport operations prior to entering any contractual obligation to purchase, lease, rent, or otherwise occupy any property or properties within the Airport area.



19. Any new proposed signage in addition to the monument sign shall be reviewed by the Planning Division to ensure appropriateness for the site and compliance with the Sign Regulations. Signage shall coordinate with building architecture and the type of land use. The Director may refer additional signage to the ARC if it seems excessive or out of character with the project.

*Housing Programs – Community Development Department*

20. Prior to the issuance of construction permits, the city and the project owners shall enter into an Affordable Housing Agreement, to be recorded in the office of the county recorder. The agreement shall specify mechanisms or procedures to assure the continued affordability and availability of 11 units (three studios, six 1-bedrooms, and two 2-bedroom units) to moderate income households that is of the same size, appearance and basic quality as the market-rate units, to the satisfaction of the Community Development Director.

*Engineering Division – Public Works/Community Development*

21. The development project plans shall be in accordance with the approved tentative map and any mitigation measures or conditions of approval related to Vesting Common Interest Tentative Parcel Map SLO 21-0015 (SBDV-0407-2021) [and as reflected in the 2025 project modification](#), and the certified Final EIR and approved Mitigation Monitoring and Reporting Program.
22. The public and subdivision improvements related to this development shall be approved or substantially approved to the satisfaction of the Public Works and Community Development Departments prior to building permit issuance for the development project.
23. Construction and/or improvement phasing, if proposed, shall be approved to the satisfaction of the directors of Community Development, Public Works, and Utility Departments.
24. Final roadway alignment shall be substantially in conformance with the AASP, Active Transportation Plan, and City Engineering Standards except where the applicant has requested and been granted a formal design exception by the Public Works Director or designee.
25. A separate public improvement/subdivision improvement plan application, review fee, and inspection fee will be required in accordance with the Engineering fee schedule in effect at the time of plan submittal. The plans and supporting documents shall be in accordance with the codes and standards in effect at the time of application.
26. A separate demolition permit will be required for the removal of any existing non-exempt structures, if applicable.

27. The improvement plans and building plan submittals shall include a complete topographic survey and/or existing site development plans showing all existing structures, site improvements, utilities, water wells, private waste disposal systems, tanks, and trees, if applicable. The plan shall clarify the limits of the demolitions and improvements to remain.
28. The plans shall include a complete tree summary show the diameter and species of all trees. The plans shall clarify the trees to remain and the trees to be removed. Trees to remain may require a tree preservation plan per City Engineering Standards.
29. Invasive plant species, if discovered along the Acacia Creek corridor or on site shall be removed or eradicated to the satisfaction of the Planning Division and Natural Resources Manager.
30. Agency permits required for any work within the creek corridor shall be secured prior to commencing with any demolitions, grading, and construction within the jurisdictional areas. Any jurisdictional permits and/or authorizations and/or authorizations from the Army Corps of Engineers, California Department of Fish and Wildlife, U.S. Fish and Wildlife Service, or Regional Water Quality Control Board required for the drainage, site improvements, street and road improvements shall be issued prior to plan approval and/or commencing with work within the respective waterways. Permit conditions shall be reflected on the approved plans and/or development submittal supporting documents.
31. A SWPPP and Waste Discharger Identification Number (WDID) shall be issued and referenced on the grading, erosion control, and stormwater control plan sheets prior to plan approval and permit issuance.
32. The site development plan and grading plan shall show and honor the entitled design for the pedestrian and emergency vehicle access across Acacia Creek to 650 Tank Farm Road.
33. A reciprocal access agreement with 650 Tank Farm Road shall be recorded to provide continuity for the pedestrian/bikeway accessways. The agreement shall be recorded in junction with the parcel map recordation and/or prior to building permit issuance for the development project.
34. Unless an alternate design is approved by the Planning Division and the Public Works/Transportation Division, the proposed bike and pedestrian walks and pathways shall be designed and constructed of Portland Cement Concrete per City Engineering Standards.
35. The final site and stairway designs shall verify that required handrail extensions will not project into walkways and the bikeway or required 2' shoulder areas.

36. The limits of demolitions, culvert removal, rubble removal, and creek cleaning/restoration in the area of the existing Acacia Creek crossing and access easement shall be approved to the satisfaction of the City Biologist and Natural Resources Manager.
37. Depending upon project timing through this corridor of Tank Farm Road, off-site improvements currently proposed with the mixed-use development located at 650 Tank Farm Road may be required to accommodate motor vehicle, bike, and pedestrian circulation improvements and their transitions to the existing improvements.
38. The applicant/developer may request that the City support a private reimbursement agreement for certain off-site improvements or infrastructure oversizing that are considered to be in excess of those required to support the proposed development.
39. If applicable for any off-site improvements, the limits of improvements within the creek corridors required for the Tank Farm Road widening shall be approved by the Public Works Director in collaboration with the City Biologist and Natural Resources Manager. Additional silt and debris removal may be required within the culverts and at their downstream outlets.
40. The development plans, building plans, grading/drainage plans, and public improvement plans shall show and note compliance with the City's Drainage Design Manual, Floodplain Management Regulations, and Post Construction Stormwater Regulations (PCRs).
41. The project plans and reports shall show that the new structures will be located outside of the Special Flood Hazard Area (SFHA) and shall be constructed with finish floors at least 1' above any established Base Flood Elevation(s). A Conditional Letter of Map Revision (CLOMR) shall be processed and approved prior to grading or placement of fill within the SFHA. The final Letter of Map Revision (LOMR) shall be processed within 6 months after the completion of grading and shall be finally approved prior to building permit issuance for any structures located within the existing and unamended SFHA.
42. The grading and drainage plan and associate reports shall evaluate the run-on from the adjoining "flower mound". The plan and analysis shall evaluate how any run-on will be collected and conveyed to a non-erosive outlet.
43. The grading and drainage plan shall evaluate the run-off from the development improvements, including any run-off from the partial/interim development of Santa Fe, and improvements to Tank Farm Road, ~~and the round-a-bout~~. The analysis shall include both water quantity and water quality treatment.

44. This project site shall include the private and public improvements related to this common plan for evaluation of the PCRs. All off-site altered or replaced impervious surfaces related to the development of the Santa Fe extension, ~~round-a-bout improvements~~, and Tank Farm Road improvements shall be included as Drainage Management Areas (DMAs) with appropriate water quality treatment and retention strategies. Temporary basins or Storm Water Control Measures (SCMs) may be proposed.
45. Any off-site easements or easement agreements required for the proposed improvements and SCM's shall be recorded prior to plan approvals. A separate grading permit and encroachment permits may be required from the County of San Luis Obispo for work or construction staging that occurs outside the city limits or within the County public right-of-way.
46. An Operation and Maintenance Manual will be required with the improvement and building permit application submittals. A separate Private Stormwater Conveyance Agreement shall be recorded prior to approvals.
47. Unless specifically approved by the Public Works Department all stormwater control measures (SCMs) shall be located on private property and shall be maintained by the property owner, a Property Owner Association, or Homeowner Association.
48. Any SCMs approved for location within an existing or future public right-of-way may require an encroachment and maintenance agreement with the city and/or County unless the City or County agree to any maintenance.
49. Walls, fences, and wall-fence combinations shall meet the wall height requirements in the zoning code and community design guidelines to the satisfaction of the Planning Division, unless a Fence Height Exception is approved pursuant to the City Zoning Regulations. Tiered walls and/or off-site grading may be required to eliminate walls or reduce the wall height in the area of the "flower mound" along the tract boundary at lots 5 and 7.
50. All site retaining walls shall be evaluated for areas needing fall protection fencing/guardrails or privacy fencing that would increase the height of the wall-fence combination.
51. Access controls for the proposed new bridge across Acacia Creek shall be approved to the satisfaction of the Fire Department and shall be in accordance with City Engineering Standards. An offsite easement or license agreement may be required from the property owner at 650 Tank Farm to construct or improve any required emergency access or proposed construction access across the adjoining parcel.

52. Unless a phased construction plan is approved by the Community Development Department, all access roads, required secondary access, fire department access, and any required fire hydrant installations shall be completed prior to commencing with combustible construction.
53. Any required or proposed secondary access road(s) shall comply with City Standards and guidelines, ADA standards, and the California Fire and Building codes.
54. The developer shall exhaust reasonable efforts to complete the final design and construction of the off-site improvements to the ultimate plan to limit the amount of throw away improvements. Phased, partial, or temporary improvements may be considered and shall be approved to the satisfaction of the Public Works and Community Development Departments. Temporary improvements may include water quality treatment BMPs.
55. An offsite easement or license agreement may be required from Chevron to construct the proposed Tank Farm and Santa Fe improvements.
56. Offers of dedication will be required for any Tank Farm Road and Santa Fe Road improvements widening, round-a-bout construction, Santa Fe Road construction, cul-de-sac improvements, including grading, drainage, and slope easements. Offers of dedication of on-site property shall include the right-of-way needed for construction of the interim street improvements and ultimate right-of-way needed to construct the future Tank Farm/Santa Fe Roundabout.
57. The Tank Farm Road improvements shall conform to any existing endorsed and entitled designs and/or built-out improvements or shall provide for a reasonable transition to the existing unimproved sections to the satisfaction of the Public Works Department.
58. Except as set forth herein, all public improvements, including any off-site improvements, shall be designed, and completed to the satisfaction of the Public Works Department, Utilities Department and Fire Department. Public Improvements shall be in substantial conformance with the Airport Area Specific Plan (AASP), Active Transportation Plan, and City Standard Specifications and Engineering Standards, except where the project applicant and/or the City have requested and been granted a formal design exception. Where conflicts occur between the AASP and other adopted City Standards, plans or policies, final determination shall be provided by the City Engineer.
59. Unless stated otherwise in these conditions, the public improvements related to this development shall be approved or substantially approved to the satisfaction of the Public Works and Community Development Departments prior to issuance of any building permits and improvements shall be completed prior to issuance of first occupancy permits. Prior to approval of any deferrals, the project applicant shall demonstrate that the construction of the required improvements is impractical to the satisfaction of the Community Development and Public Works Directors.

60. Plans submitted for a building permit should include a phased improvement plan with alternate designs and transitions, subject to the satisfaction of the Public Works and Community Development Directors.
61. The project applicant shall be responsible for acquiring any off-site dedication/acquisition of property for public right-of-way purposes necessary to facilitate orderly development of the public improvements required to be constructed by the applicant as described herein. The project applicant shall work with the City and the landowner(s) to acquire the necessary rights-of-way. In the event the applicant is unable to acquire said rights-of-way, the City Council may consider lending the applicant its powers of condemnation to acquire the off-site right-of-way dedication, including any necessary slope and drainage easements. If condemnation is required, the applicant shall agree to pay all costs associated with the off-site right-of-way acquisition (including attorney fees and court costs). It should be noted that some right-of-way acquisition may require coordination with and approval by the County of San Luis Obispo.
62. With respect to any off-site improvements, prior to the approval of the development improvement plans or the filing of the Parcel Map, the developer/subdivider shall either:
  - a. Clearly demonstrate their right to construct the improvements by showing access to, title or interest in the property in a form acceptable to the City Engineer; or,
  - b. Demonstrate, in writing, that the subdivider has exhausted all reasonable efforts to acquire interest to the subject property and request that the City assist in acquiring the property required for the construction of such improvements and exercise its power of eminent domain in accordance with Government Code Section 66462 .5 to do so, if necessary. Subdivider shall also enter into an agreement with the City to pay all costs of such acquisition including, but not limited to, all costs associated with condemnation. Said agreement shall be in a form acceptable to the City Engineer and the City Attorney. If condemnation proceedings are required, the subdivider shall submit, in a form acceptable to the City Engineer, the following documents regarding the property to be acquired:
    - i. Property legal description and sketch stamped and signed by a Licensed Land Surveyor or Civil Engineer authorized to practice land surveying in the State of California.
    - ii. Preliminary title report including chain of title and litigation guarantee;
    - iii. Appraisal of the property by a City approved appraiser. In the course of obtaining such appraisal, the property owner(s) must be given an opportunity to accompany the appraiser during any inspection of the property or acknowledge in writing that they knowingly waived the right to do so;
    - iv. Copies of all written correspondence with off-site property owners including purchase summary of formal offers and counter offers to purchase at the appraised price.

- v. Prior to submittal of the aforementioned documents for City Engineer approval, the Subdivider shall deposit with the City all or a portion of the anticipated costs, as determined by the City Attorney, of the condemnation proceedings. The City does not and cannot guarantee that the necessary property rights can be acquired or will, in fact, be acquired. All necessary procedures of law would apply and would have to be followed.
63. All public utilities including water, recycled water, sewer, and public storm drain systems shall comply with City Engineering Standards. The final line and grade for all public utilities shall be approved to the satisfaction of the Public Works and Utilities departments.
64. The improvement plans shall show the water, fire, and recycled water service connections, meters, and backflow prevention devices designed per City Engineering Standards. The services shall remain perpendicular to the main/street rights-of-way until they reach their respective meters or backflow prevention device. Changes in direction to serve the private on-sight system shall occur on private property and not within the respective public rights-of-way.
65. The improvement plan submittal shall include a sewer system analysis to establish the sizing, line, and grade for the public sewer main extension in Santa Fe [and Tank Farm Road, inclusive of associated infrastructure including but not limited to manhole\(s\)](#), to the satisfaction of the Public Works and Utilities departments. The analysis shall consider the proposed sewer depth needed to provide adequate gravity service to adjoining parcels in accordance with any Specific Plan, Sewer Master Plan, and previously submitted area tentative map designs as required for orderly development. The depth design ~~should~~ shall also consider construction and future maintenance costs by limiting the depth to what is needed to serve a defined sewer basin.
66. Street naming of the private streets and site addressing shall be established through the building permit and subdivision mapping and improvement plan review processes in accordance with City guidelines.
67. The parking and site development shall show and note compliance with the City's Parking and Driveway Standards, Community Design Guidelines, and the AASP.
68. Unless otherwise waived by the City, the use of pavers or alternate paving materials as visual cues for pedestrians should be expanded to include some of the more extensive parking areas serving the commercial lease spaces, common area/Club House, the central pedestrian crossroads area, and the northerly shared parking area on Lots 9 and 11 and the central area.
69. The final property line locations, site development, and building plans shall show and note compliance with the California Building Code for building setbacks, exterior wall protection, eave projections, openings, and access/egress. The final

development for the club house building Type F/#10 on Lot 6 shall be evaluated for the proposed 2'-8" property line setback to the satisfaction of the Fire Marshal/Building Official.

70. The existing access easements shall be abandoned or quit-claimed, where necessary, prior to parcel map recordation or approval of the site development plans.
71. Mailbox unit (MBUs) shall be provided on-site to the satisfaction of the Postal Service and the City Planning Division. The number and location shall consider access, convenience, and circulation requirements.
72. Private site lighting shall be provided per City Engineering Standards.
73. The development/improvement plan submittal shall include a complete construction phasing plan in accordance with the conditions of approval, City codes, and standards. A truck circulation plan and construction management and staging plan shall be included with the improvement plan submittal. General truck routes shall be submitted for review and acceptance by the City. The engineer of record shall provide a summary of the extent of cut and fill with estimates on the yards of import and export material. The summary shall include rough grading, utility trench construction, road construction, AC paving, concrete delivery, and vertical construction loading estimates on the existing public roadways. The developer shall either; 1 ) complete roadway deflection testing before and after construction to the satisfaction of the City Engineer and shall complete repairs to the pre-construction condition, or 2) shall pay a roadway maintenance fee in accordance with City Engineering Standards and guidelines, or 3) shall propose a pavement repair/replacement program to the satisfaction of the City Engineer.
74. Separate utilities, including water, sewer, gas, electricity, telephone, and cable TV shall be served to each proposed lot to the satisfaction of the Public Works Department and serving utility companies. All public and private sewer mains shall be shown on the development/improvement plans and shall be constructed per the City's adopted codes and City Engineering Standards unless a waiver or alternate standard is otherwise approved by the City. The plans shall clearly delineate and distinguish the difference between public and private improvements.
75. All new wire utilities shall be placed underground. The underground placement shall be completed without a net increase in utility poles located within the public right-of-way unless specifically approved to the satisfaction of the Public Works and Community Development Departments.
76. The existing overhead wire services and service poles that are located on [the northern portion of](#) this parcel and along the Tank Farm Road frontage shall be removed [with the exception of one existing pole at the southeast corner of the property. Overhead powerlines from this pole that cross Tank Farm Road to the south/east may remain as a result. If deemed necessary by the utility purveyor, the](#)



pole may be replaced in the same (or similar) location to ensure it can support any overhead lines that terminate at its location. A new conduit shall be installed to the east of the project site crossing Acacia Creek to facilitate future undergrounding of the one pole that will remain on the property and all overhead lines that connect to that pole. ~~or services placed underground within the limits and standards of the supplying utility companies.~~

77. City recycled water or another non-potable water source, shall be used for construction water (dust control, soil compaction, etc.). An annual Construction Water Permit is available from the City's Utilities Department for the use of recycled water. Recycled water is readily available near the intersection of Tank Farm Road and Orcutt Road.
78. The proposed tree removals are supported with the compensatory tree plantings shown on the plans provided with the Planning Commission Agenda Report on November 17, 2021, and as reviewed by the Tree Committee. The final tree species, mix, and specimen size for all street trees and on-site trees shall be approved by the Planning Division and City Arborist. All street trees shall be planted per City Engineering Standards. Street trees, including parkway trees and landscaping shall be irrigated and maintained by the developer, property owner(s), or HOA.

*Engineering Division – Vesting Common Interest Parcel Map Conditions*

79. The subdivision, required improvements, conditions, and mitigation measures shall be in general conformance with the approved development project per ARCH-0406-2021.
80. Unless otherwise approved for deferral or partial deferral by the City, park land and park improvement fees shall be paid prior to map recordation or building permit issuance, whichever occurs first.
81. Any easements including but not limited to provisions for all public and private utilities, access, grading, drainage, open space, slope banks, construction, public and private streets, pedestrian and bicycle facilities, common driveways, and maintenance of the same shall be shown on the parcel map and/or shall be recorded separately prior map recordation. Said easements may be provided for in part or in total as blanket easements.
82. The parcel map and improvement plans shall show the extent of all existing and proposed on-site and off-site offers of dedication. Subdivision improvement plans and or preliminary designs may be required for any deferred improvements so that dedication limits can be established. These improvements may include but are not limited to road construction and widening, grading and drainage improvements, utility easements, utility undergrounding, bridges/culverts, bike bridges, transit stops, bikeways, pedestrian paths, and intersection improvements.

83. The parcel map and improvement plans shall show and label the separate access easements to and through the property to the east known as 650 Tank Farm.
84. The subdivider shall dedicate a 10' wide street tree easement and 15' wide public utility easement (P.U.E.) across the Tank Farm Road frontage of each parcel. Said easements shall be adjacent to and contiguous with all public right-of-way lines bordering each parcel. Additional site-specific utility easements may be required by PG&E or other wire utilities related to the required undergrounding and service requirements for the development.
85. The preliminary PG&E memo shall be reviewed and endorsed by the City and the engineer of record prior to final designs. Unless otherwise approved for deferral, the final PG&E handout package(s) for all undergrounding along the southerly and northerly map boundaries along with the development specific service requirements shall be reviewed and approved by both the engineer of record and the City.
86. Access rights shall be dedicated to the City along the Tank Farm Road and Santa Fe Road frontages except at approved driveway locations. Said dedications shall be shown and labeled on the parcel map.
87. The developer shall include any other out-of-tract offers of dedication related to the need for public utility extensions related to orderly development of the AASP that are not otherwise located within a public street.
88. All private improvements shall be owned and maintained by the individual property owners, Homeowners Association, and/or a Property Owner's Association as applicable. A common area maintenance agreement or other guiding agreement shall be provided in conjunction with the parcel map submittal. Private improvements include but are not limited to streets, drive aisles, parking lot improvements, sidewalks, private pedestrian/bike paths, private sewer mains/laterals, water services, fire services, reclaimed water services, drainage systems, detention basin(s), site lighting, landscape, landscape irrigation, and common areas.
89. A separate easement-agreement shall be processed in a format approved by the Utilities Department for any future access and maintenance of on-site public water meters that are served off of a private mainline system
90. A notice of requirements or other agreement acceptable to the City may need to be recorded in conjunction with the parcel map to clarify development restrictions, fee payments, conditions of development, and references to any pertinent conditions of approval related to this map and/or off-site requirements.
91. Off-site improvements, easements and/or dedications may be required to facilitate through street construction and transitions to the existing roadway, access, cul-de-sac, ~~round-a-bout~~, and public water, recycled water and sewer main extensions beyond the map boundary and in accordance with the AASP.

92. Unless specifically approved by the City, all public and private subdivision improvements shall be approved prior to map recordation and/or building permit issuance, whichever occurs first. Subdivision sureties and a subdivision agreement shall be provided for all subdivision improvements if the map will record prior to completion of the improvements.
93. Unless phased or interim improvements are approved by the City, all pertinent public and private subdivision improvements shall be completed prior to building permit and building permit final inspection approvals/occupancy, respectively.
94. With respect to any off-site improvements, prior to filing of the Parcel Map, the subdivider shall either:
  - a. Clearly demonstrate their right to construct the improvements by showing access to, title or interest in the property in a form acceptable to the City Engineer; or,
  - b. Demonstrate, in writing, that the subdivider has exhausted all reasonable efforts to acquire interest to the subject property and request that the City assist in acquiring the property required for the construction of such improvements and exercise its power of eminent domain in accordance with Government Code Section 66462.5 to do so, if necessary. Subdivider shall also enter into an agreement with the City to pay all costs of such acquisition including, but not limited to, all costs associated with condemnation. Said agreement shall be in a form acceptable to the City Engineer and the City Attorney. If condemnation proceedings are required, the subdivider shall submit, in a form acceptable to the City Engineer, the following documents regarding the property to be acquired:
    - i. Property legal description and sketch stamped and signed by a Licensed Land Surveyor or Civil Engineer authorized to practice land surveying in the State of California;
    - ii. Preliminary title report including chain of title and litigation guarantee;
    - iii. Appraisal of the property by a City approved appraiser. In the course of obtaining such appraisal, the property owner(s) must be given an opportunity to accompany the appraiser during any inspection of the property or acknowledge in writing that they knowingly waived the right to do so;
    - iv. Copies of all written correspondence with off-site property owners including purchase summary of formal offers and counter offers to purchase at the appraised price.
    - v. Prior to submittal of the aforementioned documents for City Engineer approval, the Subdivider shall deposit with the City all or a portion of the anticipated costs, as determined by the City Attorney, of the condemnation proceedings. The City does not and cannot guarantee that the necessary property rights can be acquired or will, in fact, be acquired. All necessary procedures of law would apply and would have to be followed.

95. All public streets shall conform to City Engineering Standards and AASP including curb, gutter, and sidewalk, driveway approaches, and curb ramps as approved by the City Engineer. Where conflicts occur between the City Engineering Standards and concepts identified in the AASP and/or this project approval, a final determination on design shall be provided by the City Engineer.
96. Final roadway alignment shall be consistent with the AASP, [Active Transportation Plan](#), ~~Bike Plan~~, and City Engineering Standards except where the applicant has requested and been granted a formal design exception.
97. The on-site drive aisles and parking areas shall comply with the Parking and Driveway Standards and soils engineer recommendations.
98. The improvement plans shall include all final line-of-sight analysis at applicable intersections to the satisfaction of the Public Works Department. Fence heights and plantings in the areas of control shall be reviewed in conjunction with the analysis. A separate recorded declaration, covenant, agreement or Notice of Requirements for private property owner maintenance of sight lines may be required.
99. Any jurisdictional permits and/or authorizations from the Army Corps of Engineers, California Department of Fish and Wildlife, U.S. Fish and Wildlife Service, or Regional Water Quality Control Board required for the drainage, site improvements, street and road improvements shall be issued prior to plan approval and/or commencing with work within the respective waterways.
100. The map submittal shall clarify the limits and extent of the private access rights shown and referenced on the tentative map and preliminary report. The easements shall be terminated, quit-claimed, or otherwise adjusted prior to map recordation.
101. The subdivider shall install public street lighting and all associated facilities including but not limited to conduits, sidewalk vaults, fusing, wiring and luminaires along all public streets and intersections per City Engineering Standards.
102. Private site lighting shall be provided per City Engineering Standards. Unless otherwise waived by the City or an alternate method of pathway lighting is approved, the creek walk/bikeway from the northerly tract boundary to/through the campus to the adjoining public street(s) shall include pathway lighting per City Engineering Standards and the City's Bike Plan.
103. Improvement plans for the entire subdivision, including any off-site improvements shall be approved or substantially approved to the satisfaction of the Public Works Department, Utilities Department, and Fire Department prior to map recordation and prior to building permit issuance.

104. The improvement plans shall clearly show all existing structures, site improvements, utilities, water wells, septic tanks, leach fields, gas and wire services, etc. The plan shall include the proposed disposition of the improvements and any proposed phasing of the removal and demolition. Any above grade or buried structures and utilities affected by the proposed lot lines shall be removed and receive final inspection approvals prior to map recordation.
105. A separate demolition permit is required from the building division for building demolitions, if applicable. A separate permit is required from SLO County Environmental Health and a plumbing permit from the City of SLO for the abandonment of any water wells, if applicable.
106. The improvement plan submittal shall include a complete construction phasing plan in accordance with the conditions of approval, City codes, and standards. A truck circulation plan and construction management and staging plan shall be included with the improvement plan submittal. General truck routes shall be submitted for review and acceptance by the City. The engineer of record shall provide a summary of the extent of cut and fill with estimates on the yards of import and export material. The summary shall include rough grading, utility trench construction, road construction, AC paving, concrete delivery, and vertical construction loading estimates on the existing public roadways. The developer shall either; 1) complete roadway deflection testing before and after construction to the satisfaction of the City Engineer and shall complete repairs to the pre-construction condition, or 2) shall pay a roadway maintenance fee in accordance with City Engineering Standards and guidelines, or 3) shall propose a pavement repair/replacement program to the satisfaction of the City Engineer prior to acceptance of the subdivision improvements.
107. Separate utilities, including water, sewer, gas, electricity, telephone, and cable TV shall be served to each lot to the satisfaction of the Public Works Department and serving utility companies. All public and private sewer mains shall be shown on the public improvement plans and shall be constructed per City Engineering Standards unless a waiver or alternate standard is otherwise approved by the City. The plans shall clearly delineate and distinguish the difference between public and private improvements. Gas service is not required as a condition of the subdivision if the applicant has documented the limits or absence of buildings proposing mixed-fuel options.
108. City recycled water or another non-potable water source, shall be used for construction water (dust control, soil compaction, etc.). An annual Construction Water Permit is available from the City's Utilities Department. Recycled water is readily available near the intersection of Tank Farm Road and Orcutt Road.
109. Final grades and alignments of all public and/or private water, sewer and storm drains shall be approved to the satisfaction of the Public Works Director and Utilities Department. The final location, configuration, and sizing of service laterals and meters shall be approved in conjunction with the review of the building plans, fire sprinkler plans, and/or public improvement plans.

110. The improvement plans shall show the location of all domestic and landscape water meters. The plan shall include service lateral sizes and meter sizes. Sizing calculations may be required to justify service and meter sizing. Water impact fees related to the irrigation water meter(s) for any public or private irrigation meter shall be paid prior to approval of the subdivision improvement plans and commencement with construction for each construction phase.
111. The final pathway design, location, access controls, and construction shall be approved by the Planning Division, Public Works Department, and Parks and Recreation Department. A separate use or license agreement may be required if not otherwise covered within the property maintenance documentation or CCRs.
112. The public and private improvements are all considered part of the project site and are subject to the Post Construction Stormwater Regulations as a common plan. Stormwater Control Measures (SCMs) shall be located on private property unless specifically allowed within the public rights-of-way by the Public Works Department. If allowed, they shall be privately maintained under an encroachment agreement unless certain and limited SCMs are approved for maintenance by the City or County of San Luis Obispo.

*Transportation Division – Public Works*

113. Transportation Impact Fees. Prior to issuance of building permits, the project applicant shall pay all required transportation impact fees, including participation in the Citywide Transportation Impact Fee Program and the County's Highway 227 Impact Fee Program. Payment of Citywide Transportation Impact Fees may be deferred to issuance of first occupancy permits and total fees due may be reduced to reflect approved fee credits pursuant to the terms of an approved [and revised Credit and Reimbursement Agreement, based on the 2025 revised transportation improvements.](#)

[The project applicant shall pay additional fair share mitigation fees towards future implementation of the Tank Farm/Santa Fe Roundabout project for the portion of estimated roundabout project costs that exceed the amount programmed in the current Citywide Transportation Impact Fee Program. To inform the calculation of this fair share fee, the applicant shall provide an updated engineer's estimate of probable cost for the ultimate roundabout \(ultimate buildout of the planned four-leg, two-lane roundabout\), prepared by a qualified civil engineering professional and approved to the satisfaction of the Public Works Department.](#)

[Unless otherwise approved by the Public Works Department, the project applicant shall also pay a fair share mitigation fee for the future removal and reconstruction of the portion of the development's interim frontage improvements that do not conform with construction of the ultimate Tank Farm/Santa Fe Roundabout improvements. The project applicant shall provide cost estimates for future removal and reconstruction of these interim "throwaway improvements", with costs escalated to a year of construction 10 years into the future using the latest available](#)

five-year average California Construction Cost Index, published by the California Department of General Services, to the satisfaction of the Public Works Director.

114. Reimbursement for Public Improvements. Project applicant may be eligible for reimbursement for costs related to planning, design and construction of eligible public improvements. A new Public Credit/Reimbursement Agreement must be obtained to reflect the modified project prior to building permit issuance to maintain eligibility for financial reimbursement and shall be subject to approval by the City Council. Interim or “throwaway” public improvements will not be eligible for public reimbursement. A reimbursement agreement application shall be submitted by the project applicant prior to the City processing the new reimbursement agreement.
115. Tank Farm Road Frontage Improvements. Project applicant shall reconstruct the Tank Farm Road project frontage to current City Engineering Standards. Unless otherwise approved by the Public Works Director, plans submitted for Public Improvement Plans shall include widening the northern side of Tank Farm to a cross section that substantially conforms with the Airport Area Specific Plan and Active Transportation Plan, which includes the following typical cross section elements, listed from north to south side of the street: 13’ shared-use bicycle and pedestrian path / 7’ parkway (width may vary) / curb and gutter / 13’ on-street westbound buffered bicycle lane and striped shoulder (width for future second westbound auto lane) / 11’ westbound auto lane / 5’ raised center median with landscaping / 10’ center left turn acceleration lane / 11’ eastbound auto lane / 8’ eastbound buffered bicycle lane. The shared-use bicycle/pedestrian path shall be constructed in concrete in substantial conformance with City Engineering Standard 7040 (Option 2) and designed to allow flexibility for future conversion to a separate sidewalk and one-way westbound protected bike lane using strategies that do not require reconstruction of the path to accomplish this future conversion. ~~on the north half of the street: 5’ sidewalk / 7’ protected bike lane / 9’ parkway / curb and gutter / two westbound 12’-13’ auto lanes / raised median / one existing eastbound auto lane / existing eastbound bike lane.~~

Frontage improvements shall be designed to minimize the amount of interim “throwaway” improvements that do not conform with future roundabout construction to the maximum extent practicable. Designs shall be developed in coordination with the frontage improvements currently in development for the adjacent 650 Tank Farm Road development to ensure that appropriate geometric transitions are provided. Improvements shall be approved or substantially approved to the satisfaction of the Public Works and Community Development Departments prior to issuance of any building permits and improvements shall be completed prior to issuance of first occupancy permits.

116. Tank Farm/Santa Fe Road (West) Intersection ~~Roundabout.~~

Interim Intersection Configuration – Side-Street Stop Control:

Project applicant shall be responsible for constructing a side-street stop-controlled intersection at Tank Farm Road/Santa Fe (west) to serve as an interim configuration until construction of a future roundabout by others. Unless otherwise approved by the Public Works Department, the interim intersection design shall include two southbound approach lanes, an eastbound left-turn lane and through lane, a shared through/right lane, and a center left-turn acceleration lane to allow two-stage left turns from southbound Santa Fe to eastbound Tank Farm Road. Improvements related to this interim intersection configuration, including any off-site right-of-way acquisition needed for the widening of Tank Farm Road, shall be the sole responsibility of the project applicant and are ineligible for public reimbursement.

Ultimate Intersection Configuration – Multilane Roundabout:

Project applicant shall be responsible for ~~constructing a~~ preparing designs for a future roundabout at the intersection of Tank Farm Road & Santa Fe Road (west). Unless otherwise approved by the Public Works Director, plans ~~submitted for Public Improvement Plans~~ shall ~~include both the near-term and ultimate layout for the roundabout, with the near-term configuration reflecting improvements to be constructed by the project applicant and the ultimate configuration to reflect remaining improvements to be constructed at a future date by the City or others.~~ Near-term roundabout improvements shall include the following geometrics:

- a. Landscaped center island with mountable truck apron.
- b. Two continuous auto lanes approaching and continuing through the roundabout in the westbound direction, tapering back down to a single lane on Tank Farm Road west of the intersection.
- c. One continuous lane approaching and continuing through the roundabout in the eastbound direction.
- d. ~~One~~ Two approach lanes and one departure lane at the north leg of the roundabout.
- e. No south leg of the roundabout.
- f. Concrete curb/gutter and separated bicycle and pedestrian facilities to be constructed as permanent improvements along the northwest and northeast quadrants of the roundabout, including the north leg within the functional area of the roundabout.
- g. Temporary improvements along the southern extent of the roundabout, which may include an asphalt berm and asphalt shoulder/bike lane. All ADA curb ramps at the roundabout shall be constructed in concrete.
- h. Consistent with design guidance per the City's Active Transportation Plan, installation of Rapid Rectangular Flashing Beacons (RRFBs) shall be considered at ~~the crosswalks on the east and west~~ all legs of the intersection.

~~Ultimate improvements, which shall be included in roundabout design drawings, but are not required to be constructed by the project applicant include:~~



- ~~a. Widening to provide two continuous auto lanes approaching and continuing through the roundabout in the eastbound direction.~~
- ~~b. Permanent construction of separated bicycle and pedestrian facilities on the southwest and southeast quadrants of the roundabout.~~
- ~~c. Construction of the south leg of the roundabout.~~

Roundabout designs shall be developed in coordination with the frontage improvements currently in development for the adjacent 650 Tank Farm Road development to ensure that appropriate geometric transitions are provided approaching/departing the roundabout. ~~Improvements~~ Roundabout plans shall be approved or substantially approved to the satisfaction of the Public Works and Community Development Departments prior to issuance of any building permits ~~and improvements shall be completed prior to issuance of first occupancy permits.~~

Applicable costs incurred by the applicant in designing ~~and constructing this public improvement~~ the future roundabout shall be eligible for reimbursement pursuant to the terms of an approved Public Credit/Reimbursement Agreement.

117. Santa Fe Road Extension. Project applicant shall be responsible for constructing a portion of the Santa Fe Road Extension north of Tank Farm Road, extending approximately 570 feet north of Tank Farm Road. Unless otherwise approved by the Public Works Director, plans submitted for Public Improvement Plans shall include the following typical cross section elements listed from east to west: ~~5' sidewalk / 7' protected bike lane~~ 13' shared-use bicycle and pedestrian path / 9' 7' parkway (width may vary) / curb and gutter / two 12' auto lanes / shared lane "sharrow" bikeway markings in southbound auto lane ~~6.5' bike lane / 2' shoulder.~~ The shared-use bicycle/pedestrian path shall be constructed in concrete in substantial conformance with City Engineering Standard 7040 (Option 2) and designed to allow flexibility for future conversion to a separate sidewalk and one-way northbound protected bike lane using strategies that do not require reconstruction of the path to accomplish this future conversion.

The northern terminus of the proposed Santa Fe Road Extension may be constructed as a City Standard street end with barricade. ~~an interim cul-de-sac or in the ultimate configuration, a single-lane roundabout. If constructed as an interim cul-de-sac, the project applicant shall provide preliminary design concepts for a future single-lane roundabout. Cul-de-sac plans should be designed to minimize potential throw-away work to a reasonable extent, and final project property boundaries and right-of-way dedications shall honor the anticipated footprint required to accommodate the future roundabout to the satisfaction of the Public Works Director.~~ Frontage improvements shall be designed to minimize the amount of interim "throwaway" improvements that do not conform with future roundabout construction to the maximum extent practicable. Improvements shall be approved or substantially approved to the satisfaction of the Public Works, Fire, Utilities, and Community Development Departments prior to issuance of any building permits

and improvements shall be completed prior to issuance of first occupancy permits.

Applicable costs incurred by the applicant in designing and constructing this public improvement shall be eligible for reimbursement pursuant to the terms of an approved Public Credit/Reimbursement Agreement.

118. Tank Farm Road Shared-Use Path. The project applicant shall provide planning and preliminary engineering support for a proposed shared-use bicycle/pedestrian path along Tank Farm Road, as identified in the City's Active Transportation Plan, extending from the new Tank Farm/Santa Fe Road (west) intersection Roundabout west to ~~either~~ Innovation Way ~~or Old Windmill Lane~~, with detailed path alignment and extents to be confirmed in coordination with the City Public Works Department. Planning and design for the Tank Farm Shared-Use Path are to be developed at a sufficient level of detail to provide for an accurate determination of construction quantities, necessary rights-of-way acquisition, and grading to a level sufficient to conduct a project-level environmental assessment. Such level of detail is described as a "65% level of detail" and is equivalent to Caltrans specifications and requirements for a Plans, Specifications and Estimates ("PS&E") and as contained and described in Chapter 2, Section 2-1 through Section 2-2, of Caltrans' Plans Preparation Manual, and in accordance with the City's Improvement Standards and Standard Specifications.

The project applicant shall provide environmental documentation that summarizes relevant environmental analysis/concerns provided in previous environmental reviews conducted to date (including the Project EIR and the Chevron EIR), describe level of CEQA review anticipated to be required, and provide applicable technical studies to support the City's subsequent preparation of a formal CEQA document.

The engineering design shall provide horizontal and vertical alignments, identify utility conflicts, drainage strategy, grading needs, storm drainage solutions, demonstrate compliance with Regional Board and Drainage Design Manual Post Construction Storm Water regulations, and the approach to creek/stream crossings. There shall be a rights of way analysis which shall define the right-of-way needed to construct the path, provide ROW exhibits and legal descriptions to help guide future negotiations between the City and property owner(s). This level of design requires a physical survey of the property, environmental studies such as biology, soils, wetlands, cultural resources, and other, and a detailed set of plans with accurate vertical and horizontal design elements, structural calcs, and accurate survey data. Finally, the work shall include an engineer's Opinion of Probable Cost (OPIC).

Unless otherwise approved by the Public Works Director, notable deliverables include the following:

- a. Up to three alternative alignments and approaches for consideration and review by the City. The City shall participate in the selection of these three alternatives. These alternatives will be at a “schematic” level of detail with general horizontal and vertical locations. After City comments (which may include City Advisory body involvement to be managed by the City), the three alternatives shall be refined and resubmitted to the City for selection of one alternative. The relevant technical studies shall be submitted to the City at this stage to inform City review, and for their comment and approval by the City.
- b. A refined alignment shall be presented to the City which reflects the further development of the selected alternative. The level of detail shall be sufficient to estimate construction quantities, structural design elements, rights of way for the improvement, construction elements, earthwork calculations and balance, and utility locations. An OPIC shall be prepared. This plan set shall be submitted for City review and comment. City shall provide plan check comments in a consistent, non-contradictory format for all relevant departments and reviewers (Planning, Utilities, Engineering, Natural Resources, etc.).
- c. An environmental assessment and initial study shall be prepared based on the selected alignment. The assessment shall include relevant technical studies, evaluation of each environmental subject area contained in the most current version of Appendix G of the CEQA Guidelines, analysis of the compliance with the City’s VMT regulations for transportation construction projects, and compliance with city development policies and regulations that have been adopted for the purpose of environmental impact regulation and mitigation.
- d. A final set of plans shall be prepared with the form and content in Section 1.1 of Division 1010 of the Engineering Standards. A final OPIC shall be prepared. No plan check or final permit is anticipated.

Unless otherwise approved by the Public Works Director, all work required by the project applicant under this condition shall be completed prior to issuance of 1st occupancy permits. Applicable costs incurred by the applicant in preparing this work shall be eligible for reimbursement pursuant to the terms of an approved Public Credit/Reimbursement Agreement.

119. Acacia Creek Shared-Use Path. The project applicant shall construct the Acacia Creek Shared-use Path, as identified in the City’s Active Transportation Plan, with an alignment generally following the west bank of Acacia Creek connecting Santa Fe Road northeast to the Damon-Garcia Sports Park internal path network, approximately 200 feet north of the project’s northern property line. Unless otherwise approved by the Public Works Director, improvement plans shall include a 12-foot-wide concrete path section per City Engineering Standard 7040 (Option 2), 2-foot clear shoulders, applicable path signage, striping, high-visibility markings at driveway crossings, path lighting, and installation of a security gate on City property at the boundary between the project site and the Damon Garcia Sports

Fields. Details for the security gate shall be approved to the satisfaction of the City Public Works and Parks and Recreation Departments.

The Acacia Creek shared-use path shall be privately maintained by the HOA, private property owner(s), or property association. The pathway shall remain open and usable as a site amenity and for potential circulation to the Damon Garcia Sports Fields. The City shall reserve the right to control hours accessing the Damon Garcia Sports Fields via this path. Temporary closures of the path by the HOA or others shall be approved at the discretion of the City. The path shall be included in the maintenance documents related to the proposed subdivision or in conjunction with the approval of the development permits. A private easement/agreement or blanket easement will be required to allow for the shared use.

Path improvements shall be approved or substantially approved to the satisfaction of the Public Works and Community Development Departments prior to issuance of any building permits and improvements shall be completed prior to issuance of first occupancy permits. Applicable costs incurred by the applicant in designing and constructing this public improvement shall be eligible for reimbursement pursuant to the terms of an approved Public Credit/Reimbursement Agreement.

120. Street Lighting. Unless otherwise approved by the Public Works Director, improvement plans shall include the installation of public street lighting and all associated facilities including but not limited to conduits, sidewalk vaults, fusing, wiring and luminaires along the north side of Tank Farm Road and east side of Santa Fe Road (along the project frontages) and within the Tank Farm/Santa Fe Roundabout consistent with City Engineering Standards and best practice design guidance for roundabout lighting design. Existing street lighting shall be shown on the improvement plans for reference and will be considered in establishing the required spacing, location, number, and type of fixtures.
121. Shared-Use Path Lighting. Unless otherwise approved by the Public Works Director, improvement plans shall include the installation of shared-use path lighting along the extent of the Acacia Creek path and at the interface between project site and pedestrian/bicycle/emergency vehicle only connection to the adjacent 650 Tank Farm site. Path lighting design shall utilize City Standard path lighting per Standard Plan 7905 (or City-approved equivalent solar product) and all associated facilities including but not limited to conduits, sidewalk vaults, fusing, and wiring. Path lighting shall be oriented in a manner that minimizes potential light spillover into the Acacia Creek riparian area and may require backlight shields.
122. Access to 650 Tank Farm Property. Unless otherwise approved by the Public Works Director, improvement plans shall include adequate access control measures, such as removable bollards, signage, pavement markings and lighting per City Engineering Standards at the interface between the project site and the planned pedestrian/bicycle/emergency access only connection to the adjacent 650

Tank Farm site. Access control measures shall be approved to the satisfaction of the City Public Works and Fire Departments.

123. On-Site Bicycle Parking. Short-term bicycle parking shall consist of Peak “high-low staggered style” racks or City-approved equivalent. Short-term and long-term bicycle parking shall comply with applicable design policies per the City’s Active Transportation Plan. Short-term bike racks shall be located as close as practical to the commercial business entry doors, club house entry, and the outdoor recreation areas.
124. On-Site Auto Parking.
- a. Plans submitted for building permit shall demonstrate that all on-site auto parking stalls conform with City Engineering Standards 2210-2260, including addition of wheel stops where parking stalls front pedestrian walkways to avoid vehicle encroachment into sidewalk space.
  - b. On-site improvement plans shall demonstrate that all on-site auto parking located along the site access driveways from Tank Farm Road and Santa Fe Road are set back a minimum of 36 feet from the adjacent street, measured from the face of curb, unless otherwise approved by the Public Works Director.
125. Intersection/Driveway Sight Distance. Improvement plans shall demonstrate that all landscaping, entry signage/monuments or other vertical features exceeding 36 inches in height are located clear of applicable sight distance triangles at site access driveways/intersections per City Engineering Standards. A separate recorded declaration, covenant, agreement, or Notice of Requirements for private property owner or HOA maintenance of sight lines may be required.
126. Pedestrian and Bicycle Connectivity East of the Project Site. Unless otherwise approved by the Public Works Director, the project applicant shall be responsible for constructing the following pedestrian and bicycle access improvements prior to issuance of first occupancy permits, unless equivalent improvements are completed sooner by others (i.e., 650 Tank Farm and/or Northwest Corner developments):
- ~~a. Install pedestrian signal and crosswalk at the east leg of the Tank Farm/Mindbody signalized intersection.~~
  - ~~b. Provide a continuous pedestrian connection along Tank Farm Road between the 600 Tank Farm site and the intersection of Tank Farm/Broad. If frontage improvements required by the adjacent 650 Tank Farm Road development and 660 Tank Farm Road Development (Northwest Corner) have not yet been constructed, a temporary pedestrian path of travel using asphalt concrete may be accepted to the satisfaction of the City Engineer.~~
  - a) Install a 12’ minimum width shared-use pedestrian/bicycle path on the north side of Tank Farm Road from the 600 Tank Farm property boundary east to the Tank Farm/Mindbody signalized intersection. The path may be constructed in asphalt east of the Acacia Creek Culvert in substantial

conformance with City Engineering Standard 7040 (Option 1), unless otherwise approved by the Public Works Department.

- i. The project applicant shall demonstrate a good faith effort to acquire the off-site right-of-way needed to extend this shared-use pedestrian/bicycle path all the way east to the Tank Farm/Broad Street intersection. If right-of-way acquisition can be achieved, the path shall be constructed all the way east to Broad Street. If right-of-way acquisition is unsuccessful and applicant has, to the satisfaction of the City, demonstrated a good faith effort, the obligation to extend this path east of the Tank Farm/Mindbody intersection can be waived by the Community Development Director.
- b) Install ADA-compliant curb ramp, pedestrian signal and push buttons, and high-visibility crosswalk markings to provide a new pedestrian crossing at the east leg of the Tank Farm/Mindbody signalized intersection.
- c) Install bicycle signal head, dedicated bicycle signal phase, and bicycle left turn boxes to the satisfaction of the Public Works Department to facilitate bicycle crossings to/from the shared-use path at the Tank Farm/Mindbody intersection.
- d) If a shared-use bicycle/pedestrian path cannot be constructed along the north side of Tank Farm Road east to Broad Street, the project applicant shall provide a continuous pedestrian sidewalk along the north side of Tank Farm Road between the Tank Farm/Mindbody intersection and the existing sidewalk at the northwest corner of the Tank Farm/Broad Street intersection. If permanent frontage improvements required by the adjacent 650 Tank Farm Road development and 660 Tank Farm Road development (Northwest Corner) have not yet been constructed, a temporary pedestrian sidewalk using asphalt surface and asphalt protective berm/curb may be accepted to the satisfaction of the Public Works Department.

127. Transit Stop. Prior to issuance of first building permits, Project applicant shall provide payment of \$25,000 to the City for installation of a future transit stop by other property owners within the vicinity of the 600 Tank Farm development. The ultimate location of this transit stop shall be confirmed by SLO Transit and the City Public Works Department and based on guidance in the City's Active Transportation Plan and Short-Range Transit Plan.

#### *Fire Department*

128. All access roads less than 26 feet in width, unobstructed, shall be posted as Fire lane-No Parking”.
129. Buildings containing 2 or less dwelling units shall have NFPA 13D fire sprinkler systems.
130. Buildings containing 3 or more dwelling units shall have NFPA 13 fire sprinkler systems and standpipes in the stairwells. Floor control valves shall be collocated

in a fire sprinkler riser room with exterior door access.

*Utilities Department – Vesting Common Interest Parcel Map Conditions*

131. The proposed utility infrastructure shall comply with the latest engineering design standards effective at the time the building permit is obtained and shall have reasonable alignments needed for maintenance of public infrastructure along public roads. The applicant shall submit revised Public Improvement Plans inclusive of sewer, recycled water, water mains and fire service, and associated infrastructure, to the satisfaction of the City's Utility Director, to accommodate the 2025 Tank Farm Road project transportation modifications and avoid conflicts between utilities, landscaping, and transportation improvements.

Unless otherwise approved by the Utilities Director, the project applicant shall also pay 100% for the future removal and reconstruction of the portion of the development's public utility improvements that do not conform with construction of the ultimate Tank Farm/Santa Fe Roundabout improvements (as applicable, and as determined by the Utilities Director). The project applicant shall provide cost estimates for the design and construction of future removal and reconstruction of these interim improvements, with costs escalated to a year of construction 10 years into the future using the latest available five-year average California Construction Cost Index, published by the California Department of General Services, to the satisfaction of the Public Works and Utilities Directors.

132. Due to shallow groundwater in this area heat fused HDPE sewer lateral(s) shall be installed per the engineering design standards and connected into the existing sewer main.
133. If commercial uses in the project include food preparation, provisions for grease interceptors and FOG (fats, oils, and grease) storage within solid waste enclosure(s) shall be provided with the design. These types of facilities shall also provide an area to wash floor mats, equipment, and trash cans. The wash area shall be drained to the sanitary sewer, and an environmental compliance permit shall be filed prior to issuance of occupancy permit.
134. The project's commercial and residential uses shall be metered separately. All residential units are to be individually metered with a private meter after the City's master public service meter per MC 16.20.020. Privately owned sub-meters may be provided for residential apartments upon approval of the Utilities Director. The CC&R's for the property/homeowner association shall require that the sub-meters be read by the association (or P/HOA contracted service) and each billed according to water use.
135. Building permit submittal shall clarify size of existing and proposed water services and water meters for the project.
136. The project shall install an 8" HDPE sewer main and manholes within Santa Fe

Road approximately 760 feet near the western boundary of the project's frontage improvements, consistent with Utilities Department-approved revised Public Improvement Plans, to the satisfaction of the Utilities Director.

137. Any ~~e~~Existing well(s) shall be destroyed per County Health Requirements and the California Department of Water Resources Standard Bulletin 74-81 and 74-90.
138. Water service meter(s) shall be adequately sized to serve the project's proposed units. Residential units shall be separately metered from the non-residential/commercial units, and service lines shall not cross parcel boundaries per MC 13.04.120
139. The project shall extend the existing 12" public water main within Tank Farm Road approximately 750 feet near the southern part of the project's frontage improvements, consistent with Utilities Department-approved revised Public Improvement Plans, to the satisfaction of the Utilities Director.
140. The project shall install an 8" public water main within Santa Fe Road approximately 760 feet near the western boundary of the project's frontage improvements, consistent with Utilities Department-approved revised Public Improvement Plans, to the satisfaction of the Utilities Director.
141. The project shall install an 8" recycled water main within Tank Farm Road approximately 750 feet near the southern part of the project's frontage improvements, consistent with Utilities Department-approved revised Public Improvement Plans, to the satisfaction of the Utilities Director.
142. The project shall install an 8" recycled water main within Santa Fe Road approximately 760 feet near the western boundary of the project's frontage improvements, consistent with Utilities Department-approved revised Public Improvement Plans, to the satisfaction of the Utilities Director.
143. The subdivision map must include a common interest parcel to include all the landscape areas under one parcel if the private irrigation currently crosses parcel boundaries. The blanket easement statement must comply with MC 16.01.010 and 16.10.020.
144. Recycled water shall be used for major construction activities, such as grading and dust control as required under Prohibited Water Uses; Chapter 17.07.070.C of the City's Municipal Code. Recycled water is available through the City's Construction Water Permit program.
145. Projects having landscape areas greater than 500 square feet shall provide a Maximum Applied Water Allowance calculation as required by the Water Efficient Landscape Standards; Chapter 17.87 of the City's Municipal Code.



146. Projects generating more than two cubic yards of total waste shall comply with AB 1826, and local waste management ordinance to reduce greenhouse gas emissions.
147. Commercial and residential refuse services shall be separate unless a letter of agreement between the tenants and a Conditional Exception Application from the City's Development Standards for Solid Waste Services are provided to the City with the building permit submittal.
148. The project will be required to provide a plan for the disposal, storage, and collection of solid waste material for both the residential and commercial components of the project. The development of the plan shall be coordinated with San Luis Garbage Company. The plan must be submitted for approval by the City's Solid Waste Coordinator.
149. Trash enclosure(s) shall conform the requirements by the San Luis Garbage Company and refuse bins shall be sized to provide a reasonable level of service. Separate refuse bins shall be accommodated within the site for the three (3) waste streams, trash, recycling, and organics.
150. Driveways and access routes to all refuse receptacles shall be designed to accommodate the size and weight of the garbage trucks; a written confirmation from the San Luis Garbage Company shall be included in the building permit plans for the proposed project.

#### *Indemnification*

151. The applicant shall with counsel selected by the City, defend, indemnify and hold harmless the City and/or its agents, officers and employees from any claim, action or proceeding against the City and/or its agents, officers or employees to attack, set aside, void or annul, the approval by the City of this project, and all actions relating thereto, including but not limited to environmental review, ~~("Indemnified Claims")~~ as well as any and all claims arising from or related to the deferral of construction of the Tank Farm/Santa Fe Roundabout or any alleged dangerous condition alleged to have been caused by the approval of this interim alternative project ("Indemnified Claims"). Upon request of the City, applicant shall execute an indemnification agreement in a form provided by the City prior to building permit issuance. The City shall promptly notify the applicant of any Indemnified Claim upon being presented with the Indemnified Claim and the City shall fully cooperate in the defense against an Indemnified Claim.

#### *Notice of Opportunity to Protest*

152. Applicant acknowledges and agrees that the project conditions of approval stated herein provide adequate and proper notice pursuant to Government Code 66020 of applicant's right to protest any requirements for fees, dedications, reservations, and other exactions, and that any protest in compliance with Section 66020 must be made within ninety (90) days of the date that notice was given.

On motion by Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, and on the following roll call vote:

AYES:

NOES:

REFRAIN:

ABSENT:

The foregoing resolution was passed and adopted this 26th day of February, 2025.

---

Tyler Corey, Secretary  
Planning Commission



## DESIGN KEY

NORTH  
 SCALES 1" = 80'-0" (12"x18" SHEET)  
 0 40 80 160 320  
 1"=40'-0" (24"x36" SHEET)  
 0 20 40 80 160 320

- |   |  |   |   |
|---|--|---|---|
| ① CLUBHOUSE - SEE ENLARGEMENT SHEET 40                  | ⑧ DECORATIVE PERMEABLE PAVERS, TYP.          | ⑮ RIGHT-OF-WAY IMPROVEMENTS - NOT A PART              | ⑳ EXISTING EUCALYPTUS CANOPY TYP. SEE SHEET A48 FOR TREE INVENTORY & REMOVALS |
| ② MULTI-USE PATH  | ⑨ NATURAL PLAY AREA - SEE ENLARGEMENT        | ⑯ LONG TERM BIKE PARKING BARN, TYP. (5) SEE SHEET A43 | ㉑ DROUGHT TOLERANT PLANTING SEE SHEET A47 FOR LANDSCAPE PLAN                  |
| ③ FLEXIBLE USE DECK AT BIORETENTION AREA                | ⑩ COMMUNITY PICNIC AREAS                     | ⑰ 35' ACACIA CREEK SETBACK                            | ㉒ FENCING - 6' H POOL ㉓ FENCING - 6' H PRIVACY                                |
| ④ ENTRY NODE AT MULTI-USE PATH WITH SEATING             | ⑪ BIORETENTION AREA, TYP. - SEE CIVIL SHEETS | ⑱ RETAINING WALL, TYP. - SEE CIVIL SHEETS & A44       | ㉔ FENCING - 42" H ON WALL - SEE SHEET A44                                     |
| ⑤ PEDESTRIAN WALKWAY, TYP.                              | ⑫ EXISTING ROCK OUTCROP                      | ⑲ FUTURE BIKE/ PEDESTRIAN BRIDGE - NOT A PART         | ㉕ EARTH MOUNDS  |
| ⑥ COMMUNITY MAILBOXES - SEE ARCH SHEETS                 | ⑬ PEDESTRIAN CROSSING, TYP.                  | ⑳ ACACIA CREEK BUFFER                                 | ㉖ PUBLIC ART LOCATION   |
| ⑦ SHORT-TERM BIKE PARKING, TYP. (63 MIN.) SEE SHEET A43 | ⑭ LOADING ZONE                               | ㉑ BICYCLE REPAIR STATION WITH SEATING                 | ㉗ ENTRY MONUMENT LOCATION - SEE SHEET A43                                     |
|   | ⑭ TRASH ENCLOSURE, TYP. - SEE SHEET A45      |   |   |



## 600 TANK FARM

600 TANK FARM ROAD, SAN LUIS OBISPO, CA 93401

## PRELIMINARY SITE PLAN

A35

1622-02-RS20 December 21, 2021

ENTITLEMENTS PACKAGE

# February 2022 Approved Site Plan

# February 2022 Approved Roundabout Design

Figure 5 Conceptual Illustration of the Santa Fe Road/Tank Farm Road Roundabout







## **600 Tank Farm – Modification Application #MOD-0753-2024 – Project Description**

Applicant, Covelop, Inc., is making a revision to the currently approved 600 TF Project (ARCH-0405-2021 and SBDV-0407-2021). All aspects of the project remain the same, with the exception of the following changes:

- Applicant no longer proposes construction of a new roundabout at the Tank Farm Road and Santa Fe intersection due to infeasibility of acquiring the necessary ROW from private owners needed to construct the roundabout.
- Replacing the roundabout will be a side-street stop controlled intersection located at the project driveway at Santa Fe Rd. West.
  - Additional traffic calming features proposed with this design include a vehicle speed feedback sign, speed reduction markings, and traffic signs as demonstrated on the attached exhibit labeled “Preferred Alternative”
- Previously approved roundabout had 2 travel lanes in each direction that merged back into existing improvement conditions located west and east of the project
  - New plan includes a left turn lane on Tank Farm Rd into Santa Fe Rd West
  - A 5’ wide raised median located between Santa Fe Rd. West and East
  - A dedicated acceleration/refuge lane for automobiles turning left out of the project driveway from Santa Fe Rd West onto Tank Farm Rd
  - A dedicated acceleration/refuge lane for vehicles turning left from Santa Fe Rd East onto Tank Farm Rd
  - Dedicated left and turn lanes out of Santa Fe Rd. East onto Tank Farm Rd.
- Previously approved roundabout included class IV bike lanes due to assumed additional ROW area acquisition. Revised design includes the following changes to the existing bike lane conditions on Tank Farm Rd
  - Existing 4’ eastbound bike lane would widen to 6’ with a 2’ buffer between the bike lane and road. This widens to 8’ with conflict markings at Santa Fe Rd East before connecting to existing bike lane
  - Existing 6.5’ westbound bike lane would change to a 6’ bike lane with a 2’ buffer between the bike lane and the road. This would increase to an 8’ bike lane with conflict markings at both project driveways (Santa Fe Rd. West and driveway in between Santa Fe Rd. West and East)
- Bike and pedestrian trips would be supported by a Class I connection along the project frontage to the 650 Tank Farm frontage, including the paths, curbing and sidewalk, consistent with the previously approved project.
- All the aforementioned new design elements noted above are located within the footprint of the roundabout that was previously approved.
- Below are elements of the project that have expanded past the currently approved roundabout footprint but are located either within the current ROW or within area applicant is able to improve due to agreement with 650 Tank Farm owner. These aspects of the project should also have already been covered by previous CEQA documentation associated with neighboring project approvals. Previously, it was assumed that neighboring projects would build out ahead of the project, but it is now assumed that the project builds out first.
  - Continuation of Class I 13’ ped/bike path from eastern boundary of 600 Tank Farm property to Mind Body traffic signal

- Path will be an interim improvement until the 650 Tank Farm project eventually builds its frontage improvements
  - Path is outside the existing ROW, but applicant has agreement with 650 Tank Farm owner to complete this aspect of the project
- New 10' wide ped/bike crossing within Tank Farm Rd. at Mind Body signal with ped push button and bike signal
  - Includes new bike conflict markings for crossing bicyclists
- New 6' ped AC sidewalk on north side of Tank Fark Rd, east from Mind Body signal to Broad St. intersection
  - Obtaining additional area from the neighboring project is infeasible at this location
- All these changes would be included in Phase I of the project.



Covelop, Inc.  
PO Box 12910  
San Luis Obispo, CA 93406

02/07/25

Timothea Tway  
Community Development Director  
City of San Luis Obispo  
600 Palm Street  
San Luis Obispo, CA 93401

Re: 600 Tank Farm - Electrical Undergrounding Condition

Hello Timmi,

The above referenced project is entitled as 280 residential units combined with mixed use along the Tank Farm Frontage, consisting of 26 buildings total. It was entitled with a condition to underground electrical utility lines along the frontage in a way that did not yield a net increase in poles. Covelop has since worked with PG&E and their electrical designer to determine the scope of work that is required to comply with that condition of approval. To comply with the condition, PG&E and the developer have deemed that there are various improvements required that extend well beyond the project frontage. This Off-Site Undergrounding scope is typically the responsibility of the property owners whose property contains the poles. See Attachment A for the areas of Project Undergrounding and Off-Site Undergrounding. This additional work centers around the undergrounding of one pole at the SE corner of the project site, and if implemented, is infeasible. Due to the scope of work required by PG&E in order to underground this pole, the developer has asked for a modification to the project condition to leave the pole in place/slightly modify the pole location while keeping overhead lines to it.

The purpose of this letter is to provide an outline of:

- The Conditions of Approval for our project relating to Electrical Undergrounding of overhead utility transmission lines, as well as sections of the SLO Airport Area Specific Plan (SLOAASP) that are relevant to the issue.
- Our efforts to comply with the Conditions as well as the roadblock we have encountered.
- Our proposed solution to overcome the issues we've identified.

### **Conditions Of Approval - COA**

Below are the project specific COAs related to undergrounding of overhead utilities.

- COA 75 - All new wire utilities shall be placed underground. The underground placement shall be completed without a net increase in utility poles located within the public right-of-way unless specifically approved to the satisfaction of the Public Works and Community Development Departments.

- COA 76 - The existing overhead wire services and service poles that are located on this parcel and along the Tank Farm Road frontage shall be removed or services placed underground within the limits and standards of the supplying utility companies.

The standards of PG&E as the supplying utility company requires obtaining easements from affected property owners. Please see Attachment B for a copy of the letter requesting easements. We were unable to obtain an easement from one property, owned by United Rentals. This was despite continued effort over a period spanning nine months.

Given that we were not able to obtain the easement, PG&E’s proposed solution involves a total of 800 feet of undergrounding along other property frontages. This would essentially be completing undergrounding for four neighboring properties. All of this work would be their frontage responsibility, to be completed when they develop. Furthermore, the cost of the Off-Site Undergrounding along these frontages amounts to a total of \$1,371,000, which is infeasible and unfair for us to be responsible for. Again, these improvements will be the responsibility of the respective property owners when they choose to develop.

### **SLOAASP – SLO Airport Area Specific Plan**

Below are the sections of the SLOAASP relating to undergrounding of utilities.

- Section 7.7 requires undergrounding of all new service **on-site**. “All new development shall be served on-site with underground power, telephone, and cable communications lines. All new development shall be responsible for undergrounding of existing overhead utility lines along that development’s frontage or constructing underground utility line along new roadways **concurrent with** the construction of **new** roadways.”
- Section 7.8 allows phasing as well as interim solutions. “Development of individual ownership areas may occur as components of the overall infrastructure phasing scheme. To ensure that the later projects build upon systems that are properly located and sized when installed by earlier project, extensions of streets and utility lines will need to be coordinated among owners, the City, and utility companies. **The initial project may need to provide interim utility solutions**, if the permanent systems cannot be made available at the time of development. Such interim systems must be consistent with the planned permanent systems.

Section 7.8 of the SLOAASP allows interim utility solutions. The interim solution we propose is to:

- Leave one utility pole in place in the SE corner of our project, leaving utilities overhead to the East until the properties to the East develop.
- Install underground conduit East of our property, crossing Acacia Creek for ease of future tie in by others.

### **Conclusions**

- We are requesting that one pole is to remain on the SE portion of our property as an interim solution. COA is to be amended to say that the pole in the SE corner of the property is to be left in place or moved slightly while keeping overhead lines to it due to the limits and standards required by PG&E to remove it.

- PG&E's requirement for easements is not obtainable, and the alternate solution is infeasible, therefore we are limited to leaving the pole in place as an interim solution.
- When the four nearby properties develop, the utility undergrounding will be completed as a part of their frontage improvements under a similar COA to comply with the SLOAASP. So the undergrounding will be completed, but by each property owner that bears the responsibility.
- Allowing one pole to remain in the SE corner of our property will still result in a net decrease of two power poles. It will also remove and replace one pole 115 feet beyond our frontage to the West. Please note that seven poles will also be removed as part of the on-site portion of the project.
- We will install conduit to cross Acacia Creek on the culvert extension. This puts in place the infrastructure to permanently underground the entirety of our frontage, in the future. This can be completed when neighboring properties make improvements that require their frontage to be undergrounded. The pole is considered an interim solution as allowed under Section 7.8.

Thank you for your consideration of this matter.

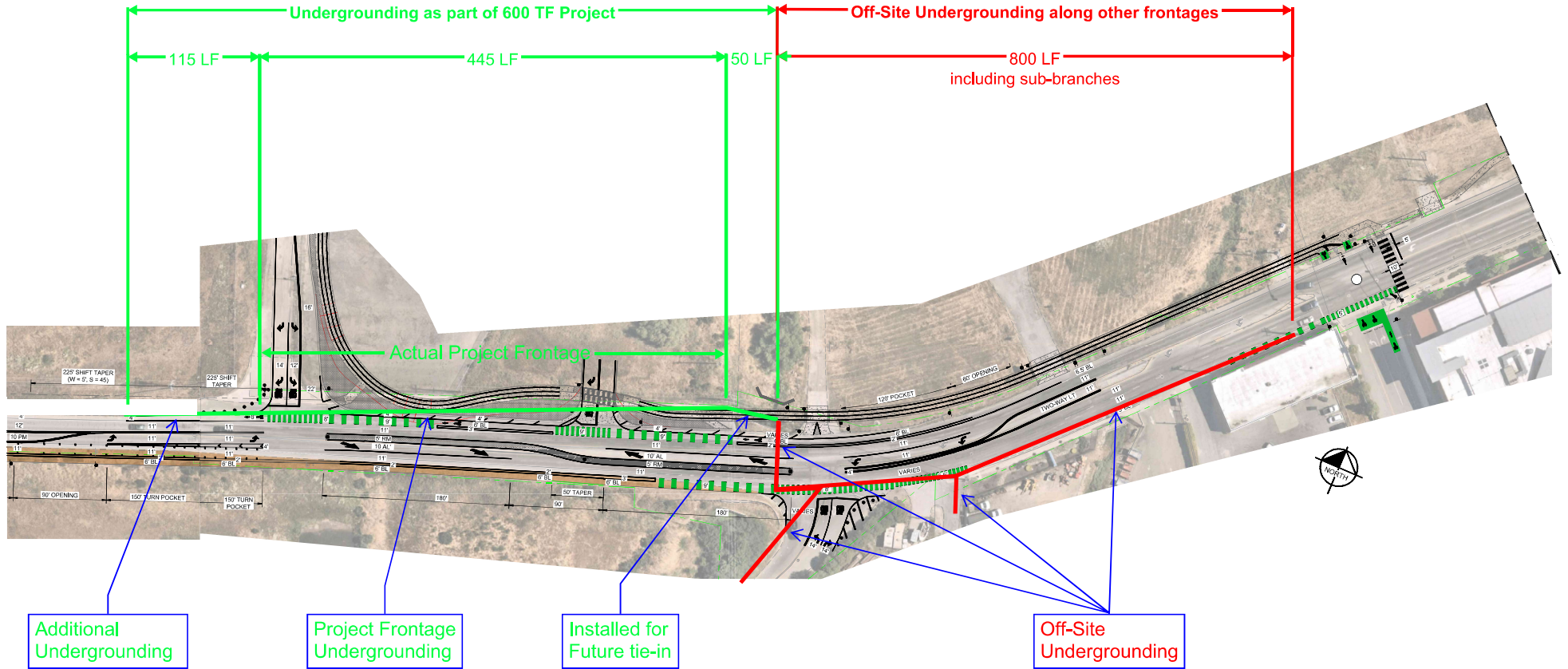
Sincerely,



Pat Arnold  
CEO  
Covelop, Inc.

# Attachment A

600 Tank Farm  
Electrical Undergrounding Condition



**Total Off-Site Undergrounding - Estimated Cost = \$1,371,000**

**Legend:**

- GREEN - Underground to be installed in project scope
- RED - Off-Site Undergrounding requesting exemption (responsibility of other property owners)

# Attachment B



***Pacific Gas and  
Electric Company***

**WE DELIVER ENERGY.**

Land Services Office  
4325 S. Higuera St.  
San Luis Obispo, CA 93401

August 31, 2023

Mr. Patrick Arnold  
PO Box 12910  
San Luis Obispo, CA 93406

Dear Mr. Arnold:

You have requested that PG&E provide overhead/underground electric service to your property on Tank Farm. In order to do so it will be necessary to acquire an easements from your neighbors. As the applicant, I am providing the document set to you for coordination of signature execution.

Please print the document out one sided and at actual size. Then have the property owner review the document and if it meets with their approval:

- Sign as indicated on the signature page.
- Have the signature(s) notarized and return the signed document to the address below.

Note:

- Please don't mail back as USPS "Certified Mail".
- Please don't staple pages. Paperclip is preferred.

Pacific Gas & Electric  
Attn: Land Department  
4325 S. Higuera Street  
San Luis Obispo, CA 93401

If you have any questions, please call me at (805) 263-3115 or email me at [m22f@pge.com](mailto:m22f@pge.com).

Sincerely,

*Matt Millhorn*

Matt Millhorn  
Land Technician

PM 35428966

**RECORDING REQUESTED BY AND RETURN TO:**

**PACIFIC GAS AND ELECTRIC COMPANY**  
**245 Market Street, N10A, Room 1015**  
**P.O. Box 770000**  
**San Francisco, California 94177**

Location: City/Uninc \_\_\_\_\_  
Recording Fee \$ \_\_\_\_\_  
Document Transfer Tax \$ \_\_\_\_\_

- This is a conveyance where the consideration and Value is less than \$100.00 (R&T 11911).
- Computed on Full Value of Property Conveyed, or
- Computed on Full Value Less Liens & Encumbrances Remaining at Time of Sale
- Exempt from the fee per GC 27388.1 (a) (2); This document is subject to Documentary Transfer Tax

(SPACE ABOVE FOR RECORDER'S USE ONLY)

\_\_\_\_\_  
Signature of declarant or agent determining tax

LD# 2231-12-10039

EASEMENT DEED

UNITED RENTALS NORTHWEST, INC., an Oregon Corporation,

Hereinafter called Grantor, hereby grants to PACIFIC GAS AND ELECTRIC COMPANY, a California corporation, hereinafter called Grantee, the right from time to time to excavate for, construct, reconstruct, replace (of initial or any other size), remove, maintain, inspect, and use facilities and associated equipment for public utility purposes, including, but not limited to electric, gas, and communication facilities, together with a right of way therefor, on, over, and under the easement area as hereinafter set forth, and also ingress thereto and egress therefrom, over and across the lands of Grantor situated in the City of San Luis Obispo, County of San Luis Obispo, State of California, described as follows:

(APN 053-422-002)

The parcel of land described in the deed from Donald Earnest Madsen and Donna Ruth Madsen to Grantor dated August 14, 2008 and recorded as Document No. 2008043386, San Luis Obsipo County Records.

The easement area is described as follows:

The strip of land of the uniform width of 15 feet, lying 7.5 feet on each side of the alignment of the facilities as initially installed hereunder. The approximate locations of said facilities are shown upon Grantee's Drawing No. S-3112178 attached hereto and made a part hereof.

Grantee agrees that on receiving a request in writing, it will at Grantor's expense, survey, prepare and record a "Notice of Final Description" referring to this instrument and setting forth a description of said strip of land.

Grantor further grants to Grantee the right, from time to time, to trim or to cut down, without Grantee paying compensation, any and all trees and brush now or hereafter within said easement area, and shall have the further right, from time to time, to trim and cut down trees and brush along each side of said easement area which now or hereafter in the opinion of Grantee may interfere with or be a hazard to the facilities installed hereunder, or as Grantee deems necessary to comply with applicable state or federal regulations.

Grantor also grants to Grantee the right to use such portion of said lands contiguous to said easement area as may be reasonably necessary in connection with the excavation, construction, reconstruction, replacement, removal, maintenance and inspection of said facilities.

Grantor hereby covenants and agrees not to place or construct, nor allow a third party to place or construct, any building or other structure, or store flammable substances, or drill or operate any well, or construct any reservoir or other obstruction within said easement area, or diminish or substantially add to the ground level within said easement area, or construct any fences that will interfere with the maintenance and operation of said facilities.

Grantor further grants to Grantee the right to appportion to another public utility (as defined in Section 216 of the California Public Utilities Code) the right to excavate for, construct, reconstruct, replace, remove, maintain, inspect, and use the communications facilities within said easement area including ingress thereto and egress therefrom.

Grantor acknowledges that they have read the "Grant of Easement Disclosure Statement", Exhibit "A", attached hereto and made a part hereof.

The legal description herein, or the map attached hereto, defining the location of this utility distribution easement, was prepared by Grantee pursuant to Section 8730 (c) of the Business and Professions Code.

This document may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

The provisions hereof shall inure to the benefit of and bind the successors and assigns of the respective parties hereto, and all covenants shall apply to and run with the land.

Dated: \_\_\_\_\_, \_\_\_\_\_.

UNITED RENTALS NORTHWEST, INC.,  
an Oregon Corporation,

\_\_\_\_\_  
By:

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_ Notary Public,  
Insert name  
personally appeared \_\_\_\_\_

\_\_\_\_\_ ,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public (Seal)

**CAPACITY CLAIMED BY SIGNER**

- Individual(s) signing for oneself/themselves
- Corporate Officer(s) of the above named corporation(s)
- Trustee(s) of the above named Trust(s)
- Partner(s) of the above named Partnership(s)
- Attorney(s)-in-Fact of the above named Principal(s)
- Other \_\_\_\_\_





## EXHIBIT "A"

### GRANT OF EASEMENT DISCLOSURE STATEMENT

This Disclosure Statement will assist you in evaluating the request for granting an easement to Pacific Gas and Electric Company (PG&E) to accommodate a utility service extension to PG&E's applicant. **Please read this disclosure carefully before signing the Grant of Easement.**

- You are under no obligation or threat of condemnation by PG&E to grant this easement.
- The granting of this easement is an accommodation to PG&E's applicant requesting the extension of PG&E utility facilities to the applicant's property or project. Because this easement is an accommodation for a service extension to a single customer or group of customers, PG&E is not authorized to purchase any such easement.
- By granting this easement to PG&E, the easement area may be used to serve additional customers in the area and **may be used to install additional utility facilities**. Installation of any proposed facilities outside of this easement area will require an additional easement.
- Removal and/or pruning of trees or other vegetation on your property may be necessary for the installation of PG&E facilities. You have the option of having PG&E's contractors perform this work on your property, if available, or granting permission to PG&E's applicant or the applicant's contractor to perform this work. Additionally, in order to comply with California fire laws and safety orders, PG&E or its contractors will periodically perform vegetation maintenance activities on your property as provided for in this grant of easement in order to maintain proper clearances from energized electric lines or other facilities.
- The description of the easement location where PG&E utility facilities are to be installed across your property must be satisfactory to you.
- The California Public Utilities Commission has authorized PG&E's applicant to perform the installation of certain utility facilities for utility service. In addition to granting this easement to PG&E, your consent may be requested by the applicant, or applicant's contractor, to work on your property. Upon completion of the applicant's installation, the utility facilities will be inspected by PG&E. When the facility installation is determined to be acceptable the facilities will be conveyed to PG&E by its applicant.

By signing the Grant of Easement, you are acknowledging that you have read this disclosure and understand that you are voluntarily granting the easement to PG&E. Please return the signed and notarized Grant of Easement with this Disclosure Statement attached to PG&E. The duplicate copy of the Grant of Easement and this Disclosure Statement is for your records.

Plat No. AZ-138-E02

APN: 053-421-005

Portion of Lot 57  
01-RS-92

Tank Farm Road

Parcel C

Approximate Location  
cL 15' Utility Easement

Parcel A  
Parcel Map CO 74-270  
16-PM-49

Santa Fe Road

See Detail

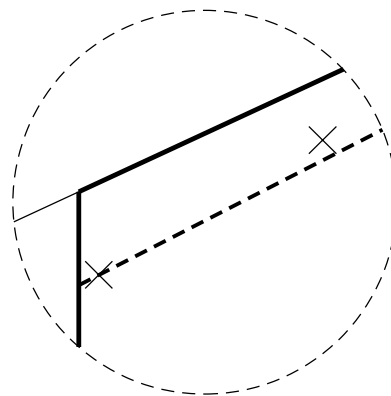
**United Rentals Northwest, INC**  
**Doc# 2008043386**

APN: 053-422-002

Portion of Lot 59  
01-RS-92

APN: 053-422-001

APN: 053-422-003 Parcel B



Detail: N.T.S.

Legend

- New Pole
- Easement Delineation
- Grantor's Property Line
- Property Line

Unless otherwise shown  
all courses extend to or  
along all boundaries or lines.

Section 12, NW $\frac{1}{4}$  of NW $\frac{1}{4}$

City, Rancho, Subdivision, Etc.

San Luis Obispo

SCALE

1" = 50'

DATE

08/29/23

SECTION 12	TOWNSHIP 31 S	RANGE 12 E	MERIDIAN MDM	COUNTY: San Luis Obispo	APPLICANT: Covelop Holdings		
REFERENCES: 35428966.dgn				F.B.: N/A	DR.BY: M22F	CH.BY: EDMO	
				<b>PG&amp;E</b>	Los Padres DIVISION	35428966 AUTHORIZ	S-3112178 DRAWING NO.

Utility Distribution Easement (02/2020)

Attach to LD: 2231-12-10039

Area, Region or Location: 4

Land Service Office: San Luis Obispo

Line of Business: Electric Distribution (43)

Business Doc Type: Easements

MTRSQ: 22.31.12.12.44,

FERC License Number:

PG&E Drawing Number: S-3112178

Plat No.: AZ-138-E02

LD of Affected Documents:

LD of Cross Referenced Documents:

Type of interest: Electric Underground Easements (4), Utility Easement (86), Electric Pole Line Easements (3)

SBE Parcel:

% Being Quitclaimed:

Order or PM: 35428966

JCN:

County: San Luis Obispo

Utility Notice Number:

851 Approval Application No: ;Decision:

Prepared By: m22f

Checked By: edm0

Approved By:

Revised by:





## MEMORANDUM

Date: February 4, 2025  
To: Luke Schwartz, Transportation Manager, City of San Luis Obispo  
From: Joe Fernandez and Michelle Matson, CCTC  
**Subject: 600 Tank Farm Road – Access Evaluation**

---

CCTC prepared a Transportation Impact Study (TIS) for the 600 Tank Farm Road project in March 2021. The applicant proposes an interim configuration (**Attachment A**) with the following features:

- A new full access side-street-stop controlled intersection is proposed at one of the project driveways (Tank Farm Road/Santa Fe Road West) and an additional right-in, right-out only driveway is proposed on Tank Farm Road between Santa Fe Road West and East.
- A Class I bicycle/pedestrian path is proposed on the north side of Tank Farm Road from Santa Fe Road West to MindBody.
- A temporary sidewalk is proposed on the north side of Tank Farm Road from MindBody to Broad Street.
- The Acacia Creek culvert under Tank Farm Road would be widened and driveway sight distance obstructions removed.
- The Tank Farm Road/MindBody intersection would be modified to provide a crosswalk on the east leg with pedestrian crossing indications and a bike signal and bike box to facilitate crossing Tank Farm Road to connect to the new Class I path.
- Center acceleration lanes serving Santa Fe Road West and East to facilitate outbound left turns by allowing the turns to occur in two stages.
- Speed feedback signs and other advance warning features to improve driver awareness of the new intersection bicycle and pedestrian conflicts.

No on-site land use changes are proposed, and the Santa Fe Road West project frontage would not change from the previous approvals. The proposed interim configuration changes the lane configurations on multiple approaches when compared to the previously proposed roundabout layout. This memorandum evaluates if the proposed changes would substantially change the findings and requirements identified in the prior TIS.

### **SUMMARY AND RECOMMENDATIONS**

The proposed interim side-street-stop control at Tank Farm Road/Santa Fe Road West (#3) would provide acceptable automobile operations under Existing, Near Term, and Cumulative conditions with the addition of project traffic. Side-street-stop control does not support pedestrian and cyclist crossings of Tank Farm Road at this location and is inconsistent with the prior recommendations to construct a roundabout. However, there are no destinations immediately across Tank Farm Road from the project, the roundabout is not needed to accommodate vehicular volumes without the Prado Road extension, and interim access is proposed which provides acceptable vehicular operations and pedestrian and cyclist connectivity to the east.

The proposed intersection control and CCTC's recommendations are shown in **Attachment A**. The roundabout is recommended as a future improvement and will be necessary to accommodate traffic levels when

(805) 316-0101

895 Napa Avenue, Suite A-6, Morro Bay, CA 93442

Santa Fe Road is extended to Prado Road. We recommend that the project be conditioned to make fair share contributions towards the roundabout and that frontage designs accommodate the facilities planned in the Active Transportation Plan and Circulation Element.

## BACKGROUND

The 2021 TIS identified nine local transportation deficiencies and recommended improvements to address them. Five of these deficiencies, described in **Table 4**, were associated with the project frontage or site design, and would be affected by the currently proposed access changes.

The 2021 TIS identified deficiencies related to automobile, pedestrian, and bike level of service (LOS) associated with side-street-stop control at the project driveway (Santa Fe Road West) which would be addressed by construction of a roundabout. Section 0.2.1 of the 2021 TIS noted that stop control at this intersection would not address pedestrian connectivity deficiencies and was not recommended as an interim measure. This recommendation was due to high levels of side-street vehicular delay due to a single southbound approach lane, and poor bicycle and pedestrian LOS due to an uncontrolled crossing. The revised interim design addresses these concerns by providing median left-turn acceleration lanes, dual southbound approach lanes, and pedestrian and bicycle connections to the east with a protected crossing at the Mindbody signal.

## POLICY CONSISTENCY

Tank Farm Road is classified as a regional route/parkway arterial in the City's Circulation Element, a street type described as *arterial routes with landscaped medians where the number of cross-streets is limited and direct access from fronting properties is discouraged*. Santa Fe Road West is a proposed commercial collector planned to connect to the future Prado Road extension to Broad Street. As currently proposed it would only serve the proposed project until the Santa Fe Road and Prado Road extensions are complete.

Section 3.1.8 of the City's Uniform Design Criteria relates to access management, noting that new driveways should not be allowed within the functional area of adjacent signalized intersections. On 40 mile per hour roadways, the upstream functional area is 420 feet plus 95<sup>th</sup> percentile queues, and the downstream functional area is 300 feet.

Santa Fe Road West is approximately 465 feet from Santa Fe Road East and the proposed eastern project driveway is approximately 170 feet from Santa Fe Road East. Secondary access to the site is recommended and the eastern driveway is proposed as right-in, right out which limits conflict points and potential interaction with nearby intersections.

The City's General Plan, Airport Area Specific Plan, and Active Transportation Plan (ATP) recommend a future roundabout at the Tank Farm Road/Santa Fe Road West intersection. As modified, the project would not advance that improvement. However, the project would not preclude the roundabout as a future improvement and should be conditioned to pay fair share costs toward the future roundabout and ensure that the site design accommodates the planned roundabout footprint.

The City's ATP also calls for future Class IV bikeways on both sides of Santa Fe Road and Tank Farm Road, with Class I paths on both sides of Tank Farm Road west of Santa Fe Road. The project's Santa Fe Road frontage does not preclude these planned facilities. The Tank Farm Road frontage proposes a Class I path on the north side of Tank Farm Road to the MindBody signal, and Class II bike lanes on Tank Farm Road, which differs from the ATP. The proposed two-way Class I path design may require modifications to the one-way Class IV design already prepared for the adjacent 650 Tank Farm Road development frontage improvements. The City could consider amending the ATP to evaluate a two-way Class I path on the north side of Tank Farm

Road between Santa Fe Road and Broad Street as the ultimate design for this location. This would allow eastbound riders destined north on Broad Street to avoid an extra crossing of Tank Farm Road, or riding on the sidewalk or contra-flow in the westbound bike lane.

The City’s Active Transportation Committee recommends, and the project proposes, an interim Class I shared-use path connecting the project to the MindBody signalized intersection to the east. This will convert to a separate sidewalk and one-way Class IV bike lane in the future consistent with the ATP.

## AUTO OPERATIONS ANALYSIS

### *Existing and Existing Plus Project*

The project TIS relied on traffic data collected in 2018 and 2019. Segment-level traffic counts on Tank Farm Road from 2022 are lower than the 2018 data. The 2022 data was used to evaluate conditions at the Santa Fe Road intersections under Existing and Existing Plus Project conditions with side-street-stop control and two-stage gap acceptance as currently proposed. Turning volumes were assumed to remain the same for Santa Fe Road East and Mind Body, through volumes on Tank Farm Road were adjusted to 2022 levels, and no volumes were assumed on the northern intersection legs. The PM peak hour is the critical time period, so the analysis focuses on this time period. **Table 1** shows the auto LOS results under these scenarios. The intersection analysis worksheets are included as **Attachment B**.

**Table 1: Existing and Existing Plus Project Auto LOS**

Existing and Existing Plus Project Intersection Auto Levels of Service						
Intersection	Peak Hour	Approach	Existing		Existing+Project	
			Delay <sup>1</sup>	LOS	Delay <sup>1</sup>	LOS
3. Tank Farm Road/Santa Fe Road West	PM	SB	<i>Future Intersection</i>		0.5 (20.0)	- (C)
4. Tank Farm Road/Santa Fe Road East	PM	NB	<b>6.0 (54.6)</b>	<b>- (F)</b>	3.3 (29.6)	- (D)
5. Tank Farm Road/MindBody	PM	All	10.6	B	6.7	A

1. HCM 6th average control delay in seconds per vehicle. For side-street-stop controlled intersections the worst approach's delay is reported in parentheses next to the overall intersection delay.  
**Unacceptable operations shown in bold text.**

The analysis assumes all project trips would use Tank Farm Road/Santa Fe Road West (#3) and represents the worst-case operations of LOS C if all project trips used a single driveway. The peak hour signal warrant would not be met if all project trips used a single driveway. Note that without a center acceleration lane that enables two-stage gap acceptance, the southbound approach to Santa Fe Road West (#3) would operate at LOS F.

The table also assumes two approach lanes for the northbound approach of Tank Farm Road/Santa Fe Road East (#4) consistent with **Attachment A**. The results show acceptable LOS D or better operations with the existing intersection lane configurations and a center acceleration lane that enables two-stage gap acceptance. This reduces delay at the Tank Farm Road/Santa Fe Road East (#4) intersection compared to the existing condition. The PM peak hour signal warrant is met at Tank Farm Road/Santa Fe Road East (#4) under Existing conditions with and without the project.

The addition of a bicycle signal phase, an eastern pedestrian crosswalk with leading pedestrian intervals (LPI), and northbound no right turn on red would maintain acceptable operations at Tank Farm Road/Mindbody (#5). The delay improves with the project due to the longer cycle length. However, the 95<sup>th</sup> percentile eastbound and westbound queues on Tank Farm Road would increase to 406 and 692 feet, respectively, under Existing conditions with the project when the bike phase is actuated. These queues would be reduced with a

second westbound through lane on Tank Farm Road, which is expected to occur once the parcels between the project site and Broad Street develop.

**Near Term and Near Term Plus Project**

Near Term conditions in the 2021 TIS forecast traffic volumes for substantial planned development in the City, a portion of which is now complete. The 2021 TIS Near Term Plus Project scenario assumed the following relevant roadway improvements:

- The Tank Farm Road/Santa Fe Road West (#3) intersection included a second westbound through lane, an eastbound left turn lane, a shared southbound right/left turn lane, and median storage to enable two-stage gap acceptance.
- The Tank Farm Road/Santa Fe Road East (#4) intersection included a second westbound through lane, closure of the north leg, and median storage to enable two-stage gap acceptance.

The 2021 TIS identifies an auto LOS deficiency under Near Term Plus Project PM conditions at Tank Farm Road/Santa Fe Road West (#3) with the above assumptions in place.

The proposed configuration shown in **Attachment A** is different from the prior Near Term lane configurations. **Table 2** shows the auto LOS results under Near Term and Near Term Plus Project conditions. Near Term conditions assume no lane configuration changes from the Existing conditions layout. The intersection analysis worksheets are included as **Attachment B**.

**Table 2: Near Term and Near Term Plus Project Auto LOS**

Near Term and Near Term Plus Project Intersection Auto Levels of Service						
Intersection	Peak Hour	Side Street Approach	Near Term Delay <sup>1</sup>	Near Term LOS	Near Term+Project Delay <sup>1</sup>	Near Term+Project LOS
3. Tank Farm Road/Santa Fe Road West	PM	SB	<i>Future Intersection</i>		0.5 (26.4)	- (D)
4. Tank Farm Road/Santa Fe Road East	PM	NB	<b>12.5 (138.8)</b>	<b>- (F)</b>	<b>4.2 (45.1)</b>	<b>- (E)</b>
1. HCM 6th average control delay in seconds per vehicle. For side-street-stop controlled intersections the worst approach's delay is reported in parentheses next to the overall intersection delay.						
<b>Unacceptable operations shown in bold text.</b>						

The addition of project traffic and the proposed intersection improvements results in acceptable operations at the Tank Farm Road/Santa Fe Road West (#3) intersection with the provision of median storage. The Tank Farm Road/Santa Fe Road East (#4) intersection is forecast to operate unacceptably both with and without the project, but the delay with the project is reduced due to the provision of median storage.

The peak hour signal warrant would not be met at Tank Farm Road/Santa Fe Road West (#3). The peak hour signal warrant would be met at Tank Farm Road/Santa Fe Road East (#4) under Near Term conditions.

**Cumulative and Cumulative Plus Project**

Cumulative conditions in the 2021 TIS included many planned network and land use changes expected upon buildout of the City’s General Plan. In addition to the Near Term improvements, the following key network changes were assumed that would shift travel patterns in the study area:

- Prado Road extension from Higuera Street to Broad Street with a new intersection south of Capitolio Way.
- A full interchange would be constructed at Prado Road and US 101 along with replacement of the Prado Road Creek Bridge.



- Bullock Lane extension from Orcutt Road to Tank Farm Road.
- Victoria Avenue extension from Woodbridge Street to High Street.
- Orcutt Road widening to four-lanes from the railroad tracks to Johnson Avenue.
- Tank Farm Road widening to four lanes west of 250 Tank Farm Road.
- A multilane roundabout at Tank Farm Road/Santa Fe Road West (#3).
- Santa Fe Road south of Tank Farm Road would be realigned to the west with a new bridge and Santa Fe Road would be extended north of Tank Farm Road to the Prado Road extension.
- A multilane roundabout at Edna Road (SR 227)/Buckley Road.

The multilane roundabout at Tank Farm Road/Santa Fe Road West (#3) operated acceptably in the 2021 TIS under Cumulative conditions with the project with the above assumptions in place.

The timing of the Santa Fe Road realignment and connection to the Prado Road Extension is unknown. **Table 3** shows the auto LOS results under Cumulative and Cumulative Plus Project conditions without the Santa Fe Road improvements. Cumulative no project conditions assume no lane configuration changes from the Existing and Near Term conditions, except a right-in, right-out driveway on the north leg of Tank Farm Road/Santa Fe Road East (#4) based on the recommendations shown on **Attachment A**. The intersection analysis worksheets are included as **Attachment B**.

**Table 3: Cumulative and Cumulative Plus Project Auto LOS**

Cumulative and Cumulative Plus Project Intersection Auto Levels of Service						
Intersection	Peak Hour	Side Street Approach	Cumulative Delay <sup>1</sup>	Cumulative LOS	Cumulative+Project Delay <sup>1</sup>	Cumulative+Project LOS
3. Tank Farm Road/Santa Fe Road West	PM	SB	<i>Future Intersection</i>		0.5 (24.6)	- (C)
4. Tank Farm Road/Santa Fe Road East	PM	NB	<b>83.2 (&gt;200)</b>	<b>- (F)</b>	<b>13.0 (96.8)</b>	<b>- (F)</b>
1. HCM 6th average control delay in seconds per vehicle. For side-street-stop controlled intersections the worst approach's delay is reported in parentheses next to the overall intersection delay.						
<b>Unacceptable operations shown in bold text.</b>						

The addition of project traffic and the proposed intersection improvements results in acceptable operations at the Tank Farm Road/Santa Fe Road West (#3) intersection with the provision of median storage.

The Tank Farm Road/Santa Fe Road East (#4) intersection is forecast to operate unacceptably both with and without the project, but the delay with the project is reduced due to the provision of median storage. The 95<sup>th</sup> percentile queues for northbound left and northbound right are 5 and 10 vehicles, respectively, under Cumulative conditions with the project.

The peak hour signal warrant would not be met at Tank Farm Road/Santa Fe Road West (#3). The peak hour signal warrant would be met at Tank Farm Road/Santa Fe Road East (#4) under Cumulative conditions. Note that if Santa Fe Road is extended to Prado Road volumes at this intersection will increase, resulting in unacceptable operations with side-street-stop control. A roundabout or signal would be triggered when Santa Fe Road West is extended to Prado Road and/or when Santa Fe Road East is realigned opposite Santa Fe Road West. The project will be required to pay transportation impact fees which constitute the project's fair share contribution towards the planned roundabout and other area improvements.

## PEDESTRIAN AND BICYCLE ANALYSIS

The 2021 TIS reports multiple pedestrian and bicycle deficiencies and recommends improvements to address them. The improvements included a new roundabout at the Tank Farm Road/Santa Fe Road West (#3) to

provide a controlled crossing location as well as connections to the east to enable non-auto access to shopping, jobs, transit, and other residences. However, the roundabout is infeasible at this time.

**Table 4** summarizes the local transportation deficiencies that were associated with the project frontage or site design and would be affected by the currently proposed access changes.

**Table 4: 2021 TIS Relevant Deficiencies**

Selected Local Impacts and Deficiencies				
#	Mode	TIS Deficiencies	TIS Recommended Improvements	2024 Findings
1	Auto Intersection LOS	Tank Farm Rd/Santa Fe Rd West (#3): With side St stop control, the southbound approach operates unacceptably during the PM peak hour under Near Term Plus Project conditions.	Install a roundabout at Tank Farm Rd/Santa Fe Rd West (#3).	Intersection operates at acceptable auto LOS with proposed layout. Roundabout recommended as future improvement.
3	Pedestrian Intersection LOS	Pedestrian intersection LOS deficiencies were reported for Tank Farm Rd at Santa Fe Rd (#3-4) and MindBody (#5).	Install pedestrian signal and crosswalk to cross Tank Farm Rd at the existing Tank Farm Rd/MindBody (#5) signalized intersection (if not yet completed by 650 or 660 Tank Farm Rd developments) and install a roundabout at Tank Farm Rd/Santa Fe Rd West (#3).	Prior deficiencies and recommendations still applicable. Pedestrian and bicycle access is proposed from site to Broad Street with crossing at Tank Farm Rd/MindBody (#5) traffic signal.
4	Pedestrian Segment LOS	Pedestrian segment LOS deficiencies were reported for Tank Farm Rd from project east to Broad St and Tank Farm Rd from new Santa Fe Rd west 4,700' to new collector St.	Provide continuous pedestrian connection between project and Broad St (if frontage improvements not yet completed by 650 and 660 Tank Farm Rd developments). Construct Class I Path west of Santa Fe Rd (if feasible).	Prior deficiencies and recommendations still applicable. Pedestrian and bicycle access is proposed from site to Broad Street with crossing at Tank Farm Rd/MindBody (#5) traffic signal.
5	Bike LTS	The segment of Santa Fe Rd north of Tank Farm Rd would operate at deficient Bicycle LTS 4 if no controlled crossing is provided at the intersection of Tank Farm Rd/Santa Fe Rd West (#3).	Install a roundabout at Tank Farm Rd/Santa Fe Rd West (#3).	Prior deficiencies and recommendations still applicable. Pedestrian and bicycle access is proposed from site to Broad Street with crossing at Tank Farm Rd/MindBody (#5) traffic signal.
7	Auto/Ped/Bike Access	Frontage improvements require adequate geometric transitions.	Construct geometric transitions per Caltrans and/or AASHTO standards.	Prior recommendations still applicable.

The applicant proposes a pedestrian and bicycle connection from the project site to Broad Street on the north side of Tank Farm Road with a signalized crossing at Tank Farm Rd/MindBody (#5) which will address some of the deficiencies. Pedestrian access will be provided to nearby destinations via the Class I path and signalized crossing. While the proposed interim configuration does not provide a protected pedestrian crossing of Tank Farm Road at the project site there are no destinations immediately across from the project, and pedestrian access is provided to other nearby destinations.

Westbound bicycle access would be provided via the Class I path, while eastbound cyclists preferring a controlled crossing (riders could use the left turn lane into the site) would pass the project site, cross at the MindBody signal, and return the project. This additional travel for eastbound cyclists (roughly 2,000 feet) is

contextually insignificant since these riders would have already traveled at least double this distance to reach the site from the nearest destination from the west.

The preferred alternative for intersection control and recommendations are shown in **Attachment A**.

## **ATTACHMENTS**

Attachment A: Preferred Alternative and Recommendations

Attachment B: LOS Worksheets

## **REFERENCES**

City of San Luis Obispo. 2005. Airport Area Specific Plan.

\_\_\_\_\_. 2017. Circulation Element of the General Plan.

\_\_\_\_\_. 2020. Engineering Standards and Specifications.

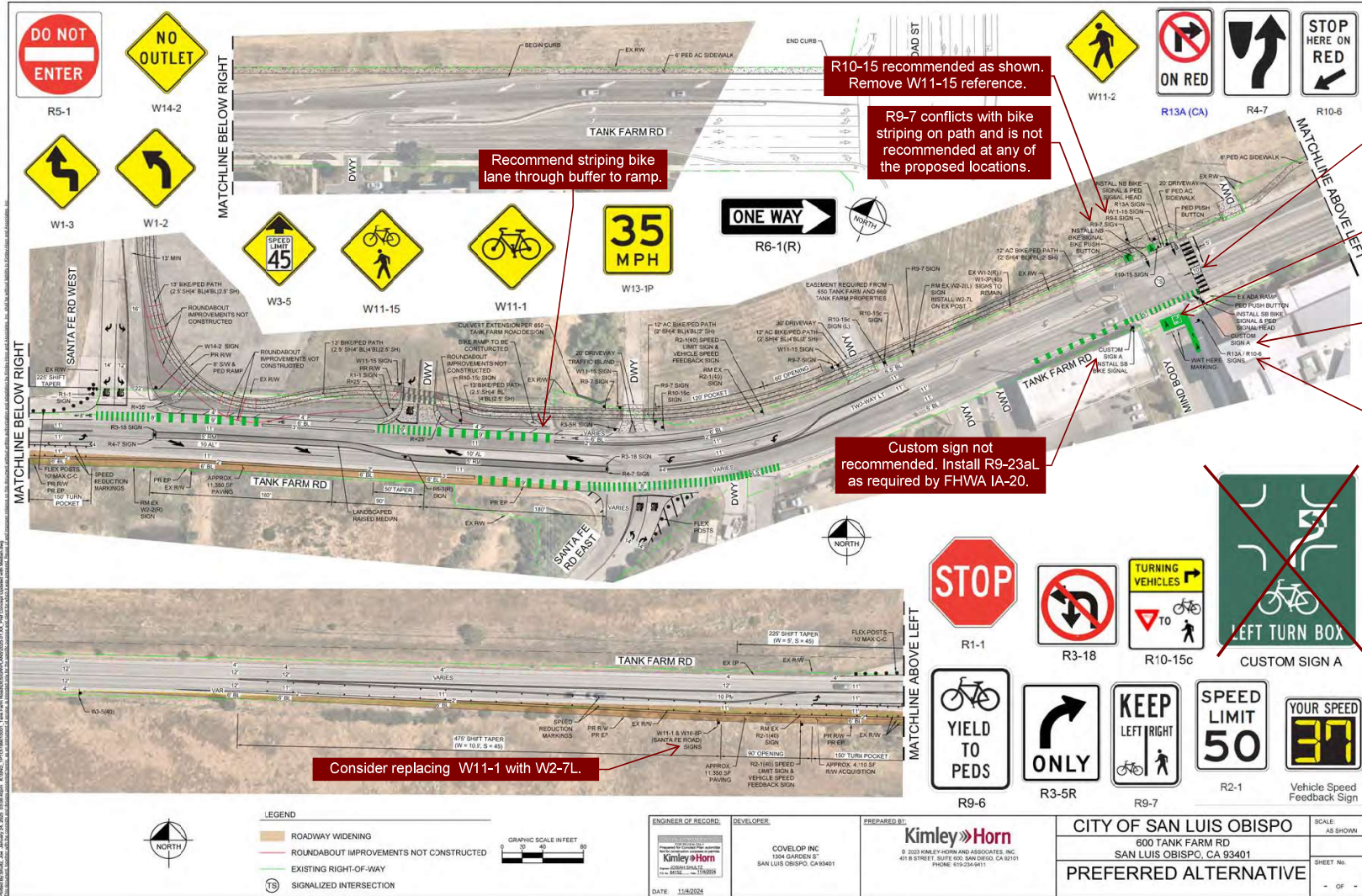
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# Preferred Alternative and Recommendations



January 2025

600 Tank Farm Road, San Luis Obispo



# Modified 600 Tank Farm Road Project

Addendum to the Environmental Impact Report

SCH#2020110426

*prepared by*

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# 1 Introduction

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This document has been prepared to serve as an addendum to the previously approved Final Environmental Impact Report (Final EIR) (State Clearinghouse [SCH] #2020110426) for the 600 Tank Farm Road Project. This addendum was prepared in accordance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines. The City of San Luis Obispo was the lead agency for the adopted 2022 Final EIR and is the lead agency for the environmental review in this addendum.

This addendum addresses the environmental effects of proposed modifications to the original project. Section 15164 of the CEQA Guidelines requires an addendum under the following circumstances:

- If some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred (Section 15164[a])
- If only minor technical changes or additions are necessary or none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred (Section 15164[b])

A brief explanation of the decision not to prepare a subsequent EIR pursuant to Section 15162, supported by substantial evidence, should be included in an addendum to an EIR, the lead agency's findings on the project, or elsewhere in the record (Section 15164[e]).

## 1.1 Background and Purpose of the EIR Addendum

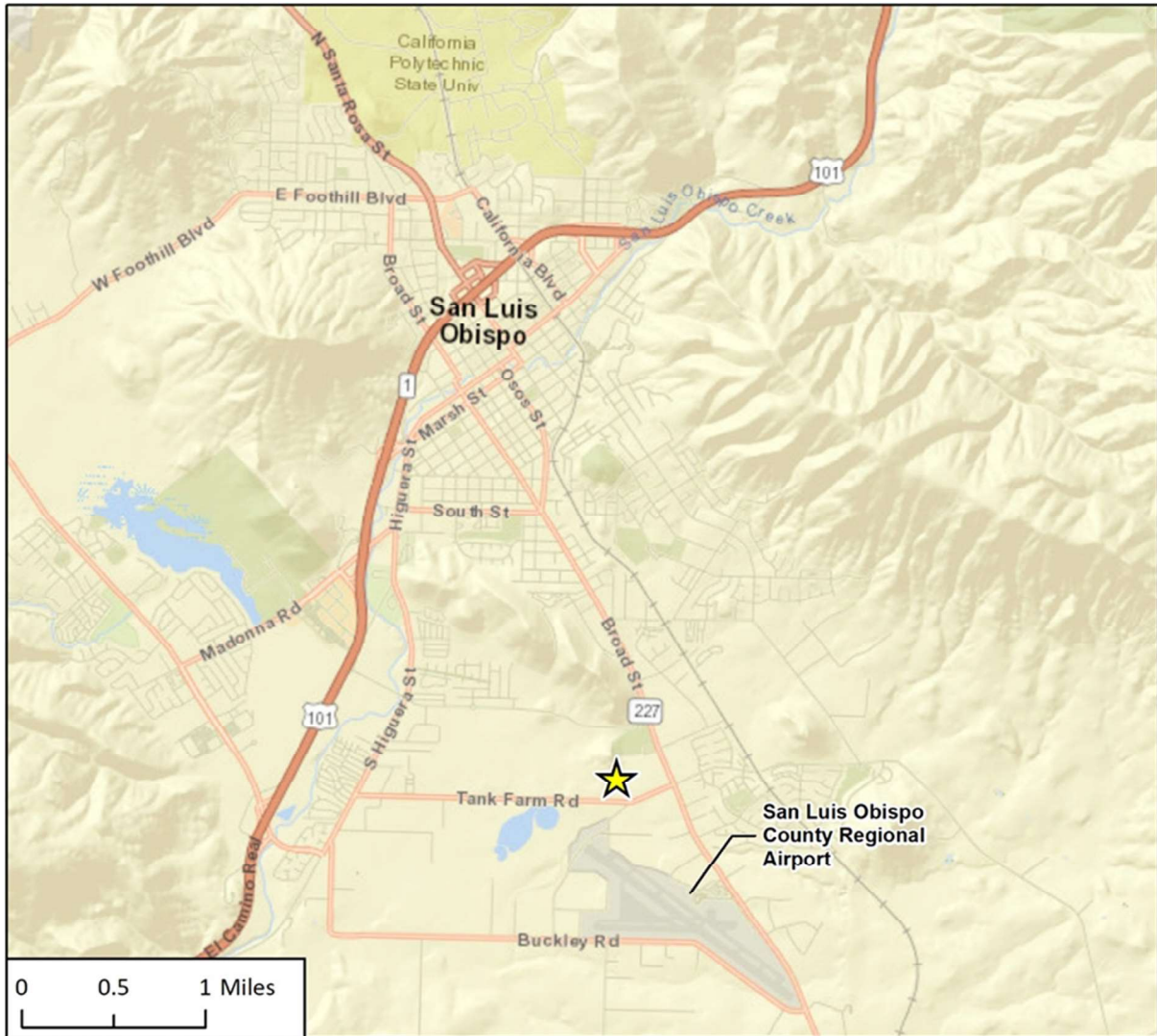
In February 2022, the San Luis Obispo City Council approved a mixed-use development project on an 11.1-acre site at 600 Tank Farm Road (City Council Resolution No. 11304) and certified the 600 Tank Farm Road Project Final EIR (SCH #2020110426). The regional location of the project is shown on Figure 1. The Final EIR is further supported by an accompanying Mitigation Monitoring and Reporting Program (MMRP). Information and technical analyses from the Final EIR are referenced throughout this addendum.

The project involved zoning-level entitlements: General Plan Map Amendment, rezone, Specific Plan Amendment to the Airport Area Specific Plan (AASP), Vesting Common Interest Tentative Parcel Map, architectural review for a mixed use major development review project, reimbursement agreement, and environmental clearance and permitting for off-site improvements.<sup>1</sup> The entitlements allow for up to 12,500 sf of non-residential space and 280 residential units on the 11.7-acre site. In addition, the project was required to provide transportation improvements to Tank Farm Road and Santa Fe Road, including constructing a roundabout at the intersection of Tank Farm Road and Santa Fe Road, widening Tank Farm Road along the project site frontage and constructing associated improvements, constructing a portion of Santa Fe Road, and preparation of 65 percent level plans for the future shared-use pedestrian/bicycle path on Tank Farm Road between Santa Fe Road and Innovation Way. The project site location, including the study area for transportation improvements used in the Final EIR, is shown on Figure 2.

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<sup>1</sup> The 600 Tank Farm Road Project Final EIR lists the following entitlements: General Plan Map Amendment, rezone, Specific Plan Amendment to the AASP, Minor Use Permit for a mixed-use project, Conceptual Site Plan, and a Development Agreement. The approved Vesting Common Interest Tentative Parcel Map, architectural review, and reimbursement agreement implement the Minor Use Permit, Conceptual Site Plan, and Development Agreement envisioned in the Final EIR.

Figure 1 Regional Location



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★ Project Location

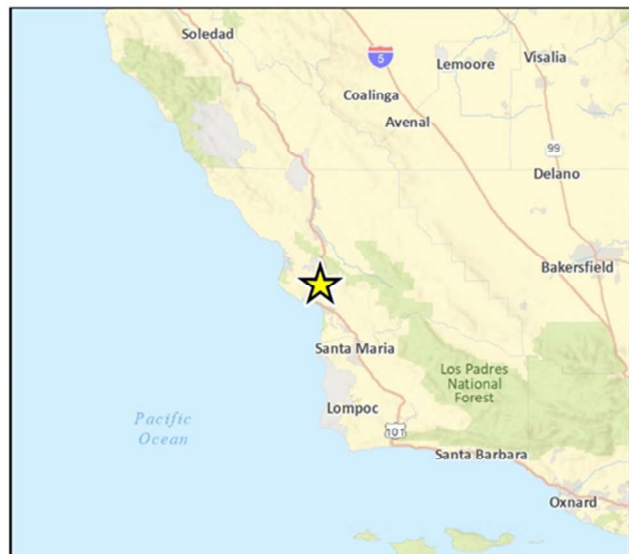
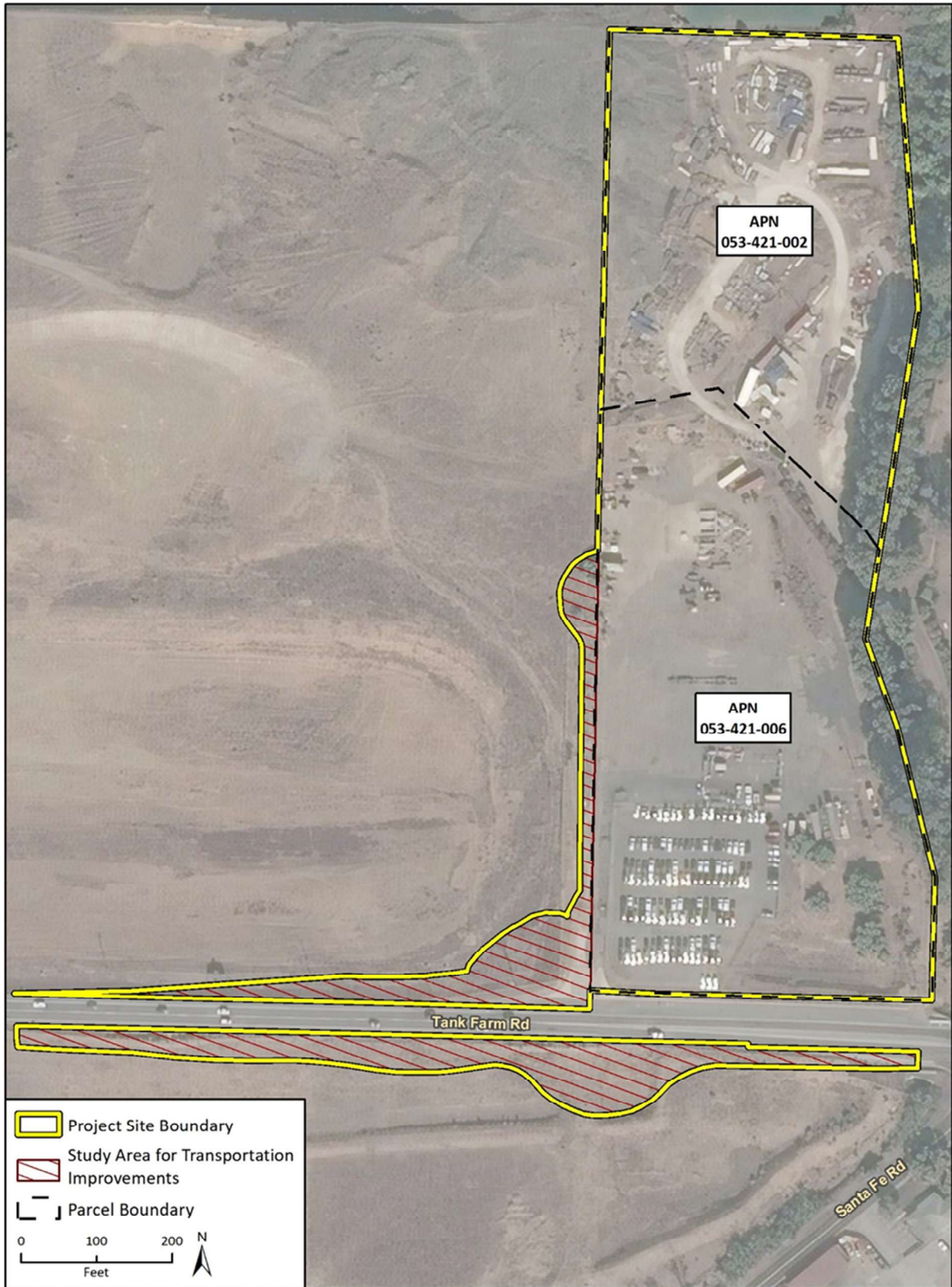


Fig 1 Regional Location

Figure 2 Project Site Location



Under the current approvals, the project applicant, Covelop, Inc. (Covelop), is required to acquire off-site right-of-way for transportation improvements, including those portions on either side of Tank Farm Road currently owned by Union Oil Company of California/Chevron (Union Oil/Chevron). However, since approval of the project, the applicant has been unable to acquire the necessary off-site land from Union Oil/Chevron to build the planned Tank Farm Road/Santa Fe Road roundabout envisioned in the original project evaluated in the Final EIR. Union Oil/Chevron is conducting environmental testing for per- and polyfluoroalkyl substances (PFAS) on the former tank farm property and is not willing to proceed with sale of the full right-of-way needed for the roundabout until that testing is complete, which could take several more years, but the timeline for completing this process is uncertain.

The City has confirmed all reasonable efforts to acquire the land have been made and considers the roundabout infeasible at this time. As a result, the applicant has requested a modification to the project approvals, removing the roundabout as a requirement. The land use plan for the 600 Tank Farm Road Project remains unchanged, and the applicant has proposed interim transportation improvements for City review, detailed below.

This document is an addendum to the previously adopted Final EIR and has been prepared by the City of San Luis Obispo to evaluate the potential environmental impacts of the modified project relative to the original project. A detailed description of the modified project is provided in Section 2, *Modified Project Description*.

## 1.2 Basis for the Addendum

When a Final EIR has been adopted and a project is modified or otherwise changed after adoption, additional CEQA review may be necessary. The key considerations in determining the need for the appropriate type of additional CEQA review are outlined in Section 21166 of the Public Resources Code (CEQA) and Sections 15162 and 15164 of the CEQA Guidelines.

Section 15162(a) of the CEQA Guidelines provides that a subsequent EIR is not required unless the following occurs:

- (1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
- (2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
- (3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the Negative Declaration was adopted, shows any of the following:
  - (A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
  - (B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;
  - (C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or

- (D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

Pursuant to Section 15164(b) of the CEQA Guidelines, an addendum to an adopted Final EIR may be prepared by the Lead Agency that prepared the original Final EIR if only minor technical changes or additions are necessary or none of the conditions described in Section 15162 have occurred that require preparation of a subsequent EIR. An addendum should include a brief explanation of the agency's decision not to prepare a subsequent EIR and be supported by substantial evidence in the record as a whole (Section 15164[e]). The addendum to an adopted Final EIR need not be circulated for public review but it may be included in or attached to the adopted Final EIR (Section 15164[c]). The decision-making body must consider the addendum with the Final EIR prior to making a decision on the project (Section 15164[d]).

An addendum to the Final EIR is appropriate to address the modified project because the proposed changes to the approved project do not meet the conditions of Section 15162(a) for preparation of a subsequent EIR. The applicant's proposed interim transportation improvements at the Tank Farm Road/Santa Fe Road intersection would disturb a smaller area than evaluated in the Final EIR. The City of San Luis Obispo has prepared an Access Evaluation for the Modified 600 Tank Farm Road Project (February 2025) which serves as an addendum to the March 2021 Transportation Impact Study (TIS) prepared for the Final EIR. The Access Evaluation for the Modified 600 Tank Farm Road Project recommends the originally proposed roundabout as a future improvement to accommodate traffic levels when Santa Fe Road is extended to Prado Road, and is included as Appendix A to this addendum.

As discussed in detail in Section 3, Impact Analysis, the modified project would not result in new or more severe impacts related to: 1) substantial changes to the original project which requires major revisions to the Final EIR; 2) substantial changes to the circumstances under which the original project are being undertaken which will require major revisions to the Final EIR; or 3) new information of substantial importance showing significant effects not previously examined.

The 2022 Final EIR and this addendum serve as informational documents to inform decision-makers and the public of the potential environmental consequences of approving the project. This addendum neither controls nor determines the ultimate decision for approval of the proposed project, described herein in Section 2, *Modified Project Description*. The information presented in this addendum to the Final EIR will be considered by the City of San Luis Obispo alongside the Final EIR prior to making a decision on the modified project through review of revised entitlements.

## 2 Modified Project Description

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### 2.1 Modified Project Characteristics

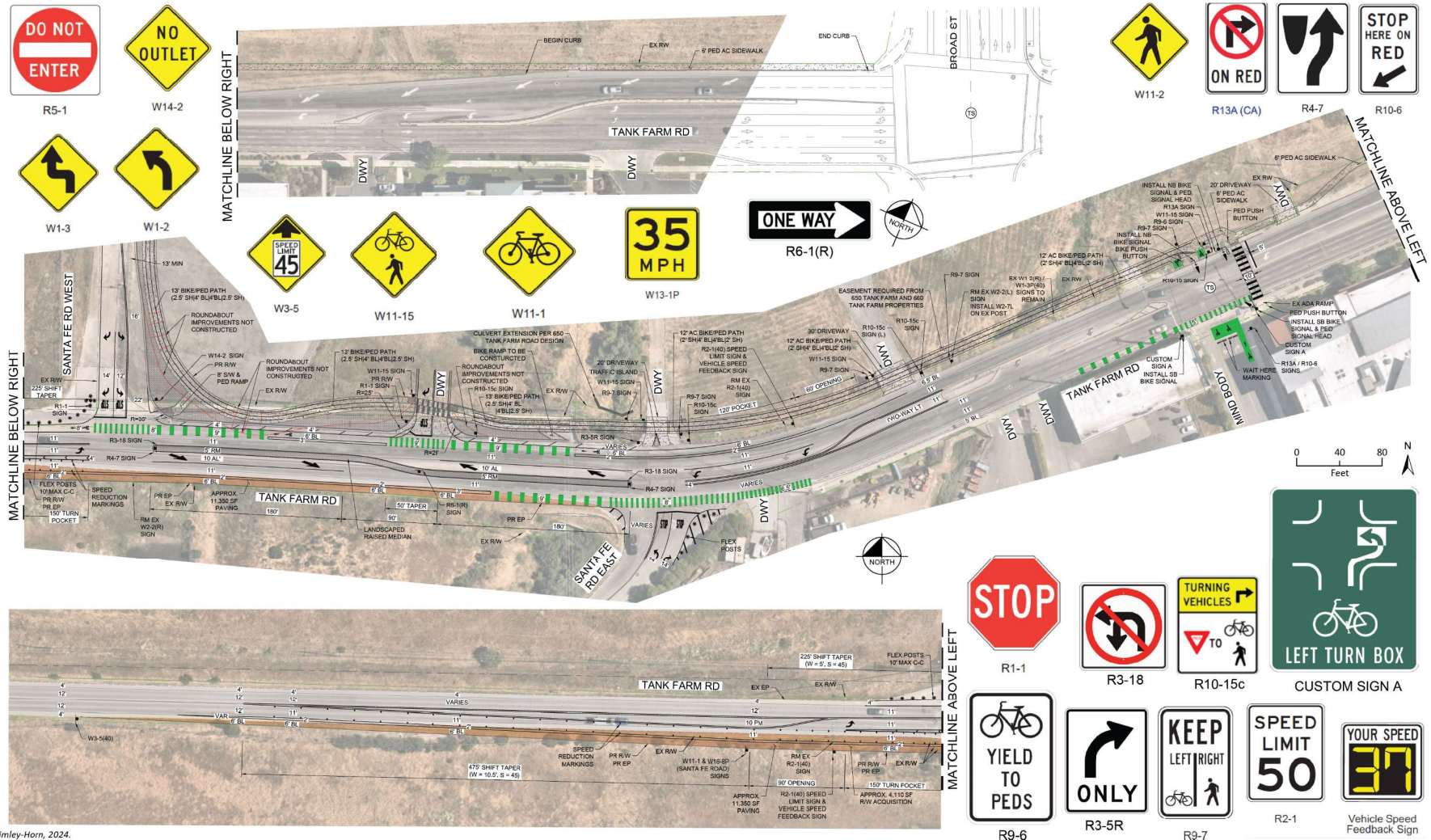
The modified project would eliminate the previously planned roundabout at the intersection of Tank Farm Road and Santa Fe Road, replacing this project component with a modified/interim access design concept that would provide access to the project site without the roundabout until it can be built in the future by the City or other private development. Key features of the interim transportation improvements include:

- Tank Farm Road/Santa Fe Road (West) Intersection: Unsignalized, with stop control on the Santa Fe Road (West) approach.
- Minor Road Widening on Tank Farm Road: Widening to add an eastbound left-turn lane into Santa Fe Road (West) and buffered on-street bike lanes along Tank Farm Road.
- Frontage Improvements:
  - Santa Fe Road (West): Landscaped parkway, lighting, street trees, and an elevated (sidewalk-level) two-way shared-use pedestrian/bicycle on the east side of street only. The shared-use path is to be constructed with permanent materials (concrete) and designed with flexibility to convert to a separate pedestrian sidewalk and one-way northbound protected bike lane in the future by others.
  - Tank Farm Road: Landscaped parkway, lighting, street trees and a two-way shared-use path between Santa Fe (West) and the Mindbody traffic signal. Shared-use path constructed in permanent materials (concrete) along 600 Tank Farm Road frontage, and with temporary (asphalt) east of frontage to Mindbody signal. The shared-use path is to be designed with flexibility to convert to a separate sidewalk and one-way westbound protected bike lane in the future by others. Tank Farm Road improvements also include widening of the existing culvert at Acacia Creek.
- Temporary Sidewalk: Asphalt sidewalk on street-level along the north side of Tank Farm Road from the Mindbody signal to Broad Street with a protective curb separating pedestrians from vehicle traffic.
- Traffic Safety Features: Landscaped center median along Tank Farm Road frontage to prevent illegal left turns, acceleration lanes to improve left-turn access to Tank Farm Road from southbound Santa Fe (West) and northbound Santa Fe (East), radar speed feedback signs, striping and warning signage to encourage safer speeds.
- Signal Modifications: Updates to the Tank Farm Road/Mindbody intersection to add pedestrian and bicycle signals phases and bicycle left turn box to improve Tank Farm Road crossings.

The improvements on Tank Farm Road east of the project site (in the direction of the Tank Farm Road/Mindbody intersection and Broad Street) would occur on two adjacent properties with approved projects: the 650 Tank Farm Road Mixed-Use Project (Mitigated Negative Declaration SCH #2018111054) and the Northwest Corner Broad and Tank Farm Mixed-Use Commercial/Assisted Living Project (Mitigated Negative Declaration SCH #2019049030). The modified project transportation improvements are substantially consistent with the existing entitlements on these properties in the context of their footprints and area of potential disturbance.

The interim transportation improvements design concept is shown in Figure 3.

Figure 3 Interim Transportation Improvements Design Concept



Source: Kimley-Horn, 2024.

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## 2.2 Retained Original Project Characteristics

The interim transportation improvements would be within the project boundary evaluated in the 2022 Final EIR as well as the entitled 650 Tank Farm Road Mixed-Use Project and Northwest Corner Broad and Tank Farm Mixed-Use Commercial/Assisted Living Project. Because the interim transportation improvements would disturb a smaller area than evaluated in the Final EIR, the modified project would be expected to reduce the overall level of construction activity relative to the assumptions established in the Final EIR.

With the exception of the removed Tank Farm Road/Santa Fe Road roundabout, the modified project would include the same land use characteristics and project components as the original project and adjacent entitled projects east of the original project, and would involve similar construction activities and utility improvements as described for the original project in the Final EIR under Section 1.1, Background and Purpose of the EIR Addendum.

The following approvals required from the City of San Luis Obispo were part of the 2022 original project entitlement, are not subject to expiration, and would continue to apply to the project modification: General Plan Map Amendment, rezone, and AASP Amendment. The project modification applies only to the conditions of approval and transportation improvements associated with the Vesting Common Interest Tentative Parcel Map, major architectural development review, and reimbursement agreement. Prior approval of the 2022 entitlements and approval of the current project modification would allow grading permits, improvement plans, and building permits to be handled by the City as ministerial approvals.

Construction of the interim transportation improvements described herein may require coordination with San Luis Obispo County, including encroachment permits or maintenance agreements.

## 3 Impact Analysis

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As described under Section 1.2, Basis for the Addendum, when a Final EIR has been adopted and a project is modified or otherwise changed after adoption, additional CEQA review may be necessary. In accordance with the CEQA Guidelines, the City of San Luis Obispo has determined that an addendum to the 2022 Final EIR is the appropriate form of environmental review for the proposed project modifications. This examination includes an analysis of the provisions of Section 21166 of CEQA and Sections 15162 to 15164 of the CEQA Guidelines and their applicability to the modified project.

As discussed in the impact analysis that follows, the modified project would not introduce new significant environmental impacts beyond those which have already been identified and characterized in the Final EIR. None of the conditions described in CEQA Guidelines Section 15162 calling for preparation of a subsequent EIR have occurred or would occur as a result of the modified project. This addendum will be considered by the Planning Commission and City Council in making a decision on the proposed project modification.

Appendix G of the CEQA Guidelines provides a checklist of 20 environmental issue areas that should be assessed in CEQA analyses. To provide a thorough analysis of potential impacts associated with the modified project, this addendum addresses all environmental issue areas described in the CEQA Guidelines.

The key conclusions of the Final EIR are summarized in Section 3.1. Because the existing environmental conditions in the project site and its surroundings remain substantially similar to the environmental conditions described in the Final EIR, the potential environmental effects of the modified project are similar to the original project for many of the environmental issue areas. Therefore, the modified project's potential environmental effects are discussed at the appropriate level of detail in Section 3.2, to determine whether the potential environmental impacts are consistent with the impact analysis provided in the Final EIR, and whether any additional mitigation would be necessary to minimize or avoid potentially significant environmental impacts.

### 3.1 Final EIR Analysis Summary

The Final EIR identified no substantial evidence that the original project would result in significant impacts to the following issue areas: Aesthetics, Agricultural Resources, Energy, Greenhouse Gas Emissions, Hydrology and Water Quality, Land Use and Planning, Mineral Resources, Population/Housing, Public Services, Recreation, Transportation, Utilities and Service Systems, and Wildfire. These environmental topics were all determined to have less than significant impacts.

The Final EIR determined that the original project had the potential to result in environmental impacts to: Air Quality; Biological Resources; Cultural and Tribal Cultural Resources; Geology and Soils; Hazards, Hazardous Materials, and Safety; and Noise, which could be reduced to a less than significant level with implementation of required mitigation. Mitigation Measures required in the Final EIR included:

- **Air Quality.** Mitigation Measures AQ-3(a) and AQ-3(b) require the project developer and contractor(s) to implement valley fever suppression measures during project construction, and comply with the San Luis Obispo Air Pollution Control District's Naturally Occurring Asbestos Air Toxics Control Measure.

- **Biological Resources.** Mitigation Measures BIO-1(a) through BIO-1(k) and BIO-2(a) through BIO-2(e) describe requirements for construction best management practices and worker training, species-specific avoidance and minimization measures, jurisdictional delineation, habitat mitigation and monitoring planning, and associated resource agency coordination.
- **Cultural Resources and Tribal Cultural Resources.** Mitigation Measures CUL-1(a) through (d) and CUL-2(a) outline archaeological monitoring requirements and regulatory standards that would apply in the event of unanticipated discovery of archaeological resources or tribal cultural resources during construction.
- **Geology and Soils.** Mitigation Measures GEO-1(a) through GEO-1(d) describe requirements for paleontological monitoring and regulatory standards that would apply in the event of unanticipated discovery of paleontological resources during construction of the project.
- **Hazards, Hazardous Materials, and Safety.** Mitigation Measures HAZ-1(a) and HAZ-1(b) require contaminated soil assessment and soil management planning if on-site soils exceed environmental screening levels, and regulatory standards that would apply in the event of discovery of contaminated soils during construction activity. Mitigation Measure HAZ-3(a) requires interim pedestrian safety signage along Tank Farm Road. Although not a CEQA mitigation measures, there is also a related condition of approval requiring the developer to advance designs and pay fair share fees toward the future shared-use path installation on Tank Farm Road.
- **Noise.** Mitigation Measures N-1(a) and N-1(b) describe required construction-related noise management practices to reduce temporary noise, and neighboring property owner notification requirements.

The Final EIR determined that implementation of these mitigation measures would reduce all but one of the project's potentially significant environmental impacts, including cumulative impacts, to a less than significant level. The Final EIR concluded that the project would contribute to new pedestrian demand along Tank Farm Road west of the project site, which does not have dedicated pedestrian facilities. The potential increase in pedestrian demand would result in a potential hazard to pedestrians (Impact HAZ-3 in Section 4.6, Hazards, Hazardous Materials, and Safety). As noted above, Mitigation Measure HAZ-3(a) requires installation of interim pedestrian safety signage along Tank Farm Road; however, the increase in pedestrian demand would result in a potential hazard to pedestrians that cannot be eliminated through feasible mitigation. As a result, the Final EIR found Impact HAZ-3 to remain significant and unavoidable, and a statement of overriding considerations was adopted in conjunction with approval of the project.

## 3.2 Environmental Impact Analysis of the Modified Project

With the exception of the removed Tank Farm Road/Santa Fe Road roundabout and the related modified/interim access design, the modified project described in Section 2, Modified Project Description, would include the same land use characteristics and project components as the original project and would involve similar construction activities and utility improvements as described for the original project in the Final EIR under Section 1.1, Background and Purpose of the EIR Addendum.

Because the interim transportation improvements would disturb a smaller area than evaluated in the Final EIR and would occur within the project boundary evaluated in the previously adopted and certified environmental documentation, the modified project would not change any of the environmental conclusions from the Final EIR, or otherwise result in any new or more substantial construction, project-level, or cumulative impacts related to the following environmental topics:

- Aesthetics
- Agriculture and Forestry Resources
- Air Quality
- Biological Resources
- Cultural Resources
- Energy
- Geology and Soils
- Greenhouse Gas Emissions
- Hydrology and Water Quality
- Land Use and Planning
- Mineral Resources
- Noise
- Population and Housing
- Public Services
- Recreation
- Tribal Cultural Resources
- Utilities and Service Systems
- Wildfire

All required mitigation measures from the Final EIR would continue to apply to the modified project and would continue to ensure potential environmental impacts would be reduced below the applicable thresholds of significance for those environmental topics. There is no new information indicating that the modified project would have new significant impacts or substantially more severe significant impacts with respect to these environmental topics than were identified in the Final EIR, since the interim transportation improvements at the Tank Farm Road/Santa Fe Road intersection would disturb a smaller area than evaluated in the Final EIR.

The interim transportation improvements would result in different traffic and multimodal circulation characteristics than the original project. In addition, Union Oil/Chevron is conducting environmental testing for PFAS on the former tank farm property, which could take several more years. The Final EIR did not specifically discuss PFAS as a distinct hazardous material separate from the Final EIR's consideration of the potential for project construction activity to encounter hazardous materials in on-site soils. As a result of these key project considerations, the following discussion focuses on the potential impacts of the modified project on Construction Effects; Hazards, Hazardous Materials, and Safety; Transportation; and Cumulative Effects.

### **Construction Effects**

The Final EIR evaluated the potential for construction of the project to result in temporary impacts related to: Air Quality; Biological Resources; Cultural and Tribal Cultural Resources; Geology and Soils; Hazards, Hazardous Materials, and Safety; and Noise, and included required Mitigation Measures (listed above in Section 3.2) that would reduce the project's temporary construction impacts below the applicable thresholds of significance. The interim transportation improvements at the Tank Farm Road/Santa Fe Road intersection would disturb a smaller area than the roundabout envisioned in the original project. As a result, the modified project would require less construction activity than assumed in the Final EIR.

Because the modified project would disturb a smaller area than the original project, would result in less construction activity than assumed in the Final EIR, and would continue to implement all required mitigation measures for temporary impacts from the Final EIR, the modified project would

not have new significant impacts or substantially more severe significant impacts with respect to potential construction effects compared to those disclosed in the Final EIR.

### **Hazards, Hazardous Materials, and Safety**

The Final EIR evaluated the potential for project construction activity to encounter hazardous materials in on-site soils. The Final EIR concluded that the project's potential to create a significant hazard to the public or the environment associated with existing on-site hazardous materials was potentially significant and required mitigation. Mitigation Measures HAZ-1(a) and HAZ-1(b) require contaminated soil assessment and soil management planning if on-site soils exceed environmental screening levels, and regulatory standards that would apply in the event of discovery of contaminated soils during construction activity. The Final EIR determined that implementation of these measures would reduce the potential impact related to hazardous materials in on-site soil during construction of the planned roundabout and frontage improvements along Tank Farm Road and the future alignment of Santa Fe Road to a less than significant level.

Union Oil/Chevron is conducting environmental testing for PFAS on the former tank farm property located west and north of the subject property, which could take several more years. The Final EIR did not specifically discuss PFAS as a distinct hazardous material separate from the Final EIR's consideration of the potential for project construction activity to encounter hazardous materials in on-site soils.

The interim transportation improvements at the Tank Farm Road/Santa Fe Road intersection would disturb a smaller area than the roundabout envisioned in the original project. As a result, removal of the roundabout and replacement with the proposed interim improvements at the Tank Farm Road/Santa Fe Road intersection would reduce the risk of encountering hazardous materials in on-site soil during construction of the project, including PFAS. The contaminated soil assessment and soil management planning required by Mitigation Measures HAZ-1(a) and HAZ-1(b), which would apply in the event on-site soils that exceed environmental screening levels are encountered during project construction would continue to apply. Because these required mitigation actions would also minimize the potential impact associated with PFAS, similar to other hazardous materials with the potential to be present in on-site soils. Therefore, the modified project would not result in new significant impacts or substantially more severe significant impacts associated with PFAS, with respect to the project's potential to create a significant hazard to the public or the environment, either during construction or operation of the project, associated with existing on-site hazardous materials than were identified for the original project in the Final EIR.

The Final EIR also evaluated transportation-related safety hazards and determined that the project would increase pedestrian demand along Tank Farm Road west of the project site in a manner that would result in a potential safety hazard to pedestrians. The Final EIR concluded that the pedestrian safety impact due to a geometric design feature was significant, because Tank Farm Road west of the project site does not have dedicated pedestrian facilities. Mitigation Measure HAZ-3(a) requires the developer to implement interim pedestrian safety signage along Tank Farm Road. However, the Final EIR concluded that Mitigation Measure HAZ-3(a) would reduce, but would not eliminate, the project's contribution toward pedestrian operations and safety impacts along this segment of Tank Farm Road. As a result, this impact was found to remain significant and unavoidable.

As also described in the Final EIR, in addition to Mitigation Measure HAZ-3(a), the original project approval included a Condition of Approval requiring the project applicant to provide preliminary planning and engineering support for a future shared-use pedestrian/bicycle path along Tank Farm Road from Santa Fe Road west to Innovation Way (4,700 feet west of Santa Fe Road), as identified in

the City’s Active Transportation Plan. Design work for the shared-use pedestrian/bicycle has not yet been completed, and the path will not be constructed as part of this project—for this reason, evaluation of the potential environmental effects of such an improvement would be speculative and is not included in the Final EIR or this EIR Addendum (CEQA Guidelines Section 15145). The goal of the Condition of Approval would be to advance planning of the shared-use pedestrian/bicycle path to a point where the City or others can take this on as a capital improvement project in the future, with environmental review of the improvement to occur as part of a separate discretionary approval process. This Condition of Approval is intended to remain applicable with the modified project proposal.

The interim transportation improvements would result in different traffic and multimodal circulation characteristics than the original project. However, removal of the roundabout and replacement with the proposed interim improvements at the Tank Farm Road/Santa Fe Road intersection would not increase potential future land use development in a manner that would increase in pedestrian demand beyond the increase anticipated in the Final EIR, or otherwise hinder potential future opportunities for pedestrian and other multimodal circulating improvements that would connect with the Tank Farm Road/Santa Fe Road intersection. Similarly, the modified project would not hinder implementation of mitigation requiring the developer to provide pedestrian safety signage along Tank Farm Road. Therefore, the modified project would not have new significant impacts or substantially more severe significant impacts with respect to the project’s potential to increase hazards due to a geometric design feature than were identified in the Final EIR.

## **Transportation**

As discussed in the Final EIR, the original project’s transportation improvements are consistent with the City’s Circulation Element, and the original project was projected to decrease overall regional vehicle miles traveled (VMT) as well as regional residential VMT, consistent with the City’s adopted VMT threshold and CEQA Guidelines section 15064.3(b). Overall, the Final EIR concluded that the original project’s potential transportation impacts were less than significant.

The interim transportation improvements associated with the proposed project modification have been evaluated by Central Coast Transportation Consulting (CCTC) in a memorandum dated February 2025 that serves as an addendum to the March 2021 Transportation Impact Study (2021 TIS), which supported the Final EIR evaluation of the project’s potential transportation impacts (Appendix A). This memorandum is referred to herein as the “2025 TIS Addendum.”

An assessment of the modified project’s potential transportation impacts pursuant to CEQA is provided as follows:

### **WOULD THE PROJECT CONFLICT WITH A PROGRAM, PLAN, ORDINANCE OR POLICY ADDRESSING THE CIRCULATION SYSTEM, INCLUDING TRANSIT, ROADWAY, BICYCLE AND PEDESTRIAN FACILITIES?**

#### *Vehicular Circulation*

The City of San Luis Obispo General Plan Circulation Element and Airport Area Specific Plan identify installation of roundabout as the ultimate configuration for the Tank Farm Road/Santa Fe Road intersection. The 2021 TIS included preliminary evaluation of potential side-street stop control at this intersection and found that the intersection would operate at a deficient level of service (LOS) per the City’s adopted performance standards under future near-term (5-10 year horizon) and cumulative (20+ year horizon) conditions, and ultimately recommended installation of a roundabout as part of the original project. However, due to practical considerations, the roundabout has been

deemed infeasible at this time, and it will not be constructed as part of the modified project proposal. The modified project proposes a side-street stop-control configuration for the Tank Farm Road/Santa Fe Road (West) intersection with additional operational improvements not previously considered in the 2021 TIS. These refinements include installation of a center median, striping two approach lanes at the Santa Fe (West) approach to Tank Farm Road, and addition of left-turn acceleration lanes to reduce delays for southbound-left turns from Santa Fe (West) and northbound left-turns from Santa Fe (East). With these refinements, the 2025 TIS Addendum concludes that the Tank Farm Road/Santa Fe (West) intersection would operate at acceptable LOS per the City's adopted thresholds with side-street stop-control and without a roundabout for existing, future near-term (5-10 year horizon), and future cumulative (20+ year horizon) conditions with addition of the proposed modifications. Further, addition of the left-turn acceleration lanes would also improve operations at the Tank Farm Road/Santa Fe (East) intersection for existing and future conditions compared to a "no project" scenario.

The 2025 TIS Addendum recommends the originally proposed roundabout as a future improvement to accommodate traffic levels if Santa Fe Road (West) is extended north to Prado Road or Santa Fe Road (East) is realigned to connect opposite Santa Fe (West) – these are planned as future transportation improvements outside of this project, but are not currently funded or in development. The project applicant has already prepared construction plans for the future roundabout, will pay fair share fees towards future construction of the roundabout by others through required payment of Citywide Transportation Impact Fees, and will design the project frontages as to not preclude future construction of the roundabout.

The City's Circulation Element and Airport Area Specific Plan also recommend future roadway widening to accommodate two westbound vehicle lanes on Tank Farm Road within the project vicinity. The modified project frontage improvements include striping a single westbound lane on Tank Farm initially, but have been designed to provide sufficient width to allow for restriping for two westbound lanes on Tank Farm Road in the future, when needed. All other vehicular circulation elements of the modified project remain substantially consistent with the original project proposal, as evaluated in the Final EIR.

#### *Pedestrian and Bicycle Circulation*

Pedestrian and bicycle access plans for the modified project remain substantially consistent with the original project proposal and analysis included in the Final EIR. As with the original project, the modified project includes construction of bicycle and pedestrian facilities along the Santa Fe Road and Tank Farm Road project frontages, and a shared-use path connecting through the project site to the adjacent Damon Garcia Park path system. In addition, the modified project includes construction of temporary bicycle and pedestrian facilities connecting east from the project site to the Tank Farm/Mindbody signalized intersection crossing, and temporary pedestrian facilities further east to Broad Street—these temporary facilities are intended to improve interim east-west access until permanent frontage improvements are completed by the previously approved developments to the east (650 Tank Farm and 660 Tank Farm [Northwest Corner]).

The City's Active Transportation Plan identifies ultimate plans for separate pedestrian sidewalks and one-way protected bike lanes along Tank Farm and Santa Fe Roads in the project vicinity. The modified project proposes to construct combined two-way shared-use pedestrian/bicycle facilities along the Santa Fe frontage and along Tank Farm from Santa Fe (West) east to the Tank Farm/Mindbody signal, with traffic signal upgrades to improve pedestrian and bicycle crossings at the Mindbody intersection. The purpose for providing two-way pedestrian/bicycle facilities with the

modified project is to improve east-west bicycle connectivity in the interim until the planned off-street connections through the neighboring developments at 650 and 660 Tank Farm Road are constructed. The two-way shared pedestrian/bicycle facilities proposed with the modified project can be designed to allow for relatively simple conversion to separate sidewalk and one-way protected bike lanes, consistent with the City's Active Transportation Plan, when the neighboring properties are developed in the future.

Overall, pedestrian and bicycle circulation for the modified project remain substantially consistent with the original project proposal, as evaluated in the Final EIR.

#### *Transit Access*

Transit access to the modified project remains consistent with the original project proposal and previous analysis in the Final EIR.

For the abovementioned reasons, the modified project would not conflict with applicable transportation plans including the City's Circulation Element, and this impact would remain less than significant.

#### **WOULD THE PROJECT CONFLICT OR BE INCONSISTENT WITH CEQA GUIDELINES SECTION 15064.3, SUBDIVISION (B)?**

The 2021 TIS evaluated project-related VMT compared to the City's adopted VMT thresholds and the TIS and Final EIR concluded that the project-generated VMT would be within applicable thresholds. Because, as explained in the 2025 TIS Addendum, the modified project would include the same land use characteristics as the original project and would not increase potential future land use development in a manner that would result in an increase in vehicle trips or characteristics beyond the increase anticipated in the Final EIR, the modified project would not result in a change in estimated VMT, or otherwise conflict with the City's adopted VMT threshold.

#### **WOULD THE PROJECT SUBSTANTIALLY INCREASE HAZARDS DUE TO A GEOMETRIC DESIGN FEATURE OR INCOMPATIBLE USES?**

As discussed above, the Final EIR disclosed a significant pedestrian safety impact associated with the project, because the project may add pedestrian demand to Tank Farm Road west of the project site, which does not have dedicated pedestrian facilities. Impact HAZ-3 in the Final EIR describes this impact and Mitigation Measure HAZ-3(a) requires the developer to implement interim pedestrian safety signage along Tank Farm Road. However, the Final EIR concluded that Mitigation Measure HAZ-3(a) would reduce, but would not eliminate, the project's contribution toward pedestrian operations and safety impacts along this segment of Tank Farm Road. As a result, this impact was found to remain significant and unavoidable. This impact would not be exacerbated with the modified project but would remain significant and unavoidable as disclosed in the Final EIR.

#### **WOULD THE PROJECT RESULT IN INADEQUATE EMERGENCY ACCESS?**

Emergency access for the modified project would remain substantially consistent with the original project, as evaluated in the Final EIR. The project proposes three driveways: primary access via two full access driveways on Santa Fe Road, and secondary access via a right-in/right-out driveway on Tank Farm Road. An additional emergency vehicle access point would be provided with a new bridge over Acacia Creek connecting the 600 and 650 Tank Farm Road developments, which would allow access for bicycles, pedestrians and emergency vehicles only. This bridge is planned to be



constructed by the 650 Tank Farm Road development. Final plans for construction of the on-site development, and off-site roadway and frontage improvements would be subject to review and approval by the City of San Luis Obispo, and final plans for internal circulation and access would be required to adhere to the policies listed in the City's Engineering Standards, Subdivision Regulations and City Fire Department's Developer's Guide. Internal circulation, including ingress and egress would be required to accommodate emergency vehicles, consistent with applicable Fire Department standards. Since the proposed project would not result in on-site hazards or inadequate emergency access, and final plans for site access and internal circulation would require approval of City staff, including the Fire Department, this impact would remain less than significant with the modified project.

Based on the findings of the 2025 TIS Addendum and above-mentioned information, the modified project would not have new significant impacts or substantially more severe significant impacts with respect to potential transportation impacts compared to those disclosed in the Final EIR.

### **Cumulative Effects**

A project's environmental impacts are "cumulatively considerable" if the "incremental effects of an individual project are significant when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects" (*CEQA Guidelines* Section 15065[a][3]). The Final EIR determined that implementation of required Mitigation Measures (listed above in Section 3.2) would reduce all but one of the project's potentially significant environmental impacts, including cumulative impacts, to a less than significant level. As discussed above, the Final EIR identified a significant and unavoidable pedestrian safety impact associated with the project, Impact HAZ-3, resulting from project-added pedestrian demand to Tank Farm Road west of the project site, which does not have dedicated pedestrian facilities. The Final EIR concludes that the project's significant and unavoidable pedestrian safety impact would be site-specific and would not have corresponding cumulative effects.

Because the modified project would disturb a smaller area than evaluated in the Final EIR, would occur within the project boundary evaluated in the previously adopted and certified environmental documentation, and would continue to implement all required mitigation measures for temporary impacts from the Final EIR, the modified project would not change any of the environmental conclusions from the Final EIR, or otherwise result in any new or substantially more severe cumulative impacts compared to those disclosed in the Final EIR.

## **3.3 Effects and Mitigation Measures**

The modified project is consistent with the environmental analysis and conclusions in the certified Final EIR and would not result in new or substantially more severe impacts beyond those identified in the Final EIR. Mitigation measures identified in the Final EIR remain applicable to the modified project, and no new mitigation measures are required to ensure the project's potential environmental impacts would remain less than significant.

## 4 Conclusion

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As discussed in Section 3, Impact Analysis, there are no new or substantially more severe impacts associated with the modified project than those identified and mitigated for in the 2022 Final EIR. Implementation of mitigation measures required in the Final EIR would continue to be required as part of the modified project. With the implementation of required mitigation, the modified project would not result in a new significant environmental effect, or a substantial increase in the severity of previously identified effects. The modified project does not involve any substantial changes that require major revisions to the Final EIR.

This conclusion is consistent with the environmental analysis and conclusions presented in the Final EIR. Therefore, the project is consistent with the requirements of Sections 15162 and 15164 of the CEQA Guidelines, and a subsequent EIR is not required, because no new impacts or impacts of substantially greater severity than previously described would occur as a result of the modified project. Therefore, the following determinations have been made:

- No further evaluation of environmental impacts is required for the modified project;
- No subsequent EIR is necessary per CEQA Guidelines Section 15162; and
- This addendum is the appropriate level of environmental analysis and documentation for the proposed project in accordance with CEQA Guidelines Section 15164.

Pursuant to CEQA Guidelines Section 15164(c), this addendum will be included in the public record for the Final EIR. Documents related to this addendum will be available on the City of San Luis Obispo's website at <https://www.slocity.org/>.

## 5 List of Preparers

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This addendum was prepared by Rincon Consultants, Inc. under contract to the City of San Luis Obispo. Persons and firms involved in data gathering, analysis, project management, and quality control include:

### **City of San Luis Obispo**

Timothea Tway, Community Development Director

Luke Schwartz, Transportation Manager

Callie Taylor, Senior Planner

### **Rincon Consultants, Inc.**

Megan Jones, MPP, Principal

Chris Bersbach, MESM, Senior Supervising Environmental Planner

Leslie Slayday, MUP, Environmental Planner

Brooke Emmett, Graphic Designer

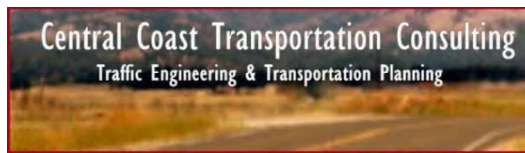
Debra Jane Seltzer, Formatting Specialist

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# Appendix A

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Access Evaluation for the Modified 600 Tank Farm Road Project



## MEMORANDUM

Date: February 4, 2025  
To: Luke Schwartz, Transportation Manager, City of San Luis Obispo  
From: Joe Fernandez and Michelle Matson, CCTC  
**Subject: 600 Tank Farm Road – Access Evaluation**

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CCTC prepared a Transportation Impact Study (TIS) for the 600 Tank Farm Road project in March 2021. The applicant proposes an interim configuration (**Attachment A**) with the following features:

- A new full access side-street-stop controlled intersection is proposed at one of the project driveways (Tank Farm Road/Santa Fe Road West) and an additional right-in, right-out only driveway is proposed on Tank Farm Road between Santa Fe Road West and East.
- A Class I bicycle/pedestrian path is proposed on the north side of Tank Farm Road from Santa Fe Road West to MindBody.
- A temporary sidewalk is proposed on the north side of Tank Farm Road from MindBody to Broad Street.
- The Acacia Creek culvert under Tank Farm Road would be widened and driveway sight distance obstructions removed.
- The Tank Farm Road/MindBody intersection would be modified to provide a crosswalk on the east leg with pedestrian crossing indications and a bike signal and bike box to facilitate crossing Tank Farm Road to connect to the new Class I path.
- Center acceleration lanes serving Santa Fe Road West and East to facilitate outbound left turns by allowing the turns to occur in two stages.
- Speed feedback signs and other advance warning features to improve driver awareness of the new intersection bicycle and pedestrian conflicts.

No on-site land use changes are proposed, and the Santa Fe Road West project frontage would not change from the previous approvals. The proposed interim configuration changes the lane configurations on multiple approaches when compared to the previously proposed roundabout layout. This memorandum evaluates if the proposed changes would substantially change the findings and requirements identified in the prior TIS.

### **SUMMARY AND RECOMMENDATIONS**

The proposed interim side-street-stop control at Tank Farm Road/Santa Fe Road West (#3) would provide acceptable automobile operations under Existing, Near Term, and Cumulative conditions with the addition of project traffic. Side-street-stop control does not support pedestrian and cyclist crossings of Tank Farm Road at this location and is inconsistent with the prior recommendations to construct a roundabout. However, there are no destinations immediately across Tank Farm Road from the project, the roundabout is not needed to accommodate vehicular volumes without the Prado Road extension, and interim access is proposed which provides acceptable vehicular operations and pedestrian and cyclist connectivity to the east.

The proposed intersection control and CCTC's recommendations are shown in **Attachment A**. The roundabout is recommended as a future improvement and will be necessary to accommodate traffic levels when

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Santa Fe Road is extended to Prado Road. We recommend that the project be conditioned to make fair share contributions towards the roundabout and that frontage designs accommodate the facilities planned in the Active Transportation Plan and Circulation Element.

## BACKGROUND

The 2021 TIS identified nine local transportation deficiencies and recommended improvements to address them. Five of these deficiencies, described in **Table 4**, were associated with the project frontage or site design, and would be affected by the currently proposed access changes.

The 2021 TIS identified deficiencies related to automobile, pedestrian, and bike level of service (LOS) associated with side-street-stop control at the project driveway (Santa Fe Road West) which would be addressed by construction of a roundabout. Section 0.2.1 of the 2021 TIS noted that stop control at this intersection would not address pedestrian connectivity deficiencies and was not recommended as an interim measure. This recommendation was due to high levels of side-street vehicular delay due to a single southbound approach lane, and poor bicycle and pedestrian LOS due to an uncontrolled crossing. The revised interim design addresses these concerns by providing median left-turn acceleration lanes, dual southbound approach lanes, and pedestrian and bicycle connections to the east with a protected crossing at the Mindbody signal.

## POLICY CONSISTENCY

Tank Farm Road is classified as a regional route/parkway arterial in the City's Circulation Element, a street type described as *arterial routes with landscaped medians where the number of cross-streets is limited and direct access from fronting properties is discouraged*. Santa Fe Road West is a proposed commercial collector planned to connect to the future Prado Road extension to Broad Street. As currently proposed it would only serve the proposed project until the Santa Fe Road and Prado Road extensions are complete.

Section 3.1.8 of the City's Uniform Design Criteria relates to access management, noting that new driveways should not be allowed within the functional area of adjacent signalized intersections. On 40 mile per hour roadways, the upstream functional area is 420 feet plus 95<sup>th</sup> percentile queues, and the downstream functional area is 300 feet.

Santa Fe Road West is approximately 465 feet from Santa Fe Road East and the proposed eastern project driveway is approximately 170 feet from Santa Fe Road East. Secondary access to the site is recommended and the eastern driveway is proposed as right-in, right out which limits conflict points and potential interaction with nearby intersections.

The City's General Plan, Airport Area Specific Plan, and Active Transportation Plan (ATP) recommend a future roundabout at the Tank Farm Road/Santa Fe Road West intersection. As modified, the project would not advance that improvement. However, the project would not preclude the roundabout as a future improvement and should be conditioned to pay fair share costs toward the future roundabout and ensure that the site design accommodates the planned roundabout footprint.

The City's ATP also calls for future Class IV bikeways on both sides of Santa Fe Road and Tank Farm Road, with Class I paths on both sides of Tank Farm Road west of Santa Fe Road. The project's Santa Fe Road frontage does not preclude these planned facilities. The Tank Farm Road frontage proposes a Class I path on the north side of Tank Farm Road to the MindBody signal, and Class II bike lanes on Tank Farm Road, which differs from the ATP. The proposed two-way Class I path design may require modifications to the one-way Class IV design already prepared for the adjacent 650 Tank Farm Road development frontage improvements. The City could consider amending the ATP to evaluate a two-way Class I path on the north side of Tank Farm

Road between Santa Fe Road and Broad Street as the ultimate design for this location. This would allow eastbound riders destined north on Broad Street to avoid an extra crossing of Tank Farm Road, or riding on the sidewalk or contra-flow in the westbound bike lane.

The City’s Active Transportation Committee recommends, and the project proposes, an interim Class I shared-use path connecting the project to the MindBody signalized intersection to the east. This will convert to a separate sidewalk and one-way Class IV bike lane in the future consistent with the ATP.

## AUTO OPERATIONS ANALYSIS

### *Existing and Existing Plus Project*

The project TIS relied on traffic data collected in 2018 and 2019. Segment-level traffic counts on Tank Farm Road from 2022 are lower than the 2018 data. The 2022 data was used to evaluate conditions at the Santa Fe Road intersections under Existing and Existing Plus Project conditions with side-street-stop control and two-stage gap acceptance as currently proposed. Turning volumes were assumed to remain the same for Santa Fe Road East and Mind Body, through volumes on Tank Farm Road were adjusted to 2022 levels, and no volumes were assumed on the northern intersection legs. The PM peak hour is the critical time period, so the analysis focuses on this time period. **Table 1** shows the auto LOS results under these scenarios. The intersection analysis worksheets are included as **Attachment B**.

**Table 1: Existing and Existing Plus Project Auto LOS**

Existing and Existing Plus Project Intersection Auto Levels of Service						
Intersection	Peak Hour	Approach	Existing		Existing+Project	
			Delay <sup>1</sup>	LOS	Delay <sup>1</sup>	LOS
3. Tank Farm Road/Santa Fe Road West	PM	SB	<i>Future Intersection</i>		0.5 (20.0)	- (C)
4. Tank Farm Road/Santa Fe Road East	PM	NB	<b>6.0 (54.6)</b>	<b>- (F)</b>	3.3 (29.6)	- (D)
5. Tank Farm Road/MindBody	PM	All	10.6	B	6.7	A

1. HCM 6th average control delay in seconds per vehicle. For side-street-stop controlled intersections the worst approach's delay is reported in parentheses next to the overall intersection delay.  
**Unacceptable operations shown in bold text.**

The analysis assumes all project trips would use Tank Farm Road/Santa Fe Road West (#3) and represents the worst-case operations of LOS C if all project trips used a single driveway. The peak hour signal warrant would not be met if all project trips used a single driveway. Note that without a center acceleration lane that enables two-stage gap acceptance, the southbound approach to Santa Fe Road West (#3) would operate at LOS F.

The table also assumes two approach lanes for the northbound approach of Tank Farm Road/Santa Fe Road East (#4) consistent with **Attachment A**. The results show acceptable LOS D or better operations with the existing intersection lane configurations and a center acceleration lane that enables two-stage gap acceptance. This reduces delay at the Tank Farm Road/Santa Fe Road East (#4) intersection compared to the existing condition. The PM peak hour signal warrant is met at Tank Farm Road/Santa Fe Road East (#4) under Existing conditions with and without the project.

The addition of a bicycle signal phase, an eastern pedestrian crosswalk with leading pedestrian intervals (LPI), and northbound no right turn on red would maintain acceptable operations at Tank Farm Road/Mindbody (#5). The delay improves with the project due to the longer cycle length. However, the 95<sup>th</sup> percentile eastbound and westbound queues on Tank Farm Road would increase to 406 and 692 feet, respectively, under Existing conditions with the project when the bike phase is actuated. These queues would be reduced with a



second westbound through lane on Tank Farm Road, which is expected to occur once the parcels between the project site and Broad Street develop.

### ***Near Term and Near Term Plus Project***

Near Term conditions in the 2021 TIS forecast traffic volumes for substantial planned development in the City, a portion of which is now complete. The 2021 TIS Near Term Plus Project scenario assumed the following relevant roadway improvements:

- The Tank Farm Road/Santa Fe Road West (#3) intersection included a second westbound through lane, an eastbound left turn lane, a shared southbound right/left turn lane, and median storage to enable two-stage gap acceptance.
- The Tank Farm Road/Santa Fe Road East (#4) intersection included a second westbound through lane, closure of the north leg, and median storage to enable two-stage gap acceptance.

The 2021 TIS identifies an auto LOS deficiency under Near Term Plus Project PM conditions at Tank Farm Road/Santa Fe Road West (#3) with the above assumptions in place.

The proposed configuration shown in **Attachment A** is different from the prior Near Term lane configurations. **Table 2** shows the auto LOS results under Near Term and Near Term Plus Project conditions. Near Term conditions assume no lane configuration changes from the Existing conditions layout. The intersection analysis worksheets are included as **Attachment B**.

**Table 2: Near Term and Near Term Plus Project Auto LOS**

<b>Near Term and Near Term Plus Project Intersection Auto Levels of Service</b>						
<b>Intersection</b>	<b>Peak Hour</b>	<b>Side Street Approach</b>	<b>Near Term Delay<sup>1</sup></b>	<b>Near Term LOS</b>	<b>Near Term+Project Delay<sup>1</sup></b>	<b>Near Term+Project LOS</b>
3. Tank Farm Road/Santa Fe Road West	PM	SB	<i>Future Intersection</i>		0.5 (26.4)	- (D)
4. Tank Farm Road/Santa Fe Road East	PM	NB	<b>12.5 (138.8)</b>	<b>- (F)</b>	<b>4.2 (45.1)</b>	<b>- (E)</b>
1. HCM 6th average control delay in seconds per vehicle. For side-street-stop controlled intersections the worst approach's delay is reported in parentheses next to the overall intersection delay.						
<b>Unacceptable operations shown in bold text.</b>						

The addition of project traffic and the proposed intersection improvements results in acceptable operations at the Tank Farm Road/Santa Fe Road West (#3) intersection with the provision of median storage. The Tank Farm Road/Santa Fe Road East (#4) intersection is forecast to operate unacceptably both with and without the project, but the delay with the project is reduced due to the provision of median storage.

The peak hour signal warrant would not be met at Tank Farm Road/Santa Fe Road West (#3). The peak hour signal warrant would be met at Tank Farm Road/Santa Fe Road East (#4) under Near Term conditions.

### ***Cumulative and Cumulative Plus Project***

Cumulative conditions in the 2021 TIS included many planned network and land use changes expected upon buildout of the City's General Plan. In addition to the Near Term improvements, the following key network changes were assumed that would shift travel patterns in the study area:

- Prado Road extension from Higuera Street to Broad Street with a new intersection south of Capitolio Way.
- A full interchange would be constructed at Prado Road and US 101 along with replacement of the Prado Road Creek Bridge.

- Bullock Lane extension from Orcutt Road to Tank Farm Road.
- Victoria Avenue extension from Woodbridge Street to High Street.
- Orcutt Road widening to four-lanes from the railroad tracks to Johnson Avenue.
- Tank Farm Road widening to four lanes west of 250 Tank Farm Road.
- A multilane roundabout at Tank Farm Road/Santa Fe Road West (#3).
- Santa Fe Road south of Tank Farm Road would be realigned to the west with a new bridge and Santa Fe Road would be extended north of Tank Farm Road to the Prado Road extension.
- A multilane roundabout at Edna Road (SR 227)/Buckley Road.

The multilane roundabout at Tank Farm Road/Santa Fe Road West (#3) operated acceptably in the 2021 TIS under Cumulative conditions with the project with the above assumptions in place.

The timing of the Santa Fe Road realignment and connection to the Prado Road Extension is unknown. **Table 3** shows the auto LOS results under Cumulative and Cumulative Plus Project conditions without the Santa Fe Road improvements. Cumulative no project conditions assume no lane configuration changes from the Existing and Near Term conditions, except a right-in, right-out driveway on the north leg of Tank Farm Road/Santa Fe Road East (#4) based on the recommendations shown on **Attachment A**. The intersection analysis worksheets are included as **Attachment B**.

**Table 3: Cumulative and Cumulative Plus Project Auto LOS**

Cumulative and Cumulative Plus Project Intersection Auto Levels of Service						
Intersection	Peak Hour	Side Street Approach	Cumulative Delay <sup>1</sup>	Cumulative LOS	Cumulative+Project Delay <sup>1</sup>	Cumulative+Project LOS
3. Tank Farm Road/Santa Fe Road West	PM	SB	<i>Future Intersection</i>		0.5 (24.6)	- (C)
4. Tank Farm Road/Santa Fe Road East	PM	NB	<b>83.2 (&gt;200)</b>	<b>- (F)</b>	<b>13.0 (96.8)</b>	<b>- (F)</b>
1. HCM 6th average control delay in seconds per vehicle. For side-street-stop controlled intersections the worst approach's delay is reported in parentheses next to the overall intersection delay.						
<b>Unacceptable operations shown in bold text.</b>						

The addition of project traffic and the proposed intersection improvements results in acceptable operations at the Tank Farm Road/Santa Fe Road West (#3) intersection with the provision of median storage.

The Tank Farm Road/Santa Fe Road East (#4) intersection is forecast to operate unacceptably both with and without the project, but the delay with the project is reduced due to the provision of median storage. The 95<sup>th</sup> percentile queues for northbound left and northbound right are 5 and 10 vehicles, respectively, under Cumulative conditions with the project.

The peak hour signal warrant would not be met at Tank Farm Road/Santa Fe Road West (#3). The peak hour signal warrant would be met at Tank Farm Road/Santa Fe Road East (#4) under Cumulative conditions. Note that if Santa Fe Road is extended to Prado Road volumes at this intersection will increase, resulting in unacceptable operations with side-street-stop control. A roundabout or signal would be triggered when Santa Fe Road West is extended to Prado Road and/or when Santa Fe Road East is realigned opposite Santa Fe Road West. The project will be required to pay transportation impact fees which constitute the project's fair share contribution towards the planned roundabout and other area improvements.

## PEDESTRIAN AND BICYCLE ANALYSIS

The 2021 TIS reports multiple pedestrian and bicycle deficiencies and recommends improvements to address them. The improvements included a new roundabout at the Tank Farm Road/Santa Fe Road West (#3) to

provide a controlled crossing location as well as connections to the east to enable non-auto access to shopping, jobs, transit, and other residences. However, the roundabout is infeasible at this time.

**Table 4** summarizes the local transportation deficiencies that were associated with the project frontage or site design and would be affected by the currently proposed access changes.

**Table 4: 2021 TIS Relevant Deficiencies**

Selected Local Impacts and Deficiencies				
#	Mode	TIS Deficiencies	TIS Recommended Improvements	2024 Findings
1	Auto Intersection LOS	Tank Farm Rd/Santa Fe Rd West (#3): With side St stop control, the southbound approach operates unacceptably during the PM peak hour under Near Term Plus Project conditions.	Install a roundabout at Tank Farm Rd/Santa Fe Rd West (#3).	Intersection operates at acceptable auto LOS with proposed layout. Roundabout recommended as future improvement.
3	Pedestrian Intersection LOS	Pedestrian intersection LOS deficiencies were reported for Tank Farm Rd at Santa Fe Rd (#3-4) and MindBody (#5).	Install pedestrian signal and crosswalk to cross Tank Farm Rd at the existing Tank Farm Rd/MindBody (#5) signalized intersection (if not yet completed by 650 or 660 Tank Farm Rd developments) and install a roundabout at Tank Farm Rd/Santa Fe Rd West (#3).	Prior deficiencies and recommendations still applicable. Pedestrian and bicycle access is proposed from site to Broad Street with crossing at Tank Farm Rd/MindBody (#5) traffic signal.
4	Pedestrian Segment LOS	Pedestrian segment LOS deficiencies were reported for Tank Farm Rd from project east to Broad St and Tank Farm Rd from new Santa Fe Rd west 4,700' to new collector St.	Provide continuous pedestrian connection between project and Broad St (if frontage improvements not yet completed by 650 and 660 Tank Farm Rd developments). Construct Class I Path west of Santa Fe Rd (if feasible).	Prior deficiencies and recommendations still applicable. Pedestrian and bicycle access is proposed from site to Broad Street with crossing at Tank Farm Rd/MindBody (#5) traffic signal.
5	Bike LTS	The segment of Santa Fe Rd north of Tank Farm Rd would operate at deficient Bicycle LTS 4 if no controlled crossing is provided at the intersection of Tank Farm Rd/Santa Fe Rd West (#3).	Install a roundabout at Tank Farm Rd/Santa Fe Rd West (#3).	Prior deficiencies and recommendations still applicable. Pedestrian and bicycle access is proposed from site to Broad Street with crossing at Tank Farm Rd/MindBody (#5) traffic signal.
7	Auto/Ped/Bike Access	Frontage improvements require adequate geometric transitions.	Construct geometric transitions per Caltrans and/or AASHTO standards.	Prior recommendations still applicable.

The applicant proposes a pedestrian and bicycle connection from the project site to Broad Street on the north side of Tank Farm Road with a signalized crossing at Tank Farm Rd/MindBody (#5) which will address some of the deficiencies. Pedestrian access will be provided to nearby destinations via the Class I path and signalized crossing. While the proposed interim configuration does not provide a protected pedestrian crossing of Tank Farm Road at the project site there are no destinations immediately across from the project, and pedestrian access is provided to other nearby destinations.

Westbound bicycle access would be provided via the Class I path, while eastbound cyclists preferring a controlled crossing (riders could use the left turn lane into the site) would pass the project site, cross at the MindBody signal, and return the project. This additional travel for eastbound cyclists (roughly 2,000 feet) is

contextually insignificant since these riders would have already traveled at least double this distance to reach the site from the nearest destination from the west.

The preferred alternative for intersection control and recommendations are shown in **Attachment A**.

## **ATTACHMENTS**

Attachment A: Preferred Alternative and Recommendations

Attachment B: LOS Worksheets

## **REFERENCES**

City of San Luis Obispo. 2005. Airport Area Specific Plan.

\_\_\_\_\_. 2017. Circulation Element of the General Plan.

\_\_\_\_\_. 2020. Engineering Standards and Specifications.

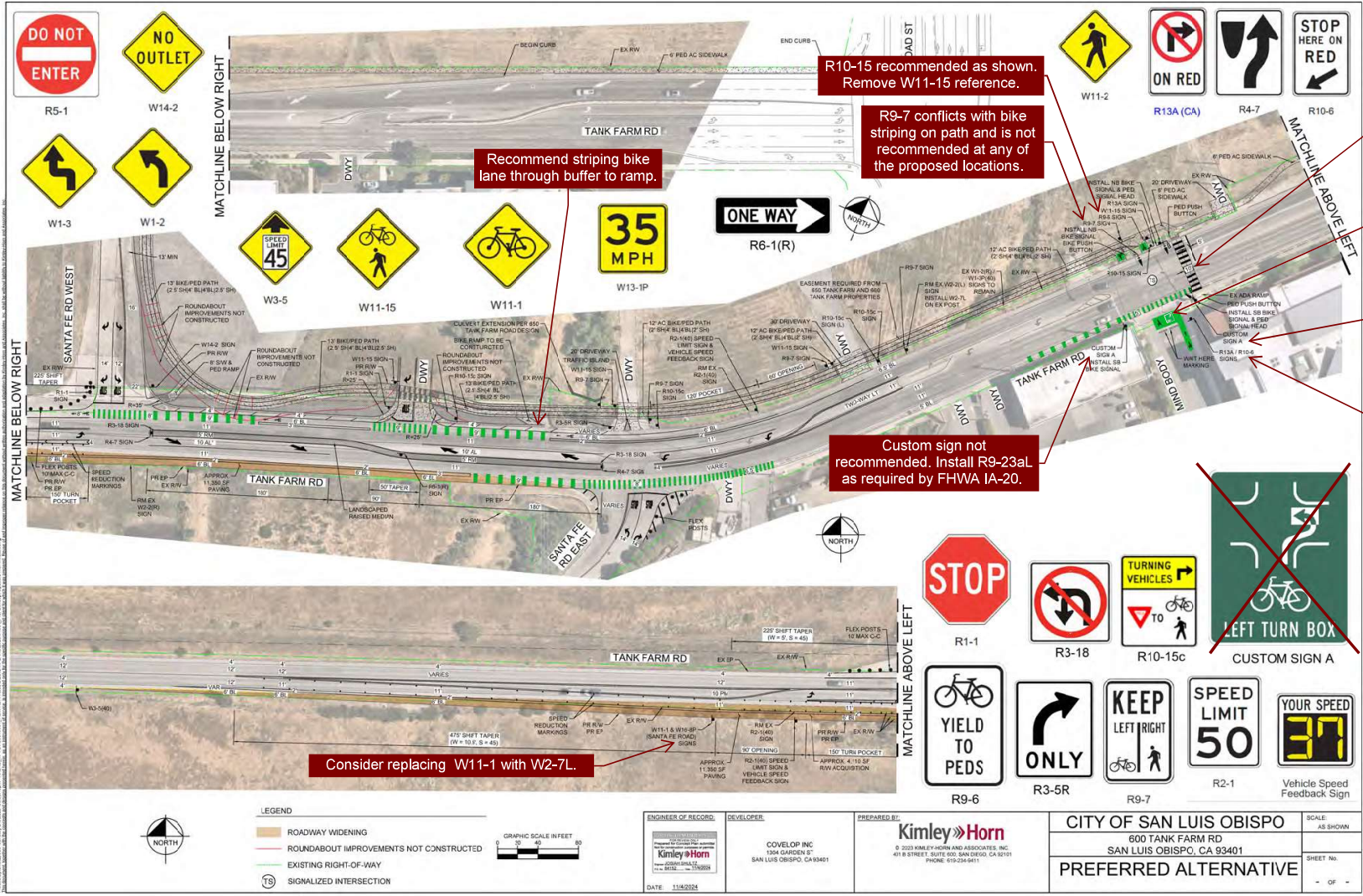
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Federal Highway Administration. 2024. Crash Modification Factors Clearinghouse.

\_\_\_\_\_. 2020. Access Management in the Vicinity of Intersections.

# Preferred Alternative and Recommendations



R10-15 recommended as shown. Remove W11-15 reference.

R9-7 conflicts with bike striping on path and is not recommended at any of the proposed locations.

Recommend striping bike lane through buffer to ramp.

Custom sign not recommended. Install R9-23aL as required by FHWA IA-20.

Replace existing mast arm sign with R3-18.

Replace symbol in front of right turn lane with a two-stage turn box as required by FHWA IA-20.

Custom sign not recommended. Remove.

Add R3-7bP sign below R10-6 sign and move R13A (CA) closer to intersection consistent with FHWA IA-18.

Consider replacing W11-1 with W2-7L.



January 2025

600 Tank Farm Road, San Luis Obispo



**Table 1. Plan/Policy Consistency of Proposed Active Transportation Facilities**

Issue/Facility	Adopted Plan/Policy	Originally Approved 600 Tank Farm Road Project (2022)	Modified 600 Tank Farm Road Project (2025)
<b>Tank Farm/Santa Fe (West) Intersection Control</b>	Future multi-lane roundabout (LUCE, AASP)	Design and construct north/west/east legs of multilane roundabout	<ul style="list-style-type: none"> <li>Construct interim unsignalized intersection</li> <li>Prepare designs, dedicate on-site R/W and pay fair share fees towards future roundabout to be constructed by others.</li> </ul>
<b>Nearest Low-Stress Bike/Ped Crossing of Tank Farm Rd to 600 Tank Farm Site</b>	Future crossings at Tank Farm/Santa Fe Roundabout and at Tank Farm/Mindbody signal (ATP, AASP)	Crossings at new Tank Farm/Santa Fe Roundabout and at Tank Farm/Mindbody signal	<ul style="list-style-type: none"> <li>Designated crossings at Tank Farm/Mindbody signal only with initial project</li> <li>Future crossings at Tank Farm/Santa Fe Roundabout when constructed by others</li> </ul>
<b>Santa Fe (West) Bicycle and Pedestrian Facilities</b>	Future one-way protected bike lanes & sidewalks on each side of road (ATP)	<ul style="list-style-type: none"> <li>Construct elevated one-way (NB) protected bike lane and sidewalk on east side along project frontage.</li> <li>Future bike lane and sidewalk on west side by others.</li> </ul>	<ul style="list-style-type: none"> <li>Construct elevated two-way shared-use path on east side along project frontage.</li> <li>Potential to convert two-way path to separate one-way (NB) bike lane and sidewalk in future.</li> </ul>
<b>Tank Farm Rd Bicycle and Pedestrian Facilities</b>			
Segment 1: West of Santa Fe	Future two-way shared-use paths on north and south sides of street between Innovation Way and Santa Fe (AASP, ATP)	<ul style="list-style-type: none"> <li>Project applicant to prepare 65%-level designs and environmental studies for future path on north side of street west of Santa Fe</li> <li>Pay fair share fees towards future construction of path by others</li> </ul>	Same as 2022 proposal
Segment 2: Santa Fe to Mindbody	Future one-way protected bike lanes & sidewalks on each side of street (ATP)	<ul style="list-style-type: none"> <li>Construct elevated one-way (WB) protected bike lane and sidewalk on north side along project frontage</li> <li>Future protected EB bike lane and sidewalk on south side by others</li> </ul>	<ul style="list-style-type: none"> <li>Construct elevated two-way shared-use path on north side along project frontage between Santa Fe and Mindbody.</li> <li>Potential to convert two-way path to separate one-way (WB) bike lane and sidewalk in future.</li> </ul>
Segment 3: Mindbody to Broad	Future one-way protected bike lanes & sidewalks on each side of street (ATP)	Construct temp asphalt sidewalk on north side from Mindbody to Broad if permanent protected bike lane and sidewalks per ATP have not yet been constructed by approved developments at 650 & 660 Tank Farm	Same as 2022 proposal
Plan/Policy Source LUCE – General Plan Land Use & Circulation Element; AASP – Airport Area Specific Plan; ATP – Active Transportation Plan			





## PLANNING COMMISSION AGENDA REPORT

**SUBJECT:** REVIEW OF AMENDMENTS TO THE AIRPORT AREA SPECIFIC PLAN TO ALLOW MIXED-USE RESIDENTIAL DEVELOPMENT WITHIN THE SERVICE COMMERCIAL (C-S) AND MANUFACTURING (M) ZONES SUBJECT TO A CONDITIONAL USE PERMIT WHERE APPROPRIATE AND CONSISTENT WITH THE AIRPORT LAND USE PLAN

**PROJECT ADDRESS:** Airport Area Specific Plan **FILE NUMBER:** SPEC-0457-2023

**BY:** John Rickenbach, Contract Planner  
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**APPLICANT:** City of San Luis Obispo

### RECOMMENDATION

Adopt a Draft Resolution (Attachment A) recommending approval to the City Council to introduce an Ordinance to amend the Airport Area Specific Plan to allow for mixed-use residential development in the Service Commercial (C-S) and Manufacturing (M) zones subject to a conditional use permit, and to approve an Addendum to the Final EIR for the Airport Area and Margarita Area Specific Plans.

### SITE DATA

<b>Applicant</b>	City of San Luis Obispo
<b>Zone</b>	Service Commercial (C-S) and Manufacturing (M) zones in the AASP
<b>General Plan Land Use</b>	Services and Manufacturing in the AASP
<b>Site Area</b>	About 1,200 acres (AASP Area)
<b>Environmental Determination</b>	Addendum to the Airport and Margarita Area Specific Plan Final EIR

### 1.0 BACKGROUND AND SUMMARY

In 2005, the City adopted the [Airport Area Specific Plan](#) (AASP) which provides a regulatory framework for planning future development on approximately 1,200 acres in the southern portion of the City near the San Luis Obispo County Regional Airport. The AASP allowed uses and development standards that were guided by the 2002 San Luis Obispo County Regional Airport's Airport Land Use Plan (ALUP). The basic function of

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the ALUP is to promote compatibility between airports and land uses that surround them. The 2002 ALUP included several safety zones and noise contours that limited or prohibited residential and non-residential development. Based on these prohibitions, when the AASP was adopted, it did not allow mixed-use residential development for consistency with the ALUP.

In 2020, the City adopted the Housing Element and included Program 5.5 that called for updating the Zoning Regulations “to allow mixed-use within Service Commercial (C-S) and Manufacturing (M) zones without a use permit within one year of the adoption of the Housing Element.” In 2021, the City Council adopted an update to the Zoning Regulations that removed the Conditional Use Permit (CUP) requirement and allowed mixed-use by right in the C-S and M zones. However, updates could not be made to specific plan areas such as the AASP because of the existing 2002 ALUP safety zone and noise contour limitations.

As the City was updating the Zoning Regulations in 2021, the Airport Land Use Commission (ALUC) was updating the ALUP, including revisions to the safety zones and noise contours. Specifically, the ALUP revisions removed the limitation on residential density within Safety Zone 6, the General Traffic Pattern Zone (see Figure 1 and Attachment B), and narrowed noise contour areas closer to the runways (see Attachment C). The removal of these restrictions to residential development provides an opportunity to consider mixed-use residential projects within the AASP.

Based on the update to the ALUP and Major City Goal of Housing and Homelessness, City Council included work program item 3.1.c in the 2023-25 Financial Plan; *Initiate an update to the Airport Area Specific Plan to allow mixed-use residential development, where appropriate and consistent with the County Airport Land Use Plan.* As such, the City is proposing to amend the AASP to allow mixed-use development within parcels zoned either Service Commercial (C-S) or Manufacturing (M) in ALUP Safety Zone 6. A Conditional Use Permit (CUP) will be required to evaluate existing conditions in the AASP such as water and sewer capacity and infrastructure, fiscal neutrality, potential for incompatible uses, consistency with the ALUP, and emergency response.

No development would occur directly as a result of this action, which is simply a modification of existing land use requirements under the AASP. Future development under the modified land use requirements could occur as a result of individual project applications that must be approved by the City through its normal development and CUP review processes.

## 2.0 COMMISSION'S PURVIEW

The Planning Commission's role is to review the proposed AASP amendments for consistency with the City's [General Plan, AASP](#) and applicable [Zoning Regulations](#), and to make a recommendation to the City Council.

3.0 PROJECT DESCRIPTION

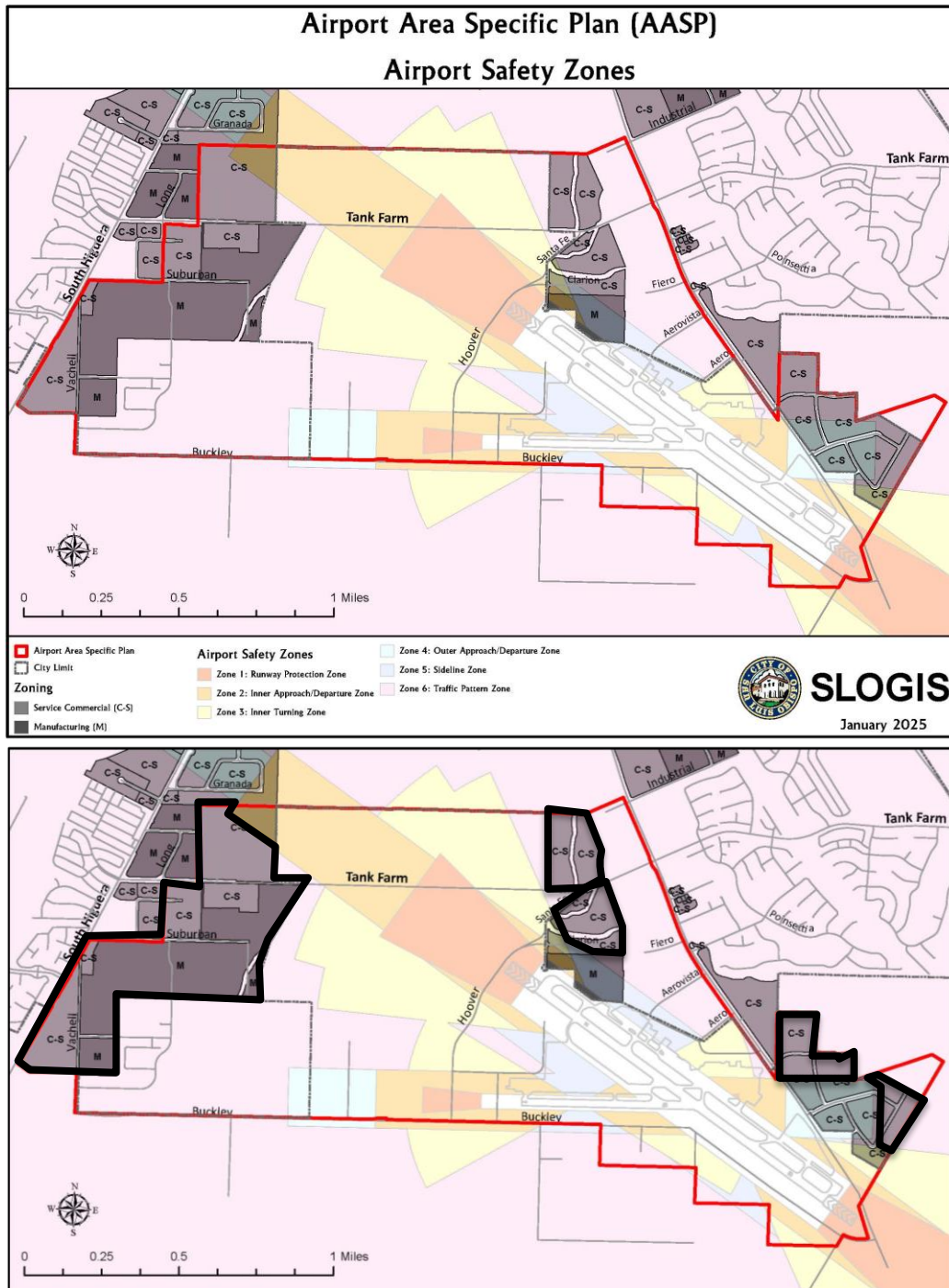


Figure 1: The top map shows the Airport Safety Zones overlaid on the parcels zoned C-S and M within the AASP.

Outlined in black, the bottom map shows the areas of the AASP that are zoned C-S and M and fall within ALUP Safety Zone 6.

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### 3.1 Project Location and Affected Parcels

The Project Area includes all property within ALUP Safety Zone 6 and designated as Service Commercial (C-S) or Manufacturing (M) within the 1,200-acre [AASP](#) planning area. **Figure 1** (above) shows the location of C-S and M zoned areas within the AASP and their relationship with all the ALUP safety zones and also shows all the C-S and M zoned areas that fall specifically within ALUP Safety Zone 6.

A land use inventory was prepared in 2024 to determine the amount of C-S or M zoned lands within the AASP. **Table 1** below summarizes the total acreage of vacant and developed parcels in these two land use designations.

Land Use Designation	Acreage		
	Developed (or entitled)	Vacant	Total
Service Commercial (C-S)	140.4	85.6	226.0
Manufacturing (M)	94.7	20.4	115.1
<b>Total</b>	<b>235.1</b>	<b>106.0</b>	<b>341.1</b>

Of this total, 236.4 acres are fully within Safety Zone 6, while the remaining 104.7 acres are at least partially within that safety zone. Consistent with ALUP policies and the AASP as proposed for amendment, mixed-use residential development could be considered on the portion of any parcel within Safety Zone 6, even if the remainder of the parcel is within a more restrictive safety zone. However, as will be discussed further below, the AASP amendment will propose that any residential portion of a mixed-use residential development must be located wholly within Safety Zone 6.

### 3.2 Overview of Proposed Amendment to the AASP

The City Council has prioritized the need for additional housing, including affordable housing, to meet ongoing demand. With the update to the ALUP and the Major City Goal of Housing and Homelessness, City Council included work program item 3.1.c in the 2023-25 Financial Plan; *Initiate an update to the Airport Area Specific Plan to allow mixed-use residential development, where appropriate and consistent with the County Airport Land Use Plan.*

The City is proposing to amend the AASP to allow mixed-use development within Service Commercial (C-S) or Manufacturing (M) zoned parcels with the approval of a Conditional Use Permit (CUP). As noted above, mixed-use residential development would only be considered within ALUP Safety Zone 6. No development would occur directly as a result of this action. No existing zoning designations are proposed to change. Instead, the resulting amendment would allow mixed-use residential development, subject to specific findings, and consistent with the requirements of the City's Zoning Regulations, as they currently apply to C-S and M designated lands in the rest of the City.

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Attachment A, Exhibit A includes the proposed amendments to the AASP. The crucial aspect of these changes relates to the findings that would need to be made in order for the Planning Commission to approve a CUP for a mixed-use residential project within the AASP. These include the following:

1. There is demonstrable water and sewer capacity to serve the project;
2. Any fiscal impact of the project to the City must be offset to achieve fiscal neutrality;
3. There are no nearby uses that generate sufficient air emissions, noise, odors or vibration to create an incompatibility with proposed mixed-use development;
4. Proposed mixed-use residential development is consistent with land use, safety or noise restrictions set forth in the ALUP, and any residential portion of a mixed-use development shall be wholly located within Safety Zone 6; and
5. There is adequate emergency response.

Future individual project applications must be reviewed by the City through its normal development and conditional use permit review processes, and subject to environmental review under the California Environmental Quality Act (CEQA). However, the magnitude and timing of such development is speculative at this time, and would be influenced by a variety of factors, including market demand, property owner desire to develop, consistency with the Airport Land Use Plan (ALUP), and potential environmental constraints that may apply to specific parcels where project development applications are under consideration.

The other noteworthy aspect of the AASP amendment is the elimination of Table 4-1 within the AASP, which provided a land use inventory and described buildout potential within the area. The reasons for its removal are that it is out of date, reflects buildout potential based on assumptions made when the specific plan was first adopted 20 years ago, does not aid in implementing the specific plan, and with less interest in purely commercial development and the ability to pursue mixed-use residential development, any estimate of potential buildout within the area is likely to be inaccurate.

#### **4.0 PREVIOUS REVIEW**

On January 15, 2025, the project was informally presented to Airport Land Use Commission (ALUC) for preliminary review. Per the ALUP, the ALUC is required to review certain types of actions that affect land use in the vicinity of airports to ensure that the action proposed by the referring agency, the City, is consistent with the ALUP. The ALUC provided comments, which were addressed by City staff and included in ALUC's staff report (Attachment D) for a formal conformity determination, which occurred on February 19, 2025. At that meeting, ALUC found the project to be in conformance with the ALUP, subject to findings and conditions, which have been incorporated into the proposed AASP amendment (Exhibit A of Attachment A.)

A key ALUC condition would limit the construction of the residential portion of mixed-use development to Safety Zone 6, and not in any of the more restrictive safety zones (see Figure 2). However, nearly all the C-S and M zoned parcels are either wholly located or

mostly located in Safety Zone 6. In all, 117 of the 132 parcels zoned C-S or M are wholly within Safety Zone 6, encompassing 236 acres. Of the remaining 15 parcels (104 acres), most include substantial area within Safety Zone 6. As the AASP amendments have been found to be in conformance with the ALUP, future mixed-use residential development projects in the AASP would not be required to be reviewed by the ALUC.

**5.0 POLICY CONSISTENCY ANALYSIS**

**5.1 Consistency with the General Plan and Major City Goals**

The AASP was found to be consistent with the General Plan at the time of its adoption in 2005, as have all subsequent amendments to the AASP. The proposed amendment to the AASP would allow mixed-use residential development within land zoned as Service Commercial (C-S) and Manufacturing (M), consistent with the Services and Manufacturing designation under the General Plan. The concept of mixed uses in appropriate locations within the City is supported in multiple policies within the General Plan, notably in the Housing and Land Use Elements and implements work program item 3.1.c in the 2023-25 Financial Plan Major City Goal of Housing and Homelessness. **Table 2** summarizes the proposed specific plan amendment’s consistency with the Housing and Homelessness Major City Goal that relates to housing and homelessness, as well as key General Plan goals, policies and programs.

<b>Table 2. Major City Goals and General Plan Policy Consistency Analysis</b>	
<b>Goal/Policy/Program</b>	<b>Consistency Analysis</b>
<i>Major City Goal</i>	
<b>Housing and Homelessness.</b> Support the expansion of housing options for all, and continue to facilitate the production of housing, including the necessary supporting infrastructure, with an emphasis on affordable and workforce housing as well as accessibly connected development. Collaborate with local non-profit partners, non-governmental agencies, the county, the state, and federal governments to advocate for increased funding and implementation of comprehensive and effective strategies to prevent and reduce homelessness.	<b>Consistent.</b> By allowing mixed-use in the AASP, the proposed project directly addresses this major city goal by creating a new means of providing additional housing in the City.
<b>Work Program Item #3.1.c.</b> Initiate an update to the Airport Area Specific Plan to allow mixed-use residential development, where appropriate and consistent with the County Airport Land Use Plan.	<b>Consistent.</b> The proposed update to the AASP would fulfill MCG work program item 3.1.c to allow additional residential development as part of a mixed-use project consistent with the ALUP.

<i>General Plan Housing Element</i>	
<b>Program 5.5.</b> Update the Zoning Regulations to allow mixed-use development within Service Commercial (C-S) and Manufacturing (M) zones without a use permit within one year of the adoption of the Housing Element.	<b>Consistent.</b> This program has already been implemented in C-S and M zones throughout the City, with the exception of in the AASP (and other specific plan areas). Due to the recent update of the Airport Land Use Plan (ALUP), there is now the opportunity to implement this policy in the AASP. However, a Conditional Use Permit (CUP) would be required subject to specific findings due to existing conditions in the AASP such as water and sewer capacity and infrastructure, fiscal neutrality, potential for incompatible uses, consistency with the ALUP, and emergency response.
<b>Program 6.13.</b> Consider General Plan amendments, as projects are proposed, to rezone commercial, manufacturing, or public facility zoned areas for higher-density, infill or mixed-use housing, where compatible with surrounding development...	<b>Consistent.</b> While this program encourages mixed-use residential development through amendments to the General Plan (and not to specific plans), its intent is consistent with the specific plan amendment currently being proposed, which would allow for mixed-use residential development in a substantial portion of the City where it had not been previously allowed and would have a similar effect to what would occur through a General Plan amendment.
<i>General Plan Land Use Element</i>	
<b>Policy 3.8.5. Mixed Uses.</b> The City encourages compatible mixed uses in commercial districts.	<b>Consistent.</b> By allowing for mixed-use residential development within the Service Commercial and Manufacturing zones within the AASP, the project directly implements this policy.

## 5.2 Consistency with the Zoning Regulations

As described in Section 4.1 above, the proposed specific plan amendment would allow for mixed-use development in the C-S and M zones subject to a Conditional Use Permit within the AASP. The maximum density of residential development within mixed-use projects in the AASP would be 24 density units per acre, which is identical to what is allowed in other mixed-use projects elsewhere in the City within C-S and M zones. The project is therefore consistent with the Zoning Regulations.

## 6.0 FISCAL IMPACTS

Kosmont prepared a fiscal impact analysis to examine the effects of allowing mixed-use residential development within the C-S and M zones in the AASP, which is included as Attachment E. The analysis evaluated two scenarios of potential land development within the AASP in order to estimate net fiscal impacts from potential future development. The

first examined likely development in the AASP under current market conditions based on the existing General Plan and AASP, which do not allow for mixed-use. The second scenario reflects the potential for mixed-use residential development in the AASP in the C-S and M zones. In both cases, the analysis considered current market conditions and demand, which is generally stronger for residential than the predominantly industrial uses currently allowed in the AASP.

## 6.1 Development Scenarios, Assumptions and Conclusions

*Existing General Plan and AASP Scenario.* While the 2014 LUCE land use scenario (office, retail, industrial with no residential) would achieve an annual fiscal “surplus” for the City’s General Fund, Kosmont’s study identifies that the level of office and retail land uses assumed does not reflect current market and economic conditions (additionally evidenced in lack of non-residential development over previous 10 years), and is therefore an unrealistic view of what is likely to be developed in the foreseeable future.

*Mixed Use Scenario.* Kosmont’s study further explores that a more likely future AASP land use development scenario would include a mix of uses, including both “vertically” blended uses (e.g., housing over commercial), as well as “horizontally” blended uses (e.g., commercial or hospitality behind or adjacent to housing). Based on this, Kosmont in consultation with City staff developed a potential market-based, blended-use land use scenario, primarily based on a combination of demonstrated developer interest within the City, Kosmont’s previous market supply and demand analysis in the region, and broader real estate development trends across the State and nationally. Assumptions also reflect proposed and approved projects within the AASP, but excludes the remaining residential units within Avila Ranch, as that project already includes a maintenance Community Facilities District (CFD) to augment funding for municipal services.

In this scenario, this analysis projects a net negative fiscal impact for the General Fund, driven largely by the tax sharing agreement that limits the City’s receipt of property tax revenue from new development in this area.

## 6.2 Recommendations

In order to support long-term fiscal solvency for the City General Fund while not over-prescribing non-residential uses beyond market and financial feasibility, and while not relying solely on future non-residential uses which are difficult to predict, Kosmont identifies four potential strategic approaches to achieving fiscal neutrality:

1. Maintenance/services Community Facilities District (CFD), similar to the mechanism utilized for the Avila Ranch development project within the City (potentially most feasible strategy)
2. Renegotiation of the Property Tax Sharing Agreement with the County
3. Infrastructure Financing District negotiation with the County (as a backup to #2 above)
4. Minimum commercial use requirements for residential projects



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Kosmont's report recommends that the most feasible approach of the four is to implement a CFD. However, without a CFD or another mechanism that can apply to the entire AASP, fiscal neutrality can also be achieved on a project-by-project basis, through the implementation of Homeowners Associations or similar mechanisms that use fees collected from homeowners to provide public services. The proposed specific plan amendment responds to this analysis by requiring that in order to approve a Conditional Use Permit for any individual project, any fiscal impact of that project to the City must be offset to achieve fiscal neutrality.

## 7.0 ENVIRONMENTAL REVIEW

The Final Programmatic EIR for the Airport Area and Margarita Area Specific Plans and Related Facilities Master Plans ("Final EIR", or "AASP Final EIR") addressed future development within the Airport Area Specific Plan. The Final EIR was certified in September 2003 and has provided the basis for evaluating the impacts of future development within the AASP area. Subsequent amendments to the AASP were subject to separate CEQA evaluations to address the potential impacts stemming from those amendments.

An Addendum to the Final EIR has been prepared to address changes to the approved project, and is included as Attachment F. Pursuant to Section 15164(b) of the CEQA Guidelines, an addendum to an adopted Final EIR may be prepared by the Lead Agency that prepared the original Final EIR if only minor technical changes or additions are necessary or none of the conditions described in Section 15162 have occurred that require preparation of a subsequent EIR. An Addendum is appropriate to address the modified project because the proposed changes to the approved project do not meet the conditions of Section 15162(a) for preparation of a subsequent EIR.

The County of San Luis Obispo Airport Land Use Commission conducted an Initial Study and prepared a Negative Declaration for the 2021 update of its Airport Land Use Plan (ALUP). That environmental document was used in part to inform some of the conclusions contained in the Addendum prepared for the proposed AASP amendment.

## 8.0 ALTERNATIVES

1. Continue project. An action to continue the item should include a detailed list of additional information or analysis required to make a decision.
2. Deny the project. An action recommending the City Council deny the proposed amendments and should include findings that cite the basis for denial and should reference inconsistency with the General Plan, Zoning Regulations, or other policy documents.

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**9.0 ATTACHMENTS**

A - Draft PC Resolution

B - ALUP Safety Zones Overlaying the AASP

C - ALUP Noise Contours Overlaying the AASP

D - ALUC Staff Report 2-19-25

E - Fiscal Impact Analysis

F - Addendum to Final EIR

**RESOLUTION NO. PC-XXXX-25**

**A RESOLUTION OF THE SAN LUIS OBISPO PLANNING COMMISSION RECOMMENDING APPROVAL OF AMENDMENTS TO THE AIRPORT AREA SPECIFIC PLAN TO ALLOW MIXED-USE DEVELOPMENT WITHIN THE SERVICE COMMERCIAL (C-S) AND MANUFACTURING (M) ZONES SUBJECT TO A CONDITIONAL USE PERMIT WHERE APPROPRIATE AND CONSISTENT WITH THE AIRPORT LAND USE PLAN; AND A DETERMINATION THAT THE PROJECT IS CONSISTENT WITH THE CERTIFIED FINAL EIR FOR AIRPORT AREA AND MARGARITA AREA SPECIFIC PLANS AND RELATED FACILITIES MASTER PLANS (FEIR) WHEN CONSIDERED IN CONJUNCTION WITH AN ADDENDUM TO THE FINAL EIR; AS REPRESENTED IN THE AGENDA REPORT AND ATTACHMENTS DATED FEBRUARY 26, 2025 (SPEC-0457-2023)**

**WHEREAS**, the 2014 General Plan Land Use and Circulation Elements (LUCE) update includes numerous policies that support the development of additional housing, particularly affordable housing, to meet ongoing demand; and

**WHEREAS**, consistent with Housing Element Program 5.5, the City in 2021 updated Title 17 (Zoning Regulations) to allow for mixed-use development in Service Commercial (C-S) and Manufacturing (M) zones by right throughout the City except in Specific Plan Areas such as the Airport Area Specific Plan (AASP) in order to help address ongoing housing demand; and

**WHEREAS**, the City has not allowed for mixed-use development in Service Commercial (C-S) and Manufacturing (M) zones in the AASP because the 2002 San Luis County Regional Airport (SBP) Airport Land Use Plan (ALUP) established safety and noise areas that limited or prohibited noise sensitive residential uses or high-density residential development in effect at the time of the adoption of the AASP in 2005; and

**WHEREAS**, the San Luis Obispo County Airport Land Use Commission (ALUC) in 2021 amended and restated the ALUP to address new technical information related to safety and noise, which resulted in a refinement of areas subject to land use restrictions under the ALUP, including areas within the AASP and as a result, there is now substantial area within the AASP where the land use restrictions have changed and created opportunities for mixed-use developments within the AASP; and

**WHEREAS**, the Airport Land Use Commission of the County of San Luis Obispo, upon receipt of a formal referral from the City of San Luis Obispo, conducted a hearing on February 19, 2025, and determined the proposed SPA is consistent with the San Luis Obispo County Regional Airport Land Use Plan subject to conditions, pursuant to a proceeding instituted under SPEC-0457-2023, City of San Luis Obispo, applicant; and

**WHEREAS**, the Planning Commission of the City of San Luis Obispo conducted a public hearing in the Council Chamber of City Hall, 990 Palm Street, San Luis Obispo, California on February 26, 2025, for the purpose of recommending amendments to the AASP to allow mixed-use development within the Service Commercial (C-S) and Manufacturing (M) zones subject to a conditional use permit where appropriate and consistent with the ALUP; and

**WHEREAS**, notices of said public hearings were made at the time and in the manner required by law; and

**WHEREAS**, the Planning Commission of the City of San Luis Obispo has duly considered all evidence, including the testimony of the applicant, interested parties, and evaluation and recommendations by staff, presented at said hearing; and

**NOW, THEREFORE, BE IT RESOLVED** by the Planning Commission of the City of San Luis Obispo as follows:

**SECTION 1. Findings.** Based upon all evidence, the Planning Commission makes the following findings:

1. The proposed amendment to the Airport Area Specific Plan (AASP) is consistent with the intent of the General Plan because it will not result in additional impacts beyond those anticipated in the Airport Area and Margarita Area Specific Plans and Related Facilities Master Plans Final EIR, and because the concept of mixed uses in appropriate locations within the City is supported in multiple policies within the General Plan, notably in the Housing and Land Use elements.
2. The proposed AASP amendments are intended to allow for mixed-use development consistent with the intent of the General Plan and in a manner generally consistent with how it is considered in C-S and M zones elsewhere in the City.
3. The proposed AASP amendments do not substantively change the policy framework or overall land use or circulation pattern envisioned in the originally adopted Specific Plan.
4. The proposed AASP amendments will not cause serious health problems, substantial environmental damage, or cause impacts beyond those disclosed in the certified Final EIR and Addendum for this action.

**SECTION 2. Environmental Review.** An addendum to the certified Final Environmental Impact Report (FEIR) (SCH #2000051062) for the Airport Area and Margarita Area Specific Plans and Related Facilities Master Plans was prepared to address changes to the previously-approved project, pursuant to Section 15164(b) of the CEQA Guidelines, since only minor technical changes or additions are necessary to the certified Final EIR and none of the conditions described in Section 15162 of the CEQA Guidelines have occurred that require preparation of a subsequent EIR.

The project is consistent with the certified Final Environmental Impact Report (FEIR) for Airport Area and Margarita Area Specific Plan and Related Master Plans under the California Environmental Quality Act (CEQA) in conjunction with an Addendum prepared pursuant to CEQA Guidelines 15164. All mitigation measures adopted as part of the Final EIR that were included in the Airport Area Specific Plan that are applicable to the proposed Specific Plan Amendment (SPA) are carried forward and applied to the proposed SPA to effectively mitigate the impacts that were previously identified.

**SECTION 3. Action.** The Planning Commission hereby recommends to the City Council the introduction and adoption of an ordinance to amend the AASP to allow mixed-use development within the Service Commercial (C-S) and Manufacturing (M) zones subject to a conditional use permit where appropriate and consistent with the ALUP as set forth in Exhibit A and incorporated herein.

Upon motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, and on the following roll call vote:

AYES:  
NOES:  
ABSENT:  
RECUSED:

The foregoing resolution was adopted this 26<sup>th</sup> day of February 2025.

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Tyler Corey, Secretary  
Planning Commission

## EXHIBIT A

### **PROPOSED AMENDMENTS TO THE AIRPORT AREA SPECIFIC PLAN TO ALLOW MIXED-USE DEVELOPMENT WITHIN THE SERVICE COMMERCIAL (C-S) AND MANUFACTURING (M) ZONES SUBJECT TO A CONDITIONAL USE PERMIT WHERE APPROPRIATE AND CONSISTENT WITH THE AIRPORT LAND USE PLAN**

Additions to the Airport Area Specific Plan language is shown in underline text, with language to be removed shown in ~~strikethrough text~~.

#### **Chapter 1—Introduction**

Page 1-3. Environmental Review. Add the following paragraph following the first paragraph on the page, which describes the CEQA review that was conducted for this specific plan amendment.

Pursuant to Section 15164(b) of the CEQA Guidelines, an Addendum to the Final EIR was prepared to address changes to the Specific Plan Amendment approved in 2025, which allowed mixed-use development in Service Commercial (C-S) and Manufacturing (M) zones subject to a Conditional Use Permit within the AASP.

Page 1-7. The Planning Process. Add a new paragraph at the end of this section related to allowing mixed-use in the Service Commercial (C-S) and Manufacturing (M) zones within the AASP:

In 2025, the AASP was amended to allow mixed-use in the Service Commercial (C-S) and Manufacturing (M) zones subject to a Conditional Use Permit and findings described in Table 4-3, consistent with the 2021 amended and restated San Luis Obispo County Regional Airport Land Use Plan.

#### **Chapter 2—The Planning Area**

No changes proposed.

#### **Chapter 3—Conservation and Resource Management**

Page 3-12. Aircraft Operations. Add the following to the end of this section:

The Airport Land Use Commission adopted a major amendment to the Airport Land Use Plan on May 26, 2021. The amended and restated ALUP provides for noise contours that are tied to aircraft and airport activity that are consistent with adopted federal Terminal Area Forecasts, and on safety zones that are based on and consistent with those described in the Caltrans Airport Land Use Planning Handbook. These revised safety areas and noise contours have the general effect of opening certain areas in the AASP to residential development.

### Chapter 4—Land Use

Page 4-2. Land Use Background. Modify the third complete paragraph on Page 4-2 as follows:

The land use plan was developed to ensure compatibility with airport operations. ~~Uses that have high concentrations of people or are sensitive to airport noise (e.g., low density residential, schools, hospitals, etc.) are not included in the planning area.~~ The designated AASP land uses (Figure 4-1) are consistent with the airport safety areas in the San Luis Obispo County Regional Airport Land Use Plan (ALUP), as amended in 2021. Generally, the critical areas in line with the runway centerlines will be maintained as open space. Lower intensity warehousing, manufacturing, service, business park and mixed-use development are designated for the less sensitive zones to the sides of the runways, and further out from the ends of the runways.

Page 4-3. Land Use Background. Remove Table 4-1 (Airport Area Specific Plan Land Use Program and Development Capacities) as shown below and all references to Table 4-1 in the text of the Specific Plan.

Residential Land Use	Acres	Units Per Acre	Estimated Dwelling Units
<b>Undeveloped Land<sup>1</sup></b>			
Low Density	12.8	7.9	101
Medium Density	20.5	10.9	223
Medium-High Density	15.2	21.2	322
Subtotal	48.5		720
Developed Land (Existing Mobile Homes)	6.7	4.8	32
<b>Total Residential Property</b>	<b>55.2</b>		<b>678</b>
<b>Non-Residential Land Use Designations</b>			
<b>Undeveloped Land</b>			
Neighborhood Commercial	8.4	0.31	115,000
Community Commercial	9.66	0.44	185,147
Business Park	116.94	0.21	1,018,781
Service Commercial	155.0	0.24	1,620,432
Manufacturing	101.3	0.17	747,642
Subtotal	384.4		3,687,002
Developed Land	145.2	0.28	1,786,745
<b>Total Non-Residential Property</b>	<b>529.6</b>		<b>5,437,474</b>
<b>Other Land Use Designations</b>			
<b>Acres</b>			
Agriculture	76.1		
Conservation / Open Space/Parks	294.9		
Government	292.5		
<b>Total Other Property</b>	<b>663.5</b>		
<b>Total AASP Acreage<sup>2</sup></b>	<b>1,255.1</b>		

<sup>1</sup> The total potential square footage (and associated acreage) includes future development on properties currently under pre-annexation agreements and properties outside of the City's jurisdiction with alternative fee programs. Since these properties may not be required to pay their fair share of infrastructure costs, the difference will need to be funded by other funding sources (e.g., grants, additional City contributions, etc.).  
<sup>2</sup> Excludes acreage associated with roads, setbacks, creeks, and other features.

Page 4-23. Table 4-3. Allowed Uses. Amend Table 4-3 to include a line item for Mixed-Use, indicating that it is allowed with a Conditional Use Permit. Add the following note (#9) at the end of the table that refers to the development standards and findings for

mixed-use development within the C-S and M zones. Specific proposed changes to Table 4-3 are shown below as underlined text:

**Table 4-3 – Allowed Uses**

Key:

A = Allowed

D = Allowed by Administrative Use Permit

PC = Allowed by Planning Commission Use Permit

Land Use	Zoning District			
	PF	C-S	M	BP
<u>MIXED-USE (also see Footnote 9 &amp; 10)</u>		<u>PC</u>	<u>PC</u>	

Footnote:

9. In order to approve a Conditional Use Permit (noted as PC in Table 4-3) for a mixed-use development in the C-S and M zones, the Planning Commission shall find the project consistent with development standards outlined in San Luis Obispo Municipal Code Section 17.70.130 (Mixed-use development) and make the following findings:

- 1) There is demonstrable water and sewer capacity to serve the project;
- 2) Any fiscal impact of the project to the City must be offset to achieve fiscal neutrality;
- 3) There are no nearby uses that generate sufficient air emissions, noise, odors or vibration to create an incompatibility with proposed mixed-use development;
- 4) Proposed mixed-use residential development is consistent with land use, safety or noise restrictions set forth in the ALUP and any residential portion of a mixed-use development shall be wholly located within Safety Zone 6; and
- 5) There is adequate emergency response.

10. Avigation easements shall be recorded for each property prior to the issuance of a building permit. All owners, potential purchasers, occupants (whether as owners or renters), and potential occupants (whether as owners or renters) shall receive full and accurate disclosure concerning the noise, safety, or overflight impacts associated with Airport operations prior to entering any contractual obligation to purchase, lease, rent, or otherwise occupy the subject property or properties.

Page 4-28. Table 4-5. Building Intensity and Coverage Standards. Amend Table 4-5 to indicate a maximum Floor Area Ratio (FAR) of 1.5 for the C-S and M zones, including for mixed use development in those zones, in order to be consistent with the maximum FAR in C-S and M zones elsewhere in the City. Specific changes are shown below in underline text.



<b>Table 4-5</b>			
<b>San Luis Obispo Airport Area Specific Plan</b>			
<b>BUILDING INTENSITY AND COVERAGE STANDARDS</b>			
Also See Table 4-6. Limitations on employee and customer concentrations due to airport safety are more restrictive than the standards provided below in most cases and may reduce maximum potential FAR.			
Design Standard	Land Use Designation		
	Business Park	Service Commercial	Manufacturing
<u>Maximum floor area ratio: mixed-use development</u>	<u>n/a</u>	<u>1.5</u>	<u>1.5</u>

Page 4-30. Table 4-8. Parking Standards. Add the following note to Table 4-8:

(b) Parking standards for the residential component of mixed-use projects in the C-S and M zones must be consistent with the parking standards for residential uses as set forth in Section 17.72 of the Zoning Regulations.

**Chapter 5—Community Design**

Page 5-15. Goal 5.4, Guideline I. Modify as follows:

In R-3 and R-4 zones, as well as in the residential portions of mixed-use projects, parking bays and garages shall be placed adjacent to non-residential uses or adjacent to noise exposure areas to the extent possible to buffer sound impacts.

Page 5-18. Standard 5.6.2. Modify this standard as follows:

Each commercial, industrial loading, outdoor recycling or waste collection area shall be located on the side of a building opposite from parcel lines or street frontages of any land designated for residential use, or for mixed-use projects, separated or screened from the residential portion of the project to the extent possible.

Page 5-38. Table 5-5. Add a footnote to Table 5-5 as follows:

Residential landscape design standards also apply to mixed-use projects within the Service Commercial and Manufacturing land use categories.

**Chapter 6—Circulation & Transportation**

No changes proposed.

## **Chapter 7—Utilities & Services**

No changes proposed.

## **Chapter 8—Public Facilities Financing**

Page 8-15. Add a new Section 8.6.4 as follows:

### **8.6.4 Fiscal Neutrality**

In order to support long-term fiscal solvency for the City General Fund while not over-prescribing non-residential uses beyond market and financial feasibility, and while not relying solely on future non-residential uses which are difficult to predict, mixed-use projects will be required to achieve fiscal neutrality. It is recommended that the City implement a Community Facilities District (CFD), similar to the mechanism used for the Avila Ranch development project, that could be applied to the AASP. However, without a CFD or another mechanism that can apply to the entire AASP, fiscal neutrality can also be achieved on a project-by-project basis, through the implementation of Home Owners Associations or similar mechanisms that use fees collected from homeowners to provide public services.

## **Chapter 9—Implementation**

Page 9-2. Section 9.4, Architectural Review. Modify this section as follows:

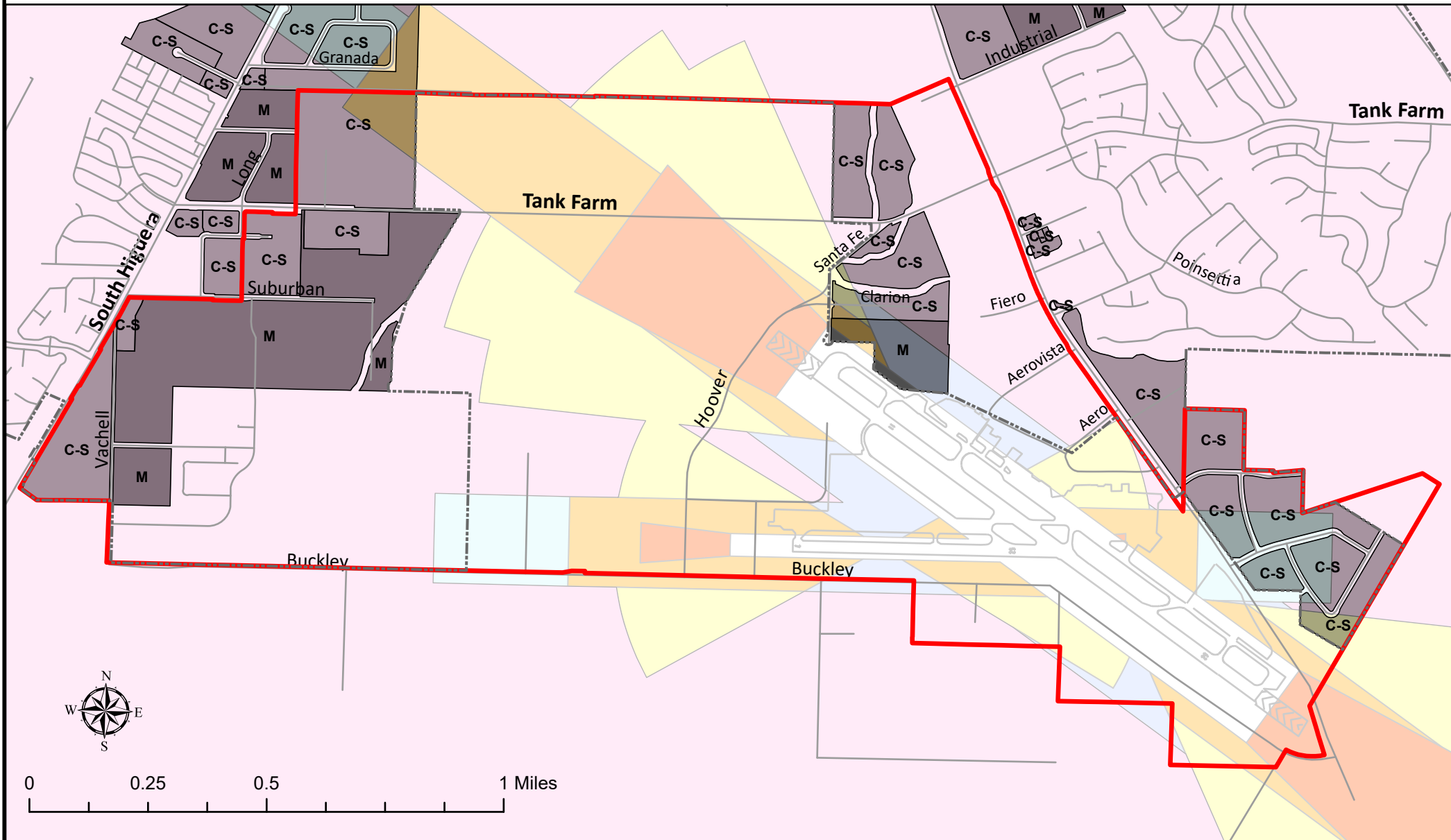
Consistent with required citywide procedures, commercial, industrial, institutional, mixed-use and multi-family residential construction developments will be subject to architectural review. For projects subject to architectural review, the “minor or incidental” procedure should be used for those projects meeting this Specific Plan’s design standards.

Page 9-3. Section 9.8, Environmental Review. Add the following to the end of this section:

All individual development projects within the AASP that require discretionary approval are subject to project-specific environmental review as applicable under the California Environmental Quality Act (CEQA).

# Airport Area Specific Plan (AASP)

## Airport Safety Zones



- Airport Area Specific Plan
- City Limit
- Zoning**
- Service Commercial (C-S)
- Manufacturing (M)

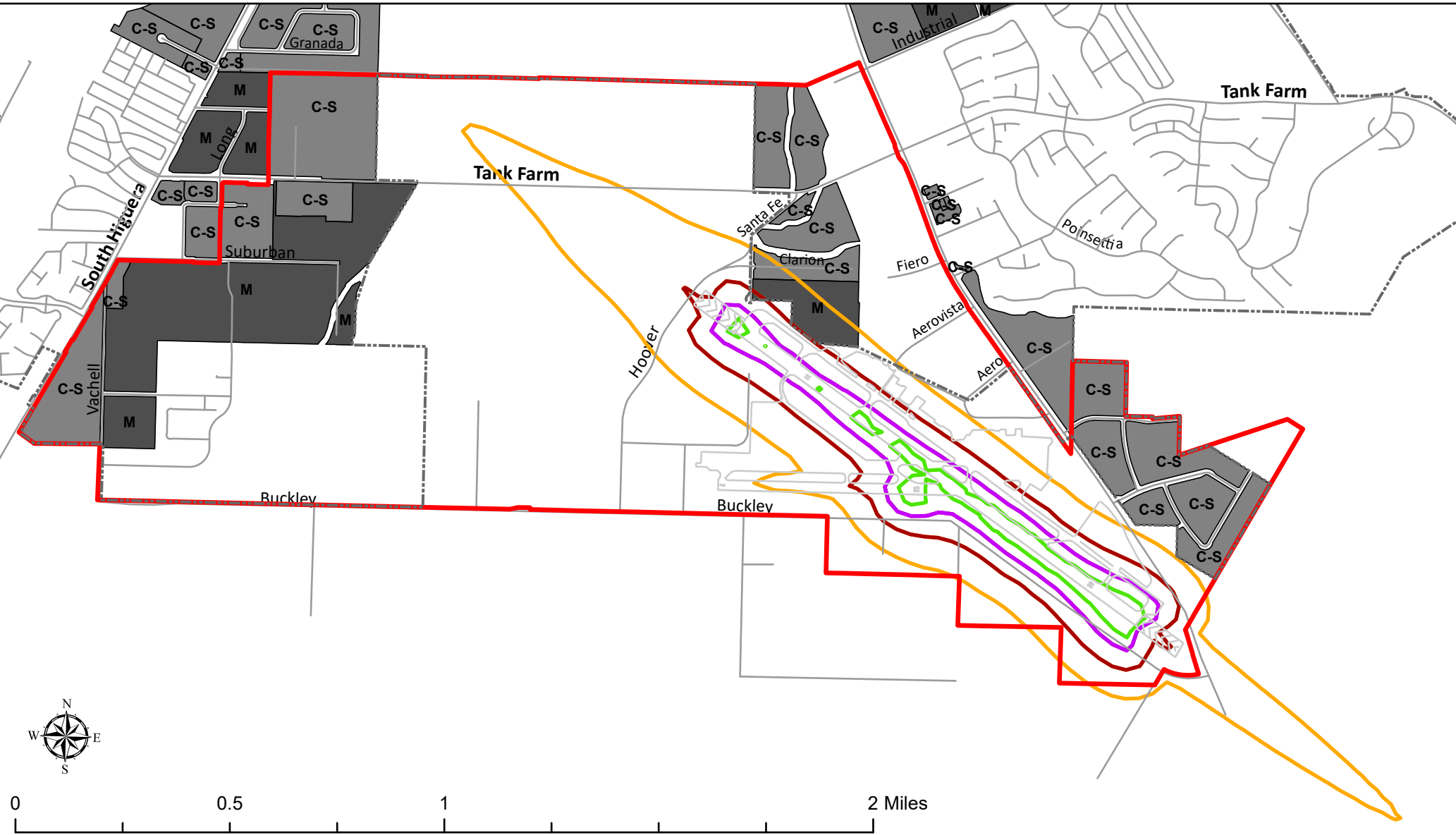
- Airport Safety Zones**
- Zone 1: Runway Protection Zone
- Zone 2: Inner Approach/Departure Zone
- Zone 3: Inner Turning Zone
- Zone 4: Outer Approach/Departure Zone
- Zone 5: Sideline Zone
- Zone 6: Traffic Pattern Zone











# Airport Area Specific Plan (AASP)



## Airport Noise Contours



 Airport Area Specific Plan  
 City Limit

**Zoning**  
 Service Commercial (C-S)  
 Manufacturing (M)

**Noise Contour Levels**  
 60 dB CNEL  
 65 dB CNEL

 70 dB CNEL  
 75 dB CNEL





# SAN LUIS OBISPO COUNTY AIRPORT LAND USE COMMISSION

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**DATE: FEBRUARY 19, 2025**

**TO: AIRPORT LAND USE COMMISSION (ALUC)**

**FROM: ERIC TOLLE, STAFF ALUC LIAISON  
COUNTY OF SLO DEPARTMENT OF PLANNING AND BUILDING**

**REFERRING AGENCY: CITY OF SAN LUIS OBISPO  
PROJECT MANAGER: JOHN RICKENBACH**

**SUBJECT: A MANDATORY REFERRAL BY THE CITY OF SAN LUIS OBISPO (CITY) FOR A DETERMINATION OF CONSISTENCY OR INCONSISTENCY WITH THE AIRPORT LAND USE PLAN (ALUP) FOR THE SAN LUIS OBISPO COUNTY REGIONAL AIRPORT (AIRPORT) FOR A PROPOSED AMENDMENT TO THE CITY'S AIRPORT AREA SPECIFIC PLAN (AASP)**

## **RECOMMENDATION**

Staff recommends that the ALUC determine that the proposed AASP Amendment is consistent with the ALUP based on the findings and subject to the conditions of consistency (**Attachment 1**).

## **BACKGROUND**

### **City of San Luis Obispo AASP**

In recent years, the demand for housing in general, and affordable housing in particular, has risen dramatically in San Luis Obispo, as it has elsewhere. In response, the City's 2014 General Plan Land Use Element update reflects this increased demand, and includes several large areas for increased residential development. At the same time, the City has tried to address these issues by supporting mixed-use development, in Service Commercial (C-S) or Manufacturing (M) designated land by right outside of specific plan areas.

The AASP provides a regulatory framework for planning future development on about 1,200 acres in the southern portion of the City near the San Luis Obispo County Regional Airport. The AASP does not currently allow mixed-use development, because when it was adopted in 2005, it was subject to the 2002 San Luis Obispo County Regional Airport's ALUP that limited residential and non-residential development. In 2021, the ALUP was amended to address new technical information related to safety and noise, which resulted in a refinement of areas subject to land use restrictions, including areas within the AASP. As a result, there is now substantial area within the AASP where the land use restrictions have changed creating opportunities for mixed-use developments.

The proposed action responds to the changes in the ALUP and increased housing demand in an evolving market by amending the AASP to allow for mixed-use development (as defined in the City's Municipal Code) with a conditional use permit (CUP) within parcels zoned either Service Commercial (C-S) or Manufacturing (M), subject to making certain findings described later in this report.

### San Luis Obispo County Regional Airport ALUP

The ALUP for the Airport was initially adopted by the ALUC in December 1973. The plan was subsequently amended and restated in June 2002, July 2004, and May 2005. The current ALUP, amended and reinstated May 26, 2021, was recently updated by the ALUC to reflect current state law and the guidance of the 2011 California Airport Land Use Planning Handbook revisions, and to reflect updates since 2004 to the airport layout plan, aviation activity forecasts, and noise contour maps.

### DISCUSSION

County staff received the initial referral packet from the City on December 04, 2024. Under Public Resources Code Section 21676(d), the ALUC must determine whether the Amendments are consistent or inconsistent with the ALUP within sixty days after the date on which all required information was received from the referring agency in order to avoid a default consistency determination (absent an extension or waiver of the statutory deadline by the referring agency). The project and applicant appeared before the ALUC for a conceptual discussion of the project on January 15, 2025. The City provided the additional information requested by the ALUC and on January 28, 2025, staff determined that all required information was included with the ALUP amendment application materials and the project was accepted for processing by staff.

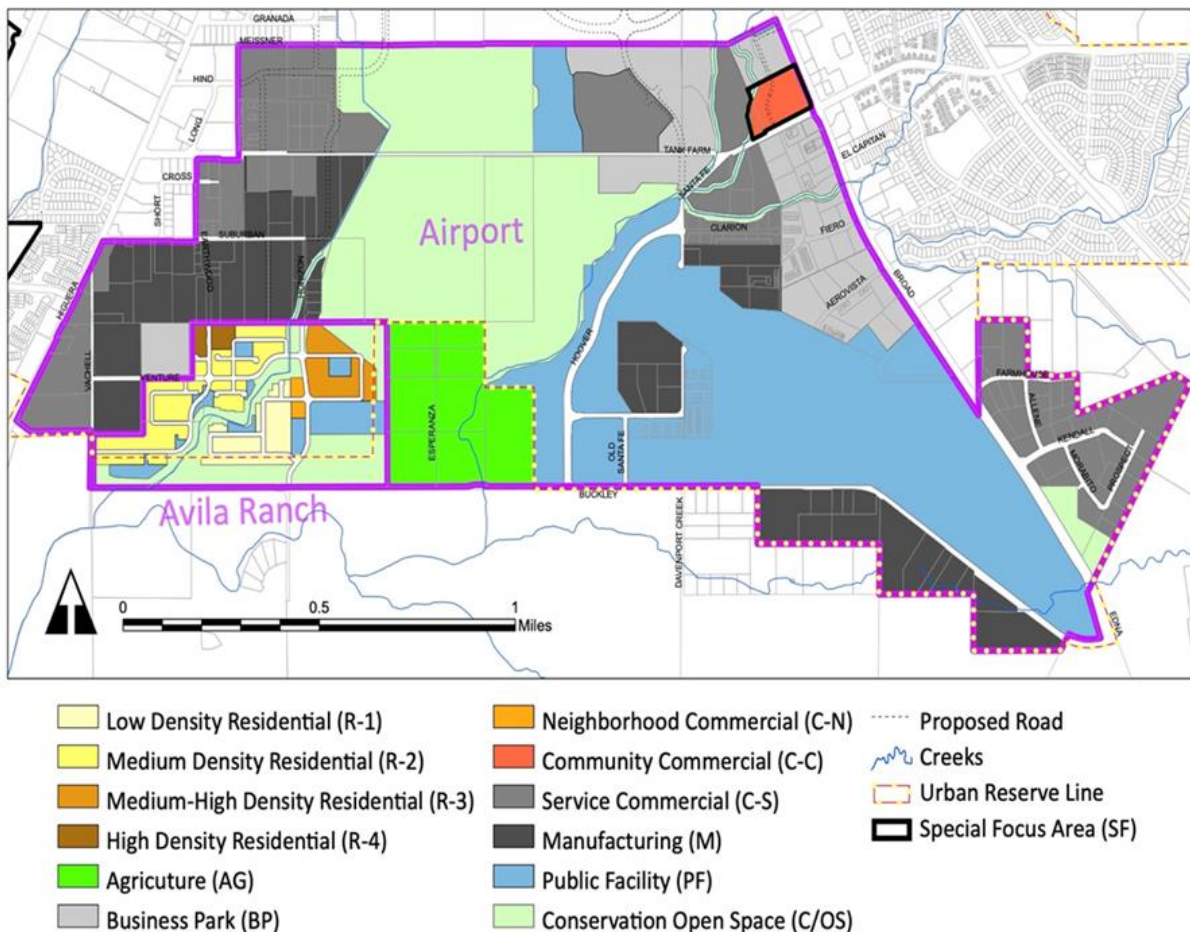


Figure 1: Existing Land Use Designations in the Airport Area Specific Plan



**AASP AMENDMENT COMPONENTS**

The Project Area includes all parcels designated as Service Commercial (C-S) or Manufacturing (M) within the 1,200-acre AASP planning area. Figure 1 above shows the location of C-S and M designated parcels within the AASP.

A land use inventory was prepared in 2024 to determine the amount of C-S or M designated lands within the AASP. Table 1 below summarizes the total acreage of vacant and developed parcels in these two land use designations.

<b>Table 1. Summary of Land Use Inventory C-S and M Parcels in the AASP</b>			
<b>Land Use Designation</b>	<i>Acreage</i>		
	<b>Developed (or entitled)</b>	<b>Vacant</b>	<b>Total</b>
Service Commercial (C-S)	140.4	85.6	226.0
Manufacturing (M)	94.7	20.4	115.1
<b>Total</b>	<b>235.1</b>	<b>106.0</b>	<b>341.1</b>

**Attachment 2** provides a complete inventory of all parcels within the AASP that are in either the C-S or M land use designations. **Attachment 3** shows the ALUP safety zones as they overlay the AASP, and specifically how they relate to the C-S and M zones. **Attachment 4** shows how the ALUP noise contours overlay the AASP.

**PROPOSED AASP FINDINGS**

The City is proposing to amend the AASP to allow mixed-use development within Manufacturing (M) or Service Commercial (C-S) zoned parcels with the approval of a Conditional Use Permit (CUP). No development would occur directly as a result of this action. No existing zoning or land use designations are proposed to change. Instead, the resulting amendment would allow mixed-use development, subject to specific findings, and consistent with the requirements of the City's Zoning Regulations, as they currently apply to C-S and M designated lands in the remainder of the City.

The specific findings necessary for the City of San Luis Obispo's Planning Commission to make in order to approve a conditional use permit for an individual mixed-use project in the AASP would be:

- 1. There is demonstrable water and sewer capacity to serve the project;**
- 2. Any fiscal impact of the project to the City must be offset to achieve fiscal neutrality;**
- 3. There are no nearby uses that generate sufficient air emissions, noise, odors or vibration to create an incompatibility with proposed mixed-use development;**
- 4. Proposed mixed-use development is consistent with land use, safety or noise restrictions set forth in the ALUP; and**
- 5. There is adequate emergency response.**

Future development under the modified land use requirements could occur as a result of individual project applications that must be approved by the City of San Luis Obispo through its normal development and conditional use permit review processes, and subject to environmental review under the California Environmental Quality Act (CEQA). However, the magnitude and timing of such development is speculative at this time, and would be influenced by a variety of issues, including market demand, property owner desire to develop, consistency with the ALUP, and potential environmental constraints that may apply to specific parcels where project development applications are under consideration.

### **PROPOSED AASP TEXT CHANGES**

Proposed text modifications to the Airport Area Specific Plan are described below. The existing AASP is included as **Attachment 5** (link only, see Page 14).

#### **Chapter 1—Introduction**

Page 1-3. Environmental Review. Add short paragraph following the first paragraph on the page describing the CEQA review that was conducted for this specific plan amendment.

Page 1-7. The Planning Process. Add a new paragraph at the end of this section that describes the current planning effort, specifically that residential uses will be permitted as part of mixed use projects in the Manufacturing (M) and Service Commercial (C-S) Zones subject to the design and development conditions included in the policy framework of the AASP. The intent is to recognize the greater extent of developable area and uses that would be allowed under the updated 2021 Airport Land Use Plan (ALUP), subject to design and density requirements in the ALUP.

#### **Chapter 2—The Planning Area**

No changes proposed.

#### **Chapter 3—Conservation and Resource Management**

Page 3-12. Aircraft Operations. Add the following to the end of this section:

*"The Airport Land Use Commission adopted a major amendment to the Airport Land Use Plan on May 26, 2021. The amended ALUP provides for noise contours that are tied to aircraft and airport activity that is based on adopted federal Terminal Area Forecasts, and on safety zones that are based on and consistent with those described in the Caltrans Airport Land Use Planning Handbook. These revised safety areas and noise contours have the general effect of opening certain areas to higher density development within portions of the AASP."*

## **Chapter 4—Land Use**

Page 4-2. Land Use Background. Modify the third complete paragraph on Page 4-2 as follows:

*~~"The land use plan was developed to ensure compatibility with airport operations. Uses that have high concentrations of people or are sensitive to airport noise (e.g., low density residential, schools, hospitals, etc.) are not included in the planning area. The designated AASP land uses (Figure 4-1) are consistent with the airport safety areas in the San Luis Obispo County Regional Airport Land Use Plan (ALUP), as amended in 2021. Generally, the critical areas in line with the runway centerlines will be maintained as open space. Lower intensity warehousing, manufacturing, service, business park and mixed-use development are designated for the less sensitive zones to the sides of the runways, and further out from the ends of the runways."~~*

Pages 4-2 and 4-3. Table 4-1, Airport Area Specific Plan Land Use Program and Development Capacities. Remove Table 4-1 and all references to Table 4-1 in the text of the Specific Plan, as it is currently out of date, reflects buildout potential based on assumptions made when the specific plan was first adopted 20 years ago, does not aid in implementing the specific plan, and with less interest in purely commercial development and the ability to pursue mixed-use development, any estimate of potential buildout within the area is likely to be inaccurate. Instead, add a note in this section that includes the following:

*"Market factors, environmental constraints, and parcel size and configuration will ultimately determine the mixed-use development potential (and timing of that development) within areas where it is permitted with approval of a conditional use permit."*

Table 4-1 as proposed for removal is shown below:

<b>Residential Land Use</b>	<b>Acres</b>	<b>Units Per Acre</b>	<b>Estimated Dwelling Units</b>
<b>Undeveloped Land<sup>1</sup></b>			
Low Density	12.8	7.9	101
Medium Density	20.5	10.9	223
Medium-High Density	15.2	21.2	322
Subtotal	48.5		720
Developed Land (Existing Mobile Homes)	6.7	4.8	32
<b>Total Residential Property</b>	<b>55.2</b>		<b>678</b>
<b>Non-Residential Land Use Designations</b>	<b>Acres</b>	<b>Floor Area</b>	<b>Estimated Building</b>
<b>Undeveloped Land</b>			
Neighborhood Commercial	8.4	0.31	115,000
Community Commercial	9.66	0.44	185,147
Business Park	116.94	0.21	1,018,781
Service Commercial	155.0	0.24	1,620,432
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<b>Total Non-Residential Property</b>	<b>529.6</b>		<b>5,437,474</b>
<b>Other Land Use Designations</b>	<b>Acres</b>		
Agriculture	76.1		
Conservation / Open Space/Parks	294.9		
Government	292.5		
<b>Total Other Property</b>	<b>663.5</b>		
<b>Total AASP Acreage<sup>2</sup></b>	<b>1,255.1</b>		

<sup>1</sup> The total potential square footage (and associated acreage) includes future development on properties currently under pre-annexation agreements and properties outside of the City's jurisdiction with alternative fee programs. Since these properties may not be required to pay their fair share of infrastructure costs, the difference will need to be funded by other funding sources (e.g., grants, additional City contributions, etc.).

<sup>2</sup> Excludes acreage associated with roads, setbacks, creeks, and other features.

Page 4-23. Table 4-3. Allowed Uses. Amend Table 4-3 to include a line item for Mixed-Use, indicating that it is allowed with a Conditional Use Permit. Add the following note (# 9) at the end of the table that refers to the development standards and findings for mixed-use development within the C-S and M zones. Specific proposed changes to Table 4-3 are shown below as underlined text:

**Table 4-3 – Allowed Uses**

Key: A = Allowed D = Allowed by Administrative Use Permit PC = Allowed by Planning Commission Use Permit

Land Use	Zoning District			
	PF	C-S	M	BP
<b>MIXED-USE</b> ( <i>also see Footnote 9</i> )		<u>PC</u>	<u>PC</u>	

Footnote:

9. In order to approve a Conditional Use Permit (noted as PC in Table 4-3) for a mixed-use development in the C-S and M zones, the Planning Commission shall find the project consistent with development standards outlined in San Luis Obispo Municipal Code Section 17.70.130 (Mixed-use development) and make the following findings:

1. There is demonstrable water and sewer capacity to serve the project;
2. Any fiscal impact of the project to the City must be offset to achieve fiscal neutrality;
3. There are no nearby uses that generate sufficient air emissions, noise, odors or vibration to create an incompatibility with proposed mixed-use development;
4. Proposed mixed-use development is consistent with land use, safety or noise restrictions set forth in the ALUP; and
5. There is adequate emergency response.

Page 4-28. Table 4-5. Building Intensity and Coverage Standards. Amend Table 4-5 to indicate a maximum Floor Area Ratio (FAR) of 1.5 for the C-S and M zones for mixed use development in those zones, in order to be consistent with the maximum FAR in C-S and M zones elsewhere in the City. Specific changes are shown below in underline text.

<b>Table 4-5</b> <b>San Luis Obispo Airport Area Specific Plan</b> <b>BUILDING INTENSITY AND COVERAGE STANDARDS</b>			
<b>Also See Table 4-6. Limitations on employee and customer concentrations due to airport safety are more restrictive than the standards provided below in most cases and may reduce maximum potential FAR.</b>			
Design Standard	Land Use Designation		
	Business Park	Service Commercial	Manufacturing
<u>Maximum floor area ratio: mixed-use development</u>	<u>n/a</u>	<u>1.5</u>	<u>1.5</u>

Page 4-29. Table 4-7. Setback Standards. Add note to this table that setback standards for the residential component of mixed-use projects in the C-S and M zones must be consistent with the setback standards as set forth in Sections 17.36 or 17.40 of the Zoning Regulations, depending on whether the site is in the C-S or M zone.

Page 4-30. Table 4-8. Parking Standards. Add note to this table that parking standards for the residential component of mixed-use projects in the C-S and M zones must be consistent with the parking standards for residential uses as set forth in Section 17.72 of the Zoning Regulations.

Page 4-30. Table 4-9. Building Heights. Add note to this table that building height standards for the residential component of mixed-use projects in the C-S and M zones must be consistent with the standards as set forth in Sections 17.36 or 17.40 of the Zoning Regulations, depending on whether the site is in the C-S or M zone.

### **Chapter 5—Community Design**

Page 5-15. Goal 5.4, Guideline I. Modify as follows:

*"In R-3 and R-4 zones, as well as in the residential portions of mixed-use projects, parking bays and garages shall be placed adjacent to non-residential uses or adjacent to noise exposure areas to the extent possible to buffer sound impacts."*

Page 5-18. Standard 5.6.2. Modify this standard as follows:

*"Each commercial, industrial loading, outdoor recycling or waste collection area shall be located on the side of a building opposite from parcel lines or street frontages of any land designated for residential use, or for mixed-use projects, separated or screened from the residential portion of the project to the extent possible."*

Page 5-38. Table 5-5. Modify the second column of the table to indicate that residential landscape design standards also apply to mixed use projects.

### **Chapter 6—Circulation & Transportation**

No changes proposed.

### **Chapter 7—Utilities & Services**

No changes proposed.

### **Chapter 8—Public Facilities Financing**

Add a section summarizing an areawide Community Facilities District (CFD) as a feasible approach to achieving fiscal neutrality for future projects within the specific plan area. Note that absent a CFD or similar mechanism, fiscal neutrality would need to be achieved on a project-by-project basis.

## **Chapter 9—Implementation**

Page 9-2. Section 9.4, Architectural Review. Modify this section as follows:

*“Consistent with required citywide procedures, commercial, industrial, institutional, mixed-use and multi-family residential construction developments will be subject to architectural review. ~~For projects subject to architectural review, the “minor or incidental” procedure should be used for those projects meeting this Specific Plan’s design standards.”~~*

Page 9-3. Section 9.8, Environmental Review. Add discussion to the end of this paragraph that says that all mixed-use projects within the AASP are subject to project-specific environmental review as applicable under the California Environmental Quality Act (CEQA).

### **AASP AIRPORT COMPATIBLE OPEN SPACE**

- ***Policy 4.3.4 Airport Compatible Open Space:*** *The City will work with property owners to implement and maintain Airport Compatible Open Space (ACOS) within the Airport Area, consistent with an approved ACOS plan, to ensure ongoing compatibility between Specific Plan land uses and airport operations. After revision of the AASP, the ACOS shall be amended to include the open space on Avila Ranch and the Reservation Space.*

**Analysis:** To some extent, the ALUP bases its density standards on whether or not there is an approved Airport Compatible Open Space (ACOS) plan. However, in the case of Safety Zone 6, there are no differences in these standards for residential density, as described in Table 4-2 of the ALUP, included on page 4-17 of that document. For population intensity, there is a limit of 1,200 persons per acre without an ACOS, but no limit with an approved ACOS. Notably, if a project were built at the City’s maximum density of 24 density units per acre (48 total units that are 500 square feet or less), and assuming 2.5 persons per unit, that suggests a maximum residential intensity of about 120 persons per acre. It is unlikely that any non-residential component of a mixed use project would include more than the remainder allowed without an ACOS, which would be 1,140 persons per acre. The City will work with property owners to maintain an ACOS as appropriate, which would ensure consistency with the ALUP’s standards related to this issue.

### **ALUP POLICY CONSISTENCY ANALYSIS**

The following discussion compares relevant aspects of the ALUP to the proposed amendments of the City’s AASP, for the purpose of evaluating consistency. The analysis included below responds to questions raised by the Airport Land Use Commission in its preliminary review of the project in its January 15, 2025 meeting.

As described below, the proposed changes to the AASP are consistent with the ALUP.

Table 2 compares key standards related to development and density from the AASP to those in the ALUP. As shown in the table, the maximum residential and population densities that would be allowed as part of mixed use development within the C-S and M zones would be substantially less intensive than what could be allowed in Safety Zone 6 under the ALUP, which is the only safety zone where future mixed use development would be considered.

The City recognizes that the density restrictions within the Safety Zones 1 through 5 are such that residential uses that are a part of mixed-use projects would not be allowed within these areas. For this reason, Table 2 does not address the requirements of those safety zones.

<b>Table 2. Comparison of Key Standards of the AASP to the ALUP</b>					
	<b>Zoning Regulations / AASP Regulations</b>		<b>2021 ALUP Safety Zone 6</b>		
	<b>Service Commercial (C-S)</b>	<b>Manufacturing (M)</b>	<b>Residential Density</b> (dwelling units / acre)	<b>Mixed Use Intensity</b> (persons / gross acre)	<b>ALUP Land Use Compatibility Table</b> (ALUP Table 4-5, pg 4-28)
<b>Density</b>	24 density units per acre = maximum of 48 front doors (500 SF units) with an occupancy of 2.5 people per unit that would be <b>120 persons per acre</b> (in housing)	24 density units per acre = maximum of 48 front doors (500 SF units) with an occupancy of 2.5 people per unit that would be <b>120 persons per acre</b> (in housing)	<b>No Limit</b> with or without approved ACOS (see ALUP Table 4-2, pg 4-17)	<b>No limit</b> with an approved ACOS (see ALUP Table 4-2, pg 4-17)	<b>Compatible uses include:</b> multi-family dwellings, single family, ADUs, retail sales, offices, bars, taverns, restaurants, hotels, health services (mixed-use is not listed **).
<b>Coverage</b> (includes buildings, driveways and parking)	90% (AASP Table 4-5)	90% (AASP Table 4-5)	100% (See ALUP Table 4-5, pg 4-28)	100%	
<b>Height</b> (occupied portions of a building)	36 feet (AASP Table 4-9)	36 feet (AASP Table 4-9)	409 feet mean sea level (ALUP pg 4-36)	409 feet mean sea level (ALUP pg 4-36)	
<b>Height</b> (non-occupied architectural features)	46 feet (AASP Table 4-9)	46 feet (AASP Table 4-9)	409 feet above mean sea level (ALUP pg 4-36) *	409 feet above mean sea level (ALUP pg 4-36) *	
<b>FAR</b>	1.5 is proposed for mixed use	1.5 is proposed for mixed use	N/A	N/A	
<p>* The typical surface elevation in the AASP ranges between 150 and 200 feet above sea level, so these policies would potentially allow building heights that exceed 200 feet.</p> <p>** Mixed use is defined on page 4-14 of the ALUP: Mixed-use development/ mixed-use land use – projects which consist of and will result in establishment of structures intended and used both for commercial purposes, and for human habitation. A project which includes both commercial and residential components will be considered as a mixed-use development or land use regardless of whether the commercial and residential components are contained within single structures or are separated into individual structures.</p>					



## **ANALYSIS OF KEY RELEVANT ALUP POLICIES**

### General Land Use Policies

ALUP policies G-1 through G-4 establish the criteria related to land use to evaluate consistency with the ALUP. This section evaluates the proposed AASP amendment's consistency with each policy, which ***"form the basis from which the ALUC will evaluate proposed land use actions and airport-related actions."***

- **Policy G-1:** *A proposed project or local action will be determined to be inconsistent with the ALUP if the information required for review of the proposed action is not provided by the referring agency.*

**Analysis:** The City has provided all necessary documentation related to the proposed amendment to the AASP.

- **Policy G-2:** *A proposed project or local action will be determined to be inconsistent with the ALUP if the ALUC finds that the action would present specific incompatibilities to the continued economic vitality and efficient operation of the Airport with respect to safety, noise, overflight or obstacle clearance.*

**Analysis:** As proposed, the amendments to the AASP do not appear to present any incompatibilities with the continued economic vitality and efficient operation of the Airport with respect to safety, noise, overflight or obstacle clearance based on the Airport's current configuration or forecasts. However, the draft Airport Master Plan pending FAA review includes a proposal to shift Runway 11-29 endpoints 740 feet to the northwest. This could create a potential conflict in the future should development be approved and constructed in the limited areas where a shift in the main runway would cause a change in allowable density limitations and potential increase in incompatible development. The ALUC may want to provide direction to City staff regarding whether courtesy notice is requested for any future development that may be proposed in the affected areas while the Airport Master Plan remains pending before the FAA. Additional discussion is also provided below related to noise.

- **Policy G-3:** *Except as provided in Policy G-4, a proposed project or local action will be determined to be inconsistent with the ALUP if the proposal is not in conformance with all applicable Specific Land Use Policies. In the event that the site affected by a proposed project or local action is located in more than one noise exposure area or aviation safety area, the standards for each such area will be applied separately to the land area lying within each noise or safety zone.*

**Analysis:** As proposed, the amendment to the AASP conforms with this policy. Crucially, many affected parcels overlay more than one ALUP Safety Zone (see **Attachment 3**) or noise contour (see **Attachment 4**). As clearly described in Policy G-3, *"the standards for each such area will be applied separately to the land area lying within each noise or safety zone."* Thus, if part of a given parcel is overlaid by Safety Zone 6, with the remainder in Safety Zone 4, a mixed-use project would have to apply differing standards to the different portions of the parcel.

- **Policy G-4:** *When the site affected by a proposed project or legislative action is located in more than one noise exposure area or aviation safety area, the ALUC may, at its sole discretion, elect not to apply the requirements of Policy G-3 if:*
  - i. The total gross area(s) within the more restrictive area(s) is two (2) acres or less, and*
  - ii. The land area(s) within the more restrictive area(s) is less than 50% of the total gross land area affected by the referred project or local action.*

*In such cases, the ALUC may elect to apply the least-restrictive land use or noise policies to the entire site affected by the project or local action. The ALUC must adopt specific findings that the proposed project or location, so considered would not result in the potential development of land uses incompatible with current or future airport operations.*

**Analysis:** The City is not requesting any deviation from the requirements of Policy G-3, but instead is intending to abide by those requirements as individual development projects are proposed. However, if ALUC is open to considering the flexible standards set forth in Policy G-4 on a project-by-project basis, the City has indicated it would not object.

### Noise Policies

As shown in **Attachment 4**, the majority of the C-S and M zones where mixed use would be allowed fall outside of the 60 CNEL noise contour shown in the ALUP Figure 4-1, and nearly all of the area would be outside the 65 CNEL contour.

- **Section 2.10.1: Limitation of the ALUP; Existing Land Use** of the ALUP states: *Redevelopment of residential land uses shall not be precluded because of location with respect to Airport CNEL noise contours, but such redevelopment may not increase the number of residential units located inside the 60 dB CNEL noise contour and the design and construction of all new dwelling shall be adequate to mitigate noise impacts in accordance with Section 4.3.3 of this ALUP.*

**Analysis:** ALUP Policies N-1 through N-5 provide the criteria related to noise exposure for which development projects need to comply in order to be found consistent with the ALUP. The City intends to comply with these policies in its review of subsequent and applicable development projects, as they are also part of the City's regulatory framework. Any mitigation required to address identified noise impacts would be based on direction set forth in Section 4.3.3 of the ALUP. In addition, as conditioned, mixed use development would only be allowed within Safety Zone 6 which would result in all mixed use development being located outside of the 60 dB CNEL noise contour.

### Safety Compatibility, Airspace Protection, and Overflight Protection Policies

The ALUP includes several related policies that address safety compatibility, airspace protection and overflight protection.

- **Section 4.4.5** of the ALUP includes safety-related policies intended to ensure land use compatibility with ongoing airport operations, minimizing risk to both lives and property. **Policies S-1, S-2 and S-3** collectively set forth criteria for determining land use compatibility, with specific references to Table 4-2 and 4-5 in the ALUP, which define maximum densities within various Safety Zones, and type of land uses allowed in those zones.

As described in Table 2 above, mixed-use development that would be allowed would conform with ALUP density restrictions. Within Safety Zone 6, maximum allowed densities far exceed those that would be allowed under the City's mixed-use zoning provisions. Within all other safety zones, the ALUP includes density requirements that are more restrictive than what would be allowed under the City's mixed-use zoning policies. However, the City's intent is to ensure consistency with the ALUP, and for that reason it would not consider mixed-use development in any safety zone except Safety Zone 6.

- **Section 4.5.4** includes **Policies A-1, A-2, A-3 and A-4**, which collectively address specific land use types or structures that could pose potential airspace incompatibility. Specifically, these policies refer to new structures, landscaping, landfills, and wetland creation. As described above, mixed-use development and associated landscape/hardscape improvements would be consistent with land use requirements within Safety Zone 6. The City's proposed change to the AASP would not allow for the development of landfills, nor does it contemplate wetland creation.
- **Section 4.6.3** includes **Policies O-1 and O-2**, which collectively require that those owning or living on properties within the airport area are informed of ongoing airport operations, and that aviation easements be recorded on affected properties. Future development pursuant to the City's proposed change to the AASP would be subject to those policies.

**Analysis:** The City is not requesting any deviation from the requirements of any safety, airspace protection or overflight policies in the ALUP. As proposed, the amendments to the AASP conform with these policies. Future development pursuant to the City's proposed change to the AASP would be subject to, and consistent with, those policies.

### **CEQA COMPLIANCE**

The Final Programmatic EIR for the Airport Area and Margarita Area Specific Plans and Related Facilities Master Plans (“Final EIR”, or “AASP Final EIR”) addressed future development within the Airport Area Specific Plan. The Final EIR was certified in September 2003, and has provided the basis for evaluating the impacts of future development within the AASP area. Subsequent amendments to the AASP were subject to separate CEQA evaluations to address the potential impacts stemming from those amendments.

Section 15164 of the State *CEQA Guidelines* allows a lead agency to prepare an addendum to a Final EIR when only “minor technical changes or additions” are necessary to address the effects of a minor change to the approved project since the Final EIR was certified. An Addendum to the certified Final EIR has been prepared to address the proposed changes to the AASP, and is included as **Attachment 6**. An Addendum need not be circulated for public review (CEQA Guidelines 15164(c)).

The County of San Luis Obispo Airport Land Use Commission conducted an Initial Study and prepared a Negative Declaration for the 2021 update of its Airport Land Use Plan (ALUP) (SCH: 2021030474). That environmental document was used to substantively inform the conclusions contained in the Addendum.

Individual projects that may be proposed under the AASP as amended would be subject to review under the California Environmental Quality Act (CEQA) as appropriate on a project-by-project basis.

### **RECOMMENDATION**

Staff recommends that the ALUC review all materials related to the proposed amendment to the Airport Area Specific Plan in conjunction with the Airport Land Use Plan and provide a determination of consistency.

### **ATTACHMENTS**

Attachment 1: Findings and Conditions of Consistency

Attachment 2: Summary of Parcels Affected

Attachment 3: ALUP Safety Zones Overlaying the AASP

Attachment 4: ALUP Noise Contours Overlaying the AASP

Attachment 5: Airport Area Specific Plan (Existing)

Included by digital link only at:

<https://www.slocity.org/home/showpublisheddocument/4294/637493456364330000>

Attachment 6: Addendum to the Certified Final EIR

**FINDINGS AND CONDITIONS OF CONSISTENCY  
CITY OF SLO AASP AMENDMENT  
ALUC FEBRUARY 19, 2025**

**FINDINGS**

1. The Amendments are consistent with General Land Use Policies G-1 through G-4 because: all information required for review of the Amendments was provided by the City; the Amendments (as conditioned) would not result in any incompatibilities to the continued economic vitality and efficient operation of the Airport with respect to safety, noise, overflight or obstacle clearance; and since some of the lots affected by the Amendments are located in more than one noise exposure area or Aviation Safety Zone, the standards for each such area will be applied separately to the land area lying within each noise counter or safety area unless the project is specifically reviewed by the ALUC and it elects at its sole discretion not to apply the requirements of the more restrictive zone in accordance with Policy G-4 of the ALUP;
2. The Amendments are consistent with the Noise Compatibility Policies N-1 through N-5 because the area affected by the Amendments is located outside the 60 dB CNEL contour and development of any extremely or moderately noise-sensitive uses are allowable and shall meet the requirements of interior noise levels specified in Table 4-1 and Section 4.3.3 of the ALUP;
3. The Amendments are consistent with the Safety Compatibility Policies S-1 through S3 because the Amendments only modify allowable uses within Safety Zone 6 and would not result in a density greater than that specified in Table 4-2; the Amendments would not result in a greater building coverage than permitted by Table 4-3; and the Amendments would not result in land uses other than specified in Table 4-5;
4. The Amendments are consistent with the Airspace Protection Policies A-1 through A-4 because the Amendments (as conditioned), existing City regulations, and distance from the Airport will ensure no structure, landscaping, apparatus, or other feature will create an obstruction or hazard to air navigation, do not propose new landfill or other disposal site, will ensure no structure, landscaping, apparatus, or other feature will create a wildlife attractant, and does not propose the creation of new or restored wetlands;

5. The Amendments are consistent with the Overflight Protection Policies O-1 through O-2 because the Amendments have been conditioned to require aviation easements be recorded for each property developed within the Project site prior to the issuance of any building permit or land use permit; and all owners, potential purchasers, occupants (whether as owners or renters), and potential occupants (whether as owners or renters) to receive full and accurate disclosure concerning the noise, safety, or overflight impacts associated with Airport operations prior to entering any contractual obligation to purchase, lease, rent, or otherwise occupy any property or properties within the Airport Area;

### **CONDITIONS**

1. The City shall ensure that all applicable ALUP policies and aviation related development restrictions are enforced.
2. Utilizing the ALUP's California Building Code (CBC) calculation method (Figure 4-3), the Amendments shall limit mixed use density/ intensity for applicable property within the AASP planning area designated C-S and M as follows:
  - a. The maximum average density/ intensity shall be 300 persons per gross acre (average across entire site); and
  - b. The maximum single acre density shall be 1,200 persons per gross acre (maximum on any single acre).
3. The construction plans for proposed mixed use development that include structures or other objects that exceed the height standards defined in Title 14 of the Code of Federal Regulations (CFR) Part 77 as applied to the Airport, shall be submitted via FAA Form 7460-1 to the Air Traffic Division of the FAA regional office having jurisdiction over San Luis Obispo County at least 45 days before proposed construction or application for a building permit, to determine compliance with the provisions of FAR Part 77.
4. All future mixed-use development shall comply with all noise policies as required by the ALUP.
5. No structure, landscaping, apparatus, or other feature, whether temporary or permanent in nature shall constitute an obstruction to air navigation or a hazard to air navigation, as defined by the ALUP.

6. Any use is prohibited that may entail characteristics which would potentially interfere with the takeoff, landing, or maneuvering of aircraft at the Airport, including:
  - creation of electrical interference with navigation signals or radio communication between the aircraft and airport;
  - lighting which is difficult to distinguish from airport lighting;
  - glare in the eyes of pilots using the airport;
  - uses which attract birds and create bird strike hazards;
  - uses which produce visually significant quantities of smoke; and
  - uses which entail a risk of physical injury to operators or passengers of aircraft (e.g., exterior laser light demonstrations or shows).
7. Avigation easements shall be recorded for each property developed within the Project site prior to the issuance of any building permit or land use permit.
8. All owners, potential purchasers, occupants (whether as owners or renters), and potential occupants (whether as owners or renters) shall receive full and accurate disclosure concerning the noise, safety, or overflight impacts associated with Airport operations prior to entering any contractual obligation to purchase, lease, rent, or otherwise occupy any property or properties within the Airport area.
9. Any residential portion of a mixed-use development within the C-S and M land use designation within the AASP shall be located wholly within Safety Zone 6.

## Parcels within the C-S or M Designations in the AASP

Site #	Parcel	Address	Total Acres	% in SZ 6	Eligible Acres	Zoning	ALUP Safety Zone	Status
1	053-251-068	215 Meissner	10.28	100%	10.28	C-S	6/2	vacant
2	053-251-074	237 Vanguard	1.12	100%	1.12	C-S	6	vacant
3	053-251-075	229 Vanguard	1.12	100%	1.12	C-S	6	vacant
4	053-251-076	250 Tank Farm	1.04	100%	1.04	C-S	6	vacant
5	053-251-077	253 Vanguard	1.04	100%	1.04	C-S	6	vacant
6	053-251-078	3880 Innovation	1.15	100%	1.15	C-S	6	vacant
7	053-251-079	3820 Innovation	1.43	100%	1.43	C-S	6	vacant
8	053-251-080	220 Vanguard	0.93	100%	0.93	C-S	6/2	vacant
9	053-251-081	260 Vanguard	0.90	100%	0.90	C-S	6/2	vacant
10	053-258-025	no address	7.29	100%	7.29	M	6	vacant
11	053-258-045	4015 Earthwood	0.26	100%	0.26	M	6	vacant
12	053-258-046	4045 Earthwood	0.28	100%	0.28	M	6	vacant
13	053-258-049	4120 Earthwood	0.21	100%	0.21	M	6	vacant
14	053-258-050	4130 Earthwood	0.21	100%	0.21	M	6	vacant
15	053-258-051	4140 Earthwood	0.21	100%	0.21	M	6	vacant
16	053-258-052	4150 Earthwood	0.21	100%	0.21	M	6	vacant
17	053-258-053	4160 Earthwood	0.21	100%	0.21	M	6	vacant
18	053-258-054	4170 Earthwood	0.21	100%	0.21	M	6	vacant
19	053-258-055	4180 Earthwood	0.21	100%	0.21	M	6	vacant
20	053-258-056	4190 Earthwood	0.21	100%	0.21	M	6	vacant
21	053-258-057	4195 Earthwood	0.21	100%	0.21	M	6	vacant
22	053-258-058	4185 Earthwood	0.21	100%	0.21	M	6	vacant
23	053-258-059	4175 Earthwood	0.21	100%	0.21	M	6	vacant
24	053-258-060	4165 Earthwood	0.21	100%	0.21	M	6	vacant
25	053-258-061	4155 Earthwood	0.21	100%	0.21	M	6	vacant
26	053-258-062	4145 Earthwood	0.21	100%	0.21	M	6	vacant
27	053-258-063	4135 Earthwood	0.21	100%	0.21	M	6	vacant
28	053-258-064	4125 Earthwood	0.22	100%	0.22	M	6	vacant
29	053-259-013	120 Venture	9.20	100%	9.20	M	6	vacant
30	053-412-025	1138 Farmhouse	2.53	100%	2.53	C-S	6	vacant
31	053-412-026	1130 Farmhouse	2.10	100%	2.10	C-S	6	vacant
32	053-412-029	no address	0.96	100%	0.96	C-S	6	vacant
33	053-427-004	1095 Farmhouse	1.13	100%	1.13	C-S	6	vacant
34	076-381-021	438 Tank Farm	59.93	20%	11.99	C-S	1/2/3/6	undeveloped
35	053-257-024	191 Tank Farm	6.78	100%	6.78	C-S	6	developed
36	053-257-037	196 Suburban	4.00	100%	4.00	M	6	developed
37	053-258-004	131 Suburban	7.06	100%	7.06	M	6	developed
38	053-258-005	no address	2.60	100%	2.60	M	6	developed
39	053-258-006	117 Suburban	0.15	100%	0.15	M	6	developed
40	053-258-007	1 Suburban	3.50	100%	3.50	M	6	developed
41	053-258-009	4150 Vachell	4.46	100%	4.46	M	6	developed
42	053-258-010	4180 Vachell	1.00	100%	1.00	M	6	developed
43	053-258-012	219 Tank Farm	5.99	100%	5.99	C-S, M	6	developed
44	053-258-014	240 Suburban	1.80	100%	1.80	M	6	developed
45	053-258-015	260 Suburban	1.87	100%	1.87	M	6	developed
46	053-258-017	4080 Horizon	3.28	100%	3.28	M, C/OS	6	developed
47	053-258-018	225 Suburban	0.55	100%	0.55	M	6	developed
48	053-258-023	4115 Horizon	2.08	100%	2.08	M, C/OS	6	developed
49	053-258-027	165 Suburban	2.25	100%	2.25	M	6	developed
50	053-264-002	4280 Vachell	10.53	100%	10.53	C-S	6	developed
51	053-264-003	4313 S. Higuera	1.00	100%	1.00	C-S	6	developed
52	053-264-004	4353 S. Higuera	9.11	100%	9.11	C-S	6	developed
53	053-422-001	4027 Santa Fe	6.01	85%	5.11	C-S, C/OS	6/3	developed
54	053-259-003	115 Venture	9.33	100%	9.33	M	6	developed
55	053-264-008	4115 Vachell	0.45	100%	0.45	C-S	6	developed
56	053-264-007	4251 S. Higuera	2.25	100%	2.25	C-S	6	developed
57	053-258-008	4025 S. Higuera	2.64	100%	2.64	C-S	6	developed
58	053-258-003	141 Suburban	2.06	100%	2.06	M	6	developed
59	053-258-033	143 Suburban	2.67	100%	2.67	M	6	developed
60	053-258-047	4085 Earthwood	0.26	100%	0.26	M	6	developed
61	053-258-040	4070 Earthwood	0.32	100%	0.32	M	6	developed
62	053-258-041	4090 Earthwood	0.28	100%	0.28	M	6	developed
63	053-258-026	181 Suburban	6.17	100%	6.17	M	6	developed
64	053-258-024	203 Suburban	7.29	100%	7.29	M	6	developed
65	053-258-023	4125 Horizon	2.08	100%	2.08	M	6	developed
66	053-258-017	4080 Horizon	3.28	100%	3.28	M	6	developed
67	053-258-019	4096 Horizon	0.68	100%	0.68	M	6	developed
68	053-258-020	4110 Horizon	0.56	100%	0.56	M	6	developed
69	053-258-021	4120 Horizon	0.53	100%	0.53	M	6	developed
70	053-258-022	4130 Horizon	0.51	100%	0.51	M	6	developed
71	053-257-030	181 Tank Farm	0.87	100%	0.87	C-S	6	developed

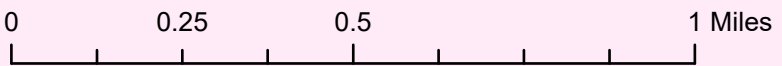
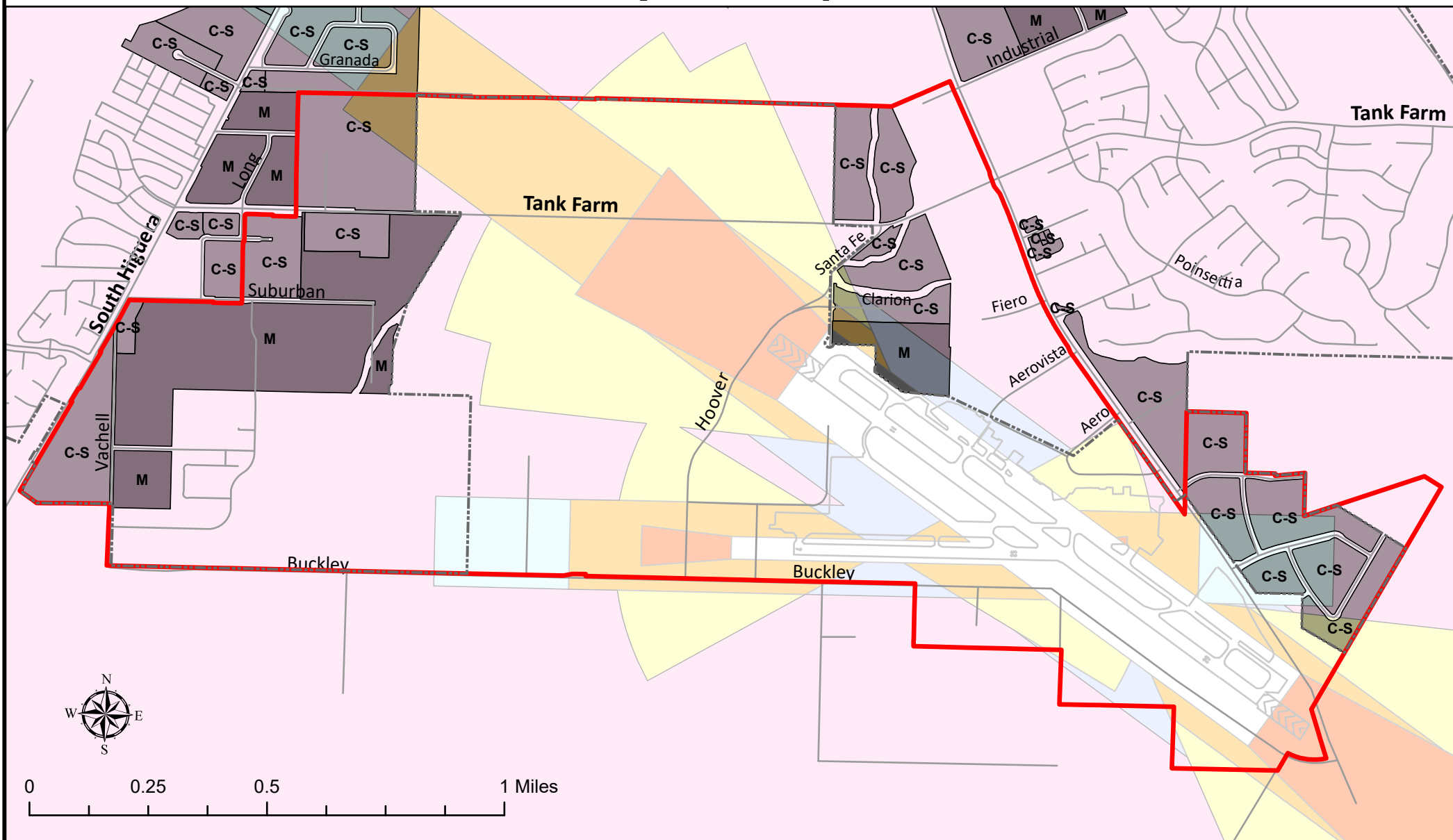


Attachment 2

72	053-257-040	179 Cross	1.03	100%	1.03	C-S	6	developed
73	053-257-043	3981 Steel	0.47	100%	0.47	C-S	6	developed
74	053-257-036	170 Suburban	0.45	100%	0.45	C-S	6	developed
75	053-257-031	187 Tank Farm	0.90	100%	0.90	C-S	6	developed
76	053-257-033	189 Cross	0.63	100%	0.63	C-S	6	developed
77	053-257-041	3976 Steel	0.61	100%	0.61	C-S	6	developed
78	053-257-042	3980 Steel	0.55	100%	0.55	C-S	6	developed
79	053-257-035	174 Suburban	0.50	100%	0.50	C-S	6	developed
80	053-257-034	178 Suburban	0.41	100%	0.41	C-S	6	developed
81	053-257-024	191 Tank Farm	6.78	100%	6.78	C-S	6	developed
82	053-257-039	211 Tank Farm	3.20	100%	3.20	C-S	6	developed
83	053-258-011	200 Suburban	1.21	100%	1.21	C-S	6	developed
84	053-258-029	253 Tank Farm	7.12	100%	7.12	M	6	developed
85	053-258-030	281 Tank Farm	3.86	100%	3.86	M	6	developed
86	053-258-031	305 Tank Farm	0.38	100%	0.38	M	6	developed
87	053-251-067	202 Tank Farm	2.93	100%	2.93	C-S	6	developed
88	053-251-057	202A Tank Farm	0.15	100%	0.15	C-S	6	developed
89	053-251-066	202H Tank Farm	0.29	100%	0.29	C-S	6	developed
90	053-251-065	202H Tank Farm	0.16	100%	0.16	C-S	6	developed
91	053-251-060	202E Tank Farm	0.09	100%	0.09	C-S	6	developed
92	053-251-058	202C Tank Farm	0.08	100%	0.08	C-S	6	developed
93	053-251-059	202D Tank Farm	0.12	100%	0.12	C-S	6	developed
94	053-251-063	202H Tank Farm	0.10	100%	0.10	C-S	6	developed
95	053-251-061	202F Tank Farm	0.13	100%	0.13	C-S	6	developed
96	053-251-062	202G Tank Farm	0.13	100%	0.13	C-S	6	developed
97	053-251-072	224 Tank Farm	4.28	100%	4.28	C-S	6	developed
98	053-421-006	600 Tank Farm	6.37	100%	6.37	C-S	6	developed
99	053-421-002	600 Tank Farm	5.32	100%	5.32	C-S	6	developed
100	053-421-005	650 Tank Farm	12.72	100%	12.72	C-S	6	developed
101	053-422-001	4027 Santa Fe	6.01	80%	4.81	C-S	6/3	developed
102	053-422-003	615 Tank Farm	2.64	100%	2.64	C-S	6	developed
103	053-422-002	635 Tank Farm	2.65	100%	2.65	C-S	6	developed
104	053-426-008	696 Clarion	0.88	100%	0.88	C-S	6	developed
105	053-422-004	645 Tank Farm	4.89	100%	4.89	C-S	6	developed
106	053-426-007	684 Clarion	0.53	100%	0.53	C-S	6	developed
107	053-426-006	no address	0.31	100%	0.31	C-S	6	developed
108	053-426-005	660 Clarion	0.28	100%	0.28	C-S	6	developed
109	053-426-004	648 Clarion	0.32	100%	0.32	C-S	6	developed
110	053-426-003	636 Clarion	0.34	60%	0.20	C-S	6/5	developed
111	053-426-012	645 Clarion	0.25	50%	0.13	C-S	6/5	developed
112	053-426-013	655 Clarion	0.25	100%	0.25	C-S	6	developed
113	053-426-014	675 Clarion	0.25	100%	0.25	C-S	6	developed
114	053-426-015	685 Clarion	0.24	100%	0.24	C-S	6	developed
115	053-426-016	695 Clarion	0.41	100%	0.41	C-S	6	developed
116	053-426-017	648 Clarion	4.40	60%	2.64	C-S	6/5	developed
117	053-423-017	4075 Santa Fe	6.70	25%	1.68	M	2/3/5/6	developed
118	053-412-024	1146 Farmhouse	5.08	100%	5.08	C-S	6	developed
119	053-427-001	1025 Farmhouse	1.18	98%	1.16	C-S	6/4	developed
120	053-427-002	1051 Farmhouse	1.07	100%	1.07	C-S	6	developed
121	053-427-003	1075 Farmhouse	1.07	100%	1.07	C-S	6	developed
122	053-427-005	1133 Farmhouse	1.19	100%	1.19	C-S	6	developed
123	053-427-027	1167 Farmhouse	1.12	100%	1.12	C-S	6	developed
124	053-427-026	1193 Farmhouse	1.33	100%	1.33	C-S	6	developed
125	053-427-028	no address	1.36	50%	0.68	C-S	6/4	developed
126	053-427-008	1250 Kendall	2.51	100%	2.51	C-S	6	developed
127	053-427-014	1275 Prospect	1.79	100%	1.79	C-S	6	developed
128	053-427-015	1251 Prospect	1.49	100%	1.49	C-S	6	developed
129	053-427-009	1201 Prospect	2.24	98%	2.20	C-S	6/4	developed
130	053-427-018	1255 Kendall	2.53	95%	2.40	C-S	6/4	developed
131	053-427-017	1200 Prospect	1.32	90%	1.19	C-S	6/4	developed
132	053-427-023	1220 Kendall	1.28	70%	0.90	C-S	6/4	developed

# Airport Area Specific Plan (AASP)

## Airport Safety Zones



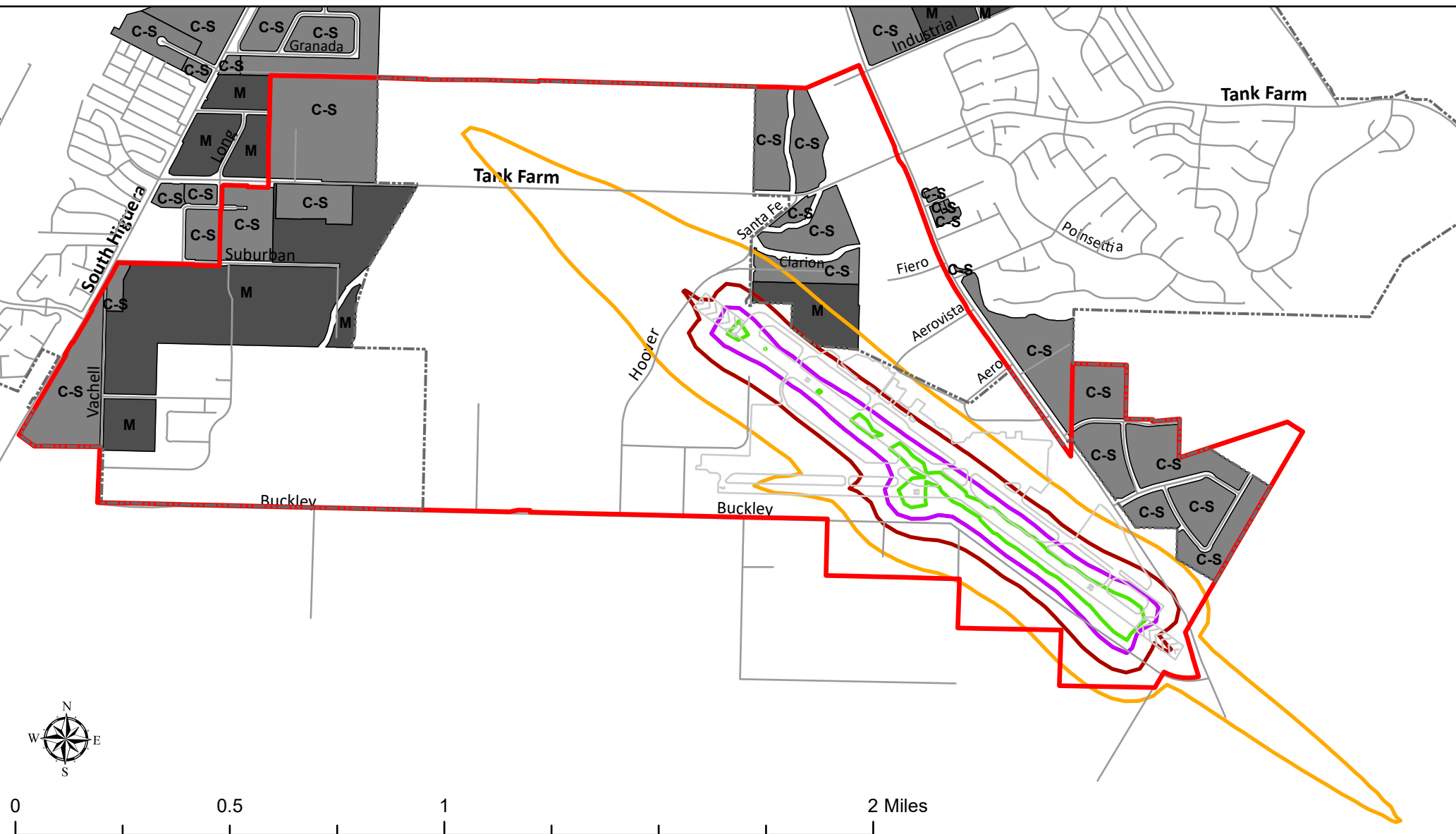
- Airport Area Specific Plan
  - City Limit
- Zoning**
- Service Commercial (C-S)
  - Manufacturing (M)

- Airport Safety Zones**
- Zone 1: Runway Protection Zone
  - Zone 2: Inner Approach/Departure Zone
  - Zone 3: Inner Turning Zone
  - Zone 4: Outer Approach/Departure Zone
  - Zone 5: Sideline Zone
  - Zone 6: Traffic Pattern Zone



# Airport Area Specific Plan (AASP)

## Airport Noise Contours



Airport Area Specific Plan  
 City Limit

**Zoning**  
 Service Commercial (C-S)  
 Manufacturing (M)

**Noise Contour Levels**  
 60 dB CNEL  
 65 dB CNEL

70 dB CNEL  
 75 dB CNEL





## **Addendum to the Final Programmatic Environmental Impact Report for the Airport Area and Margarita Area Specific Plans and Related Facilities Master Plans**

**1. Project Title:**

Airport Area Specific Plan Amendment to Allow Mixed-Use Development in the Service Commercial (C-S) and Manufacturing (M) zones subject to the approval of a conditional use permit

**2. Lead Agency Name and Address:**

City of San Luis Obispo  
990 Palm Street  
San Luis Obispo, CA 93401

**3. Contact Person and Phone Number:**

Rachel Cohen, Principal Planner  
805-781-7574

**4. Project Location:**

Airport Area Specific Plan area, generally bounded by South Higuera Street to the west, Meissner Lane to the north, Broad Street to the east, and Buckley Road to the south, in San Luis Obispo, CA

**5. Project Applicant and Representative Name and address:**

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

**6. General Plan Designation:**

Services & Manufacturing

**7. Zoning:**

Service Commercial (C-S) and Manufacturing (M)

## 8. Description of the Project:

The Airport Area Specific Plan (AASP) is a land use program with policies, goals, guidelines and infrastructure financing strategies to guide future development to ensure land use compatibility within the AASP planning area. The AASP was adopted in 2005 and has been amended several times since then in response to changing conditions or opportunities unforeseen at the time of its adoption. The proposed project would amend the AASP to allow for mixed-use development (as defined in the City's Municipal Code) with a conditional use permit within parcels designated as either Service Commercial (C-S) or Manufacturing (M).

The AASP does not currently allow mixed-use development. The underlying reason for this was because of the area's proximity to the San Luis Obispo County Airport, and the established safety and noise areas that limited or prohibited noise sensitive residential uses or high density residential development. The southern portion of the City at that time was also viewed as the area most appropriate for industrial uses. In 2021, the San Luis Obispo County Airport Land Use Commission (ALUC) amended and restated the Airport Land Use Plan (ALUP) to address new technical information related to safety and noise, which resulted in a refinement of areas subject to land use restrictions under the ALUP, including areas within the AASP. As a result, there is now substantial area within the AASP where the land use restrictions have changed related to airport safety and noise, and creates opportunities for mixed-use developments.

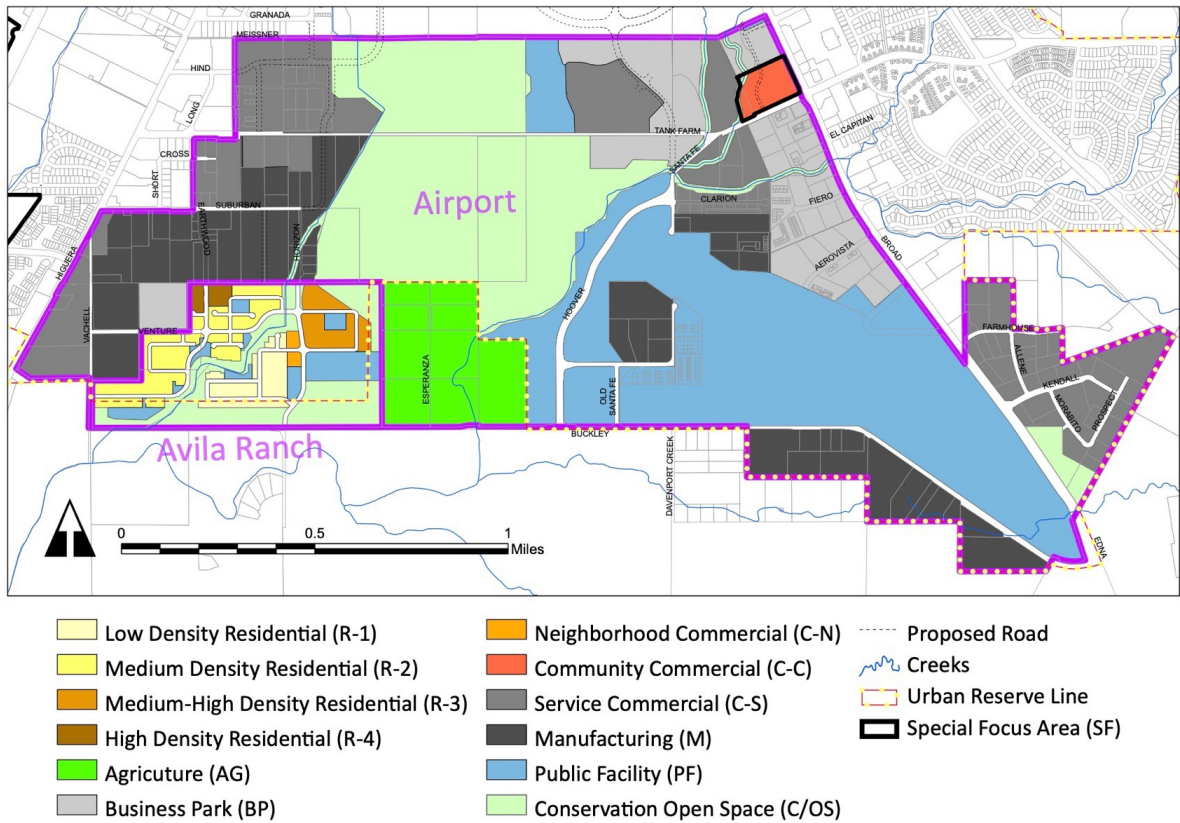
No development would occur directly as a result of this action, which is simply a modification of existing land use requirements under the AASP. Future development under the modified land use requirements could occur as a result of individual project applications that must be approved by the City of San Luis Obispo through its normal development and conditional use permit review processes. However, the magnitude and timing of such development is speculative at this time, and would be influenced by a variety of issues, including market demand, property owner desire to develop, consistency with the ALUP, and potential environmental constraints that may apply to specific parcels where project development applications are under consideration.

The Project Area includes all parcels designated as Service Commercial (C-S) or Manufacturing (M) within the 1,200-acre AASP planning area. Figure 1 shows the location of C-S and M designated parcels within the AASP.

## 9. Project Entitlements Requested:

No project-level entitlements are requested or would occur as a result of this action. Instead, the resulting amendment would allow mixed-use development, subject to specific findings, with a conditional use permit in portions of the Airport Area Specific Plan currently designated as Service Commercial (C-S) and Manufacturing (M), consistent with the requirements of the City's Zoning Regulations, as they currently apply to C-S and M

designated lands in the remainder of the City. The reason this amendment is necessary is because as currently written, the AASP does not allow mixed-use development.



**Figure 1: Existing Land Use Designations in the Airport Area Specific Plan**

Development under the modified land use requirements would result from individual project applications that must be approved by the City of San Luis Obispo through its normal development and conditional use permit review processes. Proposed modifications to the Airport Area Specific Plan are described below in detail under the heading “New Information and Updated Project Elements.”

**10. Previous Environmental Review:**

The Final Programmatic EIR for the Airport Area and Margarita Area Specific Plans and Related Facilities Master Plans (“Final EIR”, or “AASP Final EIR”) addressed future development within the Airport Area Specific Plan. The Final EIR was certified in September 2003, and has provided the basis for evaluating the impacts of future development within the AASP area. Subsequent amendments to the AASP were subject to separate CEQA evaluations to address the potential impacts stemming from those amendments. In a similar manner, the analysis in this Addendum tiers from the original Final EIR.

Individual projects that may be proposed under the AASP as amended would be subject to review under the California Environmental Quality Act (CEQA) as appropriate on a project-by-project basis.

The County of San Luis Obispo Airport Land Use Commission conducted an Initial Study and prepared a Negative Declaration for the 2021 update of its Airport Land Use Plan (ALUP) (SCH: 2021030474). That environmental document was used to inform the conclusions contained in this addendum.

#### **11. Purpose of the Addendum:**

Section 15164 of the State *CEQA Guidelines* allows a lead agency to prepare an addendum to a Final EIR when only “minor technical changes or additions” are necessary to address the effects of a minor change to the approved project since the Final EIR was certified. In addition, the lead agency is required to explain its decision not to prepare a subsequent EIR pursuant to State CEQA Guidelines Section 15162, which requires subsequent EIRs when proposed changes would require major revisions to the previous EIR “due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.”

Subsequent to certification of the AASP Final EIR, additional information has been identified which provides a more consistent Citywide approach to mixed-use development, specifically as it is allowed in the C-S and M zones. In 2021, the San Luis Obispo County Airport Land Use Commission (ALUC) updated its Airport Land Use Plan (ALUP) to address new technical information related to safety and noise, which resulted in a refinement of areas subject to land use restrictions under the ALUP and has created opportunities for mixed-use developments within the AASP. The proposed action requires an amendment to the AASP to allow for mixed-use in the C-S and M zones subject to a Conditional Use Permit. This project is described in more detail in subsequent sections of this EIR Addendum.

The purpose of this Addendum is to document the proposed change to the AASP, and to confirm that this change would not result in any new or more severe significant environmental effects not previously analyzed in the Final EIR, and would not modify any existing mitigation requirements described in that document.

The evaluation below discusses the issue areas that are relevant to this Addendum and covered by the previously approved Final EIR. The evaluation concludes that no new environmental effects are created and that there is no increase in the severity of previously identified significant effects.

**12. Addendum Requirements:**

Pursuant to Section 21166 of CEQA and Section 15162 of the State CEQA Guidelines, when a lead agency has adopted an EIR for a project, a subsequent EIR does not need to be prepared for the project unless the lead agency determines that one or more of the following conditions are met:

1. Substantial project changes are proposed that will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
2. Substantial changes would occur with respect to the circumstances under which the project is undertaken that require major revisions to the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
3. New information of substantial importance that was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was adopted shows any of the following:
  - a. The project will have one or more significant effects not discussed in the previous EIR; or
  - b. Significant effects previously examined will be substantially more severe than identified in the previous EIR; or
  - c. Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponent declines to adopt the mitigation measures or alternatives; or
  - d. Mitigation measures or alternatives that are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponent declines to adopt the mitigation measures or alternatives.

Preparation of an Addendum to an EIR is appropriate when none of the conditions specified in Section 15162 (above) are present and some minor technical changes to the previously certified EIR are necessary to address minor changes to an approved project. Because the new information would not result in any new or more severe significant impacts, an Addendum is the appropriate CEQA document.



## **CURRENT REGULATORY FRAMEWORK FOR C-S AND M ZONES**

### San Luis Obispo County Airport Land Use Plan

Mixed-use development was not originally allowed at the time of the AASP's adoption in 2005 because of the area's proximity to the San Luis Obispo County Airport, and the established safety and noise areas that limited or prohibited noise sensitive residential uses or high density residential development. The southern portion of the City at that time was also viewed as the area most appropriate for industrial uses. In 2021, the San Luis Obispo County Airport Land Use Commission (ALUC) updated its Airport Land Use Plan (ALUP) to address new technical information related to safety and noise, which resulted in a refinement of areas subject to land use restrictions under the ALUP, including areas within the AASP. As a result, there is now substantial area within the AASP where the land use restrictions have changed related to airport safety and noise and creates opportunities for mixed-use developments..

### Current AASP Requirements

For the reasons described above related to the ALUP, the AASP does not currently allow mixed-use development in either the Service Commercial (C-S) or Manufacturing (M) zones. As stated in Section 4.2.2 of the AASP, "areas designated Service Commercial are generally for storage, transportation, and wholesaling type uses, as well as certain retail sales and business services that may be less appropriate in other commercial designations." Similarly, Section 4.2.3 summarizes the intent of the Manufacturing designation as areas "for assembly, fabrication, storage and distribution, and sales and service type uses that have little or no direct trade with local consumers."

Table 4-3 of the AASP shows the allowed uses within each land use designation. Mixed-use is not allowed under either designation.

### Other Relevant Regulatory Setting

There is an existing regulatory framework for allowing mixed-use in non-residential zones Citywide. Mixed-use development is allowed in the C-S and M zones in all parts of the City except within the AASP and other specific plan areas. Within both designations, the Zoning Regulations allow for residential development up to 24 density units per acre (Municipal Code Sections 17.36.020 and 17.40.020).

### Final Environmental Impact Report

The 2003 Final EIR examined the policy framework and conceptual development under the AASP at a programmatic level. That document did not include project-specific analysis of the parcels potentially impacted by the proposed action. The FEIR impact analysis was general, and any required mitigation for key issue areas was programmatic, in consideration of cumulative development that might occur under the AASP. Please refer to the section below entitled "Analysis Of The Proposed Project In The Context Of The Final EIR" for further discussion of relevant issues and how they relate to the proposed Specific Plan Amendment

## **NEW INFORMATION AND UPDATED PROJECT ELEMENTS**

### **NEWLY DISCOVERED INFORMATION**

In recent years, the demand for housing in general, and affordable housing in particular, has risen dramatically in San Luis Obispo, as it has elsewhere. In response, the City's 2014 General Plan Land Use Element update reflects this increased demand, and includes several large areas for increased residential development, projects that have since been approved and are in the process of being completed. At the same time, the City has tried to address these issues by supporting mixed-use development, in areas where demand for non-residential development in Service Commercial or Manufacturing designated land has declined. The result is that the City allows mixed-use by right in the C-S and M zones outside the AASP. However, the AASP does not allow mixed-use development, because of previous safety and noise restrictions included in the ALUP. As described above, the 2021 update of the ALUP removed those restrictions that limited or prohibited mixed-use development.

The proposed project responds to the changes in the ALUP and increased housing demand in an evolving market by allowing for mixed-use development in the C-S and M land use designations in the AASP with the approval of a conditional use permit.

As discussed previously, the underlying reason why mixed-use development was not allowed in the AASP is because of the area's proximity to the San Luis Obispo County Airport, and safety and noise conflicts that could arise if residential development were allowed. In 2021, the San Luis Obispo County Airport Land Use Commission (ALUC) updated its Airport Land Use Plan (ALUP) to address new technical information related to safety and noise, which resulted in a refinement of areas subject to land use restrictions under the ALUP, including areas within the AASP. As a result, there is substantial area where the land use restrictions have changed related to airport safety and noise.

### **CHANGED BASELINE CONDITIONS AND UPDATED PROJECT ELEMENTS**

The proposed project would amend the AASP, modifying various aspects of the plan in order to facilitate mixed-use development with approval of a conditional use permit in the C-S and M land use designations. It would not change any existing land use designation, nor would it result in more or less land designated as either C-S or M. Instead, it would modify existing language and tables in various parts of the existing AASP in order to facilitate mixed-use within these land use designations.

A detailed land use inventory was prepared in 2024 to verify the amount of C-S or M designated lands within the planning area. Table 1 below summarizes the results of the 2024 land use inventory for each designation, showing the total acreage of vacant and developed parcels in these two land use designations.

<b>Table 1. Summary of 2024 Land Use Inventory C-S and M Parcels in the AASP</b>			
<b>Land Use Designation</b>	<i>Acreage</i>		
	<b>Developed (or entitled)</b>	<b>Vacant</b>	<b>Total</b>
Service Commercial (C-S)	140.4	85.6	226.0
Manufacturing (M)	94.7	20.4	115.1
<b>Total</b>	<b>235.1</b>	<b>106.0</b>	<b>341.1</b>

Portions of land designated as either C-S or M are constrained from considering mixed-use development. Some of this constrained area remains within airport land use safety zones under the ALUP that do not allow for residential uses. Other parcels are too small or configured in such a way to make development challenging. Depending on the location, a variety of environmental constraints could present other challenges, including drainage features, steep slopes, or the potential for sensitive biological or cultural resources. Some parcels are adjacent to existing industrial land uses that produce odors or noise, which could make them less attractive for mixed-use development. Finally, many of these parcels are already developed with other uses, or are entitled for development. It is likely that only a few of these more constrained parcels will eventually support mixed-use development.

There is no specific mixed-use development project proposed at this time, but the amendment would allow the City to process and potentially approve applications that propose such development. However, the magnitude and timing of such development cannot be known at this time, and would be influenced by a variety of issues, including market demand, property owner desire to develop, and potential environmental constraints that may apply to specific parcels where project development applications are under consideration. For these reasons, it is speculative to determine what the residential buildout potential of this action is at this time, or how it might alter the non-residential buildout assumptions made in the AASP.

If mixed-use development were to occur, it would be based on the maximum density currently allowed under the Zoning Regulations, which is 24 density units per acre.

## **ANALYSIS OF THE PROPOSED PROJECT IN THE CONTEXT OF THE FINAL EIR**

The updated project elements described above were not considered in the 2003 Final EIR, and so are analyzed here. The 2003 Final EIR examined the policy framework and conceptual development under the AASP at a programmatic level, which is also appropriate for the currently proposed Specific Plan Amendment. The following analysis examines the proposed project based on relevant issues from the 2003 Final EIR, with references to FEIR impact statements as appropriate. Implementation of the proposed project would not change any of the conclusions in the Final EIR, the level of significance or severity of any previously identified impact, or introduce any new mitigation measures. No changes to the Final EIR are required.

## Land Use

The FEIR identifies the following land use impacts that are relevant to the proposed Specific Plan Amendment. As discussed in Impact LU-3, the Final EIR found the AASP was consistent with the ALUP in effect at the time of adoption of the AASP. No significant impacts were identified, and no mitigation was required. The Specific Plan amendment would allow for mixed-use development with approval of a conditional use permit, subject to potential constraints contained in the 2021 ALUP update. The County's environmental document for the 2021 update (SCH 2021030474) concluded that there would be no land use impacts or hazards associated with allowing more intensive development in the AASP, or mixed-use or residential projects in the ALUP area if development regulations in the ALUP were complied with. Individual development projects within the AASP would need to be consistent with any land use restrictions set forth in the ALUP. No new impact would occur.

Impact LU-4 discussed compatibility with surrounding land uses. No conflicts with surrounding uses were identified in the AASP, so impacts were less than significant, and no mitigation was required. Individual development projects within the AASP would need to be compatible with adjacent development, a determination that would be made through development and conditional use permit review processes and project-specific CEQA analysis for any such future action. No new programmatic impacts would occur.

## Hydrology and Water Quality

Impact H-5 discussed exposure of people and/or property to flood hazards. The FEIR found that the conversion of land to urban uses has the potential to increase flooding hazards if new buildings were constructed within the 100-year flood hazard area. However, the specific plan includes explicit requirements for flood channel improvements that will avoid flooding impacts by providing enhanced control of floodwaters. This impact was considered less than significant.

Mixed-use development would be evaluated individually under CEQA, and would be required to comply with existing regulations related to flood hazards and water quality. No new programmatic impacts would occur, nor would there be an increase in severity of any existing impact.

## Traffic and Circulation

Since the time the AASP FEIR was prepared, CEQA analysis related to this issue has been modified considerably. The focus of CEQA review is now based primarily on a study of Vehicle Miles Traveled (VMT), which can have potential impacts on regional air quality and greenhouse gas emissions. These issues were not examined in the Final EIR.

One purpose of mixed-use development is to reduce commute distances between residences and work places. In some cases, mixed-use development could make it possible for some residents to walk to work, which would potentially reduce VMT. In those instances, there would be a net positive effect on greenhouse gas emissions and air quality relative to what would otherwise happen under the AASP. Future individual development projects within the AASP would be evaluated on a case by case basis through a project-specific CEQA analysis. No new programmatic impacts related to these issues would occur.

Other transportation issues that were studied in the FEIR related to roadway Levels of Service (LOS), which is a metric no longer considered in CEQA documents. Instead, these are issues that would be appropriately addressed through the development and conditional use permit review processes, with recommendations for potential roadway improvement made through engineering studies.

### Air Quality

The FEIR identified impacts related to both short-term construction emissions and long-term operations emissions. Short-term construction emissions were found to be significant but mitigable at a programmatic level, with mitigation taking the form of following a variety of standard construction management techniques and following the existing regulatory framework set forth by the Air Pollution Control District (APCD). The impacts of specific development projects would be analyzed and mitigated as needed on a case by case basis.

Similarly, long-term operational impacts were also found to be less than significant with programmatic mitigation. The FEIR included the following relevant mitigation measure:

*Mitigation Measure AIR-2.1. Implement Growth-Phasing Schedule. The City will implement a growth-phasing schedule for the Airport area, to assure that nonresidential development in the urban area does not exceed the pace of residential development.*

The consideration of mixed-use development in the Airport Area is consistent with this mitigation requirement, as it allows for greater flexibility and opportunities to approve residential development in balance with non-residential development. Future individual development projects within the AASP would be evaluated on a case by case basis through a project-specific CEQA analysis. No new programmatic impacts related to this issue would occur.

### Noise

The FEIR examined relevant programmatic impacts related to traffic and aircraft noise, but found them to be less than significant. For aircraft noise, this was because future development under the AASP was determined to be consistent with the ALUP. For traffic noise, it was determined that the City's General Plan Noise Element included sufficient implementation requirements and strategies to ensure that noise would be mitigated on a project-by-project basis as appropriate, through the recommendations of project-specific noise studies. Future individual development projects within the AASP would be evaluated on a case by case basis through a project-specific CEQA analysis. The County's environmental document for the 2021 update (SCH 2021030474) concluded that there would be no noise impacts or hazards associated with allowing more intensive development in the AASP, including mixed-use or residential projects in the ALUP area, if development regulations in the ALUP were complied with. No new programmatic impacts related to this issue would occur.

### Public Services and Utilities

The FEIR examined potential programmatic impacts related to the provision of water and wastewater services from buildout under the AASP, but concluded these would be less than significant because projects would be required to follow the regulatory provisions included in the

General Plan, AASP and relevant utilities master plans. Similarly, programmatic impacts related to storm drainage were considered less than significant because projects would be required to follow the provisions of the Storm Drain Master Plan. Impacts related to solid waste disposal were also considered less than significant, as projects would be required to follow regulatory provisions included in the General Plan and AASP.

Impacts related to law enforcement were considered less than significant, as future staffing and facilities would be addressed through fiscal studies as needed. Impacts to fire protection services were also considered less than significant with the following mitigation measure:

*PS-1. New Fire Protection Personnel. To mitigate the impacts associated with buildout of the [AASP], a sufficient number of fire protection personnel should be hired to maintain a ratio of one firefighter for every 1,000 residents.*

Determining the appropriate level of public services staff is typically addressed in the City's annual budget cycles, with recommendations resulting from studies to service impacts that are projected to occur based on reasonably foreseeable cumulative development. The proposed project does not facilitate any specific development project, so the magnitude of potential long-term impacts to public services is speculative, and would be addressed on a case-by-case basis as development projects are proposed. No new programmatic impacts related to this issue would occur.

Impacts to schools were found to be less than significant. Mitigation is limited to the payment of statutory fees, and no additional school-related impact fees may be imposed above the limits established in statute (Government Code Section 65595 et seq). No new programmatic impacts related to this issue would occur.

Impacts to parks and recreation were found to be less than significant, as buildout of the AASP would not increase demand over the established park service standard of 10 acres per 1,000 residents. The amount of residential development that might occur under the mixed-use provisions of the project is speculative, and would be limited by a combination of market factors, property owner desire, lot configuration, and environmental constraints. Impacts to parks and recreation would be considered on a case by case basis as individual development projects are proposed. No new programmatic impacts related to this issue would occur.

### Other Issues

The proposed project would not introduce new development into areas that were not already planned for urban uses. Therefore, for all other issues related to resource protection (biological resources, cultural resources, agricultural resources, and the exposure to hazardous materials), the potential impact of new development would not change, so the existing impact analysis for each issue would also remain unchanged. No new programmatic impacts related to these issues would occur.

## DETERMINATION

In accordance with Section 15164 of the State CEQA Guidelines, the City of San Luis Obispo has determined that this Addendum to the certified Final EIR is necessary to document changes or additions that have occurred since the Final EIR was originally certified. Based on the analysis of the proposed project, no new changes to the Final EIR are required. The proposed project would not result in any new significant environmental effects or a substantial increase in the severity of previously identified significant effects. Additionally, no new information of substantial importance that was not known and could not have been known with the exercise of reasonable diligence at the time the previous Final EIR was adopted has been identified.

The preparation of a subsequent environmental document is not necessary because:

1. None of the circumstances included in Section 15162 of the CEQA Guidelines have occurred which require a subsequent environmental document:
  - a. The project changes do not result in new or substantially more severe environmental impacts.
  - b. The circumstances under which the project is undertaken will not require major changes to the IS/MND.
  - c. The modified project does not require any substantive changes to previously approved mitigation measures.
2. The changes are consistent with City General Plan goals and polices that promote provision of additional housing, particularly affordable housing, within the City.
3. The changes are consistent with City goals related to mixed-use that would encourage alternative forms of transportation and reduce Vehicle Miles Traveled (VMT), which relates to reducing air emissions, including greenhouse gas emissions.

The City has reviewed and considered the information contained in this Addendum and finds that the preparation of subsequent CEQA analysis that would require public circulation is not necessary. This Addendum does not require circulation because it does not provide significant new information that changes the adopted Final EIR in a way that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect. The City shall consider this Addendum with the certified Final EIR as part of the basis for potential approval of the proposed Specific Plan Amendment.







# CITY OF SAN LUIS OBISPO

## AIRPORT AREA SPECIFIC PLAN (AASP)

### FISCAL IMPACT SCENARIO ANALYSIS

AUGUST 2024



2301 Rosecrans Ave., Suite 4140  
El Segundo, CA 90245  
TEL: 424-297-1070 | URL: [www.kosmont.com](http://www.kosmont.com)

# BACKGROUND & PURPOSE

- The City of San Luis Obispo (“City”) Airport Area Specific Plan (“AASP” or “Specific Plan”) was originally established to exclude housing development, due to Airport Safety Zone issues.
- In recent years, the County of San Luis Obispo (“County”) has redefined the Safety Zones, resulting in almost 90% of the Commercial / Services / Manufacturing (“CSM”) zoning area in the AASP to be considered safe for housing development.
- As a result, property owners have requested City approval for mixed-use housing at densities in the range of 24 units per acre with nominal commercial development.
- The existing City/County tax sharing agreement specifies a formula for tax sharing within the AASP that is determined by the zoning at the time of annexation. Importantly, most of the property in the AASP was annexed as commercial and industrial. The agreement specifies that there will be no or limited property tax sharing in favor of the City, in consideration of sales tax revenues that were previously shifted to the City upon annexation, and in anticipation of future sales tax generation by future hypothetical commercial uses.

## BACKGROUND & PURPOSE (CONTINUED)

- The recently certified Housing Element modified City zoning restrictions to encourage more housing and the City has expressed interest in understanding how a large portion of the future industrial / commercial business base will be impacted by more housing in the future, and how this would impact the City's General Fund.
- It is important to note that prior zoning (e.g., 2014 Land Use and Circulation Element, or "LUCE") reflected assumptions about commercial and industrial land use development that may not reflect current market and economic conditions.

# SUMMARY OF FINDINGS

- Kosmont has evaluated several different scenarios of land use development within the AASP, including scenarios that reflect the original 2014 LUCE vision, and scenarios that reflect recent developer interest, in order to estimate General Fund net fiscal impacts from potential future development.
- While the 2014 LUCE land use scenario (office, retail, industrial with no residential) would achieve an annual fiscal “surplus” for the City’s General Fund, it is Kosmont’s opinion that the level of office and retail land uses assumed does not reflect feasibility in consideration of current market and economic conditions (additionally evidenced in lack of non-residential development over previous 10 years)
- On the other hand, if the remainder of developable land within the AASP is developed entirely consistent with recent developer interest (higher-density residential with limited commercial components), this analysis estimated a **negative** net fiscal impact for the General Fund, driven largely by the tax sharing agreement that limits the City’s receipt of property tax revenue from new development in this area.

## SUMMARY OF FINDINGS (CONTINUED)

- Kosmont estimates that a likely future AASP land use development scenario would include a mix of uses, including both “vertically” blended uses (e.g., housing over commercial), as well as “horizontally” blended uses (e.g., commercial or hospitality behind or adjacent to housing).
- Kosmont’s estimation of a potential market-based, blended-use land use scenario was primarily based on a combination of demonstrated developer interest within the City, Kosmont previous market supply and demand analysis in the region, and broader real estate development trends across the State and nationally.
- Assumptions also reflect proposed and approved projects within the AASP, such as approved hotels (~218 rooms) and remaining residential units within Avila Ranch.

# EXAMPLE AASP LAND USE AND FISCAL IMPACT SCENARIOS

<b>Land Use Assumptions</b>	<b>LUCE 2014 Land Use</b>	<b>Market-Based Blended Use</b>
Residential - Market Rate	0 DU	2,650 DU
Affordable Housing	0 DU	230 DU
Hotel	0 rooms	218 rooms
Office	900,000 SF	30,000 SF
Commercial / Retail	616,983 SF	158,976 SF
Industrial	747,642 SF	95,000 SF

<b>City of San Luis Obispo Fiscal Impacts</b>	<b>LUCE 2014 Land Use</b>	<b>Market-Based Blended Use</b>
Estimated Fiscal Revenues	\$5,352,100	\$5,558,400
Estimated Fiscal Expenditures	\$2,146,800	\$7,273,200
<b>Estimated Net Fiscal Impact to City</b>	<b>\$3,205,300</b>	<b>(\$1,714,800)</b>

# FISCAL MITIGATION STRATEGIES

- In order to support long-term fiscal solvency for the City General Fund while not over-prescribing non-residential uses beyond market and financial feasibility, and while not relying solely on future non-residential uses which are difficult to predict, Kosmont suggests a fiscal mitigation strategy, including one or more of the following components:
  1. Maintenance / services Community Facilities District (“CFD”), similar to the mechanism utilized for the Avila Ranch development project within the City (potentially most feasible strategy)
  2. Renegotiation of the Property Tax Sharing Agreement with the County
  3. Infrastructure Financing District negotiation with the County (as a backup to #2 above)
  4. Minimum commercial use requirements for residential projects
- While Strategy #1 above (maintenance CFD) may be the most feasible to implement, advantages and disadvantages of each strategy listed above are discussed on the following pages.

## I) MAINTENANCE / SERVICES CFD

- A CFD could be employed instead or in addition to other fiscal mitigation options, such as renegotiation of the Property Tax Sharing Agreement or imposing commercial use requirements.
- Kosmont estimates that the range of CFD special tax required to achieve “fiscal neutrality” within a likely future AASP land use development scenario (**\$600-\$1,000 per residential unit per year**) is within acceptable ranges for the residential real estate market, consistent with CFD implementation elsewhere in the State, and generally consistent with the existing Avila Ranch CFD within the City.
- Maintenance CFDs require 2/3 voter approval, and are sometimes arranged to be “annexable” in nature, such that certain types of projects (e.g., residential or blended use) are conditioned to approve annexation into the maintenance CFD.



## 2) RENEGOTIATION OF THE PROPERTY TAX SHARING AGREEMENT WITH THE COUNTY

- The City may be able to renegotiate the property tax sharing agreement with the County as it pertains to certain types of development (e.g., residential), given the local, regional, and statewide policy pressures to produce more housing.
- Approval of a revised sharing agreement would of course require approval by both the City and County, hence a lessened certainty of implementation compared to a maintenance CFD. The County would need to be motivated to renegotiate the existing agreement, which is anticipated to be difficult.
- Renegotiation of the tax sharing agreement could be done instead or in addition to a maintenance CFD and/or minimum commercial use requirement.

### 3) INFRASTRUCTURE FINANCING DISTRICT NEGOTIATION WITH THE COUNTY

- Suggested only as a backup alternative to strategy #2 (renegotiation of tax sharing agreement), the City and County may both consider formation of a tax increment financing (TIF) district such as an Enhanced Infrastructure Financing District (EIFD).
- An EIFD would not create a new tax to property owners, but would entail the County allocating some portion of its future property tax within the AASP area for a prescribed period of time (e.g., 10 to 50 years), with a restriction for certain eligible uses, such as infrastructure and affordable housing.
- An EIFD would not require voter approval, although property owners and residents within the financing district boundary (e.g., AASP area) would have an opportunity to protest formation of the EIFD.
- EIFD formation could be done instead or in addition to a maintenance CFD and/or minimum commercial use requirement.

## 4) MINIMUM COMMERCIAL USE REQUIREMENTS FOR RESIDENTIAL PROJECTS

- Instead or in addition to other fiscal mitigation options listed herein, the City could adopt a minimum commercial use requirement for residential projects within the AASP, such as a certain amount of commercial square footage.
- Advantages of this approach include direct promotion of land use mixes that include greater proportions of non-residential uses. This approach would more directly reserve a greater amount of developable land in the AASP area for commercial and manufacturing uses and promote jobs/housing balance.
- Disadvantages of this approach include the potential to limit any new development in the AASP area, as the required amount of non-residential components may render new development projects financially infeasible, and thus unable to proceed at all.
- This approach does not fully acknowledge current trends of “horizontal” blending of land uses versus “vertical” blending of land uses. While each individual residential development may not contain a significant non-residential component, the production of new “rooftops” within an area is still critical to support development of new non-residential uses (and retention of existing non-residential uses) on other parcels.

# POTENTIAL NEXT STEPS

- Subject to City staff and City Council discussion and direction regarding land use and economic development objectives for the AASP area, the City may proceed with one or more of the fiscal mitigation strategies suggested herein.
- Kosmont is suggesting that Strategy #1 (maintenance CFD) may make sense to be prioritized based on realistic implementation feasibility. Kosmont suggests that Strategy #2 (renegotiation of sharing agreement) is worth at least an initial inquiry with County stakeholders.
- Ultimately, certain strategies may be implemented on a targeted basis, such as within the AASP area alone, or Citywide (e.g., Citywide maintenance CFD), as has been implemented elsewhere within the State.
- Kosmont suggests transparent communication with both public sector and private sector stakeholders in any scenario.



# **APPENDIX: FISCAL IMPACT ANALYSIS SCENARIO DETAIL**

# Airport Area Specific Plan - Fiscal Impact Analysis

## Overview of Fiscal Impacts

	LUCE 2014	Market-Based Blended Use
<b>City of San Luis Obispo</b>		
Estimated Fiscal Revenues	\$5,352,100	\$5,558,400
Estimated Fiscal Expenditures	\$2,146,800	\$7,273,200
<b>Estimated Net Fiscal Impact to City</b>	<b>\$3,205,300</b>	<b>(\$1,714,800)</b>

<b>Land Use Assumptions for Reference</b>	LUCE 2014	Market-Based Blended Use
Residential - Market Rate	0 DU	2,650 DU
Affordable Housing	0 DU	230 DU
Hotel	0 rooms	218 rooms
Office	900,000 SF	30,000 SF
Commercial / Retail	616,983 SF	158,976 SF
Industrial	747,642 SF	95,000 SF

Notes:

Impacts at buildout

Assumes installation of necessary public infrastructure

Values in 2024 dollars



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# Airport Area Specific Plan - Fiscal Impact Analysis

## Summary of Estimated Fiscal Impacts to City

	LUCE 2014	Market-Based Blended Use
<b>City of San Luis Obispo General Fund Revenues</b>		
Property Tax	\$0	\$0
Property Tax In-Lieu of MVLF	\$359,300	\$785,800
Property Transfer Tax	\$18,500	\$40,500
Sales Tax - General - Direct	\$1,388,200	\$357,700
Sales Tax - Measure G20 - Direct	\$2,082,300	\$536,500
Use Tax as % of Sales Tax - Direct	\$200,600	\$51,700
Sales Tax - Prop 172 as % of Sales Tax - Direct	\$30,500	\$7,900
Sales Tax - General - Indirect	\$128,700	\$425,800
Sales Tax - Measure G20 - Indirect	\$193,100	\$638,700
Use Tax as % of Sales Tax - Indirect	\$18,600	\$61,500
Sales Tax - Prop 172 as % of Sales Tax - Indirect	\$2,800	\$9,400
Transient Occupancy Tax	\$0	\$946,900
Utility Users Tax	\$184,000	\$559,600
Franchise Fees	\$59,700	\$181,700
Business Tax	\$473,500	\$81,500
Cannabis Tax	\$45,400	\$138,000
Police Revenue	\$19,100	\$58,200
Fire Revenue	\$49,400	\$150,100
Parks & Rec Revenue	\$0	\$260,600
Business Licenses	\$66,800	\$11,500
Other Revenue	\$31,600	\$96,100
SB1 Road Repair	\$0	\$158,700
<b>Estimated Total Revenues</b>	<b>\$5,352,100</b>	<b>\$5,558,400</b>
<b>City of San Luis Obispo General Fund Expenditures</b>		
Administration and IT	\$137,700	\$418,800
City Attorney	\$18,700	\$57,000
Finance & Non-Departmental	\$65,300	\$198,500
Human Resources	\$28,100	\$85,500
Fire	\$486,600	\$1,480,100
Police	\$707,200	\$2,151,100
Community Services Group Admin	\$12,200	\$37,000
Community Development	\$60,200	\$183,100
Parks and Recreation	\$0	\$743,300
Public Works	\$573,400	\$1,744,000
Solid Waste	\$10,900	\$33,300
Transfers Out	\$46,500	\$141,500
<b>Estimated Total Expenditures</b>	<b>\$2,146,800</b>	<b>\$7,273,200</b>
<b>Estimated Annual Net Fiscal Impact</b>	<b>\$3,205,300</b>	<b>(\$1,714,800)</b>
<i>Revenue / Cost Ratio</i>	<i>2.49</i>	<i>0.76</i>

**Notes:**

Assumes installation of necessary public infrastructure  
Values in 2024 dollars



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# Airport Area Specific Plan - Fiscal Impact Analysis

## Project Description

Project Component	LUCE 2014	Market-Based Blended Use
Residential - Market Rate		2,650 DU
Affordable Housing		230 DU
Hotel		218 rooms
Office	900,000 SF	30,000 SF
Commercial / Retail	616,983 SF	158,976 SF
Industrial	747,642 SF	95,000 SF
<i>Annual Escalation Factor</i>	1.00	1.00
Estimated A/V - Residential	\$495K Per Unit	\$0
Estimated A/V - Affordable Housing	\$0K Per Unit	\$0
Estimated A/V - Hotel	\$350K Per Room	\$0
Estimated A/V - Office	\$350 PSF	\$315,000,000
Estimated A/V - Commercial / Retail	\$350 PSF	\$215,944,050
Estimated A/V - Industrial	\$190 PSF	\$142,051,980
<b>Total Estimated Assessed Value</b>	<b>\$672,996,030</b>	<b>\$1,472,043,600</b>

Notes:

Values in 2024 dollars



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**Project Employment and Occupants**

<b>Project Component</b>		<b>LUCE 2014</b>	<b>Market-Based Blended Use</b>
Residential - Market Rate		0 DU	2,650 DU
Affordable Housing		0 DU	230 DU
Hotel		0 Rooms	218 Rooms
Office		900,000 SF	30,000 SF
Commercial / Retail		616,983 SF	158,976 SF
Industrial		747,642 SF	95,000 SF
<b>Estimated # Employees (FTE)</b>			
Residential - Market Rate	50 DU / emp	0	53
Affordable Housing	50 DU / emp	0	5
Hotel	1.5 room / emp	0	145
Office	400 SF / emp	2,250	75
Commercial / Retail	400 SF / emp	1,542	397
Industrial	1,500 SF / emp	498	63
<b>Total Estimated # Employees (FTE)</b>		<b>4,291</b>	<b>739</b>
Occupied Dwelling Units	93%	0 DU	2,678 DU
Residents	2.29 per DU	0	6,134
Occupied Hotel Rooms	70%	0 rooms	153 rooms
Hotel Guests	1.5 per room	0	229
Employees Weighted at 50%	50%	2,145	369
Hotel Guests Weighted at 10%	10%	0	23
<b>Total Service Population (Residents / Empl / Visitors)</b>		<b>2,145</b>	<b>6,526</b>

Notes:  
 Average household size reflects City average household size  
 Values in 2024 dollars



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# Airport Area Specific Plan - Fiscal Impact Analysis

## Property Tax

		LUCE 2014	Market-Based Blended Use
Estimated Assessed Value - Residential		\$0	\$1,311,552,000
Estimated Assessed Value - Non-Residential		\$672,996,030	\$160,491,600
<b>Total Estimated Assessed Value</b>		<b>\$672,996,030</b>	<b>\$1,472,043,600</b>
Total Secured Property Tax General Levy	1.00%	\$6,729,960	\$14,720,436
Estimated Unsecured Property Tax as % of Secured Non-Residential Value	10.00%	\$672,996	\$160,492
Total Estimated Secured + Unsecured Property Tax		\$7,402,956	\$14,880,928
<b><i>Distributions to Taxing Entities</i></b>			
Property Tax - City of San Luis Obispo (based on Property Tax Sharing Agreement)	0.00%	\$0	\$0
<b>Net Property Tax to City</b>	<b>0.00%</b>	<b>\$0</b>	<b>\$0</b>

Notes:  
 When the proposed project site was annexed into the City of San Luis Obispo, it carried a nonresidential land use designation (M - Manufacturing). Under the terms of the tax sharing agreement between the City and the County of San Luis Obispo, the County continues to receive all base year taxes plus any future incremental increase in property taxes for property designated for nonresidential development. Therefore, under the agreement, the City will not receive a share of general levy property taxes from the AASP area. Does not include property tax overrides above 1% general levy  
 Values in 2024 dollars

Source: San Luis Obispo County Auditor-Controller (2024)



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# Airport Area Specific Plan - Fiscal Impact Analysis

## Property Tax In-Lieu of Motor Vehicle License Fees (MVLf)

Total AV within CITY	\$11,770,822,169	
Current Property Tax In-Lieu of MVLf	\$6,283,397	
Prop Tax In-Lieu of MVLf per \$1M of AV	\$534	
	<b>LUCE 2014</b>	<b>Market-Based Blended Use</b>
Estimated Project Assessed Value	\$672,996,030	\$1,472,043,600
<b>Net Incremental Property Tax In-Lieu of MVLf to City</b>	<b>\$359,300</b>	<b>\$785,800</b>

Notes:  
Values in 2024 dollars

Source: San Luis Obispo County Auditor-Controller, City Online Budget Portal (2024)



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**Airport Area Specific Plan - Fiscal Impact Analysis**

**Property Transfer Tax**

	LUCE 2014	Market-Based Blended Use
Estimated Assessed Value - For-Sale Residential	\$0	\$0
Estimated Property Turnover Rate	15.0%	15.0%
Estimated Value of Property Transferred	\$0	\$0
Estimated Assessed Value - Other Land Uses	\$672,996,030	\$1,472,043,600
Estimated Property Turnover Rate	5.0%	5.0%
Estimated Value of Property Transferred	\$33,649,802	\$73,602,180
<b>Estimated Total Value of Property Transferred</b>	<b>\$33,649,802</b>	<b>\$73,602,180</b>
Total Transfer Tax	\$1.10 per \$1,000 \$37,000	\$81,000
<b>Transfer Tax to City</b>	<b>\$0.55 per \$1,000 \$18,500</b>	<b>\$40,500</b>

Notes:  
Values in 2024 dollars

Source: San Luis Obispo County Auditor-Controller (2024)



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# Airport Area Specific Plan - Fiscal Impact Analysis

## Sales Tax - Direct / On-Site

<b>Project Component</b>		<b>LUCE 2014</b>	<b>Market-Based Blended Use</b>
Commercial / Retail		616,983 SF	158,976 SF
Portion of Comm / Retail Generating Local Taxable Sales	75%	462,737 SF	119,232 SF
Estimated Taxable Sales	\$300 PSF	\$138,821,175	\$35,769,600
<b>Sales Tax - General - Direct</b>	<b>1.00%</b>	<b>\$1,388,200</b>	<b>\$357,700</b>
<b>Sales Tax - Measure G20 - Direct</b>	<b>1.50%</b>	<b>\$2,082,300</b>	<b>\$536,500</b>
<b>Use Tax as % of Sales Tax - Direct</b>	<b>14.45%</b>	<b>\$200,600</b>	<b>\$51,700</b>
<b>Sales Tax - Prop 172 as % of Sales Tax - Direct</b>	<b>2.20%</b>	<b>\$30,500</b>	<b>\$7,900</b>

Notes:

Use tax and Prop 172 sales tax percentages based on historical average percentages  
 Values in 2024 dollars.



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# Airport Area Specific Plan - Fiscal Impact Analysis

## Sales Tax - Indirect / Off-Site

	LUCE 2014	Market-Based Blended Use
Estimated # Employees	4,291	739
Estimated Annual Taxable Retail Spending / Empl. Near Work	\$6,000	\$6,000
Estimated Employee Taxable Retail Spending Within City	\$25,745,313	\$4,432,240
Estimated # Occupied Dwelling Units	0 DU	2,678 DU
Estimated Avg Annual Taxable Retail Spending / HH	\$30,977	\$30,977
Estimated Resident Taxable Retail Spending	\$0	\$82,970,125
Estimated Capture within City	50.0%	\$41,485,063
Estimated # Occupied Hotel Rooms	0 rooms	153 rooms
Estimated Annual Taxable Retail Spending / Room	\$18,250	\$18,250
Estimated Resident Taxable Retail Spending	\$0	\$2,784,950
Estimated Capture within City	50.0%	\$1,392,475
<b>Total Estimated Indirect Taxable Sales</b>	<b>\$25,745,313</b>	<b>\$47,309,778</b>
Estimated Capture Within AASP Retail - Percentage	(50%)	(10%)
Estimated Capture Within AASP Retail - Dollar Amount	(\$12,872,657)	(\$4,730,978)
Net Indirect Taxable Sales	\$12,872,657	\$42,578,800
<b>Sales Tax - General - Indirect</b>	<b>1.00%</b>	<b>\$128,700</b>
<b>Sales Tax - Measure G20 - Indirect</b>	<b>1.50%</b>	<b>\$193,100</b>
<b>Use Tax as % of Sales Tax - Indirect</b>	<b>14.45%</b>	<b>\$18,600</b>
<b>Sales Tax - Prop 172 as % of Sales Tax - Indirect</b>	<b>2.20%</b>	<b>\$2,800</b>

Notes:

Employee spending estimates based on "Office Worker Retail Spending Patterns: A Downtown and Suburban Area Study," ICSC.  
 Household spending based on average household income within City.  
 Hotel guest spending estimated based on American Hotel and Lodging Association (AHLA) data.  
 Values in 2024 dollars.



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# Airport Area Specific Plan - Fiscal Impact Analysis

## Transient Occupancy Tax ("TOT")

	LUCE 2014	Market-Based Blended Use
Estimated # Hotel Rooms	0 rooms	218 rooms
Average Daily Room Rate (ADR)	\$170	\$170
Average Occupancy Rate	70%	70%
Annual Hotel Room Receipts	\$0	\$9,468,830
<b>TOT to City</b>	<b>10.0%</b>	<b>\$946,900</b>

Notes:  
 Values in 2024 dollars.



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# Airport Area Specific Plan - Fiscal Impact Analysis

## City Service Population

City Population	48,684
City Employee Population	30,061
Employee Weighting for Service Population	0.5
Weighted # Employees	15,031
Visitor Population Equiv - Weighted at 10% of Resident	4,868
<b>Total City Service Population</b>	<b>68,583</b>

Source: CA Department of Finance, U.S. Census Bureau Center for Economic Studies (2023-2024)



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# Airport Area Specific Plan - Fiscal Impact Analysis

## City Multiplier Revenue and Expenditure Factors

Budget Category	Adopted City Budget	Allocation Basis	Relevant City Population	Percent Fixed Costs	Per Capita Factor
<b>General Fund Revenues</b>					
Sales Tax - General	\$23,166,049	N/A - Estimated Separately via Case Study Method -----			
Sales Tax - Prop 172	\$508,968	N/A - Estimated Separately via Case Study Method -----			
Sales Tax - Local Revenue Measure	\$30,897,602	N/A - Estimated Separately via Case Study Method -----			
Property Tax	\$15,982,628	N/A - Estimated Separately via Case Study Method -----			
Property Tax in Lieu of MVLF	\$6,669,367	N/A - Estimated Separately via Case Study Method -----			
Transient Occupancy Tax	\$10,918,080	N/A - Estimated Separately via Case Study Method -----			
Utility Users Tax	\$5,881,630	Service Population	68,583	0%	\$85.76
Franchise Fees	\$1,910,000	Service Population	68,583	0%	\$27.85
Business Tax	\$3,317,338	Employment Base	30,061	0%	\$110.35
Cannabis Tax	\$1,450,000	Service Population	68,583	0%	\$21.14
Police Revenue	\$611,917	Service Population	68,583	0%	\$8.92
Fire Revenue	\$1,577,836	Service Population	68,583	0%	\$23.01
Development Review	\$6,585,331	N/A - Non-Recurring Revenue -----			
Parks & Rec Revenue	\$2,068,693	Residents	48,684	0%	\$42.49
Business Licenses	\$468,000	Employment Base	30,061	0%	\$15.57
Cannabis Fee Revenue	\$232,600	N/A - Prior Obligations -----			
Other Revenue	\$1,010,016	Service Population	68,583	0%	\$14.73
SB1 Road Repair	\$1,259,276	Residents	48,684	0%	\$25.87
Grants and Subventions	\$682,279	N/A - Non-Recurring Revenue -----			
Storm Reimbursement	\$4,208,000	N/A - Non-Recurring Revenue -----			
<b>Total General Fund Revenues</b>	<b>\$119,405,610</b>				
<b>General Fund Expenditures</b>					
Administration and IT	\$11,003,659	Service Population	68,583	60%	\$64.18
City Attorney	\$1,497,103	Service Population	68,583	60%	\$8.73
Finance & Non-Departmental	\$5,216,654	Service Population	68,583	60%	\$30.43
Human Resources	\$2,246,535	Service Population	68,583	60%	\$13.10
Fire	\$15,554,762	Service Population	68,583	0%	\$226.80
Police	\$22,607,072	Service Population	68,583	0%	\$329.63
Community Services Group Admin	\$778,730	Service Population	68,583	50%	\$5.68
Community Development	\$8,510,146	Service Population	68,583	77%	\$28.07
Parks and Recreation	\$5,899,998	Residents	48,684	0%	\$121.19
Public Works	\$18,328,375	Service Population	68,583	0%	\$267.24
Solid Waste	\$349,657	Service Population	68,583	0%	\$5.10
Debt Service	\$1,769,000	N/A - Prior Obligations -----			
Capital	\$27,269,000	N/A - Non-Recurring -----			
Transfers Out	\$1,487,000	Service Population	68,583	0%	\$21.68
<b>Total General Fund Expenditures</b>	<b>\$122,517,691</b>				

**Notes:**

Community Development adjustments based on services paid by Development Review Fees (also deducted from Revenues)

Values in 2024 dollars.

Source: City of San Luis Obispo 2023-2025 Financial Plan (2024-2025 Budget)



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# Airport Area Specific Plan - Fiscal Impact Analysis

## City Multiplier Revenues and Expenditures

	LUCE 2014	Market-Based Blended Use
Estimated # Residents	0	6,134
Estimated # Employees	4,291	739
Estimated # Visitors	0	229
Total Project Service Population	2,145	6,526
Budget Category	LUCE 2014	Market-Based Blended Use
<i>General Fund Revenues</i>		
Utility Users Tax	\$184,000	\$559,600
Franchise Fees	\$59,700	\$181,700
Business Tax	\$473,500	\$81,500
Cannabis Tax	\$45,400	\$138,000
Police Revenue	\$19,100	\$58,200
Fire Revenue	\$49,400	\$150,100
Development Review	N/A	N/A
Parks & Rec Revenue	\$0	\$260,600
Business Licenses	\$66,800	\$11,500
Cannabis Fee Revenue	N/A	N/A
Other Revenue	\$31,600	\$96,100
SB1 Road Repair	\$0	\$158,700
Grants and Subventions	N/A	N/A
Storm Reimbursement	N/A	N/A
<b>Total Multiplier Revenues</b>	<b>\$929,500</b>	<b>\$1,696,000</b>
<i>General Fund Expenditures</i>		
Administration and IT	\$137,700	\$418,800
City Attorney	\$18,700	\$57,000
Finance & Non-Departmental	\$65,300	\$198,500
Human Resources	\$28,100	\$85,500
Fire	\$486,600	\$1,480,100
Police	\$707,200	\$2,151,100
Community Services Group Admin	\$12,200	\$37,000
Community Development	\$60,200	\$183,100
Parks and Recreation	\$0	\$743,300
Public Works	\$573,400	\$1,744,000
Solid Waste	\$10,900	\$33,300
Debt Service	N/A	N/A
Capital	N/A	N/A
Transfers Out	\$46,500	\$141,500
<b>Total Multiplier Expenditures</b>	<b>\$2,146,800</b>	<b>\$7,273,200</b>

Notes:

Major case study revenues not shown include property tax, sales tax, transient occupancy tax  
Values in 2024 dollars.

Source: City of San Luis Obispo 2023-2025 Financial Plan (2024-2025 Budget)



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## **Addendum to the Final Programmatic Environmental Impact Report for the Airport Area and Margarita Area Specific Plans and Related Facilities Master Plans**

**1. Project Title:**

Airport Area Specific Plan Amendment to Allow Mixed-Use Development in the Service Commercial (C-S) and Manufacturing (M) zones subject to the approval of a conditional use permit

**2. Lead Agency Name and Address:**

City of San Luis Obispo  
990 Palm Street  
San Luis Obispo, CA 93401

**3. Contact Person and Phone Number:**

Rachel Cohen, Principal Planner  
805-781-7574

**4. Project Location:**

Airport Area Specific Plan area, generally bounded by South Higuera Street to the west, Meissner Lane to the north, Broad Street to the east, and Buckley Road to the south, in San Luis Obispo, CA

**5. Project Applicant and Representative Name and address:**

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

**6. General Plan Designation:**

Services & Manufacturing

**7. Zoning:**

Service Commercial (C-S) and Manufacturing (M)

## **8. Description of the Project:**

The Airport Area Specific Plan (AASP) is a land use program with policies, goals, guidelines and infrastructure financing strategies to guide future development to ensure land use compatibility within the AASP planning area. The AASP was adopted in 2005 and has been amended several times since then in response to changing conditions or opportunities unforeseen at the time of its adoption. The proposed project would amend the AASP to allow for mixed-use development (as defined in the City's Municipal Code) with a conditional use permit within parcels designated as either Service Commercial (C-S) or Manufacturing (M).

The AASP does not currently allow mixed-use development. The underlying reason for this was because of the area's proximity to the San Luis Obispo County Airport, and the established safety and noise areas that limited or prohibited noise sensitive residential uses or high density residential development. The southern portion of the City at that time was also viewed as the area most appropriate for industrial uses. In 2021, the San Luis Obispo County Airport Land Use Commission (ALUC) amended and restated the Airport Land Use Plan (ALUP) to address new technical information related to safety and noise, which resulted in a refinement of areas subject to land use restrictions under the ALUP, including areas within the AASP. As a result, there is now substantial area within the AASP where the land use restrictions have changed related to airport safety and noise, and creates opportunities for mixed-use developments.

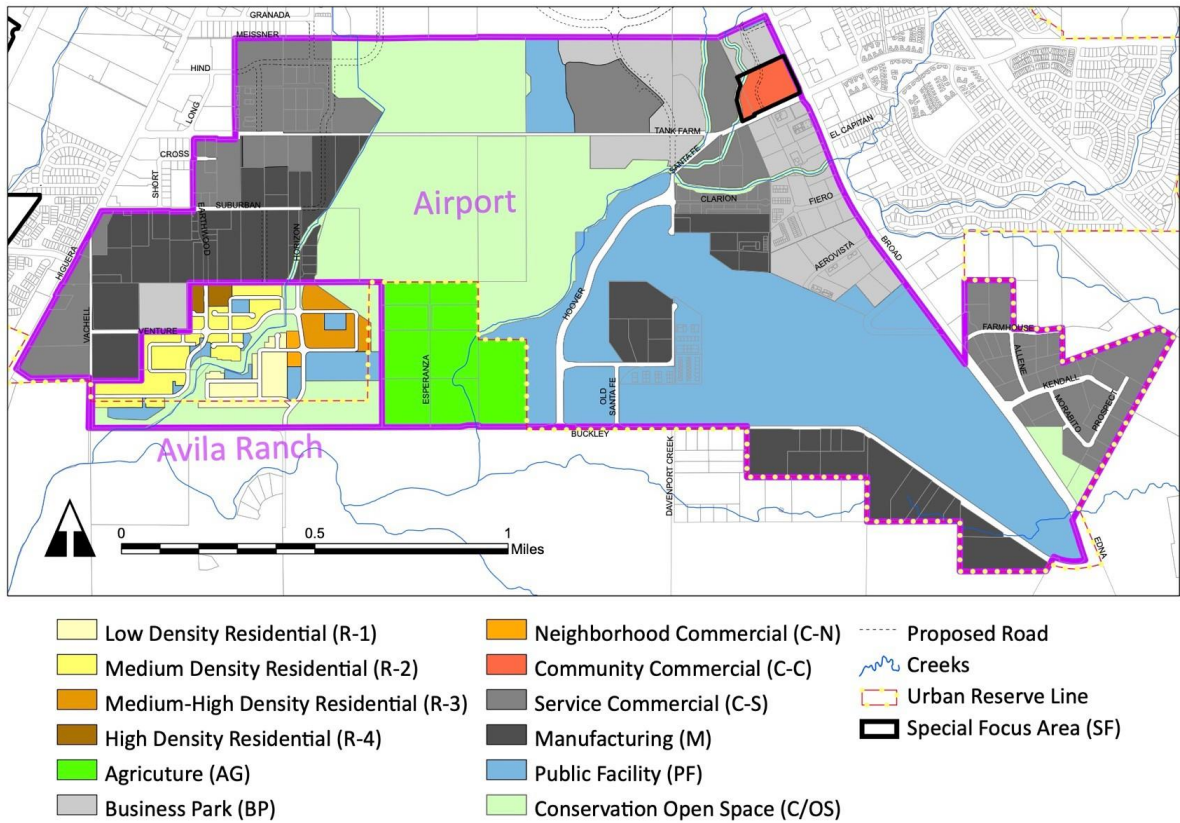
No development would occur directly as a result of this action, which is simply a modification of existing land use requirements under the AASP. Future development under the modified land use requirements could occur as a result of individual project applications that must be approved by the City of San Luis Obispo through its normal development and conditional use permit review processes. However, the magnitude and timing of such development is speculative at this time, and would be influenced by a variety of issues, including market demand, property owner desire to develop, consistency with the ALUP, and potential environmental constraints that may apply to specific parcels where project development applications are under consideration.

The Project Area includes all parcels designated as Service Commercial (C-S) or Manufacturing (M) within the 1,200-acre AASP planning area. Figure 1 shows the location of C-S and M designated parcels within the AASP.

## **9. Project Entitlements Requested:**

No project-level entitlements are requested or would occur as a result of this action. Instead, the resulting amendment would allow mixed-use development, subject to specific findings, with a conditional use permit in portions of the Airport Area Specific Plan currently designated as Service Commercial (C-S) and Manufacturing (M), consistent with the requirements of the City's Zoning Regulations, as they currently apply to C-S and M

designated lands in the remainder of the City. The reason this amendment is necessary is because as currently written, the AASP does not allow mixed-use development.



**Figure 1: Existing Land Use Designations in the Airport Area Specific Plan**

Development under the modified land use requirements would result from individual project applications that must be approved by the City of San Luis Obispo through its normal development and conditional use permit review processes. Proposed modifications to the Airport Area Specific Plan are described below in detail under the heading “New Information and Updated Project Elements.”

**10. Previous Environmental Review:**

The Final Programmatic EIR for the Airport Area and Margarita Area Specific Plans and Related Facilities Master Plans (“Final EIR”, or “AASP Final EIR”) addressed future development within the Airport Area Specific Plan. The Final EIR was certified in September 2003, and has provided the basis for evaluating the impacts of future development within the AASP area. Subsequent amendments to the AASP were subject to separate CEQA evaluations to address the potential impacts stemming from those amendments. In a similar manner, the analysis in this Addendum tiers from the original Final EIR.

Individual projects that may be proposed under the AASP as amended would be subject to review under the California Environmental Quality Act (CEQA) as appropriate on a project-by-project basis.

The County of San Luis Obispo Airport Land Use Commission conducted an Initial Study and prepared a Negative Declaration for the 2021 update of its Airport Land Use Plan (ALUP) (SCH: 2021030474). That environmental document was used to inform the conclusions contained in this addendum.

**11. Purpose of the Addendum:**

Section 15164 of the State *CEQA Guidelines* allows a lead agency to prepare an addendum to a Final EIR when only “minor technical changes or additions” are necessary to address the effects of a minor change to the approved project since the Final EIR was certified. In addition, the lead agency is required to explain its decision not to prepare a subsequent EIR pursuant to State CEQA Guidelines Section 15162, which requires subsequent EIRs when proposed changes would require major revisions to the previous EIR “due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.”

Subsequent to certification of the AASP Final EIR, additional information has been identified which provides a more consistent Citywide approach to mixed-use development, specifically as it is allowed in the C-S and M zones. In 2021, the San Luis Obispo County Airport Land Use Commission (ALUC) updated its Airport Land Use Plan (ALUP) to address new technical information related to safety and noise, which resulted in a refinement of areas subject to land use restrictions under the ALUP and has created opportunities for mixed-use developments within the AASP. The proposed action requires an amendment to the AASP to allow for mixed-use in the C-S and M zones subject to a Conditional Use Permit. This project is described in more detail in subsequent sections of this EIR Addendum.

The purpose of this Addendum is to document the proposed change to the AASP, and to confirm that this change would not result in any new or more severe significant environmental effects not previously analyzed in the Final EIR, and would not modify any existing mitigation requirements described in that document.

The evaluation below discusses the issue areas that are relevant to this Addendum and covered by the previously approved Final EIR. The evaluation concludes that no new environmental effects are created and that there is no increase in the severity of previously identified significant effects.

## 12. Addendum Requirements:

Pursuant to Section 21166 of CEQA and Section 15162 of the State CEQA Guidelines, when a lead agency has adopted an EIR for a project, a subsequent EIR does not need to be prepared for the project unless the lead agency determines that one or more of the following conditions are met:

1. Substantial project changes are proposed that will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
2. Substantial changes would occur with respect to the circumstances under which the project is undertaken that require major revisions to the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
3. New information of substantial importance that was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was adopted shows any of the following:
  - a. The project will have one or more significant effects not discussed in the previous EIR; or
  - b. Significant effects previously examined will be substantially more severe than identified in the previous EIR; or
  - c. Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponent declines to adopt the mitigation measures or alternatives; or
  - d. Mitigation measures or alternatives that are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponent declines to adopt the mitigation measures or alternatives.

Preparation of an Addendum to an EIR is appropriate when none of the conditions specified in Section 15162 (above) are present and some minor technical changes to the previously certified EIR are necessary to address minor changes to an approved project. Because the new information would not result in any new or more severe significant impacts, an Addendum is the appropriate CEQA document.

## **CURRENT REGULATORY FRAMEWORK FOR C-S AND M ZONES**

### San Luis Obispo County Airport Land Use Plan

Mixed-use development was not originally allowed at the time of the AASP's adoption in 2005 because of the area's proximity to the San Luis Obispo County Airport, and the established safety and noise areas that limited or prohibited noise sensitive residential uses or high density residential development. The southern portion of the City at that time was also viewed as the area most appropriate for industrial uses. In 2021, the San Luis Obispo County Airport Land Use Commission (ALUC) updated its Airport Land Use Plan (ALUP) to address new technical information related to safety and noise, which resulted in a refinement of areas subject to land use restrictions under the ALUP, including areas within the AASP. As a result, there is now substantial area within the AASP where the land use restrictions have changed related to airport safety and noise and creates opportunities for mixed-use developments..

### Current AASP Requirements

For the reasons described above related to the ALUP, the AASP does not currently allow mixed-use development in either the Service Commercial (C-S) or Manufacturing (M) zones. As stated in Section 4.2.2 of the AASP, "areas designated Service Commercial are generally for storage, transportation, and wholesaling type uses, as well as certain retail sales and business services that may be less appropriate in other commercial designations." Similarly, Section 4.2.3 summarizes the intent of the Manufacturing designation as areas "for assembly, fabrication, storage and distribution, and sales and service type uses that have little or no direct trade with local consumers."

Table 4-3 of the AASP shows the allowed uses within each land use designation. Mixed-use is not allowed under either designation.

### Other Relevant Regulatory Setting

There is an existing regulatory framework for allowing mixed-use in non-residential zones Citywide. Mixed-use development is allowed in the C-S and M zones in all parts of the City except within the AASP and other specific plan areas. Within both designations, the Zoning Regulations allow for residential development up to 24 density units per acre (Municipal Code Sections 17.36.020 and 17.40.020).

### Final Environmental Impact Report

The 2003 Final EIR examined the policy framework and conceptual development under the AASP at a programmatic level. That document did not include project-specific analysis of the parcels potentially impacted by the proposed action. The FEIR impact analysis was general, and any required mitigation for key issue areas was programmatic, in consideration of cumulative development that might occur under the AASP. Please refer to the section below entitled "Analysis Of The Proposed Project In The Context Of The Final EIR" for further discussion of relevant issues and how they relate to the proposed Specific Plan Amendment



## **NEW INFORMATION AND UPDATED PROJECT ELEMENTS**

### **NEWLY DISCOVERED INFORMATION**

In recent years, the demand for housing in general, and affordable housing in particular, has risen dramatically in San Luis Obispo, as it has elsewhere. In response, the City's 2014 General Plan Land Use Element update reflects this increased demand, and includes several large areas for increased residential development, projects that have since been approved and are in the process of being completed. At the same time, the City has tried to address these issues by supporting mixed-use development, in areas where demand for non-residential development in Service Commercial or Manufacturing designated land has declined. The result is that the City allows mixed-use by right in the C-S and M zones outside the AASP. However, the AASP does not allow mixed-use development, because of previous safety and noise restrictions included in the ALUP. As described above, the 2021 update of the ALUP removed those restrictions that limited or prohibited mixed-use development.

The proposed project responds to the changes in the ALUP and increased housing demand in an evolving market by allowing for mixed-use development in the C-S and M land use designations in the AASP with the approval of a conditional use permit.

As discussed previously, the underlying reason why mixed-use development was not allowed in the AASP is because of the area's proximity to the San Luis Obispo County Airport, and safety and noise conflicts that could arise if residential development were allowed. In 2021, the San Luis Obispo County Airport Land Use Commission (ALUC) updated its Airport Land Use Plan (ALUP) to address new technical information related to safety and noise, which resulted in a refinement of areas subject to land use restrictions under the ALUP, including areas within the AASP. As a result, there is substantial area where the land use restrictions have changed related to airport safety and noise.

### **CHANGED BASELINE CONDITIONS AND UPDATED PROJECT ELEMENTS**

The proposed project would amend the AASP, modifying various aspects of the plan in order to facilitate mixed-use development with approval of a conditional use permit in the C-S and M land use designations. It would not change any existing land use designation, nor would it result in more or less land designated as either C-S or M. Instead, it would modify existing language and tables in various parts of the existing AASP in order to facilitate mixed-use within these land use designations.

A detailed land use inventory was prepared in 2024 to verify the amount of C-S or M designated lands within the planning area. Table 1 below summarizes the results of the 2024 land use inventory for each designation, showing the total acreage of vacant and developed parcels in these two land use designations.

<b>Table 1. Summary of 2024 Land Use Inventory C-S and M Parcels in the AASP</b>			
<b>Land Use Designation</b>	<i>Acreage</i>		
	<b>Developed (or entitled)</b>	<b>Vacant</b>	<b>Total</b>
Service Commercial (C-S)	140.4	85.6	226.0
Manufacturing (M)	94.7	20.4	115.1
<b>Total</b>	<b>235.1</b>	<b>106.0</b>	<b>341.1</b>

Portions of land designated as either C-S or M are constrained from considering mixed-use development. Some of this constrained area remains within airport land use safety zones under the ALUP that do not allow for residential uses. Other parcels are too small or configured in such a way to make development challenging. Depending on the location, a variety of environmental constraints could present other challenges, including drainage features, steep slopes, or the potential for sensitive biological or cultural resources. Some parcels are adjacent to existing industrial land uses that produce odors or noise, which could make them less attractive for mixed-use development. Finally, many of these parcels are already developed with other uses, or are entitled for development. It is likely that only a few of these more constrained parcels will eventually support mixed-use development.

There is no specific mixed-use development project proposed at this time, but the amendment would allow the City to process and potentially approve applications that propose such development. However, the magnitude and timing of such development cannot be known at this time, and would be influenced by a variety of issues, including market demand, property owner desire to develop, and potential environmental constraints that may apply to specific parcels where project development applications are under consideration. For these reasons, it is speculative to determine what the residential buildout potential of this action is at this time, or how it might alter the non-residential buildout assumptions made in the AASP.

If mixed-use development were to occur, it would be based on the maximum density currently allowed under the Zoning Regulations, which is 24 density units per acre.

**ANALYSIS OF THE PROPOSED PROJECT IN THE CONTEXT OF THE FINAL EIR**

The updated project elements described above were not considered in the 2003 Final EIR, and so are analyzed here. The 2003 Final EIR examined the policy framework and conceptual development under the AASP at a programmatic level, which is also appropriate for the currently proposed Specific Plan Amendment. The following analysis examines the proposed project based on relevant issues from the 2003 Final EIR, with references to FEIR impact statements as appropriate. Implementation of the proposed project would not change any of the conclusions in the Final EIR, the level of significance or severity of any previously identified impact, or introduce any new mitigation measures. No changes to the Final EIR are required.

Land Use

The FEIR identifies the following land use impacts that are relevant to the proposed Specific Plan Amendment. As discussed in Impact LU-3, the Final EIR found the AASP was consistent with the ALUP in effect at the time of adoption of the AASP. No significant impacts were identified, and no mitigation was required. The Specific Plan amendment would allow for mixed-use development with approval of a conditional use permit, subject to potential constraints contained in the 2021 ALUP update. The County's environmental document for the 2021 update (SCH 2021030474) concluded that there would be no land use impacts or hazards associated with allowing more intensive development in the AASP, or mixed-use or residential projects in the ALUP area if development regulations in the ALUP were complied with. Individual development projects within the AASP would need to be consistent with any land use restrictions set forth in the ALUP. No new impact would occur.

Impact LU-4 discussed compatibility with surrounding land uses. No conflicts with surrounding uses were identified in the AASP, so impacts were less than significant, and no mitigation was required. Individual development projects within the AASP would need to be compatible with adjacent development, a determination that would be made through development and conditional use permit review processes and project-specific CEQA analysis for any such future action. No new programmatic impacts would occur.

#### Hydrology and Water Quality

Impact H-5 discussed exposure of people and/or property to flood hazards. The FEIR found that the conversion of land to urban uses has the potential to increase flooding hazards if new buildings were constructed within the 100-year flood hazard area. However, the specific plan includes explicit requirements for flood channel improvements that will avoid flooding impacts by providing enhanced control of floodwaters. This impact was considered less than significant.

Mixed-use development would be evaluated individually under CEQA, and would be required to comply with existing regulations related to flood hazards and water quality. No new programmatic impacts would occur, nor would there be an increase in severity of any existing impact.

#### Traffic and Circulation

Since the time the AASP FEIR was prepared, CEQA analysis related to this issue has been modified considerably. The focus of CEQA review is now based primarily on a study of Vehicle Miles Traveled (VMT), which can have potential impacts on regional air quality and greenhouse gas emissions. These issues were not examined in the Final EIR.

One purpose of mixed-use development is to reduce commute distances between residences and work places. In some cases, mixed-use development could make it possible for some residents to walk to work, which would potentially reduce VMT. In those instances, there would be a net positive effect on greenhouse gas emissions and air quality relative to what would otherwise happen under the AASP. Future individual development projects within the AASP would be evaluated on a case by case basis through a project-specific CEQA analysis. No new programmatic impacts related to these issues would occur.

Other transportation issues that were studied in the FEIR related to roadway Levels of Service (LOS), which is a metric no longer considered in CEQA documents. Instead, these are issues that would be appropriately addressed through the development and conditional use permit review processes, with recommendations for potential roadway improvement made through engineering studies.

### Air Quality

The FEIR identified impacts related to both short-term construction emissions and long-term operations emissions. Short-term construction emissions were found to be significant but mitigable at a programmatic level, with mitigation taking the form of following a variety of standard construction management techniques and following the existing regulatory framework set forth by the Air Pollution Control District (APCD). The impacts of specific development projects would be analyzed and mitigated as needed on a case by case basis.

Similarly, long-term operational impacts were also found to be less than significant with programmatic mitigation. The FEIR included the following relevant mitigation measure:

*Mitigation Measure AIR-2.1. Implement Growth-Phasing Schedule. The City will implement a growth-phasing schedule for the Airport area, to assure that nonresidential development in the urban area does not exceed the pace of residential development.*

The consideration of mixed-use development in the Airport Area is consistent with this mitigation requirement, as it allows for greater flexibility and opportunities to approve residential development in balance with non-residential development. Future individual development projects within the AASP would be evaluated on a case by case basis through a project-specific CEQA analysis. No new programmatic impacts related to this issue would occur.

### Noise

The FEIR examined relevant programmatic impacts related to traffic and aircraft noise, but found them to be less than significant. For aircraft noise, this was because future development under the AASP was determined to be consistent with the ALUP. For traffic noise, it was determined that the City's General Plan Noise Element included sufficient implementation requirements and strategies to ensure that noise would be mitigated on a project-by-project basis as appropriate, through the recommendations of project-specific noise studies. Future individual development projects within the AASP would be evaluated on a case by case basis through a project-specific CEQA analysis. The County's environmental document for the 2021 update (SCH 2021030474) concluded that there would be no noise impacts or hazards associated with allowing more intensive development in the AASP, including mixed-use or residential projects in the ALUP area, if development regulations in the ALUP were complied with. No new programmatic impacts related to this issue would occur.

### Public Services and Utilities

The FEIR examined potential programmatic impacts related to the provision of water and wastewater services from buildout under the AASP, but concluded these would be less than significant because projects would be required to follow the regulatory provisions included in the

General Plan, AASP and relevant utilities master plans. Similarly, programmatic impacts related to storm drainage were considered less than significant because projects would be required to follow the provisions of the Storm Drain Master Plan. Impacts related to solid waste disposal were also considered less than significant, as projects would be required to follow regulatory provisions included in the General Plan and AASP.

Impacts related to law enforcement were considered less than significant, as future staffing and facilities would be addressed through fiscal studies as needed. Impacts to fire protection services were also considered less than significant with the following mitigation measure:

*PS-1. New Fire Protection Personnel. To mitigate the impacts associated with buildout of the [AASP], a sufficient number of fire protection personnel should be hired to maintain a ratio of one firefighter for every 1,000 residents.*

Determining the appropriate level of public services staff is typically addressed in the City's annual budget cycles, with recommendations resulting from studies to service impacts that are projected to occur based on reasonably foreseeable cumulative development. The proposed project does not facilitate any specific development project, so the magnitude of potential long-term impacts to public services is speculative, and would be addressed on a case-by-case basis as development projects are proposed. No new programmatic impacts related to this issue would occur.

Impacts to schools were found to be less than significant. Mitigation is limited to the payment of statutory fees, and no additional school-related impact fees may be imposed above the limits established in statute (Government Code Section 65595 et seq). No new programmatic impacts related to this issue would occur.

Impacts to parks and recreation were found to be less than significant, as buildout of the AASP would not increase demand over the established park service standard of 10 acres per 1,000 residents. The amount of residential development that might occur under the mixed-use provisions of the project is speculative, and would be limited by a combination of market factors, property owner desire, lot configuration, and environmental constraints. Impacts to parks and recreation would be considered on a case by case basis as individual development projects are proposed. No new programmatic impacts related to this issue would occur.

### Other Issues

The proposed project would not introduce new development into areas that were not already planned for urban uses. Therefore, for all other issues related to resource protection (biological resources, cultural resources, agricultural resources, and the exposure to hazardous materials), the potential impact of new development would not change, so the existing impact analysis for each issue would also remain unchanged. No new programmatic impacts related to these issues would occur.

## DETERMINATION

In accordance with Section 15164 of the State CEQA Guidelines, the City of San Luis Obispo has determined that this Addendum to the certified Final EIR is necessary to document changes or additions that have occurred since the Final EIR was originally certified. Based on the analysis of the proposed project, no new changes to the Final EIR are required. The proposed project would not result in any new significant environmental effects or a substantial increase in the severity of previously identified significant effects. Additionally, no new information of substantial importance that was not known and could not have been known with the exercise of reasonable diligence at the time the previous Final EIR was adopted has been identified.

The preparation of a subsequent environmental document is not necessary because:

1. None of the circumstances included in Section 15162 of the CEQA Guidelines have occurred which require a subsequent environmental document:
  - a. The project changes do not result in new or substantially more severe environmental impacts.
  - b. The circumstances under which the project is undertaken will not require major changes to the IS/MND.
  - c. The modified project does not require any substantive changes to previously approved mitigation measures.
2. The changes are consistent with City General Plan goals and polices that promote provision of additional housing, particularly affordable housing, within the City.
3. The changes are consistent with City goals related to mixed-use that would encourage alternative forms of transportation and reduce Vehicle Miles Traveled (VMT), which relates to reducing air emissions, including greenhouse gas emissions.

The City has reviewed and considered the information contained in this Addendum and finds that the preparation of subsequent CEQA analysis that would require public circulation is not necessary. This Addendum does not require circulation because it does not provide significant new information that changes the adopted Final EIR in a way that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect. The City shall consider this Addendum with the certified Final EIR as part of the basis for potential approval of the proposed Specific Plan Amendment.