



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.

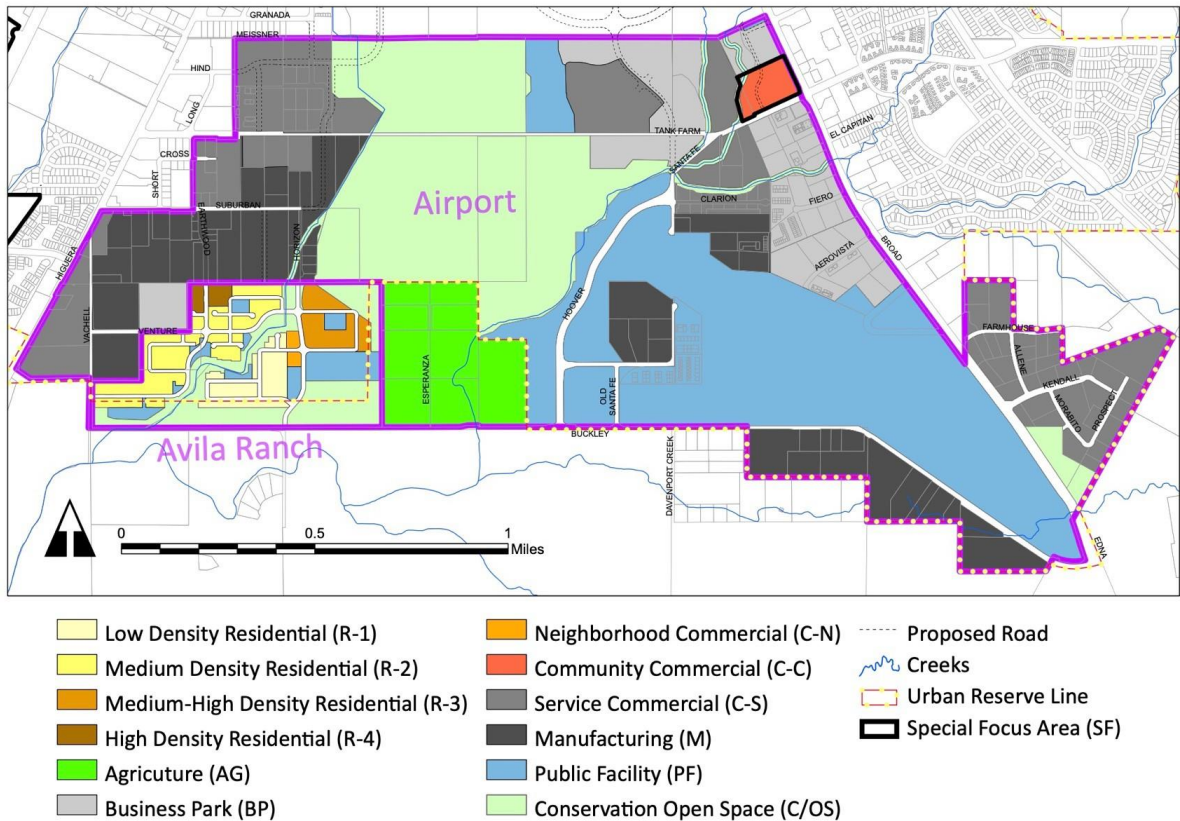


Figure 1: Existing Land Use Designations in the Airport Area Specific Plan

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.

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

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.