EXECUTIVE SUMMARY

ES-1 INTRODUCTION

The purpose of the Executive Summary and impact summary table is to provide the reader with a brief overview of the East Cherry Avenue Specific Plan (Project), the anticipated environmental effects, and the potential mitigation measures that could reduce the severity of the impacts associated with the Project. The City of Arroyo Grande (City), acting as the Lead Agency, has prepared this Environmental Impact Report (EIR) in accordance with the California Environmental Quality Act (CEQA) to address the potential environmental impacts of the Project.

This EIR is an informational document that is being used by the general public and governmental agencies to review and evaluate the Project. The reader should not rely exclusively on the Executive Summary as the sole basis for judgment of the Project and its alternatives. The complete EIR should be consulted for specific information about the environmental effects and the implementation of related mitigation measures.

ES-2 PROJECT OVERVIEW

The Project site consists of three adjacent parcels under separate ownerships referred to as Subarea 1 – a 2.16-acre plot owned by SRK Hotels; Subarea 2 – a 11.62-acre plot owned by Mangano Homes, Inc.; and Subarea 3 – a 1.51-acre plot owned by the Arroyo Grande Valley Japanese Welfare Association (JWA). In total, the Project includes 15.29 acres at the southeast corner of Traffic Way and East Cherry Avenue. Subarea 1 is currently zoned as Traffic Way Mixed-Use (TMU) for the use of automobile sale and services. Subarea 2 remains undeveloped and has historically been zoned for agricultural production. Subarea 3, however, has a deep rooted history dating back to its original purchase in the 1920s by the JWA and until 2011, has been host to a variety of uses.

The Project is a Specific Plan, General Plan Amendment, Development Code Amendment and Vesting Tentative Tract Map. The intent of the Project is to develop a specific plan with mixed use and residential uses along the frontage of East Cherry Avenue and Traffic Way, with the inclusion of a circulation network consisting of collector streets and residential alleys. Subarea 1 of the Project site would be developed with a 90- to 100-room hotel and restaurant use under a Conditional Use Permit (CUP). The Project envisions the development of Subarea 2 for residential use as a 60-lot subdivision with 58 single-family

residential lots along with a 0.35-acre neighborhood park that also acts as a drainage basin. The proposed development of Subarea 3 would provide for a mix of retail, residential and visitor serving uses that expresses the ideologies of the JWA and is both compatible with and supports the local community.

ES-3 ENVIRONMENTAL IMPACT REPORT SCOPE

This EIR discusses the environmental impacts of implementing the proposed Project and identifies mitigation measures for impacts found to be potentially significant. Consistent with CEQA Guidelines, the Initial Study as well as agency and public input received during the Notice of Preparation (NOP) comment period was used to determine the scope of the analysis for this EIR.

For each impact identified in this EIR, a statement of the level of significance of the impact is provided. Impacts are categorized in one of the following categories:

- A ***beneficial*** impact would result when the proposed project would have a positive effect on the natural or human environment and no mitigation would be required.
- ***No impact*** would result when no adverse change in the environment is expected; no mitigation would be required.
- A ***less than significant*** impact would not cause a substantial change in the environment, although an adverse change in the environment may occur; only compliance with standard regulatory conditions would be required.
- A ***less than significant with mitigation*** impact could have a substantial adverse impact on the environment but would be reduced to a less-than-significant level through successful implementation of identified mitigation measures.
- A ***significant and unavoidable*** impact would cause a substantial adverse effect on the environment, and no feasible mitigation measures would be available to reduce the impact to a less-than-significant level, even after all feasible mitigation measures have been implemented to reduce the impact to the extent possible.

Determinations of significance levels in the EIR are made based on impact significance criteria and CEQA Guidelines for each environmental resource.

The EIR also presents alternatives to the Project, which include the No Project Alternative, and the Reduced Development Alternative, and a project-level assessment of the impacts

that would be associated with the implementation of each. Finally, cumulative impacts associated with a particular resource are assessed in Sections 3.1 through 3.11 of this EIR.

ES-4 NOTICE OF PREPARATION

The contents of this EIR were established based on the findings in the NOP and attached materials, as well as public and agency input during the scoping period. A copy of the NOP and comments received during the NOP review period are included in Appendix B. In accordance with Section 15082 of the State CEQA Guidelines, the NOP was prepared and distributed to responsible and affected agencies and other interested parties for a 30-day public review. The public review period for the NOP began on October 20, 2015, and ended on November 18, 2015. The NOP was sent to the State Clearinghouse at the Governor's Office of Planning and Research to solicit statewide agency participation in determining the scope of the EIR.

ES-5 SUMMARY OF PROJECT IMPACTS

The significance of each impact resulting from implementation of the Project has been determined according to CEQA thresholds. Table ES-1 presents a summary of the impacts, mitigation measures, and residual significance of those impacts from implementation of the Project. In summary, the Project would result in significant and unavoidable Project-level and cumulative impacts to City intersections related to transportation and traffic.

ES-6 SUMMARY OF CUMULATIVE IMPACTS

In order to assess cumulative impacts, this EIR uses a combination of the list method and General Plan projection method approaches that includes programs included in the City's General Plan as well as specific past, present, and probable future projects that are reasonably foreseeable that could produce related or cumulative impacts, including, if necessary, those projects outside the control of the Lead Agency (CEQA Guidelines Section 15130). Cumulative impacts for more complex resource sections such as Air Quality and Greenhouse Gases, Transportation and Traffic, and Hydrology and Water Quality, have been assessed in regards to General Plan build-out projections for the City. Cumulative impacts associated with a particular resource are assessed in Sections 3.1 through 3.11 of this EIR.

ES-7 SUMMARY OF PROJECT ALTERNATIVES

The CEQA Guidelines state that an "EIR shall describe a range of reasonable alternatives to the Project, or to the location of the Project, which would feasibly attain most of the basic objectives of the Project but would avoid or substantially lessen any of the significant effects of the Project, and evaluate the comparative merits of the alternatives" (Section 15126.6). This EIR discusses alternatives to the proposed Project, including the No Project Alternative, Reduced Development Alternative, and alternatives that were considered and discarded. Each of these considers the ability of a particular alternative to substantially reduce or eliminate the Project's significant environmental impacts, while still meeting basic Project objectives. The alternatives analyzed in the EIR include:

CEQA "No Project" Alternative

Under the No Project Alternative, the Project would not be approved. This alternative could result in two possible outcomes. Under one possible outcome, the No Project Alternative would be a continuation of the existing setting. The Project site would remain vacant for the foreseeable future and no development would occur. A second possible outcome of the No Project Alternative would be development of the Project site in accordance with the City's existing zoning and General Plan/Land Use Map. Overall, neither outcome of the No Project Alternative would achieve the stated Project objectives. The No Project Alternative would reduce the magnitude of impacts to traffic and agricultural resources; however, these impacts could still potentially be significant under the No Project Alternative.

Reduced Development Alternative

The Reduced Development Alternative is designed to meet the central objectives of the proposed East Cherry Avenue Specific Plan, namely, to provide for historical, recreational, and residential opportunities that both complement and augment the existing uses in the City. However, this alternative would reduce the scale and intensity of proposed development, and associated trip generation and intersection congestion, air pollutants, and GHG emissions generated by new source of automobile trips.

Overall, this alternative would reduce impacts to transportation, air quality and GHG emissions. However, LOS impacts at the East Grand Avenue/West Branch Street would continue to be significant and unavoidable, as they are under the proposed Project.

ES-8 ENVIRONMENTALLY SUPERIOR ALTERNATIVE

Table 5-1 in Section 5.0, *Alternatives,* summarizes the environmental impacts associated with the proposed Project and the analyzed alternatives. CEQA Guidelines Section 15126.6 states that if the environmentally superior alternative is the No Project Alternative, the EIR shall also identify an environmentally superior alternative from among the other alternatives.

Table ES-2 summarizes the environmental impacts associated with the proposed Project and the analyzed alternatives. Of the alternatives considered, the No Project Alternative would result in the fewest impacts as no development would occur within Subareas 2 and 3; therefore, it is environmentally superior. Of the development alternatives, the *Reduced Development Alternative* is considered to be the environmentally superior development alternative since impacts would be reduced to a less than significant level, except for anticipated significant and unavoidable long-term impacts to traffic and transportation at the East Grand Avenue/West Branch Street intersection. With implementation of this alternative, impacts to the East Grand Avenue/West Branch Street intersection would be reduced, although impacts to this intersection would not be fully reduced to a less than significant level. As this alternative would reduce all but one impact to a less than significant level with required mitigation, the Reduced Development Alternative is considered to be the environmentally superior alternative.

Table ES-1. Project Impacts, Mitigation Measures and Residual Impacts

Impacts	Mitigation Measures	Residual Significance
3.1 Aesthetics		
Impact VIS-1. Implementation of the Project would result in adverse effects to the existing scenic resources present at the site and surrounding areas.	MM VIS-1a	Less than Significant with Mitigation
Impact VIS-2. The proposed Project would result in a significant change in the existing visual characteristics of the site.	None required	Less than Significant
Impact VIS-3. Construction of the Project would create short-term disruption of scenic resources for the residents and travelers along East Cherry Avenue and Traffic Way.	None required	Less than Significant
Impact VIS-4. The proposed Project would introduce new sources of nighttime light, impacting the quality of the nighttime sky and increasing ambient light.	MM VIS-4a	Less than Significant with Mitigation
3.2 Agriculture		
Impact AG-1. The proposed Project would result in the direct conversion of a site that includes agricultural capabilities, including prime soils and historic agricultural production. However, because of the limited size of the site, and its context amidst adjacent non-agricultural land uses, conversion of the site to non-agricultural uses is considered less than significant based on the LESA methodology.	None required	Less than Significant
Impact AG-2. The proposed Project would result in the conversion of agricultural land uses within the Project site, creating potentially significant impacts with respect to consistency with City Goal Ag1 and related policies in the Agriculture, Conservation, and Open Space Element, which seek protection of prime farmland.	MM AG-2a	Less than Significant with Mitigation
3.3 Air Quality - GHG		
Impact AQ-1. The proposed Project would result in potentially significant short-term construction-related air quality impacts from dust and air pollutant emissions generated by grading and construction equipment operation.	MM AQ-1a MM AQ-1b MM AQ-1c MM AQ-1d	Less than Significant with Mitigation
Impact AQ-2. The proposed Project would result in potentially significant long-term operation-related air quality impacts generated by area, energy, and mobile emissions.	MM AQ-2a MM AQ-2b	Significant and Unavoidable
Impact AQ-3. Release of toxic diesel emissions during initial construction and long-term operation of the proposed Project could expose nearby sensitive receptors to such emissions.	MM AQ-3a MM AQ-3b	Less than Significant with Mitigation

Table ES-1. Project Impacts, Mitigation Measures and Residual Impacts (Continued)

Impacts	Mitigation Measures	Residual Significance
Impact AQ-4. Construction and operation of the proposed Project would result in less than significant impacts to global climate change from the emissions of greenhouse gases if the Project is consistent with the City's Climate Action Plan.	MM AQ-2b	Less than Significant
Impact AQ-5. The proposed Project is potentially inconsistent with the County of San Luis Obispo APCD's 2001 Clean Air Plan.	MM AQ-2b MM AQ-5a	Significant and Unavoidable
3.4 Biological Resources		
Impact BIO-1. Project construction and major alteration of the Project site would result in a loss of low-value agricultural and disturbed ruderal habitats and potential indirect impacts to the adjacent oak woodland habitat.	MM BIO-1a	Less than Significant with Mitigation
Impact BIO-2. Project construction and operation has the potential to create significant impacts to the movement of native resident or migratory wildlife on the Project site.	MM BIO-2a	Less than Significant with Mitigation
Impact BIO-3. The Project has the potential to conflict with local policies or ordinances protecting biological resources.	None required	Less than Significant
3.5 Hazards and Hazardous Materials		
Impact HAZ-1. Implementation of the proposed Project would include the use of small quantities of hazardous materials during construction and operation, but would not could create a significant hazard to the public or the environment through routine transport, use or disposal of hazardous materials.	None required	Less than Significant
Impact HAZ-2. Implementation of the proposed Project could create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment.	MM HAZ-2a MM HAZ-2b MM HAZ-2c	Less than Significant with Mitigation
Impact HAZ-3. The proposed Project would have a low potential to emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school.	None required	Less than Significant
Impact HAZ-4. Implementation of the proposed Project could expose people or structures to a significant risk of loss, injury, or death involving wildland fire, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands.	MM HAZ-4a MM HAZ-4b MM HAZ-4c MM HAZ-4d MM HAZ-4e	Less than Significant with Mitigation

Table ES-1. Project Impacts, Mitigation Measures and Residual Impacts (Continued)

Impacts	Mitigation Measures	Residual Significance
3.6 Hydrology		
Impact HYD-1. Construction of the proposed Project has the potential to significantly impact surface water quality from increased erosion, sedimentation and polluted runoff.	MM HYD-1a MM HYD-1b MM HYD-1c MM HYD-1d	Less Than Significant with Mitigation
Impact HYD-2. Irrigation of the proposed cultural gardens on Subarea 3 would draw water from the Santa Maria Groundwater Basin, resulting in incremental impacts to groundwater resources	None Required	Less Than Significant
Impact HYD-3. The proposed Project would alter existing onsite drainage systems, resulting in potential impacts to erosion, siltation, and flooding on and off the site.	MM HYD-3a MM HYD-3b MM HYD-3c	Less Than Significant with Mitigation
Impact HYD-4. The proposed Project is located outside a 100-year flood hazard area and presents less than significant issues regarding onsite flood hazards.	None required	Less Than Significant
Impact HYD-5. The proposed Project site is located at the base of an adjacent natural hillside that has the potential to result in a mudflow which would directly inundate the Project development.	None required	Less than Significant
3.7 Land Use and Planning Policies		
Impact LU-1. The proposed Project would not result in the physical divide of an established community.	None required	Less than Significant
Impact LU-2. The proposed Project would not conflict with any habitat conservation plans or natural community conservation plans as none exist within the Project vicinity.	None required	No Impact
Impact LU-3. The site design of the proposed Project is potentially inconsistent with adopted City policies designed to protect public views, recreational resources, and reduce the threat to new developments from fire.	MM VIS-1a MM VIS-4a MM AG-1a MM HAZ-4a-e MM REC-1a	Less than Significant with Mitigation
3.8 Noise		
Impact NOI-1. Short-term construction activities would temporarily generate adverse noise and vibration levels that would exceed thresholds established in the City's General Plan Noise Element.	MM TRANS-1a MM NOI-1a MM NOI-1b	Less than Significant with Mitigation
Impact NOI-2. Long-term noise impacts from vehicle traffic associated with the Project would result in increased noise levels to sensitive receptors of up to 1.4 CNEL; however, this increase would be indiscernible to the human ear and not exceed federal, state, or City noise criteria.	None required	Less than Significant

Table ES-1. Project Impacts, Mitigation Measures and Residual Impacts (Continued)

Impacts	Mitigation Measures	Residual Significance
Impact NOI-3. Long-term operational noise impacts associated with the Project from the operation of stationary equipment and site maintenance activities could result in the exceedance of thresholds in the City's General Plan Noise Element.	MM NOI-3a MM NOI-3b	Less than Significant with Mitigation
3.9 Recreation		
Impact REC-1. The proposed Project would increase the use of and need for recreational facilities, resulting in potential increase physical deterioration of existing recreational facilities.	MM REC-1a	Less Than Significant with Mitigation
Impact REC-2. The proposed Project includes the construction of recreational facilities which may have an adverse effect on the physical environment.	None required	Less than Significant
3.10 Transportation and Traffic		
Impact TRANS-1. Project construction activities would potentially create short-term traffic impacts due to congestion from construction vehicles (e.g., construction trucks, construction worker vehicles, equipment, etc.), traffic lane and sidewalk closures, and loss of on-street parking.	MM TRANS-1a	Less than Significant with Mitigation
Impact TRANS-2. Project generated traffic would potentially cause the LOS at the Fair Oaks Avenue/Traffic Way intersection to deteriorate from acceptable to unacceptable LOS in both the AM and PM peak hours, causing a significant impact. With installation of a traffic signal, intersection LOS would be maintained at acceptable LOS.	MM TRANS-2a	Less than Significant with Mitigation
Impact TRANS-3. Project generated traffic would potentially cause delays at the East Grand Avenue/West Branch Street intersection which operates at unacceptable LOS F to increase by more than 5 seconds in excess of City standards in both the AM and PM peak hours, causing a significant impact. There are no feasible funded or scheduled mitigation measures available to reduce this impact to a less than significant level consistent with the requirements of City General Plan Policy CT2-1 which requires improvement to LOS D.	MM TRANS-3a MM TRANS-3b	Significant and Unavoidable
Impact TRANS-4. Project generated traffic would potentially cause incremental increases in delays at the Fair Oaks Avenue/U.S. Highway 101 southbound off-ramp/Orchard Avenue intersection which operates at unacceptable LOS E during AM peak hour. However, increased delays would not exceed City standards.	None required	Less than Significant

Table ES-1. Project Impacts, Mitigation Measures and Residual Impacts (Continued)

Impacts	Mitigation Measures	Residual Significance
Impact TRANS-5. The proposed Project would potentially create conflicts with turning movements at driveways and intersections on the Project site.	MM TRANS-5a (Recommended)	Less than Significant
Impact TRANS-6. The proposed Project would potentially generate and attract trips to and from U.S. Highway 101, incrementally increasing congestion of the region's main highway.	None required	Less than Significant
Impact TRANS-7. The proposed Project would potentially increase demand for transit services in an underserved area, presenting a barrier to both transit dependent and non-transit dependent households for using transit.	MM AQ-5a	Less than Significant
3.11 Utilities and Services		
Impact UT-1. Implementation of the proposed Project would not exceed the wastewater capacity of the SSLOCSD Wastewater Treatment Plant.	None required	Less Than Significant
Impact UT-2. The proposed Project would require the expansion of existing utility infrastructure including water, sewer, gas and electricity into the site; the construction of which would cause less than significant environmental effects.	MM AQ-1a MM AQ-1b MM AQ-1c MM AQ-1d MM BIO-1a MM NOI-1a MM NOI-1b	Less Than Significant with Mitigation
Impact UT-3. Implementation of the Project would result in as overall decrease in water demand compared to historic water demand and would not significantly impact the City's water supply or water infrastructure.	None required	Less Than Significant
Impact UT-4. The proposed Project would generate additional solid waste needing disposal at the Cold Canyon Landfill; however, impacts would be less than significant.	None required	Less Than Significant
Impact UT-5. The proposed Project would increase demand for fire protection, police protection, and public school services.	None required	Less Than Significant

Table ES-2. Impact Comparison of Alternatives to the Proposed Project

Resource	Proposed Project Residual Impact	No Project	Reduced Development
Aesthetics	Less than Significant with Mitigation	Less (Less than Significant)	Similar (Less than Significant with Mitigation)
Agricultural Resources	Less than Significant with Mitigation	Less (Less than Significant with Mitigation)	Similar (Less than Significant with Mitigation)
Air Quality & GHG Emissions	Less than Significant with Mitigation	Less (Less than Significant)	Less (Less than Significant with Mitigation)
Biological Resources	Less than Significant with Mitigation	Less (Less than Significant)	Similar (Less than Significant with Mitigation)
Hazards & Hazardous Materials	Less than Significant with Mitigation	Similar (Less than Significant)	Similar (Less than Significant with Mitigation)
Hydrology and Water Quality	Less than Significant with Mitigation	Less (Less than Significant)	Similar (Less than Significant with Mitigation)
Land Use	Less than Significant with Mitigation	Less (Less than Significant)	Similar (Less than Significant with Mitigation)
Noise	Less than Significant with Mitigation	Less (Less than Significant)	Slightly Less (Less than Significant with Mitigation)
Recreation	Less than Significant with Mitigation	Less (No Impact)	Less (Less than Significant with Mitigation)
Transportation & Traffic	Significant and Unavoidable	Less (Significant and Unavoidable)	Less (Significant and Unavoidable)
Utilities & Public Services	Less than Significant with Mitigation	Less (Less than Significant)	Slightly Less (Less than Significant with Mitigation)
Project Objectives Met?	Yes	No	Yes