3.2 AGRICULTURAL RESOURCES

The following section evaluates the potential impacts of the East Cherry Avenue Specific Plan (Project) on site-specific and regional agricultural resources, including prime farmland located within the City of Arroyo Grande’s (City’s) limits. It also evaluates the Project’s consistency with the agricultural and open space land use goals, programs, and policies in the City’s General Plan and related planning policy documents, as well as relevant state policies and regulations. The analysis for agricultural resources uses Land Evaluation and Site Assessment (LESA) methodology to determine the significance of impacts, which are described below. LESA Model estimates for the Project are contained within Appendix D of this Environmental Impact Report (EIR).

Agricultural resources consist of any farmland with potential for agricultural productivity. Important agricultural resources are identified by the State of California as sites containing superior or unique soil as identified by the U.S. Department of Agriculture (USDA) Natural Resource Conservation Service (NRCS), or Important Farmland as defined by the Farmland Mapping and Monitoring Program (FMMP)\(^1\), or other important agricultural production properties. Such resources may be protected by agricultural zoning or Williamson Act contracts\(^2\) to prevent conversion to non-agricultural use.

3.2.1 Environmental Setting

3.2.1.1 Regional Context

Agriculture is a major production industry in the County of San Luis Obispo (County) with a gross production value of $903 million in 2014. Top crops by value include: strawberries ($205 million), wine grapes ($203 million), cattle and calves ($126 million), broccoli ($57 million), and vegetable transplants ($33 million) (County of San Luis Obispo, Department of Agriculture/Weights and Measures 2015). Agriculture production creates a multiplier effect, creating jobs and economic output in many other sectors of the local economy, including tourism, industrial, retail and commercial services. Agricultural resources in the vicinity of the City of Arroyo Grande are mainly limited to areas outside the City limits.

\(^1\) The FMMP assesses the location, quality and quantity of agricultural lands and monitors the conversion of these lands to nonagricultural uses. The FMMP classifies Important Farmland based on agricultural soil quality and current land use into four categories of important farmlands: prime farmland, farmland of statewide importance, unique farmland, and farmland of local importance. Important farmlands contain soils best suited for producing food and forage, particularly for producing high-yield crops.

\(^2\) A Williamson Act contract is an agreement between private landowners and the government to restrict specific parcels of land to agricultural or related open space uses in return for reduced property tax assessments (refer to Section 3.2.3, Regulatory Setting, for additional detail).
3.2 AGRICULTURAL RESOURCES

Agricultural activity in the vicinity includes irrigated row crops in level or gently sloping areas and livestock grazing in foothill areas. Nearby farmland in the County lies southwest of the City in Oceano, and northeast of the City along Arroyo Grande Creek.

The City is located in the southwestern end of San Luis Obispo County, encompassing a total of 5.835 square miles (approximately 3,374.4 acres) of lands that are largely developed. The City contains approximately 369 acres of land zoned for agricultural use, equating to nearly 10 percent of land within the City limits, and contains approximately 500 acres of Class I and II soils (Laura A. Pennebaker 2009).

3.2.1.2 Local Context

There are agriculturally zoned lands in the City approximately 0.25 miles to the northeast, and 0.20 miles to the west of the Project site. The Project site is bordered by nonagricultural lands, single-family neighborhoods to the north and northeast, lands developed with commercial uses along Traffic Way to the west, and the Vagabond Mobile Home Park and St. Barnabas Episcopal Church along its southern boundary. The areas located to the north, west, and east are zoned for urban uses by the City and listed as Urban and Built-Up Lands by the California Department of Conservation and are therefore ineligible for a Williamson Act contract (Department of Conservation 2010). Neither the Project site nor immediately adjacent lands are under a Williamson Act contract; although, there are Williamson Act lands approximately 0.5 miles to the south of the Project site.

3.2.1.3 Project Site

The 15.29-acre Project site is located entirely within the City limits. The 2.16-acre Subarea 1 is zoned for Traffic Way Mixed-Use (a nonagricultural zoning district) and is currently fallow. The 11.62-acre Subarea 2 is zoned for agriculture, and currently contains commercial row crop production cultivated with broccoli, lettuce, celery, and parsley. Subarea 3 is zoned for agriculture, but is currently not utilized for agricultural activities. A portion of Subarea 1 and the entire Subarea 2 have historically been farmed with a variety of vegetable row crops. Irrigation for these crops is obtained from two existing onsite water wells located on the northeast portion of Subarea 2. Subarea 3 was
originally purchased in 1920 by the Arroyo Grande Japanese Welfare Association (JWA), and included two houses, two garages, and accessory buildings. The site has been host to a variety of uses over time, but was not known to be under commercial agricultural production. As designated under the FMMP, the Project site contains a total of 12.85 acres of “prime farmland” and 2.44 acres of land classified as “urban and built-up land” (Department of Conservation 2012; see Figure 3.2-1).

Agricultural Soils within the Site

The Project site contains a total of 14.0 acres of “prime agricultural soils” as defined by the NCRS; these soils overlap the 12.85 acres of FMMP designated prime farmland. The NRCS Soil Survey for San Luis Obispo County, Coastal Part, identifies soil types in southern San Luis Obispo County, including those which contain superior properties for agricultural production, known as prime agricultural soils. The NRCS designates such prime soils with a Soil Capability Class of I or II. Many soils are given a Capability Class of I or II only when irrigated, but otherwise receive a lower rating without irrigation. Soils in the Project site are comprised of Mocho Silty Clay Loam and two types of Zaca Clay
(see Figure 3.2-2). Mocho Silty Clay Loam contains a Soil Capability Class of I when irrigated and is considered Class IIIc without irrigation (Table 3.2-1). The first type of Zaca Clay contains a Soil Capability Class of IVe with and without irrigation. The second type of Zaca Clay present at the site contains a Soil Capability Class of VIIe with and without irrigation. Mocho Silty Clay Loam is considered a prime agricultural soil by the California Department of Conservation when irrigated, while both types of Zaca Clay are considered non-prime in irrigated and non-irrigated conditions (NRCS 2015).

The Mocho Silty Clay Loam occurs on all 2.16 acres of Subarea 1, approximately 10.1 acres of Subarea 2, and approximately 1.74 acres of Subarea 3 (using proposed subarea acreages). The Zaca Clay (15 to 30 percent slopes) occurs on approximately 0.89 acres of Subarea 2 and approximately 0.02 acres of Subarea 3. The Zaca Clay (50 to 75 percent slopes) occurs on approximately 0.09 acres of Subarea 3 (see Figure 3.2-2). In summary, approximately 93 percent of the soils are considered prime soils when irrigated.  

3 Approximately 11 acres (73%) of the site is currently irrigated, with currently fallow areas in Subarea 1.
### Table 3.2-1. Project Site Soil Capabilities

<table>
<thead>
<tr>
<th>Map Symbol</th>
<th>Soil Name</th>
<th>Acreage in Project Site</th>
<th>Class</th>
<th>Important Farmland Map Designation</th>
<th>Slope %</th>
<th>Surface Runoff</th>
<th>Irrigation limitations</th>
</tr>
</thead>
<tbody>
<tr>
<td>175</td>
<td>Mocho Silty Clay Loam</td>
<td>14.0</td>
<td>I</td>
<td>IIIc</td>
<td>0 to 2</td>
<td>Medium</td>
<td>Few limitations</td>
</tr>
<tr>
<td>225</td>
<td>Zaca Clay</td>
<td>0.9</td>
<td>IVe</td>
<td>IVe</td>
<td>15 to 30</td>
<td>Very High</td>
<td>Very limited (slope and erosion)</td>
</tr>
<tr>
<td>227</td>
<td>Zaca Clay</td>
<td>0.1</td>
<td>VIIe</td>
<td>VIIe</td>
<td>50 to 75</td>
<td>Very High</td>
<td>Very limited (slope and erosion)</td>
</tr>
</tbody>
</table>

Notes: IR = irrigated; NI = non-irrigated.
Source: NRCS 2015.

### Proposed Offsite Agricultural Resources

The Project includes a proposal for offsite agricultural protection of a 9.79-acre parcel under an agricultural conservation easement. This proposed agricultural conservation parcel is located at 1189 Flora Road, approximately 1.25 miles northeast of the Project site. This parcel is located within the City limits, is currently zoned Agriculture and under cultivation, and contains comparable Class I prime farmland soils to the Project site. This proposal is made in an effort to mitigate the loss of prime farmland soils in Subarea 2 in compliance with Goal Ag1 of the Agriculture, Conservation, and Open Space Element of the City’s General Plan. On July 28, 2015, the City Council adopted the resolution determining that the Flora Road site constitutes as appropriate mitigation for the conversion of prime farmland in Subarea 24 (City of Arroyo Grande 2015).

The Flora Road parcel includes a single residence and a well that, while in working condition, is considered unreliable. The City Council has recently approved a replacement well that is anticipated to produce a higher volume of water. It is estimated that the well would produce ample water for the residence and agricultural operations on the property, as well as a substantial amount of water that may be used by the City for irrigation purposes. In addition to the agricultural conservation easement, an agreement would include the City’s rights to water below the surface of the property, rights of access to such water, and the right to install and maintain wells on the property.

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4 It should be noted that the City Council Resolution on July 28, 2015 is considered as mitigation only in reference to Goal Ag1 of the Agriculture, Conservation, and Open Space Element and does not reflect the adequacy of mitigation for agricultural resource impacts identified under the California Environmental Quality Act (CEQA).
3.2 AGRICULTURAL RESOURCES

The City’s Bicycle and Pedestrian Plan includes plans for a 15-foot wide bicycle and pedestrian path across the property and along Flora Road (not included within the 9.79 acres proposed for agricultural conservation easement). The proposed pathway includes a future path over Arroyo Grande Creek at Strother Park that would ultimately connect Huasna Road and Branch Mill Road.

3.2.2 Regulatory Setting

3.2.2.1 Federal

There are no federal regulations or policies related to agricultural resources which apply to this Project.

3.2.2.2 State

Farmland Mapping and Monitoring Program (FMMP)

The California Department of Conservation established the FMMP in 1982 to assess the location, quality, and quantity of agricultural lands and analyze the conversion of these lands throughout California. The list below provides a comprehensive description of all categories mapped by the California Department of Conservation (Department of Conservation 2010).

- **Prime Farmland** – Farmland that has the best combination of physical and chemical features and is able to sustain long-term agricultural production. This land has the soil quality, growing season, and moisture supply needed to sustain high yields. Land must have been used for irrigated agricultural production at some time during the 4 years prior to the mapping date.

- **Farmland of Statewide Importance** – Farmland similar to prime farmland but with minor shortcomings, such as greater slopes or less ability to store soil moisture. Land must have been used for irrigated agricultural production at some time during the 4 years prior to the mapping date.

- **Unique Farmland** – Farmland with lesser quality soil that is used for production of the State’s leading agricultural crops. This land is usually irrigated but may include non-irrigated orchards or vineyards, which are found in some climatic zones in California. Land must have been used for crops at some time during the 4 years prior to the mapping date.

- **Farmland of Local Importance** – Land of importance to the local agricultural economy as determined by each county’s board of supervisors and a local advisory committee.

- **Grazing Land** – Land on which the existing vegetation is suited to the grazing of livestock. This category was developed in cooperation with the California
Cattlemen’s Association, University of California Cooperative Extension, and other groups interested in grazing activities. The minimum mapping unit for Grazing Land is 40 acres.

- **Urban and Built-up Land** – Land occupied by structures with a building density of at least 1 unit to 1.5 acres, or about six structures to a 10-acre parcel. This land is used for residential, industrial, commercial, institutional, and public administrative purposes; railroad and other transportation yards; cemeteries; airports; golf courses; sanitary landfills; sewage treatment facilities; water control structures; and other developed purposes.

- **Other Land** – Land not included in any other mapping category. Common examples include low-density rural developments; brush, timber, wetland, and riparian areas not suitable for livestock grazing; confined livestock, poultry, or aquaculture facilities; strip mines and borrow pits; and water bodies smaller than 40 acres. Vacant and nonagricultural land surrounded on all sides by urban development and greater than 40 acres is mapped as Other Land.

Public Resources Code (PRC) Section 21060.1

PRC Section 21060.1 defines agricultural land for the purposes of assessing environmental impacts under the FMMP. As stated earlier, the FMMP was established in 1982 to assess the location, quality, and quantity of agricultural lands and analyze the conversion of these lands. The FMMP looks at agricultural land use and land use changes throughout California.

**Williamson Act**

The California Land Conservation Act of 1965, commonly referred to as the Williamson Act, is promulgated in California Government Code Section 51200-51297.4. The Williamson Act enables local governments to enter into contracts with private landowners for the purpose of restricting specific parcels of land to agricultural or related open space uses in return for reduced property tax assessments. Specifically, this legislation enables landowners who voluntarily agree to participate in the Williamson Act program, to receive assessed property taxes according to the income-producing value of their property in agricultural use, rather than on the property’s assessed market value.

The Williamson Act program is administered by the California Department of Conservation in conjunction with local governments, which administer the individual contract arrangements with landowners. The landowner commits the parcel to a 10-year “rolling” period wherein no conversion out of agricultural use is permitted. Each year the contract automatically renews unless a notice of non-renewal or cancellation is filed. In return, the land is taxed at a rate based on the actual use of the land for agricultural
purposes, as opposed to its unrestricted market value. An application for immediate cancellation can also be requested by the landowner, provided that the proposed immediate cancellation application is consistent with the cancellation criteria stated in the California Land Conservation Act and those adopted by the affected county or city. Non-renewal or immediate cancellation does not change the zoning of the property. Participation in the Williamson Act program is dependent on county adoption and implementation of the program and is voluntary for landowners.

The Williamson Act states that a board or council shall, by resolution, adopt rules governing the administration of agricultural preserves. The rules of each agricultural preserve specify the uses allowed. Generally, commercial agricultural uses are permitted within an agricultural preserve; however, local governments may identify compatible uses permitted with a use permit.

California Government Code Section 51238.1 allows a board or council to deem compatible any use, without conditions or mitigation that would otherwise be considered incompatible. However, this may occur only if that use meets the following conditions:

- The use will not significantly compromise the long-term productive agricultural capability of the subject contracted parcel or parcels on other contracted lands in agricultural preserves.
- The use will not significantly displace or impair current or reasonably foreseeable agricultural operations on the subject contracted parcel or parcels on other contracted lands in agricultural preserves. Uses that significantly displace agricultural operations on the subject contracted parcel or parcels may be deemed compatible if they relate directly to the production of commercial agricultural products on the subject contracted parcel or parcels or neighboring lands, including activities such as harvesting, processing, or shipping.
- The use will not result in the significant removal of adjacent contracted land from agricultural or open space use.

3.2.2.3 Local

City of Arroyo Grande General Plan

The City of Arroyo Grande’s adopted General Plan Agriculture, Conservation, and Open Space Element outlines multiple policies designed to protect agricultural resources and prime agricultural land. The City’s General Plan sets forth specific requirements for the Project vicinity and Project site, as well as overall requirements for protection of
agricultural land and required mitigation standards for loss of agricultural land. Policies relevant to the proposed project are listed below:

**General Plan, Agriculture, Conservation and Open Space Element**

**Goal Ag1** – Avoid and or mitigate loss of prime farmland soils and conserve non-prime Agriculture use and natural resource lands.

**Policy Ag1-1** – Designate prime farmland soils that are not predominately committed to non-Agricultural developed as Agriculture (Ag) and/or Agriculture Preserve (AgP), whether or not in current agricultural productive use.

**Policy Ag1-1.1** – Prime Farmland Soils shall include all land, whether a single parcel or contiguous parcels, that if irrigated, qualifies for rating as Class I or Class II in the USDA Natural Resources Conservation Service land use capability classification whether or not the land is actually irrigated, provided that irrigation is feasible. (This definition is derived from the Local Government Reorganization Act of 2000 as reorganized and amended in 2000, Section 56064(a)). Prime farmland soils shall also include Farmland of Statewide Importance as identified in the USDA, Natural Resources Conservation Services, outlined in the Land Inventory and Monitoring (LIM) Project Soil Survey for San Luis Obispo County, California, Coastal Part, September 1984.

**Policy Ag1-1.2** – Public facilities are permitted on agricultural and natural resource land when required by health, safety, or welfare of the public.

**Policy Ag1-1.3** – Either Agriculture or Agriculture Preserve zoning are consistent with the Agriculture classification of the plan.

**Policy Ag1-2** – Designate as Conservation/Open Space (C/OS) or County Rural Lands all nonprime Ag lands with important natural resource or open space values that the community intends to conserve.

**Policy Ag1-3** – Support existing programs and develop strategies to retain areas of farmland soils for agricultural use, and other Conservation/Open Space (C/OS) areas in a natural, undeveloped state.

**Policy Ag1-3.1** – Encourage Williamson Act participation and acquisition of Agricultural Conservation Easements by agricultural landowners. An inventory of parcels under Williamson Act contract and those with easements within the City shall be maintained by the Community Development Department and the status of those contracts/easements reported to the Planning Commission and the City Council. The City’s objective shall be 100% of either Williamson Act enrollment of qualified parcels or agricultural conservation easement acquisition. The City’s aim shall be to maintain continuity of Ag and C/OS parcels and avoid fragmentation of areas having prime farmlands soils or non-prime Conservation/Open Space designation.
Policy Ag1-4 – Establish and apply a significance criterion (threshold of significance) for California Environmental Quality Act (CEQA) analysis, as provided by CEQA Guidelines Section 15064.7, which considers loss of prime farmland soils as a significant adverse environmental impact.

Policy Ag1-4.1 – Loss of prime farmland soils shall refer to their unavailability for agricultural use. Loss may occur through natural causes or development such as coverage (e.g., paving, construction of buildings, etc.), or conversion to urban/suburban use (including residential yards/gardens and recreation areas). Cessation of agricultural use shall not constitute loss so long as the parcel remains fallow or is allowed to revert to a natural undeveloped state. Site improvements that are intended to support agricultural operations – such as grading, irrigation or drainage facilities, unpaved roads, or farm buildings and structures – shall not constitute loss so long as the improvements do not substantially diminish the capability of agricultural operations on the parcel or within the area and the improvements are directly related to agricultural production on the site.

Policy Ag1-4.2 – Possible mitigation for loss of areas having prime farmland soils may include permanent protection of prime farmland soils at a ratio of at least 1:1 and up to 2:1 with regard to the acreage of land removed from the capability for agricultural use. Permanent protection may involve, but is not limited to, dedication of a perpetual agriculture or conservation easement or other effective mechanism to ensure that the area chosen as mitigation shall not be subject to loss of its prime farmland soils. Suitability of location shall be determined by the City Council. The aim shall be to protect and preserve prime farmland soils primarily within and contiguous to City boundaries, secondly within the Urban Land Use Element area, and thirdly within the larger Arroyo Grande Valley and La Cienega Valley within the Area of Environmental Concern. Other potential mitigation measures for loss of areas having prime farmland soils include payment of in-lieu fees or such other mitigation acceptable to the City Council.

Policy Ag1-4.3 – Since prime farmland soils occur naturally and are geographically specific, the only means for mitigation to less than significant is preservation. The City’s aim shall be to maintain continuity of Ag and C/OS parcels and avoid fragmentation of areas having prime farmland soils. The City shall avoid development of prime farmland soil areas by direction growth potential to more suitable urban locations. Only after the imposition of available mitigation and consideration of alternatives to avoid the proposed action, may the City Council approve development on prime farmland soils subject to overriding considerations as permitted by California Government Code Section 15093.
City of Arroyo Grande Municipal Code

**Section 16.12.170(F) – Agricultural Land Conversion**

1. The City shall require agricultural mitigation by applicants for discretionary entitlements which will subdivide or change the use of land zoned agriculture or agriculture preserve to any non-agricultural use.

2. Agricultural mitigation shall be satisfied by:
   a. Granting an agricultural conservation easement, a farmland deed restriction or other agricultural conservation mechanism to or for the benefit of the city and/or a qualifying entity approved by the city. Mitigation shall be required for that portion of the land which no longer will be designated or zoned agricultural land, including any portion of the land used for park and recreation purposes, that will 1) permanently protect prime agricultural and prime soils from development; 2) or will benefit preservation of agricultural land and operations through other means as determined by the city council. At least as many acres of prime agricultural land shall be protected as was changed to a non-agricultural use within city limits, or up to two times as many acres of agricultural land shall be protected outside the city but within the city's area of environmental concern, as was changed to a nonagricultural use, in order to mitigate the loss of agricultural land; or
   b. In lieu of conserving agricultural land as provided above if the City Council determines that the payment of in-lieu fees provide a superior opportunity to satisfy the goals and policies of the general plan, agricultural mitigation may be satisfied by the payment of a fee, established by the City Council by resolution or through an enforceable agreement with the developer, based upon a farmland replacement factor of up to two-to-one (2:1) to be used for acquisition of a farmland conservation easement or farmland deed restriction. The in-lieu fee option must be approved by the City Council. The fee shall be based upon current appraisal information for the acquisition of a conservation easement on replacement land plus all related city administrative and legal costs. The in-lieu fee, paid to the city, shall be used for farmland mitigation purposes, with priority given to lands with prime agricultural soils located within the city; or
   c. Other mitigation measures may be determined acceptable by the City Council.
3.2 AGRICULTURAL RESOURCES

3.2.3 Environmental Impact Analysis

3.2.3.1 Thresholds of Significance

With respect to agricultural resources, applicable sections of Appendix G of the 2016 California Environmental Quality Act (CEQA) Guidelines state that a project would normally have a significant impact on the environment if it would:

a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance to non-agricultural use;

b) Conflict with existing zoning for agricultural use, or a Williamson Act contract; and/or,

c) Involve other changes in the existing environment which, due to their location or nature, could individually or cumulatively result in the conversion of Farmland to non-agricultural use.

Further, with respect to agricultural land use and consistency with the Agriculture, Conservation, and Open Space Element of the City’s General Plan, this section uses the threshold in Appendix G of the 2015 CEQA Guidelines, which states that a project would normally have a significant impact on the environment if it would:

a) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect (see Section 3.7, Land Use for additional analysis on General Plan consistency).

In addition, this analysis uses the California Agricultural Land Evaluation and Site Assessment (LESA) Model as a basis for the determination of agricultural resource impacts. The LESA Model was developed as an amendment to Appendix G of the CEQA Guidelines concerning agricultural lands. It is intended “to provide lead agencies with an optional methodology to ensure that significant effects on the environment of agricultural land conversions are quantitatively and consistently considered in the environmental review process” (Public Resources Code Section 21095). LESA is a method used to define an approach for rating the relative quality of land resources based upon specific measurable features. The California Agricultural LESA Model is composed of six different factors: two Land Evaluation (LE) factors are based upon measures of soil resource quality, and four Site Assessment (SA) factors provide measures of a given project’s size, water resource availability, surrounding agricultural lands, and surrounding protected resource
lands. The factors are then weighted relative to one another and combined, resulting in a single project score that becomes the basis for making a determination of a project’s potential significance, based upon a range of established scoring thresholds.

- If the total LESA score is from 0 to 39 points, the scoring decision is “not considered significant”;
- If the score is from 40 to 59 points, it is “considered significant only if LE and SA subscores are each greater than or equal to 20 points”;
- if the score is from 60 to 79 points, it is “considered significant unless either LE or SA subscore is less than 20 points”; or,
- if the score is from 80 to 100 points, it is “considered significant” (California Department of Conservation 1997).

3.2.3.2 Impact Assessment Methodology

This section provides a discussion of the potential impacts to agricultural resources within the Project site, associated with the conversion of 14.0 acres of prime agricultural soils to urban development, including a hotel and restaurant on Subarea 1; 58 single-family residences on Subarea 2; and a community center building, 10-unit senior housing building, historic orchard, and Japanese cultural gardens on Subarea 3. The methodologies for analyzing the Project’s potential impacts to agricultural resources are based on the guidelines, policies, and procedures identified in the City General Plans, the FMMP, and the California Agricultural LESA Model. Data from the California Department of Conservation and the County Department of Planning and Building were accessed to obtain mapping information related to the Project. The Agricultural Soils Report prepared by NCRS, City of Arroyo Grande memos, and LESA worksheets are found in Appendix D. LESA scores for the Project site are summarized below in Table 3.2-2.

The following methods were used to determine the extent and/or significance of the Project’s impact on agricultural resources:

a) Identify onsite soils that would be impacted based on their NRCS designation of prime farmland. The NRCS defines prime farmland soils at land with the best combination of physical and chemical features able to sustain long-term production of agricultural crops.

b) Identify any onsite land classified by the FMMP with an agricultural designation that would be directly converted as a result of the proposed development and/or use.
3.2 AGRICULTURAL RESOURCES

Table 3.2-2. LESA Analysis Summary for the Project Site

<table>
<thead>
<tr>
<th>Factor</th>
<th>Factor Rating (0-100 points)</th>
<th>Factor Weighting (Total = 1.00)</th>
<th>Weighted Factor Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Evaluation (LE)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Land Capability Classification</td>
<td>96.56</td>
<td>0.25</td>
<td>24.14</td>
</tr>
<tr>
<td>2. Storie Index Rating</td>
<td>91.12</td>
<td>0.25</td>
<td>22.78</td>
</tr>
<tr>
<td>Site Assessment (SA)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Project Size</td>
<td>30</td>
<td>0.15</td>
<td>4.5</td>
</tr>
<tr>
<td>3. Water Resource Availability</td>
<td>100</td>
<td>0.15</td>
<td>15</td>
</tr>
<tr>
<td>4. Surrounding Agricultural Lands</td>
<td>0</td>
<td>0.15</td>
<td>0</td>
</tr>
<tr>
<td>5. Protected Resource Lands</td>
<td>0</td>
<td>0.05</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total LESA Score (sum of weighted factor ratings)</strong></td>
<td></td>
<td></td>
<td><strong>66.42</strong></td>
</tr>
</tbody>
</table>

Significance Determination: Not considered significant (because SA subscore is less than 20 points).

See Appendix D for complete LESA Model Worksheets for each Subarea individually and whole Project site.

c) Identify onsite and offsite areas with a County agriculture land use designation that would be directly converted or would indirectly contribute to the conversion of land as a result of the proposed development and/or uses.

d) Perform modeling of the Project site with criteria outlined by the LESA Model developed by the California Department of Conservation.

3.2.4 Project Impacts and Mitigation Measures

The implementation of the proposed Project has the potential to result in impacts to agricultural resources within the Project site. The significance of these impacts are assessed based on LESA Model scores. The Project would convert prime farmland to non-agricultural use, and would change existing zoning for agricultural use on Subareas 2 and 3 to non-agricultural zoning. As such the Project is evaluated for consistency with policies and goals within the Agriculture, Conservation, and Open Space Element of the General Plan. As the Project site or vicinity is not under a Williamson Act contract, the proposed Project would not conflict with a Williamson Act contract. Based on the LESA analysis, the conversion of existing agricultural lands on the entire Project site to nonagricultural uses is not considered a significant impact. These issues are further discussed below.
Table 3.2-3. Summary of Project Impacts

<table>
<thead>
<tr>
<th>Agricultural Resources Impacts</th>
<th>Mitigation Measures</th>
<th>Residual Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>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.</td>
<td>None required</td>
<td>Less than Significant</td>
</tr>
<tr>
<td>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.</td>
<td>MM AG-2a</td>
<td>Less than Significant with Mitigation</td>
</tr>
</tbody>
</table>

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 (Less than Significant).

The proposed Project would convert the site from undeveloped lands containing prime farmland to developed uses, resulting in a loss of agricultural capabilities. While the majority of the 15.29-acre Project site was found to contain prime soils and prime farmland as designated under the FMMP, the estimated LESA score for the entire site was found to be 66.42 (see Appendix D for complete LESA Model worksheets). This score indicates that agricultural resources within the Project site are not considered significant, because the SA subscore is less than 20 points. The reason for this subscore is that the Project site is not large enough to constitute a high score under LESA, and there is a low percentage of surrounding agricultural lands and protected resource lands in the Project vicinity.

The small acreage of the Project site and location within developed land uses limits the agricultural viability of this site, resulting in a low LESA score. Therefore, while the Project would result in a loss of agricultural resources, impacts are considered less than significant.
Mitigation Measures

No mitigation measures required.

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 (Less than Significant with Mitigation).

Project development of 14.0 acres of prime agricultural soils would result in conversion of approximately 3.8 percent of the estimated 369 acres of remaining agricultural land within the City. The City’s *Agriculture, Conservation, and Open Space Element* contains goals and policies aimed at the conservation and protection of prime farmland soils and agricultural uses. Although the Project site’s LESA score indicates that agricultural resources within the site are not considered significant, the proposed Project would convert 14.0 acres of prime agricultural soils and 12.85 acres of prime farmland under the FMMP to developed uses, resulting in potential General Plan inconsistencies.

Section 16.04.070 of the Municipal Code defines “agricultural land or farmland” as land area specifically designated or zoned as Agriculture. Subareas 2 and 3 are zoned Agriculture and would therefore be subject to mitigation under Policy Ag1-4.2; however, Subarea 1 is not zoned or designated as Agriculture. Under Policy Ag1-4.2 of the City’s General Plan, possible mitigation for loss of areas having prime farmland soils may include permanent protection of prime farmland soils at a ratio of at least 1:1, and up to 2:1 with regard to the acreage of land removed from the capability for agricultural use, or by payment of in-lieu fees or other such mitigation acceptable to the City Council to permit protection of similar agricultural land. Subareas 2 and 3 contain approximately 11.84 acres of prime farmland soils that would be subject to agricultural mitigation in accordance with Policy Ag1-4.2. For the proposed Project, under City policy, this would require the dedication of prime agricultural soils to a perpetual agriculture or conservation easement, or the payment of in-lieu fees. The Project Applicant for Subarea 2 proposed dedication of an agricultural conservation easement of a 9.79-acre parcel of prime farmland in order to compensate for the loss of approximately 10.1 acres of prime agricultural soils within Subarea 2; the resolution for this agricultural mitigation was adopted by the City Council on July 28, 2015. The proposed mitigation site is located 1.25 miles northeast of the Project.
site on Flora Road and is considered acceptable mitigation for the conversion of 9.79 acres of prime agricultural land by the City Council (City of Arroyo Grande 2015). Subarea 1 and Subarea 3 have not set forth specific mitigation proposals.

The impact assessment is further broken down by subarea as discussed below.

Subarea 1 Impacts:

The 2.16-acre Subarea 1 is zoned Traffic Way Mixed-Use and designated Mixed-Use in the City’s General Plan (a nonagricultural use), and the Project would retain this zoning district and land use designation. Given this definition, and in accordance with Section 16.12.170(F), Subarea 1 is not defined as agricultural land or considered an “agricultural land conversion”. As Subarea 1 is designated for nonagricultural uses, and has already been earmarked for development by the City; thus, the General Plan allows for Subarea 1 to be developed with nonagricultural uses that would inevitably result in the loss of prime soils within the site. Since this subarea is not designated for agricultural use by the City, Subarea 1 is not subject to Policy Ag1-4.2 and impacts related to land use consistency would be considered less than significant for Subarea 1.

Subarea 2 Impacts:

The 11.62-acre Subarea 2 is zoned Agriculture, but would be converted to a Village Residential zoning district, and be reduced to 11.12 acres after the proposed transfer of 0.5 acres to Subarea 3. The proposed Project would convert approximately 10.1 acres of prime agricultural soils to developed uses. In this subarea, the conversion would result in a loss of agricultural lands currently being cultivated. Although the prime soils acreage in Subarea 2 is approximately 10.1 acres, and the proposed parcel for mitigation is 9.79 acres, the City Council has determined this is sufficient mitigation at a 1:1 ratio, with the difference being that some acreage on the site is already lost because it is being used for public roadways, consistent with Policy Ag1-1.2 of the City’s General Plan. Therefore, the proposed dedication of 9.79 acres of agricultural land at Flora Road would reduce impacts resulting with consistency with the Agriculture, Conservation and Open Space Element, and impacts would be considered less than significant for Subarea 2.

Subarea 3 Impacts:

The 1.51-acre Subarea 3 is zoned Agriculture, but would be converted to a Village Mixed-Use zoning district, and grow to 2.01 acres after the proposed transfer of 0.5 acres from Subarea 2. This subarea would only contain approximately 0.5 acres of FMMP designated
3.2 AGRICULTURAL RESOURCES

prime farmland, located on the 0.5-acre remainder lot from Subarea 2 (refer to Figure 3.2-1). The rest of Subarea 3 contains FMMP designated urban and built-up lands. In addition, the proposed Project would convert approximately 1.74 acres of prime agricultural soils from the 2.01-acre Subarea 3 to developed uses, which is a potentially significant impact. Although this subarea is not being utilized for agricultural use and has no history of agricultural activities, it contains approximately 1.74 acres of prime agricultural soils, and requires mitigation under Policy Ag1-4.2. The City Council must determine if the proposed orchard and cultural buildings warrant consideration to count in part as agricultural mitigation. If the mitigation measures below are taken, the impact would be reduced to less than significant with mitigation for Subarea 3.

Mitigation Measure for Subarea 3

**MM AG-2a** The Applicant (Arroyo Grande Valley JWA) shall mitigate for the loss of 1.74 acres of prime farmland soils within Subarea 3 pursuant to General Plan Goal Ag1 and related policies. At the discretion of the City Council, options may include, but not be limited to: 1) Applicant to purchase a parcel of land (size to be determined by City Council) to be put into an agricultural conservation easement, 2) Applicant to pay in-lieu fees to a designated fund dedicated to acquiring and preserving agricultural land; 3) Council may determine that the 9.79-acre parcel intended to mitigate the loss of prime soils for Subarea 2 also mitigates impacts within Subarea 3; or 4) any other approach determined to be acceptable to the City Council to satisfy the intent of General Plan Goal Ag1 and related policies.

In making their determination, the City Council may consider the following circumstances: 1) the loss of prime agricultural land for the entire Specific Plan area, including for Subarea 3, is considered less than significant based on the LESA methodology (see Impact AG-1); and 2) Subarea 3 has not historically been in agricultural production.

**Plan Requirements and Timing.** Notices, in-lieu fees and/or agricultural conservation easements shall be submitted for review and approval by the City prior to permit approval for applicable development areas within the Specific Plan.

**Monitoring.** The City shall ensure compliance with the Agriculture, Conservation and Open Space Element of the General Plan. The City
Council shall make the final decision on the specific requirements for agricultural mitigation prior to permit approval for the Project.

Residual Impact

Implementation of mitigation measure MM AG-2a would reduce residual impacts to less than significant levels.

3.2.5 Cumulative Impacts

Implementation of the proposed Project would contribute incrementally to the loss of agricultural land to development within the City and in southern San Luis Obispo County. Development of 14.0 acres of prime agricultural soils would constitute a loss of approximately 3.8 percent of remaining agricultural land within the City, and a loss of agricultural resources within the County, contributing to cumulative impacts to regional agricultural resources. Although agricultural resources in the Project vicinity are mainly in areas outside City limits, agriculture is a major industry in the County. These impacts, when combined with other recent and proposed developments in the City listed in Table 3.0-1 as well as other developments within southern San Luis Obispo County, cumulatively add to the conversion of agricultural lands to nonagricultural uses. However, because of the adopted resolution for Subarea 2 to dedicate a 9.79-acre parcel of protected prime farmland and proposed mitigation for Subarea 3, the Project contribution to regional cumulative impacts to agricultural resources is considered less than significant.