

RESOLUTION NO. (2004 Series)

**A RESOLUTION OF RECOMMENDATION
BY THE CITY COUNCIL OF THE CITY OF SAN LUIS OBISPO
REQUESTING THAT THE LOCAL AGENCY FORMATION COMMISSION
APPROVE THE DALIDIO/SAN LUIS MARKETPLACE ANNEXATION
AND DEVELOPMENT PROJECT
LOCATED AT 2005 DALIDIO DRIVE
(ER, ANNX, GPA, R, U, PD108-02)**

WHEREAS, the Planning Commission on May 26, 2004, and the City Council on July 6, 2004, have held public hearings on the proposed Dalidio/San Luis Marketplace Annexation and Development Project; and

WHEREAS, the City Council on July 6, 2004, by Resolution No. (2004 Series), certified an Environmental Impact Report (EIR) for the proposed annexation, pursuant to the California Environmental Quality Act Guidelines Section 15090; and

WHEREAS, the Council has approved the amendment of the Land Use Element Map for the annexation known as the Dalidio/San Luis Marketplace Annexation by designating: 48.7 acres of the property to General Retail; 8.1 acres as Office; 3.3 acres as Medium-High Density Residential; 54.7 acres as Open Space; with the remainder 16.2 acres allocated toward roads and interchange right-of-way, as shown on the attached Exhibit A; and

WHEREAS, the Council has approved the amendment of the Zoning Map for the annexation known as the Dalidio/San Luis Marketplace Annexation by rezoning: 48.7 acres of the property to C-R-PD, Retail-Commercial with the Planned Development overlay zoning; 8.1 acres as O-S, Office with the Special Consideration overlay zoning; 3.3 acres as R-3-S, Medium-High Density Residential with the Special Consideration overlay zoning; 45 acres as AG, Agriculture; 9.7 acres as C/OS-40, Conservation/Open Space with a 40-acre minimum parcel size; with the

remainder 16.2 acres allocated toward roads and interchange right-of-way, to be consistent with the amended LUE map designations already described and as shown on the attached Exhibit B;
and

WHEREAS, City Council approval is a prerequisite for the San Luis Obispo County Local Agency Formation Commission to initiate formal annexation proceedings;

WHEREAS, the territory proposed to be annexed is uninhabited, and a description of the boundaries of the territory is set forth in Section 2; and

WHEREAS, this proposal is consistent with the sphere of influence of the affected city.

THEREFORE, BE IT RESOLVED by the San Luis Obispo City Council as follows:

SECTION 1. Findings.

1. The annexation is appropriate since it is within the City's Urban Reserve Boundary, and the site is contiguous to the City.
2. The annexation of the site is a logical addition to the City due to its location in relation to existing urban development.
3. The proposed General Plan Amendment to modify the Land Use Element Map anticipates land use designations for the site which are consistent with project plans and proposed zoning categories.
4. The annexation will enable the City to achieve its General Plan goals, including:
 - a). Consistency with LUE Policy LU 3.1.2 through the development of a regional-serving shopping center in the area around the intersection of Highway 101 and Madonna Road.
 - b). Consistency with LUE Policy LU 8.8 & Open Space Policy OS 0.2.1 (A) by preserving significant parts of the Dalidio property as a signature working agricultural landscape at the southern gateway to the City
 - c). Consistency with Circulation Element policies (8.10 & 8.15) by creating a new highway interchange at Prado Road and improving Citywide circulation by having another east-west arterial street that crosses Highway 101.

SECTION 2. Annexation Area Described. The annexation consists of approximately 131 acres of the Dalidio property, bounded on its east side by Highway US 101, and located immediately southwest of the SLO Promenade, in the City of San Luis Obispo, County of San Luis Obispo, Assessor's Parcel Number 067-121-022, as shown on the attached map, Exhibit C, and legally described in the attached Exhibit D.

SECTION 3. Council Recommendation. The City Council recommends that the Local Agency Formation Commission of San Luis Obispo County approve the proposed annexation subject to property owner compliance with city requirements regarding environmental mitigation and public improvements as described in the project's EIR, in accordance with California Government Code Section 56844 et seq.

SECTION 4. Implementation. The City Clerk shall forward a copy of this resolution, general plan resolution and rezoning ordinance, Final EIR, and all pertinent supporting documents to the Local Agency Formation Commission.

NOW, THEREFORE, this Resolution of Application is hereby adopted and approved by the City Council of the City of San Luis Obispo.

On motion of _____, seconded by _____,

and on the following roll call vote:

AYES:

NOES:

ABSENT:

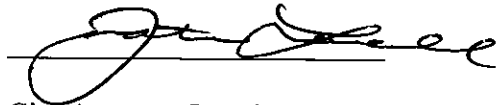
the foregoing resolution was passed and adopted this _____ day of _____, 2004.

Mayor Dave Romero

ATTEST:

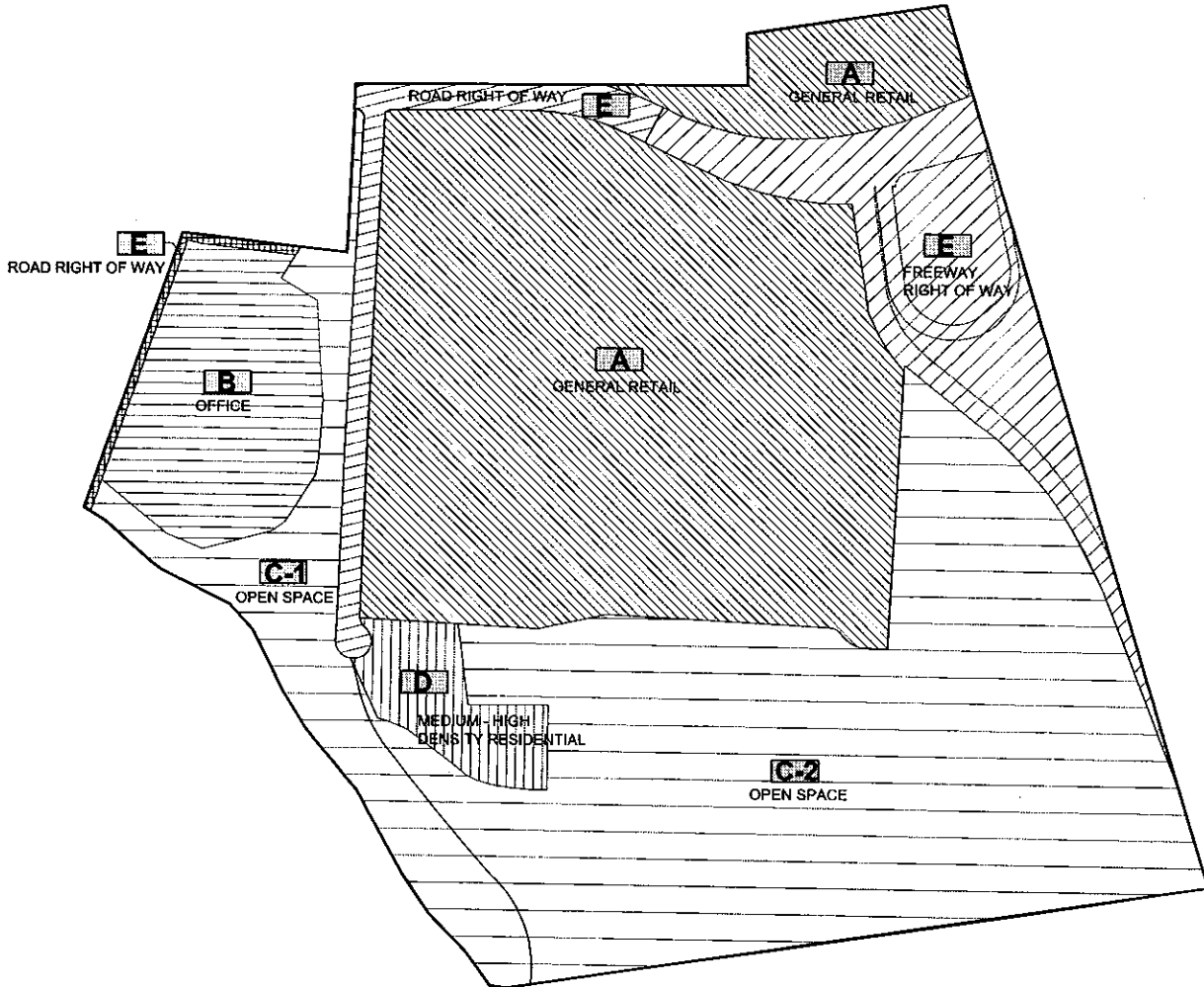
Acting City Clerk Diane Reynolds

APPROVED AS TO FORM:

A handwritten signature in black ink, appearing to read "Jonathan P. Lowell", is written over a horizontal line.

City Attorney Jonathan P. Lowell

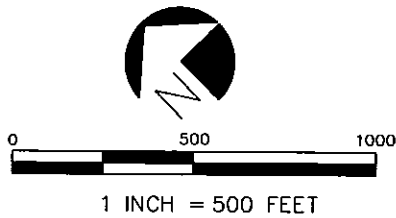
EXHIBIT A:
GENERAL PLAN
AMENDMENT MAP



LEGEND

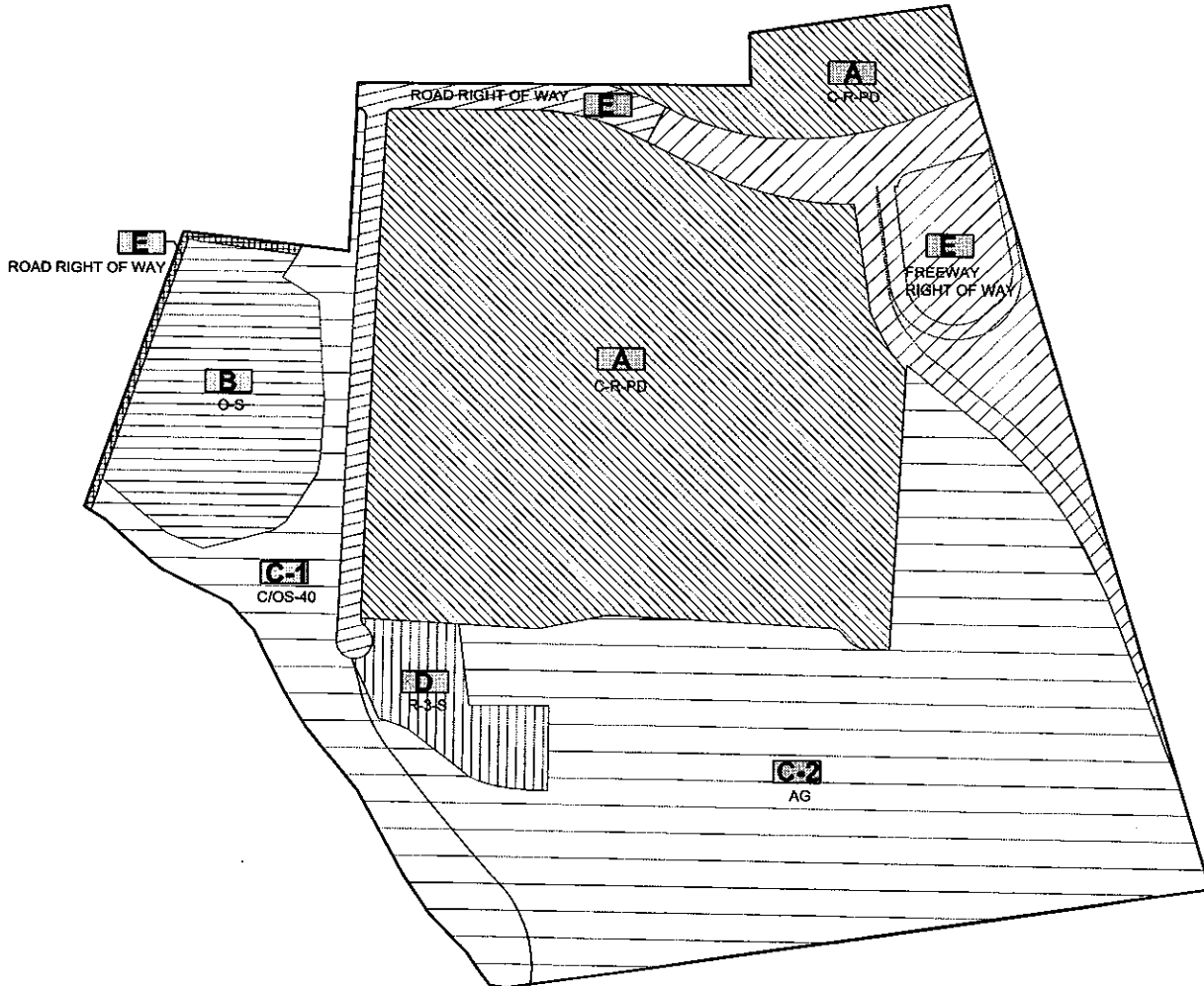
- A** GENERAL RETAIL
- B** OFFICE
- C-1** OPEN SPACE
- C-2** OPEN SPACE
- D** MEDIUM - HIGH DENSITY RESIDENTIAL
- E** ROAD RIGHT OF WAY

SOURCE: CANNON ASSOCIATES,
JUNE 28, 2004



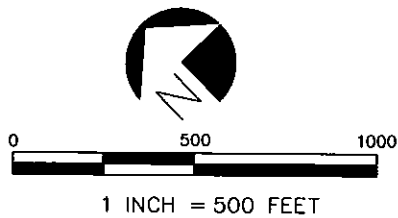
1-195

EXHIBIT B: PREZONING



LEGEND

- A** C-R-PD, RETAIL - COMMERCIAL WITH THE PLANNED DEVELOPMENT OVERLAY
- B** O-S, OFFICE WITH SPECIAL CONSIDERATION OVERLAY
- C-1** C/OS-40, CONSERVATION/OPEN SPACE, WITH A 40 - ACRE MINIMUM PARCEL SIZE
- C-2** AG, AGRICULTURAL
- D** R-3-S, MEDIUM - HIGH DENSITY RESIDENTIAL WITH THE SPECIAL CONSIDERATION OVERLAY
- E** ROAD RIGHT OF WAY



SOURCE: CANNON ASSOCIATES,
JUNE 28, 2004

DALIDIO/SAN LUIS MARKETPLACE
ANNEXATION

LEGAL DESCRIPTION

Real property in the Unincorporated area of San Luis Obispo said County of San Luis Obispo, State of California, described as follows:

Parcel 1:

That portion of Lot 64 of the Subdivisions of the Ranchos Canada de Los Osos and La Laguna, in the County of San Luis Obispo, State of California, according to map filed for record in Book A, Page 83 and 84 of Maps, in the office of the County Recorder of said County, described as follows:

Beginning at the Northeast corner of said Lot 64; thence North $55\ 1/2^\circ$ West, 10.10 chains to post marked M. R. No. 3; thence South $41^\circ 24'$ West, 19.96 chains to post marked M. R. No. 4; thence South $55\ 1/2^\circ$ East, 15.25 chains to the Southeast corner of said Lot 64; thence North $26\ 1/2^\circ$ East, 20.00 chains to the point of beginning.

EXCEPTING therefrom that portion conveyed to the State of California by deed dated October 15, 1947 and recorded December 18, 1947 in Book 464, Page 87 of Official Records.

PARCEL 2:

That portion of Lot 65 of the Subdivisions of the Ranchos Canada de Los Osos and La Laguna, in the County of San Luis Obispo, State of California, according to map filed for record in Book A, Page 83 and 84 of Maps, in the office of the County Recorder of said County, described as follows:

Beginning at the Northeast corner of said Lot 65; thence North $55\ 1/2^\circ$ West, 12.19 chains; thence South $50\ 1/2^\circ$ West, 19.42 chains to a point in the line of fence; thence along said fence South $55\ 1/2^\circ$ East, 20.15 chains to post on the Southeast line of said Lot; thence Northerly 18.90 chains to the point of beginning.

EXCEPTING therefrom that portion conveyed to the State of California by deed dated October 15, 1947 and recorded December 18, 1947 in Book 464, Page 87 of Official Records.

PARCEL 3:

All of Lot "K" of the Resubdivision of Lots 58, 61, 62, 63, 64, and 65 as per J. T. Stratton's Survey and map of the Subdivisions of the Ranchos Canada de Los Osos and La Laguna, in the County of San Luis Obispo, State of California, according to map filed for record January 30, 1875 in Book A, Page 161 of Maps, in the office of the County Recorder of said County.

EXCEPTING therefrom that portion conveyed to United States Postal Service by deed dated August 5, 1980 and recorded September 5, 1980 in Book 2266, Page 904 through 906 of Official Records as subsequently corrected by a Grant Deed dated May 7, 1981 and recorded June 10, 1981 in Book 2332, Page 318 through 320 of Official Records.

PARCEL 4:

That portion of Lots L, M and N of the Resubdivisions of Lots 58, 61, 62, 63, 64, and 65 as per J. T. Stratton's Survey and Map of the Subdivisions of the Ranchos Canada de Los Osos and La

Laguna, in the County of San Luis Obispo, State of California, according to map filed for record January 30, 1875 in Book A, Page 161 of Maps, in the office of the County Recorder of said County, described as follows:

Beginning at stake marked "N.N." at the most Southerly corner of said Lot "L" thence South 55 1/2° East along the Northeasterly line of said Lot "M", 3.06 chains to the most Easterly corner of said Lot "M", thence South 50 1/2° West along the Southeasterly line of said Lots "M" and "N", 19.44 chains to the Southerly corner of said Lot "N"; thence North 55 1/2° West along the Southwesterly line of said Lot "N", 11.12 chains to post marked "A.E" at the Easterly corner of Lot "O" of said subdivisions; thence North 37° West along the Northeast line of said Lot "O", 1.42 chains to the center of Foreman Creek and the most Southerly corner of the lands of Rosa Machado; thence along the center of said creek and along the Easterly line of the lands of Rosa Machado on the following courses and distances: North 18 1/4° East, 1.17 chains; North 6 1/4° West, 2.62 chains; North 13 3/4° East, 2.50 chains; North 18 1/2° East, 2.50 chains; North 13° East, 2.50 chains, North 3 1/2° East, 2.25 chains, North 18° East, 4 chains to the top of the bank as the Easterly side of a ditch carrying the water out of the Laguna into Foreman Creek; thence along the Easterly bank of said ditch and the Easterly Line of the lands of said Rosa Machado, North 1 1/4° East, 2.25 chains; North 21 1/2° West, 2.79 chains; North 9° West, 4.21 chains to the Southerly line of the Los Osos Road; thence North 62 1/2° East, along the Southerly line of the said Road 9.83 chains to a stake marked "M.M." at the most Northerly corner of said Lot "L"; thence South 46° East along the lines between Lots "K" and "L" of said subdivision; 24.72 chains to post marked "A.L." at the most Easterly corner of said Lot "L"; thence South 41 3/4° West along the Southeasterly line of said Lot "L", 8.90 chains to the point of beginning.

EXCEPTING from said Parcel 4 that portion thereof conveyed to Ray C. Skinner, et ux., by deed dated January 12, 1960 and recorded January 29, 1960 in Book 1045, Page 234 of Official Records.

ALSO EXCEPTING from said Parcel 4 that portion described in the Final Judgment of Condemnation recorded June 26, 1975 in Book 1840, Page 217 of Official Records. Said portion is more particularly described as follows:

A portion of Lots M and N of the R. R. Harris Resubdivision of Lots 58 and 61 of the Ranchos Canada de Los Osos and La Laguna as filed in Book A, Page 161 of Maps, in the office of the Recorder of the County of San Luis Obispo, California, described as follows:

Beginning at the most Northerly point of Tract 169, as recorded in Book 6, Page 45 of Maps as filed in the office of the Recorder of the County of San Luis Obispo, California, said point being on the Southerly line of Madonna Road; thence along said Southerly line of Madonna Road which bears North 62°30' East a distance of 54.90 feet; thence South 5°48'47" East a distance of 246.80 feet; thence South 19°57'37" East a distance of 244.39 feet; thence South 0°26'53" West a distance of 182.46 feet; thence South 20°33'06" West a distance of 235.26 feet; thence South 3°50'57" West a distance of 252.36 feet; thence South 14°21'20" West a distance of 373.89 feet; thence South 1°00'32" East, a distance of 322.13 feet; thence North 55°30' West a distance of 63.90 feet; thence along the Easterly line of Tract 169 to the true point of beginning through the following courses:

North 7°25'16" East, a distance of 116.08 feet; thence North 1°00'32" West, a distance of 154.16 feet; thence North 9°39'39" East, a distance of 128.27 feet; thence North 14°21'20" East, a distance of 267.10 feet; thence North 3°50'57" East, a distance of 228.68 feet; thence North 11°14'33" East, a distance of 101.44 feet; thence North 16°42'13" East, a distance of 207.16 feet; thence North 0°26'53" East, a distance of 100.02 feet; thence North 19°57'37" West, a distance of 215.04 feet; thence North 5°48'4" West, a distance of 201.68 feet; thence North 14°39'55" West, a distance of 71.55 feet to the point of beginning.

RESOLUTION NO. (2004 Series)

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN LUIS OBISPO
UPHOLDING AN APPEAL OF THE PLANNING COMMISSION'S DENIAL
OF A PROPOSED GENERAL PLAN MAP AMENDMENT AND
AMENDING THE GENERAL PLAN LAND USE MAP
BY DESIGNATING 48.7 ACRES OF THE PROPERTY AS GENERAL RETAIL, 8.1
ACRES AS OFFICE, 3.3 ACRES AS MEDIUM-HIGH DENSITY RESIDENTIAL, 54.7
ACRES AS OPEN SPACE, WITH THE REMAINDER 16.2 ACRES ALLOCATED
TOWARD ROADS AND INTERCHANGE RIGHT-OF-WAY
IN CONJUNCTION WITH THE CONSIDERATION OF THE
DALIDIO/SAN LUIS MARKETPLACE ANNEXATION
AND DEVELOPMENT PROJECT
LOCATED AT 2005 DALIDIO DRIVE
(GPA 108-02)**

WHEREAS, the Planning Commission conducted a public hearing on May 26, 2004, and considered the proposed amendments to the General Plan Land Use Element (LUE) Map; and

WHEREAS, on May 26, 2004, the Planning Commission denied the application; and

WHEREAS, in accordance with Municipal Code Section 17.80.060 D., a Planning Commission action to deny a General Plan Amendment is final unless appealed; and

WHEREAS, on June 7, 2004, the applicant filed with the City Clerk a timely appeal of the Planning Commission's decision; and

WHEREAS, the City Council conducted a public hearing on July 6, 2004, and considered testimony of other interested parties, the record of the Planning Commission hearing and action, the submitted appeal of the applicant, and the evaluation and recommendation of staff; and

WHEREAS, the City Council finds that the proposed General Plan Amendment is consistent with the General Plan and other applicable City ordinances; and

WHEREAS, the City Council has certified the Final Environmental Impact Report, pursuant to the California Environmental Quality Act Guidelines Section 15090, and has

determined that the potential environmental impacts of the project have been evaluated in accordance with the California Environmental Quality Act and the City's Environmental Guidelines.

BE IT RESOLVED by the Council of the City of San Luis Obispo as follows:

SECTION 1. EIR Findings. The City Council finds and determines that the project's Final Environmental Impact Report adequately addresses the potential significant environmental impacts of the proposed Use Permit, and reflects the independent judgment of the City Council. The Council through the certification of the Final Environmental Impact Report incorporates the mitigation measures listed in Exhibit A into the project (see Exhibit A of Attachment G -- Mitigation Monitoring Program).

SECTION 2. General Plan Amendment Approval & Findings. The appeal is upheld, and the General Plan Amendment included as part of City Application No. GPA 108-02, which amends the Land Use Element Map for the annexation known as the Dalidio/San Luis Marketplace Annexation by designating: 48.7 acres of the property to General Retail; 8.1 acres as Office; 3.3 acres as Medium-High Density Residential; 54.7 acres as Open Space; with the remainder 16.2 acres allocated toward roads and interchange right-of-way, as shown on the attached Exhibit A, is hereby approved, based on the following findings:

1. The proposed General Retail Land Use Element Map designation for the 48.7-acre portion of the site planned for the shopping center development known as "The Marketplace" is consistent with the goals and policies of the General Plan, given that the current Land Use Map shows 40 acres of General Retail on the site, and the City Council has provided direction on key points to be included in a Development Agreement, based on preliminary plans consistent with the current project proposal.
2. The required Preliminary Development Plan for development of the commercial area of the site fulfills the intention of LUE Policy 1.13.3, Required Plans, which calls for the master planning of proposed annexation areas so that the City has an adopted plan showing the project layout, physical development plan, required open space protection, and provision of streets and utilities.
3. With the proposal for General Retail development of 48.7 acres of the site, 78.7 acres of on-site and off-site open space will be dedicated to the City for long-term protection of prime agricultural soils consistent with Land Use Element Policy 1.13.5.
4. The proposed Office Land Use Element Map designation for the 8.1-acre portion of the site planned for the business park is consistent with the goals and policies of the General

Plan, given that the area of the site is currently designated as Medium-High Density Residential and airport safety issues prevent it from being developed for residential purposes. The proposed Office land use is an appropriate transition between the more intensive retail development along Madonna Road and the residential neighborhoods to the south and west.

5. The proposed Medium-High Density Residential Land Use Element Map designation for the 3.3-acre portion of the site planned for affordable housing is consistent with the goals and policies of the General Plan, given that the area of the site is outside of the airport safety zone of most severe concern crossing the site and beyond the 55-decibel noise contour, which are the criteria that the Airport Land Use Commission has identified in its preliminary review of the proposal as being acceptable for residential development.
6. The proposed Open Space Land Use Element Map designation, for both the 45 acres of farmland in the eastern and southern portions of the property and the 9.7 acre portion of the property identified as an extension of Laguna Lake Park, is consistent with the goals and policies of the General Plan regarding preservation of sensitive habitat and prime agricultural soils.

SECTION 4. Adoption.

1. The Land Use Element Map is hereby amended as shown in Exhibit B.
2. The Community Development Director shall cause the change to be reflected in documents, which are on display in City Hall and are available for public viewing and use.

On motion of _____, seconded by _____, and on the following roll call vote:

AYES:

NOES:

ABSENT:

the foregoing resolution was passed and adopted this ____ day of _____, 2004.

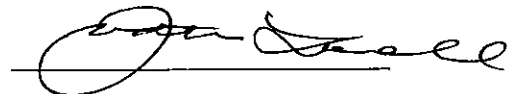
1-202

Mayor Dave Romero

ATTEST:

Acting City Clerk Diane Reynolds

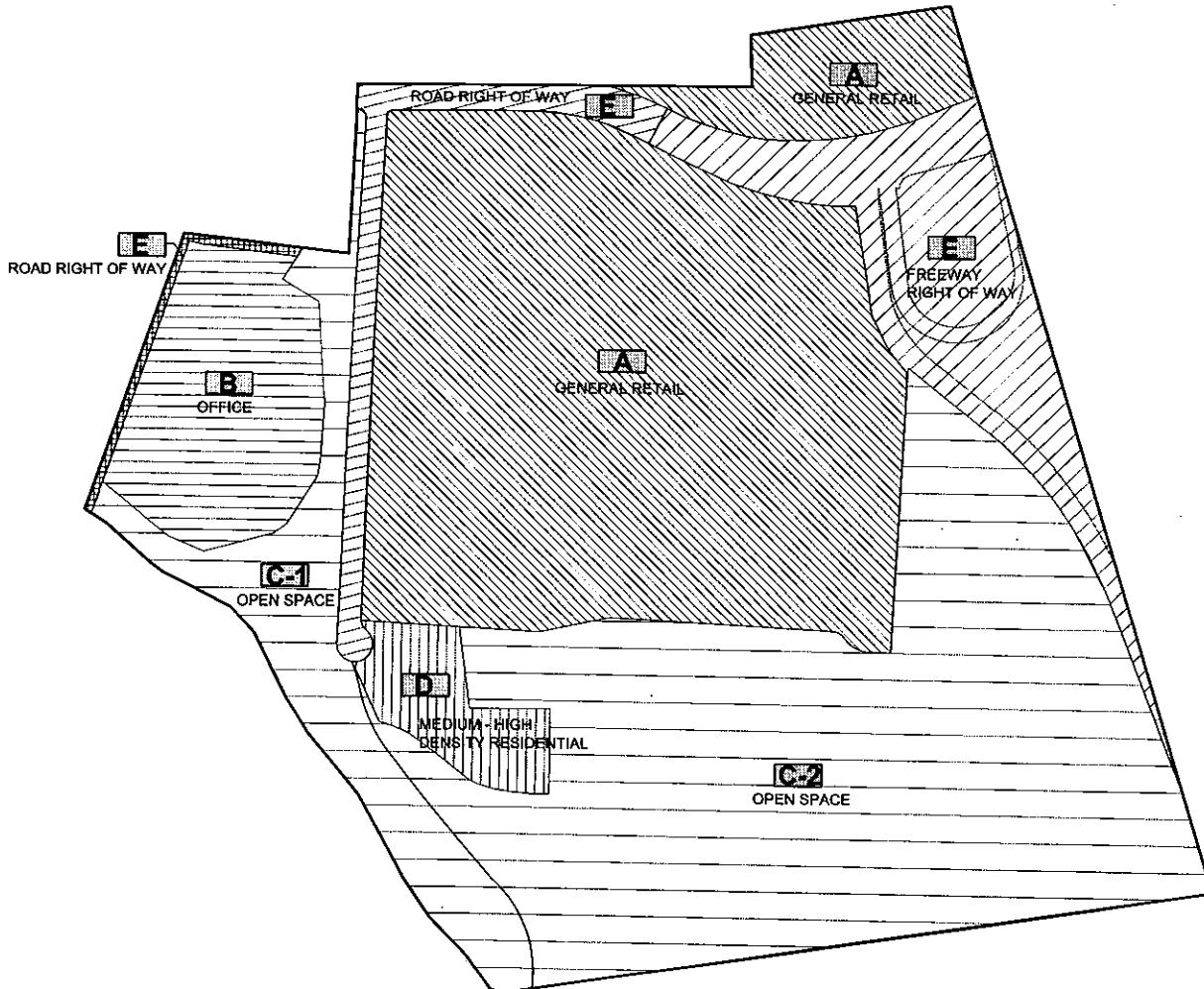
APPROVED AS TO FORM:



City Attorney Jonathan P. Lowell

Attachment I Exhibit B

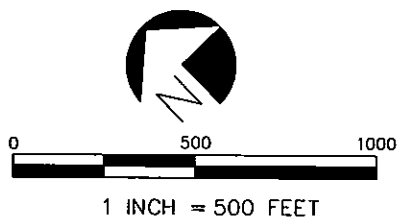
GENERAL PLAN AMENDMENT MAP



LEGEND

- A** GENERAL RETAIL
- B** OFFICE
- C-1** OPEN SPACE
- C-2** OPEN SPACE
- D** MEDIUM - HIGH DENSITY RESIDENTIAL
- E** ROAD RIGHT OF WAY

SOURCE: CANNON ASSOCIATES,
JUNE 28, 2004



1-204

ORDINANCE NO. (2004 SERIES)

AN ORDINANCE OF THE CITY COUNCIL OF SAN LUIS OBISPO UPHOLDING AN APPEAL OF THE PLANNING COMMISSION'S DENIAL OF THE PROPOSED PREZONING TO ACCOMMODATE THE DALIDIO/MARKETPLACE ANNEXATION AND AMENDING THE ZONING REGULATIONS MAP TO DESIGNATE: 48.7 ACRES AS C-R-PD, RETAIL-COMMERCIAL WITH THE PLANNED DEVELOPMENT OVERLAY (AND APPROVING A PRELIMINARY DEVELOPMENT PLAN FOR THE RETAIL PROJECT KNOWN AS THE SAN LUIS OBISPO MARKETPLACE); 8.1 ACRES AS O-S, OFFICE WITH THE SPECIAL CONSIDERATION OVERLAY; 3.3 ACRES AS R-3-H, MEDIUM-HIGH DENSITY RESIDENTIAL WITH THE SPECIAL CONSIDERATION OVERLAY; 45 ACRES AS AG, AGRICULTURE; 9.7 ACRES AS C/OS-40, CONSERVATION/OPEN SPACE WITH A 40-ACRE MINIMUM PARCEL SIZE; AND 16.2 ACRES SET ASIDE FOR ROADS AND INTERCHANGE RIGHT-OF-WAY, CONTINGENT UPON FINAL APPROVAL OF ANNEXATION OF THE SITE AT 2005 DALIDIO DR. (R 108-02)

WHEREAS, the Planning Commission conducted a public hearing on May 26, 2004, and considered the proposed amendments to the Zoning Regulations Map; and

WHEREAS, on May 26, 2004, the Planning Commission denied the application; and

WHEREAS, in accordance with Municipal Code Section 17.70.030 D., a Planning Commission action to deny a rezoning is final unless appealed; and

WHEREAS, on June 7, 2004, the applicant filed with the City Clerk a timely appeal of the Planning Commission's decision; and

WHEREAS, the City Council conducted a public hearing on July 6, 2004, and considered testimony of other interested parties, the record of the Planning Commission hearing and action, the submitted appeal of the applicant, and the evaluation and recommendation of staff; and

WHEREAS, the City Council finds that the Zoning Regulations Map amendments are consistent with the proposed General Plan Land Use Element (LUE) map designations and the existing text, and the City Council further finds that the Zoning Regulations Map amendments are consistent with the purposes of the Zoning Regulations and other applicable City ordinances; and

WHEREAS, the City Council has certified the Final Environmental Impact Report, pursuant to the California Environmental Quality Act Guidelines Section 15090.

BE IT ORDAINED by the City Council of the City of San Luis Obispo as follows:

1-205

SECTION 1. EIR Findings. The City Council finds and determines that the project's Final Environmental Impact Report adequately addresses the potential significant environmental impacts of the proposed Zoning Map amendments, and reflects the independent judgment of the City Council. The Council through the certification of the Final Environmental Impact Report incorporates the mitigation measures listed in Exhibit A into the project (see Exhibit A of Attachment G – Mitigation Monitoring Program).

SECTION 2. Prezoning Approval & Findings. The appeal is upheld and the Zoning map amendments included as part of City Application No. R 108-02, prezoning: 48.7 acres of the property to C-R-PD, Retail-Commercial with the Planned Development overlay zoning; 8.1 acres as O-S, Office with the Special Consideration overlay zoning; 3.3 acres as R-3-S, Medium-High Density Residential with the Special Consideration overlay zoning; 45 acres as AG, Agriculture; 9.7 acres as C/OS-40, Conservation/Open Space with a 40-acre minimum parcel size; with the remainder 16.2 acres allocated toward roads and interchange right-of-way, to be consistent with the amended LUE map designations and as shown on the attached Exhibit B, are hereby approved, based on the following findings:

Findings

1. The C-R-PD zoning, Retail-Commercial with the Planned Development overlay, with the related adoption of a Preliminary Development Plan, will address the specific development considerations for this 48.7-acre portion of the site which are: drainage, flooding protection, urban/agricultural buffers, roadway improvements and design, pedestrian linkages with other commercial developments and nearby residential areas, loading area design, compliance with energy conservation requirements, creek and open space protection, site lighting and preservation of scenic vistas.
2. The submitted development information for the entire annexation area and the required Preliminary Development Plan for development of the commercial area of the site fulfills the intention of LUE Policy 1.13.3, Required Plans, which calls for the master planning of proposed annexation areas so that the City has an adopted plan showing the project layout, physical development plan, required open space protection, and provision of streets and utilities.
3. With the proposal for General Retail development of 48.7 acres of the site (C-R-PD zoning), 78.7 acres of on-site and off-site will be dedicated to the City for long-term protection of prime agricultural soils consistent with Land Use Element Policy 1.13.5.
4. The proposed Office with the "S" overlay zoning will document the special considerations for the 8.1-acre Office portion of the site, (O-S) which are: tree preservation; land use compatibility with the adjacent commercial development;

pedestrian linkages to adjoining sites; historical preservation; and protection of riparian habitat.

5. The proposed Medium-High Density Residential zoning and Land Use Element Map designation for the 3.3-acre portion of the site planned for affordable housing is consistent with the goals and policies of the General Plan, given that the area of the site is outside of the airport safety zone of most severe concern crossing the site and beyond the 55-decibel noise contour, which are the criteria that the Airport Land Use Commission has identified in its preliminary review of the proposal as being acceptable for dwellings. The proposed "S" overlay zoning will document the special considerations for the 3.3-acre Medium-High Density Residential portion of the site (R-3-S), which are: airport safety, creek corridor preservation, flooding, and access.
6. The proposed AG, Agriculture, zoning for the 45 acres of farmland in the eastern and southern portions of the property will help preserve the prime agricultural soils and enable its long-term protection.
7. The proposed C/OS-40, Conservation Open Space with the 40-acre minimum for the 9.7 acre portion of the property identified as an extension of Laguna Lake Park is consistent with the zoning category applied to other less developed and more naturalistic areas of the park.

SECTION 3. Preliminary Development Plan Approval. Consistent with San Luis Obispo Municipal Code Chapter 17.62, Planned Development, a Preliminary Development Plan for the 48.7-acre portion of the site rezoned C-R-PD, Retail-Commercial with the Planned Development overlay zoning is hereby approved, based on the following findings, and subject to the following conditions:

Findings

1. The project is consistent with the General Plan and the proposed land use is allowed within the applicable primary zoning district.
2. The project complies with all applicable provisions of these Zoning Regulations other than those modified by the PD rezoning.
3. The approved modifications to the development standards of these Zoning Regulations are necessary and appropriate to accommodate the superior design of the proposed project, its compatibility with adjacent land uses, and its successful mitigation of environmental impacts.
4. The project complies with all applicable City Design Guidelines.

5. All affected public facilities, services, and utilities are adequate to serve the proposed project.
6. The location, size, site planning, building design features, and operating characteristics of the project are highly suited to the characteristics of the site and surrounding neighborhood, and will be compatible with the character of the site, and the land uses and development intended for the surrounding neighborhood by the General Plan.
7. The site is adequate for the project in terms of size, configuration topography, and other applicable features, and has appropriate access to public streets with adequate capacity to accommodate the quantity and type of traffic expected to be generated by the use.
8. The establishment, maintenance, or operation of the proposed project will not, in the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the vicinity of the proposed use, or detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the City.
9. A height exception to allow a 51-foot high building for the hotel is supported because:
 - a.) The building is located along a major arterial roadway.
 - b.) The building is significantly separated from other buildings.
 - c.) The proposed pitch of the roof is important to the Craftsman architectural style of the building.
10. The project meets the requirement for mandatory project features contained in 17.62.045 A. by providing an affordable housing component and preserving 54.7 acres of on-site open space and providing funds to protect an additional 24 acres of off-site farmland of a similar soil type.

Conditions

Planning Requirements

1. Within six months of approval of the preliminary development plan, the applicant shall file a final development plan, as required by the Zoning Regulations, for consideration by the Community Development Director. The final development plan shall include all items required for final architectural review and final architectural review shall have been conducted prior to the Director's consideration. The final development plan shall be effective only after approval by the Director.

2. The final development plan shall in general conform to the preliminary site plan dated May 4, 2004, and include a maximum of 615,000 square feet of retail and restaurant uses plus a 150-room hotel. When actual tenants are secured and the project is built, there may be some variation in the sizes of proposed buildings from what is shown on current plans, and such minor variation shall be subject to the review and approval of the Community Development Director. However, the total gross building floor area shall not exceed 615,000 square feet without the processing of a planned Development Amendment to the approval of the Planning Commission.
3. To ensure consistency with Land Use Element Policy 4.3, which seeks to maintain the downtown as the entertainment center of the community, theater uses are not allowed at the project site.
4. Consistent with the recommendation of the Architectural Review Commission (ARC), a height exception, to allow a 51-foot high building where a 45-foot high building is typically allowed, is hereby approved for the proposed hotel.
5. Parking for about 2,743 cars is shown on plans dated May 4, 2004, for the retail and restaurant components and the hotel. The Architectural Review Commission (ARC), in reviewing precise development plans, may need to further reduce the number of parking spaces to provide landscaping, pedestrian pathways or other site amenities. In accordance with ARC direction, accurate parking calculations for all restaurant spaces need to accompany plans for final approval by the ARC and final development plan approval by the Community Development Director.
6. The applicant may utilize up to a 30% shared and mixed-use parking reduction to further reduce the amount of overall parking.
7. Motorcycle parking space consistent with City requirements shall be provided in the project and shown on plans submitted for final review by the ARC.
8. Project plans shall clearly show how bicycle parking will be provided, consistent with Table 6.5 of the Zoning Regulations. Project plans shall be amended to show the location, orientation, type, spacing and clearance from vertical site features of all short- and long-term bicycle parking facilities, consistent with guidance provided by the *Community Design Guidelines* and the *Bicycle Transportation Plan (May 2002)*.
9. Precise locations of required short-term bicycle spaces in racks near the entries to buildings shall be to the approval of the Public Works Department (Transportation Division) and Community Development Department (Planning) staffs, based on input from the Architectural Review Commission. Bicycle racks shall be of the inverted "U" design consistent with Engineering Standard 7930 or equal as approved by the Public Works Director.

10. The project shall provide long-term bicycle spaces for all clusters of buildings, either in a designated storage area in the building or in fully-enclosed lockers, to the approval of the Public Works Department (Transportation Division) and Community Development Department (Planning) staffs, based on input from the Architectural Review Commission.
11. Parking lot lighting shall provide adequate illumination for safety (maximum of 10 footcandles directly below fixtures) and shall be designed to direct light downward to minimize sky glare and horizontal glare. Consistent with review by the ARC, a maximum of 20-foot high light standards shall be used along the perimeter of the project (defined as within 60 feet of site boundaries), and a maximum of 30-foot high light standards may be used for parking lot areas that are more interior to the project. The project shall utilize more pedestrian-scale (defined as about 14 feet in height) light standards along the entry boulevard, and low-scale bollard lighting along pedestrian pathways.
12. Plans submitted for final ARC review shall indicate how walls, fencing, and landscaping will be used to properly screen the loading and outdoor sales areas for the Major J space (Lowe's) in the southwest corner of the project, and the Major K space in the southeast corner of the project near the southbound on-ramp, because of their visibility from the highway.
13. With regard to pedestrian circulation, final plans submitted to the ARC shall:
 - a. Provide enhancement to the central portion of the main pathway that extends from the main Dalidio driveway to Major spaces I & H.
 - b. Strengthen the pedestrian connection between Major spaces K & L.
 - c. Redesign the loading areas for Retail spaces L & M to consolidate them on the east side.
 - d. Provide a west-east pedestrian pathway between the collector street on the west side of the project and Retail space L.
14. When specific tenants are known, a comprehensive sign program, indicating location, size, materials, copy, and lighting of all proposed signs, shall be submitted for the review and approval of the Architectural Review Commission. Signing shall be compatible throughout the project.
15. In terms of Dalidio Road landscaping treatments, final landscaping plans submitted to the ARC for final review shall include taller tree planting where there is the most dramatic grade differential between the site and the roadway, and utilize berming in more level areas.
16. Instead of the extensive use of diamond-shaped tree wells shown on current plan, parking lot planters, similar to those used in the Costco project that allow for clusters of trees, shall be incorporated into the project. Tree wells may be utilized

to augment other planters proposed to meet the City's requirement of planter islands after every six parking spaces in a row. Final parking lot plans shall be to the review and approval of the ARC.

17. A landscaped buffer area of 30 feet in width shall be provided along the eastern and southern edges of the project between the parking lots and the adjacent agricultural land. Specific planting proposals shall be to the review and approval of the Architectural Review Commission (ARC). Consistent with ARC direction, a more naturalistic and tiered approach to the perimeter treatment on the east side of the project shall be provided with wider planters and varied plantings, including the idea of adding "finger" planting islands on the edge of the parking lot areas to provide for clusters of tree plantings.
18. In conjunction with the widening of Madonna Road, certain tree removals will be necessary. Prior to the removal of any trees, the applicant shall submit adequate information for the City Arborist to evaluate proposed tree removals. This information shall consist of cross-sections, at those locations where plans indicate that the existing street trees cannot be saved, showing existing and finished grades, as well as accurate base elevations and locations of the existing trees. The ARC will review specific tree removal proposals with their review of project development plans.
19. Any applications for subdivisions which may be required as a result of proposed sale or lease of parts of the development shall indicate the relationship of proposed parcels to the total site, access and utility easements, and parking sufficient for the uses on individual parcels. At the time of filing any required map, the applicant shall provide a draft reciprocal easement agreement for review and approval by the Community Development Department and the City Attorney.
20. The applicant shall provide funds as directed by the City to protect 24 acres of off-site farmland to fulfill the project's open space requirements.

Public Rights-of-Way

21. Complete street improvements shall be constructed in accordance with the most current City regulations, City of San Luis Obispo Engineering Standards and Standard Specifications.
22. A public improvement plan, prepared by a registered civil engineer, shall be submitted to the Public Works Director for review and approval. All grades, layout, staking and cut-sheets necessary for the construction of street paving and frontage improvements shall be the responsibility of the developer.
23. Right-of-Way for Dalidio Road and Access Road "A" (from Dalidio Road to the southern property line of the Open Space parcel) shall be dedicated to the City of San Luis Obispo. Access rights along Dalidio Road and Access Road "A", except

at approved driveway locations shown, shall be dedicated to the City.

24. The applicant shall dedicate a 2m wide public utility easement and a 3m wide street tree easement across all public street frontages. Said easement shall be adjacent to and contiguous with all public right-of-way lines bordering each lot.
25. All proposed private streets shall comply with the City of San Luis Obispo Engineering Standards and pavement design shall be based on a Traffic Index of 6.5.
26. The developer shall install street lighting and all associated facilities (conduits, sidewalk vaults, fusing, wiring, luminaries, etc.) per City standards.
27. No private facilities shall be within the public right-of-way or public pedestrian easement.

Water, Sewer & Utilities

28. Final grades and alignments of all public water, sewer and storm drains (including service laterals and meters) shall be subject to change to the satisfaction of the Public Works Director and Utilities Engineer. The water mains entering the project shall be private if not within the public right-of-way.
29. The developer shall place underground, all existing overhead utilities along the public street frontage(s), to the satisfaction of the Public Works Director and utility companies.
30. Separate utilities, including water, sewer, gas, electricity, telephone, and cable TV shall be served to each parcel to the satisfaction of the Public Works Director and serving utility companies. Utilities to new residences shall be underground.
31. The developer shall provide individual electrical, phone, television, natural gas, water service, and sewer connections to the approval of the affected utility companies and the Public Works Director.
32. The irrigation systems for common areas, parks, detention basins, and other large landscape areas shall be designed and constructed in accordance with the standards for reclaimed water use. Appropriately sized reclaimed water mains shall be constructed from the City's trunk system to these irrigation areas. If reclaimed water is not yet available, the system shall be designed and constructed to reclaimed water standards, and temporarily connected to the City's potable water system in the area of the anticipated connection to the reclaimed water system. Appropriate backflow protection shall be installed with this connection to the satisfaction of the County Cross Connection Inspector, Henry Ruiz, who can be reached at 781-5567.

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Grading & Drainage

33. The project shall comply with all hydrologic and hydraulic mitigation measures identified in the Final EIR along with the City's the City's Waterways Management Plan - Drainage Design Manual including but not limited to the following provisions:
- a) Post construction stormwater runoff rates shall not exceed the predevelopment runoff rates for the 2-, 10- and 100- year, 24-hour storm events.
 - b) All proposed detention basin and drainage improvements, except those within a public street, shall be privately owned and maintained by the property owner and homeowners' association.
 - c) All construction within the 100- year FEMA floodplain shall meet the following requirements per the Waterways Management Plan:
 - i) There shall be no significant net increase in up-stream or downstream floodwater surface elevations for the 100-year flood at General Plan build-out as a result of changes in floodplain configuration and building construction. A significant threshold of a 64 mm (2.5 in) increase in floodwater surface elevations or 0.1 m/s (0.3 f/s) increase in stream velocities shall be used. This shall be demonstrated to the satisfaction of the Public Works Director and based on a final hydraulic analysis pursuant to the Drainage Design Manual.
 - ii) There shall be no significant net decrease in floodplain storage volume as a result of a new development or redevelopment projects. This can be achieved by a zero-net fill grading plan, balancing all fill placed on the 100-year floodplain with cut taken from other portions of the floodplain within the project area of the application, or with cut exported off site. Specifically, all fill placed in a floodplain shall be balanced with an equal amount of soil material removal (cut) and shall not decrease floodplain storage capacity at any stage of a flood (2, 10, 50, or 100-year event).
 - d) All bridging, culverting and modifications to the existing creek channels must be in compliance with the City's Waterways Management – Drainage Design Manual (specifically regarding clear spanning of creeks, etc.) and be approved by the Public Works Director, Army Corp of Engineers, and Fish & Game.
 - e) Any necessary clearing of existing creek and drainage channels, including tree pruning or removals, and any necessary erosion repairs shall be to the satisfaction of the Public Works Director, the City's Natural Resources

Manager and the Dept. of Fish & Game.

- f) All lots shall be graded to preclude cross-lot drainage, or, appropriate easements and drainage facilities shall be provided, to the satisfaction of the Public Works Director.
34. General Construction Activity Storm Water Permits are required for all storm water discharges associated with a construction activity where clearing, grading and excavation results in land disturbance of one or more acre. Permits are required until the construction is complete. To be covered by a General Construction Activity Permit, the owner(s) of land where construction activity occurs must submit a completed "Notice of Intent" (NOI) form, with the appropriate fee, to the State Water Resources Control Board (SWRCB).
35. A copy of the Stormwater Pollution Prevention Plan required by the SWRCB shall be included in the PIP set. The WDID Number issued by the SWRCB shall be noted on all plans that involve land-disturbing activities.

Transportation Related

36. **Prado Road Interchange.** Prior to issuance of building permits the project shall complete the following: design for the Prado Road Interchange subject to approval of the City Director of Public Works, an approved Encroachment Permit has been received from State of California Department of Transportation (Caltrans), and a construction contract for the Interchange has been awarded pursuant to City and Caltrans' requirements.
37. **Infrastructure Improvements.** Prior to occupancy the project shall complete necessary infrastructure improvements, as determined in the DEIR, to the satisfaction of the Public Works Director. At a minimum, these improvements shall consist of: Complete Mitigation Measures; T-1(a), T-1(b), T-1(c), T-3(a), T-3(b), T-4(a), T-6(a), T-7(a), T-7(b), T-9(a), T-10(a), T-12(a), T-13(a), T-13(b), T-13(c), T-13(d) or T13(e), T-14(a).
38. **Turning Radius.** Project plans shall show all truck access routes, turning radii and staging areas for deliveries.
39. **Transit Turnout and Shelter.** The applicant shall work with the City Transit Manager to establish a transit turnout and shelter. The design of the transit shelter and the design and provision of any ancillary facilities (trash container, night lighting, benches, and signs) shall be consistent with standards contained in the City's Engineering Standards and the Short Range Transit Plan (SRTP)
40. **Signal, Striping and Signage.** The developer shall provide a traffic signal, signing and delineation plan showing changes, as a result of this project, including signal interconnect conduit from Madonna Road to the southbound off-ramp

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signal at the Prado Road interchange, to the satisfaction of the Public Works Director. Said plans shall be prepared by a registered civil engineer and shall include the existing and any required traffic signals, signal interconnect, existing street and required street lighting, and the existing roadways fronting this site, to the satisfaction of the Public Works Director.

41. **Transportation Impact Fees (TIF).** Transportation impact fees shall be paid prior to the issuance of a building permit.
42. **Bob Jones City-to-Sea Bicycle Trail.** The developer shall dedicate right-of-way to accommodate the extension of the Bob Jones City-to-Sea Bicycle Trail through the site. The developer may request that the City modify the *Bob Jones City-to-Sea Bicycle Trail – Preliminary Alignment Plan Project Description*, September 2002, in order to accommodate the bicycle trail easement through the site. The *Preliminary Alignment Plan Project Description* and the development plans shall be reconciled prior to subdivision map or final development plan approval.

SECTION 4. A summary of this ordinance, together with the names of the Council members voting for and against, shall be published at least five (5) days prior to its final passage, in the Telegram-Tribune, a newspaper published and circulated in this City. This ordinance shall go into effect upon final approval of annexation of the site by the Local Agency Formation Commission.

INTRODUCED on the _____ day of _____, 2004, **AND FINALLY ADOPTED** by the Council of the City of San Luis Obispo on the _____ day of _____, 2004, on the following roll call vote:

AYES:
NOES:
ABSENT:

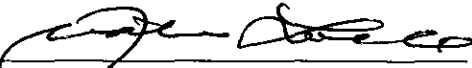
Mayor Dave Romero

ATTEST:

Acting City Clerk Diane Reynolds

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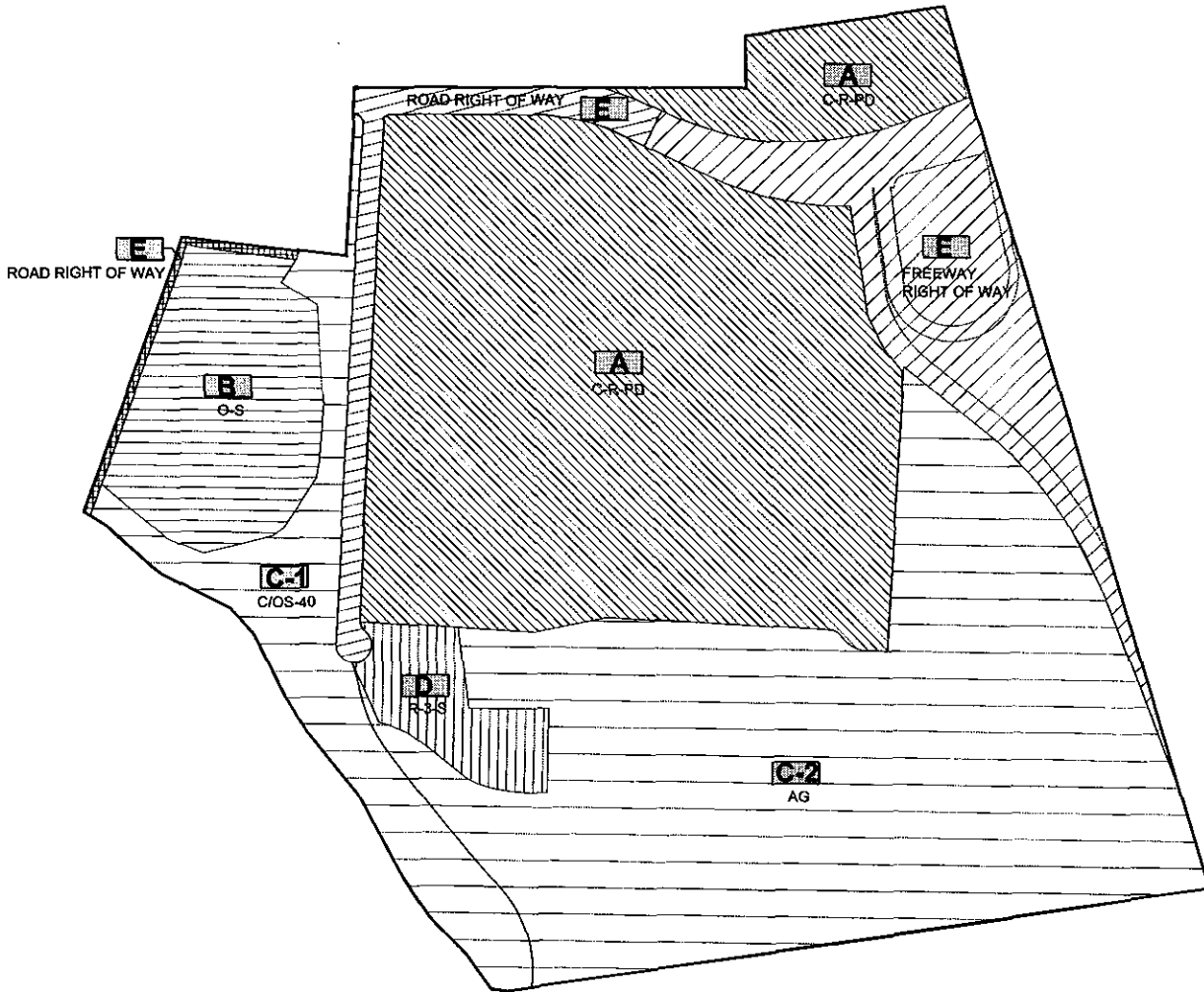
APPROVED AS TO FORM:



City Attorney Jonathan P. Lowell

L:\Dalidio 2\CC Rezoning Ord(1). (108-02) June 27

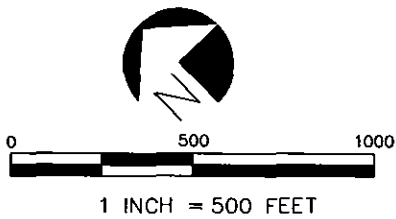
EXHIBIT B: PREZONING



LEGEND

- A** C-R-PD, RETAIL - COMMERCIAL WITH THE PLANNED DEVELOPMENT OVERLAY
- B** O-S, OFFICE WITH SPECIAL CONSIDERATION OVERLAY
- C-1** C/OS-40, CONSERVATION/OPEN SPACE, WITH A 40 - ACRE MINIMUM PARCEL SIZE
- C-2** AG, AGRICULTURAL
- D** R-3-S, MEDIUM - HIGH DENSITY RESIDENTIAL WITH THE SPECIAL CONSIDERATION OVERLAY
- E** ROAD RIGHT OF WAY

SOURCE: CANNON ASSOCIATES,
JUNE 28, 2004



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RESOLUTION NO. (2004 Series)

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN LUIS OBISPO
UPHOLDING AN APPEAL OF THE PLANNING COMMISSION'S DENIAL
OF THE PROPOSED USE PERMIT TO ALLOW LARGE-SCALE RETAIL STORES
AND APPROVING THE USE PERMIT
IN CONJUNCTION WITH THE CONSIDERATION OF THE DALIDIO/SAN LUIS
MARKETPLACE ANNEXATION AND DEVELOPMENT PROJECT LOCATED AT
2005 DALIDIO DRIVE (U 108-02)**

WHEREAS, the Planning Commission conducted a public hearing on May 26, 2004, and considered the proposed amendments to the General Plan Land Use Element (LUE) Map; and

WHEREAS, on May 26, 2004, the Planning Commission denied the application; and

WHEREAS, in accordance with Municipal Code Section 17.58.030 B.2., a Planning Commission action to deny a Use Permit is final unless appealed; and

WHEREAS, on June 7, 2004, the applicant filed with the City Clerk a timely appeal of the Planning Commission's decision; and

WHEREAS, the City Council conducted a public hearing on July 6, 2004, and considered testimony of other interested parties, the record of the Planning Commission hearing and action, the submitted appeal of the applicant, and the evaluation and recommendation of staff; and

WHEREAS, the City Council finds that the proposed Use Permit is consistent with the City's General Plan as conditioned; and

WHEREAS, the City Council has certified the Final Environmental Impact Report, pursuant to the California Environmental Quality Act Guidelines Section 15090.

BE IT RESOLVED by the Council of the City of San Luis Obispo as follows:

SECTION 1. EIR Findings. The City Council finds and determines that the project's Final Environmental Impact Report adequately addresses the potential significant environmental impacts of the proposed Use Permit, and reflects the independent judgment of the City Council. The Council through the certification of the Final Environmental Impact Report incorporates the

mitigation measures listed in Exhibit A into the project (see Exhibit A of Attachment G – Mitigation Monitoring Program).

SECTION 2. Use Permit Approval & Findings. The appeal is upheld, and the Use Permit included as part of City Application No. U 108-02 for the Dalidio/San Luis Marketplace is hereby approved, based on the following findings, and subject to the following conditions:

Findings

1. The EIR adequately addresses the proposed project, and can be used in taking a final action on all aspects of the project, including the use permit.
2. The use of the property for a large-scale, regional-serving shopping center is consistent with the General Plan, which identifies this vicinity as appropriate for such development.
3. The proposed large-scale retail uses are appropriate at the proposed location and will be compatible with surrounding uses with implementation of the conditions of approval and the mitigation measures contained in the EIR.
4. The scales of the buildings are compatible with existing uses in the area and maintain the appropriate relationships with surrounding buildings and the adjacent residential area.
5. The proposed large-scale retail uses will serve the community, in whole or in significant part, and the nature of the uses requires a larger size in order to function. The proposed uses have the potential to attract a regional demand, therefore resulting in a potential increase of local restaurant, entertainment and even other retail uses elsewhere in the City.
6. The buildings in which the large-scale retail uses are to be located are designed in discrete-elements that respect the scale of development in the surrounding area. Elevations of the buildings are subject to final architectural review by the City's Architectural Review Commission.
7. The proposed buildings are designed in compliance with the City's Design Guidelines for Large-Scale Retail Projects, subject to final architectural review by the City Architectural Review Commission.

Conditions

1. The total area of covered outdoor sales and conditioned interior floor space for Major J shall not exceed 140, 000 square feet.

2. For the large-scale retailers, no more than one automobile parking space for each 200 square feet of floor area in the main sales areas shall be provided for in project parking calculations.
3. All mitigation measures contained in the Final EIR shall be included as conditions of approval, and are incorporated herein by reference.
4. The development of The Marketplace component of the project shall be subject to review by the Architectural Review Commission for consistency with the City's Community Design Guidelines for Large-Scale Retail Projects including compliance with the City Sign Regulations.
5. The project applicant shall defend, indemnify and hold harmless the City and/or its agents, officers and employees from any claim, action or proceeding against the City and/or its agents, officers or employees to attack, set aside, void or annul, the approval by the City of this project, and all actions relating thereto, including but not limited to environmental review.

On motion of _____, seconded by

_____, and on the following roll call vote:

AYES:

NOES:

ABSENT:

the foregoing resolution was passed and adopted this ___ day of _____, 2004.

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Mayor Dave Romero

ATTEST:

Acting City Clerk Diane Reynolds

APPROVED AS TO FORM:



City Attorney Jonathan P. Lowell

RESOLUTION NO. (2004 Series)

**A RESOLUTION OF THE CITY COUNCIL OF SAN LUIS OBISPO
ACCEPTING A NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE AND
ANNUAL TAX INCREMENT BETWEEN THE COUNTY OF SAN LUIS OBISPO
AND THE CITY OF SAN LUIS OBISPO FOR THE DALIDIO ANNEXATION
AT 2005 DALIDIO DRIVE; SLO COUNTY ANNEXATION #69
(CITY FILE # ANNEX 108-02)**

WHEREAS, in the case of a jurisdictional change which will alter the service area or responsibility of a local agency, Revenue and Taxation Code Section 99(b) requires that the amount of property tax revenue to be exchanged, if any, and the amount of annual tax increment to be exchanged among the affected local agencies shall be determined by negotiation; and

WHEREAS, when a city is involved, the negotiations are conducted between the City Council and the Board of Supervisors of the County; and

WHEREAS, Revenue and Taxation Code Section 99(b) requires that each local agency, upon completion of negotiations, adopt resolutions whereby said local agencies agree to accept the negotiated exchange of property tax revenues, if any, and annual tax increment and requires that each local agency transmit a copy of each such resolution to the Executive Officer of the Local Agency Formation Commission; and

WHEREAS, no later than the date on which the certificate of completion of the jurisdictional change is recorded with the County Recorder, the Executive Officer shall notify the County Auditor of the exchange of property tax revenues by transmitting a copy of said resolution to him and the County Auditor shall therefore make the appropriate adjustments as required by law; and

WHEREAS, the City of San Luis Obispo (City) and the County of San Luis Obispo (County) have previously agreed to a property tax exchange methodology pursuant to Joint Resolution No. 01-96 which provides that in the case of undeveloped property, all of the "base" property tax revenues will be retained by the County, with incremental property tax revenues to be apportioned between the County and City as follows: in the case of land pre-zoned for non-residential uses (such as retail, offices or manufacturing), the County will receive all of the incremental property tax revenues; and in the case of land pre-zoned for residential uses, the County will receive 66% of the incremental property tax revenues it would otherwise have received from the Tax Rate Area, and the City will receive the remaining 34%.

WHEREAS, the negotiations have taken place concerning the transfer of property tax revenues and annual tax increment between the County and the City pursuant to Section 99(b) for the jurisdictional change designated as Annexation No. 69 to the City (Dalidio Annexation); and

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WHEREAS, the representatives of the negotiating parties have negotiated the exchange of property tax revenue and annual tax increment between such entities as hereinafter set forth; and

WHEREAS, it is in the public interest that such negotiated exchange of property tax revenues and annual tax increment be consummated.

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

1. The recitals set forth above are true, correct, and valid.
2. The City agrees to accept the following negotiated exchange of base property tax revenues and annual tax increment:
 - (a) No base property tax revenue shall be transferred from the County to the City.
 - (b) Because the property contains 56.8 acres (94.51%) of developable land to be pre-zoned Commercial/Retail and Business Park and 3.3 acres of developable land (5.49%) to be pre-zoned Residential, a blended rate of 1.87% (5.5% of the 34% normally allowed for property pre-zoned Residential) of the annual property tax increment that would otherwise be allocated to the County shall be transferred from the County of San Luis Obispo to the City of San Luis Obispo.
 - (c) Based on the County's current apportionment from the applicable Tax Rate Area of 37.62108% (before allocations to the Educational Revenue Augmentation Fund), this results in an apportionment to the City of 0.7023% of the incremental property tax revenues.
 - (d) If development of the open space area of the site is ever pursued, then the County reserves the right to renegotiate with the City regarding a revised formula for the property tax increment.
3. Upon receipt of a certified copy of this resolution and a copy of the recorded certificate of completion, the County Auditor shall make the appropriate adjustments to property tax revenues and annual tax increments as set forth above.
4. The City Clerk is authorized and directed to transmit a certified copy of the resolution to the Executive Officer of the San Luis Obispo Local Agency Formation Commission, who shall then distribute copies in the manner prescribed by law.

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On motion of _____, seconded by _____,
and on the following roll call vote:

AYES:

NOES:

ABSENT:

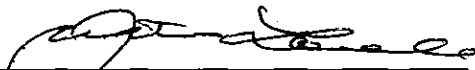
the foregoing resolution was passed and adopted on July 6, 2004.

Mayor David F. Romero

ATTEST:

Acting City Clerk Diane Reynolds

APPROVED AS TO FORM:



City Attorney Jonathan P. Lowell

1-224

RESOLUTION NO. (2004 Series)

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN LUIS OBISPO
CERTIFYING THE ENVIRONMENTAL IMPACT REPORT (EIR) FOR THE
DALIDIO/SAN LUIS MARKETPLACE ANNEXATION AND
DENYING AN APPEAL OF THE PLANNING COMMISSION'S DENIAL
OF ANNEXATION, GENERAL PLAN AMENDMENT, PREZONING, INCLUDING A
PRELIMINARY DEVELOPMENT PLAN AND USE PERMIT
IN CONJUNCTION WITH THE CONSIDERATION OF THE DALIDIO/SAN LUIS
MARKETPLACE ANNEXATION AND DEVELOPMENT PROJECT LOCATED AT
2005 DALIDIO DRIVE (U 108-02)**

WHEREAS, the Planning Commission conducted a public hearing on May 26, 2004, and considered the Final EIR, Annexation, General Plan Amendment, Prezoning, including Preliminary Development Plan for the retail component known as The Marketplace, and Use Permit to allow large-scale retail uses; and

WHEREAS, on May 26, 2004, the Planning Commission supported certification of the Final EIR, but recommended that the City Council deny the other project entitlements; and

WHEREAS, on June 7, 2004, the applicant filed with the City Clerk a timely appeal of the Planning Commission's decision; and

WHEREAS, the City Council conducted a public hearing on July 6, 2004, and considered testimony of other interested parties, the record of the Planning Commission hearing and action, the submitted appeal of the applicant, and the evaluation and recommendation of staff; and

WHEREAS, the City Council has reviewed and considered the Final Environmental Impact Report, pursuant to the California Environmental Quality Act Guidelines Section 15090.

BE IT RESOLVED by the Council of the City of San Luis Obispo as follows:

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SECTION 1. Certification of EIR & EIR Errata Report. Based upon all the evidence, the City Council certifies a Final Environmental Impact Report which incorporates the following modifications to the text of the document as an EIR Errata Report (Exhibit B):

1. Add Policy LU 1.4, Jobs/Housing Relationship, to Table 5.1 and classify it as "potentially inconsistent" with the General Plan.
2. Modify the conclusion in Table 5.1 regarding LU 1.13.5, Open Space, from "consistent" to "potentially inconsistent" with the General Plan.

SECTION 2. EIR Findings. The City Council finds and determines that the project's Final Environmental Impact Report adequately addresses the potential significant environmental impacts of the project, and reflects the independent judgment of the City Council. Therefore, the Council certifies the Final Environmental Impact Report, incorporating the modifications identified above in Section 1., and including the mitigation measures listed in Exhibit A into the project (see Exhibit A of Attachment G – Mitigation Monitoring Program), based on the following findings:

1. The Final EIR was prepared in compliance with the California Environmental Quality Act (CEQA) and was considered by the City prior to any approvals of the project.
2. The Final EIR reflects the independent judgment of the City.
3. The Mitigation Monitoring Program has been reviewed and approved by the Planning Commission in conjunction with the recommendation for certification of the Final EIR.
4. For each significant effect identified in the EIR under the categories of Geology/Hazards, Drainage and Water Quality, Biological Resources, Aesthetics, and Land Use, the approved mitigation measures contained in the EIR will avoid or substantially lessen the identified adverse environmental impacts of the project to a level of insignificance and have been incorporated into the project.
5. The significant effects identified in the Air Quality, Noise, Agricultural Resources, Cultural Resources, and Traffic/Circulation sections of the EIR will not be fully mitigated to a degree of insignificance with the incorporation of all of the identified mitigation measures included in the EIR.

SECTION 3. EIR Statement of Overriding Considerations. Based upon all the evidence, the City Council determines that a statement of overriding considerations shall not be adopted for those significant and unavoidable environmental impacts included in the Air Quality, Noise, Agricultural Resources, Cultural Resources, and Traffic/Circulation sections of the Final Environmental Impact Report, based on the following findings:

1. The adverse environmental effects are unacceptable because the economic, social, and other considerations of the project do not outweigh the unavoidable impacts identified above in the findings.
2. The annexation as designed is "potentially inconsistent" with the City's General Plan.
3. The annexation creates concerns for a further jobs/housing imbalance.

SECTION 4. Denial of Project Entitlements & Findings. The appeal is denied, and the entitlements for Annexation, General Plan Amendment, Rezoning, including Preliminary Development Plan for the retail component known as The Marketplace, and Use Permit to allow large-scale retail uses included as part of City Application No. 108-02 for the Dalidio/San Luis Marketplace are hereby denied, based on the following findings

Findings

1. The annexation and development of the site at this time is not appropriate since there is adequate land already developed or soon planned for development to serve the City's regional shopping needs; and
2. The annexation and development of the site are potentially inconsistent with policies included in the City's General Plan including Policy LU 1.4, Jobs/Housing Relationship, and LU 1.13.5, Open Space.

On motion of _____, seconded by

_____, and on the following roll call vote:

AYES:

NOES:

ABSENT:

the foregoing resolution was passed and adopted this ___ day of _____, 2004.


1-220

Mayor Dave Romero

ATTEST:

Acting City Clerk Diane Reynolds

APPROVED AS TO FORM:



City Attorney Jonathan P. Lowell



Rincon Consultants, Inc.

Environmental Scientists Planners Engineers

M E M O R A N D U M

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760 729 6700
FAX 729 6780
jlw@rinconconsultants.com
www.rinconconsultants.com

Date: June 2, 2004

To: Project File

Organization: City of San Luis Obispo

From: Richard Daulton

Email: rdaulton@rinconconsultants.com

cc:

Re: Dalidio/San Luis Marketplace Annexation and Development Project EIR Planning
Commission Errata

This memorandum presents clarifications and modifications to information contained in the Land Use/Section (Section 5.0) of the Final EIR for the Dalidio/San Luis Marketplace Annexation and Development Project, based on comments stated by the Planning Commission at the May 26, 2004 public hearing on the project. Additions are in bold and deletions are printed in strike-through type. No significant new information, including significant changes to the project or environmental setting, is available. No new environmental impacts or increases in the magnitude of previously disclosed impacts have been identified.

Table 5-1, *General Plan Policy Consistency Summary*, on page 5-2 of the Final EIR has been revised as indicated on the following page.

The Policy Consistency discussion on pages 5-6 and 5-6 of the Final EIR has been revised as follows:

"Policy: 1.13.5 Open Space

Each annexation shall help secure permanent protection for areas designated Open Space, and for the habitat types and wildlife corridors within the annexation area that are identified in policy 6.1.1. Policies concerning prime agricultural land shall apply when appropriate. The following standards shall apply.

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Table 5-1. General Plan Policy Consistency Summary

LUE Policy	Policy Issue	Potential Consistency Finding	Further Evaluation in EIR
<i>Land Use Element</i>			
1.3	Urban Edges Character	Consistent	-
1.4	Jobs/Housing Relationship	Potentially Inconsistent	Section 6.1, Growth-Inducing Impacts
1.8.1	Agricultural Protection	Consistent	Section 4.6, <i>Agricultural Resources</i>
1.8.2	Prime Agricultural Land	Consistent	Section 4.6, <i>Agricultural Resources</i>
1.13.2	Annexation Purpose and Timing	Consistent	-
1.13.3	Required Plans	Consistent	-
1.13.4	Development and Services	Consistent	Section 4.8, <i>Utilities</i>
1.13.5	Open Space	Consistent Potentially Inconsistent	Section 4.6, <i>Agricultural Resources</i>
3.1.3	Madonna Road Center Expansion	Consistent	-
3.1.6	Building Intensity	Consistent	-
3.7.10	Madonna Road Center	Consistent	Section 5.0, <i>Land Use</i> , Impact LU-1 below
6.1	Interim Open Space Policies	Consistent	Section 5.0, <i>Land Use</i> , Impact LU-1 below
8.8	Dalidio-Madonna-McBride Area	Consistent	-
<i>Open Space Element</i>			
1	Dalidio Area Annexation	Consistent	Section 4.5, <i>Biological Resources</i> , Section 4.6, <i>Agricultural Resources</i> , Section 7.0, <i>Alternatives</i>
2	Agricultural Buffers	Consistent	Section 4.6, <i>Agriculture</i>
11	Scenic Resources	Consistent	Section 4.7, <i>Aesthetics</i>
<i>Circulation Element</i>			
8.10	Prado Road Extension	Consistent	Sect. 4.10, <i>Transportation</i>
8.15	Prado Road Extension	Consistent	Sect. 4.10, <i>Transportation</i>
14.3	Scenic Roadways	Consistent	Section 4.7, <i>Aesthetics</i>
<i>Housing Element</i>			
1.22.5	Major Annexation Areas	Consistent	-
1.22.10	Affordable Housing	Consistent	-
<i>Water and Wastewater Element</i>			
12.1E	Wastewater Requirement for Annexation Areas	Consistent	Section 4.8, <i>Utilities</i>

E. Dalidio area properties (generally bounded by Highway 101, Madonna Road, and Los Osos Valley Road) shall dedicate land or easements for the approximately one-half of each ownership that is to be preserved as open space.

Planning Commission Conclusion: Potentially Consistent Inconsistent..

With development of the project, the City will obtain an open space easement over 58.67 acres of the Dalidio property. About 50 acres of that open space includes prime agricultural soils. In addition, the project applicant proposes to fund off-site conservation easement of 20 acres of prime agricultural soils. However, a majority of the Planning Commission concluded that the proposed on-site dedication would nevertheless fail to satisfy the requirement at one-half of the Dalidio area properties be preserved as open space on-site."

The Policy Consistency discussion on page 5-3 of the Final EIR has been revised to include the following:

"Land Use Element Policy: LU 1.4 Jobs/Housing Relationship

The gap between housing demand (due to more jobs and college enrollment) and supply should not increase.

"Planning Commission Conclusion: Potentially Inconsistent.

A majority of the Planning Commission concluded that the proposed project would increase the existing jobs/housing imbalance in the City. The proposed commercial and business park uses would generate approximately 1,666 new jobs. Using an average household size of 2.27 persons per household (U.S. Census 2000), this job creation would result in the need for 734 housing units. Although some jobs would likely be filled by current residents of the City of San Luis Obispo, many of the new job opportunities would likely be filled by people relocating to the area. In this way, the proposed project may indirectly generate population growth in the area. The number of relocatees and the location in which they would reside cannot be predicted with any certainty, but it is likely that the proposed project would contribute to housing demand in the City, and would worsen the existing jobs/housing imbalance in the City."