

Shandon-San Juan Water District
Shandon-San Juan Groundwater Sustainability Agency
BOARD OF DIRECTORS MEETING

NOTICE IS HEREBY GIVEN that the Shandon-San Juan Board of Directors will hold a regularly scheduled Board Meeting at **9:00 A.M.** on **Tuesday, March 17, 2020** at Illy Lodge, 3385 Truesdale Rd., Shandon, CA 93461.

REMOTE PARTICIPATION: Due to the rise in severity of COVID-19, the recent Executive Order N-25-20 suspending provisions of the Brown Act and Bagley-Keene Act to allow for greater flexibility to hold public meetings via telephone conference, and Governor Newsom's recommendations and expanded guidance on COVID-19 given on March 15, 2020, the Shandon-San Juan Water District/Shandon-San Juan Groundwater Sustainability Agency has made the decision to hold the Board of Directors meeting remotely. The official meeting site is open to the public, but remote participation is encouraged.

AGENDA
March 17, 2020

- 1. Call to Order**
- 2. Roll Call**
- 3. Public Comment**
- 4. Consent Agenda**
 - a. Meeting Minutes from January 21, 2020
 - b. Secretary/Treasurer's Report
- 5. Directors Reports**
 - a. WRAC Update
 - b. Stormwater Capture and Recharge Feasibility Study Update
- 6. Economic Impact Study**
 - a. Consider Resolution 19-007 Authorizing Additional Funding Support
- 7. Discuss GSP First Annual Report ([Link to Report](#))**
- 8. Discuss District 5-Year Budget**
- 9. Discuss LAFCo Agriculture Definitions, Guidelines, and Policies ([Link to Document](#))**
 - a. Consider making comments
 - b. LAFCo Study Session March 19, 2020
- 10. Discuss Ag Order 4.0 ([Link to Draft EIR & Ag Order 4.0](#))**
 - a. Consider making comments
 - b. Consider helping to fund the joint Ag Group ILRP effort
- 11. Discuss the Proposed Amendments to the County's Agricultural Offset Ordinance ([Link to Amendments](#))**
 - a. Consider making comments
 - b. Planning Commission hearing scheduled for April 23, 2020
- 12. Implementing the GSP ([Link to Chapters and Appendices](#))**
 - a. Funding Mechanisms
 - b. Metering
 - c. Future Potential Projects
 - d. GSP – DWR Public Comment Period Closes April 15, 2020
- 13. Next Regularly Scheduled Meeting – April 21, 2020**

14. Adjourn

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NOTE: In compliance with the American with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), if you need special assistance to access the meeting room or otherwise participate at this meeting, including auxiliary aids or services, please contact Bertoux & Co. 930 Nysted Dr. St. A Solvang, CA 93463 805-451-0841 admin@ssjwd.org. Notification of at least forty-eight (48) hours prior to the meeting will help enable reasonable arrangements to ensure accessibility to the meeting.

NOTE: Copies of Meeting Documents can be found on our District Webpage <https://www.ssjwd.org/> or requested by contacting Bertoux & Co. 930 Nysted Dr. St. A Solvang, CA 93463 805-451-0841 admin@ssjwd.org.

Shandon San-Juan Water District
Shandon-San Juan Groundwater Sustainability Agency
MEETING MINUTES
Tuesday, January 21, 2020

A special meeting of the Board of Directors of the Shandon-San Juan Water District (SSJWD) was held in conjunction with the Estrella-El Pomar-Creston Water District (EPCWD) on Tuesday, January 21, 2020 at 9:00 am at the Illy Lodge, located at 3385 Truesdale Rd., Shandon, CA 93461.

I. Call to Order

President Cunha called the meeting to order at 9:29 a.m. and Secretary Stephanie Bertoux recorded the minutes.

II. Roll Call

The following directors were present, constituting a quorum for the transaction of business.

Directors Present:	Willy Cunha	Kevin Peck
	Steve Sinton	Matt Turrentine

Directors Absent: Marshall Miller

Others Present: Randy Diffenbaugh, SSJWD Staff
Jerry Reaugh, Estrella-El Pomar-Creston Water District
Lee Nesbitt, Estrella-El Pomar-Creston Water District
Dana Merrill, Estrella-El Pomar-Creston Water District
Hillary Graves, Estrella-El Pomar-Creston Water District
Herb Rowland, Estrella-El Pomar-Creston Water District
Mike Ahumada, Sunview Vineyards
Ray Shady, Grapevine Capital Partners, SSJWD Landowner Rep.
Paul Sorensen, GSI Water Solutions
Jeff Barry, GSI Water Solutions
Matt Merrill, Mesa Vineyard Management
Alan Doud, Young Wooldridge (via conference call)

III. Public Comment

No public comment.

IV. Consent Agenda

The Consent Agenda included:

- A. Meeting Minutes from December 12, 2019
- B. Treasurer's Report dated January 16, 2020

MOTION – Approve the Consent Agenda as presented.

It was **MOVED** by Director Sinton, seconded by Director Peck and carried by a 4-0 vote.

SHANDON-SAN JUAN WATER DISTRICT

V. Directors Reports

SSJWD's Directors reported the following:

- A. Ag Order 4.0: The official draft of Ag Order 4.0 will be discussed on January 31, 2020 at the meeting of the State Water Quality Control Board in San Luis Obispo and will be released for public review soon thereafter. The current Ag Order 3.0 must be replaced by March 7, 2020.
- B. Economic Impact Study Update: Dana Merrill, Jerry Reaugh, Steve Sinton, and Willy Cunha are on the respective subcommittees for each District. The Subcommittees have received the initial draft of the Economic Impact Study. The Subcommittees will meet with the research team on Friday, January 24, 2020 for an explanation of the process and assumptions made and will have the opportunity to ask questions to clarify the data.

VI. Consider Proposal for On-Call Hydrogeological Services

SSJWD reviewed and discussed the proposal from GSI Water Solutions for as needed, on-call hydrogeological services. The total contract amount is \$20,000. Estrella-El Pomar-Creston Water District would like to partner with SSJWD and equally split the contract for a budget of \$10,000 for each district.

MOTION – Approve the proposal from GSI Water Solutions for On-Call Hydrogeological services with a not to exceed budget of \$10,000 as presented.

It was **MOVED** by Director Sinton, seconded by Director Turrentine and carried by a 4-0 vote.

VII. Consider Proposal for Stormwater Capture Feasibility Study

Jeff Barry from GSI Water Solutions explained the proposal and scope of work to conduct an initial evaluation of the feasibility and cost associated with capturing stormwater runoff and recharging aquifers within selected areas of the Shandon-San Juan Water District (SSJWD) and Estrella-El Pomar-Creston Water District (EPCWD). This study would be a joint effort between SSJWD and EPCWD. GSI recommends conducting the scope of work in two phases so that SSJWD and EPC can decide whether to authorize Phase 2 tasks based on the findings of Phase 1. SSJWD would like to authorize Phase 1 at this time because the scope and budget estimate for Phase 2 may change depending on the priorities of both Districts. The budget for Phase 1 is \$40,000 total and will be equally split with EPCWD for a budget of \$20,000 per District. Phase 1 is anticipated to be complete within 6 weeks of the notice to proceed.

MOTION – Approve Phase 1 (Tasks 1 and 2) of the proposal from GSI Water Solutions for the Stormwater Capture Feasibility Study with a not to exceed budget of \$20,000 as presented.

It was **MOVED** by Director Sinton, seconded by Director Turrentine and carried by a 4-0 vote.

SSJWD and EPCWD would like to issue a press release regarding the recharge study. Steve Sinton and Hillary Graves will work with GSI and legal counsel to draft the press release.

VIII. Research Update – Irrigation Study

Mark Battany did not attend the meeting. Mr. Battany will present a revised scope of work to the Board at a future meeting.

SHANDON-SAN JUAN WATER DISTRICT

IX. Initial Steps and Considerations to Implement GSP (Joint Discussion)

SSJWD and EPCWD reviewed and discussed the following research and potential projects.

A. GSP Annual Report

- Director Cunha reviewed the current progress on the Annual Report. A Draft of the Annual Report will be made available within a few weeks.

B. Potential Projects

1. Potential Stream Gage Locations to measure groundwater recharge. GSAs will be eligible to tun in applications for grant funding in March 2020. The Huer Huero Creek study project could be included.
2. Metering
3. Consider developing master plan/list of projects and implementation time frame

X. New Business

The SSJWD Board of Directors requested the following Items be added to the next meeting agenda.

- Irrigation Study Update
- Economic Impact Study Update
- Press Release for Stormwater Capture Feasibility Study

XI. Next Meeting Date

The next meeting off SSJWD/GSA Board of Directors is scheduled for Tuesday, February 18, 2020 at 9am at the Illy Lodge.

XII. Adjourn

Being no further business, President Cunha adjourned the meeting at 10:50am.

Accepted:

Will Cunha, President

Date

Stephanie Bertoux, Secretary

Date

Shandon-San Juan Water District

Treasurer's Report: January 17, 2020 – March 12, 2020

Date: March 12, 2020

To: Shandon-San Juan Water District Board of Directors

From: Stephanie Bertoux, District Secretary/Treasurer/Assessor

2019/20 Assessment

\$300,749.06 levied for 2019-20 Assessment on 07/25/19. Final due date for assessments was January 25, 2020. Final notices/invoices have been sent.

- \$284,017.09 collected to date for 2019/20 assessments
- \$16,731.97 in A/R for 2019/20 assessments; \$7,224.59 is from two landowners who wish to detach.

A/R from Previous Assessments

\$13,751.57 in accounts receivable from assessments for 2017/18 and 2018/19 FY.

- \$3,474.39 from 2017/18 Assessment
- \$10,277.18 from 2018/19 Assessment; \$7,224.59 is from two landowners who wish to detach.

Expenses

Expenses for the period totaled \$14,450.45.

Cash Position

After paying expenses, the District has a cash position of \$262,761.85.

SHANDON-SAN JUAN WATER DISTRICT
SHANDON-SAN JUAN GROUNDWATER SUSTAINABILITY AGENCY

RESOLUTION 19-007

**RESOLUTION TO AUTHORIZE ADDITIONAL FUNDS TO SUPPORT THE ECONOMIC
IMPACT STUDY OF PASO ROBLES IRRIGATED AGRICULTURE ON THE LOCAL ECONOMY**

BE IT RESOLVED that the Shandon-San Juan Water District make a \$4,750 donation to the Agribusiness Department at California Polytechnic State University, San Luis Obispo, to support the work of Dr. Lynn Hamilton and Dr. Michael McCullough to study and evaluate the economic impacts of the agricultural business in the Paso Robles area on the local economy, including the impacts of any reductions in available irrigation water in the Paso Robles groundwater basin.

ALL THE FOREGOING, being on motion of Director _____, seconded by Director _____, was hereby authorized by the following vote, to wit:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

I HEREBY CERTIFY that the foregoing is a true copy of the resolution of the Board of Directors of the SHANDON-SAN JUAN WATER DISTRICT as duly passed and adopted by said Board of Directors at an adjourned meeting held this 17th day of March, 2020.

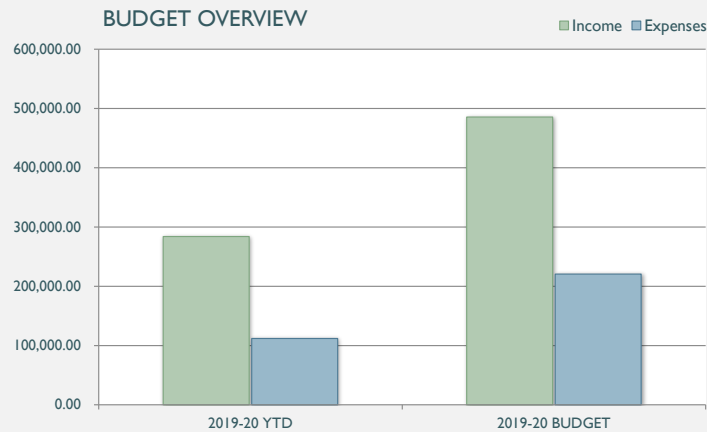
Willy Cunha
President of the Board of Directors

Stephanie Bertoux
Secretary of the Board of Directors

5 YEAR OPERATING BUDGET

Updated 3/12/2020

TOTALS	2019-20 YTD	2019-20 BUDGET	DIFFERENCE
Income	284,017.09	485,379.83	(201,362.74)
Expenses	111,779.83	220,531.20	108,751.37
Balance	172,237.26	264,848.63	92,611.37



SSJWD'S TOP 5 HIGHEST OPERATING EXPENSES (2019-20 YTD)

EXPENSE	AMOUNT	% OF EXPENSES	15% REDUCTION
Paso Robles Basin GSP Develop	30,423.35	13.8%	4,563.50
Administration / Contract Labor	27,187.50	12.3%	4,078.13
Hydrogeologic Services (GSI)	26,682.61	12.1%	4,002.39
Legal Fees	20,369.90	9.2%	3,055.49
Accounting (Crosby Company)	3,500.00	1.6%	525.00
Total	108,163.36	49.0%	16,224.50

INCOME	2017-18 ACTUAL	2018-19 ACTUAL	2019-20 YTD	2019-20 BUDGET	2020-21 BUDGET	2021-22 BUDGET
Assessments (Collected)	297,274.66	276,077.37	284,017.09	284,017.09	284,017.09	284,017.09
Prop ID Grant		0.00	0.00	201,362.74	0.00	0.00
Total	297,274.66	276,077.37	284,017.09	485,379.83	284,017.09	485,379.83

NOTES ON INCOME	2017-18 ACTUAL	2018-19 ACTUAL	2019-20 YTD	2019-20 BUDGET	2020-21 BUDGET	2021-22 BUDGET
Assessments (Collected)	297,274.66	290,471.88	284,017.09	290,507.87	290,507.87	290,507.87
Accounts Receivable	3,474.39	10,277.17	16,731.96	10,241.18	10,241.18	10,241.18
Total Levied	300,749.05	300,749.05	300,749.05	300,749.05	300,749.05	300,749.05

OPERATING EXPENSES	2017-18 ACTUAL	2018-19 ACTUAL	2019-20 YTD	2019-20 BUDGET	2020-21 BUDGET	2021-22 BUDGET
Accounting (Crosby Company)		500.00	3,500.00	4,000.00	4,000.00	4,000.00
Administration / Contract Labor	24,093.75	53,912.50	27,187.50	95,000.00	95,000.00	95,000.00
Bank Fees	0.00	6.82	2.76	7.00	7.00	7.00
Board Certification	25.00	0.00	0.00	0.00	0.00	0.00
Board Elections	0.00	0.00	0.00	0.00	0.00	0.00
Checks	90.47	85.09	48.47	85.00	85.00	85.00
District Formation Election	4,236.83	0.00	0.00	0.00	0.00	0.00
Flood Water Capture & Recharge Study	0.00	0.00	0.00	20,000.00	0.00	0.00
GSP Economic Impact Study	0.00	12,500.00	1,250.00	1,250.00	0.00	0.00
GSP On-Call Services (Hydrometrics)	0.00	7,976.69	0.00	0.00	0.00	0.00
Hydrogeologic Services (GSI)	0.00	56,832.33	26,682.61	41,682.61	50,000.00	50,000.00
Insurance	1,949.24	2,207.24	2,207.24	2,207.24	2,210.00	2,210.00
Irrigation Study	0.00	4,000.00	0.00	0.00	0.00	0.00
Legal Fees	11,467.30	5,715.25	20,369.90	25,000.00	25,000.00	25,000.00
Map Check	1,695.76	0.00	0.00	0.00	0.00	0.00
Paso Robles Basin GSP Development	0.00	255,801.39	30,423.35	30,423.35	0.00	0.00
P.O. Box Fees	6.00	0.00	0.00	6.00	6.00	6.00
Projects	0.00	0.00	0.00	0.00	60,000.00	80,000.00
Prop I GSP Grant	33,430.63	0.00	0.00	0.00	0.00	0.00
Prop 218 Election (Wallace Group)	15,971.87	0.00	0.00	0.00	0.00	0.00
Public Notices	210.54	54.00	108.00	150.00	150.00	150.00
Revisions to District Map	3,040.00	0.00	0.00	0.00	0.00	0.00
State BOE Fees	3,500.00	0.00	0.00	0.00	0.00	0.00
Website Fees/Email Accounts	510.72	719.70	0.00	720.00	720.00	720.00
TOTAL OPERATING	100,228.11	400,311.01	111,779.83	220,531.20	237,178.00	257,178.00



LAFCO - San Luis Obispo - Local Agency Formation Commission
SLO LAFCO - Serving the Area of San Luis Obispo County

COMMISSIONERS

Chairperson
TOM MURRAY
Public Member

Vice-Chair
ROBERT ENNS
Special District Member

DEBBIE ARNOLD
County Member

MARSHALL OCHYLSKI
Special District Member

ROBERTA FONZI
City Member

LYNN COMPTON
County Member

ED WAAGE
City Member

ALTERNATES

ED EBY
Special District Member

STEVE GREGORY
City Member

HEATHER JENSEN
Public Member

JOHN PESCHONG
County Member

STAFF

DAVID CHURCH
Executive Officer

BRIAN A. PIERIK
Legal Counsel

MIKE PRATER
Deputy Executive Officer

IMELDA MARQUEZ
Commission Clerk

TO: MEMBERS, FORMATION COMMISSION

**FROM: DAVID CHURCH, EXECUTIVE OFFICER
MIKE PRATER, DEPUTY EXECUTIVE OFFICER**

DATE: MARCH 19, 2020

**SUBJECT: STUDY SESSION: LAFCO AGRICULTURE DEFINITIONS,
POLICIES AND GUIDELINES**

Recommendation. It is respectfully recommended that the Commission receive and file this report.

Summary: The purpose of today's study session is to provide information to the Commissioners regarding the definitions of agricultural land in Cortese-Knox-Hertzberg Act (CKH Act) and San Luis Obispo LAFCO's current policy base.

Attachments

A: SLO LAFCO Ag Policies

B: SLO LAFCO Ag
Guidelines

LAFCO must consider the impact that any proposal may have on existing agricultural lands and resources. This is particularly important when the proposal directly involves the conversion of prime agricultural lands. This concern is balanced with the need to ensure orderly development and the efficient provision of services to certain areas. By guiding development toward vacant urban land and away from agricultural land, LAFCO helps to preserve important and valuable agricultural resources.

The CKH Act has specific definitions for agricultural lands; it generally discourages the use of prime agriculture land for development. LAFCO is called on to balance the impacts on agricultural lands and the needs of a community for housing, jobs and economic development. LAFCO carefully considers its decisions that takes into account many of these factors; weighing the importance of each factor.

The definitions and legislative mandates from the CKH Act are found below and determine what prime agricultural land is for LAFCO. The local adopted policies provide LAFCO with guidance and discretion in making decisions that impact prime agricultural land. Government Code Section 56001 provides LAFCO with direction to perform this balancing act:

GC 56001. *The Legislature finds and declares that it is the policy of the state to encourage orderly growth and development which are essential to the social, fiscal, and economic well-being of the state. The Legislature recognizes that the logical formation and determination of local agency boundaries is an important factor in promoting orderly development and in balancing that development with sometimes competing state interests of discouraging urban sprawl, preserving open-space and prime agricultural lands, and efficiently extending government services.*

The Legislature also recognizes that providing housing for persons and families of all incomes is an important factor in promoting orderly development. Therefore, the Legislature further finds and declares that this policy should be effected by the logical formation and modification of the boundaries of local agencies, with a preference granted to accommodating additional growth within, or through the expansion of, the boundaries of those local agencies which can best accommodate and provide necessary governmental services and housing for persons and families of all incomes in the most efficient manner feasible.

As a creation of the State Legislature with a broad mandate, LAFCO has been given “quasi-legislative” authority to complete its mission. This gives Commissioners “broad discretion in light of the record” to make determinations regarding LAFCO proposals. This important responsibility is further spelled out in CKH Act as Commissioners using their “Independent Judgement” to make decisions:

GC 56325.1. *While serving on the commission, all commission members shall exercise their independent judgment on behalf of the interests of residents, property owners, and the public as a whole in furthering the purposes of this division. Any member appointed on behalf of local governments shall represent the interests of the public as a whole and not solely the interests of the appointing authority. This section does not require the abstention of any member on any matter, nor does it create a right of action in any person.*

This is an important part of LAFCO’s decision making process. The Commission should weigh the importance and significance of a particular factor when considering its decisions. Is water supply more important than housing? Should land be preserved on less than a 1:1 preservation ratio because of the other benefits of a project? Do all the factors when taken as a whole led to approval or denial of a proposal? It is not black and white; careful discretion, local circumstances and independent judgement are considered in the decision making process.

Agricultural Definitions-Cortese-Knox-Hertzberg Act

The Cortese-Knox-Hertzberg Act contains a number of definition and statements that give LAFCO guidance and authority with regard to open space and agricultural resources. The following are taken directly from the CKH Act:

- 56016. *"Agricultural lands" means land currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set-aside program.*

- 56064. *"Prime agricultural land" means an area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use and that meets any of the following qualifications:*
 - (a) *Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.*
 - (b) *Land that qualifies for rating 80 through 100 Storie Index Rating.*
 - (c) *Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Range and Pasture Handbook, Revision 1, December 2003.*
 - (d) *Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.*
 - (e) *Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years.*
- 56301. *Among the purposes of a commission are discouraging urban sprawl, preserving open-space and prime agricultural lands, encouraging the efficient provision of government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances.*

The Cortese-Knox-Hertzberg Act further describes the intent of the legislation with regard to agricultural resources in Government Code section 56377, which states:

- 56377. *In reviewing and approving or disapproving proposals which could reasonably be expected to induce, facilitate, or lead to the conversion of existing open-space lands to uses other than open-space uses, the commission shall consider all of the following policies and priorities:*
 - (a) *Development or use of land for other than open-space uses shall be guided away from existing prime agricultural lands in open-space use toward areas containing nonprime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area.*
 - (b) *Development of existing vacant or nonprime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the Sphere of Influence of a local agency should be encouraged before any proposal is approved which would allow for or lead to the development of existing open-space lands for nonopen-space uses which are outside of the existing jurisdiction of the local agency or outside of the existing Sphere of Influence of the local agency.*

Policy Discussion

LAFCOs throughout the state take a variety of approaches toward agricultural and open space policies. Some common themes that run throughout the policies:

- Most of the policies implemented by LAFCO's allow discretion for decision makers by encouraging or discouraging a certain activity or action. It is a rare occasion when LAFCO policies require a certain action by a Commission.
- Many policies provide criteria to help LAFCO's judge whether a proposal would lead to planned, orderly, and efficient development. On this basis, the CKH Act does allow for the conversion of Prime Agricultural and Open Space Lands and annexation into a city or district.

The policies regarding agricultural and open lands allow for discretion because of the potential for the Commission to step into land use planning which is prohibited by the Cortese-Knox-Hertzberg Act Chapter 3, Powers, Code Section 56375(a)(3):

A commission shall not impose any conditions that would directly regulate land use density or intensity, property development, or subdivision requirements.

Careful attention to the above code section has been paid by LAFCOs around the state that has adopted an agriculture and open space policy base.

San Luis Obispo LAFCO Existing Policy Base. San Luis Obispo LAFCO has adopted policies and guidelines that address agricultural issues and resources. The policies are found in Attachment A. SLO LAFCO also adopted Agricultural Guidelines found in Appendix B of our Policies and Procedures. Appendix B is found in Attachment B of this staff report. Policy 12 is a key policy that San Luis Obispo LAFCO considers:

12. *The Commission may approve annexations of prime agricultural land only if mitigation that equates to a substitution ratio of at least 1:1 for the prime land to be converted from agricultural use is agreed to by the applicant (landowner), the jurisdiction with land use authority. The 1:1 substitution ratio may be met by implementing various measures:*
 - a. *Acquisition and dedication of farmland, development rights, and/or agricultural conservation easements to permanently protect farmlands within the annexation area or lands with similar characteristics within the County Planning Area.*
 - b. *Payment of in-lieu fees to an established, qualified, mitigation/conservation program or organization sufficient to fully fund the acquisition and dedication activities stated above in 12a.*
 - c. *Other measures agreed to by the applicant and the land use jurisdiction that meet the intent of replacing prime agricultural land at a 1:1 ratio.*

Other, more general, but relevant policies considered by San Luis Obispo LAFCO include the following:

- *Policy #1: The Commission shall endeavor to balance the need to efficiently provide public services with the sometimes-competing interests of discouraging urban sprawl, preserving prime agriculture land and open space (CKH-56001).*
- *Policy #3: "Cities and Special Districts are discouraged from annexations outside of their Spheres of Influence unless the need for such services is clearly demonstrated."*
- *Policy #7: "The Commission prefers urban development within Cities as opposed to development in the unincorporated area."*
- *Policy #8: "The Commission will recognize and preserve clearly defined, long term agricultural and open space areas established by the County or other jurisdictions to preserve critical environmental areas and to bolster local economies"*

The attached Policies and Guidelines are intended to support the above more general policy base. The Agricultural Policies provide more detail with regard to the specific issues that should be considered as LAFCO evaluates a proposal. The Guidelines provide information about what subjects and issues should be addressed when an application that affects agricultural resources is submitted to LAFCO. The Guidelines also provide criteria by which LAFCO can evaluate a proposal and consider a decision that involves agricultural resources.

The policies and guidelines found in Attachment A and B express LAFCO's intent to more specifically address the preservation of agricultural land, consistent with current policies and LAFCO's mandates. LAFCO is required by the Cortese-Knox-Hertzberg Act to consider the effect that any proposal may have on existing agricultural lands. This is balanced with the need to ensure orderly development and the efficient provision of services to certain areas. In general, by guiding development toward urban areas and away from agricultural land, LAFCO helps to preserve important and valuable agricultural resources.

CEQA. In considering proposals, SLO LAFCO also uses CEQA documents to identify potential impacts and mitigation regarding agricultural resources. CEQA requires that the conversion of agricultural land be evaluated and mitigated to the greatest extent possible depending on the impacts of a project or proposal.

Summary. SLO LAFCO has adopted a robust policy base with regard to agricultural resources. It is important to remember that in applying these policies and guidelines the Commission has been judicious and the jurisdictions have been very collaborative. The policy base allows the Commission to use its discretion on a case-by-case basis. It also provides LAFCO with a measure of flexibility that can be used on an as needed basis.

Examples. The following are examples of how the Agricultural Policies have been implemented over the years:

- **San Luis Ranch** The Specific Plan converted 56 acres of prime agricultural land to another use. To meet the LAFCO Policy a minimum of 56 acres of prime agricultural land had to be preserved. Fifty-three (53) of the acres were preserved on-site with 30 acres preserved off-site. Bringing the total preserved to 86 acres-more than the needed 56 acres. Here is the Condition
- **Madonna/Gap** Annexation, aka, Target, included the preservation of 18 acres of prime agricultural by placing a conservation easement on the site and off-site as well. 11 acres was preserved on site and 7 acres on Froom Ranch. The City of San Luis Obispo has a similar 1:1 preservation policy. The City complied with the policy by recording a conservation easement on the sites prior to LAFCO filing the annexation with the State Board of Equalization.
- **Orcutt Annexation** to the City of SLO set aside 70+ acres in open space through an easement. The area was not prime agricultural land but it was zoned open space and so the City recorded an easement on that area pursuant to a LAFCO condition of approval.
- **Heights at Vista del Mar to the City of Arroyo Grande** included an open space easement that was recorded for the open space parcel (Lot 24). It is to be held in common by the Homeowner's Association or transferred to public trust or conservancy agency approved by the Department of Planning and Building. The open space parcel is to be maintained as such in perpetuity. This did not include prime agricultural

Attachment A

SLO LAFCO Ag Policies



- h. If the Commission changes the Sphere of Influence agreed upon by the city and the County, the agreement shall not be implemented; however, it may be renegotiated if both parties agree to further discussions.

2.9 Agricultural Policies

The policies in this section are designed to assist LAFCO in making decisions that achieve the Goals stated in the previous section. A policy is a statement that guides decision making by indicating a clear direction on the part of LAFCO. The following policies support the goals stated above and shall be used by San Luis Obispo LAFCO when considering a proposal that would involve agricultural resources:

1. Vacant land within urban areas should be developed before agricultural land is annexed for non-agricultural purposes.
2. Land substantially surrounded by existing jurisdictional boundaries should be annexed before other lands.
3. In general, urban development should be discouraged in agricultural areas. For example, agricultural land should not be annexed for nonagricultural purposes when feasible alternatives exist. Large lot rural development that places pressure on a jurisdiction to provide services and causes agricultural areas to be infeasible for farming should be discouraged.
4. The Memorandum of Agreement between a city and the County should be used and amended as needed to address the impacts on and conversion of Agricultural Lands on the fringe of a city.
5. The continued productivity and sustainability of agricultural land surrounding existing communities should be promoted by preventing the premature conversion of agricultural land to other uses and, to the extent feasible, minimizing conflicts between agricultural and other land uses. Buffers should be established to promote this policy.
6. Development near agricultural land should not adversely affect the sustainability or constrain the lawful, responsible practices of the agricultural operations.
7. In considering the completeness and appropriateness of any proposal, the Executive Officer and this Commission may require proponents and other interested parties to provide such information and analysis as, in their judgment, will assist in an informed and reasoned evaluation of the proposal in accordance with these policies.



8. No change of organization, as defined by Government Code 56021, shall be approved unless it is consistent with the Spheres of Influence of all affected agencies.
9. Where feasible, and consistent with LAFCO policies, non-prime land should be annexed before prime land.
10. The Commission will consider feasible mitigation (found in the following guidelines) if a proposal would result in the loss of agricultural land.
11. The Commission encourages local agencies to adopt policies that result in efficient, coterminous and logical growth patterns within their General Plan and Sphere of Influence areas and that encourage protection of prime agricultural land in a manner that is consistent with this Policy.
12. The Commission may approve annexations of prime agricultural land only if mitigation that equates to a substitution ratio of at least 1:1 for the prime land to be converted from agricultural use is agreed to by the applicant (landowner), the jurisdiction with land use authority. The 1:1 substitution ratio may be met by implementing various measures:
 - a. Acquisition and dedication of farmland, development rights, and/or agricultural conservation easements to permanently protect farmlands within the annexation area or lands with similar characteristics within the County Planning Area.
 - b. Payment of in-lieu fees to an established, qualified, mitigation/conservation program or organization sufficient to fully fund the acquisition and dedication activities stated above in 12a.
 - c. Other measures agreed to by the applicant and the land use jurisdiction that meet the intent of replacing prime agricultural land at a 1:1 ratio.
13. Property owners of agricultural lands adjacent to a LAFCO proposal shall be notified when an application is submitted to LAFCO.

Attachment B

SLO LAFCO Ag Guidelines



APPENDIX B

AGRICULTURAL GOALS-POLICIES-GUIDELINES

The Cortese-Knox-Hertzberg Act strongly encourages the preservation of prime agriculture land. LAFCO's mission is to discourage urban sprawl, preserve open space and prime agricultural lands, promote the efficient provision of government services and encourage the orderly formation of local agencies. In general terms, San Luis Obispo LAFCO's current policy base discourages premature conversion of agricultural lands, guides development away from existing agricultural lands and encourages the development of existing vacant lands within city boundaries prior to conversion of additional agricultural lands. The CKH Act clarified the many factors that LAFCOs must consider and balance in making decisions:

"The Legislature recognizes that the logical formation and determination of local agency boundaries is an important factor in promoting orderly development and in balancing that development with the sometimes competing state interests of discouraging urban sprawl, preserving open-space and prime agriculture lands, and efficiently extending government services."

The written goals, policies, and guidelines in this document express LAFCO's intent to more specifically address the preservation of agricultural land, consistent with current policies and LAFCO's mandate. LAFCO must consider the effect that any proposal may produce on existing agricultural lands. This is balanced with the need to ensure orderly development and the efficient provision of services to certain areas. By guiding development toward urban areas and away from agricultural land, LAFCO helps to preserve important and valuable agricultural resources.

Definitions. Several terms are important in understanding agricultural resources. These terms and definitions are found below and are applicable throughout these policies. The Cortese-Knox-Hertzberg Act has a definition for agricultural land and prime agricultural lands that may include lands other than class one or two soil classification.

56016. "Agricultural lands" means land currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set-aside program.

56064. "Prime agricultural land" means an area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use and that meets any of the following qualifications:



(a) Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.

(b) Land that qualifies for rating 80 through 100 Storie Index Rating.

(c) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Range and Pasture Handbook, Revision 1, December 2003, developed pursuant to Public Law 46, December 1935.

(d) Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.

(e) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years.

The Cortese-Knox-Hertzberg Act further describes the intent of the legislation with regard to agricultural resources in Government Code section 56377, which states:

56377. *In reviewing and approving or disapproving proposals which could reasonably be expected to induce, facilitate, or lead to the conversion of existing open-space lands to uses other than open-space uses, the commission shall consider all of the following policies and priorities:*

(a) Development or use of land for other than open-space uses shall be guided away from existing prime agricultural lands in open-space use toward areas containing nonprime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area.

(b) Development of existing vacant or nonprime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the Sphere of Influence of a local agency should be encouraged before any proposal is approved which would allow for or lead to the development of existing open-space lands for non-open-space uses which are outside of the existing jurisdiction of the local agency or outside of the existing Sphere of Influence of the local agency.



Government Code Section 56377 has been used by LAFCOs as the basis for developing more specific policies that address local circumstances and conditions.

Guidelines

Guidelines provide further direction regarding the application of the goals and policies, but are more flexible giving LAFCO more discretion in application. These guidelines are used to advise and assist the public, agencies, property owners, farmers and other stakeholders with regard to LAFCO's expectations in reviewing a proposal that involves agricultural resources.

Guideline 1.

Applications submitted to LAFCO involving agricultural resources shall include analysis that evaluates the potential impacts (direct and indirect) of the proposal on agricultural resources. The California Environmental Quality Act (CEQA) analysis for a proposal shall evaluate the impacts affecting agricultural resources. At a minimum the following topics should be addressed:

- a. Detailed analysis of direct and indirect impacts on agricultural resources of the site and surrounding area.
- b. Potential diversion, availability and use of water that could impact agricultural lands or operations.
- c. A detailed description of the agricultural resource that is affected, including but not limited to soil types, existing and potential productivity, and surrounding land uses
- d. Use of transfer of development credits programs and purchase of development credits for the preservation of agricultural land and other approved programs.
- e. Analysis of mitigation measures that could offset impacts.
- f. Consultation with the County Agricultural Commissioners office.
- g. Williamson Act, Agricultural Easements, and other preservation programs.
- h. Urban Reserve Lines, Urban Limit Boundaries and Spheres of Influence.
- i. County and City General Plan Policies.



Guideline 2.

Consider including agricultural land as defined in the Cortese-Knox-Hertzberg Act into a Sphere of Influence if the following factors are addressed:

- a. Potential impacts of the conversion of the prime agricultural land.
- b. Future capability of farming activities for the site and surrounding area.
- c. Existing and potential productivity of the prime agricultural land.
- d. Land Preservation status: Williamson Act, easements, etc.
- e. Growth patterns in the surrounding area.
- f. General Plan Policies and Standards.
- g. Other relevant issues, such as potential impacts on agricultural tourism.

Guideline 3.

Consider approval of proposals that convert agricultural land when the Commission finds that the proposal will lead to planned, orderly, and efficient development. A proposal leads to the planned, orderly, and efficient development if all of the following criteria are met:

- a. The land subject to the change of organization or reorganization is contiguous either to lands developed with an urban use or to lands which have received all discretionary approvals for urban development.
- b. The proposed development of the subject lands is consistent with the Sphere of Influence of the affected agency or agencies.
- c. The land subject to the change of organization is likely to be developed within five years.

Guideline 4.

If a LAFCO proposal involves a loss of prime agricultural lands, property owners, Cities, the County, Special Districts, Community Advisory Councils, Resource Conservation Districts, and agricultural conservation agencies should work together as early in the process as possible to adequately mitigate the impacts.

Guideline 5.

Detachment of prime agricultural lands and other open space lands should be encouraged if consistent with the Sphere of Influence for that agency.



Guideline 6.

The following factors should be considered for an annexation of prime agricultural and open space lands:

- a. The proponent of the annexation should provide a land use inventory of the jurisdiction that indicates the amount of available land within the subject jurisdiction for the proposed land use.
- b. Evaluation of effective measures to mitigate the loss of agricultural lands, and to preserve adjoining lands for agricultural use to prevent their premature conversion to other uses. Such measures may include, but need not be limited to:
 1. Acquisition and dedication of farmland, development rights, open space and agricultural conservation easements to permanently protect adjacent and other agricultural lands within the county
 2. Participation in other development programs that direct development toward urban areas (such as transfer or purchase of development credits)
 3. Payments to responsible recognized government and non-profit organizations for the purpose of preserving agricultural lands;
 4. Establishment of buffers to protect adjacent agricultural operations from the effects of development

Guideline 7.

Annexation for land uses in conflict with an existing agricultural preserve contract shall be prohibited, unless the Commission finds that it meets all the following criteria:

- a. The area is within the annexing agency's Sphere of Influence.
- b. The Commission makes findings required by Government Code Section 56856.5.
- c. The parcel is included in an approved city specific plan.
- d. The soil is not categorized as prime.
- e. Mitigation for the loss of agricultural land has been secured in the form of agricultural easements to the satisfaction of the annexing agency and the County.



- f. There is a pending, or approved, cancellation for the property that has been reviewed by the local jurisdictions and the Department of Conservation.
- g. The Williamson Act contract on the property has not been renewed and final approval of the non-renewal has been granted.

Ag Order 4.0 Talking Points

Comment letters must be submitted by April 6, 2020 Midnight. Submit to: AgNOI@waterboards.ca.gov with “Comments on Draft Ag Order 4.0” in the subject line. Letters can be sent to: 895 Aeorvista Place, Ste. 101, San Luis Obispo CA 93401 (but note that e-mail submissions are preferred).

RIPARIAN VEGETATIVE AREAS

- All farms adjacent to a water body (not a manmade ditch) must record an operational setback on October 1, 2022. Under Riparian Priority 2 (Salinas Valley region), Workplans are due March 1, 2024 and must begin implementation on May 1, 2026. Required riparian setback from these waterbodies ranges from 50' to 250' depending on Strahler Stream assessment designation and require establishment and maintenance of grasses, shrubs, and trees in most instances. Maintenance includes soil health, protection of wildlife, and invasive species control.
- There are four possible approaches to compliance for riparian requirements:
 - Cooperative – third-party to develop watershed restoration plan within the watershed where ranch is located
 - On-farm Setback – develop and implement Riparian Area Management Plan (RAMP) to achieve minimum setback distance and vegetative requirements.
 - Rapid Assessment Method – a Riparian Rapid Assessment Method (RipRAM) must be performed for existing riparian areas on the ranch, with a minimum score of 69 to achieve compliance.
 - Alternative Proposal – submit an Alternative Proposal for riparian management to the Executive Officer for approval prior to implementation; alternative must demonstrate that the farm does not contribute to the exceedance of any water quality objectives in receiving waters.
- Riparian setbacks must consist of vegetated land extending along the side of a waterbody and its adjacent wetlands and slopes. Prohibited activities in this vegetated land area are commercial crop production, permanent structures, applications of chemicals (fertilizers and pesticides), and operation of heavy machinery.

Talking Points

- *Riparian area expansion will reduce field production areas, impacting crop production yields / acre and costs of production.*
- *For landowners, loss of production areas will reduce rental income and possibly overall land value.*
- *Establishment of vegetation will add costs and take significant effort, along with maintenance, and will require irrigation and possibly fertilizers to establish.*
- *Significant conflicts with food safety measures come with vegetative buffers adjacent to production fields.*
- *Farmers are not horticulturalists nor landscapers.*

NITROGEN APPLICATION LIMITS

- Limits for nitrogen applications are listed for specific crops, starting in 2022:
 - Broccoli = 295#/acre
 - Cauliflower = 300#/acre
 - Celery = 375#/acre
 - Lettuce = 275#/acre
 - Spinach = 240#/acre
 - Strawberries = 330#/acre
 - All other crops = 500#/acre
- Maximum nitrogen remaining in soils post-harvest:
 - 2022 – target is 500#/acre
 - 2024 – target is 400#/acre
 - 2026 – limit is 300#/acre
 - 2030 – limit is 200#/acre
 - 2035 – limit is 150#/acre
 - 2040 – limit is 100#/acre
 - 2050 – limit is 50#/acre
- Two compliance calculations for nitrogen remaining in soils post-harvest:
 - (Fertilizer nitrogen applied PLUS Compost nitrogen mineralized TIMES total amount of Compost applied in pounds per acre + nitrogen applied in irrigation water) MINUS nitrogen removed through harvest EQUALS nitrogen remaining in soil.
 - (Fertilizer nitrogen applied PLUS Compost nitrogen mineralized TIMES total amount of Compost applied in pounds per acre) MINUS nitrogen removed through harvest EQUALS nitrogen remaining in soil.
 - **Difference between these two formulas is the first includes nitrogen in irrigation water.**

Talking Points

- *Calculations for nitrogen remaining in the soil are complex and may beyond the capability of most farmers; expert professional resources will be required to calculate each harvested crop's co-efficient.*
- *Sampling and testing of harvested material for nitrogen content are expensive and will add up quickly given the intensity of Central Coast farming.*
- *Use of compost and mulch becomes a nitrogen penalty and disincentive.*

- *Gleaned fields may be considered post-harvest due to tissue sample testing, which then becomes a disincentive for gleaning fields of secondary quality product.*
- *Limits vs. targets are setting up farms for failure and possible enforcement and/or legal complaint.*
- *Reduction of nitrogen remaining in the soil to 50# / acre is not agronomically possible at this time without drastic changes to cropping patterns, rotations, crop frequencies, and field practices.*
- *Data collection points will be an overwhelming number for most farms to manage.*

GROUNDWATER TREND MONITORING

- Irrigation well monitoring and reporting is required, either individually or in a cooperative effort.
- If a ranch does not have its own irrigation well, a monitoring well must be drilled to support groundwater trend monitoring data collection.
- Groundwater trend monitoring is required, either individually or in a cooperative effort:
 - If individually reported, a work plan must be submitted for Executive Officer approval prior to any implementation; must be developed by qualified professional with a SAP and QAPP.
 - If cooperative effort, must join a third-party; workplan must be submitted for approval.
- When required, based on groundwater quality data or exceedance of nitrogen discharge limits, ranch-level groundwater discharge monitoring and reporting will be required, including a work plan and a SAP and QAPP, all approved prior to implementation; same for pesticides exceedances in groundwater.

Talking Points

- *Individually groundwater trend monitoring will be difficult to substantiate due to groundwater movement in any aquifer or sub-basin.*
- *Trend monitoring by a third-party will require data aggregation from multiple wells and cooperation from multiple ranch managers and/or landowners.*
- *Ranch-level groundwater discharge and monitoring and reporting is punitive and will not provide additional insight into groundwater quality.*

FARM PLANS

- All farms must develop, implement, and update as necessary, a Farm Water Quality Management Plan (Farm Plan) and include sections on:
 - Irrigation and Nutrient Management Plan (INMP)
 - Pesticide Management Plan (PMP)
 - Sediment and Erosion Management Plan (SEMP)
 - Riparian Area Management Plan (RAMP)
 - Water Quality Education
 - CEQA Mitigation Measure Implementation
- Elements of the INMP are reported on the Total Nitrogen Applied (TNA) report or INMP Summary Report annually (choice between the two reporting methods).
- Other elements of the Farm Plan will be reported in the Annual Compliance Form (ACF), due March 1 of each year.
- All records must be maintained for a minimum of 10 years, including all monitoring information, co-efficient calculations, management practice implementation and assessment, and education records.
- Farm Plans stay on the farm but must be submitted to CCRWQCB upon request.

Talking Points

- *Plans, for smaller farms, will require significant professional expertise to develop and update at considerable cost; there are not enough professionals to service all farms for these plans.*
- *Significant data collection will be required to meet annual compliance reporting.*
- *Data must be entered manually into GeoTracker; there is no upload function from standardized formats or spreadsheets, adding to compliance time reporting.*
- *Small farms lack resources to complete compliance reporting.*

SEDIMENT & EROSION CONTROL

- Farms with an established TMDL for pollutants cannot cause or contribute to exceedances in surface waters; follow-up monitoring and reporting will be required if discharges exceed TMDL limits and time table for compliance.
- Ranches with impermeable surfaces must not exceed stormwater discharge intensity over 10-year storm equivalent as well as (up to) the 95th percentile of any 24-hour storm event.
- Impermeable surfaces with slopes equal to or greater than 5% during the wet season must have a sediment and erosion control plan developed and certified by a qualified professional.

Talking Points

- *TMDL qualifiers are artificially low and cannot be achieved with current farming practices and available science; TMDL targets should be just that, targets.*
- *Stormwater cannot be predicted nor controlled in high rate flows, particularly on short notice; this requires construction and maintenance of retention ponds, at great expense.*
- *Monitoring and reporting of surface (stormwater) discharges will be difficult to achieve.*
- *Impermeable surfaces move around due to crop rotations; additional expense to develop plans will discourage these crops being produced, which generally are high-value crops with significant up-front investment.*

Key Elements of Proposed Ag Order 4.0

(partial list/summary, not vetted for accuracy or completeness)

All draft Order documents posted at:

https://www.waterboards.ca.gov/centralcoast/water_issues/programs/ag_waivers/ag_order4_renewal.html

1. FARM PLAN – all ranches must develop. Held on site but must be submitted upon request.

- a. Plans Must Include:
 - i. Irrigation and Nutrient Management Plan (INMP)
 - 1. Includes nitrogen reporting requirements per Eastern San Joaquin precedential order. Reporting on fertilizer N, compost N, irrigation N, N in soil, N in irrigation water, volume of irrigation water applied and total crop harvested (public accessible record).
 - a. May quantifiably demonstrate that ranch does not pose threat to surface or groundwater quality to get out of this requirement
 - b. If a farmer can prove applied N does not percolate below the root zone in an amount that could degrade groundwater and does not migrate to surface water through runoff or erosion, are not required to submit the INMP Summary report. They do have to turn in an annual update confirming their exemption (14. Page 27)
 - c. Achieving final nitrogen discharge limit of 50 lb/yr (15. Page 28)
 - d. Easier with a 3rd Party
 - ii. Pesticide Management Plan (PMP)
 - iii. Sediment and Erosion Management Plan (SEMP)
 - iv. Riparian Area Management Plan (RAMP)
 - v. Water Quality Education
 - vi. CEQA Growers must implement the Mitigation Measures – separately included in the EIR. Requires reporting.
- b. For each element of the plan, the grower must document practices, monitoring and recordkeeping that result in compliance with applicable surface water limits.
- c. *Presumably, much of the required Farm Plan documentation could be satisfied by submitting sustainability certification documents/plans/etc.*

2. Dischargers must complete surface receiving water monitoring and reporting

- a. must submit a work plan, including a SAP and QAPP
- b. Once approved, the work plan must be implemented

3. GROUP MONITORING and THIRD PARTIES

- a. Group options available, to be administered by third parties.
- b. Compliance with surface water limits is monitored by cooperative monitoring programs (or individual pathway if desired).

1. If an area is not in compliance, Board may require ranch-level monitoring of discharge and improved management practices.
- c. Third parties may also assist with Riparian Restoration via Cooperative Watershed Restoration Plan (CWRP) effort.
- d. *Joining a Third Party Program*
 - i. *will reduce fees to State Board*
 - ii. *shift much of the testing and reporting to the Third Party*
 - iii. *may allow aggregation of data to partially blind individual farms*
 - iv. *“the third-party may propose alternative compliance pathways”*
 - v. *Regionally scaled programs are preferred*

4. NITROGEN LIMITS (for groundwater protection)

- a. Limits vary by crop. Hard on vegetables, not too bad on wine grapes.
- b. N discharge limit (A minus R) – amount of N retained in postharvest soil

Maximum nitrogen remaining in soils post-harvest:

- o 2022 – target is 500#/acre
- o 2024 – target is 400#/acre
- o 2026 – *limit* is 300#/acre
- o 2030 – *limit* is 200#/acre
- o 2035 – *limit* is 150#/acre
- o 2040 – *limit* is 100#/acre
- o 2050 – *limit* is 50#/acre

5. SURFACE WATER LIMITS

- a. These limits are the Board’s response to requirement for ‘Quantifiable Milestones’ in the Coastkeeper decision
- b. Limits and timelines vary by constituent and geographic area.
 - i. Nutrient and toxicity limits are tied to TMDLs
 - ii. Sediment limits for areas with TMDLs, Turbidity limits for non-TMDL areas
- c. Compliance with surface water limits can be monitored by cooperative monitoring programs (or individual pathway if desired).
 1. If an area is not in compliance, Board may require ranch-level monitoring of discharge and improved management practices.

6. RIPARIAN ZONES – for ranches with waterbodies within property or bordering

- a. **Operational Setback – by Oct 2022**
 - i. “Dischargers with waterbodies within or bordering their ranch **must** measure and report the current on-farm setback width and vegetative cover”
 - ii. Minimum operational setback is 1.5 times width of the active channel or applicable setback distance (based on Strahler Stream Order), whichever is less.
 - iii. Bare soil vulnerable to erosion **must** be minimized within the setback
 - iv. ‘Operational Setback’ means no crop production, permanent structures, chemical application, or operation of heavy machinery, etc.
- b. **Riparian Setback (timelines differ by area)**
 - i. Board Staff in the “Findings” Section 27 Estimate they will create 554 miles of newly protected streams and fallow 4,064 productive acres.

- ii. Must achieve setback widths and vegetative cover values as specified, using one of four compliance pathways:
 - 1. Cooperative Approach
 - 2. On-Farm Setback
 - 3. Rapid Assessment Model (RipRAM)
 - 4. Alternative Proposal
- c. **“Work Plans for areas with persistent exceedances of the surface water limits in the Order must identify follow-up actions to restore the degraded areas”**

Compliance Pathway 1: Cooperative Approach

12. Dischargers who select the Cooperative Approach compliance pathway must form or identify a third-party organization to develop a Cooperative Watershed Restoration Plan (CWRP) within the watershed where the ranch is located.

13. The CWRP must identify and implement ***projects that result in riparian establishment, re-establishment, and/or enhancement*** projects that benefit water quality objectives for sediment, toxicity, nutrients, and temperature, and are **protective of all beneficial uses** for inland surface waters, enclosed bays, and estuaries as outlined in section 3.3.2 of the Basin Plan. ***Projects that only serve to preserve and protect existing riparian areas do not meet the criteria for this requirement.***

7. Sediment & Erosion Control

- a. Monitoring and reporting required
- b. TMDL limits with time table for compliance
- c. Ranches with impermeable surfaces must not exceed stormwater discharge intensity over 10-yr storm equivalent
- d. Impermeable surfaces with slopes of 5% or more must have a sediment and erosion control plan developed and certified by a qualified professional.

8. FOCUS AREAS OF THE ORDER

- a. Groundwater areas organized by ‘Phases’ –
 - i. all phases, over time, have to comply with the whole Order
 - ii. The vegetable growing areas are in Phase 1 - comply by 2022
 - iii. Vegetable areas also Phase 2 – have to comply in 2024
 - iv. All the upper areas are Phase 3 – additional 4 years to comply 2026 (7)
- b. Surface Water (areas organized by ‘Priority’)
- i. The whole of the Salinas River Watershed is included as Priority 1 - highest
 - ii. Estrella watershed is Priority 4 – least, but by 2026 must comply as Priority 1
- c. Riparian (areas organized by ‘Priority’)
- i. by 2026 all must comply as Priority 1
 - ii. farmers in 3rd party groups have until 2028
- d. Phases and Priorities are temporary and all irrigated ag will have to comply
- e. See bottom of Order for maps of priority/phase areas
- f. See ‘Ag Order 4.0 – Template’ excel document for partial list of timelines

9. Additional Requirements include

- a. Compliance with Basin Plan
- b. Backflow prevention devices required when applying chemicals via irrigation
- c. Proper handling of chemicals
- d. Minimize presence of bare soil vulnerable to erosion and soil runoff to surface water
- e. Access roads, to the extent possible, should be hydrologically disconnected and out-sloped to promote even drainage and prevent erosion/sedimentation
- f. Composting rules, BMPs and map of compost operations

10. Quantifiable Milestones and Time Schedules

- a. The Order requires Quantifiable Milestones (strict limits instead of targets) for nitrogen, other fertilizers if levels rise, various pesticides of concern and turbidity over set periods of times.
- b. Both groundwater and surface water are to be monitored and improved by milestones and time schedules.
- c. Starting 2021 all ranches must create the Annual Compliance Form (page 30 Monitoring & Reporting Program)
- d. All records must be maintained for a minimum of 10 years
 - i. All reports, monitoring, co-efficient calculations, management practice implementation and assessment and education records
 - ii. Farm Plans stay on the Farm but must be submitted to CCRWQCB upon request.
 - iii. Data must be entered manually into GeoTracker
 - iv. Significant cost in time and money for compliance

1. **By March 1, 2021, and annually thereafter by March 1, all Dischargers must** submit an ACF electronically, in a format specified by the Executive Officer. The ACF includes, but is not limited to, the items listed below.
 - a. Irrigation, stormwater, and tile drain discharge characteristics (e.g., number of discharge points, estimated flow and volume, and number of tailwater days).
 - b. Status of Farm Plan development and implementation.
 - c. Identification of specific water quality management practices implemented and assessed on the ranch to reduce water quality impacts, including:
 - i. Irrigation management practices;
 - ii. Nutrient management practices;
 - iii. Salinity management practices;
 - iv. Pesticide management practices;
 - v. Sediment and erosion management practices;
 - vi. Stormwater management practices; and
 - vii. Riparian and wetland area management practices.
 - d. Reporting on the Sediment and Erosion Management Plan (SEMP).
 - i. Confirmation that sediment and erosion control measures (e.g., sediment basins) are properly designed and maintained; and
 - ii. Where applicable, confirmation that the SEMP has been developed by a qualified professional.
 - e. Reporting on the Riparian Area Management Plan (RAMP).
 - i. Current setback width, in feet;
 - ii. Current total vegetative cover, in percent;
 - iii. Current vegetative cover by type, in percent (trees, shrubs, grasses, non-vegetated);
 - iv. Digital map of farm and setback boundaries;
 - v. Compliance pathway selection if ranch is located in a Riparian Priority area;
 - vi. When the Cooperative Approach compliance pathway is selected, membership status in the cooperative.
 - vii. When the On-Farm Setback compliance pathway is selected, status of achieving success the success criteria in [Table MRP-7](#).
 - viii. When the Rapid Assessment Method compliance pathway is selected, RipRAM or CRAM results, to be compared with the appropriate reference sites and scores shown in [Table MRP-8](#).
 - ix. When the Alternative Proposal compliance pathway is selected, status of implementing approved work plan and achieving approved success criteria.
 - x. See below for details on reporting due dates.
 - f. Reporting on water quality and management practice education obtained.
 - g. Status of drinking water notification to well users.



**COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF PLANNING AND BUILDING
STAFF REPORT**

Promoting the wise use of land
Helping build great communities

PLANNING COMMISSION

MEETING DATE February 27, 2020	CONTACT/PHONE Kylie Hensley, Planner I (805) 781-4979 khensley@co.slo.ca.us	APPLICANT County of San Luis Obispo	FILE NO. LRP2020-00002
SUBJECT Hearing to consider a request by the County of San Luis Obispo to amend Title 22 and Title 19 to update the maps of the Paso Robles Groundwater Basin boundary and the Area of Severe Decline to be consistent with the Paso Robles Subbasin Groundwater Sustainability Plan and to incorporate a fallowing option into the Agricultural Offset Program.			
RECOMMENDED ACTION It is recommended that the Planning Commission 1) recommend that the Board adopt the ordinance to approve the amendments to Title 22 and Title 19 to update the maps of the Paso Robles Groundwater Basin boundary and the Area of Severe Decline to be consistent with the Paso Robles Subbasin Groundwater Sustainability Plan and to incorporate a fallowing option into the Agricultural Offset Program.			
ENVIRONMENTAL DETERMINATION An addendum to the Supplemental Environmental Impact Report (SCH 2014081056) certified for the Countywide Water Conservation Program in 2015 was prepared in accordance with the applicable provisions of the California Environmental Quality Act, Public Resources Code Section 21000 et. seq. for amendments to Section 22.30.204 Agricultural Offset Requirements and Section 19.07.042 Water Conservation Provisions. A Class 8 Categorical Exemption is proposed for the amendments to Section 22.94.025 Paso Robles Groundwater Basin Planning Area Standards.			
LAND USE CATEGORY Various	COMBINING DESIGNATION Various	ASSESSOR PARCEL NUMBER Various	SUPERVISOR DISTRICT(S) 1 & 5
PLANNING AREA STANDARDS: Not Applicable			
EXISTING USES: Various			
SURROUNDING LAND USE CATEGORIES AND USES: Not Applicable			
OTHER AGENCY / ADVISORY GROUP INVOLVEMENT: The project was referred to the Department of Public Works, Department of Agriculture/Weights and Measures			
TOPOGRAPHY: Various		VEGETATION: Various	
PROPOSED SERVICES: Not Applicable		AUTHORIZED FOR PROCESSING DATE: June 18, 2019; amended November 5, 2019	
ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE DEPARTMENT OF PLANNING & BUILDING AT: COUNTY GOVERNMENT CENTER γ SAN LUIS OBISPO γ CALIFORNIA 93408 γ (805) 781-5600 γ FAX: (805) 781-1242			

PROJECT SUMMARY

The ordinance amendments in Attachments 1 and 2 update the maps of the Paso Robles Groundwater Basin (Paso Basin) and the Area of Severe Decline in the Paso Basin in Title 22 and Title 19 to be consistent with the recently adopted Paso Robles Subbasin Groundwater Sustainability Plan (GSP) and incorporate a fallowing option into the Agricultural Offset Program.

DISCUSSION

Paso Basin Groundwater Management

The Salinas Valley – Paso Robles Area (Paso Basin) is designated as a high-priority, critically overdrafted groundwater basin by the California Department of Water Resources (DWR). The County participates in management of the Paso Basin through a variety of mechanisms, three of which are:

1. The Paso Robles Subbasin Groundwater Sustainability Plan,
2. The Water Neutral New Development Programs in the Paso Basin, and
3. The Paso Robles Groundwater Basin Planning Area Standards.

Groundwater Sustainability Plan (GSP)

On December 17, 2019, the Board of Supervisors adopted the Paso Robles Subbasin Groundwater Sustainability Plan (GSP) in accordance with the requirements of the Sustainable Groundwater Management Act (SGMA). This document includes the most recent mapping of the basin boundaries and groundwater level contours.

Water Neutral New Development (WNND) Programs

On October 27, 2015, the Board of Supervisors established the following Water Neutral New Development (WNND) Programs in the Paso Basin:

- The Urban/Rural Water Offset and Rebate Programs (Title 19 Building and Construction Ordinance Section 19.07.042); and
- The Agricultural Offset Program (Title 22 Land Use Ordinance Section 22.30.204).

Paso Basin Planning Area Standards

On September 25, 2012, the Board of Supervisors authorized the adoption of planning area standards for the Paso Basin (Section 22.94.025) that require a 2:1 water offset and low-water using landscaping for non-agricultural projects approved through a discretionary land use permit. The planning area standards also prohibit approval of General Plan Amendments that increase water demand and land divisions in the Paso Basin, excluding San Miguel and Shandon and exempting comprehensive Community Plan Updates.

WNND Amendment Phases

On June 18, 2019, the Board of Supervisors authorized amendments to the Water Neutral New Development (WNND) Programs. On November 5, 2019, the Board of Supervisors approved Phase 1 of the WNND amendments and directed staff to bring the remaining amendments that do not require extensive CEQA analysis as Phase 1.5 and to bring amendments that require more extensive CEQA analysis as Phase 2. The phases are summarized below.

Phase 1 (effective December 5, 2019)

- Eliminate off-site agricultural offsets.
- Extend the termination date to January 1, 2022.
- Include a water duty factor for hemp and supplementally irrigated dry cropland.
- Establish a process to determine water duty factors for crops not specified in the ordinance.
- Require a recorded disclosure form instead of a deed restriction.

Phase 1.5 (for review today, see Attachments 1 and 2)

- Update the maps of the Paso Basin and the Area of Severe Decline to be consistent with the Groundwater Sustainability Plan (GSP).
- Create a following registration.

Phase 2 (for review later, pending environmental determination)

For agricultural offsets:

- Expand the definition of the 5 acre-feet per year (AFY) per site one-time exemption to allow 25 AFY per site, considering parcel size.
- Extend the lookback period beyond 5 years.
- Discuss re-allowing off-site offsets.

For non-agricultural (rural/urban) offsets:

- Revisit water offset fees and water usage assumptions.
- Revisit the Paso Basin planning area standards prohibiting land divisions and General Plan Amendments.
- Revisit the 1:1 water offset requirement for the Nipomo Mesa.

WNND Phase 1.5 - Updated Maps

Paso Basin

The existing map of the Paso Basin for the WNND programs (Section 22.30.204) is shown in Figure 1 below. The Paso Basin Planning Area Standards (Section 22.94.025) includes a similar map. This map is based on the 2002 Fugro basin study.

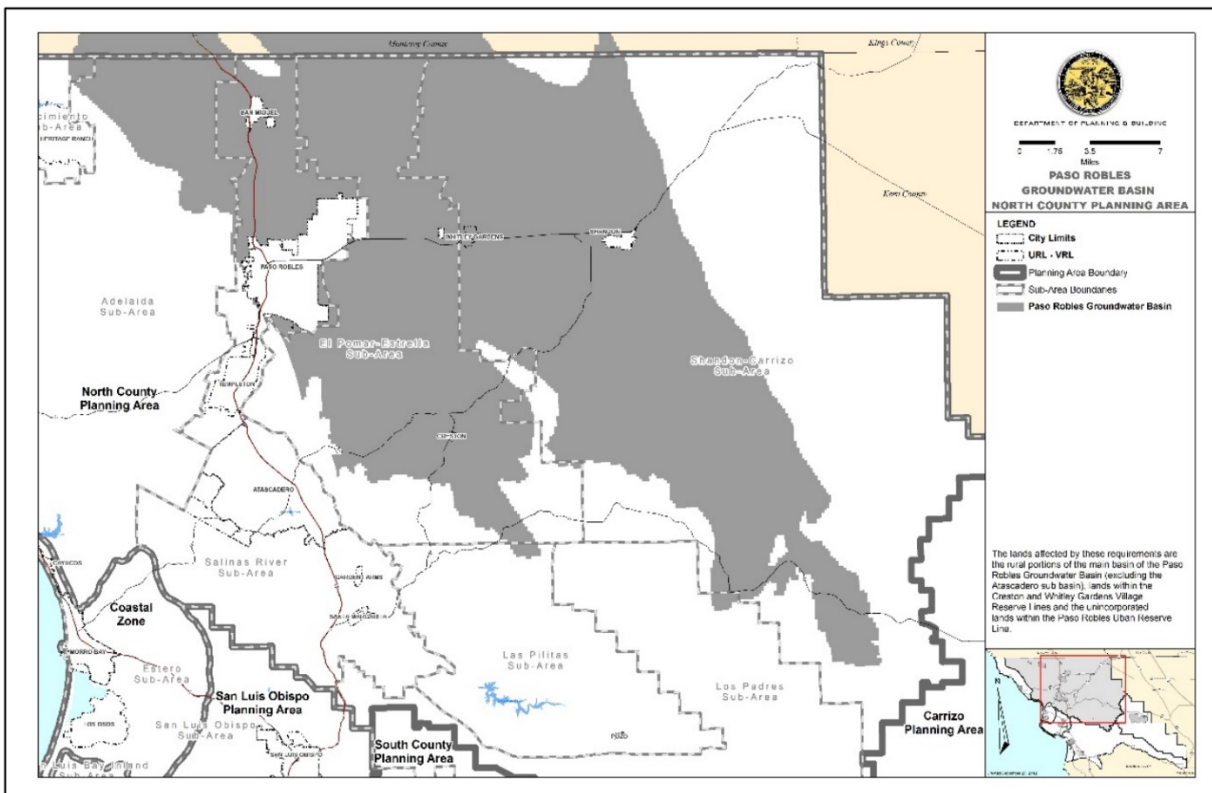


Figure 1: Existing Paso Basin Map

The updated Paso Basin boundary map shown in Figure 2 below is defined by Bulletin 118 for the Salinas Valley – Paso Robles Area from the DWR for the Sustainable Groundwater Management Act (SGMA). This map is consistent with the Paso Robles Subbasin Groundwater Sustainability Plan (GSP) adopted by the Board of Supervisors on December 17, 2019.

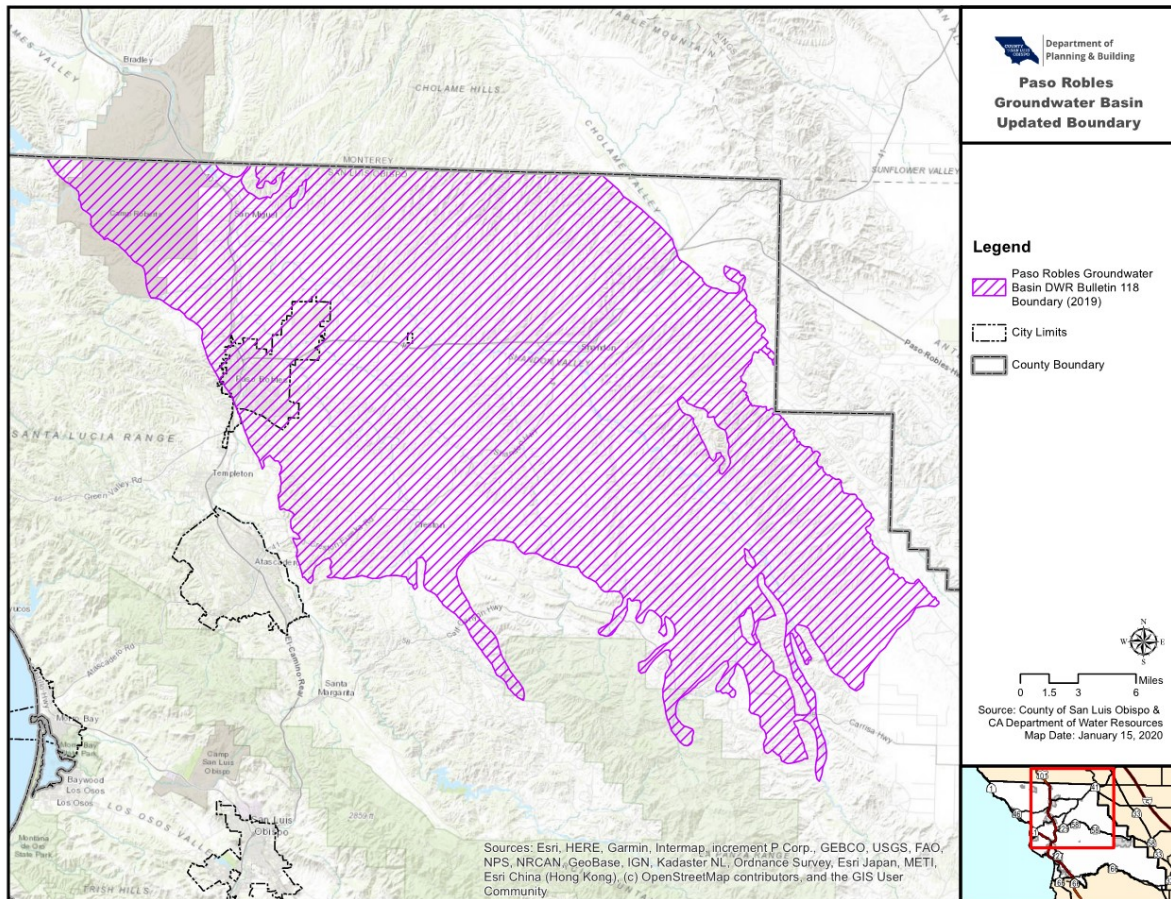


Figure 2: Updated Paso Basin Map

As shown in Figure 3 below, the updated Paso Basin map adds approximately 103,000 acres and removes approximately 12,000 acres from the boundary, for a net increase of about 91,000 acres, primarily in the eastern portion of the basin.

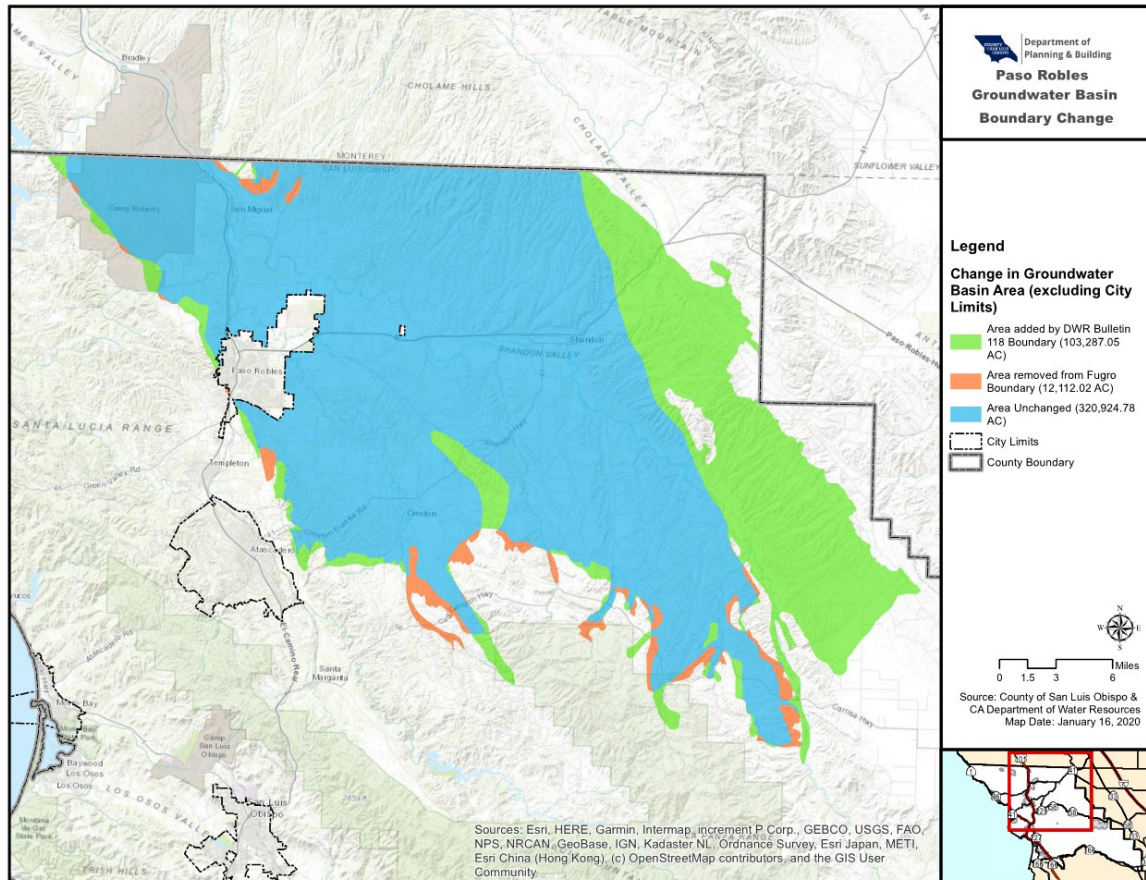


Figure 3: Change in Paso Basin Area

A summary of the differences between the Fugro and Bulletin 118 Paso Basin maps in terms of the number of included acres, properties, and property owners is shown in Table 1 below. With this update, 945 properties (524 owners) that are *not* currently considered to be in the Paso Basin would now be within the basin. 301 properties (244 owners) that *are* currently considered to be in the Paso Basin would be removed. Overall, the changes would be a 27% increase in area, 8% increase in affected properties, and 5% increase in affected property owners.

Table 1: Summary of Changes to the Paso Basin Map

Paso Robles Groundwater Basin			
Change	Area (acres)	Properties	Property Owners
Added	103,287	945	524
Removed	12,112	301	244
Net Change	91,175	644	280
Percent Change	27%	8%	5%

The existing land use within the updated Paso Basin boundary is shown in Figure 4 below, sourced from Figure 3-4 of the GSP. If the proposed ordinance amendments are approved, the areas added to the Paso Basin in the updated map would be subject to the requirements of the WNND Programs and the Paso Basin Planning Area Standards. Nearly all existing irrigated agricultural land in the Paso Basin would be unaffected by the updated basin boundary map. Most of the acres added to the Paso Basin in the updated map are properties in the eastern portion of the basin where the existing land use is native vegetation and rural residential uses without existing irrigated crop production on-site. The Agricultural Offset Ordinance (Section 22.30.204) would prohibit planting new commercial irrigated crops on these properties, (except for a 5 AFY de minimus exemption if the property is not located in the Area of Severe Decline) unless off-site agricultural offsets are re-allowed in the future. Most of the added area is composed of large grazing properties with low residential density that will be minimally impacted by the 1:1 offset requirement for new construction (Section 19.07.042). The Paso Basin Planning Area Standards (Section 22.94.025) would 1) require a 2:1 water offset and low-water using landscaping for projects approved through a discretionary land use permit, and 2) prohibit General Plan Amendments that increase water demand and land divisions in the added areas, excluding San Miguel and Shandon. The Phase 2 WNND Amendments will re-examine the requirements of the 1:1 offset ordinances and the planning area standards.

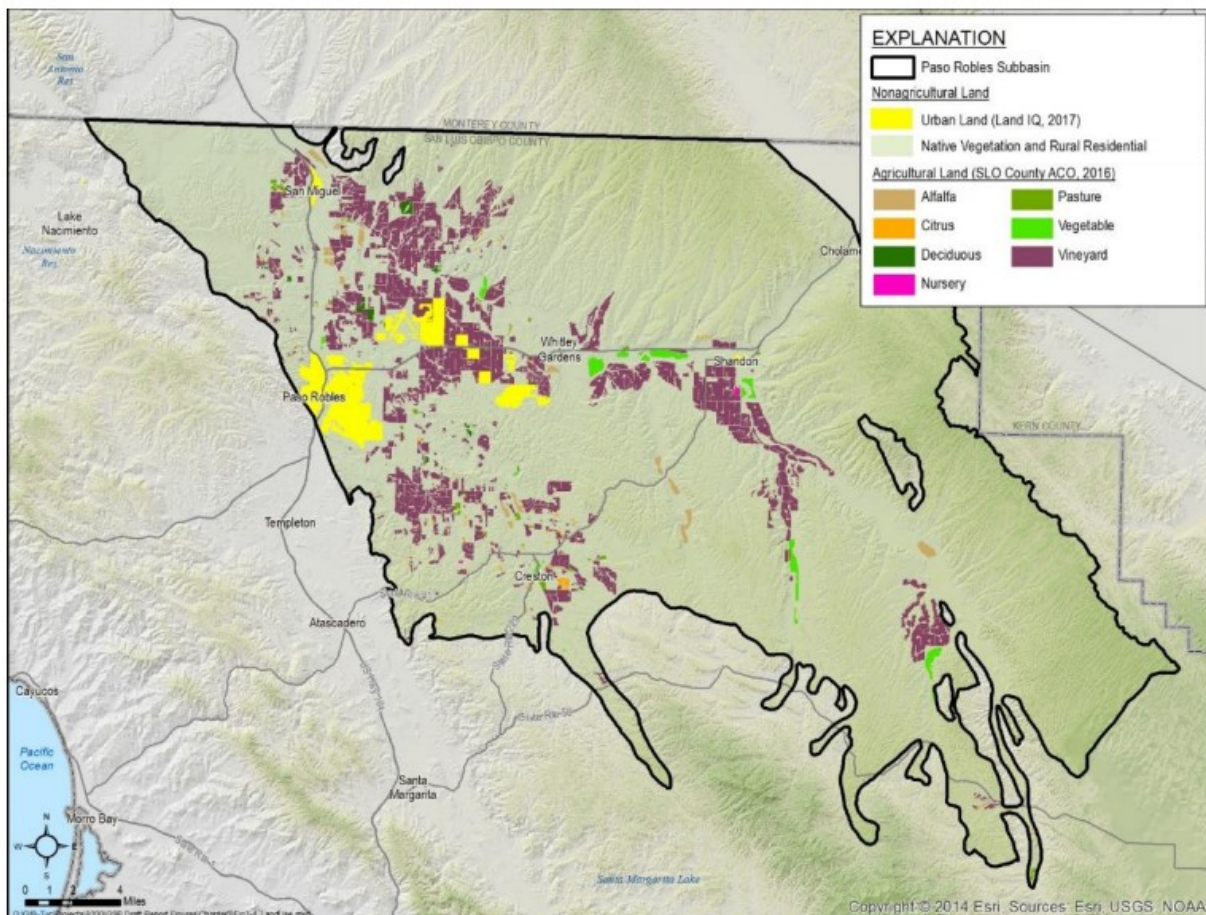


Figure 4: Existing Land Use in the Paso Basin (GSP Figure 3-4)

Area of Severe Decline

The existing Area of Severe Decline map shown in Figure 5 below is based on the 50' contour of the change in groundwater elevation map prepared by GEI Consultants using Spring 1997 - Spring 2013 monitoring data.

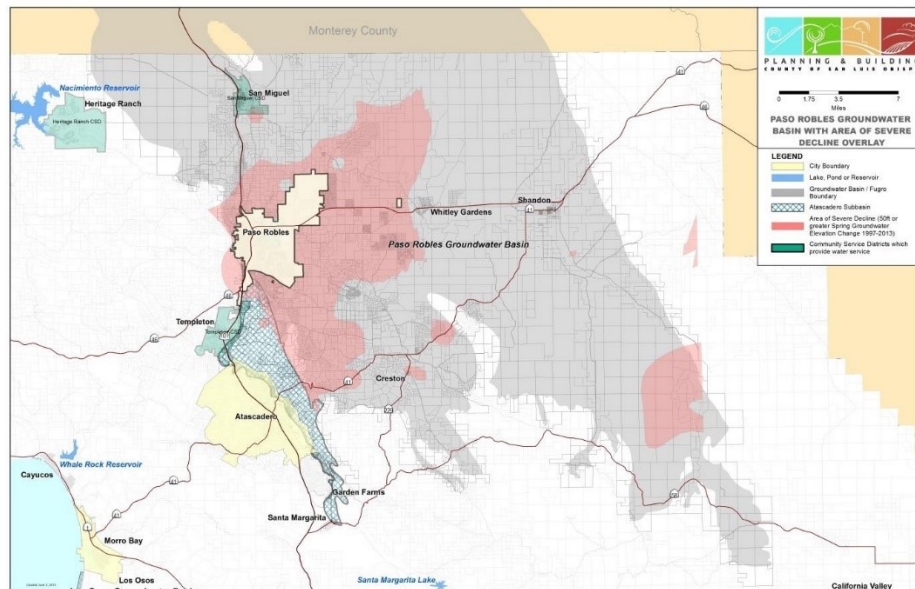


Figure 5: Existing Area of Severe Decline Map

The updated Area of Severe Decline map shown in Figure 6 below is based on the updated change in groundwater elevation map in GSP Figure 5-7, maintaining the 50' change contour as the boundary. The updated map uses monitoring data from Spring 1997 - Spring 2017 and updates to the hydrologic model.

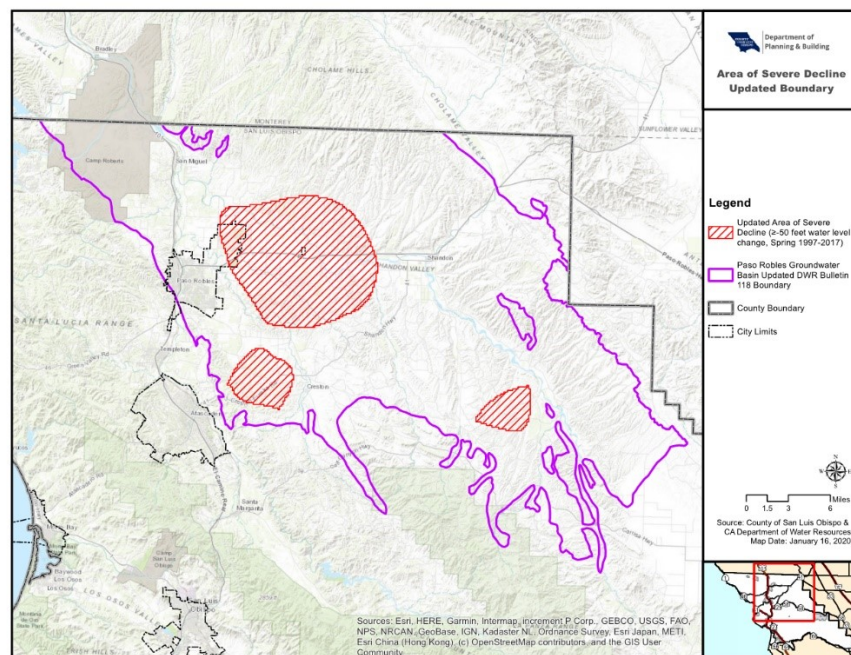


Figure 6: Updated Area of Severe Decline Map

As shown in Figure 7 below, the updated Area of Severe Decline boundary adds over 26,000 acres and removes almost 37,000 acres, for a net decrease of about 10,500 acres. The updated map increases the area of irrigated croplands in the Estrella/Whitley Gardens vicinity east of the City of Paso Robles, removes the spots of land near San Miguel and north of Creston and areas north and south of the City of Paso Robles, expands the area west of Creston, and changes the shape of the boundary near the vineyards along Navarro Creek Road north of Highway 58.

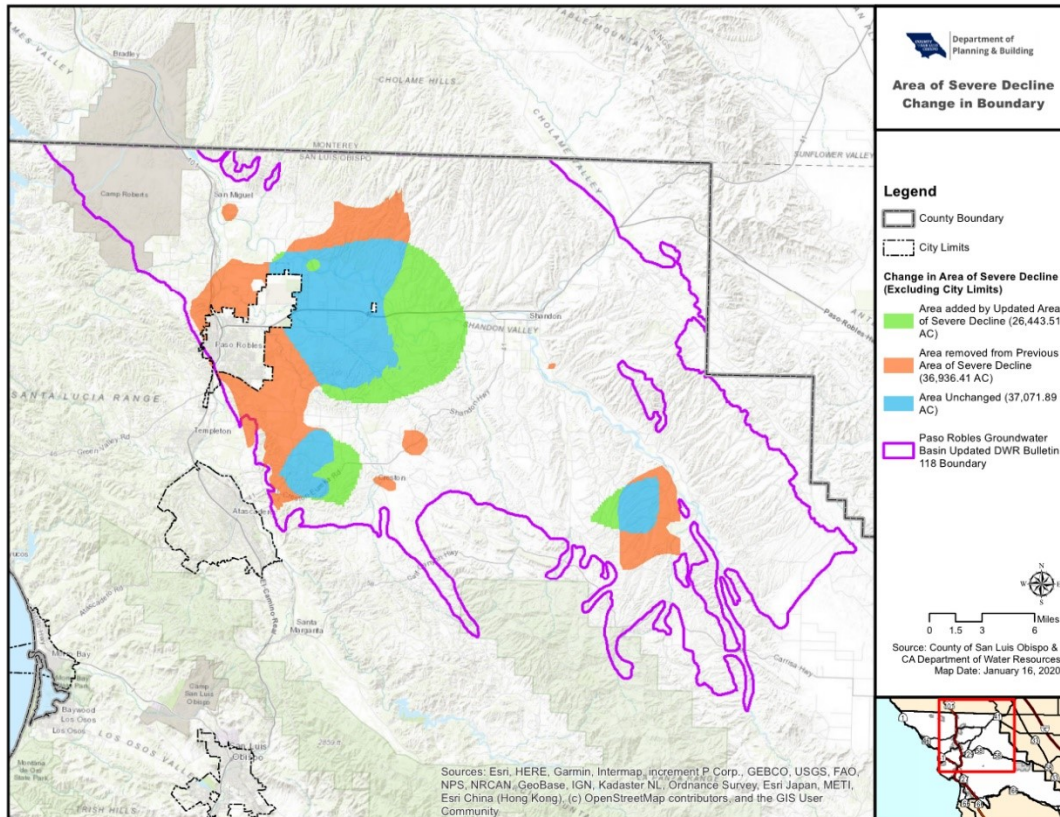


Figure 7: Change in Area of Severe Decline

Table 2 below shows a summary of the changes to the Area of Severe Decline map in terms of the number of acres, properties, and property owners. With this update, 455 properties (300 owners) that are *not* currently considered to be in the Area of Severe Decline would now be within the area. 1,767 properties (1,437 owners) that *are* currently considered to be in the Area of Severe Decline would be removed. Overall, the changes would be a 14% decrease in area, 32% decrease in affected properties, and 34% decrease in affected property owners.

Table 2: Summary of Changes to the Area of Severe Decline Map

Area of Severe Decline			
Change	Area (acres)	Properties	Property Owners
Added	26,443	455	300
Removed	36,936	1,767	1,437
Net Change	-10,493	-1,312	-1,137
Percent Change	-14%	-32%	-34%

The Agricultural Offset Ordinance (Section 22.30.2004) does not allow new commercial irrigated crops to be planted on sites with no existing commercial irrigated crop production within the Area of Severe Decline. The updated map decreases the number of acres and properties subject to this restriction. Based on the existing land uses shown in Figure 4 above, the properties removed from the Area of Severe Decline are a mixture of irrigated croplands, native vegetation (including dry farmed crops), and rural residential use. The added areas are near concentrated vineyard operations in the Estrella/Whitley Gardens vicinity, along Navarro Creek Road north of Highway 58, and the rural area west of Creston. Existing irrigated crop production sites are not affected by the change in the Area of Severe Decline designation. Properties without existing irrigated commercial crop production that are removed from the Area of Severe Decline would qualify for a one-time 5 AFY de minimus exemption when they did not previously. Since the Ag Offset Ordinance was adopted in 2015, only four 5 AFY de minimus applications have been received by the County. Based on this trend, the expansion in areas that qualify for the de minimus exemption is not significant.

WNND Phase 1.5 - Fallowing

The proposed amendments allow applicants for an On-Site Agricultural Offset Clearance to indicate that they are voluntarily fallowing the land or not planting an irrigated crop to postpone the deadline for submitting a proposed planting plan for approval. The Phase 1 WNND Amendments that took effect on December 5, 2019 extended the expiration date for conditionally approved Offset Clearances to the termination date of the ordinance, currently set as January 1st, 2022.

The Agricultural Offset Ordinance is intended to be a temporary management strategy until the GSP is implemented. Chapter 9 of the GSP states:

This GSP calls for the GSAs to promote voluntary fallowing of crop land to reduce overall groundwater demand. For example, the GSAs could develop a Subbasin-wide accounting system that tracks landowners who decide to voluntarily fallow their land and cease groundwater pumping or otherwise refrain from using groundwater. If given the opportunity to create a 'place holder' for their ability to pump under regulations adopted by the GSAs, some property owners currently irrigating crops or that might want to irrigate in the future may choose to forego the expense of farming and extracting water if those rights can be accounted for and protected. A regulation would need to be adopted by the GSAs for the metering and reporting program, and the program could include provisions related to land fallowing.

The specific timing and details of GSP implementation are under development at this time.

ORDINANCE AMENDMENTS

Attachments 1 and 2 show proposed revisions to Title 22 and Title 19 of the County Code. Proposed text marked for deletion has a **strikeout** and the proposed text to be inserted is **underlined**. The proposed revisions are described below:

Amendments to Section 22.30.204 Agricultural Offset Requirements

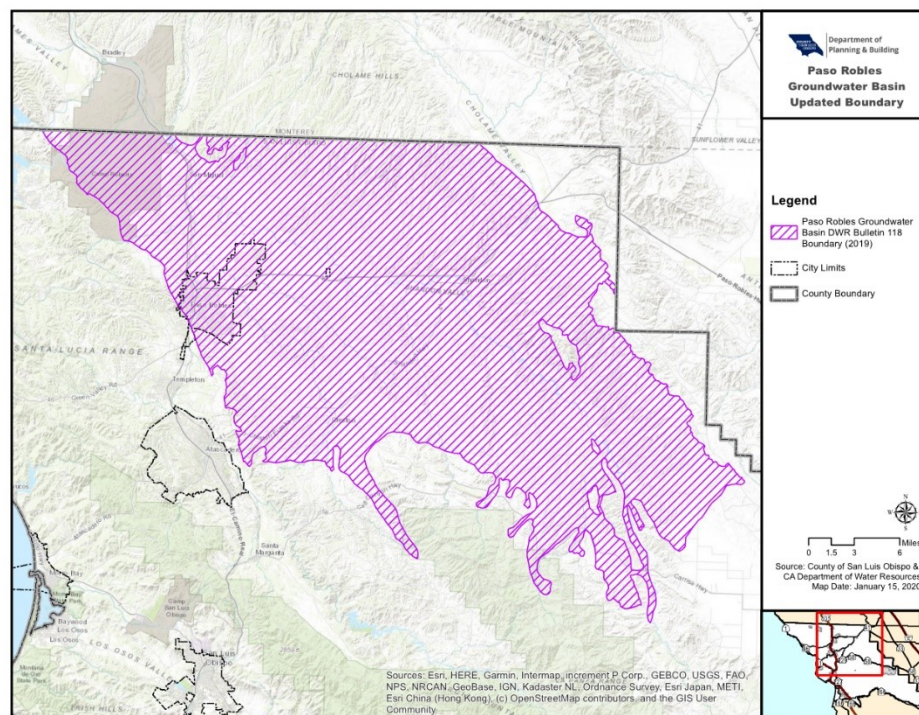
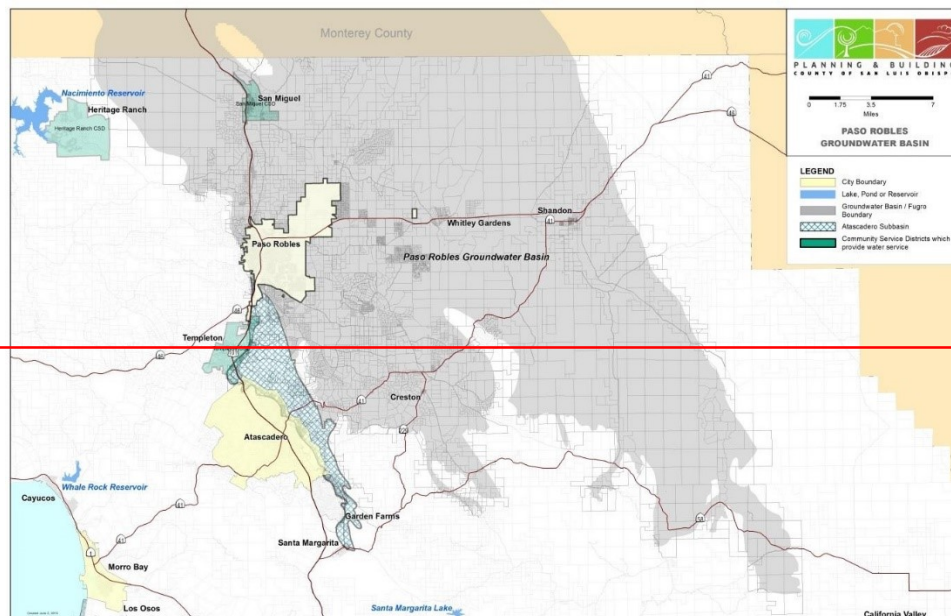


Figure 30-1: Paso Robles Groundwater Basin (Excluding the Atascadero Sub-basin)

Explanation: This change updates the Paso Basin boundary map to be consistent with the GSP.

- A. **Exemptions.** Consideration of an exemption is subject to section 22.30.204 F (Application Contents). The Agricultural Offset Clearance requirements as outlined in this section do not apply to the following activities, unless specified below:
5. For the purpose of new crop production overlying the Paso Robles Groundwater Basin (excluding the Atascadero Sub-basin), as defined by Figure 30-1, sites that do not have any existing crop production and are not within the area of severe decline (50 feet or greater Spring Groundwater Elevation Change 1997-2013³⁷) as shown in Figure 30-2, may be eligible for a one-time only **de minimis** exemption. The one-time only **de minimis** exemption is limited to the establishment of crop production representing a new total of no more than 5.0 AF per year per site. If a one-time only **de minimis** exemption is granted, the resulting crop production cannot be used as a source of Agricultural Offset Clearance credits in any future application.

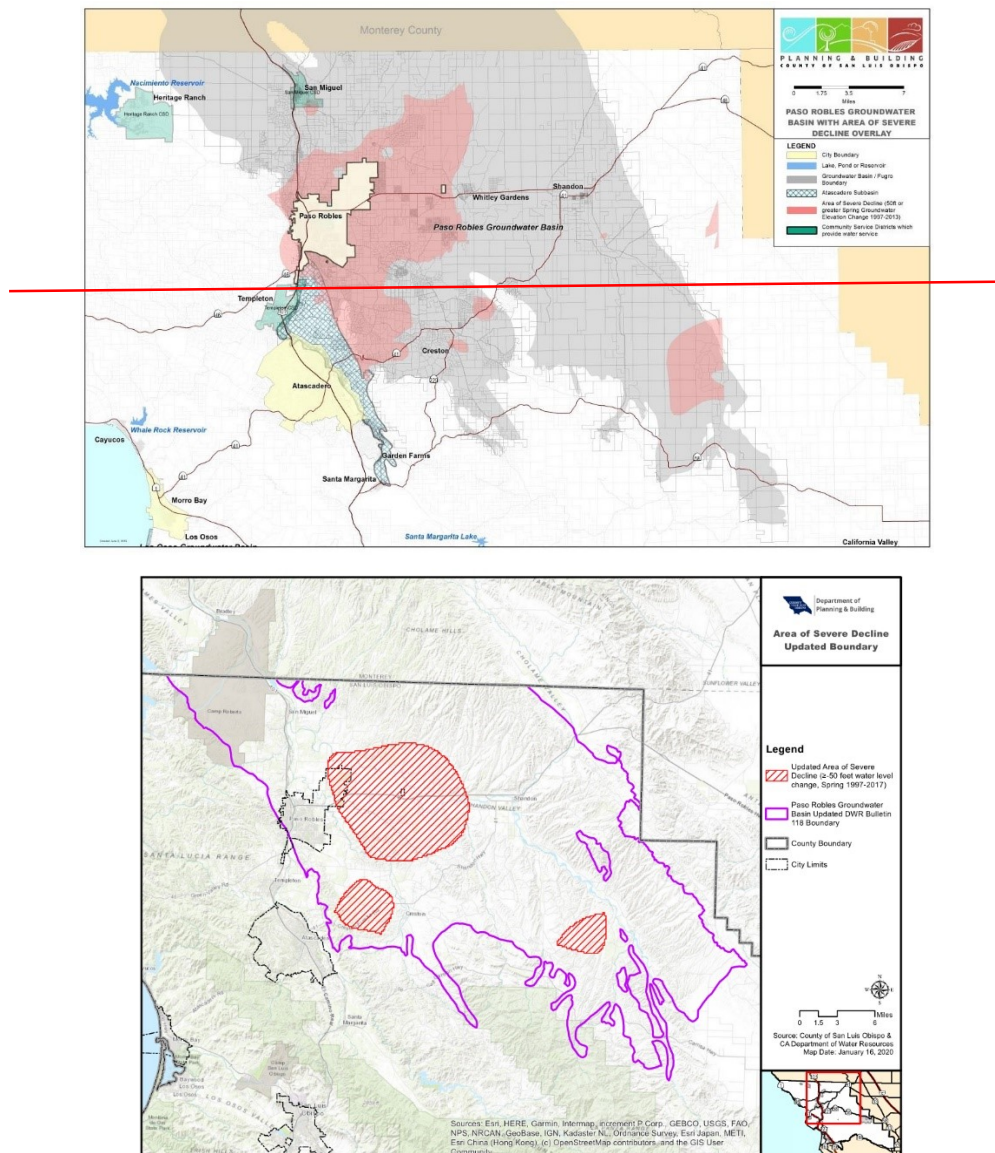


Figure 30-2: Paso Robles Groundwater Basin with Area of Severe Decline

Explanation: These changes update the Area of Severe Decline to be consistent with the GSP and remove the term “de minimis”. The CA Water Code Sec. 10721 defines a “de minimis” groundwater extractor as “a person who extracts, for domestic purposes, two acre-feet or less per year.” Extracting 5 AFY for commercial crop production does not fit within this definition.

F. Application Contents. In addition to meeting the application contents of section 22.62.030 (Zoning Clearance), a request for an Agricultural Offset Clearance shall include all of the following:

1. Vicinity of site(s) participating in the requested Agricultural Offset Clearance, including all parcels currently under crop production, and adjacent parcels with same ownership.
2. Identification of specific locations and acreage of current crop type(s).
3. Identification of specific locations and acreage of proposed crop type(s). The applicant may indicate that they are voluntarily fallowing the land or not planting irrigated crops to receive conditional approval to submit a proposed planting plan at a later date. The conditional approval expires with the termination of this ordinance.
4. A current title report or lot book guarantee for all parcels participating in the requested Agricultural Offset Clearance.

Explanation: This change allows applicants for an On-Site Agricultural Offset Clearance to indicate that they are voluntarily fallowing their land or not planting irrigated crops to allow them to verify their available water credits and receive conditional approval to plant irrigated crops that do not exceed the water demand without having to specify a proposed planting plan when they apply.

Amendments to Section 22.94.025 Paso Basin Planning Area Standards

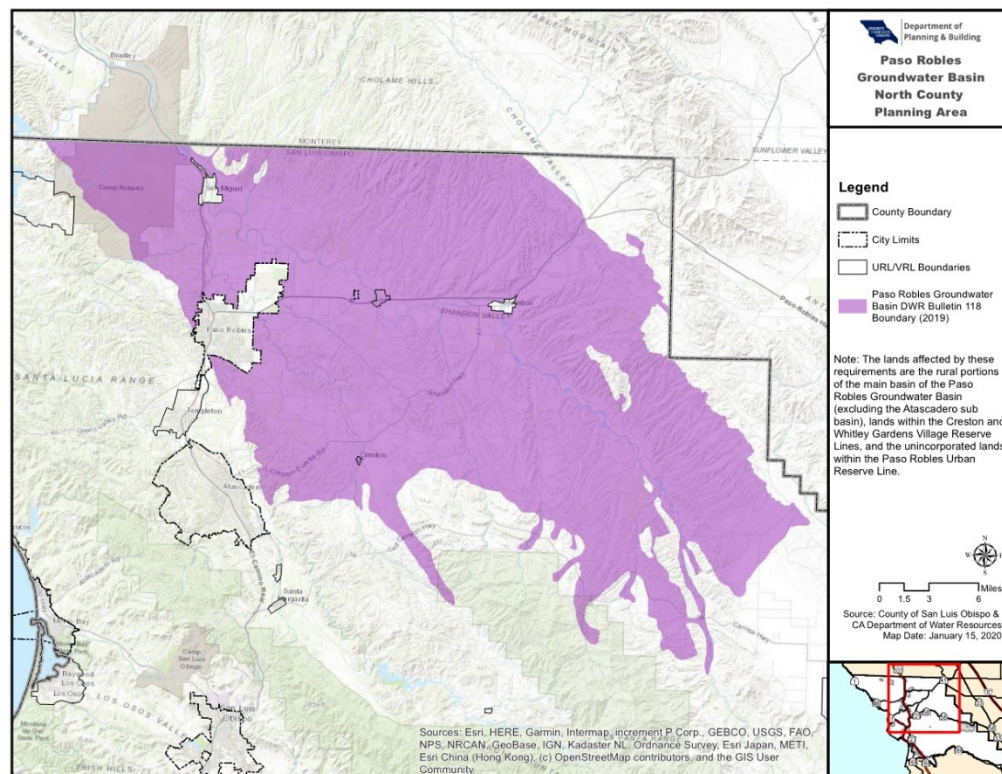
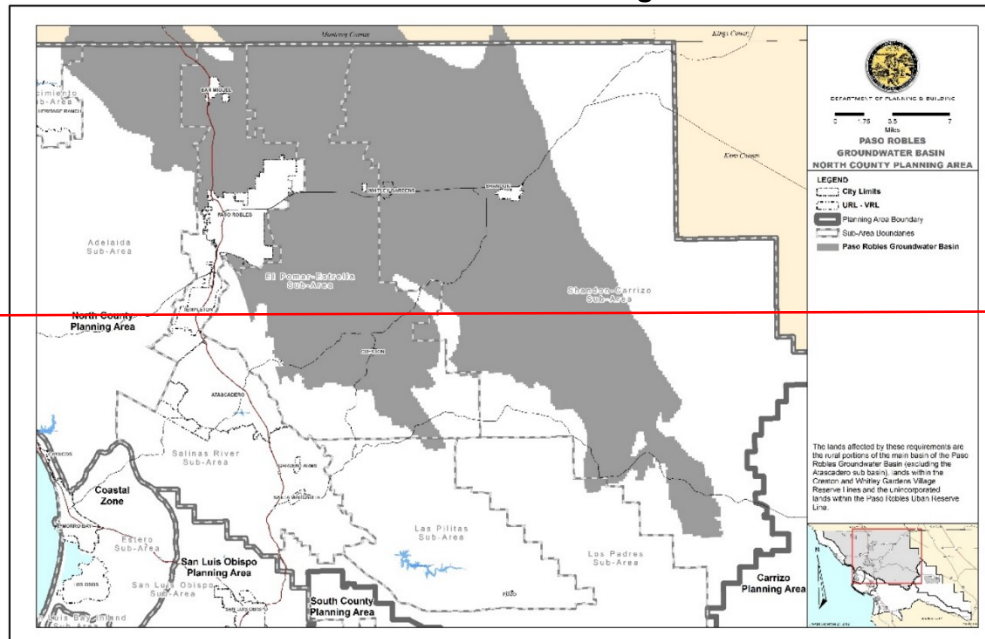


Figure 94-6: Paso Robles Groundwater Basin North County Planning Area

Explanation: These changes update the map of the Paso Basin to be consistent with the GSP, still excluding the San Miguel and Shandon URLs as specified in the original map and clarifies that this map shows the areas affected by the Paso Basin Planning Area Standards.

Amendments to Section 19.07.042 Water Conservation Provisions

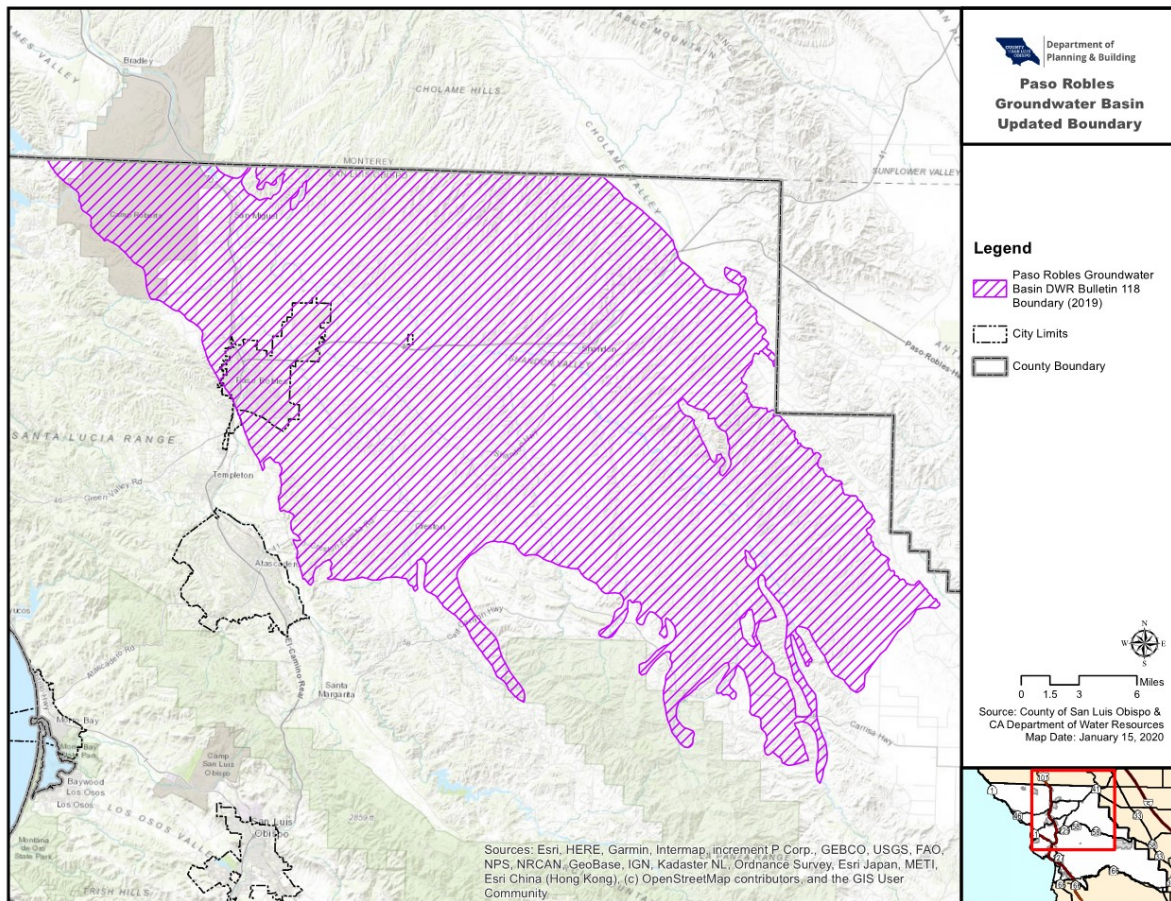


Figure 7-1 – Paso Robles Groundwater Basin (Excluding the Atascadero Sub-basin)

[Map of Nipomo Mesa]

Figure 7-~~12~~ – Nipomo Mesa Water Conservation Area

(5) Los Osos Groundwater Basin: In addition to the requirements in Section 1., 2., and 3. Above, the requirements in subsections (5)a. through (5)j. below shall apply to all new development that uses water from the Los Osos Groundwater Basin shown in Figure 7-~~23~~.

[Map of Los Osos Groundwater Basin]

Figure 7-~~23~~ – Los Osos Groundwater Basin and Prohibition Zone

Explanation: These changes add a map of the Paso Basin with the Bulletin 118 boundary to this section of Title 19 to clarify the areas subject to the water conservation provisions for the Paso Basin and update the figure numbers and references for the following maps in the section. Previously, this section did not include a map of the Paso Basin, although one is referenced.

CEQA REVIEW

An addendum to the Supplemental Environmental Impact Report (SEIR) (SCH 2014081056) certified for the Countywide Water Conservation Program in 2015 was prepared in accordance with the applicable provisions of the California Environmental Quality Act, Public Resources Code Section 21000 et. seq. for the proposed changes to the WNND ordinances (Sections 19.07.042 and 22.30.204).

A Class 8 Categorical Exemption is proposed for the amendments to the Paso Robles Groundwater Basin Planning Area Standards (Section 22.94.025).

AGENCY REVIEW

The Department of Public Works, the Department of Agriculture/Weights and Measures, and County Counsel have reviewed and approved the proposed ordinance changes.

ATTACHMENTS

1. Proposed Ordinance (Redline Version)
2. Proposed Ordinance (Clean Version)
3. Addendum to SEIR
4. Notice of Exemption

**ADDENDUM TO THE CERTIFIED FINAL SUPPLEMENTAL ENVIRONMENTAL
IMPACT REPORT FOR THE COUNTYWIDE WATER CONSERVATION
PROGRAM
February 2020**

A. INTRODUCTION

This document is an Addendum to the Final Supplemental Environmental Impact Report (FSEIR) prepared for the Countywide Water Conservation Program (State Clearinghouse Number 2014081056). The FSEIR was certified by the County of San Luis Obispo on October 27, 2015, pursuant to County Board of Supervisors Resolution No. 2015-288. The Addendum is intended to bring the existing CEQA documentation up to date as appropriate. Because there are no new significant impacts or mitigation measures as a result of this updated analysis, an Addendum is the appropriate CEQA document.

B. ADDENDUM REQUIREMENTS

The Addendum has been prepared in accordance with the relevant provisions of the California Environmental Quality Act (CEQA) of 1970 (as amended) and the State CEQA Guidelines as implemented by the SSLOCD. According to §15164(b) of the State CEQA Guidelines, an Addendum to an Environmental Impact Report (EIR) is the appropriate environmental document in instances when “only minor technical changes or additions are necessary or none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR have occurred”. Section 15162(a) of the State CEQA Guidelines states that no subsequent Negative Declaration shall be prepared for a project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

(1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;

(2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

(3) New information of substantial importance, which was not known and could

not have been known with the exercise of reasonable diligence at the time the previous EIR or Negative Declaration was adopted, shows any of the following:

- (A) The project will have one or more significant effects not discussed in the previous EIR or Negative Declaration;*
- (B) Significant effects previously examined will be substantially more severe than shown in the previous EIR or Negative Declaration;*
- (C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or*
- (D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR or Negative Declaration would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.*

This Addendum does not require circulation because it does not provide significant new information that changes the certified FSEIR in a way that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect.

This Addendum includes this introduction and a description of the proposed actions addressed in the Addendum as they related to the previously-approved project.

The Board of Supervisors shall consider this Addendum to the Final Supplemental EIR as part of the approval of the updated project.

C. PREVIOUS CEQA DOCUMENTATION

The County Board of Supervisors unanimously certified a Final Supplemental EIR and approved the project on October 27, 2015, pursuant to County Board of Supervisors Resolution No. 2015-288. A Notice of Determination (NOD) was prepared, and there were no legal challenges to the adequacy of the Final Supplemental EIR during the 30-day statute of limitations associated with the NOD, pursuant to CEQA (PRC Section 21167 and CEQA Guidelines Section 15094).

D. REASONS WHY AN ADDENDUM IS APPROPRIATE

Subsequent to the approval of the Countywide Water Conservation Program in October 2015, the County Board of Supervisors directed staff to draft an ordinance updating the maps of the Paso Robles Groundwater Basin (Paso Basin) and the Area of Severe Decline to be consistent with the maps of the Groundwater Sustainability Plan and amending the Agricultural Offset Ordinance to incorporate a fallowing registration. This Addendum incorporates the additional analysis for inclusion in the environmental record. The updated analysis does not materially change the findings and conclusions of the FSEIR, making a Subsequent EIR unnecessary pursuant to Section 15162 of the CEQA guidelines.

E. UPDATED PROJECT ELEMENTS

The updated project description includes a fallowing registry that was not included in the certified Final Supplemental EIR. The updated maps of the Paso Basin and the Area of Severe Decline are shown in Figures 1 and 2 below.

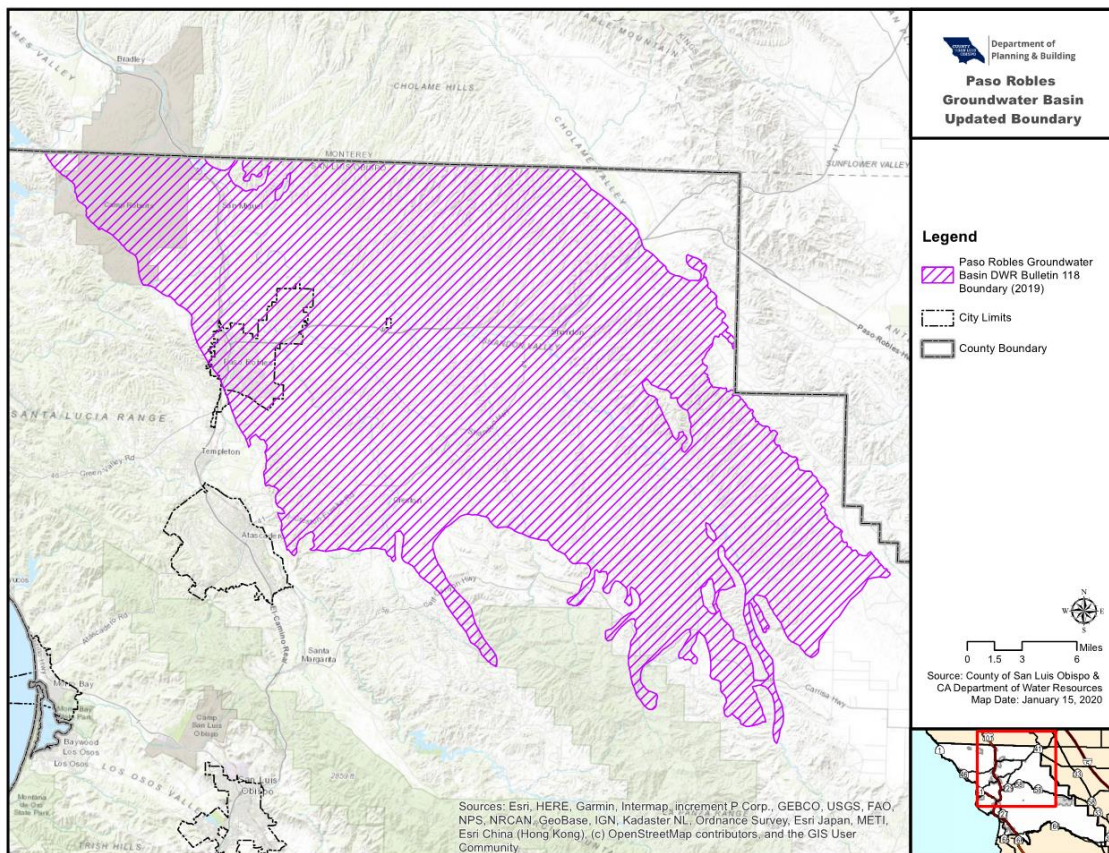


Figure 1: Updated Paso Basin Map

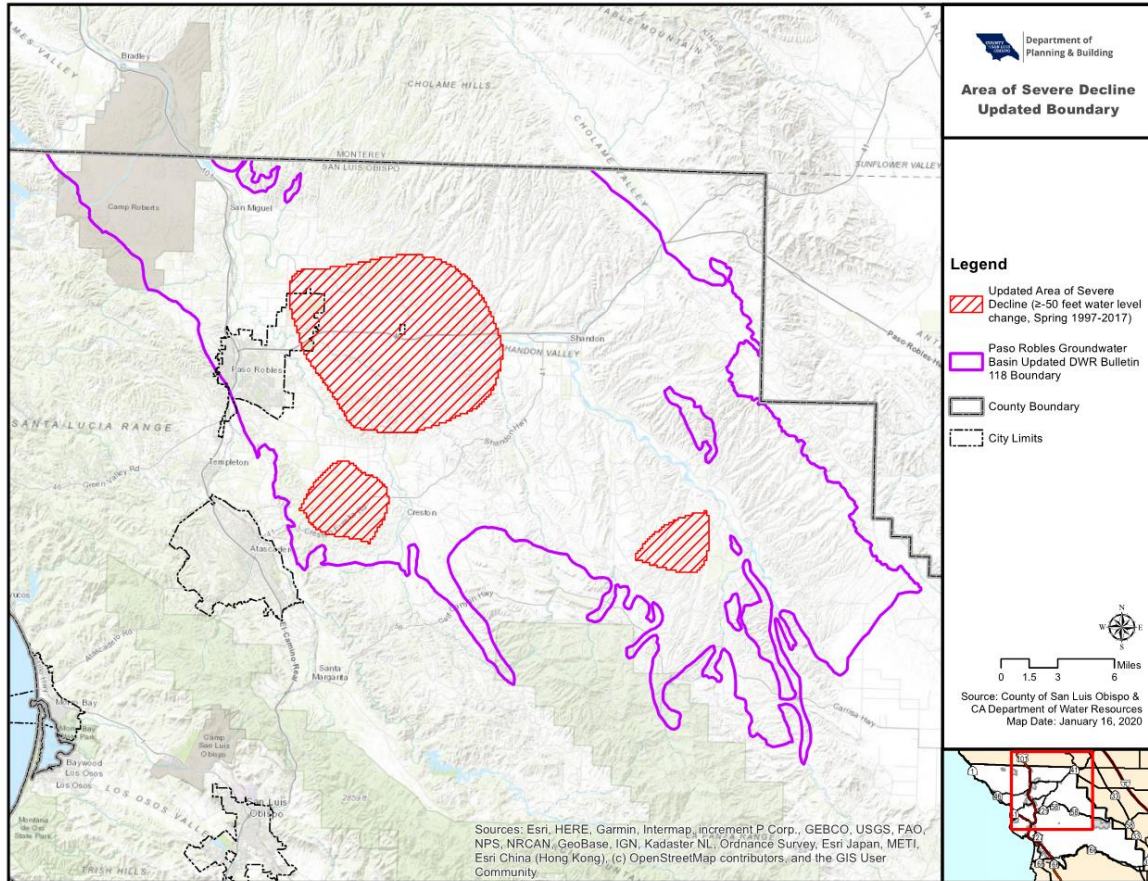


Figure 2: Updated Area of Severe Decline Map

The changes in the Paso Basin map are shown in Table 1 and Figure 3 below.

Table 1: Summary of Changes to the Paso Basin Map

Change	Area (acres)	Properties	Property Owners
Added	103,287	945	524
Removed	12,112	301	244
Net Change	91,175	644	280
Percent Change	27%	8%	5%

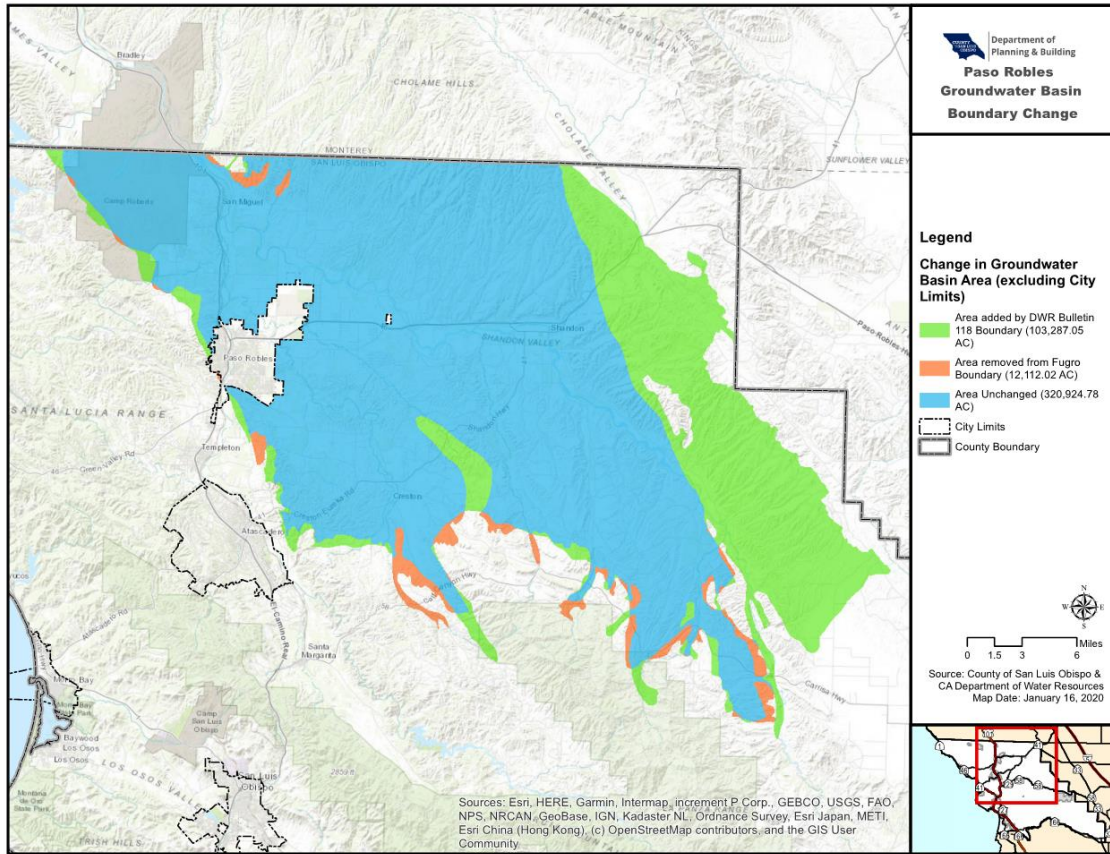


Figure 3: Change in Paso Basin Area

The changes in the Area of Severe Decline map is shown in Table 2 and Figure 4 below.

Table 2: Summary of Changes to the Area of Severe Decline Map

Area of Severe Decline			
Change	Area (acres)	Properties	Property Owners
Added	26,443	455	300
Removed	36,936	1,767	1,437
Net Change	-10,493	-1,312	-1,137
Percent Change	-14%	-32%	-34%

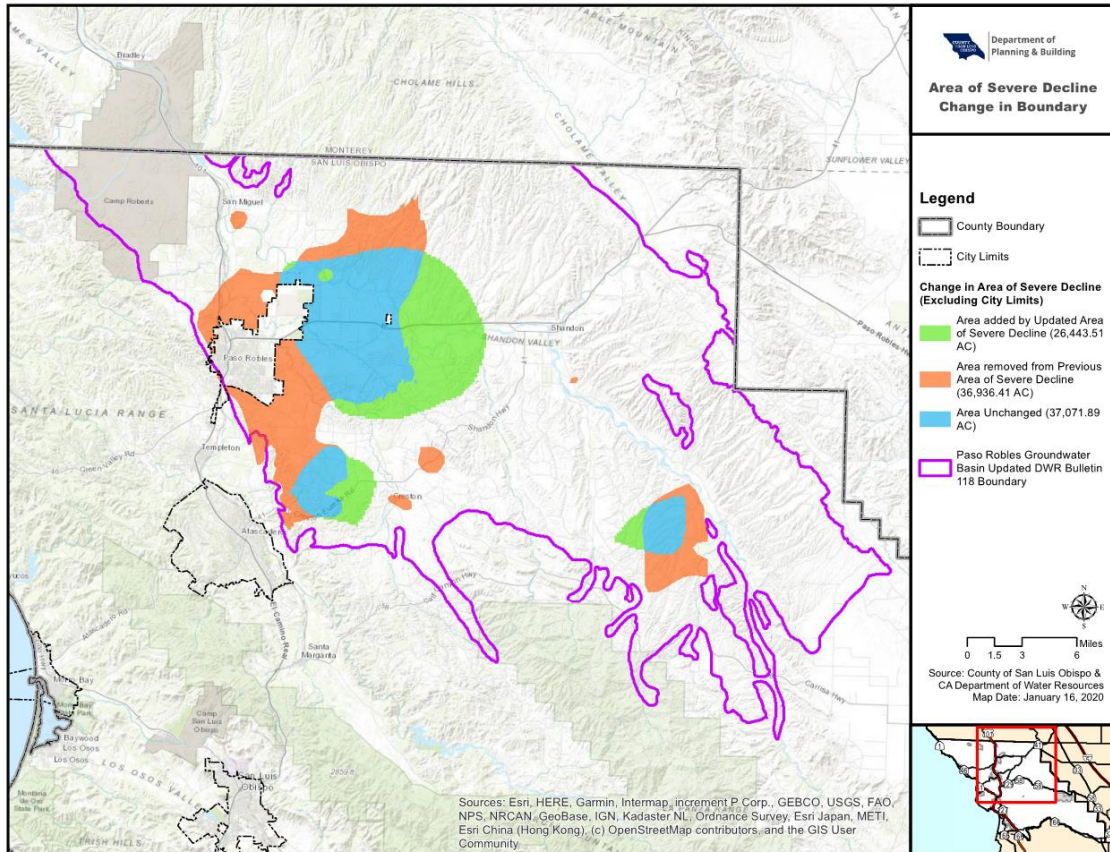


Figure 4: Change in Area of Severe Decline

F. UPDATED ENVIRONMENTAL IMPACT ANALYSIS

The updated Paso Basin map increases the area subject to the WNND Programs by 27% (91,175 acres) but only increases the number of affected property owners by 5%. Most of this added area is composed of large grazing properties with low residential density that will be minimally impacted by the 1:1 offset requirement for new construction. Most of these properties do not have existing irrigated crop production on-site. The Agricultural Offset Program would prohibit planting new commercial irrigated crops on these properties, except for a one-time 5 acre-feet per year (AFY) per site exemption if the property is not located in the Area of Severe Decline without existing irrigation, unless off-site agricultural offsets are re-allowed in the future.

The updated Area of Severe Decline map adds over 26,000 acres and removes almost 37,000 acres, for a net decrease of about 10,500 acres. The properties removed from the Area of Severe Decline are a mixture of irrigated croplands, native vegetation (including dry farmed crops), and rural residential. The added areas are near concentrated vineyard operations in the Estrella/Whitley Gardens vicinity, along Navarro Creek Road north of Highway 58, and the rural area west of Creston. Existing irrigated crop production sites are not affected by the change in the Area of Severe Decline designation. Properties

without existing irrigated commercial crop production that are removed from the Area of Severe Decline qualify for a one-time 5 AFY per site exemption when they did not previously. Since the Ag Offset Ordinance was adopted in 2015, only four 5 AFY exemption applications have been received by the County. Based on this trend, the expansion in areas that qualify for the 5 AFY exemption is not significant in terms of environmental impacts.

The fallowing registration incorporated in the amendment to the Agricultural Offset Program allows farmers the flexibility to stop irrigating without losing the ability to generate water credits to plant new irrigated crops of the same or less water demand in the future. The environmental impact analysis in the certified FSEIR acknowledged that the Agricultural Offset Program could result in the fallowing of agricultural fields. The area of land that could potentially be fallowed does not change by adding a fallowing registration to the Agricultural Offset Program.

The updated maps and inclusion of a fallowing registration does not change the findings or conclusions of the October 15, 2015 Final Supplemental Environmental Impact Report for the Countywide Water Conservation Program (SCH# 2014081056).

G. DETERMINATION

In accordance with Section 15164 of the CEQA Guidelines, the County of San Luis Obispo (County) has determined that this Addendum to the certified FSEIR is necessary to document changes or additions that have occurred in the project description since the FSEIR was originally certified. The County has reviewed and considered the information contained in this Addendum and finds that the preparation of subsequent CEQA analysis that would require public circulation is not necessary.