

Exhibit H

City of Paso Robles Notice of Exemption

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From: City of Paso Robles
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County Clerk
County of San Luis Obispo
County Government Center
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File

Project Title: Montage Condos (PD24-07, MOD25-09, OTR25-04, Tentative Tract Map 3254, P24-0100)

Project Applicant: Stephen Ross representing Montage Development, Inc.

Project Location – Specific: 420 Creston Road, APN 009-541-010 and 009-541-011

Project Location - City: Paso Robles **Project Location - County:** San Luis Obispo

Project Description: The project is a Development Plan for 24 residential condos including one unit deed restricted for a very-low income household. The project also includes a request for a fence height modification, a permit to remove 10 oak trees, and a 1-lot tract map for condominium purposes.

Name of Public Agency Approving Project: City of Paso Robles

Name of Person or Agency Carrying Out Project: Montage Development, Inc.

Exempt Status:

- Ministerial (Sec 21080(b)(1); 15268);
- Declared Emergency (Sec 21080(b)(3); 15269(a));
- Emergency Project (Sec 21080(b)(4); 15269(b)(c));
- Categorical Exemption. Class 32, Infill Development; CEQA Guidelines Section 15332
- Statutory Exemptions. State code number:

Reasons why project is exempt: The project meets all requirements of a class 32 exemption and does not meet any exception to a categorical exemption.

Consistent with CEQA Guidelines Section 15300.2, the project does not meet any of the exceptions to a categorical exemption:

- a. *Location. Classes 3, 4, 5, 6, and 11 are qualified by consideration of where the project is to be located – a project that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. Therefore, these classes are considered to apply all instances, except where the project may impact on an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies.*

The project qualifies for a Class 32 exemption and avoids the oak woodland and seasonal creek at the southern edge of the property. There are no resources of hazardous or critical concern designated or mapped on the property

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- b. *Cumulative Impact. All exemptions for these classes are inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant.*

The cumulative impact of residential development in the City is mitigated through the payment of development impact fees that address demands on the City's transportation, fire, police, and recreation infrastructure. In addition, the project is required to annex into the City's Community Facilities District 2005-1 to address its ongoing impact on fire, police, and recreation services. The impacts of the build out of the City of Paso Robles were analyzed and mitigated to the maximum extent possible by the EIR of the 2003 General Plan Update. The general plan anticipated development of the site for multi-family development.

- c. *Significant Effect. A categorical exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.*

There are no unusual circumstances relevant to the impacts of the project, which is designed to avoid biological resources associated with the seasonal creek and related oak woodland at the southern edge of the property.

- d. *Scenic Highways. A categorical exemption shall not be used for a project which may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway. This does not apply to improvements which are required as mitigation by an adopted negative declaration or certified EIR.*

The site is not within or adjacent to a scenic highway.

- e. *Hazardous Waste Sites. A categorical exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code.*

No hazardous sites are listed within 1,000 feet of the project in the Department of Toxic Control's EnviroStor database.

- f. *Historical Resources. A categorical exemption shall not be used for a project which may cause a substantial adverse change in the significance of a historical resource.*

No historical resources are located on the property, which is undeveloped but disturbed. Aerial photographs from 1941 show the site was partially developed with a single-family residence near Creston Road at that time. In 1971, the site was partially developed with two single-family residences near Creston Road.

Consistent with CEQA Guidelines Section 15332, the project is categorically exempt from CEQA as an infill development because:

- a. *The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.*

The property has a General Plan land use category of Residential Multiple Family, Low Density 8 units per acre (RMF-8). The purposes of the RMF-8 category include providing low density multi-family developments where each building has only 2-3 units; permitting clustered housing in environmentally sensitive areas; and providing housing in close proximity to schools, shopping and other services including public transit. Each building has 2 units, which are clustered on the flatter portion of the site and away from an unnamed seasonal creek and oak woodland on the southern edge of the property. The site is located near schools and shopping centers. Creston Road is an arterial road. The site is on the City's transit route that runs hourly on Creston Road in

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each direction. The site is zoned R2, which corresponds with the RMF-8 land use category. Consistent with both the general plan and zoning ordinance, steeply sloping and oak-covered areas of the lot are excluded from the developable area of the site. The developable area is 3.1 acres and has an average slope of 9.8%. The maximum site density is 6.5 units per acre due to the slope. Twenty units are allowed on the site by right. A state density bonus of 4 units (total of 24 residential density units) is allowed in exchange for the applicant deed-restricting 1 unit for a very-low income household.

Land Use Element Policy LU2I is to “[e]ncourage infill development as a means of accommodating growth, while preserving open space areas, reducing vehicle miles traveled, and enhancing livability/quality of life.” The project would fill a vacant lot along the second most traveled arterial street in the City without impacting the adjacent oak woodland and seasonal creek.

- b. The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.*

The property is within the City, is 4.32 acres in size and is surrounded on all sides by developed sites including Creston Road to the north, Ferro Road to the east, and Capitol Hill Road to the west. The project avoids any impact to the seasonal creek at the southern property line. No jurisdictional permits from state or federal agencies are required to accomplish the project.

- c. The project site has no value as habitat for endangered, rare or threatened species.*

The project includes removal of 10 native oak trees on the site (7 of which are in poor or very poor condition) but avoids a seasonal creek at the southern edge of the property, which connects with the Salinas River approximately 500 feet west of the site. The project also avoids impacting a relatively intact oak woodland surrounding the drainage, which has limited value as habitat and as a local wildlife corridor.

- d. Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.*

The project is 24 residential units. The traffic impact study prepared for the project indicates “the Project would generate 160 average daily trips (ADT), 10 AM peak hour trips and 12 PM peak hour trips.” The expected trips are below the threshold of significance for traffic impacts established by City policy. In addition, the proposed project is expected to have a less than significant impact on vehicle miles traveled (VMT).

The project is residential in character. The development will be subject to the City’s Noise Ordinance; no significant noise effects are anticipated.

The San Luis Obispo County Air Pollution Control District has determined that a low-rise apartment project operational in 2027 would need to include more than 88 units to have a significant greenhouse-gas impact and more than 192 units to have a significant ozone-precursor impact (CEQA Air Quality Handbook, 2023). A 24-unit project falls below the thresholds of significance for all air quality metrics of concern in the region.

The project will be required to comply with the Central Coast Regional Water Quality Control Board Post-Construction Stormwater Requirements, which will result in a project that does not have significant impact on water quality.

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e. *The site can be adequately served by all required utilities and public services.*

Water, sewer, electrical, and gas services are available to the site. The General Plan anticipates its development, and public utilities and services (including water, sewer, and solid waste) are designed to accommodate build-out of the General Plan.

Lead Agency Contact Person: Katie Banister
Associate Planner

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Signature: Katie Banister

Date: February 4, 2026

Signed by Lead Agency

Date received for filing at OPR:

Signature: _____ Date: _____ Title: _____

Date received for filing at OPR: _____

Authority cited: Sections 21083 and 21110, Public Resources Code

Reference: Sections 21108, 21152, and 21152.1, Public Resources Code