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RESOLUTION 26-XXX(B)

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES APPROVING THE ALLOCATION OF 154 GENERAL PLAN SURPLUS DENSITY UNITS TO PARCEL 025-362-050

WHEREAS, Covelop, Inc. & MD3 Investments (“applicant”) have applied for entitlements for a 154-unit residential subdivision (“Project”) on a +/- 12.98-acre property located at 2930 Union Road, Lots 6 & 13 of APN 025-362-050; and

WHEREAS, the entitlements associated with the Project request include a Zoning Code Amendment (“RZN 25-03) requesting an amendment to the Zoning Map and Zoning Code to revise the designation of the subject property to include the addition of a Mixed-Use (“MU”) Overlay and a Special Planned Development (“SPD”) Overlay (“Overlay K”), Planned Development 25-14 (“PD25-14”), Modification 26-04 (“MOD26-04”), Conditional Use Permit 25-05 (“CUP25-05”), Vesting Tentative Tract Map 3255 (“VTM 3255”), and Oak Tree Removal 25-09 (“OTR 25-09”); and

WHEREAS, the General Plan designation is Commercial Service (CS) and the zoning designation is Commercial/ Light Industrial with a Planned Development Overlay and special district “F” overlay (C3-PD, District “F” Overlay). This zoning does not allow residential uses by-right; and

WHEREAS, the applicant is proposing a rezone of the property to include the Mixed-Use (“MU”) Overlay zoning designation, which would allow the property to be developed with residential uses; and

WHEREAS, in addition to the rezoning request for the MU Overlay, the project will require an allocation of 154 surplus density units; and

WHEREAS, in 2020, as part of the City’s Housing Element update, the City Council adopted amendments to the Zoning Code related to fractional density units, which collectively raised the number of dwelling units that could be built within the 44,000-population planning threshold by 345 surplus units. These units are referred to as Cycle 2 Surplus Density Units; and

WHEREAS, on November 4, 2025, the City Council approved Resolution 25-124 for the Project, which reserved 154 General Plan Surplus Density Units from the Cycle 2 Surplus Density Units Pool; and

WHEREAS, there are currently 246 surplus density units that have yet to be formally allocated from the Cycle 2 Surplus Density Units; and

WHEREAS, on February 20, 2024, the City adopted a Mitigated Negative Declaration (MND) (SCH No. 2023090132) (2024 MND) for a commercial/industrial project (“Covelop”) consisting of 240,000 square feet of floor area spanning six buildings for this project site (Planned Development 22-20, Conditional Use Permit 22-20, Vesting Tentative Parcel Map 22-0054, Oak Tree Removal 23-11). As lead agency, and as part of the City’s due diligence, the City required a supplemental Noise Analysis, supplemental Arborist Report, and supplemental Air Quality and Greenhouse Gas Emissions Analysis to determine if the proposed Project would result in any new or more severe significant effects not identified in the original MND. Based on these studies, and a full analysis of the scope of the Project, and the previously adopted 2024 MND, none of the criteria specified in CEQA Guidelines section 15162 requiring a subsequent or supplemental environmental document to be prepared is triggered. In particular, there have been no: (1) substantial changes in the project that will require major revisions to the previous MND due to the involvement of new significant environmental effects or a substantial increase in the

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severity of previously identified significant effect; (2) substantial changes with respect to the circumstances under which the Project is undertaken that will require major revisions to the previous MND due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effect; and (3) new information of substantial importance that was not known and could not have been known at the time the previous MND was adopted that shows: (a) the Project would have significant effects not discussed in the previous MND; (b) the Project would have more severe environmental effects; or (4) mitigation measures previously found to be infeasible or new mitigation measures now exist and would be feasible and would reduce significant effects. Therefore, an addendum is the appropriate document under CEQA to analyze the consistency of the Project with the type and intensity of development previously analyzed for the site in the MND as provided for in CEQA Guidelines section 15162 and 15164; and

WHEREAS, a public hearing was conducted by the Planning Commission on March 24, 2026 to consider the request, and to accept public testimony on the allocation of surplus density units.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. All of the above recitals are true and correct and incorporated herein by reference.

Section 2. Based on the substantial evidence set forth in the record, including but not limited to, the 2024 MND, the Addendum, and all related information presented to the City Council, the City Council finds that the Project necessitates only minor modifications to the 2024 MND. Therefore, pursuant to State CEQA section 15164, an Addendum to the 2024 MND is the appropriate document for the Project.

The City Council further finds that the preparation of a subsequent or supplemental MND or EIR is not required for the Project because the Project:

A. will not result in substantial changes that would require major revisions of the 2024 MND due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; and

B. will not result in substantial changes with respect to the circumstances under which the Project is developed that would require major revisions of the 2024 MND due to the involvement of new significant environmental effects or a substantial increase in the severity of the previously identified significant effects; and

C. does not present new information of substantial importance that was not known and could not have been known with the exercise of reasonable diligence at the time the 2024 MND documents were certified showing any of the following:

- (i) the Project would have one or more significant effects not discussed in the 2024 MND;
- (ii) that significant effects previously examined would be substantially more severe than shown in the 2024 MND;
- (iii) that mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects, but the lead agency declined to adopt such measures; and

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(iv) that mitigation measures or alternatives considerably different from those analyzed would substantially reduce one or more significant effects on the environment, but which the lead agency declined to adopt.

Section 3. Having considered the Addendum, the administrative record, the 2024 MND and all written and oral evidence presented to the City Council, the City Council finds that all environmental impacts of the Project have been addressed within the 2024 MND and the Addendum. The City Council finds that no new or additional mitigation measures are required. The City Council further finds that there is no substantial evidence in the administrative record supporting a fair argument that the Project may result in any significant environmental impacts beyond those analyzed in the 2024 MND. The City Council finds that the Addendum contains a complete, objective, and accurate reporting of the environmental impacts associated with the Project and reflects the independent judgment and analysis of the City Council.

Section 4. The City Council of the City of El Paso de Robles hereby allocates 154 surplus units to parcel 025-362-050 as shown below and further described in Exhibit A.

Cycle 2 Surplus Density Unit's Available	246 units
Oak at Ardmore (025-362-050) Requested	-154
Remaining Units	92 units

Section 5. The documents and materials that constitute the record of proceedings on which these findings are based are located at the City of El Paso de Robles Community Development Department, 1000 Spring Street, Paso Robles, CA 93446. The custodian of the record is the City Clerk.

Section 6. The Mayor of the City Council shall sign this Resolution and the City Clerk to the City Council shall attest and certify to the passage and adoption thereof.

APPROVED this 21st day of April 2026, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

John R. Hamon, Jr., Mayor

ATTEST:

Melissa Martin, City Clerk

Exhibit A – Surplus Density Units Cycle 2