



# Council Agenda Report

From: Darcy Delgado, Associate Planner

Subject: Request for Approval of Development Plans (PD22-04 and PD 22-09), Oak Tree Removal (OTR22-06), and Tentative Parcel Map PR 22-0022 at 5175 Airport Road (APN: 025-434-002)

CEQA Determination: The City Council is being asked to adopt a mitigated negative declaration (SCH 2022120593) (MND) and Mitigation Monitoring and Reporting Plan (MMRP) for the project, which was circulated between Friday, December 23, 2022 and Tuesday, January 24, 2023.

Date: February 21, 2023

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## Facts

1. The City of Paso Robles has received applications from SDG Paso Robles 413, LLC and Daou Vineyards, LLC to subdivide a single parcel located at 5175 Airport Road (APN 025-434-002) into two parcels, which will be built in two phases: Phase 1 would accommodate the SDG Paso Robles 413, LLC proposal to construct an approximately 196,000 square-foot building for wine storage and distribution; and Phase 2 would accommodate the Daou Vineyards, LLC proposal to construct an approximately 157,000 square foot wine production facility. Phase 1 and Phase 2 are collectively referred to as the “Project” for purposes of the California Environmental Quality Act (CEQA).
2. The Project requires the following entitlements: Planned Development PD 22-04, Oak Tree Removal 22-06, and Tentative Parcel Map PR 22-0022, and Planned Development 22-09.
3. The site has a General Plan land use designation of Business Park (BP) and is in the Industrial zoning district, Planned Development zoning overlay (M-PD). Wine storage, distribution, and wine production facilities are all allowed uses in the M zoning district.
4. Tentative Parcel Map PR 22-0022 would subdivide the 19.75-acre lot into two roughly equal parcels, each approximately 9.87-acres in size.
5. The purpose and intent of the planned development (PD) district zoning overlay is to provide for innovation and flexibility in the design of residential, commercial and industrial developments. Approval of a development plan is required for all development in the planned development (overlay) district.
6. The site is in Safety Zone 5 of the Airport Land Use Plan, the Traffic Pattern Zone, where warehouse and distribution facilities are compatible land uses.
7. The Planning Commission held a public hearing on January 24, 2023, and considered the facts as presented in the staff report prepared for this project, and accepted public testimony regarding the project, and on six-consecutive votes of 6-0-1 (Commissioner Christensen absent) voted to recommend the City Council approve the project and associated environmental documents.
8. In compliance with the California Environmental Quality Act (CEQA), an initial study and mitigated negative declaration (SCH 2022120593) were prepared for the project and circulated between December 23, 2022 and January 24, 2023.

## Community Outreach

Before both the Planning Commission and City Council hearings, the City sent notices to all owners and tenants of properties within 300 feet of the property and a notice was published in the San Luis Obispo Tribune.

## Options

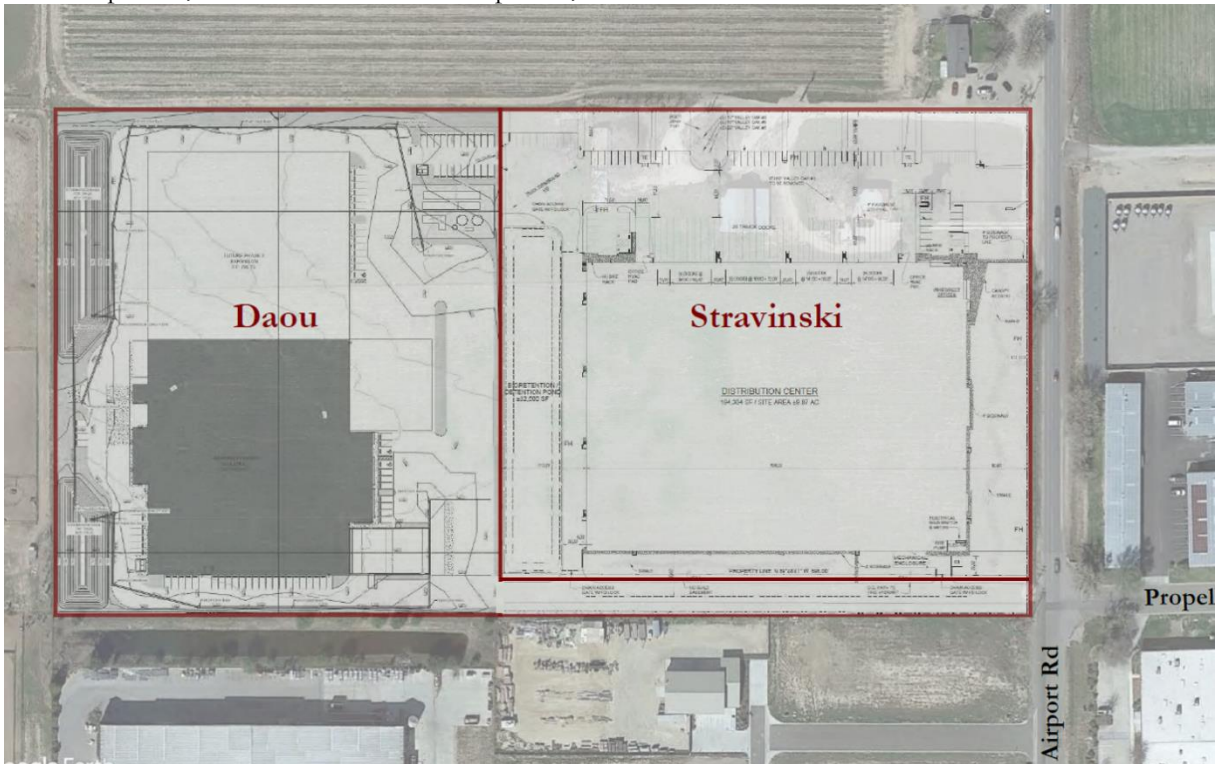
After consideration of public testimony, the City Council should consider the following options:

1. Take no action; or
2. Approve the project by:
  - a. Approving Resolution 23-XXX(A) (Attachment 2), certifying mitigated negative declaration SCH 2022120593 and adopting the Mitigation Monitoring and Reporting Plan;
  - b. Approving Resolution 23-XXX(B) (Attachment 3), approving Planned Development 22-04 and Oak Tree Removal 22-06;
  - c. Approving Resolution 23-XXX(C) (Attachment 4), approving Planned Development 22-09;
  - d. Approving Resolution 23-XXX(D) (Attachment 5), approving Tentative Parcel Map PR 22-0022; or
2. Amend and adopt the draft resolutions; or
3. Refer the project back to staff for additional analysis; or
4. Deny the draft resolution, based on a determination that the project does not meet one or more of the required findings.

## Analysis and Conclusions

### Project Summary

The project consists of the subdivision of a single parcel located at 5175 Airport Road (APN 025-434-002) into two parcels, which will be built in two phases, as shown below:



### General Plan Consistency

The project is in the Business Park General Plan land use designation (BP). The Business Park land-use designation is intended to “accommodate campus-like light industrial development.” Further, the purpose of the designation is to “provide areas for clean and attractive businesses and industries in which all activities are conducted indoors (some limited outdoor storage and/or activities may be permitted via approval of a conditional use permit and if completely screened).” Phase 1 is a wine warehouse and distribution business which is a type of use allowed at this location. Phase 2 is a wine production facility which is a type of use also anticipated at this location.

### Zoning Ordinance

The site is in the Industrial zoning district with a Planned Development overlay (M, PD). The intent and purpose of the planned development overlay district include to:

- Encourage creative and higher quality development design through allowed flexibility in project design while providing for essential development standards;
- Ensure quality of overall project design, architectural treatment, and appropriate use of color and materials; and
- Encourage projects which are compatible with surrounding development.

The surrounding area includes a mix of uses including a commercial/industrial complex to the south and east, and vineyards and rural residential uses (County property) to the north and west. For Phase 1, the building has been designed in a contemporary style with a design that includes angled elements which the applicant has indicated is to subtly celebrate flight and aviation due to the proximity to the airport. An earth-tone color pallet has been selected to tie the project to the surrounding landscape and industrial-agrarian materials. The building itself will have perimeter concrete tilt wall panels selected to demonstrate the nature of the building’s use (metal siding and concrete panels). Setbacks and parking areas include attractive landscaping.

For Phase 2, the building has been designed as though it has high visibility, even though the building will not be visible from Airport Road due to it sitting behind the development in Phase 1. The building itself is a pre-engineered metal building, with varying metal wall panels being used in different colors. The building has various stepped elements, especially along the roofline to help break up the massing. The color palette uses attractive bronzes and rusted reds that mimic Daou’s brand. Setbacks and parking areas include attractive landscaping.

### *Development Standards*

The project meets all zoning ordinance development standards. In the M zoning district, the maximum building height permitted is 50 feet. Minimum lot area is 5,000 square feet (sf). There are no required building setbacks.

For Phase 1, the proposed building is 43’-11” tall and is setback from all property lines by varying amounts. Both of the proposed lots are approximately 9.87-acres in size. For Phase 2, the proposed building is 39’-6” tall and is setback from all property lines by varying amounts.

### *Signage*

Paso Robles Municipal Code Section 21.19.040 limits monument signs to a total of 32 square feet in area and a maximum height of six feet, including the base; it also limits all building-mounted signs to a total of one square foot per linear foot of building with street frontage.

Phase 1’s proposed monument sign is 5’-6” tall and the sign area is approximately 15 square feet. The sign utilizes matching materials and colors as the building. Although it is not clear on the plans if the sign is illuminated, final details will be required to be provided with a building permit submittal.

Phase 2's monument sign is four feet tall, and the sign is under 32 sf in area. Additionally, the proposed wall sign is about 70 square feet in area, far below the threshold of the one per one lineal foot of frontage. The sign has been designed to be recessed lettering into a wooden façade using reclaimed walnut from another property owned by Daou. The sign will be illuminated during evening hours.

#### *Parking*

Paso Robles Municipal Code 21.22.040 requires office uses to provide three onsite parking space for every 1,000 square feet of gross floor area; one space per 5,000 square feet of gross floor area for wine storage; and one space per 1,000 gross square floor area for wine production.

Phase 1 would require a minimum of 39 parking stalls. The applicant has provided a site plan with 79 total parking stalls, not including the 20 truck dock parking spaces plus two at grade truck loading spaces.

Phase 2 would require a minimum of 76 parking stalls. The applicant has provided a site plan with 76 total parking stalls to meet this requirement.

#### Subdivision Ordinance

The project includes the subdivision of one existing lot into two parcels. Minimum lot size in the M zoning district is 5,000 sf, whereas each proposed lot is approximately 9.87-acres in size. As part of the project's frontage improvements, the applicant will be required to install new utilities for sewer and water.

#### Airport Land Use Plan

The project is in Airport Safety Zone 5, which is the Traffic Pattern Zone, where warehouse and distribution facilities are compatible land uses. An aviation easement already exists over the entire parcel.

#### Industrial Design Guidelines

The Industrial Design Guidelines were adopted in 2005 to meet the goals of the General Plan to provide "areas of clean and attractive businesses and industries". The guidelines state, "High-quality site and architectural form will attract industries that share the desire to conduct business in a community with high standards. The end result is an attractive community with a strong economic and employment base."

The Industrial Design Guidelines state "development should be designed in a manner that fits in with the surrounding development pattern and context." The project is at the northeastern boundary of the city. Existing commercial/industrial development on the east side of Airport Road was constructed during the late 1980s and into the 1990s, meaning that much of the existing development in this part of the City pre-dates the Industrial Design Guidelines, with the exception of the office and shop of Wiemann Construction, located approximately 40-feet south of the property line, which was approved in the last several years. In the context of the surrounding neighborhood, the proposed Phases offer attractive buildings, given their size.

The design guidelines state site components should be "arranged and located to emphasize the aesthetically pleasant components of the site" with public entrances as "a focal point on the building and site layout." For Phase 1, a well-defined entrance has been established for the building with a patio and canopy that have been placed near the entrance to the structure to provide human-scale elements that break up the overall massing of the building. Additionally, the applicant has added a screen wall at the southeast corner of the building to add visual interest to the lower portion of that side of the building, while also using the wall to screen mechanical equipment. For Phase 2, although the building will not be very visible from Airport Road, due to it sitting behind the Stravinski development, the building has been designed as though it has high visibility and has an established front office area that helps to reduce the massing of the building. The use of quality materials also shows that the project fits in nicely with surrounding uses.

### Oak Tree Removal Request

There are three native valley oaks that will require removal to support the proposed project. These trees range in diameter at breast height (dbh) from 4 to 67 inches and received health ratings ranging from “fair” to “poor”. Two trees are growing along Airport Road under overhead power lines. Airport Road is to be widened to accommodate a center turn lane, which will impact the critical root zone of one of these two trees by more than 30%. Additionally, new utilities such as sewer and water lines, will also need to be installed, significantly impacting the critical root zones of these two trees. Therefore, these oaks are proposed for removal due to the construction impacts of road widening and new utility installations. A third oak tree is in poor condition and is in the proposed parking lot area. Therefore, this oak is proposed for removal.

There are three remaining oak trees as part of this project and are proposed to be retained, and will be incorporated into the proposed parking lot design for the Phase 1 development. Several mitigation measures are required by the project to protect the trees to remain.

### California Environmental Quality Act

Pursuant to CEQA, the city has prepared an Initial Study/Mitigated Negative Declaration (MND) (SCH No. 2022120593) for the Project. The MND prepared for this project that the City Council is being asked to adopt includes the MMRP, the findings and follow-up contained in this staff report, all attachments, the resolutions and accompanying attachments, and testimony received as a result of the public notice. The MND found that although the proposed project would generate potentially significant impacts to Aesthetics, Air Quality, Biological Resources, Cultural Resources, Greenhouse Gas Emissions, Noise, Transportation, and Tribal Cultural Resources, the implementation of mitigation measures would reduce all potentially significant impacts to less than significant. A summary of proposed mitigation measures for the entirety of the project includes dust suppression during construction of the project, reduction of construction related and operational emissions, preconstruction surveys for special status species, kit fox habitat mitigation, oak tree protection measures, monitoring during ground disturbing activities, development of a noise wall or berm for a portion of the site, and participation in improvements for traffic and limitations on outbound trips. For a full list of mitigation measures, see Exhibit B, Draft Resolution A for the Stravinski project. These mitigation measures have been incorporated as conditions of approval for the Project.

The MND was made available for public comment from December 23, 2022 through January 24, 2023 to a set list of state and local agencies, designated Native American Tribes under AB 52, on the city’s website, at Paso Robles Community Development Department, and at the Paso Robles Library. The Notice of Intent to Adopt a Mitigated Negative Declaration was made available by the following methods to indicate the availability of the environmental document during the public comment period: (i) published in the Tribune Newspaper, a newspaper of general circulation; (ii) filed with the San Luis Obispo County Clerk; (iii) filed with the State Clearinghouse; (iv) mailed to various interested persons, agencies, and tribes; and (v) posted on the City’s website. As of the date of this staff report, during the public review period, no comment letters were received from members of the public.

Since the publishing of the MND, various comments have been received on the MND including comments both from federal agencies as well as from the local Planning Commission. To summarize these comments, the following sections of the MND have been updated to include additional information to supplement the MND. The additional information reflected in this staff report constitutes minor changes and does not result in alterations to the degree of impact or significance conclusions presented in the MND and therefore does not constitute significant new information. Rather, the change serves to merely clarify and strengthen the content of the MND. Therefore, recirculation of the MND is not required under State CEQA Guidelines section 15073.5. The MND and this staff report constitute the Final MND, and is available for review on the City’s website.

### *Cultural Resources*

A Cultural Resources Assessment was prepared for the area identified as Phase 1 (Stravinski). As part of the study, a records search was conducted which identified eleven previously conducted cultural resources investigations within one-mile of the site, none of which intersect the site. Additionally, no previously recorded cultural resources were identified within the site. Three previously recorded cultural resources were identified within one-mile of the site, two of which are historic and one is prehistoric and include the Estrella Adobe just 850 feet northeast of the site. A field survey was also conducted and concluded the probability of encountering cultural resources as moderate; no resources were recorded.

Although the assessment was not conducted for Phase 2, aside from a field survey, a literature and records search would have yielded the same information as Phase 1. Given that the site has been used for past agricultural activities, it is unlikely a field survey of Phase 2 would have produced different results than Phase 1.

Given that the likelihood of uncovering cultural resources would occur during construction and initial ground disturbance, the most effective form of mitigation would be to require onsite monitoring during both Phases, which is included as a mitigation measure for this project.

### *Energy*

The proposed Project is two commercial buildings subject to air quality and energy efficiency requirements which are often referred to as the Green Building Standards or the Building Energy Efficiency Standards. An Air Quality Study was prepared for this project and mitigation measures have been identified to reduce inefficient, wasteful, or unnecessary consumption of energy. For instance, although standard construction practices are expected to promote energy efficiency, the Project will be required to limit idling of trucks during construction, and to the extent feasible, use electrified or alternatively powered construction equipment. During operations, the Project will be required to use zero emission warehouse equipment, accommodate plug-in capable transport refrigeration units, accommodate future installation of electric charging stations for haul trucks, limit idling of transport trucks, among a few. With implementation of these measures and compliance with applicable state and local regulations, the long-term operation of the proposed Project would not result in consumption of energy resources that would be unnecessary, inefficient, or wasteful; therefore, impacts would be less than significant.

With regard to adopted energy conservation plans and compliance with the California Energy Code, the Project would be required to be in full compliance with the California Building Code, including applicable green building standards and building energy efficiency standards. Furthermore, the City's General Plan and Conservation Element ensures the conservation and preservation of energy resources by increasing the energy efficiency of buildings, appliances, and buildings to the use of alternative forms of energy. The Project would not conflict with other goals and policies set forth in the general plan pertaining to renewable energy and energy efficiency. Furthermore, implementation of mitigation measures identified in Section III, Air Quality and Section VIII, Greenhouse Gas Emission would further ensure that the proposed Project meets or exceeds building code requirements related to building energy efficiency. Therefore, the proposed Project would not conflict with state or local plans for renewable energy or energy efficiency and potential impacts would be less than significant.

### *Hazardous Materials*

As part of the Project's operations, it does not include the use, transport, or storage of hazardous materials and is not expected to result in a risk of accidental explosion or release of hazardous substances. Additionally, the site is not listed as a hazardous site according to the Cortese List compiled by the California Department of Toxic Substances Control (DTSC).

Prior to the January 24, 2023 Planning Commission public hearing, DTSC submitted comments on the Project inquiring into the site's history as it relates to hazardous materials. The applicant submitted a Phase

1 Environmental Site Assessment (ESA) for the entire site (Attachment 9). In response to the DTSC's inquiry, with the additional environmental records search referenced in the ESA, the ESA concluded that it found no evidence of Recognized Environmental Conditions (RECs), no evidence of Historical Recognized Environmental Conditions (HRECs), no evidence of Controlled Recognized Environmental Conditions (CRECs), and no evidence of Business Environmental Risks (BERs). Based on the data retrieved by the Cortese List and the analysis of the ESA, staff has determined the Project site is not impacted by hazardous waste or hazardous substances.

### Noise

The Noise analysis prepared for this project looked at the nearest potentially sensitive noise receptors, which are the residential homes/dwellings listed and shown below:

- 5215 Airport Road, in the County of San Luis Obispo, with home/dwelling approximately 43 feet from the Stravinski parcel's northern property line (Home 1)
- 6065 Buena Vista Drive, in the County of San Luis Obispo, with home/dwelling approximately 160 feet from the Daou parcel's western property line (Home 2)



The outdoor operations of the Stravinski parcel that are expected to generate the most noise would be from truck traffic and loading the trucks. Since the building is oriented with main operations facing north (towards Home 1), the study found there is potential for noise to carry to the residence to the north. Per the site plan for Stravinski, there is an approximate 80-foot setback from the northern edge of the parking lot to the adjacent residence. The noise study concluded that with the addition of a 7-foot tall wall or berm installed along a portion of the northerly property line, that noise can be mitigated to a level of compliance.

The outdoor operations for Daou face primarily to the east including the main office entrance and crush operations, with the warehouse itself providing a majority of the noise mitigation for the residence to the west (Home 2), which is approximately 217-feet away from the Daou building. Since the west elevation of the Daou building is comprised mostly of "back of house" operations, noise associated with this part of the building is expected to be lower than the noise generated by the loading trucks associated with the Stravinski

parcel which were measured in the study. For instance, large HVAC components are often housed in mechanical equipment rooms, which reduce the transmitted noise. Even if these “back of house” operations reached the same noise level of the main outdoor operations of the Stravinski parcel, the Daou building is over 200-feet away from the residence to the west, which is over twice the distance between Stravinski operations and the residence to the north. With the addition of the 7-foot tall masonry wall along the rear property line, and the added distance from the sensitive receptor, the mitigation measure will be effective at mitigating potential noise arising from the Daou building.

#### *Transportation Analysis*

A Traffic Impact Study (TIS) was prepared for this project by Central Coast Transportation Consulting, prepared in November 2022. The study indicates that both the SDG (Parcel 1) and Daou (Parcel 2) warehouse projects would generate approximately 646 new vehicle and truck trips per weekday, including 64 AM and 68 PM peak hour trips using warehouse trip generations rates. Since the State Route 46 East (SR 46E) and Airport Road intersection has a high collision rate that is significantly higher than the statewide average rate for similar facilities, mitigation measures are required to maintain consistency with the safety policies established in the Circulation Element. One particular mitigation measures (TR-1) prohibits outbound distribution trucks between the following times:

- Monday through Thursday: 3 to 6 PM
- Friday: 2 to 6 PM
- Sunday: 10 AM to 2 PM

This prohibition will ensure that trucks leave the site during off-peak traffic hours lessening both safety and operational impacts on City and State roads. However, once the Huer Huero Bridge is constructed, thus providing a connection to the Golden Hill/SR 46E signal, the applicant is required to have all trucks use the Huer Huero Bridge Connection to Golden Hill Road.

Additionally, Project mitigation measure TR-2 has been added to require the applicant to participate in one of the following improvements to be constructed to serve project truck trips:

- a) Extend the eastbound median acceleration lane at the SR 46 E/Airport Road intersection and require trucks to use Airport Road; or
- b) Accommodate westbound U-turns for STAA trucks on SR 46 E with Caltrans approval; or
- c) Construct a Huer Huero Creek Bridge (by others) and require trucks to use Golden Hill Road. Truck levels to be evaluated after occupancy and construction of the bridge prior to removing the time restrictions listed above.

Caltrans submitted comments (See Attachment 7; also referenced as Exhibit C in Attachment 2) prior to the January 24, 2023 Planning Commission public hearing. Caltrans’s comments included recommendations supporting the time of day truck restrictions and Mitigation Measure TR-2c, construction of the Huer Huero Bridge. Caltrans also recommended that if the City allows project occupancy prior to the Huer Huero Bridge completion, that the project be conditioned to close the Airport Road/SR 46E southbound left-turn. The proposed restriction will prohibit eastbound turns onto SR 46E thereby eliminating left-turn conflicts for East Bound turns from Airport Road.

Staff asked Central Coast Transportation Consulting to analyze the proposed left-turn restriction suggested by Caltrans. Central Coast Transportation Consulting has concluded that there will not be any safety or operation impacts because of restricting the left turn movement (See Attachment 8; also referenced as Exhibit F in Attachment 2). Left turn removal will result in decreased vehicle conflict points at the Airport Road intersection. In addition, the restriction will reduce right-turn queuing at Airport Road. Currently, eastbound traffic blocks westbound traffic because the left turn pocket can only accommodate a semi-truck or a few cars. Restricting left turns will improve traffic flow. Lastly, restricting left turns will not have a negative impact on U-turns at Golden Hill or on City Streets.



Westbound U-turns are currently permitted at the SR 46E/Golden Hill Road intersection. The SR46 westbound left-turn lane can accommodate the detoured vehicles (about 15 during the peak hour, less during off peak) without causing queuing issues. However, the intersection cannot currently accommodate large truck U-turns. Large trucks will turn left onto Golden Hill Road and use the Golden Hill Road/Union Road roundabout, which is currently under construction (it will be finished before this project's occupancy). California legal trucks (and larger) can be accommodated in the roundabout as it was designed for much larger vehicles. The roundabout also has adequate vehicle capacity to accommodate the new truck trips until the Huer Huero Bridge is completed. In addition, the outbound truck prohibition ensures that the trucks are not using the roundabout during peak travel times. Thus ensuring no additional impacts are created. Overall, Caltrans's left turn restriction recommendation is consistent with Mitigation Measure TR-2b, accommodate U-turns for STAA trucks on SR 46E with Caltrans approval. A condition of approval has been added to the two Resolutions approving the Planned Developments for each parcel to ensure this mitigation is carried out.

Lastly, the applicant will be required to participate in an agreement to share costs associated with construction and maintenance of local roads which are included in the City's Development Impact Fees.

#### *Utilities*

The project will be required to install new utilities including sewer and water in Airport Road to serve both parcels. There are existing overhead power lines along Airport Road frontage that were initially anticipated by the applicant to be undergrounded, which is referenced in the technical studies of the MND. However, in working with the City Engineer on the public improvements, overhead utilities can remain. Additionally, it was incorrectly stated in the MND that the project would have curb, gutter, and sidewalk. The surrounding projects in this area do not have curb, gutter, and sidewalk, and so this project was not required to install these improvements and will therefore be consistent with the character of the surrounding area. These clarifications regarding overhead power and frontage improvements are considered minor changes from what was presented in the MND and do not result in alterations to the degree of impact or significance conclusions presented in the MND and therefore does not constitute significant new information. Rather, the change serves to merely clarify and strengthen the content of the MND.

#### *Solid Waste:*

The City owns a fully permitted Class III non-hazardous solid waste landfill which is estimated to have sufficient airspace capacity to the year 2077, based on a 2021 Updated Joint Technical Document that was prepared for the landfill. The City generates 45,000 tons of solid waste annually. It dumps this waste into its own landfill. The landfill has a maximum permitted capacity of 6,495,000 cubic yards and a maximum permitted throughput of 450 tons of solid waste per day and 75,000 tons per year, through October 1, 2051. As of December 31, 2017, the landfill had a remaining capacity of 4,216,402 cubic yards or approximately 65% of the maximum permitted capacity.

Solid waste for Phase 1 is typically composed of paper and breakroom trash generated by office functions incidental to the warehouse operations. Generally, these are in very minimal amounts. Solid waste data for Phase 1 has been extrapolated based on solid waste generation rates found on the CalRecycle Estimated Solid Waste Generation Rates webpage. Based on data from the website, a warehouse type use is expected to generate approximately 13.82 pounds of waste, per employee, per day. With up to 30 employees during peak months, this results in 414.6 pounds per day, or 0.21 tons per day.

Solid waste data for Phase 2 has also been extrapolated from the CalRecycle Estimated Solid Waste Generation Rates webpage. Based on the available data, a winery type use is expected to generate approximately 5 pounds of waste, per employee, per day. With an average of 60 employees per day, this results in 300 pounds per day, or 0.15 tons per day.

Collectively, the project is anticipated to generate 130 tons of solid waste per year. Based on the existing facility being able to take 75,000 tons per year, the amount of new waste is considered less than significant.

#### Water Supplies:

The project site is within the City limits and it is zoned to allow for industrial development. The City's municipal water supply is composed of groundwater from the Paso Robles Groundwater Basin, an allocation of the Salinas River underflow, and a surface water allocation from the Nacimiento Lake pipeline project. According to the 2020 Urban Water Management Plan (UWMP), the City of Paso Robles anticipates a water demand of 9,451 acre-feet/year at full buildout, with supply availability projected to be 15,088 acre-feet/year to serve development during normal, dry, and multiple dry years.

Based on information provided in the project descriptions for each Phase, the water consumption for Phase 1 has been estimated to be approximately 0.89 acre-ft/year, and Phase 2 is anticipated to be approximately 35 acre-ft/year for domestic water. Phase 2 water needs are considerably higher given it will use more water for winemaking. The City's General Plan identified this site for future availability for water and sewer service, and the UWMP, and based on the combined water demand, water is accounted for with this project and is available even at full buildout.

#### Wastewater:

The project's generated wastewater flows would ultimately flow to the City's Wastewater Treatment Plant (WWTP). In 2020 the average daily influent flow to the WWTP was 2.11 MGD and the maximum influent flow was 2.39 MGD in August, which is well below the WWTP design capacity of 4.9 MGD. As noted above in the amount of water used by the project, there is anticipated to be an equivalent amount of wastewater received by Phase 1's domestic water use. For Phase 2, domestic sewage (toilets, urinals, lavs, sinks, drinking fountains, dishwashers, etc.) within the building will be kept separated from winery waste and will flow to the extended sewer in Airport Road. Winery effluent will be treated onsite first, and then will flow to the extended sewer in Airport Road. As part of the wine operations, it is anticipated that the on-site wastewater treatment plant would handle approximately 3.8 million gallons per year, which equates to approximately 10,410 gallons per day. According to the design capacity of 4.9 MGD, the additional flow from the project would be able to be handled by the current treatment plant.

#### Fiscal Impact

There is no direct fiscal impact from approving the recommended actions, however, the project is expected to have positive economic impacts to the City, which supports City Council's overall economic development goals.

#### Recommendation

That the City Council take the following actions:

- a. Approve Resolution 23-XXX(A) certifying mitigated negative declaration SCH 2022120593 and adopting the Mitigation Monitoring and Reporting Plan;
- b. Approve Resolution 23-XXX(B) approving Planned Development 22-04 and Oak Tree Removal 22-06;
- c. Approve Resolution 23-XXX(C) approving Planned Development 22-09, and
- d. Approve Resolution 23-XXX(D) approving Tentative Parcel Map PR 22-0022.

#### Attachments

1. Vicinity Map
2. Resolution 23-XXX(A)
3. Resolution 23-XXX(B)
4. Resolution 23-XXX(C)
5. Resolution 23-XXX(D)
6. Initial Study and Mitigated Negative Declaration (Exhibit A of Resolution 23-XXX(A))

7. Caltrans Response to MND
8. Central Coast Transportation Consulting Memo
9. Phase 1 Environmental Site Assessment