I. Introduction

1.01 In approving the Proposed Project, which is evaluated in the Final EIR, the Board makes the following Statement of Overriding Considerations pursuant to Public Resources Code section 21081 and State CEQA Guidelines section 15093 in support of its findings on the Final EIR. The Board has considered the information contained in the Final EIR and has fully reviewed and considered all of the public testimony, documentation, exhibits, reports, and presentations included in the record of these proceedings. The Board specifically finds and determines that this Statement of Overriding Considerations is based upon and supported by substantial evidence in the record.

1.02 The Board has carefully weighed the benefits of the Proposed Project against any adverse impacts identified in the Final EIR that could not be feasibly mitigated to a level of insignificance. As more fully set forth in the Final EIR, the significant impacts of the Proposed Project that arguably cannot be mitigated to levels of insignificance include certain traffic impacts if Caltrans fails to approve the left hand turn lanes for Randolph Lane and Lawndale Road (“center turn lanes”) and night lighting impacts. These impacts are specifically identified in Exhibit “B” to this resolution. While the Board believes that evidence in the record can support a conclusion that these potential impacts have, in fact, been mitigated to less than significant levels, the Board could not make such determination with certainty and will thus presume that such impacts remain significant for purposes of adopting this Statement of Overriding Considerations.

1.03 Notwithstanding the identification and analysis of the impacts that are identified in the Final EIR as being significant and potentially significant which arguably may not be avoided, lessened, or mitigated to a level of insignificance, the Board, acting pursuant to Public Resources Code Section 21081 and Section 15093 of the State CEQA Guidelines, hereby determines that specific economic, fiscal, social, environmental, land use and other benefits of the Proposed Project outweigh any unavoidable, adverse impacts of the Proposed Project and that the Proposed Project should be approved.

1.04 This statement of overriding considerations applies specifically to those impacts found to be significant and unavoidable as set forth in the Final EIR and the record of these proceedings. In addition, this Statement of Overriding Considerations...
applies to those impacts which have been substantially lessened but not necessarily lessened to a level of insignificance.

1.05 Based upon the objectives identified in the Proposed Project and the Final EIR and the detailed conditions of approval imposed upon the Proposed Project and following extensive public participation and testimony, the Board has determined that the Proposed Project, as recommended for approval by the Planning Commission, should be approved as conditioned and that any remaining unmitigated environmental impacts attributable to the Proposed Project are outweighed by the following specific economic, fiscal, social, environmental, land use and other overriding considerations, any one of which is sufficient, in the Board’s view, to approve the Proposed Project.

II. Fiscal and Economic Benefits of the Proposed Project

2.01 The Proposed Project supports Sonoma County tourism, particularly tourism related to agriculture. At the Planning Commission, this point was emphasized by Commissioner Fogg when he made his motion recommending to the Board approval of the Proposed Project and is endorsed by the Board. Agricultural tourism is an important aspect of the tourist economy in Sonoma County. The high quality accommodations provided by the Proposed Project will fill a niche in the tourist economy that is currently underserved. Additionally, the Project Site already is designated for recreation and visitor serving uses and General Plan Policy LU-14r acknowledged that this use should accommodate an inn facility. Locating the Inn/Spa/Restaurant in the Sonoma Valley in proximity to producing vineyards and adjacent to the Winery helps to establish strong consumer affiliation with Sonoma County agricultural products, thus promoting agriculture and tourism. Moreover, the Proposed Project’s inclusion of a winery and country store selling predominantly Sonoma County agricultural products further strengthens the consumer link to Sonoma County agricultural products. Lastly, the national and international reputation of the Auberge Resorts (the Project Applicant) and its association with the California Wine Country also contributes to the value of the Proposed Project in promoting Sonoma County agricultural tourism.

2.02 The Proposed Project provides a public trail easement into Hood Mountain Regional Park from the Project Site. The public will receive the benefit of additional access to a popular park for only the cost of trail development. In recent years, there has been a strong public demand for outdoor recreation and hiking trails. The trail connection included within the Proposed Project has long been identified in the General Plan as an important public trail connection. General Plan Objective OS-7d(11) specifically identifies the Hood Mountain-Annadel Trail as part of the Countywide park
and trail system needed to meet future recreational needs of County residents while protecting agricultural uses. Obtaining the offered trail connection will further this important General Plan goal. This trail alignment is also a shorter route to the high areas for views of the Sonoma Valley. Costs of installing the trail will be minimized by coordinating the construction of the trail with the installation of roadway infrastructure necessary for the development of the parcel. In addition to the critical trail connection, the Proposed Project also includes the development and construction of a trail head parking lot, at the Project Applicant’s expense, which will facilitate public use of the trail connection.

2.03 An open space easement will be granted to the Sonoma County Agricultural Preservation and Open Space District over the entire Project Site restricting further development. This will provide assurance that the majority of the Project Site will remain undisturbed open space to help maintain the scenic views from Highway 12. The Project Site is located within both a community separator and scenic landscape unit as set forth in the General Plan Open Space Element. Protection of the majority of the Project Site from further development will further General Plan goals and policies relating to scenic landscape units and community separators. Additionally, the Proposed Project eliminates three residential building sites which would have otherwise been allowed pursuant to Policy LU-14r. While the Proposed Project added 14 rooms to the Inn/Spa/Restaurant, the elimination of three residential building sites and associated driveways, outbuildings and grading and biotic impacts was also of benefit to the open space goals sought to be furthered by General Plan policies.

2.04 The Proposed Project provides protection of sensitive biotic areas in designated biotic preserves in strategic locations on the Project Site. The Project Applicant has established areas of the Project Site to protect sensitive plant species including narrow-anthered California brodiaea, the Sonoma ceanothus, valley oaks, and native grasses in addition to establishing a riparian area preservation zone along Graywood Creek. These preserves have been offered by the Project Applicant and will provide publicly visible areas of the Project Site with protection and habitat enhancement that will be beneficial to the biotic communities and educational for the visitors of the Proposed Project. The Proposed Project also includes funding mechanisms, not at public expense, to further ensure the protection of these sensitive biotic areas in perpetuity. The Board further notes that the protection of the significant Valley Oaks on the valley floor will help protect the scenic and biotic diversity of the Sonoma Valley by ensuring that these areas are not converted to vineyards.

2.05 The Project Applicant has offered the majority of “Lot 11” in fee title to the Sonoma County Agricultural Preservation and Open Space district as an addition to Hood
Mountain Regional Park. This addition will provide a large piece of the land needed for an eventual connection of Hood Mountain Regional Park and Sugar Loaf State Park at no cost to the public.

2.06 The Proposed Project will generate transient occupancy taxes, property taxes, sales tax, and income taxes that will all be a benefit to Sonoma County. In this time of dwindling State and local government revenues, it is especially important that the County establish independent revenue sources to fund needed County services. Transient occupancy taxes (“TOT”) provide a unique mechanism whereby funds can be directly channeled into the County’s general fund without diversion to the State. In recent years, TOT funds have been used for a variety of County service needs, including the funding of outdoor park and recreation projects. General Plan Policy HE-4c (Housing Element) states that TOT revenues should be considered as a mechanism to help provide a funding stream for affordable housing within the County. Given the room rates anticipated by the Proposed Project, the Proposed Project will provide a significant revenue stream with relatively minimal impacts given the 50 unit size of the Inn/Spa/Restaurant. In 2002, the County collected a total of $5,440,596.00 in TOT revenue from approximately 2,230 rooms. That is $2,439 per room. The Inn/Spa/Restaurant is expected to generate $731,000 in TOT from 50 rooms. That is $14,620 per room. By using this already designated visitor serving location more efficiently, the revenues to the County increase dramatically, with minimal environmental impact. Additionally, a March 2004 report prepared by RHHG demonstrates, in Tables A and B, that the project will have significant economic benefits to local government and to the local economy over the years. For example, TOT fund projections over a five year period equal $4,478,000, over a ten year period, equal $15,561,000 and a over a 20 year period equal $30,268,000. Total local government benefits over a 20 year projected time frame including sales tax, property tax and TOT tax amount to $37,185,000. Total local economy benefits over that same time period equal $339,768,000. Additionally, the Proposed Project will provide jobs for county residents. It is also expected that the Proposed Project will generate sales at other businesses in the community as guests of the Inn/Spa/Restaurant visit the Sonoma Valley and other areas of the county.

2.07 As a result of the Proposed Project, center turn lanes are planned to be installed on Highway 12 at the Randolph Avenue and Lawndale Road intersections. These improvements will result in an improvement in the overall functioning of Highway 12 in this area. Information contained in correspondence of Whitlock and Weinberger, Traffic Engineers, dated March 16, 2004, and June 7, 2004, demonstrate that proposed traffic improvements will enhance traffic flow at these intersections. Since 60% of the collisions that occurred along the segment between Lawndale Avenue and Adobe Canyon...
Road were rear end collisions involving vehicles slowing or stopping to make a turn, the Proposed Project will provide facilities to reduce the likelihood of this type of collision. Further, the addition of left turn pockets and two way center turn lanes at Randolph Avenue and Lawndale Avenue will further enhance traffic flow by moving turning vehicles out of the path of through traffic. Based on discussions with Caltrans staff, County staff and the EIR traffic consultant believe that Caltrans will ultimately approve all of the traffic improvements required of the Proposed Project. However, even if Caltrans, as the responsible agency, does not approve these mitigation measures, then the Board has determined that the remaining public benefits associated with the Proposed Project outweigh unmitigated impacts of the Proposed Project.

2.08 The Project Applicant has offered to condition the residential units so that the owner of each unit shall make a contribution to the Sonoma County Affordable Housing Trust Fund in the amount of $7.50 per square foot of residential floor area (not including garage area) or otherwise pay the affordable housing in-lieu fee in effect at the time of building permit issuance. The voluntary contribution of funds to the affordable housing trust fund is not required by County ordinances and has, to date, not been offered by any other applicant for a residential development project in the unincorporated area. The Proposed Project’s contribution provides much needed additional funding for affordable housing.

2.09 The Proposed Project also includes thinning of overgrown forested areas on the Project Site. Information submitted by the California Department of Fish and Game indicates that the Project Site is currently overgrown and could be subjected to a severe fire event. The thinning of the forest, in coordination with fire agencies and the California Department of Fish and Game, will improve the health of the forest on the Project Site and reduce the risk of a calamitous fire event which could spread to other properties and public parks in proximity to the Project Site. Specifically, on page 5 of the July 1, 2003, correspondence from the California Department of Fish and Game, it is stated as follows:

“The original proposal for the fire thinning or suppression plan for understory chaparal and select trees was developed in consultation with DFG. We would expect significantly reduced fire hazard with minimal effect on plant communities. The action could be described as the maintenance of existing plant communities with management of the understory in an early successional stage to reduce fire impacts . . . We see the issue as only a question of management for fire suppression. We do not agree with the DEIR that shrub maintenance would damage the habitat.”
III. Conclusion

3.01 The Board finds that the Proposed Project has been carefully reviewed and that the Conditions of Approval have been imposed to implement the mitigation measures identified in the Final EIR, and to address numerous other issues. Nonetheless, the Proposed Project may have certain environmental effects which cannot be avoided or substantially lessened. The Board has carefully considered all of the environmental impacts which arguably have not been mitigated to an insignificant level. The Board has carefully considered the fiscal, economic, social, environmental, and land use benefits of the Proposed Project. The Board has balanced the fiscal, economic, social, environmental, and land use benefits of the Proposed Project against its unavoidable and unmitigated adverse environmental impacts and, based upon substantial evidence in the record, has determined that the benefits of the Proposed Project outweigh the adverse environmental effects.

3.02 Based on the foregoing and pursuant to Public Resources Code section 21081 and State CEQA Guidelines section 15093, the Board finds that the remaining significant unavoidable impacts of the Proposed Project are acceptable in light of the economic, fiscal, social, environmental and land use benefits of the Proposed Project. Such benefits outweigh such significant and unavoidable impacts of the Proposed Project and provide the substantive and legal basis for this Statement of Overriding Considerations.

3.03 Last, the Board finds that, to the extent that any impacts identified in Exhibit “B” remain unmitigated, such impacts are limited. Traffic impacts consist of literally seconds of delay at two intersections at specific times of the day. With respect to lighting, the plan is environmentally proactive and is based on a standard normally applied to extremely sensitive areas including National Parks. The fact that the Ferguson Observatory felt that lighting impacts were acceptable, indicates that, to the extent that any remaining impacts occur, such impacts are also limited.

Accordingly, when deciding to approve this Project, the Board is faced with presumed unmitigated impacts which are limited in nature. When considering the significant benefits outlined in this Statement of Overriding Consideration against limited impacts, the balance of weight clearly falls in favor of the merits of the Project and its benefits.