

AGENDA ITEM:     A-4    

DATE:   NOVEMBER 6, 2018  

ACTION:     APPROVED    

ACTION MINUTES – MORRO BAY PLANNING COMMISSION  
REGULAR MEETING – AUGUST 21, 2018  
VETERANS MEMORIAL BUILDING – 6:00 PM

PRESENT:	Gerald Luhr Michael Lucas Richard Sadowski Joe Ingraffia Jesse Barron	Chairperson Vice-Chairperson Commissioner Commissioner Commissioner
STAFF:	Scot Graham Cindy Jacinth Joan Gargiulo	Community Development Director Senior Planner Assistant Planner

ESTABLISH QUORUM AND CALL TO ORDER  
MOMENT OF SILENCE / PLEDGE OF ALLEGIANCE  
PLANNING COMMISSIONER ANNOUNCEMENTS -NONE

PUBLIC COMMENT PERIOD – Chairperson Luhr opened the Public Comment period and seeing none close the Public Comment period.

<https://youtu.be/FdIRo4TJrvk?t=2m11s>

PRESENTATIONS - NONE

A. CONSENT CALENDAR

<https://youtu.be/FdIRo4TJrvk?t=2m39s>

**A-1** Current and Advanced Planning Processing List  
**Staff Recommendation:** Receive and file.

**A-2** Approval of minutes from the Planning Commission meeting of July 17, 2018.  
**Staff Recommendation:** Approve minutes as submitted.

**MOTION:** Vice-Chairperson Luas moved to accept the Consent Calendar. Commissioner Barron seconded, and the motion passed (5-0).

<https://youtu.be/FdIRo4TJrvk?t=3m4s>

B. PUBLIC HEARINGS

Public testimony given for Public Hearing items will adhere to the rules noted above under the Public Comment Period. In addition, speak about the proposal and not about individuals, focusing testimony on the important parts of the proposal; not repeating points made by others.

**B-1** **Case No.:** UP0-495 and CP0-555

**Site Location:** 235 Marina Street, Morro Bay, CA

**Proposal:** Conditional Use Permit and Coastal Development Permit for the demolition of an existing 632 sq. ft. SFR and a detached 280 sq. ft garage. The Applicant proposes to construct a 1,599 sq. ft. two-story SFR with an attached

400 sq. ft. garage and a 65.5 sq. ft. deck on the 2,466 sq. ft. parcel located within the R-2/PD/S.4 zoning district and within the Coastal Commission Appeal Jurisdiction.

**CEQA Determination:** Categorically Exempt, Section 15303 Class 3

**Staff Recommendation:** Conditionally approve

**Staff Contact:** Joan Gargiulo, Assistant Planner, (805) 772-6270

<https://youtu.be/FdIRo4TJrvk?t=3m19s>

COMMISSIONERS DISCLOSURE OF EX PARTE COMMUNICATIONS – NONE

Gargiulo presented the staff report.

Chairperson Luhr opened the Public Comment period.

<https://youtu.be/FdIRo4TJrvk?t=8m30s>

Daniel Sotelo, representative for the applicant, thanked the staff for their help with the project.

The Commissioners presented their questions to the applicant.

Sotelo answered the Commissioner's questions.

The Commissioner's presented their questions to the applicant.

Chairperson Luhr closed the Public Comment period.

<https://youtu.be/FdIRo4TJrvk?t=16m30s>

Discussion between the Commissioners.

**MOTION:** Vice-Chairperson Lucas moved to approve Coastal Development Permit CP0-555 and Conditional Use Permit UP0-495 at 235 Marina St as amended by the letter in correspondence to staff to modify the driveway apron to the satisfaction of the City Engineer. Commissioner Sadowski seconded and the motion passed (5-0).

<https://youtu.be/FdIRo4TJrvk?t=22m35s>

***Planning Condition #5 and #7 amended by Planning Commission on August 21, 2018***

5. ***Architecture:*** *The railing system for the second floor deck on the front, southern elevation shall utilize a transparent material to be shown on the building plans submitted for the Building Plans. Building color and materials shall be as shown on plans approved by the Planning Commission and specifically called out on the plans submitted for a Building Permit to the satisfaction of the Community Development Director.*
7. ***Garage Setback:*** *The applicant shall be required to redesign the project to accommodate at least a 20-foot distance between the face of the garage and back of the sidewalk to accommodate the parking of vehicles, without encroachment into the sidewalk. The*

*Applicant shall utilize the modified driveway approach design approved by the City Engineer on August 21, 2018 on file with the City. The updated design shall be shown on the building plans.*

**B-2 Case No.:** S00-125 / CP0-490

**Site Location:** 535 Atascadero Road, Morro Bay, CA

**Proposal:** Coastal Development Permit and Tentative Parcel Map MB 15-0103 for a parcel split at the corner of Hill Street and Atascadero Road (APN 068-231-020). Parcel 1 would include the existing single-family residence and parcel 2 would remain vacant at this time with a potential for high density residential development in the future. Parcel 1 would be 9,394 sq. ft. and parcel 2 would be 9,013 sq. ft. The parcel is zoned R-4/PD high density residential and is located outside of the Coastal Commission Appeal Jurisdiction.

**CEQA Determination:** Categorically Exempt, Section 15315 Class 15

**Staff Recommendation:** Conditionally approve

**Staff Contact:** Joan Gargiulo, Assistant Planner, (805) 772-6270

<https://youtu.be/FdIRo4TJrvk?t=24m32s>

COMMISSIONERS DISCLOSURE OF EX PARTE COMMUNICATIONS – NONE

Gargiulo presented the staff report.

The Commissioners presented their questions to staff.

Chairperson Luhr opened the Public Comment period.

<https://youtu.be/FdIRo4TJrvk?t=34m43s>

Marc Eisemann, applicant, clarified to the Commission and staff the type of work he was doing on the property.

Chairperson Luhr closed the Public Comment period.

<https://youtu.be/FdIRo4TJrvk?t=41m26s>

The Commissioners presented their questions to staff.

**MOTION:** Vice-Chairperson Lucas moved to approve Coastal Development Permit CP0-490 and Conditional Use Permit UP0-443, subdivision S00-125 to allow for the creation of two (2) parcels from one existing parcel at 535 Atascadero Road. Commission Barron seconded, and the motion passes 5-0.

<https://youtu.be/FdIRo4TJrvk?t=44m47s>

Chairperson Luhr commented on underground utilities from new projects.

**B-3 Case No.:** CP0-566

**Site Location:** 3400 Toro Lane, Morro Bay, CA

**Proposal:** Coastal Development Permit for the construction of a new 1,386 sq. ft. single-family residence with an attached 600 sq. ft. accessory dwelling unit, an

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attached 491 sq. ft. garage, and 484 sq. ft. of patio area on a vacant parcel located in the R-1/S.2A residential zoning district and within the Coastal Commission Appeal Jurisdiction.

**CEQA Determination:** Categorically Exempt, Section 15303 Class 3

**Staff Recommendation:** Conditionally approve

**Staff Contact:** Joan Gargiulo, Assistant Planner, (805) 772-6270

<https://youtu.be/FdIRo4TJrvk?t=46m17s>

COMMISSIONERS DISCLOSURE OF EX PARTE COMMUNICATIONS –  
NONE

Gargiulo presented the staff report

The Commissioners presented their questions to staff.

Chairperson Luhr opened the Public Comment period.

<https://youtu.be/FdIRo4TJrvk?t=51m47s>

Greg Frye, applicant, thanked the Commission for reviewing the project and spoke of working with his neighbors regarding the view shed for the project, and coming up with a color scheme.

Betty Winholtz, Morro Bay, stated her concerns for maintaining parking in the area.

Chris Parker, architect, answered questions regarding the driveway placement and how it wouldn't impact street parking.

The Commissioners presented their questions to Parker.

Parker and Frye answered the Commissioners questions.

Chairperson Luhr closed the Public Comment period.

<https://youtu.be/FdIRo4TJrvk?t=1h6m23s>

Questions regarding landscaping and articulation of the structure were discussed by the Commissioners.

Chairperson Luhr opened the Public Comment period.

<https://youtu.be/FdIRo4TJrvk?t=1h14m35s>

Frye and Parker answered questions from the Commissioners

Chairperson Luhr closed the Public Comment period.

<https://youtu.be/FdIRo4TJrvk?t=1h24m34s>

**MOTION:** Vice-Chairperson Lucas moved to continue to a date uncertain. Commission Barron seconded, and the motion passes 5-0.

<https://youtu.be/FdIRo4TJrvk?t=1h24m48s>

Commissioner Barron clarified his comment about the structure being too big.

**B-4 Case No.:** Concept Plan #UP0-509

**Site Location:** 833 Embarcadero, Morro Bay, CA

**Project Description:** Concept Plan approval of Conditional Use Permit #UP0-509 for demo/reconstruct of existing two-story visitor-serving commercial building known as Off the Hook. The project includes an existing ground floor restaurant, retail space, and second floor office space be replaced with a new 7,994 sf two story 25-foot tall building that will include ground floor retail, public restrooms, restaurant, and 8 boutique hotel rooms on the second floor. Project also proposes to replace the existing side-tie dock and gangway and redesign the children's play area in courtyard as public benefit. The project is located in the WF/PD/S.4 zoning district and is subject to the Waterfront Master Plan. The project site is also located in the original jurisdiction of the California Coastal Commission.

**CEQA Determination:** Categorically exempt Section 15302, Class 2b

**Staff Recommendation:** Forward favorable recommendation for approval to City Council

**Staff Contact:** Cindy Jacinth, Senior Planner (805) 772-6577

<https://youtu.be/FdIRo4TJrvk?t=1h26m11s>

COMMISSIONERS DISCLOSURE OF EX PARTE COMMUNICATIONS – NONE

Jacinth presented the staff report.

The Commissioners presented their questions to staff.

Chairperson Luhr opened the Public Comment period.

<https://youtu.be/FdIRo4TJrvk?t=2h7m46s>

Chairperson Luhr presented his questions to staff before the public.

Parker answered the questions from the Commissioner and gave a brief description of the concept plan for the area.

Cherise Hansson, TLC Family Enterprise, spoke on behalf of the public benefit portion of the property. Hansson also noted the benefits of the improved view corridor and expanded play area.

Jeff Heller, Morro Bay, stated the concept was one of his favorites; the hotel on the bottom and the 25-foot height limit overlooking the bay. Heller commented this was the best thing Morro Bay was doing.

Chairperson Luhr closed the Public Comment period.

<https://youtu.be/FdIRo4TJrvk?t=2h21m3s>

The Commissioners presented their questions to the applicant.

Hansson explained why she wanted the expanded play area.

Discussion continued between the Commissioners.

Chairperson Luhr opened the Public Comment period.  
<https://youtu.be/FdIRo4TJrvk?t=2h56m32s>

Hansson explained what their Centennial contribution would be and answered the Commissioners questions.

The Commissioners presented their questions to staff.

Chairperson Luhr closed the Public Comment period.  
<https://youtu.be/FdIRo4TJrvk?t=3h1m28s>

**MOTION:** Commissioner Barron moved to adopt Resolution 25-18 to forward a favorable recommendation to the Morro Bay City Council for concept plan approval for Conditional Use Permit UP0-509, for the demolition/reconstruction of existing two-story building with eight (8) boutique hotel, restaurant retail, public access improvements, including children’s courtyard play area and reconstruction side-tie dock and gangway subject to amended conditions. Commission Ingrassia seconded, and the motion passed 5-0.  
<https://youtu.be/FdIRo4TJrvk?t=3h7m34s>

**Planning Commission conditions 18-19 added 8/21/2018:**

18. *Outdoor table areas shall be delineated with differential paving material in order to distinguish between public and private seating areas. The outdoor tables shall be delineated at both the west side of the building adjacent to the 10-foot width of Harborwalk as well as the proposed tables at the northwest corner of the building adjacent to the view corridor which has a required width of 22.5 feet.*
19. *Reduce the depth of the proposed planter adjacent to the street sidewalk to increase sidewalk width. Information to be included on landscape plan to be provide with the Precise Plan submittal.*

**B-5 Case No.:** Precise Plan #A00-041/UP0-359  
**Site Location:** 725 Embarcadero, Morro Bay, CA  
**Project Description:** Precise Plan approval of Conditional Use Permit #UP0-359/A00-041 for conversion of Rose’s Landing second floor restaurant use to a 10-room boutique hotel with relocation of existing first floor commercial suite to accommodate first floor hotel entrance. Project proposes improvements to coastal public access along north, west, and south sides of building and associated building façade alterations. The project site is located in the original jurisdiction of the California Coastal Commission and coastal development permit 3-17-0581 approved on March 8, 2018.  
**CEQA Determination:** Mitigated Negative Declaration, SCH #2015011002

**Staff Recommendation:** Conditionally approve  
**Staff Contact:** Cindy Jacinth, Senior Planner (805) 772-6577  
<https://youtu.be/FdIRo4TJrvk?t=3h9m41s>

COMMISSIONERS DISCLOSURE OF EX PARTE COMMUNICATIONS –  
NONE

Jacinth presented the staff report.

Chairperson Luhr opened the Public Comment period.  
<https://youtu.be/FdIRo4TJrvk?t=3h37m9s>

Steve Puglisi, Architect, stated Doug Redican, the Applicant, and Project Manager Michael Dammeyer were present for questions also. Puglisi thanked staff for their assistance. Puglisi spoke of the conditions which were set forth by the City Council and the issues concerning this. Puglisi answered questions the Commission brought up earlier.

The Commissioners presented their questions to the applicant.

The applicant answered the Commissioners questions.

Staff answered question from the Commissioners.

Discussion between the Commissioners.

Chairperson Luhr closed the Public Comment period.  
<https://youtu.be/FdIRo4TJrvk?t=3h47m49s>

**MOTION:** Vice-Chairperson Lucas moved to approve the Precise Plan Conditional Use Permit A00-041/UP0-359 for the conversion of the second-floor restaurant use to a 10-unit hotel and improvement to public access on both northwest and south sides of lease site at 725 Embarcadero, a.k.a. 82-85/82W 85W, with the three (3) added conditions. Commission Barron seconded, and the motion passed 5-0.

<https://youtu.be/FdIRo4TJrvk?t=4h3m9s>

Chairperson Luhr presented a question to staff.

Graham responded to Chairperson Luhr's question.

**Planning Commission conditions added:**

***19. Lighting shall be dark-sky compliant glare and illumination shall be avoided toward the channel.***

***20. No hostess stands shall be allowed within the view corridor.***

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*21. The cable railing material on the second-floor observation deck shall be consistent with the railing material used on the Harborwalk to visually identify the second-floor observation deck as open to the public.*

C. NEW BUSINESS - NONE

D. UNFINISHED BUSINESS - NONE

E. PLANNING COMMISSIONER COMMENTS

<https://youtu.be/FdIRo4TJrvk?t=4h7m2s>

Commissioner Sadowski recommended a future agenda item for the Planning Commission to discuss Environmental Justice as it pertains to the General Plan/LCP.

Graham confirmed this is included in the General Plan/LCP Update.

F. COMMUNITY DEVELOPMENT DIRECTOR COMMENT

<https://youtu.be/FdIRo4TJrvk?t=4h11m4s>

Graham reminded the Commission about the upcoming meeting on Thursday, August 23<sup>rd</sup>, 4 p.m. at the Community Center. Graham noted they will be going over Plan Morro Bay.

G. ADJOURNMENT

The meeting adjourned at 10:11 p.m. to the next special scheduled Planning Commission meeting at the Morro Bay Community Center, Multi-Purpose Room, 1001 Kennedy Way, on **Thursday, August 23, 2018 at 4:00 p.m.**

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Gerald Luhr, Chairperson

ATTEST:

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Scot Graham, Secretary