



# CITY OF MORRO BAY PLANNING COMMISSION AGENDA

*The City of Morro Bay provides essential public services and infrastructure to maintain a safe, clean and healthy place for residents and visitors to live, work and play.*

**Regular Meeting -Tuesday, September 1, 2020 - 6:00 P.M.  
Held Via Teleconference**

Vice-Chairperson Jesse Barron  
Commissioner Michael Lucas

Chairperson Gerald Luhr

Commissioner Joseph Ingraffia  
Commissioner Susan Stewart

ESTABLISH QUORUM AND CALL TO ORDER

PLANNING COMMISSIONER ANNOUNCEMENTS

PUBLIC COMMENT

### **Public Participation:**

*In order to prevent and mitigate the effects of the COVID-19 pandemic, and limit potential spread within the City of Morro Bay, in accordance with Executive Order N-29-20, the City will not make available a physical location from which members of the public may observe the meeting and offer public comment. Remote public participation is allowed in the following ways:*

- *Community members are encouraged to submit agenda correspondence in advance of the meeting via email to the Community Development office at [planningcommission@morrobayca.gov](mailto:planningcommission@morrobayca.gov) prior to the meeting and will be published on the City website with a final update one hour prior to the meeting start time. Agenda correspondence received less than an hour before the meeting start time may not be posted until after the meeting.*
- *Members of the public may watch the meeting either on cable Channel 20 or as streamed on the City [website](#).*
- *Alternatively, members of the public may watch the meeting and speak during general Public Comment or on a specific agenda item by logging in to the Zoom webinar using the information provided below. Please use the "raise hand" feature to indicate your desire to provide public comment. Each speaker will be allowed three minutes to provide input.*

*Please click the link below to join the webinar:*

➤ <https://us02web.zoom.us/j/82722747698?pwd=aWZpTzcwTHlRTk9xaTlmVVNWRWFUQT09>

*Password: 135692*

*Or Telephone Attendee: (408) 638-0968 or (669) 900 6833 or (346) 248 7799; Webinar ID: 827 2274 7698; Password: 135692; Press \* 9 to "Raise Hand" for Public Comment*

PRESENTATIONS

A. CONSENT CALENDAR

**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 07, 2020.  
**Staff Recommendation:** Approve minutes as submitted.

B. PUBLIC HEARINGS

**B-1 Case No.:** Zoning Ordinance Text Amendment & Municipal Code Amendment

**Site Location:** Citywide

**Project Description:** An Ordinance of the City of Morro Bay amending the Local Coastal Program adding Chapter 17.41 (Short-Term Vacation Rentals) of Title 17 (Zoning) of the Morro Bay Municipal Code relating to the permitting and operation of short-term vacation rentals and repealing Chapter 5.47 (Short-Term Vacation Rental Permit) of Title 5 (Business Tax Certificates and Regulations).

**CEQA Determination:** The Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to sections: 15060(c)(2), 15060(c)(3) and 15061(b)(3)

**Staff Recommendation:** Planning Commission continue review the Ordinance, provide comment to staff and provide a recommendation for adoption to the City Council

**Staff Contact:** Scot Graham, Community Development Director (805) 772-6291  
sgraham@morrobayca.gov

C. NEW BUSINESS

D. UNFINISHED BUSINESS

E. PLANNING COMMISSIONER COMMENTS/FUTURE AGENDA ITEMS

F. COMMUNITY DEVELOPMENT DIRECTOR COMMENTS

G. ADJOURNMENT

Adjourn to the next regular Planning Commission meeting on September 15, 2020 at 6:00 p.m. via teleconference.

**PLANNING COMMISSION MEETING PROCEDURES**

This Agenda is subject to amendment up to 72 hours prior to the date and time set for the meeting. Please refer to the Agenda posted at the Community Development Department, 955 Shasta Avenue, for any revisions, or call the Department at 805-772-6264 for further information.

Written testimony is encouraged so it can be distributed in the Agenda packet to the Commission. Material submitted by the public for Commission review prior to a scheduled hearing should be received by the Planning Division at the Community Development Department, 955 Shasta Avenue, no later than 5:00 P.M. the Tuesday (eight days) prior to the scheduled public hearing. Written testimony provided after the Agenda packet is published will be distributed to the Commission but there may not be enough time to

fully consider the information. Mail should be directed to the Community Development Department, Planning Division.

This Agenda may be found on the Internet at: [www.morrobayca.gov/planningcommission](http://www.morrobayca.gov/planningcommission) or you can subscribe to Notify Me for email notification when the Agenda is posted on the City's website. To subscribe, go to [www.morrobayca.gov/notifyme](http://www.morrobayca.gov/notifyme) and follow the instructions.

The Brown Act forbids the Commission from taking action or discussing any item not appearing on the agenda, including those items raised at Public Comment. In response to Public Comment, the Commission is limited to:

1. Responding to statements made or questions posed by members of the public; or
2. Requesting staff to report back on a matter at a subsequent meeting; or
3. Directing staff to place the item on a future agenda. (Government Code Section 54954.2(a))

Commission meetings are conducted under the authority of the Chair who may modify the procedures outlined below. The Chair will announce each item. Thereafter, the hearing will be conducted as follows:

1. The Planning Division staff will present the staff report and recommendation on the proposal being heard and respond to questions from Commissioners.
2. The Chair will open the public hearing by first asking the project applicant/agent to present any points necessary for the Commission, as well as the public, to fully understand the proposal.
3. The Chair will then ask other interested persons to present testimony either in support of or in opposition to the proposal.
4. Finally, the Chair may invite the applicant/agent to respond to the public testimony. Thereafter, the Chair will close the public testimony portion of the hearing and limit further discussion to the Commission and staff prior to the Commission taking action on a decision.

## **APPEALS**

If you are dissatisfied with an approval or denial of a project, you have the right to appeal this decision to the City Council up to 10 calendar days after the date of action. Pursuant to Government Code §65009, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Commission, at, or prior to, the public hearing. The appeal form is available at the Community Development Department and on the City's web site. If legitimate coastal resource issues related to our Local Coastal Program are raised in the appeal, there is no fee if the subject property is located within the Coastal Appeal Area. If the property is located outside the Coastal Appeal Area, the fee is a \$277 flat fee. If a fee is required, the appeal will not be considered complete if the fee is not paid. If the City decides in the appellant's favor then the fee will be refunded.

City Council decisions may also be appealed to the California Coastal Commission pursuant to the Coastal Act Section 30603 for those projects that are in their appeals jurisdiction. Exhaustion of appeals at the City is required prior to appealing the matter to the California Coastal Commission. The appeal to the City Council must be made to the City and the appeal to the California Coastal Commission must be made directly to the California Coastal Commission Office. These regulations provide the California Coastal Commission 10 working days following the expiration of the City appeal period to appeal the decision. This means that no construction permit shall be issued until both the City and Coastal Commission appeal period have expired without an appeal being filed. The Coastal Commission's Santa Cruz Office at (831) 427-4863 may be contacted for further information on appeal procedures.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Community Development Department at (805) 772-6264. Notification 24 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.



City of Morro Bay  
Community Development Department  
Current & Advanced Project Tracking Sheet

This tracking sheet shows the status of the work being processed by the Planning & Building Divisions

New Planning items or items recently updated are highlighted in yellow.

Approved projects are deleted on next version of log.

Agenda No: A-1

Meeting Date September 1, 2020

#	Applicant/ Property Owner	Project Address	Application Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments and Notations	Project Planner
<b>Hearing or Action Ready Projects:</b>										
1	Hosford	775 Ridgeway	7/15/20	CDP20-010	<b>Admin CDP for conversion of existing unconditioned space in a SFR into a 700 sf accessory dwelling unit</b>	Correction letter sent 7/29/20. Resubmittal received 8/11/20 and is under review. Project complete and noticed on 8/25/20.				am
2	Singh	940 Morro Bay Blvd	5/28/20	MIN20-004	<b>Minor Modification to existing CDP/CUP to allow installation of an ATM to the exterior side of the existing gas station service building. Application includes lighting and minor changes to the parking spaces.</b>	Application received and under review. Incomplete letter sent June 23, 2020, waiting for resubmittal. Resubmittal received 8/3/20, project deemed completed, public noticing 8/18 to 8/28/20.				nh
3	Rhine LP/Morro 94	3300 Panorama	8/20/19	MAJ 19-005	<b>After the fact permit application for removal of 3 sheds and possible siding treatment for transformer building.</b>	Submittal is under review. Deemed incomplete 8-29-19. Project submittal deemed complete. Tentatively scheduled for Planning Commission on September 15, 2020.				nh
4	Biaggini	1148 Market	8/3/20	CDP20-012/ CUP20-05	<b>CDP/CUP for new 2 story SFR w/ garage and ADU.</b>	Incomplete letter sent 8/13/20. Project deemed complete 8/27/20. Scheduled for PC hearing October 20, 2020.				nh
5	Brebes	495 Driftwood	6/14/19	CDP19-022/PKG19-07 (PKG voided)	<b>New duplex residential units - attached 2 story buildings each unit with attached 2 car garages. Existing home on the site will be permitted as an ADU.</b>	Project deemed incomplete 12/31/19. Applicant changing project density, waiting for resubmittal. Correction letter sent 5/25/20. Waiting for resubmittal. Applicant is considering revisions to the density back to a new duplex and existing home. Resubmittal received 7/20/20, under review. Project deemed complete on 8/19/20, public notice from 8/24 to 9/3/20.				nh
<b>30 -Day Review, Incomplete or Additional Submittal Review Projects:</b>										
6	Appel	400 Pico	8/24/20	CDP20-013	<b>Admin CDP for garage conversion to a 408sf ADU</b>	Submittal is under review.				am
7	Eisemann	535 Atascadero Road	8/5/20	MIN20-007	<b>Request for modification of previously approved tentative map MB15-0103</b>	Under Review. Comment letter sent 8/17/20, waiting for resubmittal.				nh
8	Pavacich	501 Marina	8/3/20	CDP20-011	<b>Existing 2 story home previously converted into two dwelling units without a permit. CDP is necessary to bring this project into conformance with General Plan and Land Use policies. Also requires after-the-fact building permit.</b>	Submittal is under review. Comment letter sent 8/21/20. Waiting for resubmittal.				nh

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9	Krull	2575 - A Greenwood	6/17/20	MIN20-006	<b>Minor Modification to HDL permits UPO-521 and CPO-575 - Deletion of planned parking space, driveway, and sidewalk on greenwood side of property. Original project was appealed to PC and CC for parking.</b>	Submittal under review. No plans were submitted to show proposed scope of work. Planning incomplete letter sent 7/13/20. Applicant withdrew request for modification, project will be completed in accordance with originally approved plans. Applicant withdrew request for changes. Permit closed out.				nh
10	Pappas / AT&T	475 Radcliff	5/11/20	CUP20-04 / CDP 20-008	<b>CDP and CUP request for new wireless telecommunication facility to include new tower, installation of panel antennas, and associated equipment along with 300sf equipment shelter at base of telecomm tower.</b>	Incomplete letter sent 5/20/20. Resubmittal received and deemed incomplete again on 7/7/20. Resubmittal received 8/25/20.				cj
11	Hurlless	2290 Greenwood Ave	5/7/20	CDP20-007	<b>Legalize ADU from prior construction. Was a previous Code Enforcement issue. Plans difficult to understand.</b>	Correction letter sent 5/18/20. Resubmittal received June 16, 2020 under review. Project deemed incomplete, comment letter sent July 16, 2020, waiting for resubmittal.				nh
12	Bean	Unaddressed Main Street (AKA 199 Sandpiper Court)	12/19/19	CUP19-20, CDP19-047	<b>CUP/CDP for new home on triangular small parcel on the bluff. Proposed home is 526 sf 2-stories with access easement to Main Street</b>	Project deemed incomplete, comment letter sent January 7, 2020. Waiting for resubmittal.				nh
13	Gambril	571 Embarcadero	10/14/19	MAJ19-006	<b>Major Modification to CUP Amendment for proposed public access improvements, dock and gangway realignment, conversion of 2nd floor to hotel units and request for 1st floor ADA accessible hotel unit</b>	Correction letter sent 11/13/2019. Awaiting resubmittal.		PN-Conditionally Approved 10/16/2019		cj
14	Cleary	1282 and 1290 Embarcadero Road	5/23/19	CDP19-016	<b>CDP for removal of major vegetation.</b>	Submittal is under review. Correction letter sent 6/10. Awaiting resubmittal.				cj
15	Najarian	1339 Berwick	11/30/18	CDP 18-014	<b>Admin CDP for new construction of SFR and ADU with attached garage</b>	Application deemed incomplete, comments sent to applicant on 12/27/18. Followed up with application 2/3/20, applicant is planning on a resubmittal.				nh
<b>Projects Appealed to Planning Commission or PC Continued projects:</b>										
16	State Parks - Mike Walgren	11 State Park Road	8/20/18	CDP 18-004, CUP18-04	<b>Coastal Development Permit &amp; Conditional Use Permit to install modular building for office space, parking and landscape improvements at Morro Bay State Park</b>	Submitted on 8-20-18. Deemed incomplete 9.10.18. Applicant to resubmit plans. Plans resubmitted with additional information on 10-26-18. Project deemed complete. Scheduled for PC on December 18, 2018. Continued to date uncertain by PC on 12/18/18. Applicant to provide additional information. Followed up with applicant 2/3/20 - they are waiting for reports prior to resubmittal.		PN- Approved 9/4/2018		nh

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17	City of Morro Bay	End of Nutmeg	1/18/12	UP0-344	<b>Environmental documents for Nutmeg Tanks.</b> Permit number for tracking purposes only County issuing permit. Demo existing and replace with two larger reservoirs. City handling environmental review	KW--Environmental contracted out to SWCA estimated to be complete on 4/27/2012. SWCA submitted draft I.S. to City on May 1, 2012. MR-Reviewed MND and met with SWCA to make corrections. In contact with County Environmental Division for their review. MND received by SWCA on 10/7/12. MND out for public notice and 30 day review as of 11/19/12. 30 day review ends on 12/25/12. No comments received. Scheduled for 1/16/13 Planning Commission meeting and then to be referred back to SLO County. Planning Commission continued this item to address concerns regarding traffic generated from the removal of soil. In applicant's court, they are addressing issues brought up by neighbors during initial P.C. meeting. Project has been redesigned and will be going forward with concrete tanks. Modifications to the MND are in process. Neighborhood meeting conducted with Engineering on 9/27/2013. Revising project description and MND.	No review performed.	BCR- Needs new MND for concrete tank, less truck trips. Neighborhood mtg held 9/27. Neighbors generally support new design that reduces truck trips by 80%. Concrete batch plant set up on site will further reduce impact. 5/5/14 - Cannon contract signed to finish permit phase. Construction will be delayed to FY15/16		cj
<b>Projects Appealed or Forwarded to City Council: None at this time</b>										
<b>Environmental Review:</b>										
18	City of Morro Bay	N/A		UP0-423	<b>MND for Chorro Creek Stream Gauges</b>	Applicant requesting meeting for week of 9/9/13. SWCA performing the environmental review. Received completed MND from Water Systems Consulting (WSC) on 4/1/15. Routed to State Clearinghouse for required 30 day review period. Tentative hearing 8/4/15. No recent activity.	No review performed.	MND complete. Cut permit checks to RWQCB and CDFW on 2/27/15		cj
<b>Final Map Under Review Projects:</b>										
17	Eisemann	535 Atascadero Road	3/7/19	PAR19-01	<b>Final Parcel map</b>	Submittal is under review. Planning disapproved 3/14/19. Resubmittal disapproved on May 14, 2019. Resubmittal received , review comments provided 6-5-19. Disapproved 11-5-19. Waiting for revised submittal to remove improvements not requested by CalTrans. Applicant granted an extension of the timeline to finalize the final parcel map to August 8, 2021.		PN- Disapproved 11-6-2019		nh
<b>Projects going forward to Coastal Commission for review (Pending LCP Amendments) / or State Department of Housing:</b>										

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18	City of Morro Bay	Citywide			<b>Plan Morro Bay: General Plan / Local Coastal Program / Zoning Code Update project</b>	Comprehensive overall update to the City's 1988 General Plan, 1984 Local Coastal Program, and 1997 Zoning Code. General Plan Advisory Committee meetings ongoing. For more information or to get involved, visit <a href="http://www.morrobayca.gov/planmb">www.morrobayca.gov/planmb</a> . Project to be complete with documents ready for adoption and certification by end of 2019. Public draft of combined General Plan/ LCP released May 2018 for review. Working with Coastal staff on CCC input. Reviewing final Adoption Draft. Admin Draft of EIR received and now under review. Previous City Sign Ordinance Update work completed in 2017 to be incorporated into Plan Morro Bay.				
19	City of Morro Bay	Citywide	10/16/13	A00-013. A00-029: Ordinance 601	<b>Zoning Text Amendment - Second Unit</b>	Secondary Unit Ordinance Amendment. Ordinance 576 passed by City Council in 2012. Change recommended by PC after Council direction which led to Adoption of Ord. 585 by City Council on 5/13/14. Ordinance to be sent as an LCP Amendment for certification by Coastal Commission. <b>New language for PC and Council review. Second reading going to council on April 12, 2016. PC reviewed change 5-3-16. CC second First Reading 6-28-16.. Application submitted to Coastal Commission August 2016. Coastal objected to ban on use as vacation rentals. New State legislation in effect 1-1-20 which supersedes previous adopted ordinances. To be incorporated into Plan Morro Bay.</b>	No review performed.			wm
<b>Projects Continued Indefinitely, No Response to Date on Incomplete Letter or inactive:</b>										
20	Verizon / Knight	184 Main new location, Corner of Main and Cabrillo	11/19/14	UP0-394 and CP0-512	<b>Coastal Development Permit and Conditional Use Permit for installation of new Wireless Facility/Verizon antennas on existing pole.</b>	Under Review. JG. Incomplete. Waiting on response from Tricia Knight. Wants to keep project open and figure out the parking situation or move location. 1/26. JG. Applicant looking to move location to pole across the street. resubmittal rcv'd 5/26. Deemed Complete, waiting for Applicant to confirm PC meeting date. PC hearing held on 9/6/16 and continued for further review to 11-1-16 PC hearing. Continuance requested. Continued to a date uncertain		PN- Conditionally approved 6/14/16		jg
<b>Grants</b>										
21	California Coastal Commission, California Ocean Protection Council	City-wide	4/6/16		<b>\$400,000 Grant for LCP update to address sea-level rise and climate change impacts. Round 3 Grant award of \$200,000 for Lateral Access Plan, and ESHA delineation. Round 6 funding of \$60,000 received Mar 2020.</b>	Grant agreements for both the grants are in place and grant administration has been turned over to Michael Baker International, per terms of the GP/LCP update contract. Received signed grant agreement for \$200,000 LCP Planning grant by CCC for Round 3 awards 2-27-17. Additional LCP grant funding received in 2020 under Round 6 for \$60,000 to complete LCP update.	No review performed.	N/A		sg

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22	City of Morro Bay	City-wide				<b>Community Development Block Grant/HOME Program - Urban County Consortium</b>	Staff has ongoing responsibilities for contract management in coordination with County staff administraiton. Final 2016 funding recommendations reviewed by Council on 3-8-16. 2016 Subrecipient Agreement executed and Council approved 2018-2020 Cooperation Agreement with County on 6-13-17. City Council approved Cooperation Agreement for 2021-2023 CDBG Program Years at 5/26/20 Council meeting.	No review performed.	N/R		cj
23	City of Morro Bay	City-wide				<b>Climate Action Plan - Implementation</b>	Staff has ongoing responsibilities for implementation of Climate Action Plan as adopted by City Council January 2014. Staff coordinating activities with other Cities and County of SLO via APCD.				cj
<b>Projects in Building Plan Check:</b>											
24	Gulley	679	Atascadero	2/27/20	B20-0042	Add 135 sq. ft. bathroom addition.		Ready to issue			sg
25	LaPlante	3093	Beachcomber	4/29/17	B-31487	New SFR: 3,495 sf w/ 500 sf garage on vacant land. No activity on this project. Remains in plan check.	Approved 8-9-18. Requested permit extension.	Ready to issue	PN - Approved 6/21/2018	Emailed comments on 10-20-17.	cj
26	Auerbach	3200	Beachcomber Dr.	12/30/19	B19-0277	Convert 100 sf of enclosed sun-room area to living space and add 67 sq ft of new living area. Demo kitchens and add 3 beams, new windows, siding, update electrical, water heater and forced air unit, misc, clean up.	Disapproved Jan 14, 2020, additional information provided and Planning approved building permit 4/7/20	Ready to issue			nh
27	Diaz	365	Driftwood	1/6/20	B19-0280	328 sq ft addition to master bedroom and bath on second flr. Convert covered patio to living space 50 sq ft enclosed covered porch 30 sq ft interior remodel.	Under review. Planning disapproved 1/31/20. Waiting for resubmittal	Bldg - Disapproved 1/15/20			nh
28	Brebes	495	Driftwood	12/20/19	B19-0269	New 3778 sf duplex homes including garages on lot with existing SFH	Pending approval of planning permits, applicant changing potential density on the site in CDP permit process.	Bldg - Disapproved 2/7/20			nh
29	Sanford	121	Easter St.	8/4/20	B20-0124	Interior remodel to include removal of interior walls located in entry and living room, new lighting and receptacles, new roof, add 64 sf to create laundry room.	Submittal under review	Bldg. - Approved 8/25/20			am
30	City of Morro Bay	595	Embarcadero	12/31/19	B19-0278	Commercial T.I. to former Aquarium building to meet accessibility requirements, remove asbestos from 1st floor, update electrical, mechanical and plumbing, new structural shear wall, repair concrete columns, new raised deck, stairs & railing for tasking room & brewery (Three stacks & A Rock Brewing Company.	Approved.	Bldg. - Approved 7/22/20			sg
31	City of Morro Bay	725	Embarcadero	7/28/20	B20-0116	Demolition and reconstruction of the pier structure supporting the existing harborwalk, restaurant and restaurant patio.	Approved.	Bldg. - Approved 7/28/20			cj
32	Post	2445	Greenwood Ave.	8/5/20	B20-0125	Demo existing Single Family Residence and propose new construction Single Family Residence 2-story - 3 bedroom, and 2.5 Bath. 1868 sf of living space plus 484 sf attached garage.		Bldg. - Plancheck			nh

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33	Novick	2820	Greenwood Ave.	8/25/20	B20-0151	Demo existing covered breeze way, demo exterior stairs & 60 sf of existing shed. Replace flat roof with gable truss roof, new 211 sf addition (Halls & Stairs) & add new 78 sf 2nd story deck	Planning disapproved 8/27/20. Awaiting resubmittal.	Bldg. - Plancheck			am
34	Wilkie	476-A	Hill	3/26/20	B20-0057	ATTACHED ADU - Convert existing attached garage to 344 sf Accessory Dwelling Unit.	Correction letter sent 4/30/20. Awaiting resubmittal.	Bldg. - Approved 4/8/20			nh
35	Bailey	2565	Ironwood Ave.	7/2/20	B20-0104	Converting rear covered porch into 225 sf addition creating laundry room, bathroom, and expansion of bedroom.	Disapproved 7/9/2020.	Bldg - Disapproved 7/15/20			cj
36	Philbrick	345	Island St.	8/13/20	B20-0138	Partial demo of interior SFD. Includes drywall and insulation removal for plumbing, electric, and structural assessments.		Bldg. - Approved 8/18/20			co
37	Friesen	2390	Juniper	3/5/20	B20-0043	Build new observation deck over existing roof top. Applicant is modifying the scope of work to include a new room with an attached deck and a deck extension in the front over the driveway.	Applicate revising submittal to deck extension at front of existing home (as of 7/10/20). Awaiting resubmittal.	Bldg - Diapproved 3/12/20			nh
38	Peter	890	Main St.	2/13/19	B19-0026	ADA and parking lot improvements. ADA stall to be relocated closer to street and make van accessible.	Approved on 3/1/19 - sg	Bldg - Approved 2/27/19 Fire - Approved 2/26/19	Disapproved on 4/15/19		sg
39	Sonic	1840	Main St.	10/17/17	B-31730	Sonic Drive-in Restaurant, 1395 sf building, 1020 sf covered patio, 2646 sf covered parking	Corrections sent 12-8-17. Resubmitted 3-2-18. Application incomplete and corrections sent 4-5-18. Resubmittal received and unaddressed corrections sent back 7-19-18. Project required to underground utilities. Utility plan and coordination with public utilities in process. cj. Requested permit extension. Awaiting resubmittal. Requested Permit Extension. Planning permit extension requested and granted to allow new permit expiration of April 2021.	BLDG - Disapproved by California Code Check (contract building inspection services (see memo) on 7-23-18. PB	Disapproved by jb on 11-21-17.	1-2-18 - Emailed BLDG (code ck) comments to architect. PB	cj
40		2460	Main St.	7/21/20	B20-0114	New accessible parking stall and ramp, minor remodel of motel office/lobby.	Planning disapproved 7/22/20. Waiting for revisions.	Bldg - Disapproved 7/22/20			nh
41	Cleath	2790	Main St.	7/2/20	B20-0106	Remove 736 sf existing building and construct new 4996 sf 8 room hotel.	Planning approved 7/27/20.	Bldg - Disapproved 7/27/20			nh
42	Moreno	2988	Main St.	8/12/20		French Doors		Bldg - Approved 8/12/20			co
43	Shorey	1110	Marengo Dr	12/20/19	B19-0270	450 sq ft addition to guesthouse.	Disapproved pending approval of CDP19-048. CDP approved and permit issued 5/2020. Building Permit conditionally approved 6/23/20	Bldg - Approved 6/22/20			nh
44	McCutcheon	361	Mindoro St.	8/18/20	B20-0149	Replace an existing 240 sf 2nd story deck (8' X 30").		Bldg. - Approved 8/19/20			co
45	LifePoint Church	615	Monterey	1/6/20	B19-0279	Remodel/upgrade current building	Planning disapproved 1/27/20. Awaiting resubmittal.	Bldg - Diapproved 1/30/20			nh
46	Kolb	691	Morro Ave	7/30/20	B20-0121	1,150 S.F. TI in an existing medical office building		Bldg - Plancheck			sg

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47	Singh	940	Morro Bay Blvd	5/28/20	B20-0085	Installation of an ATM machine on the exterior of the existing gas station building. Includes lighting and minor parking modifications	Under review, pending approval of Minor Modification to existing CUP/CDP	Bldg -Disapproved 6/4/20			nh
48	Loe	2605	Nutmeg Ave.	7/14/20	B20-0110	Repair Driveway		Bldg - Disapproved 7/21/20			sg
49	Erb	2630	Nutmeg Ave	2/14/19	B19-0029	Demo 195 sf third story deck at front of home and rebuild with 80 sf extension to allow for deck beam and column support. Remove 152 sf deck on south side of home, misc. construction to repair water damage.	Dissapproved 3/6/19. Disapproved 4/9. Variance application approved. Awaiting building permit resubmittal.	Bldg - Approved 3/27/19			wu
50	Cohen	331	Orcas St	6/25/20	B20-0099	Demolish a 386 sf cottage and installation of a 990 sf manufactured home, a 336 sf (16' x 21') semi attached site built garage with rooftop deck, exterior landing and stairs to garage and exterior stairs to rooftop deck.	Planning approved 7/3/20	Bldg - Disapproved 7/15/20			nh
51	Steel	450	Piney Way	7/27/20	B20-0117	521 sf deck extension and replacement of 2 sliding glass doors and 1 window.		Bldg - Approved 8/10/20			sg
52	Scharin Family Trust Johan C. Scharin Trustee	710	Quintana	5/21/20	B20-0082	Remodel of former Dollar Tree into a new O'Reilly Auto Parts for the retail sale of automotive parts and accessories.		Bldg - Disapproved 6/11/20			wu
53	Contreras	475	Radcliff Ave.	8/4/20	B20-0122	Permit for foundations of two Tubular Steel Pole (TSP) and removal of a lattice Tower and TSP	Disapproved 8/12/20. cj	Bldg. - Approved 8/10/20			cj
54	Contreras	475	Radcliff Ave.	8/4/20	B20-0123	Permit for grading of two Tubular Steel Pole (TSP) and removal of a lattice Tower and TSP	Disapproved 8/12/20. cj	Bldg. - Approved 8/10/20			cj
55	Giannini	750	Radcliff Ave.	7/22/19	B19-0156	Remove three existing panel antennas, three radio and replace with three radio intergrated antennas and assoicated cabling. Install equipment expansions to the top of existing cabinets (approx 1'2') with associated electrical wiring.	Approved 9/26/19.	Ready to issue			cj
56	Kennedy	1130	Scott Street	12/20/19	B19-0271	New commercial project with residential security unit above	Conditionally approved 1/3/20	Bldg - Disapproved 1/7/20			nh
57	Stanton	351	Trinidad	3/26/19	B19-0054	Repairs to existing 200 sf rooftop deck. Replace all dry-rot structural members, install new waterproof membrane,, new copper drip edge flashing, replace plaster, replace guardrail if needed.	Disapproved 4/11/19. Awaiting resubmittal.	Bldg - Approved 3/27/19			wu
58	Davis	1149	West Ave	7/8/19	B19-0145	Construct lower level 360 sf enclosed patio (12' x 30') at rear of existing SFR.	Disapproved, proposed enclosed patio extended into the 25 foot bluff setback.	Bldg - Approved 7/10/19			nh
59	Weaver	448	Yerba Buena	1/10/20	B20-0007	Rebuild existing deck & add 48 sq ft existing deck-85 sq ft. New deck 48 sq ft. Total 133 sq ft.		Ready to issue			sg

**Planning Projects & Permits with Final Action:** .

#	Applicant/ Property Owner	Project Address	Application Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments and Notations	Project Planner
60	Angelucci	953 Pacific	6/18/20	MIN20-005	<b>Minor Modification to original CUP: Addition of 470 sf to existing 968 sf residence with 470 sf garage &amp; 275 sf deck. Original project went to PC for a detached 2-car garage lift, that idea has been abandoned. Modification changes garage from detached to attached tandem garage resulting in 470sf which is 11sf more than the original proposal.</b>	Project approved for minor mod on 7/27/20.				cj
<b>Staff Directory:</b>										
Scot Graham - sg		Chad Ouimet - co		Cindy Jacinth - cj		Pam Newman - pn		Nancy Hubbard - nh		Abby Miramontes - am

AGENDA ITEM:     A-2    

DATE: SEPTEMBER 1, 2020

ACTION:     DRAFT    

ACTION MINUTES – MORRO BAY PLANNING COMMISSION  
REGULAR MEETING – JULY 7, 2020  
HELD VIA TELECONFERENCE – 6:00 PM

PRESENT:	Gerald Luhr Jesse Barron Joe Ingraffia Michael Lucas Susan Stewart	Chairperson Vice-Chairperson Commissioner Commissioner Commissioner
STAFF:	Scot Graham Nancy Hubbard Amy Sinsheimer	Community Development Director Contract Planner PlaceWorks

ESTABLISH QUORUM AND CALL TO ORDER

PLANNING COMMISSIONER ANNOUNCEMENTS - NONE

PUBLIC COMMENT PERIOD

Betty Winholtz, Morro Bay, voiced her concerns regarding the illegal fireworks that happened over the fourth of July weekend. She would like to see the City Council repeal the safe and sane fireworks ordinance.

Chairperson Luhr closed the Public Comment period.  
<https://youtu.be/pregolakP1o?t=291>

**Public Participation:**

*In order to prevent and mitigate the effects of the COVID-19 pandemic, and limit potential spread within the City of Morro Bay, in accordance with Executive Order N-29-20, the City will not make available a physical location from which members of the public may observe the meeting and offer public comment. Remote public participation is allowed in the following ways:*

- *Community members are encouraged to submit agenda correspondence in advance of the meeting via email to the Community Development office at [planningcommission@morrobayca.gov](mailto:planningcommission@morrobayca.gov) prior to the meeting and will be published on the City website with a final update one hour prior to the meeting start time. Agenda correspondence received less than an hour before the meeting start time may not be posted until after the meeting.*

- *Members of the public may watch the meeting either on cable Channel 20 or as streamed on the City [website](#).*
- *Alternatively, members of the public may watch the meeting and speak during general Public Comment or on a specific agenda item by logging in to the Zoom webinar using the information provided below. Please use the “**raise hand**” feature to indicate your desire to provide public comment. Each speaker will be allowed three minutes to provide input.*

*Please click the link below to join the webinar:*

- <https://us02web.zoom.us/j/82722747698?pwd=aWZpTzcwTHlRTk9xaTlmWVNW/RWFUQT09>  
Password: 135692

*Or Telephone Attendee: (408) 638-0968 or (669) 900 6833 or (346) 248 7799; Webinar ID: 827 2274 7698; Password: 135692; Press \* 9 to “**Raise Hand**” for Public Comment*

## PRESENTATIONS

### A. CONSENT CALENDAR

<https://youtu.be/preqolakP1o?t=294>

- A-1** Current and Advanced Planning Processing List  
**Staff Recommendation:** Receive and file.
- A-2** Approval of minutes from the Planning Commission meeting of April 21, 2020.  
**Staff Recommendation:** Approve minutes as submitted.
- A-3** Approval of minutes from the Planning Commission meeting of May 5, 2020.  
**Staff Recommendation:** Approve minutes as submitted.

Commissioners Lucas and Stewart requested for Item A-1 to be pulled for discussion.

Commissioner Lucas commented some of the project descriptions in the Current and Advanced Planning Processing List was not showing on the report. Lucas noted the text was not formatted to fit into the cell. Commissioner Lucas took over chairperson duties as a result of both Chairperson Luhr and Vice Chairperson Barron experiencing technical difficulties with the Zoom Meeting feed.

Commissioner Stewart noted the project for 940 Morro Bay Boulevard requested an ATM machine. She wanted to know from staff if this was for Bank of America. Stewart also asked for the status on the sign ordinance.

Vice-Chairperson Barron asked for status on the cannabis stores.

Chairperson Luhr asked for status on the short term vacation rental ordinance.

Graham responded to the Commissioners questions and concerns.

**MOTION:** Vice-Chairperson Barron moved to approve the Consent Calendar. Commissioner Lucas seconded, and the motion passes 5-0, with Barron, Lucas, Stewart, Ingraffia, and Luhr voting yes.

<https://youtu.be/peqolakP1o?t=553>

B. PUBLIC HEARING

**B-1 Case No.:** Housing Element Update 2020-2028

**Site Location:** Citywide

**Request:** Consideration of the 2020-2028 Housing Element Update and associated Negative Declaration to forward a recommendation to the City Council. The Housing Element is one of seven required Elements in the General Plan and serves as the framework for providing housing within the city limits. The Housing Element identifies housing needs, including responsibility to meet the local housing allocation determined by Regional Housing Needs Assessment. This Housing Element will cover an 8 year planning period vs. the previously required 5 year period. The City invites public participation in the creation of the Housing Element Update in order to (1) educate the public about the housing needs, the requirements of the Housing Element Update and (2) engage the public to get their opinions on the Housing Element Update document. **CEQA Determination:** An Initial Study was prepared that resulted in a Negative Declaration which was circulated for public review from May 21, 2020 to June 21, 2020.

**Staff Recommendation:** Forward a favorable recommendation to City Council to adopt the Negative Declaration and to approve the 2020-2028 Housing Element Update as conditionally certified by the State Department of Housing and Community Development.

**Staff Contact:** Nancy Hubbard, Contract planner (805) 772-6211, nhubbard@morrobayca.gov

<https://youtu.be/peqolakP1o?t=594>

Amy Sinsheimer, City of Morro Bay consultant, presented the staff report.

Chairperson Luhr opened the Public Comment period.

<https://youtu.be/peqolakP1o?t=1842>

Betty Winholtz, Morro Bay, voiced her concerns regarding the Housing Element Update. Winholtz stated she also sent several documents stating her concerns.

Erica Crawford, Morro Bay Chamber of Commerce, stated how important affordable housing is to the community in the City of Morro Bay.

Staff answered the public comment questions.

Chairperson Luhr closed the Public Comment period.

<https://youtu.be/peqolakP1o?t=2182>

The Commissioners and staff review and discuss the Housing Element Update.

**MOTION:** Commissioner Lucas moved to continue the discussion of the Housing Element Update on the next scheduled meeting on July 21, 2020. Commissioner Stewart seconded, and the motion passes 5-0, with Stewart, Lucas, Ingraffia, Barron & Luhr voting yes.

C. NEW BUSINESS – NONE

D. UNFINISHED BUSINESS – NONE

E. PLANNING COMMISSIONER COMMENTS/FUTURE AGENDA ITEMS  
<https://youtu.be/preqolakP1o?t=12564>

Commissioner Lucas thanked the citizens for their input on the Housing Element Update.

Vice-Chairperson Barron asked staff if the safe and sane fireworks issue should be discussed or placed on the agenda.

Commissioner Stewart asked staff if the Planning Commission would be the committee who would discuss the safe and sane fireworks ordinance.

Graham responded to the Commissioners questions.

F. COMMUNITY DEVELOPMENT DIRECTOR COMMENTS - NONE

G. ADJOURNMENT

The meeting adjourned at 9:33 p.m. to the next scheduled Planning Commission meeting via teleconference, on July 7, 2020 at 6:00 p.m.

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Gerald Luhr, Chairperson

ATTEST:

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Scot Graham, Secretary







by no fewer than three lots without short-term vacation rentals. A single family dwelling short-term vacation rental may not abut another such short-term vacation rental in front, behind, or kitty corner from each other, including across a street or alley. This limitation applies whether the single family dwelling is used as a full-home rental or a home-share rental. Abutting or intervening lots with multifamily dwellings are also subject to this spacing limitation

## Beach Tract Comparison at 150' linear



### Vacation Rental Comparison



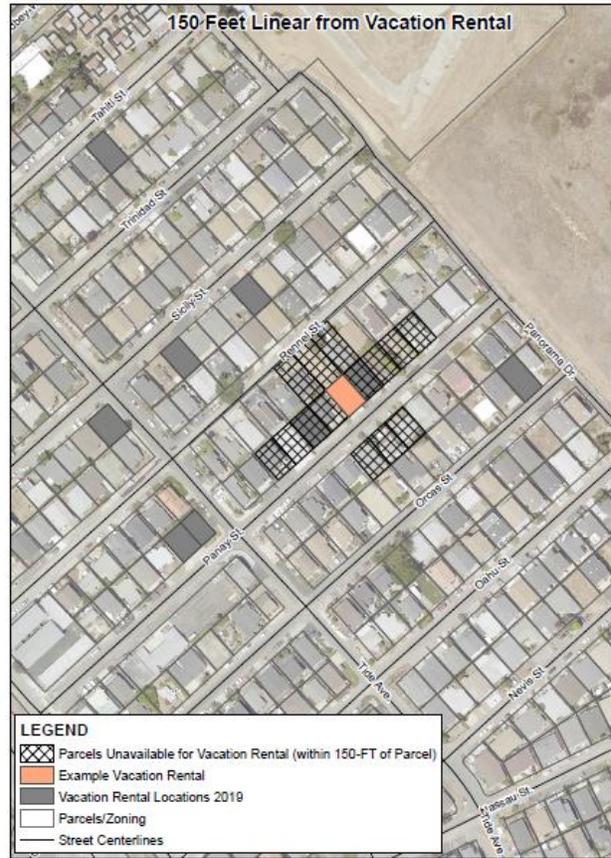
# Beach Tract Comparison at 175' linear



## vacation Rental Comparison

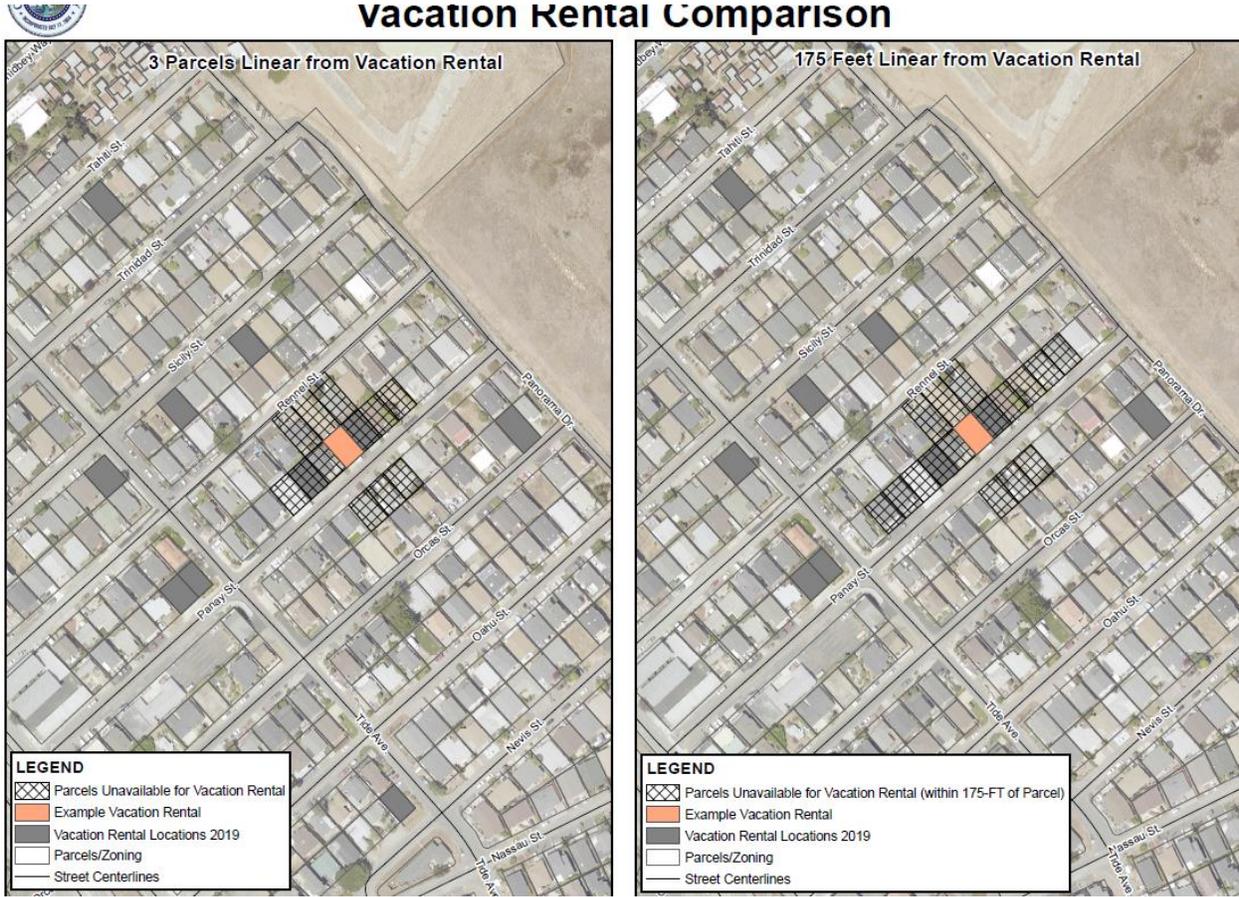


# North Morro Bay Comparison (Panay Street, east of Hwy 1) 150' linear Vacation Rental Comparison

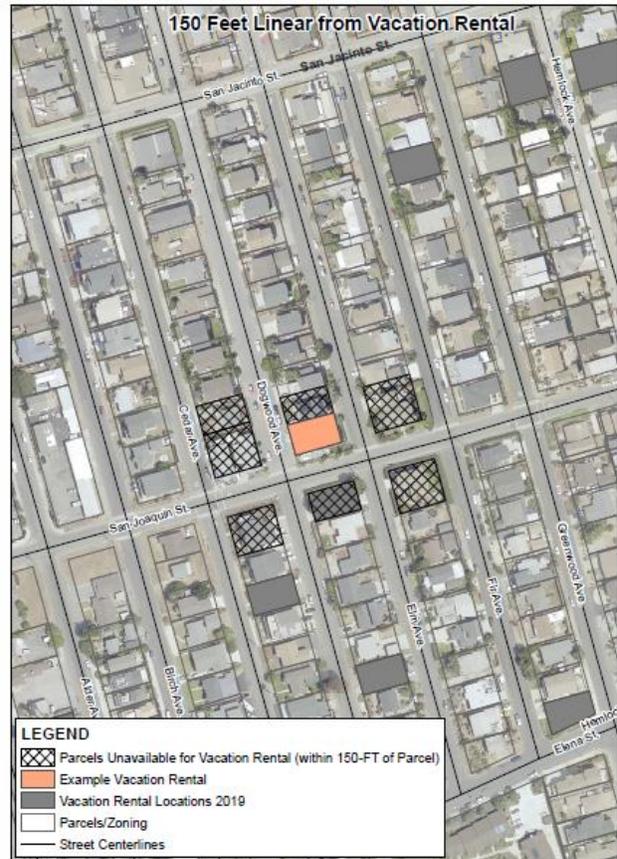


# North Morro Bay Comparison (Panay Street, east of Hwy 1) 175' linear

## Vacation Rental Comparison



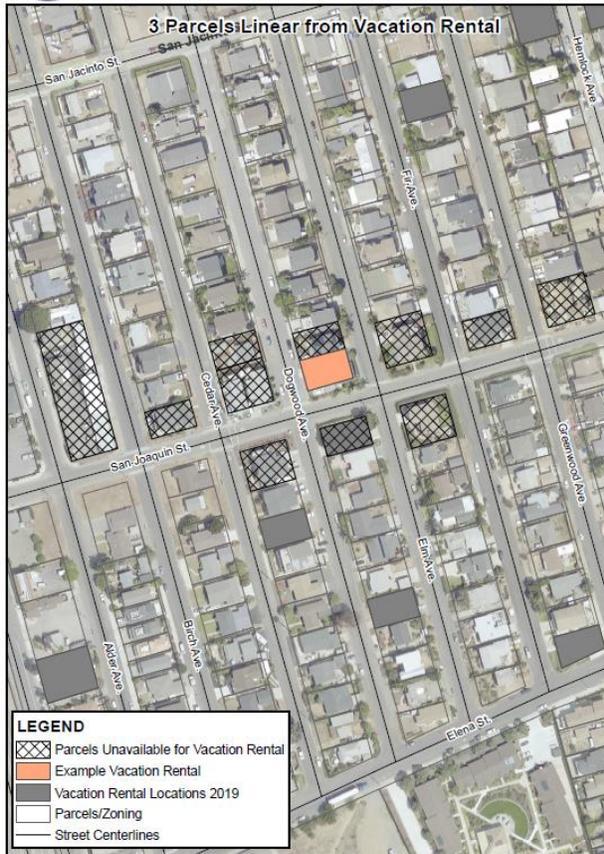
# North Morro Bay at San Jacinto (east of Hwy 1) Comparison 150' linear Vacation Rental Comparison



# North Morro Bay at San Jacinto (east of Hwy 1) Comparison 175' linear



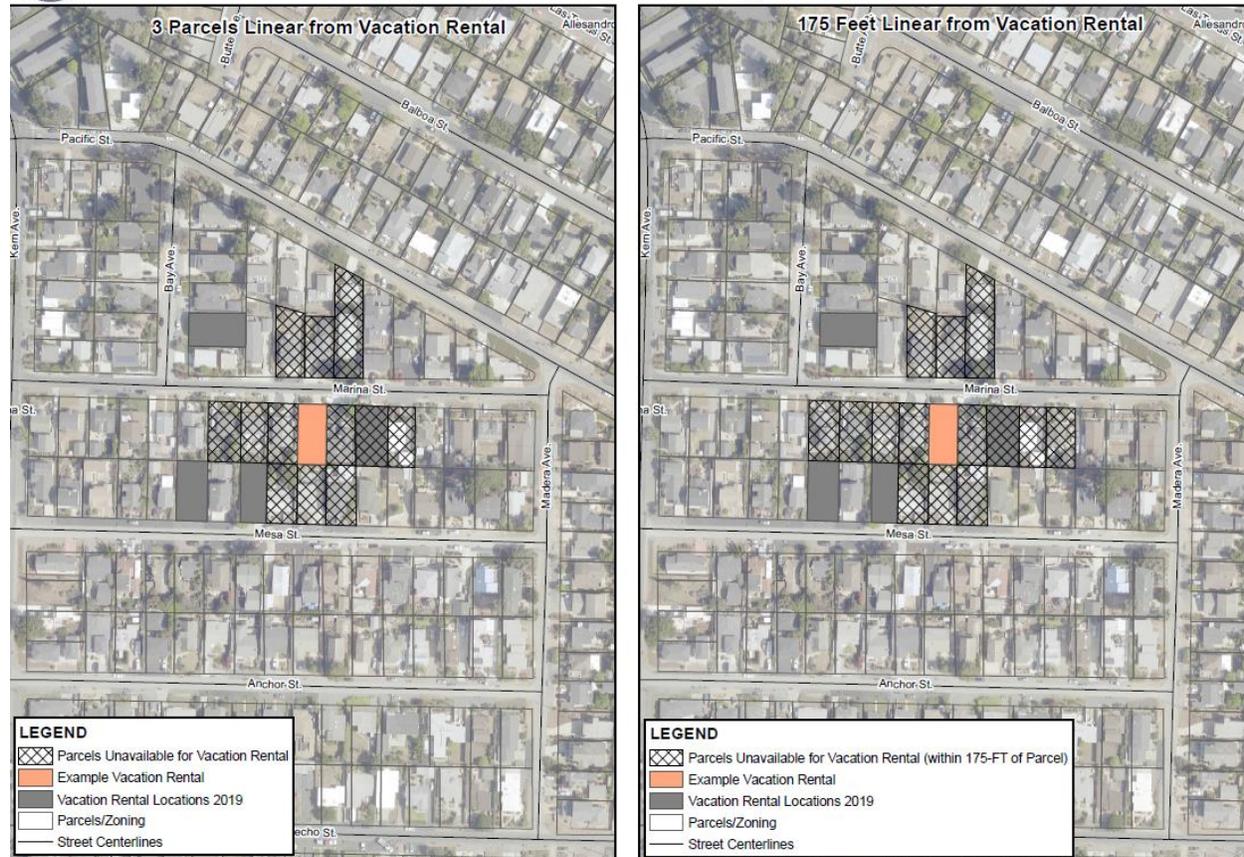
## Vacation Rental Comparison



# Morro Heights Comparison 150' linear



## Morro Heights Comparison 175' linear Vacation Rental Comparison



### **NEXT STEPS**

#### **City Council Review**

City Council will review the recommendations moved forward by the Planning Commission and TBID, as well as the work completed by the STR committee, in September or October 2020, depending upon when the Planning Commission completes their review and recommendations.

#### **California Coastal Commission Review**

An STR ordinance will become part of the City's Local Coastal Program (Implementation Plan) once adopted by City Council but cannot take effect until the Coastal Commission reviews and approves it. The City's STR committee reviewed several STR ordinances from California coastal cities that have recently received approval from the Coastal Commission to help guide their recommendations.

## **ENVIRONMENTAL DETERMINATION**

The Ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, sections: 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment); 15060(c)(3) (the activity is not a project as defined in Section 15378); and 15061(b)(3) (the activity is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment). The proposed ordinance maintains the status quo and prevents directly related changes in the environment. Because there is no possibility that this ordinance may have a significant adverse effect on the environment, the adoption of this ordinance is exempt from CEQA.

## **PUBLIC NOTICE:**

Notice of this item was published in the San Luis Obispo Tribune newspaper on August 7, 2020 and other interested parties were notified of this evening's public hearing and invited to voice any concerns on this application. The Planning Commission continued the item from the noticed August 18, 2020 meeting to the regularly scheduled Planning Commission meeting of September 1, 2020, therefore no additional noticing was required.

## **CONCLUSION:**

Development of a Short-Term rental ordinance has been a topic of concern in the community and a goal of the City Council for several years. Due to delays experienced with draft zoning code, Council directed staff to move forward with the STR ordinance outside of the zoning code update process. The City formed a multifaceted community group to develop recommendations for a new STR Ordinance and those efforts resulted in the draft ordinance before the Planning Commission at tonight's meeting.

Staff Recommends the Planning Commission continue review the draft ordinance, provide comment/input and recommend approval of the Ordinance to City Council.

## **EXHIBITS:**

- A. Draft Short-Term Vacation Rental Ordinance
- B. STR Maps
- C. Correspondence received since the August 18, 2020 PC meeting

## **LINKS:**

- August 18, 2020 PC staff report: <http://ca-morrobay2.civicplus.com/ArchiveCenter/ViewFile/Item/5412>
- Correspondence for August 18, 2020 staff report: <http://ca-morrobay2.civicplus.com/ArchiveCenter/ViewFile/Item/5414>

# EXHIBIT A

## **DRAFT** ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORRO BAY REPEALING CHAPTER 5.47 (SHORT-TERM VACATION RENTAL PERMIT) OF TITLE 5 (BUSINESS TAX CERTIFICATES AND REGULATIONS), AND ADDING CHAPTER 17.41 (SHORT-TERM VACATION RENTALS) OF TITLE 17 (ZONING) OF THE MORRO BAY MUNICIPAL CODE RELATING TO THE PERMITTING AND OPERATION OF SHORT-TERM VACATION RENTALS

WHEREAS, the City of Morro Bay is a unique community that takes pride in its community character.

WHEREAS, a central and significant goal for the City is preservation of its housing stock for residents and preserving the quality and character of residential neighborhoods.

WHEREAS, the City is a popular tourist destination and derives part of its revenue and prestige from this.

WHEREAS, the City Council of the City of Morro Bay finds that it is important that visitors to the City feel welcome and have access to a range of accommodations.

WHEREAS, the City Council finds that the proliferation of short-term vacation rentals has the potential for negative impacts on the community associated with noise, parking, and traffic impacts.

WHEREAS, while the City Council recognizes that short-term vacation rentals can be conducted in harmony with surrounding uses, those activities must be regulated to ensure that these activities do not threaten the residential character of the neighborhoods where they are operating, or otherwise harm the public health, safety, or general welfare.

WHEREAS, by the adoption of this Ordinance, the City Council wishes to strike the appropriate balance between welcoming visitors and maintaining the neighborhood character of the City.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORRO BAY DOES ORDAIN AS FOLLOWS:**

**SECTION 1.** The City Council of the City of Morro Bay finds:

A. The above referenced recitals are true and correct and material to the adoption of this Ordinance, and are incorporated herein by reference.

## EXHIBIT A

B. The proposed Zoning Ordinance Amendments will not be injurious or detrimental to the health, safety, comfort, general welfare or well-being of the persons residing or working in the neighborhood.cd

C. The Local Coastal Plan Implementation Program Amendments are intended to further the goals of the California Coastal Act, as set forth in Section 30001.5 of the Public Resources Code, to:

1. Protect, maintain, and where feasible, enhance and restore the overall quality of the coastal zone environment and its natural and artificial resources.

2. Assure orderly, balanced utilization and conservation of coastal zone resources taking into account the social and economic needs of the people of the state.

3. Maximize public access to and along the coast and maximize public recreational opportunities in the coastal zone consistent with sound resources conservation principles and constitutionally protected rights of private property owners.

4. Assure priority for coastal-dependent and coastal-related development over other development on the coast.

5. Encourage state and local initiatives and cooperation in preparing procedures to implement coordinated planning and development for mutually beneficial uses, including educational uses, in the coastal zone.

D. Pursuant to Morro Bay Municipal Code Section 17.64.080, no amendment to the Zoning Ordinance shall be legally effective in the coastal zone until the amendment is certified by the Coastal Commission. If the Coastal Commission certifies this Ordinance conditioned on substantive changes being made, then the Council will introduce and adopt another ordinance to incorporate those substantive changes. If the Coastal Commission certifies this Ordinance conditioned on non-substantive changes being made to this Ordinance, then the City Clerk is authorized to amend this Ordinance to reflect those non-substantive changes.

**SECTION 2.** Chapter 5.47 (Short-term vacation rental Permit) of Title 5 (Business Tax Certificates and Regulations) of the Morro Bay Municipal Code is hereby repealed in its entirety.

**SECTION 3.** Chapter 17.41 (Short-term vacation rentals) of Title 17 (Zoning) is added to the Morro Bay Municipal Code, as follows:

# EXHIBIT A

## **17.41 Short-term Vacation Rentals**

### **17.41.010 Purpose**

The purpose of this chapter is to establish a set of regulations applicable to short-term vacation rentals. In the adoption of these standards the City Council finds that short-term vacation rentals support the City's significant tourism industry, but also have the potential to be incompatible with surrounding residential uses, especially when several are concentrated in the same area, as they can have a deleterious effect on the adjacent full-time residents, and may alter the character of the neighborhoods within which they are located. To that end, the City Council with this Ordinance is adopting density limitations in residential zones, a permit scheme, and operational standards that strike the balance between these interests.

### **17.41.020 Definitions**

The terms used in this chapter shall have the following meanings, unless the context clearly indicates otherwise.

“Affordable housing unit” means no more than 30% of the monthly household income for rent and utilities for individuals and families of moderate, low, very low, or extremely low incomes, as defined by State law.

“Accessory dwelling unit” shall have the same meaning as the term is defined in Section 65852.2 of the Government Code.

“Bedroom” means any habitable space in a dwelling unit other than a kitchen or living room that is intended for or capable of being used for sleeping, is at least 70 square feet in area, meets all requirements of the California Residential Code, and has a window or opening that can be used for emergency egress.

“Booking transaction” means any reservation or payment service provided by a company that facilitates a short-term vacation rental transaction between a prospective visitor and a host.

“City Manager,” as the term is defined in Chapter 2.12 of this Code, shall include his/her designee.

“Dwelling” has the same meaning the term is defined in the Zoning Ordinance.

“Finance Director,” as the term defined in Section 2.16.090 of this Code, shall include his/her designee.

## EXHIBIT A

“Full-home rental” means a short-term vacation rental of no more than 30 consecutive days of a home, in whole or in part, for exclusive transient use. The guest enjoys the exclusive private use of the dwelling, and the host is not present.

“Guest” means a person who rents a short-term vacation rental.

“Guest house” has the same meaning as the term is defined in the Zoning Ordinance.

“Host” means the owner or his/her authorized agent, of a short-term vacation rental, who is responsible for its operation. A host can include the property owner, a tenant, or a management company.

“Home-sharing rental” means a short-term vacation rental within a dwelling that is the host’s primary residence, and where the host is on site throughout the guest’s stay. Home-sharing rentals include detached accessory dwelling units, and any unit in a multifamily dwelling of no more than four units, where the host lives in the primary residence or in one of the units.

“Hosting platform” means a company that participates in the short-term vacation rental business by collecting or receiving a fee, directly or indirectly through an agent or intermediary, for conducting a booking transaction using any medium of facilitation.

“Junior accessory dwelling unit” shall have the same meaning as the term is defined in Section 65852.22 of the Government Code.

“Local contact person” means an individual who is personally available by telephone on a 24-hour basis and who maintains the ability to initiate corrective action within one hour of being notified of a concern or complaint and who has authority to address violations of this Ordinance or any disturbance or problem at a short-term vacation rental.

“Lot” shall have the same meaning as the term is defined in the Zoning Ordinance.

“Multi-family dwelling” means a residential development with two or more attached dwellings, such as apartment or condominium buildings, duplexes, triplexes, fourplexes, and townhouses. Any Zoning Ordinance definition of “multi-family dwelling” that may be inconsistent with this definition shall govern.

“Primary residence” means the usual place of return for housing of an owner or long-term resident as documented by at least two of the following: motor vehicle registration, driver’s license,

## EXHIBIT A

California state identification card, voter registration, income tax return, or property tax bill. A person can only have one primary residence.

“Property owner” or “owner” means the person or entity holding single or unified beneficial title to a property.

“Short-term vacation rental” means a single family dwelling, multi-family unit, bedroom of a primary residence, accessory dwelling unit, or junior accessory dwelling unit, which is rented to a guest for compensation for the purpose of lodging for a period of thirty (30) or fewer consecutive days. “Short-term vacation rental” encompasses home-sharing and full-home rentals. “For compensation” includes, but is not limited to, rental of the property for any form of monetary or non-monetary consideration, including but not limited to money, goods, or services, as well as in-kind exchanges of goods, services, or premises.

“Single family dwelling” means a dwelling unit that is designed for occupancy by one household with private yards on all sides. This classification includes individual manufactured housing units. Any Zoning Ordinance definition of “single family dwelling” that may be inconsistent with this definition shall govern.

### **17.41.030 Short-term Vacation Rentals — General**

- A. Short-term vacation rentals may only be operated pursuant to a current and valid short-term vacation rental permit from the City of Morro Bay, as well as a current and valid City business license, in accordance with all the requirements of this chapter. Permits shall be obtained by the property owner. Permits shall be valid for no more than 12 months, unless renewed.
- B. Permits are non-transferable and are unique to the specific property and property owner. A permit for a property shall not be valid for a successor owner or host.
- C. Short-term vacation rentals are permitted in residential, mixed use, and commercial zones only. Short-term vacation rentals in residential zones shall be subject to the density limitations of Section 17.41.040, below.
- D. Short-term vacation rentals shall not be operated in vehicles or in non-habitable or illegally constructed structures, such as sheds, unconverted garages, cars, vans, or trucks,

## EXHIBIT A

- unpermitted attached or detached accessory dwelling units, unpermitted rooms or patios, etc.
- E. Short-term vacation rentals shall not be operated from dwellings that are designated as affordable housing units, or out of mobile home parks.
  - F. Short-term vacation rentals may not be operated from boats in the harbor, or from recreational vehicles unless permitted through the Conditional Use Permit process.
  - G. Operation of short-term vacation rentals in housing developments shall be permitted to the extent they are permitted by the development's CC&Rs. All provisions of this chapter shall apply. In case of conflict between this chapter and the development's CC&Rs, the more restrictive provisions shall apply. The City shall not be responsible for enforcing CC&R provisions relating to short-term vacation rentals.
  - H. The City shall provide public information regarding validly permitted short-term vacation rentals.
  - I. The provisions of this chapter shall apply to both home-sharing and full-home short-term vacation rentals, unless otherwise indicated.
  - J. The host has the responsibility to ensure that the short-term vacation rental and its guests comply with all the provisions of this Ordinance. The City must have current contact information for both the local contact person and the host, if they are different. Any change in contact information must be provided to the City forthwith.
  - K. Transient occupancy tax, Morro Bay Tourism Business Improvement District assessments and San Luis Obispo County Tourism Marketing District (SLOCTMD) assessment shall be collected on short-term vacation rentals in accordance with Chapters 3.24 (Transient Occupancy Tax) and 3.60 (Tourism Business Improvement District Law) of the Morro Bay Municipal Code. Short-term vacation rentals must contribute a minimum of \$500 of TOT annually to maintain a valid permit.
  - L. The City Council may by resolution promulgate additional regulations relating to the operation of permitted short-term vacation rentals, including but not limited to, a training program for current and potential hosts, content guidelines for an informational brochure to be provided to guests (Good Neighbor Brochure), and additional reporting requirements.

## EXHIBIT A

### **17.41.040 Short-term Vacation Rentals — Density Limitations**

- A. The maximum allowable number of short-term vacation rentals in residential zones is 250, subject to Section 17.41.050 (Nonconforming short-term vacation rentals). No new permit applications for short-term vacation rentals in a residential zone will be accepted until the number of active permits drops below 250. No maximum number of short-term vacation rentals applies to the commercial and mixed-use zones.
- B. Property owners who wish to apply for short-term vacation rental permits for property in a residential zone shall be issued permits on a first-come, first-served basis, provided the proposed short-term vacation rentals do not violate the density limitations herein. Applicants who are not eligible for a permit due to these density limitations shall be placed on a chronologically maintained waiting list.
- C. Multi-family developments in residential zones. No more than 12.5% (1/8<sup>th</sup>) of the total number of units in a multi-family dwelling in a residential zone can be operated as a short-term vacation rental. Multi-family dwellings of fewer than 8 units shall have no more than one unit operating as a short-term vacation rental. Any residentially zoned lot with a single family dwelling and a multi-family dwelling shall also be subject to these density limitations.
- D. Single-family dwellings in residential zones.
  - 1. Single family dwelling short-term vacation rentals in residential zones must be separated by no fewer than three lots without short-term vacation rentals. A single family dwelling short-term vacation rental may not abut another such short-term vacation rental in front, behind, or kitty corner from each other, including across a street or alley. This limitation applies whether the single family dwelling is used as a full-home rental or a home-share rental. Abutting or intervening lots with multi-family dwellings are also subject to this spacing limitation.
  - 2. Only one short-term vacation rental shall be permitted on any property with a single-family dwelling.

### **17.41.050 Nonconforming Short-Term Vacation Rentals**

## EXHIBIT A

- A. Short-term vacation rentals lawfully permitted by the City prior to the effective date of this ordinance, and in good standing with the City on the effective date of this ordinance, shall be considered legal nonconforming uses provided they obtain a new short-term vacation rental permit pursuant to this Ordinance within 1 year of its effective date. The permit application in conformance with this chapter should be filed in lieu of a renewal application.
- B. Short-term vacation rentals must comply with all the requirements of this Ordinance, provided that the density limitations shall not apply to existing and validly permitted short-term rentals for three years after the effective date of this Ordinance. If the need arises, short-term vacation rentals permitted at the time of this Ordinance's effective date shall be brought into compliance with the density limitations pursuant to a lottery system that shall be promulgated in the implementing regulations. Any short-term vacation rentals that will not be able to maintain a permit following the lottery procedure will have one year from the date of expiration of their permit following the conclusion of the lottery.
- C. Accessory dwelling units and junior accessory dwelling units.
  - 1. Accessory dwelling units and junior accessory dwelling units for which entitlements are obtained after the effective date of this ordinance shall not be used as short-term vacation rentals.
  - 2. A permit for an accessory dwelling unit or a junior accessory dwelling unit that expires or is revoked may not be renewed or reapplied for.
  - 3. Starting with their next permit renewal following the effective date of this Ordinance, accessory dwelling units and junior accessory dwelling units may maintain currently valid short-term vacation rental permits for three years. Thereafter, Subsection (C)(1) of this section shall apply.

### **17.41.060 Permit Application and Renewal**

- A. A completed application for a short-term vacation rental permit shall be submitted by the property owner to the Finance Director on a form provided by the City, and shall include the following information:

## EXHIBIT A

1. Name, address, and current contact information of the property owner/applicant. Any change in this information must be provided to the City forthwith. The application must be signed under penalty of perjury by the property owner. A permit application may not be submitted or signed by a property management company or other commercial agent.
  2. If different from the property owner, name and address of the host, including current contact information.
  3. Address and description of the property that will be used as a short-term vacation rental. The description shall include number of rooms, maximum guest occupancy, amenities, and available parking for guests.
  4. Whether the short-term vacation rental will be operated as a home-sharing or full-home rental.
  5. The house rules for the short-term vacation rental and any other information that will be provided to the guest.
  6. Proof that the property owner has insured the property as a short-term vacation rental.
  7. Hosting platforms that will advertise the property.
  8. A copy of any valid and current short-term vacation rental permit held by the applicant for any other property in the City.
  9. Information on any short-term vacation rental permits that have been suspended or revoked as to the host or the property owner anywhere in the State of California, or as to the property, within the previous two years, and the reasons therefor.
  10. If the property owner has been asked or been compelled to no longer advertise with a hosting platform within the previous two years, and the reasons therefor.
- B. Inspection.
1. A completed application shall include a completed inspection report. The report shall include:
    - a. Number of exits

## EXHIBIT A

- b. Conformance with application information
  - c. Sufficient off-street parking
  - d. Signage, per requirements
  - e. A Good Neighbor Brochure
  - f. Compliance with any other applicable code requirement
2. Short-term vacation rentals shall be inspected as part of the initial application, and every 4 years thereafter at the time of renewal. Each renewal application when a City inspection is not required will include a self-inspection form to be filled out and signed under penalty of perjury by the property owner.
  3. Properties may be additionally inspected to ensure that any violations are timely corrected.
- C. Any change in the information in the application, whether the change occurs while the application is pending, or at any time after the permit issues, must be provided to the City forthwith.
- D. The City shall review the application for completeness. If the application is incomplete, the City shall inform the applicant in writing within 30 days of receipt of the application, articulating the necessary additional information for completeness. An application that is found to be incomplete upon a second submission shall be deemed abandoned.
- E. The City shall deny, conditionally approve, or approve an application within 45 days of receipt of a completed application. Conditions imposed shall be aimed at ensuring that the short-term vacation rental does not create a disturbance in the neighborhood, and is not operated in a manner that will undermine the character of its neighborhood.
- F. Renewals.
1. Permit renewals shall be submitted 60 days prior to permit expiration on a form provided by the City and signed by the property owner. Renewal forms must detail any changes in the short-term vacation rental (bedrooms, ownership, number of guests, parking, etc.), and shall otherwise certify that other than what is listed as a change, the information in the original application remains the same.

## EXHIBIT A

2. Permit renewals that are not timely submitted per Subsection F.1. may experience a delay in reissuance. In the event a permit expires before the renewal permit is issued because of a delay in renewal submittal, the permit shall be deemed suspended until the renewal issues, and the short-term vacation rental may not be rented as such.
  3. Any permit whose renewal application is submitted after the permit's expiration shall be deemed abandoned. Reapplication shall only be accepted in full compliance with all the provisions of this chapter, including the density limitations.
- G. Permit applications and renewals shall be subject to permit fees in accordance with the City's Master Fee Schedule. Permit fees shall include, but not be limited to, the reasonable cost of processing the application and inspection fees, as applicable.

### **17.41.070 Permit Denial, Suspension, and Revocation**

A short-term vacation rental permit may be denied, suspended, or revoked based on the following grounds:

- A. A material misrepresentation on the application or renewal materials.
- B. The dwelling that is the subject of the application or permit is not in full compliance with all applicable local, state, and federal regulations.
- C. The host has violated, or has permitted his/her guest to violate, the terms of the hosting platform, and as a result the hosting platform has withdrawn its permission to advertise on that platform.
- D. The host has violated, or has permitted his/her guest to violate, any of the operational requirements in Section 17.41.090. A host is presumptively permitting violations of the applicable regulations under the following circumstances:
  1. If the violation consists of conduct by the guest that is disturbing the peace and quiet of the neighbors, or that constitutes an immediate threat to the health and safety, and the host does not initiate corrective action within one hour of being notified of the disturbance;
  2. If the noticed violation is not corrected before the next guest arrives at the property.

## EXHIBIT A

- E. The property owner has had a short-term vacation rental permit revoked or suspended in the preceding two years.
- F. Grounds for suspension. The City may initiate suspension proceedings for minor violations of this chapter, or of any applicable code, that are not timely corrected. Additional guidance on the grounds for suspension may be provided in the implementing regulations. A permit may be suspended for up to 180 days.
- G. Grounds for revocation. The City may initiate revocation proceedings for repeated or serious violations of this chapter or of any applicable code. Serious violations include any condition that is a threat to the guest's, the neighbors', or the public's health, safety, and welfare; conditions that constitute a public nuisance. Additional guidance may be provided in the implementing regulations.
- H. A notice of intent to suspend or revoke, and the reasons therefore, shall be provided to the permit holder. The permit holder shall have 15 days to submit relevant evidence for the City Manager's consideration. The City Manager shall issue a written decision articulating the grounds therefor within an additional 15 days, taking into consideration any relevant evidence submitted by the permit holder.
- I. Any property owner whose permit is revoked may not reapply for a short-term vacation rental for the property for which the permit was revoked, or for any other property, for two years following the date of revocation. Revocation of a permit shall not affect any other current and valid short-term rental vacation permits by that property owner.

### **17.41.080 Appeal of Permit Denial, Suspension, or Revocation**

Any person whose permit application was denied, or whose permit was suspended or revoked, may appeal the decision as follows.

- A. An appeal must be submitted in writing to the City Manager within 15 days of the date of the decision. The appeal must articulate the reasons therefor, and shall be accompanied by an appeal fee in accordance with the City's Master Fee Schedule.
- B. The City Manager shall schedule an appeal hearing within 30 days of receipt of the appeal before an independent hearing officer, at which hearing the host will have an opportunity

## EXHIBIT A

to be heard and to present evidence. Compensation for the independent hearing officer shall not be determined by the outcome of any appeal.

- C. The host shall be provided with notice of the hearing no later than 10 days prior to the hearing. The hearing may be postponed for good cause.
- D. The hearing officer shall not be bound by the formal rules of evidence. The hearing officer may consider all relevant evidence, and may exclude repetitive or irrelevant evidence.
- E. The hearing officer shall provide a written decision within 10 days of the hearing, and shall articulate the reasons therefor. The decision of the hearing officer shall be final. The hearing officer's decision may be challenged pursuant to Sections 1094.5 and 1094.6 of the Code of Civil Procedure, which shall be referenced in the written decision.

### **17.41.090 Operational Requirements**

Short-term vacation rentals must comply with the following requirements.

- A. A copy of the short-term vacation rental permit must be posted in a prominent location within the short-term vacation rental.
- B. The host shall use reasonably prudent business practices to ensure that the short-term vacation rental is used in a manner that complies with all applicable laws, rules, and regulations pertaining to its use and occupancy.
- C. Parking.
  - 1. Short-term vacation rentals must provide sufficient onsite parking spaces for their guests; no offsite or other street parking is allowed.
  - 2. Onsite parking should be only in legal spaces required for the applicable housing type.
- D. Short-term vacation rental operators must notify guests of the City's licensing requirement. The permit number must be included in the hosting platform advertisement.
- E. No one under the age of 21 years shall be permitted as the primary renter of a short-term vacation rental.

## EXHIBIT A

- F. The host shall use reasonably prudent business practices to ensure that short-term vacation rental guests do not violate the provisions of this ordinance, or violate provisions of the code or any state law, such as but not limited to, regulations pertaining to noise, disorderly conduct, overcrowding, the consumption of alcohol, or the use of illegal drugs.
- G. Occupancy for each full-home rental shall be limited to two individuals per bedroom, plus two; occupancy for home-share rentals shall be limited to two individuals per bedroom. Children under 3 years of age are excluded from the occupancy limits but children three and older are included.
- H. The City's current noise ordinance requires reduced noise between 7:00 p.m. and 7:00 a.m.; "noise" is defined as sounds that are audible within 50 feet of the source of the sound. Guests must comply with all noise restrictions.
- I. While a short-term vacation rental unit is rented, a local contact person shall be available 24 hours per day, 7 days per week, to respond to complaints or notification of violations, and if appropriate initiate corrective action regarding the conduct of the occupants or their guests, or the condition or operation, of the short-term vacation rental, within one hour of being notified.
- J. The host shall:
  - 1. Prior to occupancy:
    - a. Obtain the contact information of the guest.
    - b. Require the guest to execute a written acknowledgment that he or she is legally responsible for compliance by all occupants of the short-term vacation rental with all applicable laws, rules, and regulations pertaining to the use and occupancy of the short-term vacation rental.
  - 2. Maintain the information required in item 1, above, for a period of two years, and make such information available upon request to any officer of the City responsible for the enforcement of any provision of this Ordinance or any other applicable local, state, or federal regulations.

## EXHIBIT A

3. Provide guests with the Good Neighbor Brochure, the name and number of the local contact person where problems can be reported, the City's hotline number, and the short-term vacation rental's house rules.
- K. A sign shall be posted in a location visible from the public right-of-way that contains the following information:
1. Identification as a short-term vacation rental, including the permit number.
  2. 24-hour contact information in case of problems or complaints, in conformance with Subsection I, above.
- L. Short-term vacation rentals shall be subject to the provisions of Chapter 8.16 (Solid Waste Management); in addition, short-term vacation rentals shall not leave their solid waste containers curbside any earlier than the day before pickup, or any later than one day after pickup. If this requirement cannot be met, the host must provide for concierge trash service, if this service is available at the property.

### **17.41.100 Advertising**

- A. All short-term vacation rental advertisements shall include the permit number.
- B. Advertising of unpermitted short-term vacation rentals is prohibited.

### **17.41.110 Penalty and Enforcement**

- A. Violations of this chapter are deemed a public nuisance, and may be abated as such. Each day a violation continues is deemed a new violation.
- B. Violations of this chapter may be punishable as infractions or misdemeanors, pursuant to Chapter 1.16 of this code.
- C. Violations of this chapter may be punishable thorough administrative fines, in accordance with Chapter 1.03, as may be set by City Council resolution.
- D. The owner of any illegally operated short-term vacation rental that is on the wait-list for a permit is presumed to have actual knowledge of the permit requirement. The owner and the short-term vacation rental shall be removed from the permit waiting list, and the host may not reapply for a short-term vacation rental permit for any property for two years. Any

## EXHIBIT A

application for the same property shall also be barred for two years, irrespective of ownership.

SECTION 4. CEQA Findings. The Ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, sections: 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment); 15060(c)(3) (the activity is not a project as defined in Section 15378); and 15061(b)(3) (the activity is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment). The proposed ordinance maintains the status quo and prevents directly related changes in the environment. Because there is no possibility that this ordinance may have a significant adverse effect on the environment, the adoption of this ordinance is exempt from CEQA.

SECTION 5. Severability. If any section, subsection, phrase, or clause of this ordinance or any part thereof is for any reason held to be unconstitutional or otherwise unenforceable, such decision shall not affect the validity of the remaining portions of this ordinance or any part thereof. The City Council hereby declares that it would have passed this ordinance and each section, subsection, phrase or clause thereof irrespective of the fact that any one or more sections, subsections, phrases, or clauses be declared unconstitutional or otherwise unenforceable.

SECTION 6. Effective Date. This Ordinance shall take effect 30 days after its adoption.

SECTION 7. Certification. The City Clerk shall certify as to the passage and adoption of this Ordinance and shall cause the same to be posted as the designated locations in the City of Morro Bay.

INTRODUCED at a regular meeting of the City Council held on the XXX day of XXX 2020, by motion of Councilmember XXX and seconded by Councilmember XXX.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF MORRO BAY this \_\_\_\_th Day of \_\_\_\_\_ 2020, by the following roll call vote:

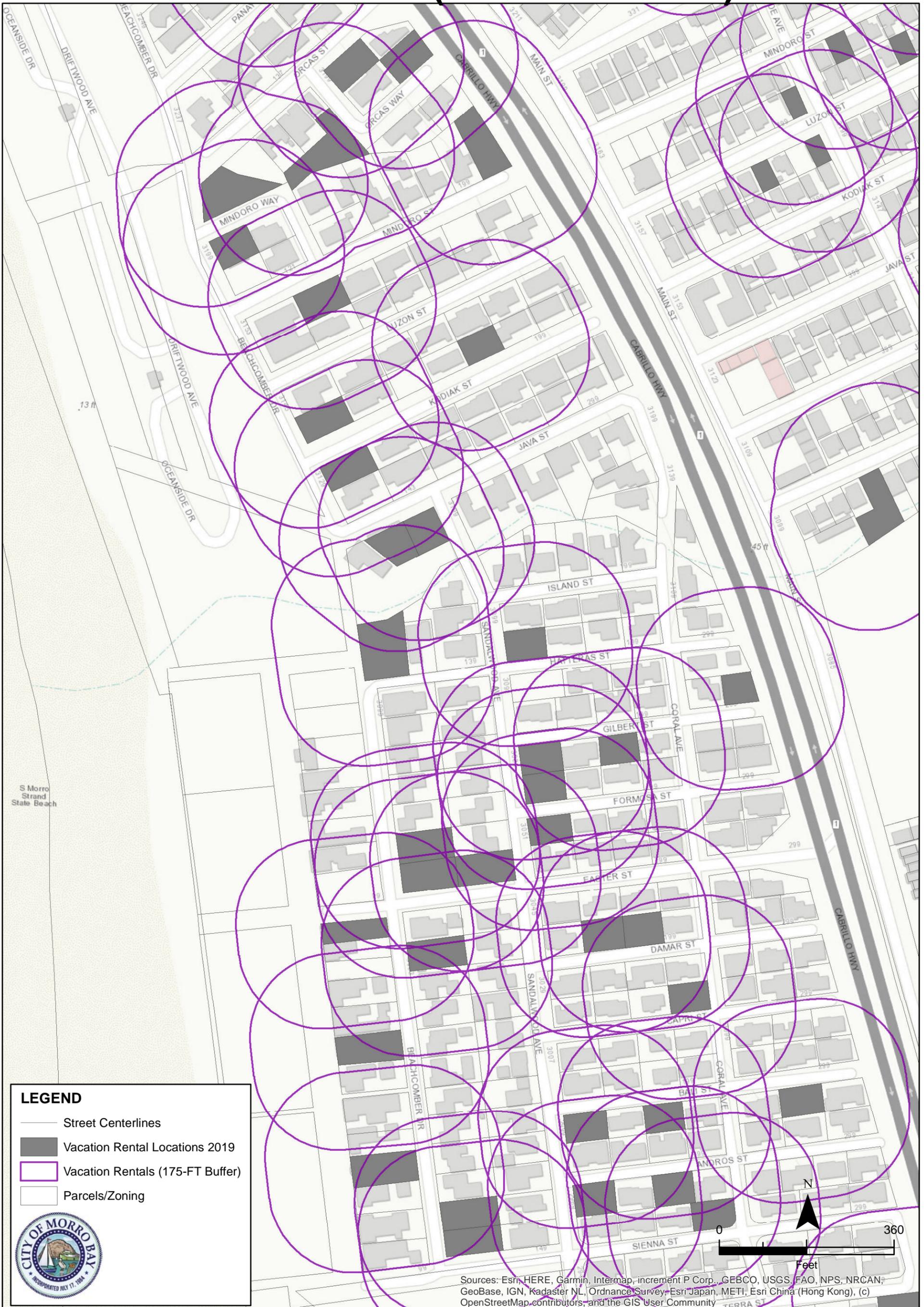
AYES: NOES:  
ABSTAIN:  
ABSENT:

\_\_\_\_\_  
JOHN HEADDING, MAYOR

ATTEST:

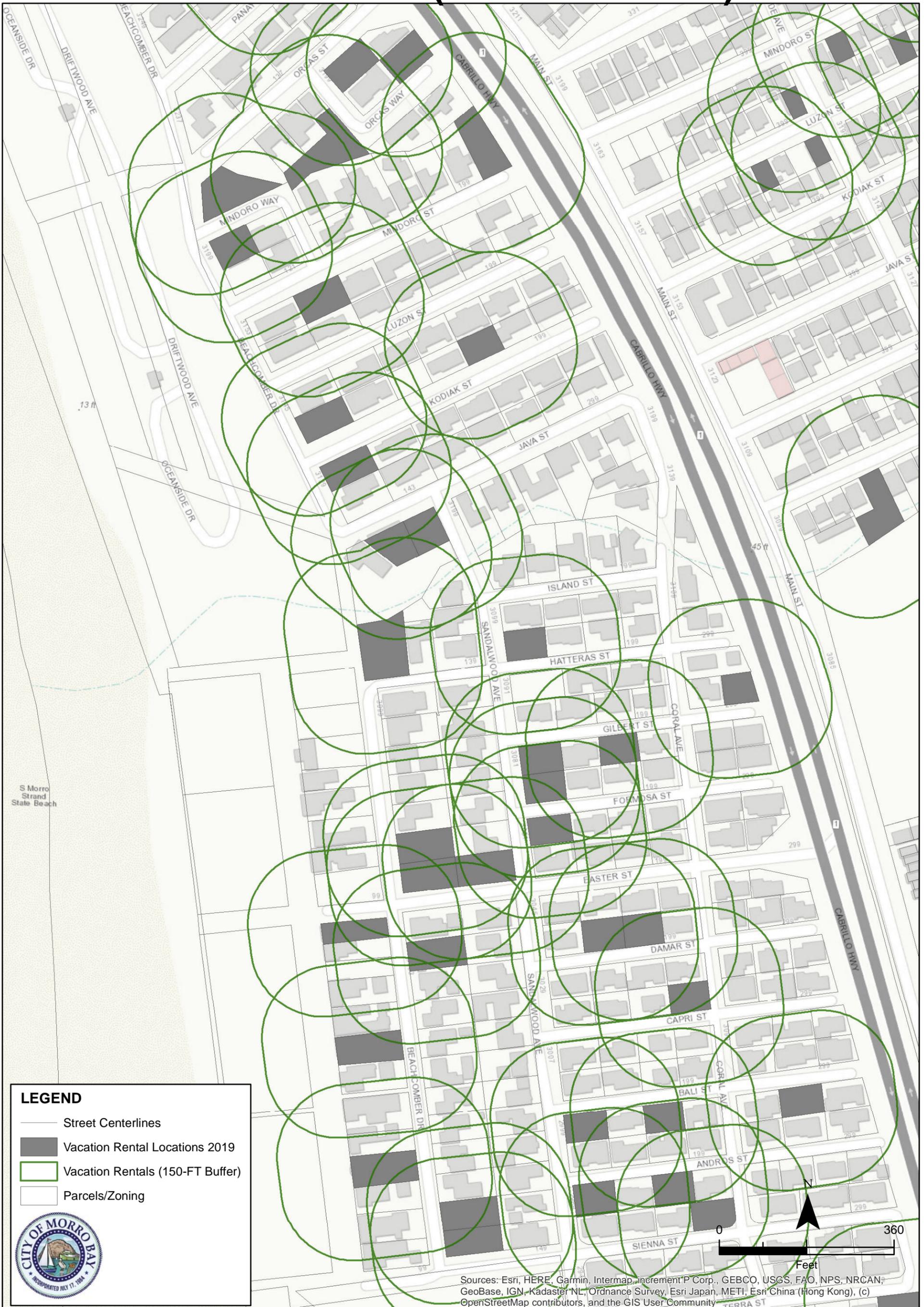


# City of Morro Bay Radius Map for Current Vacation Rentals (2019) 175-FT Buffer (Sienna to Orcas)



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# City of Morro Bay Radius Map for Current Vacation Rentals (2019) 150-FT Buffer (Sienna to Orcas)

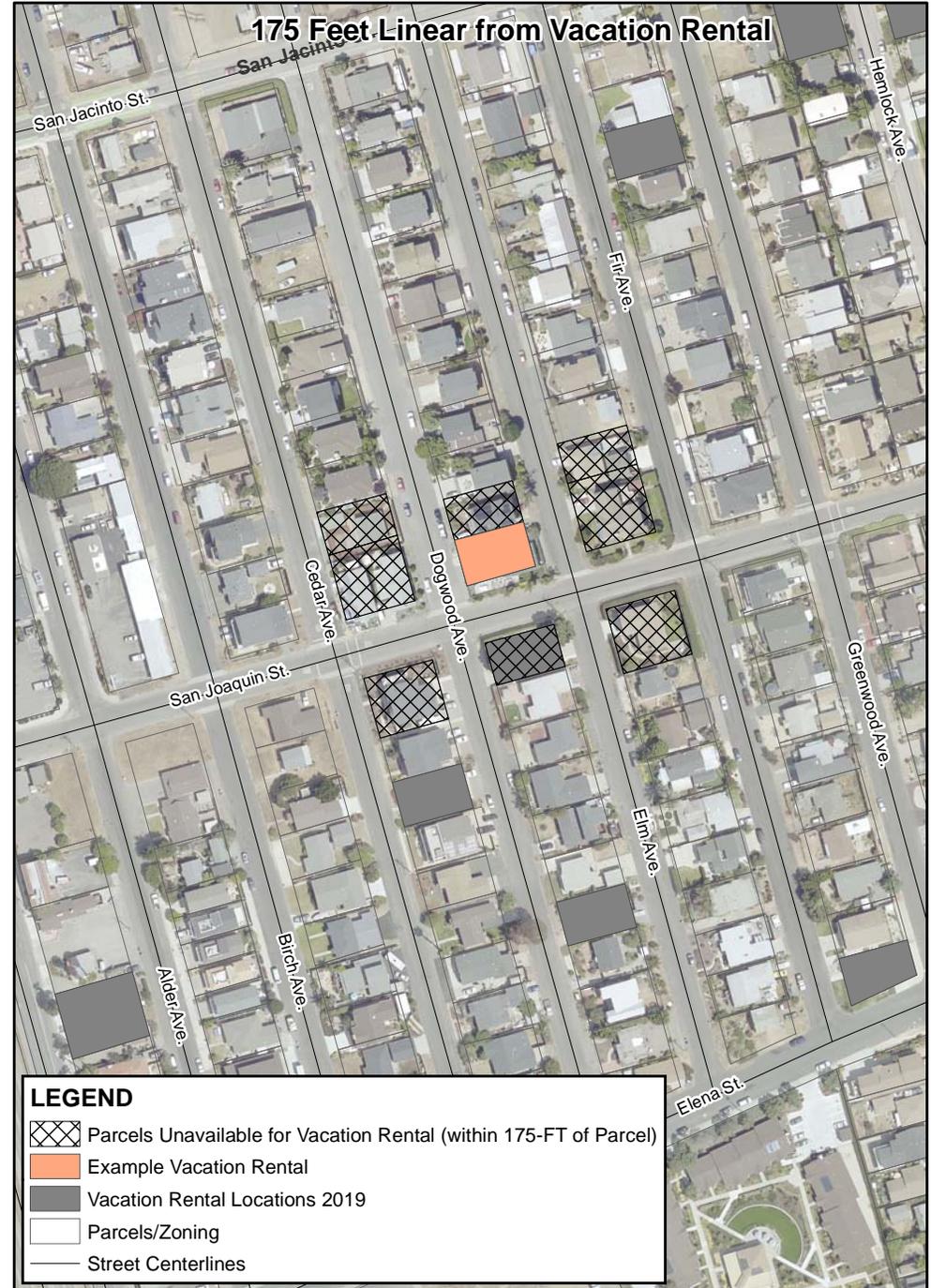
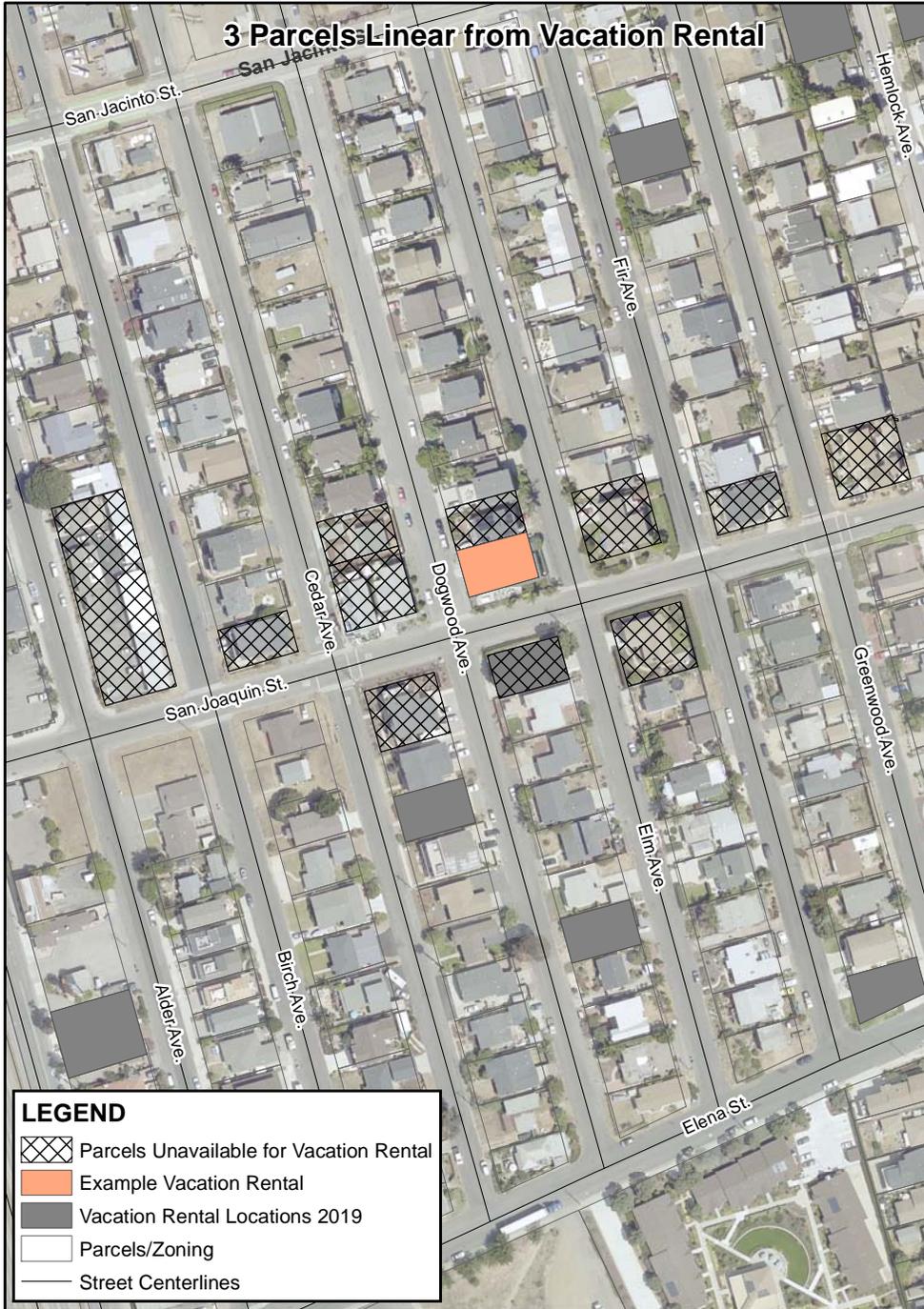


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# City of Morro Bay Vacation Rental Comparison

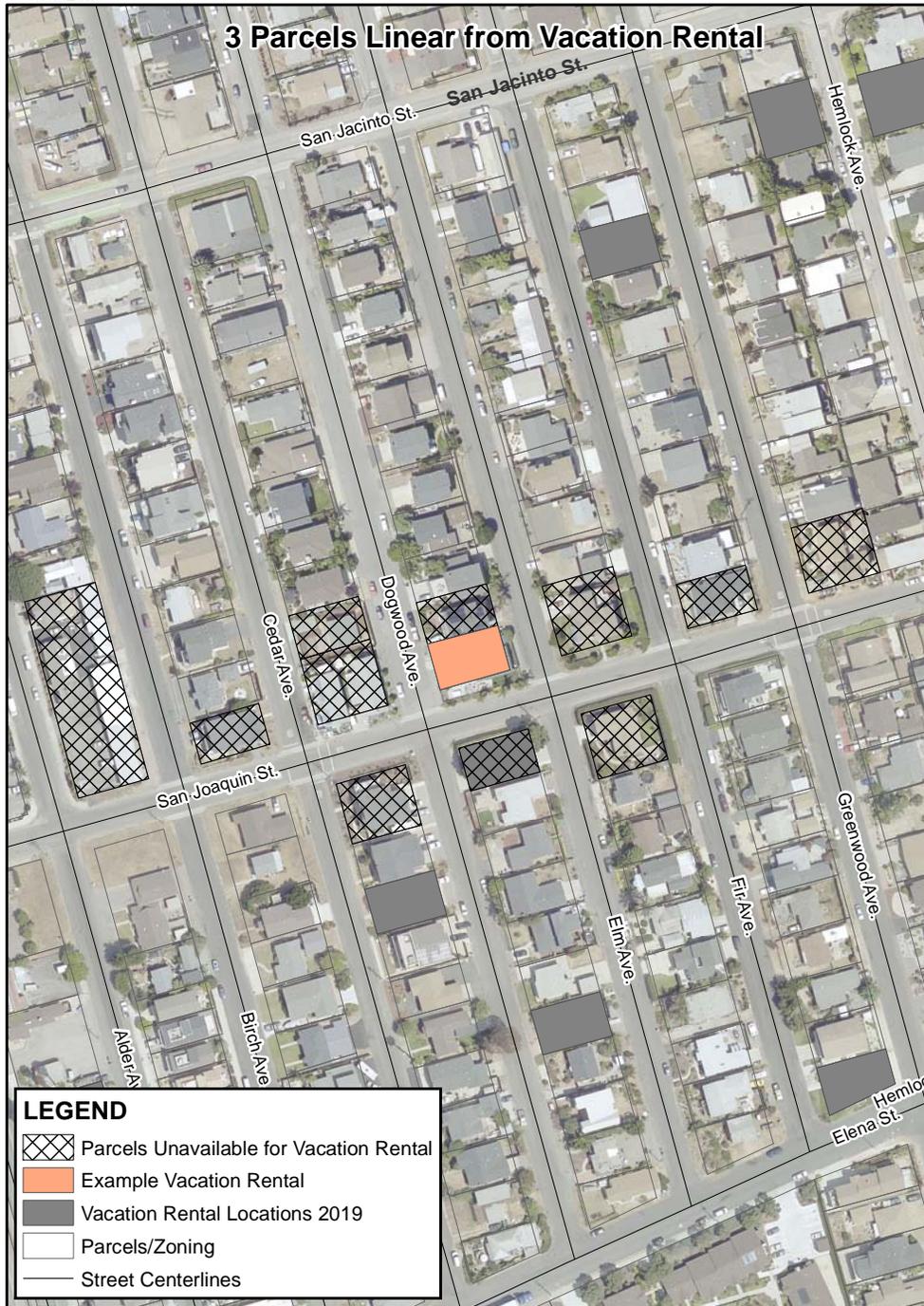
EXHIBIT B





# City of Morro Bay Vacation Rental Comparison

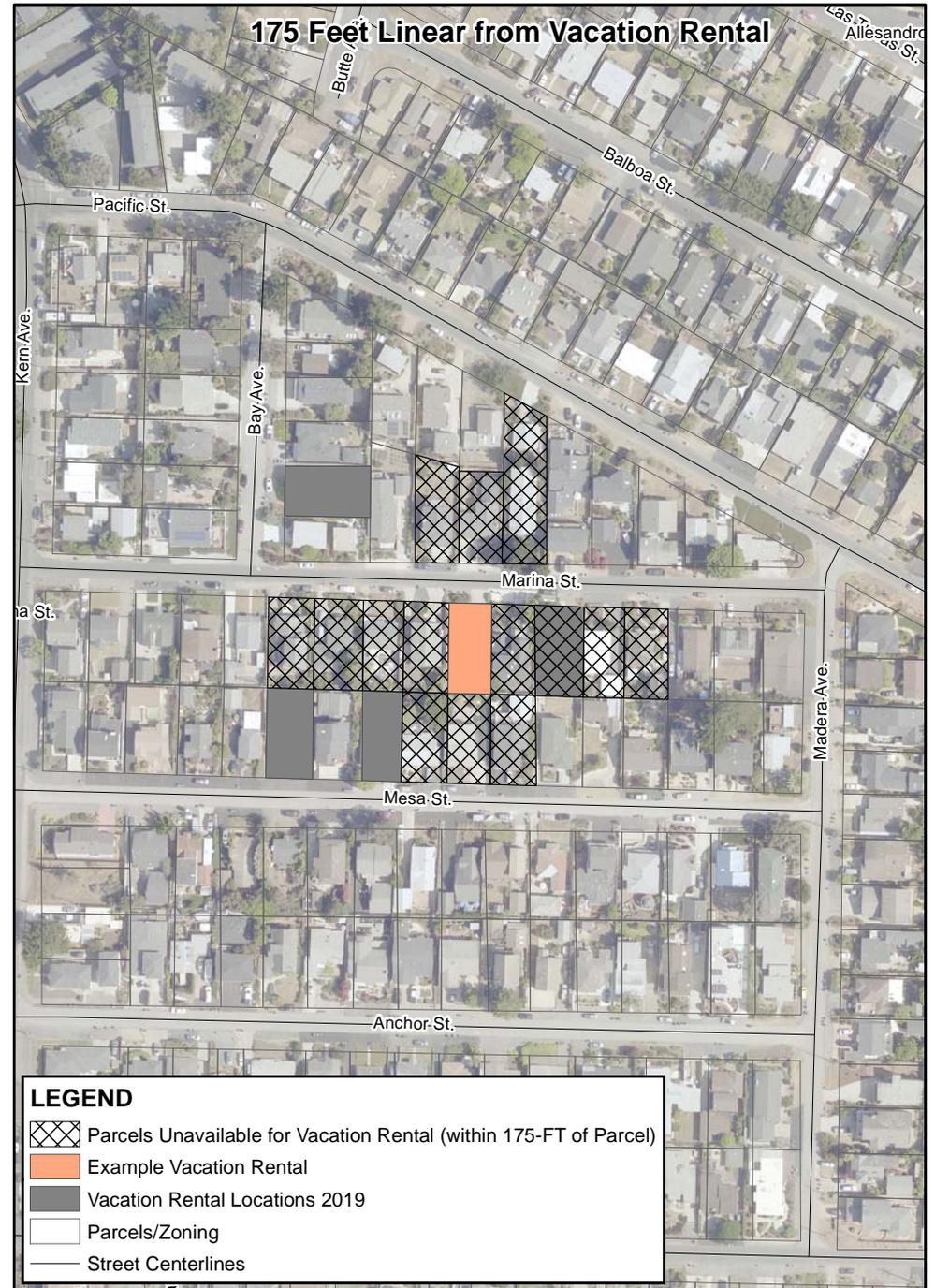
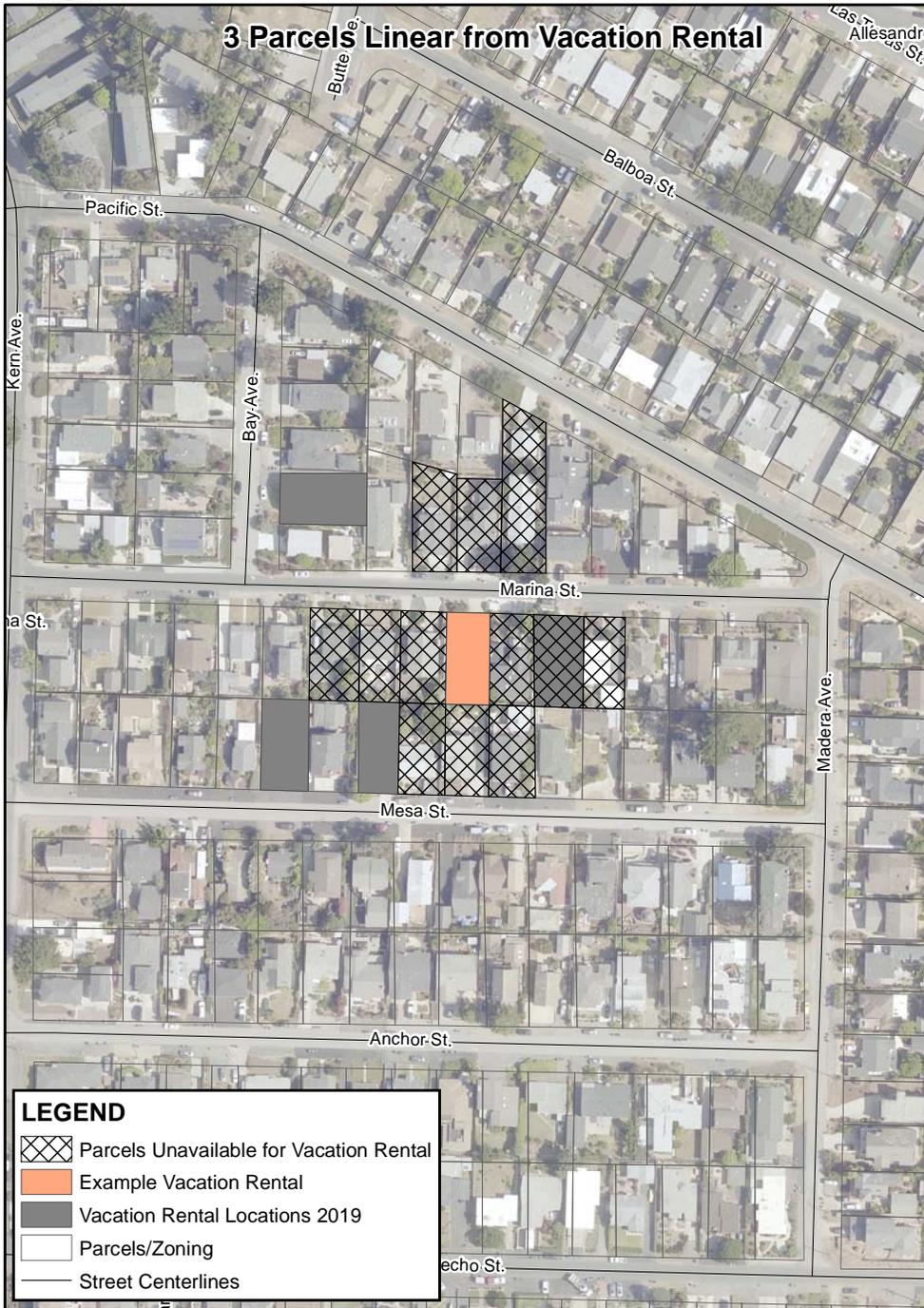
EXHIBIT B





# City of Morro Bay Vacation Rental Comparison

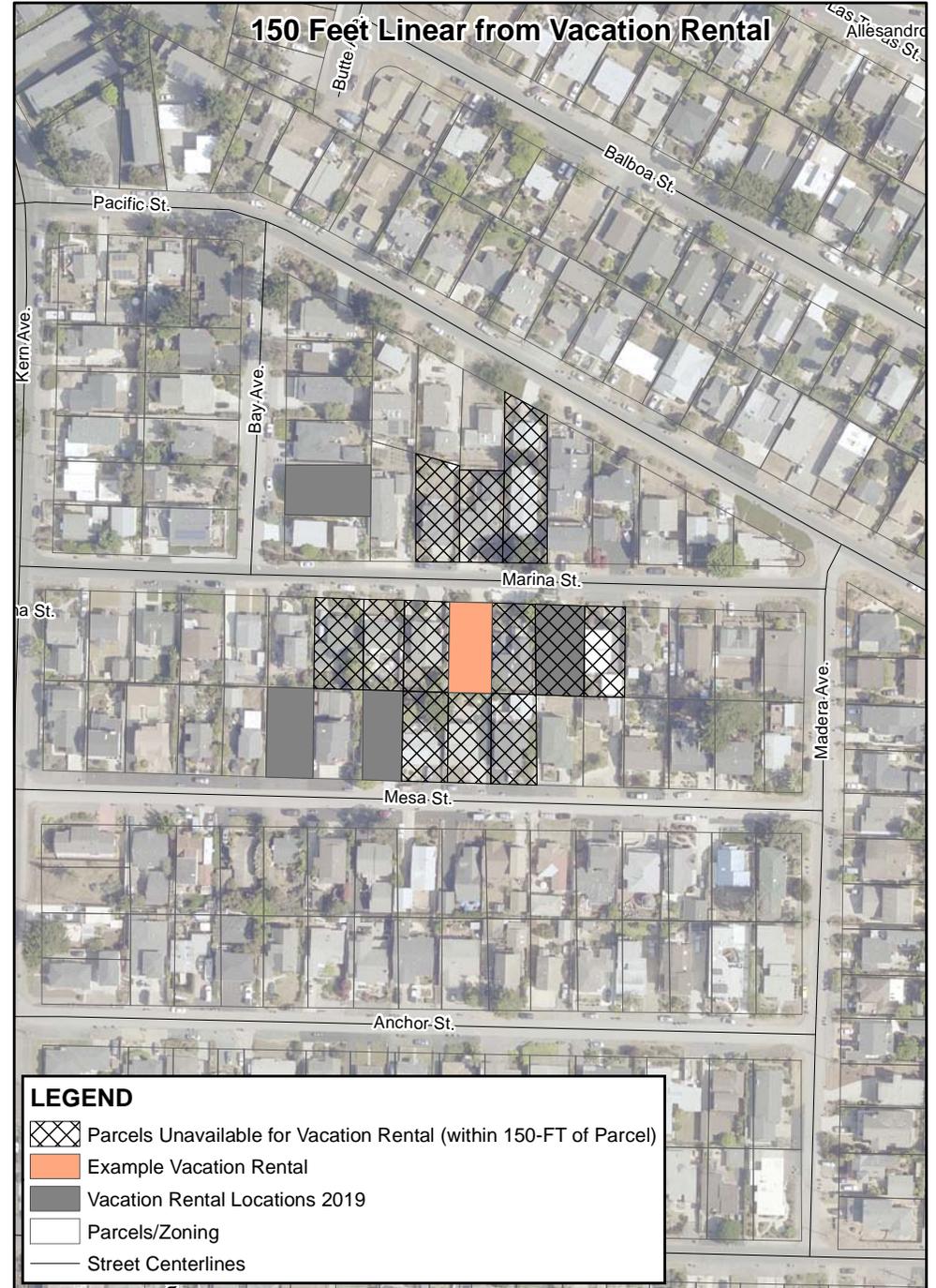
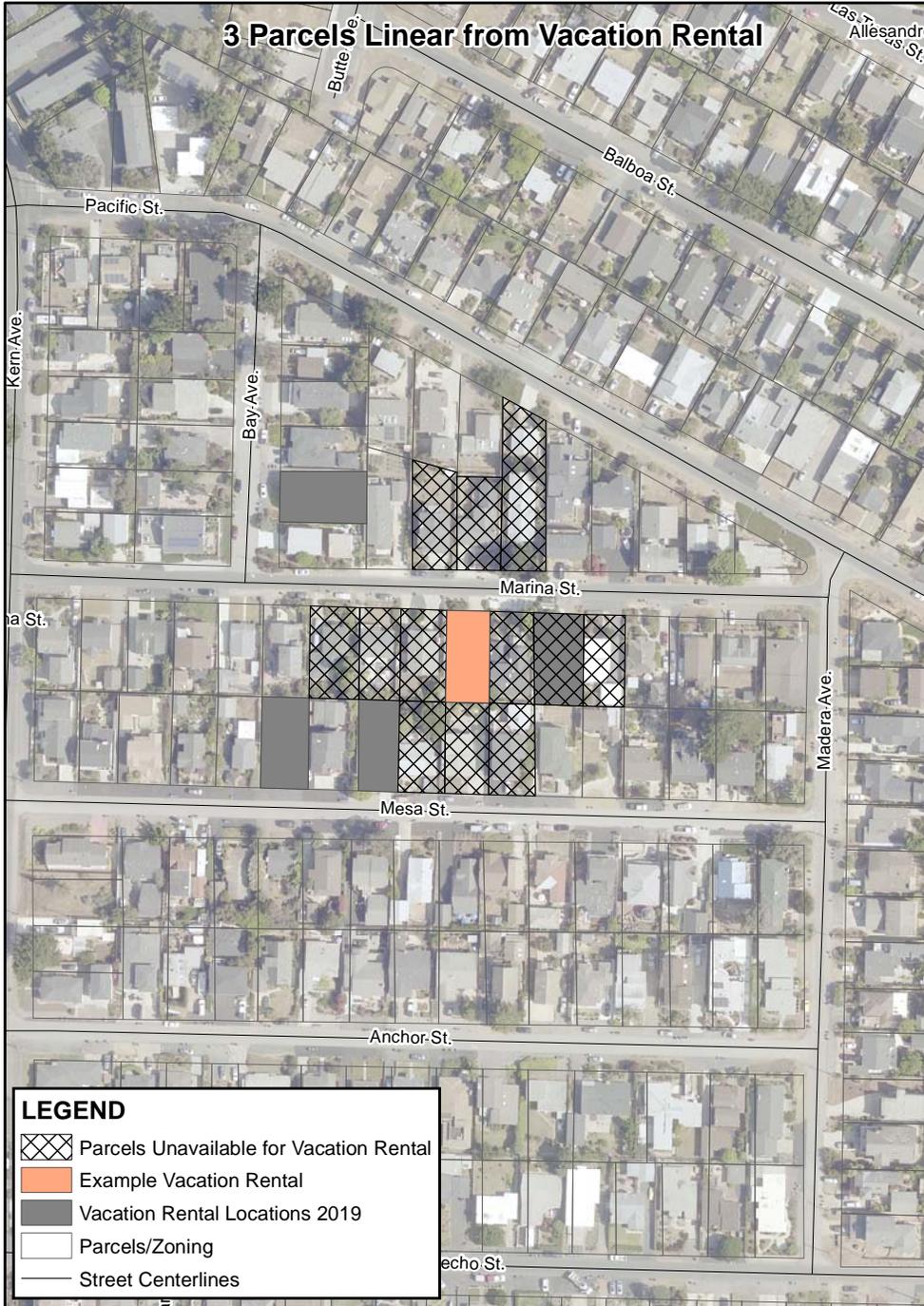
EXHIBIT B





# City of Morro Bay Vacation Rental Comparison

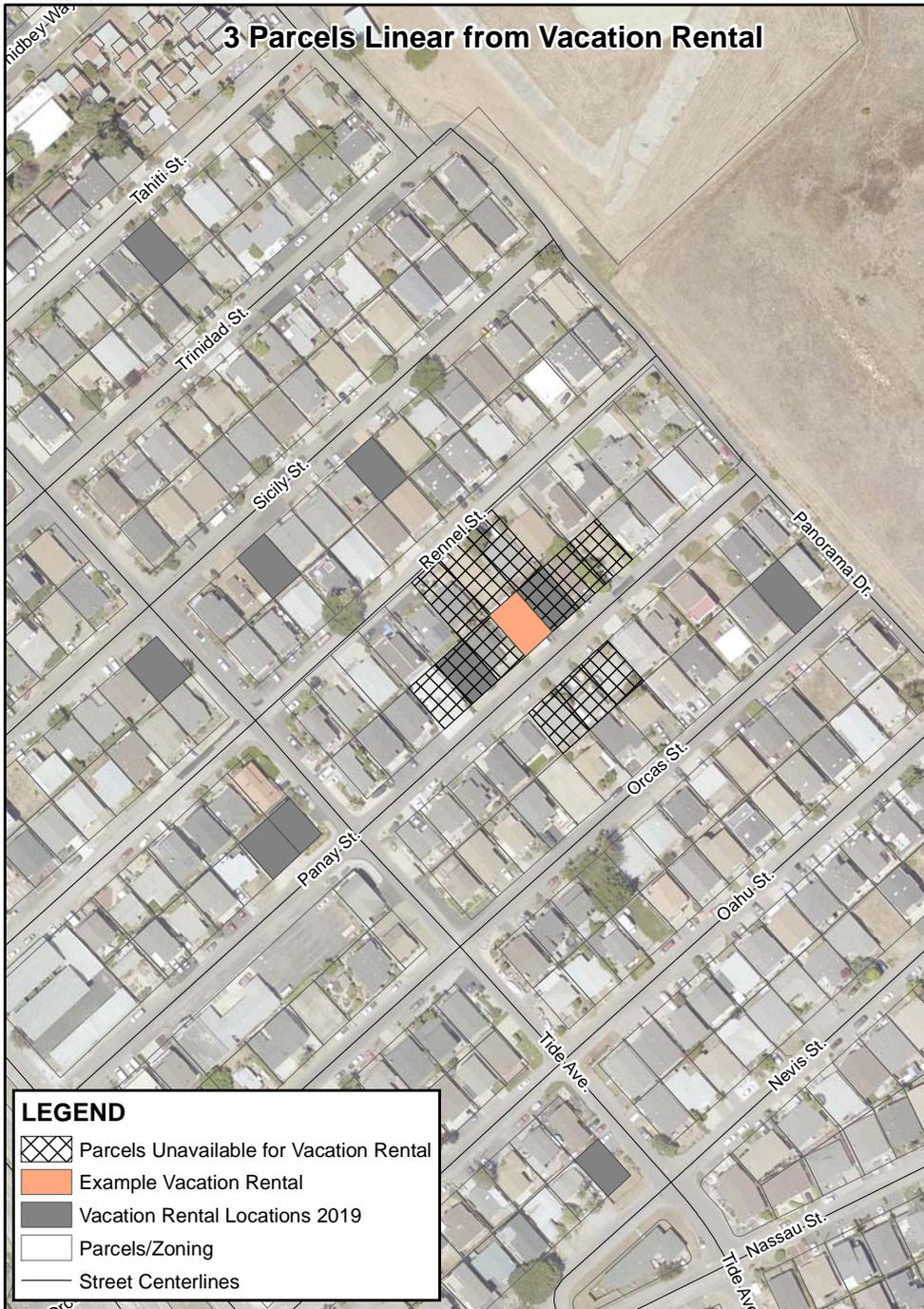
EXHIBIT B





# City of Morro Bay Vacation Rental Comparison

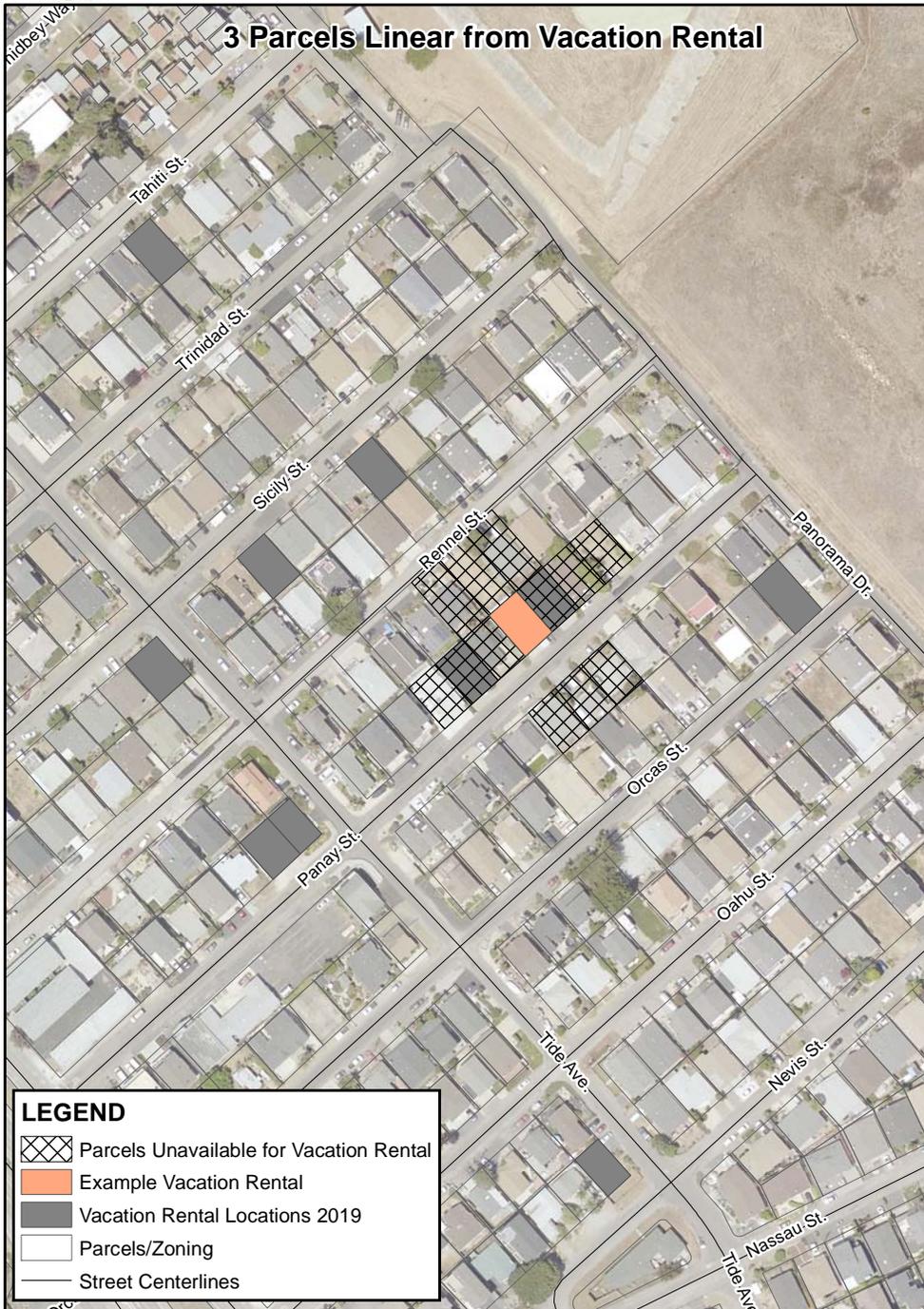
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# City of Morro Bay Vacation Rental Comparison

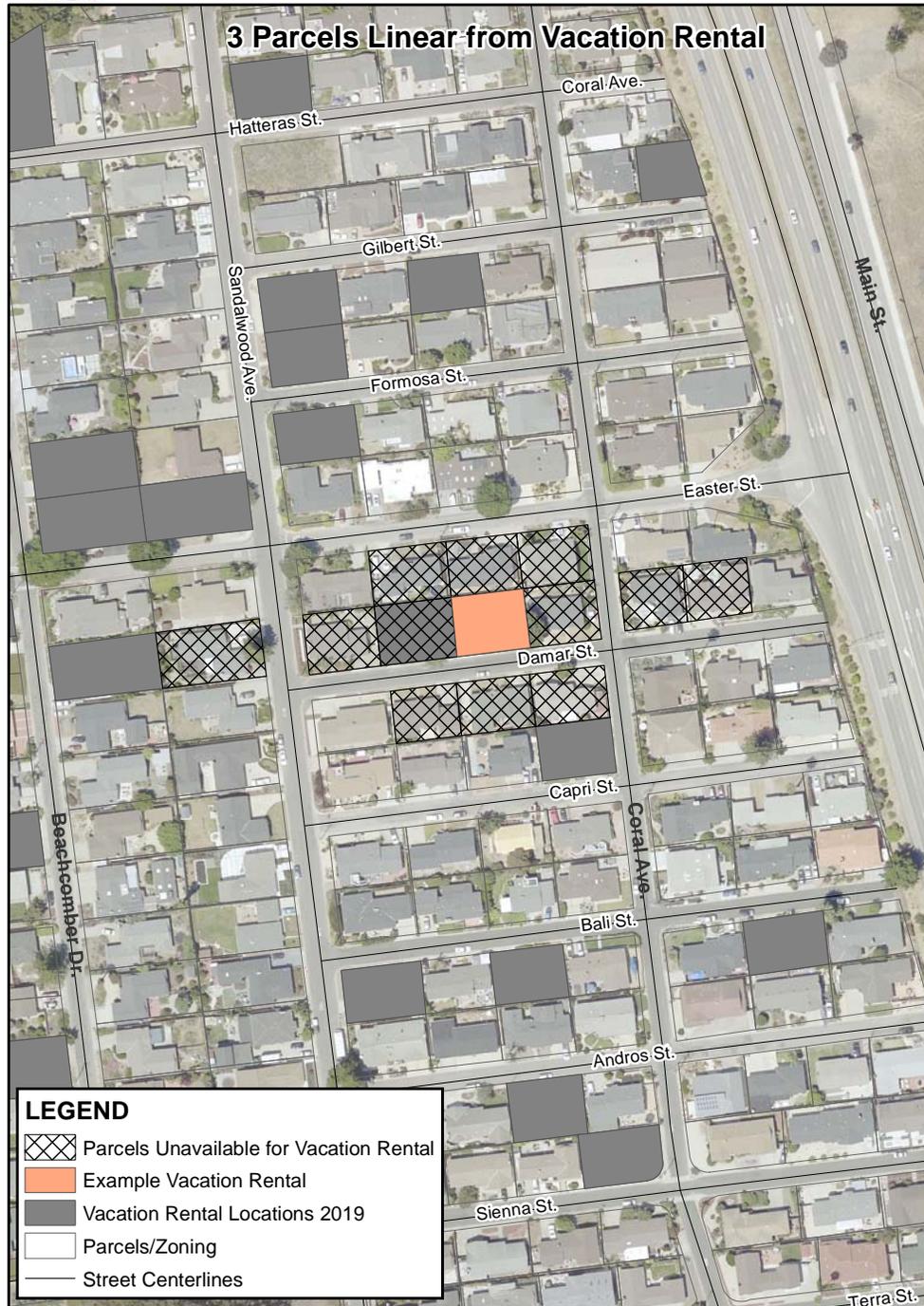
EXHIBIT B





# City of Morro Bay Vacation Rental Comparison

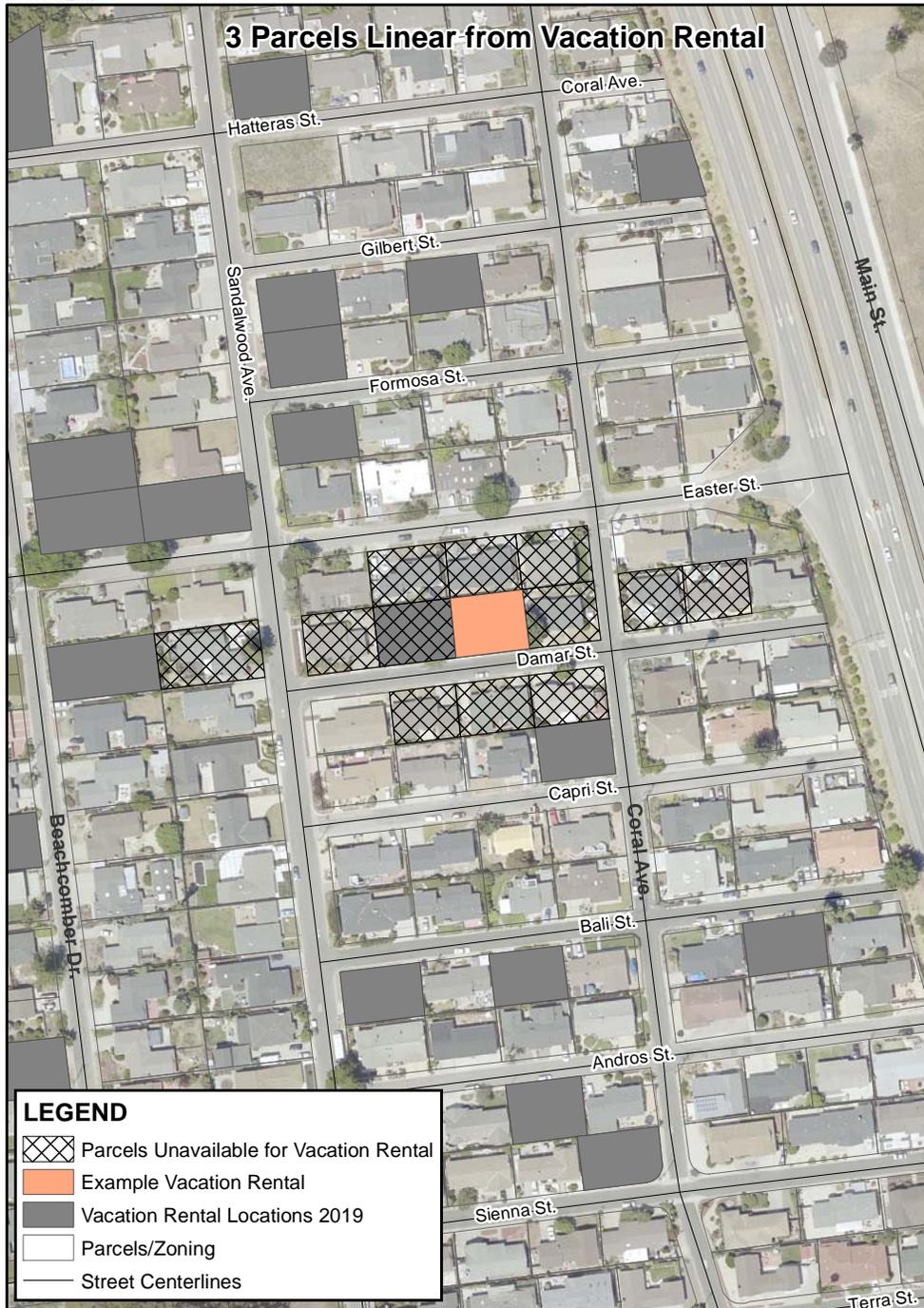
EXHIBIT B





# City of Morro Bay Vacation Rental Comparison

EXHIBIT B



## EXHIBIT C

### Scot Graham

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**From:** Dana Swanson  
**Sent:** Tuesday, August 25, 2020 8:44 AM  
**To:** Scot Graham  
**Subject:** FW: Vacation rental license

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**From:** Kathy Taverner [REDACTED]  
**Sent:** Monday, August 24, 2020 1:12 PM  
**To:** Council <council@morrobayca.gov>  
**Subject:** Vacation rental license

- 1) Are you planning on reducing the number of licensed vacation rentals to 150? If so, what happens to the other 100 who do have a license? Will they be grandfathered in?
- 2) What happens to the current licensed rentals that are closer than the 3 lots you want them distanced?

Thank you,

Kathy Taverner

# EXHIBIT C

**Scot Graham**

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**From:** Judi Brown [REDACTED]  
**Sent:** Monday, August 24, 2020 11:11 PM  
**To:** Scott Collins; Jeffrey Heller; Scot Graham  
**Subject:** VR Ordinance Creates Special Class

Dear Council Members and City Staff,

A neighbor recently came to me very upset over the constant disruptive activity going on in the VR across the street from them. It is a licensed rental that is constantly out of control; management has been ineffective in placing guests who respect their 'rented' neighborhood. They are so desperate for peace and quiet they are considering selling their house at a financial loss and move to a community that does not allow VRs in residential neighborhoods. They are concerned they will have to disclose the VR and will have to accept a devalued offer because of the close VR proximity. They are currently trying to decide to move forward at a loss or wait to see if the new ordinance will solve their issues so they may comfortably remain in their home.

This could have significant implications to the community at large because the proliferation of VRs may in fact be significantly reducing the values of properties in close proximity.

It is believed in the real estate community that converting a traditional residential rental into a VR can add up to \$200k worth of value to that property. One could presume as the above case would describe that the adjacent properties (typically 4 or more) are going down in value due to ONE property owner taking advantage of a special program with the city's blessing to grant a 'special privilege' to 250 residential property owners granted vacation rental status. One could interpret this as a granting of special privilege as well as a taking in the context of eminent domain wherein the city through its actions has created a special class of properties within a residential zone without due process and has thereby reduced property values of adjacent properties. The loss of value of those adjacent properties could be directly charged to the actions of the city. The VR ordinance as written could be considered arbitrary 'spot zoning' rather than following normal protocols of changing the zoning ordinance in the general plan.

Our current proposed VR ordinance recognizes a 250 vacation rental cap. If one assumes that there are a minimum of 4 adjacent affected properties to each of the short term rentals, one would thereby conclude that there may be as many as a thousand properties in the city of MB who could suffer a significant reduction in value due to a specific and intentional action by the city.

Generally, when taking an action granting a benefit to a property owner through due process, the language used in the preamble of such granting says that this action is taken without the granting of special privilege and with no sacrifice in the health, safety, and welfare of the public. These phrases are typically required conditions of use permits, minor permits, conditional use permits and the like, all of which are being circumvented by the proposed VR ordinance. Nothing in the proposed VR ordinance speaks to the granting of special privilege or the preservation of the public health, safety and welfare.

The vacation rental ordinance in its most basic interpretation IS in fact, a granting of special privilege to those who have simply applied for and received a VR permit. By placing a cap on the number of such permits, the city has in effect created a class of properties wherein no due process is required in achieving this special status.

Now for some math: if the typical VR property goes up \$200k and the adjacent 4 properties go down in value, the real question is: how much are these properties going to go down in value and can the loss of value of the adjacent properties be attributed to the city's action of creating this special class of VR properties? If 1000 properties in the city of MB each go down \$50k, that is equivalent to a loss of \$50 MILLION dollars.

## EXHIBIT C

Does it sound outrageous that the city could take an action that could cost the residents of Morro Bay \$50M? It's already been done! I would offer the history of the WRF project and how it was relocated under the protest and threat of lawsuit by an individual city council candidate and her neighborhood which caused the city to abandon its pursuit of the Righetti property in favor of S Bay. Now that most of the bids and costs associated with this WRF project have been received, it's quite clear that this action precipitated by a few individuals petitioning the city for their own personal benefit cost the rest of the community approximately \$50M in increased costs for the WRF. Let us NOT repeat this injustice with our VR ordinance.

While it's too late to revisit the WRF, it is NOT too late to stop the city council from moving forward with the VR ordinance as proposed rather than enforcing the original intent of single family residential zoning to preclude the use of those properties for commercial purposes. The whole idea that the city needs a VR ordinance to grandfather in and validate what would have originally been viewed as a violation of the zoning ordinance is preposterous. The promoters of the VR ordinance are simply trying to force the city to validate the illegal use of their properties.

Neighbors, at any time, ANY residential property including yours could become a victim of the VR ordinance and you could end up with one adjacent to you. It could lower your property value, create difficulties when you must sell, and create a 24/7/365 stressful environment so egregious you feel you must move, as our neighbors above feel. Please write to your city council to let them know that as a resident of the community, you are NOT in agreement with their proposal to create this egregious special benefit for a limited number of residential property owners. Let them know that your right to public health, welfare and safety, and quiet enjoyment of your property must not be infringed on by the city's special class of vacation rentals.

Council and staff, I encourage you to eliminate stand-alone VRs completely in residential neighborhoods. Instead, substitute unlimited homeshare hosted stays, permitted, and TOT-paying with no cap. This will allow ALL residential property owners to contribute to TOT and provide housing opportunities for visitors without creating a 'special class' designation in the current proposed ordinance. Thank you for your consideration of this matter.

Sincerely,

Judi Brown



# EXHIBIT C

**Scot Graham**

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**Subject:** FW: TBID Meeting Thursday, August 20, 2020

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**From:** Carole Truesdale [REDACTED]  
**Sent:** Wednesday, August 19, 2020 11:54 AM  
**To:** Dana Swanson <[dswanson@morrobayca.gov](mailto:dswanson@morrobayca.gov)>  
**Cc:** Scott Collins <[scollins@morrobayca.gov](mailto:scollins@morrobayca.gov)>; Scot Graham <[sgraham@morrobayca.gov](mailto:sgraham@morrobayca.gov)>  
**Subject:** TBID Meeting Thursday, August 20, 2020

Dana,

I did not include the following comments in my correspondence to the Planning Commission, I would like to have these added to the meeting held by the TBID group tomorrow:

RE: Vacation Rentals & Impact on hotel/motels in Morro Bay

I have been a resident in Morro Bay since 1995 and homeowner. I have witnessed first-hand the deterioration of our neighborhoods over these past several years due to VRs and lack of affordable housing for seniors and families.

We have nearly 1,000 rooms in Morro Bay. They are not all filled even during peak season. I think we should phase out all non-hosted VRs in R01 zones over the next three (3) years. Allow 100 hosted rentals, but property owner (or owners agent with full authority of owner to deal with tenants/companies.) must occupy the SFR on a full-time basis.

In addition, must have a least 1 Off Street parking space for each bedroom. Cannot rent more than 2-bedrooms/house and no more than 2 people per bedroom/bathroom (including children) and no pets allowed. So basically, no house can have more than 4 human guests at a time no matter how big the house is.

Hopefully, this will drive business to our existing motels/hotels and provide housing to locals who might get a rent discount for living in and managing a vacation rental for a property owner that lives out of town.

Limiting the number of guests/house should also reduce the cost of enforcement, as there should be fewer complaints/problems.

With new hotels/motels being planned for Morro Bay, which is truly our only industry here, we should really consider limiting the number of VRs etc. and give our "industry" a chance to thrive.

## EXHIBIT C

Thank you for considering my thoughts.

Kind regards,

*Carole Truesdale*

*"Food without wine is a corpse; wine without food a ghost. United and well matched, they are as body and soul; living partners!" chef...Andre Simon (1877-1970)*

## Scot Graham

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**Subject:** FW: STR draft ordinance

**From:** Dana Swanson <[dswanson@morrobayca.gov](mailto:dswanson@morrobayca.gov)>  
**Date:** August 13, 2020 at 1:15:06 PM PDT  
**To:** Carol Swain [REDACTED]  
**Subject:** RE: STR draft ordinance

Hi Carol,

I hope you and Bob are doing well! Your comments will be forwarded to Scot Graham for inclusion in the Planning Commission agenda packet.

Thank you,  
Dana

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**From:** Carol Swain [REDACTED]  
**Sent:** Wednesday, August 12, 2020 5:26 PM  
**To:** Dana Swanson <[dswanson@morrobayca.gov](mailto:dswanson@morrobayca.gov)>  
**Subject:** STR draft ordinance

Dear Dana:  
Please place this letter in agenda correspondence. Thank you.  
Bob and Carol Swain

Dear Planning Commission Members:

City staff, officials and committee members are to be commended for the data collection, outreach, and consensus-building that was organized in order to draft a policy by which to manage vacation rentals. The process outlines the factors which shaped the draft ordinance, and it promotes broad community support.

Three items that did not garner clear consensus with the Vacation Rental Committee representatives call for clarifying language: 1) The cap on total number of STR's, 2) the timeline for bringing current STR's into compliance, and 3) density limitations. As community members we would like to offer suggestions.

1). Regarding the cap on total number of STR's allowed in residential areas, 250 does not reflect community representation. The choice of 250 because that number received four votes is arbitrary and capricious. Four votes were also proffered in opposition to that top number. A more reasoned approach would be to address the committee in total and reach a limit that represents their intent, i.e., greater separation. Fewer than the limit of 250, such as 180, is more desirable.

2). With reference to density, three lots separating STR's is, again, arbitrary and inconsistent. To promote more uniform separation, please consider separation that includes a standard distance. Our desire would be to use the greater of two distances: "...separation by three lots or by a radius of 250 feet, whichever is greater."

3). The timeline of three years for initiating compliance is extremely long. Conditions for compliance mandates are included by way of a lottery process and a one-year grace period. Since the conditions for compliance exist now, as measured by community demand, please enact an ordinance that meets this demand, as this ordinance does, and initiate it immediately upon enactment. STR owners will still have at least one full year to adjust their property use.

You have overseen a long and arduous process to get this near the finish line. Please make a few necessary adjustments to see this process to completion. Thank you.

Sincerely,  
Robert and Carol Swain