



CITY OF MORRO BAY CITY COUNCIL 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, May 11, 2021 – 5:30 P.M. Held Via Teleconference

ESTABLISH QUORUM AND CALL TO ORDER
MOMENT OF SILENCE
PLEDGE OF ALLEGIANCE
RECOGNITION
CLOSED SESSION REPORT
MAYOR & COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS
CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS
PRESENTATIONS

- Bike there Presentation by Peter Williamson from San Luis Obispo Council of Governments
- Air Quality Monitoring Presentation by Richard Sadowski

PUBLIC COMMENT

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, this Meeting will be conducted telephonically through Zoom and broadcast live on Cable Channel 20 and streamed on the City website (click [here](#) to view). Please be advised that pursuant to the Executive Order, and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Veterans' Hall will not be open for the meeting.

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 City Council at council@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=aWZpTzcwTHlRTk9xaTlmWVNWRFUQT09>

Password: 135692

- Or Telephone Attendee: 1 (408) 638-0968 or 1 (669) 900 6833 or 1 (346) 248 7799; Webinar ID: 827 2274 7698; Password: 135692; Press * 9 to “Raise Hand” for Public Comment

A. CONSENT AGENDA

Unless an item is pulled for separate action by the City Council, the following actions are approved without discussion. The public will also be provided an opportunity to comment on consent agenda items.

- A-1 APPROVAL OF MINUTES FOR THE MARCH 23, 2021 CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-2 APPROVAL OF MINUTES FOR THE APRIL 28, 2021 CITY COUNCIL SPECIAL CLOSED SESSION MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-3 ADOPTION OF RESOLUTION NO. 21-21 APPROVING THE MORRO BAY MUNICIPAL CODE TITLE 5 FISCAL YEAR 2021/22 BUSINESS TAX SCHEDULE CONSISTENT WITH CPI INCREASE AND DIRECTION TO IMPLEMENT ON JULY 1, 2021; (FINANCE DEPARTMENT)

RECOMMENDATION: Staff recommends the Council review the Business Tax schedule and adopt Resolution No. 21-21, setting the Fiscal Year (FY) 2021/22 Business Tax Schedule consistent with CPI increase and directing staff to implement the new rates beginning on July 1, 2021 for all renewals and new applications for business tax certificates.

B. PUBLIC HEARINGS

- B-1 CONTINUED PUBLIC HEARING FOR CONSIDERATION OF PLAN MORRO BAY: GENERAL PLAN / LOCAL COASTAL PROGRAM UPDATE AND THE FINAL ENVIRONMENTAL IMPACT REPORT AND RELATED DOCUMENTS AND TO PROVIDE DIRECTION, AS DEEMED APPROPRIATE; (COMMUNITY DEVELOPMENT)

RECOMMENDATION: Staff recommends the Council hold the continued public hearing to review and consider the favorable recommendation by Planning Commission for approval of Plan Morro Bay: General Plan/ Local Coastal Program Update, and certification of the Final Environmental Impact Report with Findings of Fact, a Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program.

- B-2 ADOPTION OF RESOLUTION NO. 22-21 APPROVING MAJOR AMENDMENT #MAJ19-006 OF CONDITIONAL USE PERMIT NO. UP0-260, LOCATED AT 571 EMBARCADERO, FOR THE CONVERSION OF 839SF OF EXISTING 2ND FLOOR OFFICE SPACE TO ONE VACATION RENTAL UNIT WITH 988SF OF NEW DECK, REPLACEMENT OF DOCKS AND GANGWAY, AND 207SF EXPANSION OF HARBORWALK PUBLIC ACCESS. PROJECT ALSO INCLUDES REQUEST FOR MASTER SIGN PROGRAM APPROVAL AND RELATED BUILDING FACADE IMPROVEMENTS. THIS PROJECT IS LOCATED IN THE COASTAL COMMISSION ORIGINAL JURISDICTION; (COMMUNITY DEVELOPMENT)

RECOMMENDATION: Staff recommends the Council adopt Resolution No. 22-21, making the necessary findings for approval of Major Amendment #MAJ19-006 of Conditional Use Permit (CUP) No. UP0-260 as Concept/Precise Plan approval, located at 571 Embarcadero.

- B-3 PUBLIC HEARING AND ADOPTION OF RESOLUTION NO. 23-21, WHICH RESCINDS RESOLUTION NO. 96-20 AND ADOPTS THE FY 2021/22 MASTER FEE SCHEDULE; (FINANCE DEPARTMENT)

RECOMMENDATION: Staff recommends that the City Council conduct the formally noticed public hearing, review the proposed Master Fee Schedule, and adopt Resolution No. 23-21 which updates the City's Master Fee Schedule for Fiscal Year (FY) 2021/22. This Resolution also rescinds Resolution No. 96-20 that adopted the current FY 2020/21 Master Fee Schedule and replaces it in its entirety for the new fiscal year.

C. BUSINESS ITEMS

- C-1 DISCUSSION OF THE USE OF FIREWORKS WITHIN THE CITY OF MORRO BAY; (FIRE DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council receive a staff presentation on fireworks and provide direction deemed appropriate by a majority of the Council.

- C-2 ADOPTION OF RESOLUTION NO. 24-21 APPROVING THE ENGINEER'S REPORT AND DECLARING THE INTENT TO LEVY THE ANNUAL ASSESSMENT FOR THE CLOISTERS LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT; (PUBLIC WORKS DEPARTMENT)

RECOMMENDATION: Staff recommends City Council adopt Resolution No. 24-21 declaring the intent to levy the annual assessment for the maintenance of the Cloisters Park and Open Space for fiscal year 2021/22 and approving the Engineer's Report.

- C-3 ADOPTION OF RESOLUTION NO. 25-21 APPROVING THE ENGINEER'S REPORT AND DECLARING THE INTENT TO LEVY THE ANNUAL ASSESSMENT FOR THE NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT; (PUBLIC WORKS DEPARTMENT)

RECOMMENDATION: Staff recommends City Council adopt Resolution No. 25-21 approving the Engineer's Report and declaring the intent to levy the annual assessment for maintenance of the North Point Natural Area.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

E. ADJOURNMENT

The next Regular Meeting will be held on **Tuesday, May 25, 2021 at 5:30 p.m.** via teleconference.

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 CITY HALL FOR ANY REVISIONS OR CALL THE CLERK'S OFFICE AT 805-772-6205 FOR FURTHER INFORMATION.

MATERIALS RELATED TO AN ITEM ON THIS AGENDA SUBMITTED TO THE CITY COUNCIL AFTER DISTRIBUTION OF THE AGENDA PACKET ARE AVAILABLE FOR PUBLIC INSPECTION UPON REQUEST BY CALLING THE CITY CLERK'S OFFICE AT 805-772-6205.

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN A CITY MEETING, PLEASE CONTACT THE CITY CLERK'S OFFICE AT LEAST 24 HOURS PRIOR TO THE MEETING TO INSURE REASONABLE ARRANGEMENTS CAN BE MADE TO PROVIDE ACCESSIBILITY TO THE MEETING.

City Council conducted this meeting in accordance with Section 3 of California Governor Newsom's Executive Order N-29-20 issued on March 17, 2020 in response to the present State of Emergency in existence due to the threat of COVID-19. This meeting was held via teleconference for all participants.

PRESENT:	John Headding	Mayor
	Dawn Addis	Council Member
	Laurel Barton	Council Member
	Robert Davis	Council Member
	Jeff Heller	Council Member
ABSENT:	None	
STAFF:	Scott Collins	City Manager
	Chris Neumeyer	City Attorney
	Dana Swanson	City Clerk
	Katie Lichtig	Interim Finance Director
	Scot Graham	Community Development Director
	Steve Knuckles	Fire Chief
	Jody Cox	Police Chief
	Eric Endersby	Harbor Director
	Rob Livick	City Engineer

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Headding called the meeting to order at 5:30 p.m. with all members present.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

RECOGNITION – None

CLOSED SESSION REPORT – City Attorney Neumeyer stated no reportable action was taken by the City Council in accordance with the Brown Act.

MAYOR & COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

<https://youtu.be/IE8kpstAkYo?t=211>

CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS - None

PRESENTATIONS

<https://youtu.be/IE8kpstAkYo?t=989>

- Month of the Child and Child Abuse Prevention Proclamation presented to Mr. Ziyad Naccasha from the We Are the Care Initiative
- Eckerd Connects Workforce Development Presentation by Allison Schiavo

PUBLIC COMMENT

<https://youtu.be/IE8kpstAkYo?t=2098>

Ziyad Naccasha, We are the Care Initiative, expressed appreciation for the Month of the Child and Child Abuse Prevention Proclamation and encouraged community members to explore

www.kidsareessential.org for more information and policies with regard to family friendly workplace practices.

Betty Winholtz, Morro Bay, announced the California Coastal Commission's decision to end off-road vehicle use at the Oceano Dunes in three years, asked when the Council would resume in-person meetings, expressed concern about the trimming of private trees during nesting season, and asked that the City remind homeowners and arborists they must comply with the City ordinance restricting tree removal and trimming during nesting season.

Sean Green, Morro Bay, commented on Council and advisory board protocol and encouraged the City to consider transitioning from on-line to hybrid meetings.

Mayor Heading closed public comment.

The Council and staff responded to issues raised during public comment.

A. CONSENT AGENDA
<https://youtu.be/IE8kpstAkYo?t=2690>

Unless an item is pulled for separate action by the City Council, the following actions are approved without discussion. The public will also be provided an opportunity to comment on consent agenda items.

A-1 APPROVAL OF MINUTES FOR THE MARCH 9, 2021, CITY COUNCIL MEETING;
(ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE MARCH 9, 2021, CITY COUNCIL SPECIAL
MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF MINUTES FOR THE MARCH 17, 2021, CITY COUNCIL SPECIAL
CLOSED SESSION MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-4 PROCLAMATION DECLARING APRIL 2021 AS FAIR HOUSING MONTH;
(ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-5 PROCLAMATION DECLARING APRIL 2021 AS MONTH OF THE CHILD AND CHILD
ABUSE PREVENTION MONTH; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

Mayor Heading opened the public comment for the Consent Agenda; seeing none, the public comment period was closed.

MOTION: Council Member Addis moved approval of all items on the Consent Agenda. The motion was seconded by Council Member Barton and carried 5-0 by roll call vote.

B. PUBLIC HEARINGS - None

C. BUSINESS ITEMS

C-1 1. ADOPTION OF RESOLUTION NO. 12-21, AUTHORIZING THE MAYOR TO SIGN THE PURCHASE AND SALE AGREEMENT (PSA) FOR ACQUISITION OF TWO PARCELS APN: 065-022-011 AND APN: 073-075-016, MORE COMMONLY KNOWN AS DOG BEACH; AND, AND RELATED AUTHORIZATIONS. 2. ADOPTION OF RESOLUTION 13-21, AUTHORIZING STAFF TO SUBMIT AN APPLICATION TO LAFCO INITIATING DETACHMENT PROCEEDINGS FOR APN: 065-022-010, AND RELATED AUTHORIZATIONS. PROPERTY WOULD BE DETACHED FROM WITHIN CITY BOUNDARY RESULTING IN LOT BEING LOCATED WITHIN UNINCORPORATED COUNTY OF SAN LUIS OBISPO. PROPERTY IS OWNED BY THE CAYUCOS SANITARY DISTRICT (CSD). 3. ADOPTION OF RESOLUTION 14-21, AUTHORIZING STAFF TO SUBMIT A SPHERE OF INFLUENCE (SOI) AMENDMENT TO THE SAN LUIS OBISPO LOCAL AGENCY FORMATION COMMISSION (LAFCO) TO ADD 5 LOTS ABOVE PANORAMA DRIVE TO THE CITY'S SOI, PAYMENT OF ADDITIONAL STUDIES, AND DEVELOPMENT LIMITATIONS. APN: 073-075-002 AND PORTIONS OF APN 073-076-016 (LOTS 2, 8, 7 & 6). LOTS ARE OWNED BY CHEVRON.; (COMMUNITY DEVELOPMENT DEPARTMENT)
<https://youtu.be/IE8kpstAkYo?t=2769>

Community Development Director Graham provided the report and, along with City Attorney Neumeyer, responded to Council inquires.

The public comment period for Item C-1 was opened.

Bruce Gibson, San Luis Obispo County District 2 Supervisor, spoke in support of the staff recommendation and the opportunity to complete a multi-purpose connector trail from Cayucos to Morro Bay.

Karl Schoettler, Morro Bay, recommended the potential building area in lot 33 behind Zanzibar be eliminated from the diagram.

Carole Truesdale, Morro Bay, opposed the item, stating the lots are unstable and would be difficult to insure. She added that she would feel better if the five lots were given to the City by Chevron in perpetuity to enjoy as open space.

Donald Headland, Morro Bay, opposed the adoption of Resolution No. 14-21, expressing concern about potential landslides. If the Council were to move forward, he suggested place a deed restriction limiting development to one residential home per lot, prohibiting subdividing them into smaller lots, requiring residential units to be built below the 200 ft. elevation, and that there be no utility easement allowed through the five lots to higher and more inland property.

Betty Winholtz, Morro Bay, inquired about the conservation agreement, opposed the purchase of Dog Beach, and expressed concern about potential landslides and increased risk for the City.

The public comment period for Item C-1 was closed.

MOTION: Council Member Davis moved to adopt Resolution No. 12-21, authorizing the Mayor to sign the PSA, (subject to such non-substantive or minor modifications or amendments as may be necessary to complete the transaction, and subject to the City Attorney's approval as to form) for purchase of the two Dog Beach

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lots (APNs 065-022-011 & 073-075-016), payment of City's closing costs, and City Manager to negotiate and execute related and necessary instruments (in a form approved by the City Attorney) and take further actions, as may be reasonably necessary, to complete the transaction. The motion was seconded by Mayor Heading and carried 4-1 by roll call vote with Council Member Heller opposed.

MOTION: Council Member Davis moved to adopt Resolution No. 13-21, authorizing Staff to submit an application to LAFCO initiating detachment proceedings for APN 065-022-010 removing the parcel from within City limits and returning it to the unincorporated area of the County of San Luis Obispo, and City Manager to take further actions, as may be reasonably necessary, for submission of a complete application. The motion was seconded by Mayor Heading and carried 4-1 by roll call vote with Council Member Heller opposed.

MOTION: Council Member Davis moved to adopt Resolution No. 14-21, authorizing submission by Staff of an application for a Sphere of Influence amendment to LAFCO adding the 5 lots above Panorama Drive owned by Chevron to the City's SOI, payment for any additional studies that may be needed for the application, and development limitations. The motion was seconded by Mayor Heading and carried 4-1 by roll call vote with Council Member Heller opposed.

C-2 REVIEW OPTIONS FOR IMPROVEMENTS TO PUBLIC TRASH AND RECYCLING RECEPTACLES AND PUBLIC RESTROOM MANAGEMENT IN THE EMBARCADERO AND MORRO ROCK PARKING LOT AREAS; (CITY MANAGER)
<https://youtu.be/IE8kpstAkYo?t=6935>

City Manager Collins provided the report and responded to Council inquires.

The public comment period for Item C-2 was opened.

Sean Green, Morro Bay, spoke regarding the need for public restrooms and clear signage along the Embarcadero.

Erica Crawford, Morro Bay Chamber of Commerce, spoke in support of the staff recommendation and expressed gratitude for City and TBID support.

An unknown resident suggested the City consider smaller solutions and requested trash cans be placed by the firepits at the Rock.

The public comment period for Item C-2 was closed.

MOTION: Council Member Addis moved to approve hiring additional part-time consolidated maintenance workers to assist with trash and public restroom service on the Embarcadero and Morro Rock parking lot areas during the peak season months between April through October 2021 and splitting the cost between the Tourism Business Improvement District ("TBID") Fund and General Fund. The motion was seconded by Council Member Davis.

Following individual comments, the motion carried 5-0 by roll call vote.

C-3 CONSIDERATION OF RESOLUTION FOR 180-DAY WAIT PERIOD EXCEPTION FOR CALPERS RETIRED ANNUITANT / INTERIM FIRE CHIEF APPOINTMENT AND INTERIM FIRE CHIEF AGREEMENT – STEVEN KNUCKLES; (CITY MANAGER)
<https://youtu.be/IE8kpstAkYo?t=9532>

City Manager Collins provided the report and responded to Council inquires.

The public comment period for Item C-3 was opened; seeing none, the public comment period was closed.

MOTION: Council Member Addis moved to adopt Resolution No. 15-21 approving an exception to the 180-day waiting period for the position of Interim Fire Chief; and approve the Interim Fire Chief employment agreement between the City and Mr. Knuckles. The motion was seconded by Council Member Heller and carried 5-0 by roll call vote.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

<https://youtu.be/IE8kpstAkYo?t=10334>

Council Member Addis requested and received full support to bring forward the staff report from March 2020 providing options for local regulations to end gun violence.

Council Member Heller requested an agenda item that would explore restroom access, trash and signage concerns along the Embarcadero. The Council supported this item for consideration during the goals process.

Council Member Heller requested staff return with options for a replacement tree program for Council consideration to address those removed as part of the WRF construction project. The Mayor supported the item and suggested incorporating it into the WRF program.

E. ADJOURNMENT

The meeting adjourned at 8:32 p.m.

Recorded by:

Dana Swanson
City Clerk

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MINUTES - MORRO BAY CITY COUNCIL
SPECIAL CLOSED SESSION MEETING –
APRIL 28, 2021 – 4:00 P.M.
TELECONFERENCE

AGENDA NO: A-2
MEETING DATE: May 11, 2021

City Council conducted this meeting in accordance with Section 3 of California Governor Newsom's Executive Order N-29-20 issued on March 17, 2020 in response to the present State of Emergency in existence due to the threat of COVID-19. This meeting was held via teleconference for all participants.

PRESENT: John Headding Mayor
 Dawn Addis Council Member
 Laurel Barton Council Member
 Robert Davis Council Member
 Jeff Heller Council Member

ABSENT: None

STAFF: Scott Collins City Manager
 Chris Neumeyer City Attorney
 Joe Pannone Special Counsel
 Colin Tanner Special Counsel
 Katie Lichtig Interim Finance Director
 Eric Endersby Harbor Director
 Dana Swanson City Clerk/Human Resources Manager

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Headding called the meeting to order at 4:00 p.m. with all but Council Member Barton present. Council Member Barton joined the meeting at 4:12 p.m.

SUMMARY OF CLOSED SESSION ITEMS – The Mayor read a summary of Closed Session items and announced Items CS-4 and CS-5 would be continued to a future meeting with a date uncertain.

CLOSED SESSION PUBLIC COMMENT – Mayor Headding opened public comment for items on the agenda; seeing none, the public comment period was closed.

The City Council moved to Closed Session and heard the following items:

CS-1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code subdivision 54956.9(d)(2): One matter regarding multiple lease sites.

CS-2 CONFERENCE WITH REAL PROPERTY NEGOTIATOR – GOVERNMENT CODE SECTION 54956.8:

Property: Lease Sites 69-70/69W-70W, 595 Embarcadero
Property Negotiators: Chuck Nettnin, Three Stacks and a Rock Brewing Co. LLC
Agency Negotiators: Eric Endersby, Harbor Director; Scott Collins, City Manager; and Chris Neumeyer, City Attorney; Joseph Pannone, Special Counsel
Under Negotiation: Price and Terms of Payment

CS-3 CONFERENCE WITH LABOR NEGOTIATORS

City Designated Representative: Colin Tanner, Special Labor Counsel
Employee Organizations: Service Employee's International Union - SEIU Local 620

CS-4 CONFERENCE WITH REAL PROPERTY NEGOTIATOR – GOVERNMENT CODE SECTION 54956.8

Property: Assessor Parcel No. 066-331-046
Property Negotiators: Vistra Energy
Agency Negotiators: Scott Collins, City Manager; Rob Livick, City Engineer; Scot Graham, Community Development Director and Chris Neumeyer, City Attorney
Under Negotiation: Price and Terms of Payment – Easement Acquisition

CS-5 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

- Paragraph (1) of subdivision (d) Government Code Section 54956.9
- Name of Case: City of Morro Bay vs. Vistra Energy Corp., Case No. 20CV-0127, San Luis Obispo County Superior Court

RECONVENE IN OPEN SESSION – The City Council reconvened in Open Session. The Council did not take any reportable action in accordance with the Brown Act.

ADJOURNMENT - The meeting adjourned at 5:28 p.m.

Recorded by:

Dana Swanson
City Clerk



AGENDA NO: A-3
MEETING DATE: May 11, 2021

Staff Report

TO: Honorable Mayor and City Council **DATE:** May 6, 2021

FROM: Katie Lichtig, Interim Finance Director/City Treasurer

SUBJECT: Adoption of Resolution No. 21-21 Approving the Morro Bay Municipal Code Title 5 Fiscal Year 2021/22 Business Tax Schedule Consistent with CPI Increase and Direction to Implement on July 1, 2021

RECOMMENDATION

Staff recommends the Council review the Business Tax schedule and adopt Resolution No. 21-21, setting the Fiscal Year (FY) 2021/22 Business Tax Schedule consistent with CPI increase and directing staff to implement the new rates beginning on July 1, 2021 for all renewals and new applications for business tax certificates.

FISCAL IMPACT

There is a natural increase in revenue from Business Taxes that is assumed as the result of annual Consumer Price Index (CPI) increase, as provided by the municipal code as approved by the voters in 1988 (Measure A). That increase has been included in the proposed FY 2021/22 budget submittal for Council consideration. That increase includes a projected CPI increase.

BACKGROUND

Morro Bay Municipal Code Section 5.04.050 in part states:

5.04.050 - Business tax payment required

A. There are hereby imposed, upon the businesses, trades, professions, callings, and occupations specified in this title, business taxes, as established annually in the business tax rate schedule.

B. Each year by June 30th, the business tax rate schedule will be adjusted by the change in the Consumer Price Index (CPI), from March of the previous year to March of the current year. The percentage adjustment for any given year shall be based upon the average monthly index for twelve months ending March 31st. The Consumer Price Index referred to in this paragraph is the Consumer Price Index (all items indexes, all urban consumers) for Los Angeles-Riverside-Orange County, compiled and published by the United States Department of Labor, Bureau of Labor Statistics, 1968 Base Year = 100 (hereafter called Index). If the United States Department of Labor, Bureau of Labor Statistics, ceases to compile and make public the index as now constituted and issued, but substitutes another index in its place, then the substituted index shall be used in place of the Consumer Price Index referenced in this paragraph.

Historically, staff has updated the Business Tax Schedule with the appropriate March CPI, without presenting the schedule to Council, until FY 2011/12, when Business Tax information was included in the Master Fee Schedule. In 2014, the City Attorney recommended the presentation of the Business Tax Rate Schedule be made separately from, and not included in, the Master Fee

Prepared By: KL Dept Review: KL
City Manager Review: SCCC_20210511 City Attorney Review: CFN

Schedule, since the business tax assessments are not fees. That correction was made in November 2014. Further, the Fiscal Year 2015/16 Business Tax Schedule adopted in July 2015 was modified to calculate the allowable increase in cents, rather than whole dollars.

DISCUSSION

The proposed Business Tax rates presented for Council consideration were adjusted by the percentage change in the March 2021 Consumer Price Index (CPI) for the Los Angeles-Riverside-Orange County area, per the Municipal Code 5.04.050(B). The CPI change from March 2020 to March 2021 was 2.2%.

The City of Morro Bay did not adjust Business Taxes by the applicable CPI rate for Fiscal Year 2020-21 due to the severe, unprecedented, and unpredictable impacts of the COVID-19 Pandemic on the local business community, thereby foregoing General Fund revenues that were replaced by the General Fund Emergency Reserves.

CONCLUSION

Staff recommends the City Council adopt Resolution No. 21-21 establishing the FY 2021/22 Business Tax Rate Schedule and directs staff to implement the new rates beginning on July 1, 2021 for all renewals and new applications.

ATTACHMENTS

- 1. Resolution No. 21-21 adopting Fiscal Year 2021/22 Business Tax Rate Schedule
- 2. Updated Business Tax Schedule – Current to Proposed
- 3. CPI for March 2021

RESOLUTION NO. 21-21

**RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF MORRO BAY, CALIFORNIA,
ESTABLISHING THE FISCAL YEAR 2021/22 BUSINESS TAX RATE SCHEDULE
CONSISTENT WITH CPI INCREASE AND PURSUANT TO LOCAL CODE**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, Title 5 of the Morro Bay Municipal Code sets forth Business Taxes and Regulations; and

WHEREAS, Section 5.04.050 allows for the Business Tax Rate Schedule to be adjusted by the change in the Consumer Price Index (CPI) from March of the previous year to March of the current year, for the Los Angeles-Riverside-Orange County area; and

WHEREAS, the City of Morro Bay did not adjust Business Taxes by the applicable CPI rate for Fiscal Year 2020-21 due to the severe, unprecedented, and unpredictable impacts of the COVID-19 Pandemic on the local business community, thereby foregoing General Fund revenues that were replaced by the General Fund Emergency Reserves; and

WHEREAS, the March 2021 annual CPI change was 2.2%, a copy of which is attached to this Resolution; and

WHEREAS, staff has applied the 2.2% CPI to the rates, previously set, and those adjusted rates are presented in the attached draft Fiscal Year 2019/20 Business Tax Rate Schedule.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Morro Bay, Resolution No. 21-21 is adopted, establishing the Fiscal Year 2021/22 Business Tax Rate Schedule, attached herewith, and direct staff to implement these new rates beginning with the July 1, 2021, renewals and new applications for business tax certificates.

PASSED AND ADOPTED, by the City Council of the City of Morro Bay, at a regular meeting thereof held on the 11th day of May 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

JOHN HEADDING, Mayor

ATTEST:

DANA SWANSON, City Clerk

City of Morro Bay Business Certificate Tax Rate Schedule Effective July 1, 2021 through June 30, 2022

All amounts are annual unless otherwise noted, and adjusted by February CPI for the
Los Angeles-Riverside-Orange County area.

All taxpayers are required to pay a \$4 SB1186 ADA charge *in addition to* the business tax amount listed below.

Morro Bay Municipal Code Sections are listed after category name.

	Current	Proposed
Basic Business License for all undesignated professions (5.08.020)		
	\$151.34	\$154.67
Plus each employee, if applicable	\$36.09	\$36.88
Common Business Categories		
Apartment, Motel, Hotel, Multiple Dwellings, Rest Homes, Rooming Houses, Hospitals & Sanitariums of 4 or more units (5.080.30)		
Basic license	\$151.34	\$154.67
Additional for each unit, dwelling, room or person cared for in excess of 3	\$6.01	\$6.14
Art, Hobby or Handicraft Show & Exhibitions, Farmers Market, Special Events (5.08.040)		
Basic license for sponsor/organizer, per day per event	\$151.34	\$154.67
Basic license for not-for-profit sponsor/organizer, per day per event		
Special Event, per seller:		
Per day	\$9.39	\$9.60
Per weekend	\$15.43	\$15.77
Annual	\$51.51	\$52.64
Contractor/Consultant (5.08.080)		
Primary General Contractor/Consultant	\$301.69	\$308.33
Primary General Contractor one job only	\$151.34	\$154.67
Sub-Contractor/Consultant	\$151.34	\$154.67
Sub-Contractor one job only	\$39.67	\$40.54
Delivery by vehicle (5.08.090)		
1 or more conveyances	\$151.34	\$154.67
Garage or yard sale (5.08.120)		
Limited to 2 per year, with permit	\$0.00	\$0.00
More than 2 per year	\$151.34	\$154.67
Home Occupation (5.08.130)		
Basic Home Occupation		
Business License	\$151.34	\$154.67

City of Morro Bay Business Certificate Tax Rate Schedule Effective July 1, 2021 through June 30, 2022

All amounts are annual unless otherwise noted, and adjusted by February CPI for the
Los Angeles-Riverside-Orange County area.

All taxpayers are required to pay a \$4 SB1186 ADA charge in addition to the business tax amount listed below.

Morro Bay Municipal Code Sections are listed after category name.

	Current	Proposed
Home Occupation (5.08.130) - continued		
Required, one-time Permit Processing Fee	\$73.15	\$74.76
Home Occupation Exception Business License; must qualify by submitting latest tax return, including Schedule C		
Occupations which are intended to augment or supplement primary source of income	\$63.52	\$64.92
Required, one-time Permit Processing Fee	\$73.15	\$74.76
Low Revenue Business; must qualify annually by submitting latest tax return, including Schedule C, or estimate if new business (Ord No. 590)		
Gross receipts under \$12,000 per year for all work conducted in Morro Bay	\$35.81	\$36.60
Required, one-time Permit Processing Fee (only if Home Occupation)	\$73.15	\$74.76
Very Low Revenue Business; must qualify initially by submitting latest tax return, including Schedule C, or estimate if new business (Ord No. 597)		
Gross receipts under \$4,000 per year for all work conducted in Morro Bay; no requirement to complete business tax certificate		
Real Estate (5.08.170)		
Calif. Licensed Broker	\$151.34	\$154.67
Each Salesman or Agent	\$36.09	\$36.88
Each Employee	\$26.46	\$26.72
Trailer House, RV or Mobile Home Park (5.08.210)		
Rental Spaces 1-3	\$151.34	\$154.67
Plus additional per space	\$6.01	\$6.14
Non-Profit Organizations (5.04.050), exempt from Business Tax; must pay SB1186		
All Other Business Categories		
Ambulance		
	\$123.67	\$126.39
Auctioneers (5.08.050)		
Per day, no fixed place of business	\$151.34	\$154.67

City of Morro Bay Business Certificate Tax Rate Schedule Effective July 1, 2021 through June 30, 2022

All amounts are annual unless otherwise noted, and adjusted by February CPI for the
Los Angeles-Riverside-Orange County area.

All taxpayers are required to pay a \$4 SB1186 ADA charge in addition to the business tax amount listed below.

Morro Bay Municipal Code Sections are listed after category name.

	Current	Proposed
Carnival and/or Circus, per day (5.08.060)	\$607.18	\$620.54
Covers all activities within the perimeter of the event		
Coin-Operated Vending Machine(s) (5.08.070)		
Gross receipts for all machines	1%	
Fire, Wreck or Bankrupt Sale (5.08.100)		
Each sale	\$213.90	\$218.61
Additional in excess of 3 days, per day	\$123.67	\$126.39
Flea Markets (5.08.110)		
Minimum per Salesperson	\$12.03	\$12.29
Money Lenders & Pawnshops (5.08.140)	\$607.18	\$620.54
Non-Profit Organizations (5.04.050), exempt from Business Tax; must pay SB1186		
Public Utilities (5.08.160)	\$151.34	\$154.67
Exception: when City Franchise Tax is greater than annual Business Tax Rate		
Private Patrol (5.04.330)	\$75.55	\$77.21
Rides, Shows, Public Dances, and Exhibitions (5.08.180)		
Exhibiting Animals or Trick Riding, Wire Dancing or other Exhibitions (Exception No Fee or Admission), per day	\$63.52	\$64.92
Merry-Go-Round, Revolving Wheel Chute, Tobaggan, Slide, Mechanical Riding Contrivance or Pony Ride	\$63.52	\$64.92
Public Dance (Exception No Fee or Admission), per day	\$63.52	\$64.92
Tent Show or Itinerant Show (Exception No Fee or Admission), per day	\$151.34	\$154.67
Wrestling or Boxing Show, per day	\$63.52	\$64.92
Secondhand Store or Junkdealer (5.08.190)	\$151.34	\$154.67
Skating Rink (5.08.200)	\$151.34	\$154.67

City of Morro Bay Business Certificate Tax Rate Schedule Effective July 1, 2021 through June 30, 2022

All amounts are annual unless otherwise noted, and adjusted by February CPI for the
Los Angeles-Riverside-Orange County area.

All taxpayers are required to pay a \$4 SB1186 ADA charge *in addition to* the business tax amount listed below.

Morro Bay Municipal Code Sections are listed after category name.

	Current	Proposed
Taxicabs (5.24.140)		
License Per Cab	\$82.77	\$84.59
Driver	\$12.03	\$12.29
Transient, Solicitor, Itinerant Merchant (5.08.150)		
Transient		
Per day	\$9.39	\$9.81
Per weekend	\$15.43	\$15.77
Annual	\$51.51	\$52.64
Solicitor		
Basic charge per day	\$123.67	\$124.91
Itinerant Merchant		
Per day	\$64.74	\$66.16
Per week	\$127.27	\$130.07
Per month	\$188.62	\$192.77
Per quarter	\$247.57	\$253.02
For 180 days	\$310.11	\$316.93
Administrative Charges		
Duplicate or replacement Business License Certificate	\$2.00	\$2.00
Transferring a Business License	\$2.00	\$2.00
Business License listing, per list	\$16.79	\$17.16

[Bureau of Labor Statistics](#) > [Geographic Information](#) > [Western](#) > CPI Summary

Western Consumer Price Index Card

- [Monthly and Bimonthly Indexes](#)
- [1-Page PDF Version of Pacific Cities Card](#) the PDF is preferred for printing (note that the tables below are updated several hours before the PDF version).

Monthly and Bimonthly Indexes

Consumer Price Index for All Urban Consumers (CPI-U): Selected areas, all items index, not seasonally adjusted (1982-84=100 unless otherwise noted)

Area (Links provide news releases)	Back data	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Percent change to Mar 2021 from			Percent change to Feb 2021 from		
						Mar 2020	Jan 2021	Feb 2021	Feb 2020	Dec 2020	Jan 2021
U.S. City Average		260.474	261.582	263.014	264.877	2.6	1.3	0.7	1.7	1.0	0.5
West region⁽¹⁾		276.593	277.238	278.702	280.625	2.4	1.2	0.7	1.6	0.8	0.5
West - Size Class A (over 2.5 million)		285.258	285.948	287.470	289.308	2.3	1.2	0.6	1.4	0.8	0.5
West - Size Class B/C (2.5 million or less)⁽²⁾		160.840	161.199	162.042	163.257	2.6	1.3	0.7	1.8	0.7	0.5
Mountain⁽³⁾		107.489	107.854	108.386	109.308	2.5	1.3	0.9	1.5	0.8	0.5
Pacific⁽³⁾		107.471	107.680	108.262	108.947	2.4	1.2	0.6	1.6	0.7	0.5
Metropolitan areas published monthly											
Los Angeles-Long Beach-Anaheim, CA		279.560	280.178	281.347	282.648	2.2	0.9	0.5	1.0	0.6	0.4
Metropolitan areas published in January, March, May, July, September, and November											
Phoenix-Mesa-Scottsdale, AZ⁽⁴⁾		145.660		147.186					1.0	1.0	
San Francisco-Oakland-Hayward, CA		302.948		304.387					1.6	0.5	
Seattle-Tacoma-Bellevue, WA		283.409		286.950					1.7	1.2	
Urban Alaska		227.259		229.478					1.3	1.0	
Metropolitan areas published in February, April, June, August, October, and December											
Riverside-San Bernardino-Ontario, CA⁽³⁾			109.550		110.981	3.6	1.3				
San Diego-Carlsbad, CA			307.688		315.035	4.1	2.4				
Urban Hawaii			287.634		290.361	1.8	0.9				



AGENDA NO: B-1

MEETING DATE: May 11, 2021

Staff Report

TO: Honorable Mayor and City Council **DATE:** May 5, 2021

FROM: Scot Graham, Community Development Director
Cindy Jacinth, Senior Planner

SUBJECT: Continued Public Hearing for Consideration of Plan Morro Bay: General Plan / Local Coastal Program Update and the Final Environmental Impact Report and Related Documents and to Provide Direction, as deemed appropriate

RECOMMENDATION

Staff recommends the Council hold the continued public hearing to review and consider the favorable recommendation by Planning Commission for approval of Plan Morro Bay: General Plan/ Local Coastal Program Update, and certification of the Final Environmental Impact Report with Findings of Fact, a Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program.

ALTERNATIVES

1. The City Council may move to direct staff to make additional edits to the Plan Morro Bay document.
2. The City Council may direct the Planning Commission to re-review and provide additional review in response to public comments received or Council desired changes.

FISCAL IMPACT

Direct costs = approximately \$1,170,000 were spent over the entirety of the update process, which began in 2015 (\$662,000 is grant funded by Coastal Commission and Ocean Protection Council)
Indirect (staff time) = approximately \$300,000.

COUNCIL REVIEW:

This public hearing was continued from the April 27, 2021 City Council meeting for review and consideration of [Plan Morro Bay: General Plan/ Local Coastal Program Land Use Plan](#) and the [Final Environmental Impact Report](#) and related documents. Please refer to the April 27, 2021 staff report for discussion of document organization, public correspondence, and the Environmental Impact Report (links include below).

At the April 27th Council hearing, the Council opened the public hearing, took public comment, and partially reviewed the adoption draft document from the Introduction through the Economic Development Element. Council discussion included addressing questions from the public and also reviewing the proposed coastal requirements for low-cost visitor serving accommodations. This included direction to staff to follow up with Coastal Commission staff regarding the requirement to provide 25% of the rooms at affordable rates for lease site properties along the waterfront and what additional flexibility the City might be able to apply to hotel/motel projects in this area. Currently, this

Prepared By: <u> CJ </u>	Dept Review: <u> SG </u>
City Manager Review: <u> SC </u>	City Attorney Review: <u> JP </u>

requirement is in the draft document not as a proposed policy but as Implementation Actions LU-13 and LU-17. Because the Implementation Actions (IA) are not part of the proposed LCP, they can be deleted or revised by City Council.

Staff discussed the affordable accommodations issue with Coastal Commission staff on Monday, May 3rd and Coastal Staff agreed the City could delete the 25% affordable room requirement. Coastal Staff does want the City to address affordable accommodations along the waterfront as part of the Zoning Code/Coastal Implementation Plan update, which is currently under review by the Planning Commission. Coastal Staff was supportive of the City drafting policy language that incorporates flexibility into the 25% affordability requirement allowing the percentage to be reduced based on site-specific analysis including review of proposed room rental rates, number/type of rooms and proposed amenities of each project. For example, the policy should make clear the 25% affordability requirement should only be based on the number of rooms in a project that are considered high-cost accommodations, so if a development was proposing a mix of medium and high-cost accommodations, their required low-cost percentage would be reduced. The policy can also take into account what type of amenities are offered, whether rooms are standard double occupancy or suites that could accommodate a family, which could lower the accommodation type from high cost to medium cost. In short, Coastal Staff indicated they support inclusion of significant flexibility in the City's low-cost visitor-serving accommodations policy, as desired by City Council.

Based on this clarification from Coastal staff, staff is recommending IA LU-13 noted on page 3-41 be deleted:

IMPLEMENTATION ACTION LU-13

~~New upscale hotel and motel projects that are developed on state-owned tidelands and do not have lower-cost rooms proposed shall provide 25 percent of units at a lower-cost rate approved by the Coastal Commission.~~

and IA LU-17 be revised as follows:

IMPLEMENTATION ACTION LU-17

Require hotel or motel development projects in Morro Bay provide ~~25 percent of~~ units at a lower-cost rate approved by the Coastal Commission if they directly displace either (a) existing lower-cost accommodations or (b) accommodations above the lower-cost threshold that include additional amenities or higher capacity.

ENVIRONMENTAL

At the April 27, 2021 meeting, Council discussion included correcting the existing and proposed land use at 3300 Panorama Drive (Figures LU-3 and LU-4) from medium density to moderate density residential based on research submitted by resident Kristin Headland. The environmental impacts were evaluated by the City's EIR consultant, who has prepared a Revision Letter (Attachment 2) dated May 5, 2021, that documents what impact, if any, would result from this correction. The analysis concludes the revision would not result in any new or revised environmental impacts, as compared to the project evaluated in the Final EIR.

CONCLUSION

Staff is recommending the Council continue its consideration of the remaining Elements starting with Circulation and continue through the Greenprint and remainder of the document. Staff also recommends Council review the FEIR. If the Council does not complete the review of Plan Morro Bay and the FEIR, then continue the hearing to finalize review at the May 25, 2021 City Council meeting for certification of the FEIR with Findings of Fact, approval of the General Plan/ Local Coastal

Program Update and adoption of a Statement of Overriding Considerations and Mitigation Monitoring Program.

ATTACHMENTS

1. City Council Resolution No. 20-21
2. EIR Revision Letter from Rincon Consultants, dated May 5, 2021 regarding Land Use Change at 3300 Panorama Drive
3. PowerPoint Presentation

ONLINE LINKS:

1. [Staff Report and Attachments for April 27, 2021 City Council meeting](#)
2. [Adoption Hearing Draft Plan Morro Bay, City Council version April 2021](#)
3. [Comment summaries /matrices of document edits of Hearing Draft](#)
4. [Planning Commission staff report and attachments, March 16, 2021 hearing](#)
5. Comment summaries for Public Draft Public Hearings
 - a. [GPAC Comments on Public Draft](#)
 - b. [Planning Commission and Public Comments on Public Draft](#)
 - c. [Coastal Commission comments on Public Draft](#)
6. [Final Environmental Impact Report, February 2021](#)
7. [EIR Appendices](#)

RESOLUTION NO. 20-21

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
CERTIFYING THE FINAL ENVIRONMENTAL IMPACT
REPORT AND ADOPTING (i) FINDINGS OF FACT, (ii) A
STATEMENT OF OVERRIDING CONSIDERATIONS, (ii) A
MITIGATION MONITORING & REPORTING PROGRAM
AND (iv) PLAN MORRO BAY: GENERAL PLAN/LOCAL
COASTAL PROGRAM UPDATE PROJECT**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, on November 7, 2017 the City issued a Notice of Preparation of an Environmental Impact Report (EIR) for the General Plan/ Local Coastal Program Update project, also known as Plan Morro Bay (Project) for a 30 day period from November 7, 2017 to December 7, 2017; and

WHEREAS, a public scoping meeting was held on November 21, 2017 at the Veteran's Memorial Building at 209 Surf Street in Morro Bay;

WHEREAS, on October 16, 2020, a Notice of Availability of the Draft EIR (SCH#2017111026) for the Project was posted with the State Clearinghouse. It was also circulated to federal, state, and local agencies and interested parties requesting a copy. Copies of the Draft EIR were also made available to the public at the following location:

- City of Morro Bay Plan Morro Bay website: www.morrobayca.gov/planmb
- City Community Development Department: 955 Shasta Avenue, Morro Bay

WHEREAS, the Draft EIR was prepared and circulation for a 45 day public review period from October 19, 2020 to December 4, 2020; and

WHEREAS, on February 8, 2021, (i) Responses to Comments were prepared for all comments received on the Draft EIR and posted to the City website and (ii) a Final EIR for the Plan Morro Bay General Plan/ Local Coastal Program Update project (SCH#2017111026) which incorporates the DEIR and responses to written comments on the DEIR, was completed and released for public review;

WHEREAS, duly noticed public hearings for the Public Draft of Plan Morro Bay were held by Planning Commission on August 7, 2018, August 23, 2018, September 4, 2018, December 4, 2018, and December 18, 2018; and

WHEREAS, duly noticed public hearings for the Adoption Hearing Draft were held by Planning Commission on October 20, 2020, November 4, 2020, November 17, 2020, December 1, 2020, and December 15, 2020; and

WHEREAS, the Planning Commission of the City of Morro Bay conducted a public hearing via video conference on March 16, 2021 for the purpose of considering a favorable recommendation to the Morro Bay City Council for adoption of Plan Morro Bay: General Plan/Local Coastal Program Update project and recommendation to certify the Final Environmental Impact Report (FEIR) (“Project”); and

WHEREAS, the City Council of the City of Morro Bay (the “City”) conducted a public hearings via video conference on April 27, 2021, May 11, 2021, and May 25, 2021, for the purpose of considering the favorable recommendation by the Planning Commission and for purposes of adoption of Plan Morro Bay: General Plan/Local Coastal Program Update project and certification of the Final Environmental Impact Report (FEIR) (“Project”); and

WHEREAS, pursuant to the Governor's Executive Order N-29-20 issued on March 17, 2020 in response to the present State of Emergency in existence due to the threat of COVID-19, the City of Morro Bay Planning Commission is authorized to hold public meetings via teleconferencing and all requirements in the Brown Act expressly or impliedly requiring the physical presence of members, the clerk or other personnel of the body, or of the public as a condition of participation in or quorum for a public meeting are hereby waived; and

WHEREAS, notice of the public hearing was provided at the time and in the manner required by law; and

WHEREAS, the City Council has duly considered all evidence, including the written and oral staff report, presentation, public testimony on the FEIR and the Project, and whether the FEIR should be certified and whether the Project should be approved; and

WHEREAS, the written staff report regarding the FEIR and the Project are found to be true and accurate in all respects and is incorporated herein by this reference;

WHEREAS, prior to the final consideration and any possible approval of any and all physical aspects of the Project, as analyzed by the FEIR, the City Council and all City legislative bodies involved with the Project will consider the FEIR and the City Council recommends all other governmental agencies and legislative bodies that must review or approve, if at all, the Project do the same; and

WHEREAS, the City Council has completed review of the FEIR and related materials.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay as follows:

Section 1: The foregoing recitals are true and correct and incorporated herein.

Section 2: Based on substantial evidence, both written and oral, from the public meeting and in the record of proceedings, and the City Council's independent judgment, the City Council makes the following findings and takes the following actions with respect to the FEIR:

- A. The City Council has independently reviewed and considered the FEIR, including the comments received on the FEIR during the public review, and the responses to those comments.
- B. The FEIR reflects the City's and the City Council's independent judgment and is found and determined to have been completed in compliance with CEQA, and is adequate for the Project.
- C. The FEIR is found and determined to have demonstrated, with implementation of the mitigation measures described in the FEIR, the Project, if approved by the City Council and all other required governmental agencies and legislative bodies, will have no significant effect on the environment, except as discussed in Section 2. F., below.
- D. The FEIR is found and determined to have satisfied the requirements of CEQA and a Mitigation Monitoring and Reporting Program (MMRP) has been prepared to ensure effective implementation and enforcement of all adopted mitigation measures for the Project.
- E. The MMRP for the Project is hereby adopted, in order to mitigate or avoid significant effects on the environment, and further, the City Council:
 - 1. commits the MMRP will be included, as conditions of approval, expressly or by reference, for all approvals, if any, of the Project by the Morro Bay City Council, Planning Commission and other City legislative bodies and staff and
 - 2. recommends all other governmental agencies and legislative bodies that must review, approve, or issue permits for, the Project do so as well.
- F. As analyzed and determined in the FEIR, the project would result in significant and unavoidable impacts to air quality and transportation that would not be reduced to less than significant levels even with mitigation. Based on that analysis, as required by CEQA section 15093, a statement of overriding considerations (SOC) has been prepared.

Section 3: The documents and other materials that constitute the record of proceedings upon which adoption of this Resolution is based, are in the custody of the City of Morro Bay, Community Development Department, Planning Division, 955 Shasta Avenue, Morro Bay, CA 93442. The custodian of those documents is Scot Graham, Community Development Director.

Section 4: Based upon all the foregoing, pursuant to CEQA, the City Council adopts

- A. the CEQA Findings of Fact, attached hereto as part of Attachment 1, and incorporated herein by this reference,
- B. the SOC, attached hereto as part of Attachment 1, and incorporated herein by this reference

C. the MMRP, attached hereto as Attachment 2 and incorporated herein by this reference.

SECTION 5: Based upon all the foregoing, the City Council hereby certifies the FEIR.

SECTION 6: Based upon all the foregoing, the City Council hereby approves the Project and directs staff to pursue obtaining all necessary governmental permits, real property interests, financing, design, construction activities, and other related actions for the Project.

SECTION 7: This resolution will become effective immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on this __ day of _____, 2021 on the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

John Headding, Mayor

ATTEST

Dana Swanson, City Clerk

FINDINGS OF FACT

Morro Bay General Plan and Local Coastal Program (LCP) Update Project

The City of Morro Bay (City) has prepared a Final Environmental Impact Report (FEIR) pursuant to the requirements of the California Environmental Quality Act (CEQA) (Public Resource Code Section 21080[d]) and the *State CEQA Guidelines* (14 California Code of Regulations Section 15063) evaluating potential environmental effects that may result from the proposed Morro Bay General Plan and Local Coastal Program (LCP) Update Project, also known as Plan Morro Bay (project). These Findings of Fact have been prepared for the project pursuant to *State CEQA Guidelines* Sections 15091 and 15093.

Certification of Final EIR

In accordance with *State CEQA Guidelines* Section 15090, the City, as lead agency for the project, certifies:

- (a) The FEIR for the project has been completed and processed in compliance with the requirements of CEQA;
- (b) The FEIR was presented to the Morro Bay City Council, and as the decision-making body for City, the Morro Bay City Council reviewed and considered the information contained in the FEIR prior to approving the project;
- (c) The FEIR reflects the City's independent judgment and analysis.

With the adoption of these findings, the City has exercised independent judgment in accordance with Public Resource Code (PRC) subdivision 21082.1(c) while retaining its own environmental consultant, i.e., directing the consultant in preparation of the entire FEIR as well as reviewing, analyzing, and revising material prepared by the consultant.

These Findings of Fact have been prepared in accordance with CEQA and *State CEQA Guidelines*. The purpose of these Findings of Fact is to satisfy the requirements of PRC section 21081 and Sections 15090, 15091, 15092, 15093, 15094, and 15097 of the *State CEQA Guidelines*, in connection with the approval of the Morro Bay General Plan and Local Coastal Program (LCP) Update Project.

Before project approval, the FEIR must be certified pursuant to Section 15090 of the *State CEQA Guidelines*. Additionally, the City must make one or more of the following findings in its Findings of Fact, accompanied by a brief explanation of the rationale, pursuant to Section 21081 and Section 15091 of the *State CEQA Guidelines*, for each identified potentially significant adverse impact:

- (1) Changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental effects as identified in the FEIR.
- (2) Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.
- (3) Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the FEIR.

The City has made one or more of the specific written findings above regarding each potentially significant impact associated with the project. Those findings are presented here, along with a presentation of facts in support of the findings. The proposed mitigation measures identified as feasible and within the City's authority to implement for the approved project become express conditions of approval that the City commits and binds itself to upon project approval. These requirements are referenced in the Mitigation Monitoring and Reporting Plan (MMRP) adopted concurrently with these Findings of Fact and will become effective and implemented, as applicable, through project implementation (i.e., pre-construction, construction, post-construction, operation and routine maintenance).

Section 15092 of the *State CEQA Guidelines* states after consideration of an EIR, and in conjunction with the Section 15091 findings identified above, the lead agency may decide whether or how to approve or carry out the project. The lead agency may approve a project with unavoidable significant adverse environmental effects only when it finds that specific economic, legal, social, technological, or other benefits of the project outweigh those effects. Section 15093 of the *State CEQA Guidelines* requires the lead agency to document and substantiate any such determination in a "Statement of Overriding Considerations" as a part of the record.

As required by CEQA, the City Council expressly finds the FEIR for the Morro Bay General Plan and Local Coastal Program (LCP) Update reflects the City's independent review and judgment. In accordance with the provisions of CEQA and the *State CEQA Guidelines*, the City adopts these Findings of Fact as part of its certification of the FEIR. A brief explanation of the rationale for each finding is provided in Chapters 4, 5, 6 and 7.

Organization of CEQA Findings of Fact

The content and format of these CEQA Findings of Fact are designed to meet the latest CEQA Statutes and Guidelines. This document is organized into the following sections:

Chapter 1, Project Description describes the location, project overview, project objectives, and the required permits and approvals for the project.

Chapter 2, CEQA Review and Public Outreach describes the steps the City has undertaken to comply with the *State CEQA Guidelines* as they relate to public input, review, and participation during the preparation of the Draft and Final EIR.

Chapter 3, Impacts Determined to be Less than Significant provides a summary of those environmental issue areas where no reasonably foreseeable impacts would occur and those impacts determined to be below the threshold of significance without the incorporation of mitigation measures.

Chapter 4, Less-than-Significant Environmental Impacts with Mitigation provides a summary of potentially significant environmental impacts for which implementation of proposed feasible mitigation measures would avoid or substantially reduce the environmental impacts to less-than-significant levels.

Chapter 5, Significant and Unavoidable Environmental Impacts provides a summary of potentially significant and significant environmental impacts for which no feasible mitigation measures are identified, or for which implementation of proposed feasible mitigation measures would not avoid or substantially reduce the environmental effects to less-than-significant levels. This section also provides specific written findings regarding each significant impact associated with the project.

Chapter 6, Project Alternatives provides a summary of the alternatives considered for the project and provides specific written findings regarding each alternative associated with the project.

Chapter 7, Statement of Overriding Considerations discusses economic, legal, social, technological, and/or other benefits, including City-, region- or state-wide environmental benefits, of the project against the significant and unavoidable environmental impacts of the project.

Record of Proceedings

The documents and other materials that constitute the record of proceedings upon which the City's project approval is based are located at the City offices: 955 Shasta Avenue, Morro Bay, CA 93442. The City is the custodian of such documents and other material that constitute the record of proceedings. The record of proceedings is provided in compliance with PRC subdivision 21081.6(a)(2) and Subdivision 15091(e) of the *State CEQA Guidelines*.

Program Level Analysis

A program EIR (*State CEQA Guidelines* section 15168) is an EIR which may be prepared on a series of actions that can be characterized as one large project and are related either:

- 1) Geographically,
- 2) A logical parts in the chain of contemplated actions,
- 3) In connection with issuance of rules, regulations, plans, or other general criteria to govern the conduct of a continuing program, or
- 4) As individual activities carried out under the same authorizing statutory or regulatory authority and having generally similar environmental effects which can be mitigated in similar ways.

The FEIR for the project provides an analysis of potential impacts of all construction, operational and routine maintenance actions and activities reasonably foreseeable with implementation of the project. The FEIR is as an informational document for use in the City's review and consideration of the project. As a programmatic document, the FEIR presents and discloses a region-wide assessment of the environmental impacts of the project.

CHAPTER 1

Project Description

The City, as the lead agency, is adopting the project as described in the Draft EIR and amended in the Final EIR. The following is a brief overview of the project description.

1.1 Project Location

The City's General Plan addresses all land within the city limits and surrounding areas, including the sphere of influence (SOI). The City has a total planning area of over 14 square miles. The area inside the city limits is approximately 5 square miles. The remaining nine square miles in the planning area are not currently part of the city. While properties outside the city limits are currently under the jurisdiction of the County of San Luis Obispo, they relate to Morro Bay's identity and character, and are therefore included in the General Plan and LCP Update planning area.

1.2 Project Overview

The project analyzed in the FEIR is the City's General Plan and Local Coastal Program (LCP) Update, also known as Plan Morro Bay. The project is a comprehensive update of the City's 1988 General Plan and 1984 LCP. Each element of the plan addresses different aspects of the community and identifies measurable actions to guide residents, decision-makers, businesses, and City staff toward achieving the vision. Goals established within the General Plan and LCP Update are intended to help the community enhance and maintain its identity as a seaside community that values its charming, artistic town character, working waterfront, and healthy environment and lifestyle, while guiding the city toward a more sustainable future. The General Plan and LCP Update establishes overarching City policies and priorities that describe how the community intends to use and manage its physical, social, and economic resources.

The LCP consists of the City's Land Use Plan, Local Implementation Plan, portions of the Zoning Code, land use and zoning maps, and implementing actions. As a package, these components implement the Coastal Act at the local level in Morro Bay. The adopted and certified LCP forms the legal standard of review for issuance of Coastal Development Permits within the city's coastal zone and is legally binding on the City. The LCP may be amended to stay up to date with State laws and to continue to reflect the vision of the community.

The California Governor's Office of Planning and Research recognizes the relationship between General Plans and LCPs for coastal cities and recommends that both requirements be addressed

by integrating the General Plan and the LCP. An integrated plan allows the community to apply the vision and requirements for both documents in a comprehensive manner, facilitating a unified and efficient approach to complying with both California general plan law and the California Coastal Act. Because parts of the city are located outside of the coastal zone, with the remainder and majority of the city located in the coastal zone, the City has found it appropriate to follow OPR's recommendation and integrate the updated General Plan and LCP.

The land use classifications included in the General Plan and LCP define the basic categories of land use allowed in the city and are the basis for the zoning districts established in the Morro Bay Municipal Code, which contain more specific regulations and standards governing development on individual properties. Implementation of land use policies established by the General Plan and LCP Update would alter the development capacity associated with the planned distribution of land uses described in the Land Use Element, resulting in anticipated increases in residential and non-residential levels of development.

The City's population is estimated to be approximately 12,062 people in the year 2040. The General Plan and LCP Update does not specify a maximum population for the City. However, any growth in the City must be consistent with Measure F, a voter-approved growth management ordinance that limits the city to 12,200 residents. Full buildout of the General Plan and LCP Update would result in an estimated 881 new dwelling units in the City. The maximum possible number of residential units is determined by the maximum densities allowed for each land use designation and the amount of land area within that designation. However, this maximum number of units is unlikely to be reached because every residential parcel in the City would need to be developed to its maximum potential density, which is not anticipated for all parcels under actual buildout conditions due to site constraints and other factors.

To maintain consistency with the General Plan and LCP Update, the project also includes a comprehensive Zoning Code Update, which includes the Coastal Implementation Plan. Amendments included as part of the project include:

- Updating the allowed uses in all zones as necessary for consistency with the General Plan Land Use Designations.
- Establishing new zoning district(s) as necessary to implement the General Plan and LCP Update.
- Updating other development standards as necessary to implement the General Plan and LCP Update. This will include maximum height, setbacks, design standards and other standards.
- Updating administration and permitting to integrate coastal permit processes.

1.3 Project Need and Objectives

State law (Government Code sections 65300 through 65303.4) sets forth the requirement for each municipality to adopt and periodically update its General Plan, and sets the requirement that a General Plan contain the following mandatory subject areas, or "elements", including Land Use,

Circulation, Housing, Open Space, Conservation, Noise, Safety, and Environmental Justice. California adopted Senate Bill 1000 on September 24, 2016 requiring cities to develop an Environmental Justice element, or related environmental justice goals and policies to reduce the unique or compounded health risks in “disadvantaged communities.” Cities are required to incorporate environmental justice goals and policies into their general plan when they update two or more general plan elements on or after January 1, 2018. State law also allows for optional elements that can be organized or combined at the City’s discretion. The General Plan and LCP Update includes the required subjects/elements as well as two additional elements, Community Design and Economic Development. The environmental justice content required by SB 1000 is included in the Environmental Justice Element of the General Plan and LCP Update.

The General Plan and LCP Update is intended to function as a policy document to guide land use decisions within the city planning area through the year 2040. The vision for the city over the next 20 to 30 years was developed with community input, and in order to realize the community’s vision for the Morro Bay community, the City focuses on the following objectives identified in the General Plan and LCP Update:

- **Natural Environment.** Sustainably preserve our estuary, shoreline, and open green spaces, and ensure our parks and recreation spaces are healthy, resilient, and accessible to all.
- **Heritage & Identity.** Welcome visitors while maintaining our small-town character and honoring our maritime heritage.
- **Jobs & Housing.** Provide for a range of affordable housing options and living wage jobs resulting in a higher quality of life.
- **Economic Vitality.** Support our diverse and sustainable economy for both new and existing locally owned businesses, including community-supporting tourism.
- **Infrastructure & Amenities.** Maintain and provide modern, resilient infrastructure and public amenities.
- **Mobility & Access.** Provide safe and accessible streets, trails, and multimodal transportation options which conveniently connect people and places throughout town and to surrounding destinations.
- **Good Governance.** Maintain our government which is supportive, collaborative, equitable, and responsive to the needs of all segments of the population.
- **Resident Services.** Provide a range of public services that support a diverse and multigenerational community.

1.4 Discretionary Actions

An EIR is a public document used by a public agency to analyze the potentially significant environmental effects of a proposed project, to identify feasible alternatives, and to disclose possible ways to substantially reduce or avoid such impacts to the physical environment (CCR, Title 14, section 15121). As an informational document, an EIR does not recommend for or

against approval of a project. The main purpose of an EIR is to inform governmental decision makers and the public about the potential environmental impacts of a proposed project.

The information and analysis in the FEIR will be used by the Morro Bay Planning Commission, City Council, and the general public. The California Coastal Commission would be a responsible agency for certification of the General Plan and LCP Update, Zoning Code Update, and Coastal Implementation Plan included in the project. Although not responsible agencies under CEQA, several other agencies have review authority over aspects of the project or approval authority over other projects that could potentially be implemented in accordance with various objectives and policies included in the General Plan and LCP Update. These agencies and their roles are listed below.

- The State Geologist is responsible for the review of the City’s program for minimizing exposure to geologic hazards and for regulating surface mining activities.
- The California Department of Transportation (Caltrans) has responsibility for approving future improvements to the state highway system, including State Route 1 (SR 1) and State Route 41 (SR 41) West.
- The California Department of Fish and Wildlife (CDFW) has responsibility for issuing take permits and streambed alteration agreements for any projects with the potential to affect plant or animal species listed by the State of California as rare, threatened, or endangered or that would disturb waters of the State.

CHAPTER 2

CEQA Review and Public Outreach

The City has complied with CEQA and the *State CEQA Guidelines* during the preparation of the FEIR for the General Plan and LCP Update. In accordance with Section 15082 of the *State CEQA Guidelines*, an initial Notice of Preparation (NOP) was circulated to local, state, and federal agencies and to other interested parties in November 2017. Copies of the NOP and project documents were made available on the City website (www.morrobay.gov); at the Morro Bay Public Library (625 Harbor Street, Morro Bay); at City Hall (595 Harbor Street, Morro Bay); and in the Community Development Department (955 Shasta Avenue, Morro Bay). In response to the NOP, comments were received from various organizations and interested parties. The NOP, scoping meeting material and reports, and comments received on the NOP are included in Appendix A of the FEIR.

The Draft EIR was circulated for public review and comments from October 2020 through December 2020, initiating a 45-day public review period pursuant to CEQA and its implementing guidelines. The document and Notice of Completion (NOC) was distributed to the California Office of Planning and Research, State Clearinghouse. Relevant agencies also received copies of the document. A Notice of Availability (NOA) was distributed to interested parties, which informed them of where they could view the document and how to comment. The purpose of the 45-day review period was to provide interested public agencies, groups and individuals the opportunity to comment on the contents and accuracy of the document.

During the public comment period, copies of the Draft EIR were made available for review at the following locations:

- City of Morro Bay website (www.morrobay.gov); and
- Morro Bay Community Development Department (955 Shasta Avenue, Morro Bay).

The FEIR has been completed and includes written and verbal comments received on the Draft EIR, responses to the comments, and changes made to the Draft EIR.

CHAPTER 3

Impacts Determined to be Less than Significant

The following potential environmental impacts of the General Plan and LCP Update are less than significant and do not require mitigation measures.

3.1 Agricultural Resources

The General Plan and LCP Update would not result in impacts to or conflict with zoning of agricultural or forestry resources. All of the agricultural land in Morro Bay is located in the coastal zone and is protected under the Coastal Act. The General Plan and LCP Update would not convert or conflict with existing zoning for agricultural resources in the planning area. Policies in the Land Use, Open Space, and Public Safety Elements of the General Plan and LCP Update would protect the existing agricultural resources in the planning area and ensure that adverse impacts to such resources are avoided or minimized to a less than significant level. The General Plan and LCP Update planning area does not contain any lands zoned for forest land or timberland production and the General Plan and LCP Update would not conflict with existing zoning for, or cause rezoning of, forest land, timber land or conversion of forest land to non-forest use. Impacts to agricultural and forestry resources would be less than significant. (FEIR p.6-1.)

3.2 Aesthetics

The General Plan and LCP Update would not result in adverse effects on scenic vistas or scenic resources. Policies identified in the General Plan and LCP Update would help preserve existing scenic vistas by requiring identification, designation, and protection of viewsheds and scenic vistas and by requiring new development to incorporate design features that protect or enhance existing scenic views and vistas. New development or redevelopment facilitated by the General Plan and LCP Update would also be subject to the updated standards in the City Zoning Code that regulate signage, design, and protection of visual resources in the city. Compliance with the City's updated Zoning Code requirements and the goals and policies proposed in the General Plan and LCP Update would protect scenic resources, including historic buildings, upon development and redevelopment facilitated by a project. As a result, impacts to scenic vistas and scenic resources would be less than significant. (FEIR p. 4.1-11 – 4.1-13.)

The General Plan and LCP Update would not substantially degrade the existing visual character or quality of the city and its surroundings. Development facilitated by the General Plan and LCP Update would result in visual changes to the community and would be governed by the goals and

policies as well as the associated updates to the standards contained in the City's Zoning Code. These plans and community standards have been developed with the goal of retaining Morro Bay's visual character, while providing visual enhancements in the city. Compliance with existing standards and General Plan and LCP Update goals and policies would ensure redevelopment or new development complements the existing visual character and quality of Morro Bay. Impacts to the visual character of the city would be less than significant. (FEIR p 4.1-13 – 4.1-17.)

The General Plan and LCP Update would not create new sources of substantial light or glare that would adversely affect day or nighttime views in the area. Implementation of General Plan and LCP Update Conservation Element policies would ensure the updated Zoning Code establishes standards to prevent glare and protect the character of the city from inappropriate levels of lighting. Future development facilitated by the General Plan and LCP Update would be required to submit a lighting plan that complies with updated Zoning Code standards. Future discretionary development in the City would require independent environmental review that would evaluate project-specific light and glare effects and subsequent mitigation, if required, to comply with standards for lighting and building materials to prevent glare. Impacts associated with new sources of light and glare would be less than significant. (FEIR p. 4.1-18.)

3.3 Air Quality

The General Plan and LCP Update would not expose sensitive receptors to substantial pollutant concentrations. The General Plan and LCP Update would allow for development of new residences and other sensitive receptors in proximity to industrial uses, which could result in exposure of sensitive receptors to elevated concentrations of TACs. Compliance with existing applicable regulations, San Luis Obispo Air Pollution Control District (SLOAPCD) permitting requirements, and General Plan and LCP Update policies would minimize risks associated with criteria pollutant and TAC emissions. The General Plan and LCP Update would not generate levels of traffic that would expose sensitive receptors to substantial pollutant concentrations, or result in new development that would expose sensitive receptors to hazards associated with naturally occurring asbestos. Impacts associated with exposure of sensitive receptors to substantial pollutant concentrations would be less than significant. (FEIR p. 4.2-21 – 4.2-24.)

The General Plan and LCP Update would not result in other emissions (such as those leading to odors) adversely affecting a substantial number of people. Implementation of the General Plan and LCP Update, and future projects, would be required to comply with SLOAPCD regulations prohibiting nuisance emissions (including odors). Impacts associated with other nuisance emissions, including odors, would be less than significant. (FEIR p. 4.2-25.)

3.4 Biological Resources

The General Plan and LCP Update would not have a substantial adverse effect on any riparian habitat or other sensitive natural community and would not have a substantial adverse effect on state or federally protected wetlands. Wetlands and waterways may be subject to USACE,

RWQCB and/or CDFW jurisdiction(s), as well as subject to the CCA. Compliance with the requirements of the CWA, Porter-Cologne, California Fish and Game Code, and CCA would be required for any project proposed under the General Plan and LCP Update. New development or redevelopment facilitated by the General Plan and LCP Update would also be subject to the standards in the Municipal Code relating to sensitive natural communities, ESHA, wetlands, and riparian areas in the city. Compliance with City's updated Municipal Code requirements and the goals and policies proposed in the General Plan and LCP Update would protect wetlands, riparian areas, streams and other sensitive natural communities from potential impacts associated with development and redevelopment facilitated by the project. Impacts associated with riparian habitats and wetlands would be less than significant. (FEIR p. 4.3-38 - 4.3-40.)

The General Plan and LCP Update would not conflict with any local policies or ordinances protecting biological resources and would not conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan. The planning area is not within the boundaries of any of aforementioned plans, nor is it immediately adjacent to such a plan. Future development under the General Plan and LCP Update would be subject to all applicable local policies and regulations, including applicable requirements of the Morro Bay Municipal Code, related to the protection of important biological resources. Impacts associated with conflicts to local policies, plans or ordinances protecting biological resources would be less than significant. (FEIR p. 4.3-42.)

3.5 Cultural Resources

The General Plan and LCP Update would not disturb any human remains, including those interred outside of dedicated cemeteries. Adherence to existing regulations, such as PRC section 5097, California Health and Safety Code (sections 7050.5, 7051, and 7054), and PRC section 5097.98, would ensure regulations are established prohibiting interfering with human burial remains; protect human remains from disturbance, vandalism, or destruction; and establish procedures to be implemented if Native American skeletal remains are discovered. Impacts associated with the disturbance of human remains would be less than significant. (FEIR p. 4.4-12.)

3.6 Energy

The General Plan and LCP Update would not result in a potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during construction or operation. The General Plan and LCP Update is based on a land-use strategy that would promote greater energy efficiency in community and municipal operations. General Plan and LCP Update policies and implementation programs would ensure that development under the General Plan and LCP Update would comply with existing energy efficiency regulations. Impacts associated with the wasteful, inefficient, or unnecessary consumption of energy resources would be less than significant. (FEIR p. 4.16-12 - 4.16-16.)

The General Plan and LCP Update would not conflict with energy efficiency goals contained in the City's Climate Action Plan. Construction and operation of projects facilitated by the General Plan and LCP Update would comply with relevant provisions of the State's CALGreen Program and Title 24 of the California Energy Code. Impacts associated with conflicts with energy efficiency policies, plans, and ordinances would be less than significant. (FEIR p. 4.16-17.)

3.7 Geology and Soils

The General Plan and LCP Update would not directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving: rupture of a known earthquake fault, strong seismic ground shaking, seismic-related ground failure/collapse, liquefaction, landslides, unstable soil, lateral spreading, or subsidence. Construction and occupancy of new buildings under the General Plan and LCP update could result in exacerbated hazards associated with geologic hazards. Adherence to requirements of the California Building Code and implementation of the goals and policies of the General Plan and LCP update would minimize the potential for loss, injury, or death following a seismic event, landslide, liquefaction, or other geologic hazards. Impacts associated with adverse geologic hazards would be less than significant. (FEIR p. 4.5-12 – 4.5-14.)

The General Plan and LCP Update would not result in substantial soil erosion or the loss of topsoil. New development under the General Plan and LCP Update would involve construction activities such as stockpiling, grading, excavation, paving and other earth disturbing activities. These construction activities may result in loose and disturbed soils, which can increase the potential for erosion and loss of topsoil, however, compliance with applicable regulations, including the Clean Water Act, and implementation of the goals and policies of the General Plan and LCP Update, would support erosion minimization and control loss of topsoil. Impacts associated with soil erosion and loss of topsoil would be less than significant. (FEIR p. 4.5-14 – 4.5-17.)

The General Plan and LCP Update would not be located on expansive soils, creating substantial risks to life or property. The CBC includes requirements to address soil-related hazards. Typical measures to treat hazardous soil conditions involve removal, proper fill selection, and compaction. Compliance with the soil-related hazard requirements of the CBC as well as Section 14.18.010 of the Morro Bay Municipal Code, requiring structural analysis of buildings to be conducted by a civil or structural engineer or architect licensed by the state, would ensure that impacts related to expansive soils would be addressed prior to and during construction. Implementation of goals and policies of the General Plan and LCP Update, in addition to compliance with applicable laws and regulations for structural development to address soil-related hazards, would minimize the potential for risks to life or property associated with soil expansion. Impacts associated with expansive soils would be less than significant. (FEIR p. 4.5-17 – 4.5-18.)

The General Plan and LCP Update would not facilitate development on soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems. In

general, new development under the General Plan and LCP Update would occur where existing roads, water, and sewer systems are in place, minimizing the need to develop new wastewater disposal systems. Section 13.12.230 of the Morro Bay Municipal Code prohibits dumping or discharging from septic tanks, avoiding impacts to soils from such systems. Therefore, the General Plan and LCP Update would not result in a significant impact associated with soils that are incapable of supporting septic tanks or alternative wastewater disposal systems. Impacts associated with alternative wastewater systems would be less than significant. (FEIR p. 4.5-18.)

The General Plan and LCP Update would not directly or indirectly destroy a unique paleontological resource, site, or unique geologic feature. The Pismo Formation and Pleistocene-aged alluvial deposit geologic units in the vicinity of Morro Bay are known to contain substantial paleontological resources. However, there is no mapped Pismo Formation within city limits, and fossil-bearing sediments in the Morro Bay area are predominantly located on State parks land and offshore. Implementation of the General Plan and LCP Update goals and policies would reduce potential adverse impacts to paleontological resources in the planning area. Impacts associated with paleontological resources would be less than significant. (FEIR p. 4.5-18 – 4.5-19.)

3.8 Greenhouse Gas Emissions

The General Plan and LCP Update would not generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment or would conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases. Implementation of General Plan and LCP Update Conservation Element Policy C-4.1 would establish GHG reduction goals consistent with the State’s 2030 and 2050 greenhouse gas emissions reduction goals. Conservation Element Policies C-4.2, C-4.3, and C-4.4 require the City to update the CAP to comply with evolving state goals and requirements and would ensure that the CAP continues to provide measures for future development projects in the planning area to assess their consistency with City GHG reduction goals. The General Plan and LCP Update would be consistent with regional and State plans, policies, and regulations adopted for the purpose of reducing GHG emissions. Impacts associated with the emission of greenhouse gas emissions would be less than significant. (FEIR p. 4.6-12 – 4.6-17.)

3.9 Hazards and Hazardous Materials/Wildfire

Implementation of the General Plan and LCP Update could result in an incremental increase in the overall routine transport, use, storage, and disposal of hazardous materials in the planning area, and increase the risk of release of hazardous materials. Oversight by the appropriate federal, State, and local agencies and compliance by new development with applicable regulations related to the handling and storage of hazardous materials would minimize the risk of the public’s potential exposure to these substances. Compliance with applicable regulations related to the handling, transport, disposal, and storage of hazardous materials and adherence to proposed General Plan and LCP Update policies would minimize the risk of spills and the public’s potential exposure to these substances and reduce the risk of adverse impacts of hazardous

materials. Impacts associated with the routine transport, use, storage, and disposal of hazardous materials would be less than significant. (FEIR p. 4.7-14 – 4.7-16.)

New development of residential, industrial, and commercial uses facilitated by the General Plan and LCP Update could result in increased use and storage of hazardous materials within one quarter mile of existing or proposed schools. Compliance with regulatory requirements of the San Luis Obispo County EHS and existing applicable State and federal regulations would minimize the risks associated with exposure of sensitive receptors to hazardous materials. Impacts associated with increased exposure of existing or proposed schools to hazardous materials would be less than significant. (FEIR p. 4.7-16 – 4.7-17.)

The General Plan and LCP Update would not create a significant hazard to the public or the environment result in by locating projects on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5. Compliance with Policy PS-4.4 of the Public Safety Element directs the City to work with appropriate regulatory agencies in managing contaminated sites and is intended to facilitate compliance with regulatory requirements related to hazardous waste contamination. In addition, existing federal and State regulatory requirements associated with hazardous waste contamination would minimize this impact. New development on documented hazardous materials sites in the planning area would be preceded by remediation under the supervision of applicable regulatory agencies. Impacts associated with development on potential hazardous material sites would be less than significant. (FEIR p. 4.7-17 – 4.7-18.)

The General Plan and LCP Update would not result in a safety hazard or excessive noise for people residing or working in the project area. The planning area is not located in an airport land use plan area or associated safety zones associated with runway activities. Impacts associated with exposure to aviation hazards or excessive aviation related noise would be less than significant. (FEIR p. 4.7-18.)

The General Plan and LCP Update would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan. Fire Department review of new development applications for adequate emergency access and evacuation routes, in addition to implementation of the General Plan and LCP Update Public Safety Element policies, would ensure adequate emergency response. Proposed policies and mapped evacuation routes in the General Plan and LCP Update would ensure effective emergency response following a natural or human-caused disaster. Impacts associated with conflicts with emergency response/evacuation plans would be less than significant. (FEIR p. 4.7-19.)

The General Plan and LCP Update planning area includes a designated very high fire hazard area. However, land use designations would limit new development within designated very high fire hazard areas to recreational uses. State requirements for very high fire hazard areas include California Fire Code standards for new structures and fire hazard policies in the General Plan and LCP Update apply to fire hazard areas. Fire Department review of new development applications for adequate emergency access and evacuation routes, in addition to implementation of the General Plan and LCP Update Public Safety Element policies, would ensure adequate emergency

response. Additionally, goals and policies included in the General Plan and LCP Update would minimize exposure of people or structures to risk of loss, injury, or death involving wildland fires. Impacts associated with exposure to fire hazards would be less than significant. (FEIR p. 4.7-20 – 4.7-22.)

3.10 Hydrology and Water Quality

The General Plan and LCP Update would not conflict with or obstruct implementation of a water quality control plan or degrade surface water quality by violating any water quality standards or waste discharge requirements. Compliance with NPDES permits requirements, Morro Bay Municipal Code requirements, and General Plan and LCP Update goals and policies would minimize erosion and siltation, reduce the risk of discharge of pollutants to avoid violations of water quality standards or waste discharge requirements, and minimize potential impacts of sea level rise. Implementation of these General Plan and LCP Update goals and policies would also ensure that the runoff from development envisioned in the General Plan and LCP update would not exceed the capacity of the City's existing and future storm drain system and minimize potential flooding impacts. Impacts associated with the degradation of water quality and conflicts with water quality plans would be less than significant. (FEIR p. 4.8-15 – 4.8-21.)

The General Plan and LCP Update would not impede sustainable groundwater management of the basin by conflicting with or obstruct implementation of a sustainable groundwater management plan, substantially decreasing groundwater supplies, or interfering substantially with groundwater recharge. Compliance with the Morro Bay Municipal Code and the Central Coast RWQCB's post-construction requirements for stormwater management would ensure that new impervious surfaces would not substantially interfere with groundwater recharge. The City evaluates water supply in the OneWater Plan and has determined that there is adequate water supply to serve buildout of the General Plan and LCP Update. Impacts associated with groundwater recharge and conflicts with groundwater management plans would be less than significant. (FEIR p. 4.8-21 – 4.8-21.)

The General Plan and LCP Update would not substantially alter existing drainage patterns or contribute to flooding in the City, including through the alteration of the course of a stream or river, dam inundation, or through the addition of impervious pavements. Implementation of goals and policies and compliance with applicable laws and regulations, including flood hazard mitigation construction guidelines outlined in the Morro Bay Municipal Code, would ensure that risk of loss, injury or death involving flooding in the planning area is not exacerbated by the General Plan and LCP Update. Required compliance with applicable sections of the Morro Bay Municipal Code would ensure new structures would not impede or redirect flood flows within a 100-year flood hazard area, such that a flood hazard would be increased elsewhere. Impacts associated with altered drainage patterns and flooding would be less than significant. (FEIR p. 4.8-22 – 4.8-24.)

The General Plan and LCP Update would not risk release of pollutants due to project inundation in a tsunami or seiche zone. Development facilitated by the General Plan and LCP Update may

occur in areas exposed with potential for inundation by seiche, tsunami, and/or mudflow. Compliance with applicable Municipal Code requirements would ensure development within areas subject to tsunami, seiche, and mudflow would be sited, designed and constructed so as to not exacerbate risks to life and property. The General Plan and LCP Update would not increase exposure of people or structures to significant risk or loss, injury, or death involving inundation by seiche, tsunami, or mudflow. Impacts associated with exacerbating risk of releasing pollutants due to inundation would be less than significant. (FEIR p. 4.8-24 – 4.8-26.)

3.11 Land Use and Planning

The General Plan and LCP Update would not physically divide an established community. New growth in the planning area would primarily involve increased development density in developed areas, redevelopment of existing developed parcels, or annexation of new land into the city. General Plan and LCP Update goals and policies would facilitate connectivity and mobility by providing for a balanced land use pattern and access throughout the planning area. This connectivity would be provided through equitable access for residents and employees to daily needs, strategic land use planning for new development and redevelopment, reduction in conflict between land uses, and preservation and provision of lateral and vertical access points and multimodal access. The General Plan and LCP Update includes strategies, goals, and policies intended to provide for orderly development. Impacts associated with dividing an established community would be less than significant. (FEIR p. 4.9-8 – 4.9-14.)

The General Plan and LCP Update would not cause a significant environmental impact due to a conflict with any applicable land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect. Required updates to the Zoning Ordinance and Zoning Map in the Morro Bay Municipal Code to ensure consistency with the General Plan and LCP Update, which are currently being prepared by the City, will ensure compatibility between the land use designations and zoning districts and standards within the planning area. In addition, San Luis Obispo LAFCo has a goal to update SOIs every five years, or as necessary. Future amendments to the Morro Bay SOI being contemplated as part of the General Plan and LCP Update would be implemented in coordination with LAFCo and the County of San Luis Obispo and would be required to be consistent with applicable LAFCo policy. With a comprehensive update to the city's zoning ordinance and zoning map in conjunction with the General Plan and LCP Update, implementation of the General Plan and LCP Update would be consistent with applicable regional land use plans, policies, and regulations, such as the SLOCOG 2019 RTP and city zoning districts and standards. Impacts associated with conflicts with land use plans, policies, and regulations would be less than significant. (FEIR p. 4.9-14 – 4.9-19.)

3.12 Mineral Resources

As described in the Community Baseline Assessment for the General Plan and LCP Update, there are no existing mineral extraction operations in Morro Bay. The state geologist has not designated a mineral resource area of statewide or regional significance pursuant to Sections 2710 et seq. of the Public Resources Code (the Surface Mining and Reclamation Act) in the city. Similarly, the

County of San Luis Obispo has not designated any Extractive Resource Areas in or adjacent to the City. According to the Division of Oil, Gas & Geothermal Resources well data, there are no existing or historic petroleum wells in the city. Therefore, the General Plan and LCP Update would have no impact from the loss of availability of mineral resources (FEIR p. 6-2).

3.13 Noise

Construction of individual projects facilitated by the General Plan and LCP Update would temporarily produce high noise levels, potentially affecting nearby noise-sensitive land uses. The temporary nature of construction noise and the City's restrictions on the timing and manner of construction activities described in the Morro Bay Municipal Code would reduce noise impacts at nearby noise-sensitive receptors. General Plan and LCP Update Noise Element goals and policies further reduce potential impacts to noise-sensitive receptors from temporary construction noise. Compliance with existing standards and General Plan and LCP Update goals and policies would ensure construction activity associated with redevelopment or new development would limit noise disturbance at noise-sensitive receptors in the city. Impacts associated with the generation of high noise levels during construction would be less than significant. (FEIR p. 4.10-14 – 4.10-16.)

Development facilitated by the General Plan and LCP Update could incrementally increase traffic and associated noise levels along roadways in Morro Bay, exposing noise-sensitive land uses located near roadways to incrementally greater noise levels. However, implementation of General Plan and LCP Update policies promote the use of design features and techniques intended to minimize roadway noise affecting sensitive receptors and in order to maintain compliance with the City's interior and exterior noise standards. Policies also encourage the use of alternative transportation in order to minimize increases in traffic that would result in increased noise in the planning area. Policies for transportation-related noise would reduce noise and avoid generation of excessive noise from the local highways and city streets, which would minimize the exposure of sensitive receptors to traffic noise. Impacts associated with increased roadway noise would be less than significant. (FEIR p. 4.10-17 – 4.10-23.)

New development facilitated by the General Plan and LCP Update would introduce new operational noise sources associated with residential, commercial, industrial, and mixed-use land uses. Implementation of General Plan and LCP Update policies and goals in the General Plan and LCP Update would provide for compliance with noise standards in the planning area, enforcement of the City's stationary noise standards, and limits on special events or beach events next to noise-sensitive land uses. The continued regulation of potential land use-based noise conflicts, consistent with the Municipal Code, would minimize disturbance to adjoining noise-sensitive land uses. Impacts associated with the generation of noise and land use compatibility would be less than significant. (FiEIR p. 4.10-23 – 4.10-24.)

The General Plan and LCP Update would not expose people residing or working in the project area to excessive aviation related noise levels. The planning area is located outside of the existing and projected future noise contours associated with the San Luis Obispo County Regional

Airport. Therefore, new development facilitated by the General Plan and LCP Update, particularly noise-sensitive uses, would not be exposed to aircraft noise. There would be no impact. (FEIR p. 4.10-23 – 4.10-24)

3.14 Population and Housing

The General Plan and LCP Update would not result in growth in the planning area that is substantially greater than projected in the SLOCOG regional growth forecast. The land use plan and policies in the General Plan and LCP Update focus on working within the existing framework of the city, with limited vacant land, to creating a balance of uses that improves housing options and affordability in the city, while providing for sufficient services that support anticipated population growth. Impacts associated with inducing planned or unplanned growth would be less than significant. (FEIR p. 4.11-7 – 4.11-9.)

Implementation of the General Plan and LCP Update would not displace substantial numbers of existing housing or people, necessitating the construction of replacement housing elsewhere. Most of the planning area in Morro Bay is built out and existing buildings are generally in good condition. Consistent with the General Plan and LCP Update Land Use Element, development is focused in areas which would maximize the use of underutilized parcels and minimize displacement of existing housing and people that could otherwise result in development pressure on the periphery of the city. Additionally, new growth is directed in areas which would utilize existing transportation and utility infrastructure. The General Plan and LCP Update and General Plan Housing Element include goals and policies to increase overall housing in the city, and there are no current plans for displacement of housing, impacts related to displacement of existing residences. Impacts associated with displacement of people or housing would be less than significant. (FEIR p. 4.11-9 – 4.11-11.)

3.15 Public Services/Recreation

Development facilitated by the General Plan and LCP Update would result in a long-term increase in the city's population. Increased population would increase demand for fire, police, school, and emergency medical services and potentially create the need for new police, fire, school, or other service facilities; however, compliance with policies in the General Plan and LCP Update, payment of City-required public facilities impact fees, and management of future growth would avoid adverse environmental effects associated with the provision of new or physically altered fire, police, school and other public facilities. Impacts associated with the provision of new fire, police, school, and emergency medical services, and the environmental impacts of new or altered facilities, would be less than significant. (FEIR p. 4.12-9 – 4.12-12.)

The General Plan and LCP Update would not result in substantial physical deterioration of recreational facilities. Development facilitated by the General Plan and LCP Update would increase the City's population with commensurate increases in demand for neighborhood and regional parks and other recreational facilities. Additional parkland has been planned such that the park service ratio would satisfy the City's requirement to provide a minimum of three acres or

parkland per 1,000 residents, consistent with Quimby Act requirements. The General Plan and LCP Update would contribute to the need for new or expanded park or recreational facilities but also provides the policy framework and physical opportunities to provide expanded park or recreational facilities. Impacts associated with the construction of and increased deterioration of recreational facilities would be less than significant. (FEIR p. 4.12-12 – 4.12-15.)

3.16 Transportation

The General Plan and LCP Update would not substantially increase hazards due to design features or incompatible uses (e.g. farm equipment). The General Plan and LCP Update is a programmatic guide to transportation in Morro Bay and does not include project-level design features. Future roadway improvements, site access, and other roadway design features would be designed and reviewed in accordance with all applicable federal, State, and City standards. Impacts associated with hazardous transportation design features would be less than significant. (Final EIR p. 4.13-23 – 4.13-24.)

Due to the programmatic nature of the General Plan and LCP Update and the policies to create an integrated, multi-modal transportation system the General Plan and LCP Update would not result in inadequate emergency access. In addition, Fire Department review of new development applications for adequate emergency access and evacuation routes is required as part of the City's development review process. Adherence to the State and City requirements combined with implementation of applicable General Plan and LCP Update policies, would ensure adequate emergency response is maintained in the city. Impacts associated with inadequate emergency access would be less than significant. (FEIR p. 4.13-24 – 4.13-25.)

3.17 Utilities and Service Systems

The General Plan and LCP Update would not require or result in the relocation of construction of new or expanded water facilities, the construction of which could cause significant environmental effects. Based on the water supply projections presented in the OneWater Morro Bay Plan, the city's water supply would be sufficient to meet the projected demand of the development envisioned in the General Plan and LCP Update. In addition, project-specific water supply assessments would be required to be prepared by proponents of future development projects in the city in accordance with SB 610. Compliance with applicable General Plan and LCP Update Land Use Element goals and policies to encourage the sustainable use and management of water supplies in the planning area. Impacts associated with water supplies and facilities would be less than significant. (FEIR p. 4.14-11 – 4.14-15.)

The City is constructing a new WRF, which is designed to meet existing needs and future demand associated with General Plan buildout, including development facilitated by the General Plan and LCP Update. Completion of the new WRF, as well as implementation of the OneWater Morro Bay Plan and the policies in the General Plan and LCP Update Conservation Element would ensure adequate wastewater systems and infrastructure to meet future demands. Impacts

associated with adequate wastewater treatment capacities would be less than significant. (FEIR p. 4.14-15 – 4.14-16,)

The General Plan and LCP Update would comply with federal, state, and local statutes and regulations related to solid waste and not generate solid waste in excess of State or local standards, or capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals. Development facilitated by the General Plan and LCP Update would increase solid waste sent to area landfills; however, Cold Canyon Landfill would have capacity to serve the development envisioned in the General Plan and LCP Update. Goals and policies in General Plan and LCP Update would increase the amount of waste that is diverted from the landfill and encourage reuse and recycling. Impacts associated with adequate solid waste storage capacities and compliance with federal, state, and local statutes would be less than significant. (FEIR p. 4.14-17 – 4.14-18.)

CHAPTER 4

Less-than-Significant Environmental Impacts with Mitigation

Pursuant to *State CEQA Guidelines* section 15091, the following are the impacts of the General Plan and LCP Update for which mitigation measures have been proposed in the FEIR. These measures will avoid or substantially lessen the following potentially significant environmental impacts to a less-than-significant level:

4.1 Air Quality

Impact AQ-2: The FEIR concludes, in Impact AQ-2, buildout of the General Plan and LCP Update would result in short-term emissions of criteria pollutants. This impact would be less than significant with mitigation. (FEIR p. 4.2-19.)

Finding: The City Council finds changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental effect as identified in the FEIR. Mitigation Measure AQ-2 would reduce the significant impact to a less than significant level.

Mitigation Measure AQ-2: Proponents of individual land use projects, or other projects requiring grading or building permits, shall require construction contractors to incorporate the following standard mitigation measures, as applicable, to reduce ROG, NOX, and DPM emissions from construction equipment. Mitigation measures shall be listed on project construction plans and the project proponent shall perform periodic site inspections during construction to ensure that mitigation measures are being implemented.

- Maintain all construction equipment in proper condition according to manufacturer's specifications
- Fuel all off-road and portable diesel powered equipment with ARB-certified motor vehicle diesel fuel (non-taxed version suitable for use off-road)
- Use diesel construction equipment meeting ARB's Tier 2 certified engines or cleaner off-road heavy-duty diesel engines, and comply with the State Off-Road Regulation
- Use on-road heavy-duty trucks that meet ARB's 2007 or cleaner certification standard for on-road heavy-duty diesel engines, and comply with the State On-Road Regulation

- Construction or trucking companies with fleets that do not have engines in their fleet that meet the engine standards identified in the above two measures (e.g. captive or NO_x exempt area fleets) may be eligible by proving alternative compliance
- All on and off-road diesel equipment shall not idle for more than 5 minutes. Signs shall be posted in the designated queuing areas and or job sites to remind drivers and operators of the 5 minute idling limit
- Diesel idling within 1,000 feet of sensitive receptors is not permitted
- Staging and queuing areas shall not be located within 1,000 feet of sensitive receptors
- Electrify equipment when feasible
- Substitute gasoline-powered in place of diesel-powered equipment, where feasible
- Use alternatively fueled construction equipment on-site where feasible, such as compressed natural gas (CNG), liquefied natural gas (LNG), propane or biodiesel.

Rationale/Supporting Explanation: The SLOAPCD provides standard mitigation measures for construction in the *CEQA Air Quality Handbook*, which are included as Mitigation Measure AQ-2. Future development projects in the Morro Bay planning area would also be evaluated for air quality impacts once project-level details are known and would be required to incorporate additional mitigation if project construction emissions exceed the thresholds established by the SLOAPCD. Because individual projects would be required to evaluate and mitigate potential air quality impacts resulting from construction emissions and mitigate emissions as required by SLOAPCD guidance, air quality impacts from construction of the General Plan and LCP Update would be mitigated to a less than significant level. (FEIR p. 4.2-19 – 4.2-20.)

4.2 Biological Resources

Impact BIO-1: The FEIR concludes, in Impact BIO-1, new development facilitated by the General Plan and LCP Update could impact listed and other individual special status species and foraging and breeding habitat for special status wildlife and habitat for special status plants. This impact would be less than significant with mitigation. (FEIR p. 4.3-29.)

Finding: The City Council finds changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental effect as identified in the FEIR. Mitigation Measures BIO-1(a) and BIO-1(b) would reduce the significant impact to a less than significant level.

Mitigation Measure BIO-1(a): Policy C-1.3 shall be updated to read:

Policy C-1.3 Biological Site Assessments. A biological assessment shall be required for any development proposed on sites that include or are within 100 feet of mapped ESHA in Figure C-2, and all other sites with natural vegetation regardless of whether ESHA has been mapped in Figure C-2, and for all other projects for which evidence indicates that ESHA may be present either on or

adjacent to the site. The best available information about the location of ESHA in the City shall be used. Such assessment shall be prepared at the owner's expense by a qualified biologist approved by the City and shall, at minimum:

- a. Identify and confirm the extent of the ESHA,
- b. Document any site constraints and the presence of sensitive plant or animal species,
- c. Recommend buffers and development setbacks and standards to protect the ESHA,
- d. ~~Recommend mitigation measures to address any allowable impacts~~ If listed species, or other special status species, or nesting birds are present or have the potential to occur, specify avoidance and minimization measures, including compensatory mitigation, to be implemented to avoid or minimize take of individuals and loss of occupied habitat, and specify the necessary consultation pathway(s) with USFWS, NMFS, and/or CDFW to obtain incidental take coverage, where necessary, and
- e. Include any other information and analyses necessary to understand potential ESHA impacts as well as measures necessary to protect the resource as required by the Local Coastal Program.

If the site contains the potential for monarch overwintering or rookeries due to the presence of appropriately sized trees and groves, a seasonally timed survey appropriate for detecting the target species must also be included in the study.

Mitigation Measure BIO-1(b): Policy OS-7.1 shall be updated to read:

Policy OS-7.1 Account for External Impacts. If any portion of the area outside the city limits is included in the City's sphere of influence in the future, prepare and adopt a plan for the affected parcels that includes infrastructure and services provided by the City of Morro Bay. The plan shall also identify policies for the protection of natural resources in the affected areas.

Rationale/Supporting Explanation: Impacts to special status species would be less than significant with implementation of Measures BIO-1(a) and BIO-1(b), which would update policies in the General Plan and LCP Update to protect listed species and provide direction on resource protection in any future SOI. (FEIR p. 4.3-29 - 4.3-37.)

Impact BIO-3: The FEIR concludes, in Impact BIO-3, new development facilitated by the General Plan and LCP Update may remove trees, encroach on rookeries and breeding sites, impede movement of terrestrial and aquatic wildlife, and otherwise interfere with the movement of wildlife. Impacts would be less than significant with mitigation. (FEIR p. 4.3-40.)

Finding: The City Council finds changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental effect as identified

in the FEIR. Mitigation Measure BIO-3 would reduce the significant impact to a less than significant level.

Mitigation Measure BIO-3: The following policy shall be added to the Conservation Element:

Policy C-1.17 Project Design for Wildlife Connectivity. Design new stream crossing structures and extensions or modifications of existing structures to accommodate wildlife movement. At a minimum, structures within steelhead streams must be designed in consultation with a fisheries biologist and shall not impede movement. New projects with long segments of fencing and lighting shall be designed to minimize impacts to wildlife. Fencing or other project components shall not block wildlife movement through riparian or other natural habitat. Where fencing or other project components that may disrupt wildlife movement is required for public safety concerns, they shall be designed to permit wildlife movement.

Rationale/Supporting Explanation: Impacts to wildlife movement corridors would be less than significant with implementation of Measure BIO-3 to add a General Plan and LCP Update policy to preserve wildlife movement corridors. (FEIR p. 4.3-40 – 4.3-41.)

Cumulative Impact – Biological Resources: The FEIR concludes implementation of the land use development patterns under the General Plan and LCP Update could result in impacts on special-status species, riparian, wetland, or other sensitive natural communities, as well as wildlife movement in the planning area, and contribute to cumulative impacts to these resources within the greater cumulative impact area (adjacent communities, including San Luis Obispo County). (FEIR p. 4.3-42 – 4.3-43.)

Finding: The City Council finds changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental effect as identified in the FEIR. Mitigation Measures BIO-1(a), BIO-1(b) and BIO-3 would reduce the significant impact to a less than significant level.

Implement Mitigation Measures BIO-1(a), BIO-1(b) and BIO-3

Rationale/Supporting Explanation: These mitigation measures would require additional policy language in the General Plan and LCP Update to protect biological resources that have potential to be impacted by development facilitated by the General Plan and LCP Update. These measures reduce the General Plan and LCP Update’s potential contribution to cumulative impacts to special status species and wildlife movement corridors and contribution of the proposed General Plan and LCP Update’s cumulative impacts would not be cumulatively considerable. (FEIR p. 4.3-42 – 4.3-43.)

4.3 Cultural Resources

Impact CR-1: The FEIR concludes, in Impact CR-1, development facilitated by the General Plan and LCP Update has the potential to impact historical and unique archaeological resources. This impact would be less than significant with mitigation. (Final EIR p. 4.4-9.)

Finding: The City Council finds changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental effect as identified in the Final EIR. Mitigation Measures CR-1(a) and CR-1(b) would reduce the significant impact to a less than significant level.

Mitigation Measure CR-1(a): Policy C-2.3 of the General Plan and LCP Update shall be revised to read:

Policy C-2.3 Protection of Cultural Resources. Ensure the protection of historic, cultural, and archeological resources during development, construction, and other similar activities. Development shall avoid, to the maximum extent feasible, adversely impacting historic, cultural, and/or archaeological resources, and shall include adequate BMPs to address any such resources that may be identified during construction, including avoidance, minimization, and mitigation measures sufficient to allow documentation, preservation, and other forms of mitigation. If the resource(s) in question are of Native American origin, develop avoidance or minimization measures in consultation with appropriate Native American tribe(s).

Mitigation Measure CR-1(b): The following implementation action for Goal C-2 shall be added to the General Plan and LCP Update:

Require all discretionary proposals within the cultural resources overlay to consider the potential to disturb cultural resources. If preliminary reconnaissance suggests that cultural resources may exist, a Phase I cultural resources study shall be performed by a qualified professional meeting the Secretary of the Interior's (SOI) Professional Qualification Standard (PQS) for archaeology and/or architectural history, as appropriate (NPS 1983).

A Phase I cultural resources study shall include a pedestrian survey of the project site and sufficient background research and field sampling to determine whether subsurface prehistoric or historic remains may be present. Archival research should include a records search at the Central Coast Information Center (CCIC) and a Sacred Lands File (SLF) search with the Native American Heritage Commission (NAHC). Where identified or potential resources are of Native American origin, the appropriate Native American tribe(s) will participate with the qualified professional. The technical report documenting the study shall include recommendations to avoid or, if avoidance is not feasible, reduce impacts to cultural resources.

Rationale/Supporting Explanation: Implementation of Measures CR-1(a) and CR-1(b) would update the General Plan and LCP Update to include a policy and implementation action to address potential impacts to historical and unique archaeological resources on a project-by-project basis by requiring cultural resource studies for projects within the city and the implementation of further requirements to avoid or reduce impacts to those resources. Residual impacts would be less than significant. (FEIR p. 4.4-9 – 4.4-12.)

Cumulative Impact – Cultural Resources: The Final EIR concludes the increase in growth in previously undisturbed areas would contribute to regional impacts on existing and previously undisturbed and undiscovered historical and archaeological resources. Compliance with applicable regulations and implementation of General Plan and LCP Update goals and policies would minimize cumulative impacts to cultural resources. (FEIR p. 4.4-12 – 4.4-13.)

Finding: The City Council finds changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental effect as identified in the Final EIR. Mitigation Measures CR-1(a) and CR-1(b) would reduce the significant impact to a less than significant level.

Implement Mitigation Measures CR-1(a) and CR-1(b)

Rationale/Supporting Explanation: Implementation of Measures CR-1(a) and CR-1(b) would update the General Plan and LCP Update to include implementation actions to address potential impacts to cultural resources on a project-by-project basis by requiring cultural resource studies for projects within the city and the implementation of further requirements to avoid or reduce impacts to cultural resources. Implementation of Mitigation Measures CR-1(a) and CR-1(b) would ensure that potential impacts to cultural resources would not be cumulatively considerable, and cumulative impacts to such resources would not be cumulatively considerable. (FEIR p. 4.4-12 – 4.4-13.)

4.4 Noise

Impact N-2: The FEIR concludes, in Impact N-2, construction of individual projects facilitated by the General Plan and LCP Update could temporarily generate groundborne vibration, potentially affecting adjacent sensitive land uses. Although the Morro Bay Municipal Code's timing restrictions on construction activity would limit vibration disturbance, high vibration levels during working construction hours could potentially disturb people or damage fragile buildings. (FEIR p. 4.10-16.)

Finding: The City Council finds changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental effect as identified in the FEIR. Mitigation Measure N-2 would reduce the significant impact to a less than significant level.

Mitigation Measure N-2: The following new policies shall be added to the Noise Element under Goal NOI-3:

Policy NOI-3.5 Vibration Control. Control construction vibration by avoiding the use of vibratory rollers near vibration-sensitive receptors and scheduling construction activities with the highest potential to produce vibration to hours with the least potential to affect sensitive land uses.

Policy NOI-3.6 Construction Vibration Notification. Developers shall notify neighbors of scheduled construction activities that would generate vibration.

Rationale/Supporting Explanation: The avoidance of vibratory rollers in close proximity to vibration-sensitive receptors would prevent potential structural damage from vibration. In addition, the appropriate scheduling of construction activities and notification of neighbors would minimize disturbance of people from vibration-generating equipment. Compliance with the vibration control and notification measures in Mitigation Measure N-2 would reduce temporary vibration impacts to a less than significant level. (FEIR 4.10-16 – 4.10-17.)

Cumulative Impact – Noise: The FEIR concludes site-specific cumulative impacts related to exposure of existing and planned future receptors to construction vibrational noise sources would be less than significant with mitigation incorporated. (FEIR p. 4.10-25.)

Finding: The City Council finds changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental effect as identified in the FEIR. Mitigation Measure N-2 would reduce the significant impact to a less than significant level.

Implement Mitigation Measure N-2

Rationale/Supporting Explanation: Compliance with the vibration control and notification measures in Mitigation Measure N-2 would reduce the project's contribution to cumulative temporary vibration impacts to a less than significant level, as vibratory rollers would not operate in close proximity to vibration-sensitive receptors and prevent potential structural damage from vibration. Cumulative impacts would not be cumulatively considerable. (Final EIR p. 4.10-17 and 4.10-25.)

4.5 Transportation and Traffic

Impact T-1: The FEIR concludes, in Impact T-1, implementation of the General Plan and LCP Update would increase vehicle traffic volumes, which have the potential to interfere with pedestrian and bicycle travel on or along roadways. The General Plan and LCP Update includes goals and policies to improve safety, access, and performance of public transit, bicycle, and pedestrian transportation modes. Implementing specific pedestrian circulation improvement measures at affected facilities would further improve the performance of pedestrian transportation modes. (Final EIR p. 4.13-16.)

Finding: The City Council finds changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental effect as identified in the FEIR. Mitigation Measure T-1 would reduce the significant impact to a less than significant level.

Mitigation Measure T-1: The following pedestrian facility improvements shall be added to the list of “Planned Circulation Improvements” in the General Plan and LCP Update Circulation Element.

- Embarcadero North of Beach Street: Provide sidewalks and a vehicular connection shifting traffic away from Beach Street for the redeveloped Morro Bay Power Plant site.
- Morro Bay Boulevard: Provide a landscaped buffer at least two feet wide between the sidewalk and travel lanes.
- Main Street south of Radcliffe Drive: Provide continuous sidewalks to provide acceptable pedestrian operations.
- SR 41 east of Main Street: Provide sidewalks with a landscaped buffer when adjacent properties are redeveloped.

In addition, Policy CIR-1.8 shall be revised as follows:

Policy CIR-1.8 Capital Improvement Program. Use the City's Capital Improvement Program (CIP) process to prioritize, fund, and build roadway, ~~and~~ bikeway, and pedestrian improvements, and to address phasing and construction of traffic infrastructure throughout the city.

As individual development projects are proposed, focused, project-level environmental review may be required, which could result in the implementation of project-specific mitigation measures to improve operations for pedestrians. Implementation of identified goals and policies to improve performance and safety of the transportation system for pedestrian, bicycle, and transit users would ensure that potential impacts associated with the performance of alternative transportation facilities would maintain acceptable operation of pedestrian modes.

Rationale/Supporting Explanation: Mitigation Measure T-1 describes pedestrian circulation improvement measures at affected facilities which would improve operations for pedestrian modes. Residual impacts would be less than significant (FEIR p. 4.11-16 – 4.11-20).

4.6 Tribal Cultural Resources

Impact TC-1: The Final EIR concludes, in Impact TC-1, development facilitated by the General Plan and LCP Update has the potential to impact tribal cultural resources. Implementation of the goals and policies of the General Plan and LCP Update would minimize the potential for impacts to previously unidentified tribal cultural resources. (Final EIR p. 4.15-3)

Finding: The City Council finds changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental effect as identified in the FEIR. Mitigation Measures CR-1(a) and CR-1(b) would reduce the significant impact to a less than significant level.

Implement Mitigation Measures CR-1(a) and CR-1(b) (refer to Section 4.3, *Cultural Resources*).

Rationale/Supporting Explanation: Impacts to tribal cultural resources would be less than significant with implementation of Mitigation Measures CR-1(a) and CR-1(b), which would update the General Plan and LCP Update to include a policy and implementation action to address potential impacts to unique tribal cultural resources on a project-by-project basis by requiring cultural resource studies for projects within the city and the implementation of further requirements to avoid or reduce impacts to those resources. (FEIR p. 4.15-3 – 4.15-4.)

Cumulative Impact – Tribal Cultural Resources: The Final EIR concludes development in the city would increase under buildout of the General Plan and LCP Update and the increase in growth in previously undisturbed areas would contribute to regional impacts on tribal cultural resources. (F EIR p. 4.15-4.)

Finding: The City Council finds changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental effect as identified in the FEIR. Mitigation Measures CR-1(a) and CR-1(b) would reduce the significant impact to a less than significant level.

Implement Mitigation Measures CR-1(a) and CR-1(b)

Rationale/Supporting Explanation: Implementation of the goals and policies in the General Plan and LCP update, as well as implementation of Mitigation Measures CR-1(a) and CR-1(b) would minimize potential impacts to tribal cultural resources as a result of development facilitated by the General Plan and LCP Update, as impacts would be addressed on a project-by-project basis by requiring cultural resource studies for projects within the city and the implementation of further requirements to avoid or reduce impacts to those resources. (Final EIR p. 4.4-9 – 4.4-12.)

CHAPTER 5

Significant Environmental Impacts

Pursuant to *State CEQA Guidelines* section 15091, the following are the impacts of the General Plan and LCP Update for which impacts cannot be reduced to less than significant. These impacts remain significant and unavoidable, as identified in the FEIR.

5.1 Air Quality

Impact AQ-1: The FEIR concludes, in Impact AQ-1, the General Plan and LCP Update would result in an increase in VMT that would exceed the projected rate of population growth in Morro Bay, which would be inconsistent with the SLOAPCD Clean Air Plan. This would be a significant and unavoidable impact (Final EIR p. 4.2-10).

Finding: The City Council finds specific economic, legal, social, technological, or other considerations make infeasible the mitigation measures or project alternatives identified in the Final EIR. No mitigation is available that would reduce the project rate of VMT growth below the projected rate of population growth in Morro Bay. Therefore, the General Plan and LCP Update would be inconsistent with the SLOAPCD Clean Air Plan, and impacts related to consistency with the 2001 CAP would remain significant and unavoidable. A statement of overriding considerations for this impact is made in Chapter 7.

Rationale/Supporting Explanation: The General Plan and LCP Update would comply with applicable General Plan and LCP Update goals and policies that would reduce VMT to the extent feasible. In addition, individual development projects in the planning area would require project-level environmental review, including evaluation of future projects for consistency with the applicable air quality plan in accordance with the SLOAPCD CEQA *Air Quality Handbook*, which could result in the implementation of project-specific mitigation measures to reduce VMT. However, no additional policy-oriented mitigation is available that would reduce projected VMT, therefore this impact remains significant and unavoidable. (FEIR p. 4.2-10 – 4.2-19.)

Cumulative Impact - Air Quality: The FEIR concludes the General Plan and LCP Update's contribution to cumulative regional air quality impacts would be significant and unavoidable. (Final EIR p. 4.2-10.)

Finding: The City Council finds specific economic, legal, social, technological, or other considerations make infeasible the mitigation measures or project alternatives identified in the Final EIR. No mitigation is available that would reduce the project rate of VMT growth below the

projected rate of population growth in Morro Bay. Therefore, the General Plan and LCP Update would be inconsistent with the SLOAPCD Clean Air Plan, and impacts related to consistency with the 2001 CAP would remain significant and unavoidable. A statement of overriding considerations for this impact is made in Chapter 7.

Rationale/Supporting Explanation: San Luis Obispo County is in non-attainment for the 1-hour and 8-hour state standards for ozone and the 24-hour state standard for PM₁₀. Future development throughout San Luis Obispo County would create ozone and PM₁₀ emissions, which would contribute to continued or exacerbated violation of state emissions standards. Buildout of the General Plan and LCP Update would result in an increase of VMT exceeding the rate of population increase, which would be inconsistent with SLOAPCD's 2001 CAP, which is intended to bring the County into attainment of the State ozone standard. Because the General Plan and LCP Update would be inconsistent with the CAP, the General Plan and LCP Update's contribution to cumulative regional air quality impacts would be significant and unavoidable. (FEIR p. 4.2-25.)

5.2 Transportation

Impact T-2: The FEIR concludes, in Impact T-2, the General Plan and LCP Update anticipates land use growth that would result in a long-term increase in VMT within the City's SOI. The General Plan and LCP Update Circulation Element includes goals and policies that reduce reliance on passenger vehicles, facilitate pedestrian and bicycle transportation, and establish local targets for VMT reduction. However, future development in Morro Bay would result in increased per service population VMT, and no feasible mitigation is available that would fully address the anticipated increase in VMT. (Final EIR p. 4.13-21.)

Finding: The City Council finds specific economic, legal, social, technological, or other considerations make infeasible the mitigation measures or project alternatives identified in the FEIR. Mitigation is not available that would fully address the anticipated increase in VMT resulting from the General Plan and LCP Update. A statement of overriding considerations for this impact is made in Chapter 7.

Rationale/Supporting Explanation: Implementation of the goals and policies in the General Plan and LCP Update would contribute to reducing VMT in Morro Bay. However, no additional feasible mitigation is available that would fully address the anticipated increase in VMT. Therefore, impacts associated with increased VMT in the Morro Bay SOI and in San Luis Obispo County would remain significant and unavoidable after implementation of all applicable policies in the General Plan and LCP Update. (FEIR p. 4.13-21 – 4.13-23.)

Cumulative Impact - Transportation: The FEIR concludes the General Plan and LCP Update's contribution to cumulative VMT impacts would be significant and unavoidable. (Final EIR p. 4.13-25.)

Finding: The City Council finds specific economic, legal, social, technological, or her considerations make infeasible the mitigation measures or project alternatives identified in the FEIR. Mitigation is not available that would fully address the anticipated increase in VMT resulting from the General Plan and LCP Update. A statement of overriding considerations for this impact is made in Section 7.

Rationale/Supporting Explanation: The cumulative traffic impacts of the General Plan and LCP Update were determined by a comparison of the Existing Conditions scenario and the Buildout Plus Project Conditions scenario. The cumulative land use growth evaluated under Buildout Plus Project conditions would result in an increase in daily VMT and daily per service population VMT. The individual potential impacts of future development in Morro Bay are speculative; however, the cumulative impact of the increase in VMT in the Morro Bay SOI and in San Luis Obispo County identified for the General Plan and LCP Update would be potentially significant. Future development in Morro Bay would result in increased long-term VMT, even with implementation of identified goals and policies that would reduce VMT to an extent. Individual development projects in Morro Bay would require focused, project-level environmental review, and would require mitigation to reduce VMT where potential environmental impacts are identified. Implementation of the goals and policies in the General Plan and LCP Update would contribute to reducing VMT in Morro Bay, but no additional feasible mitigation is available that would fully address the anticipated increase in VMT resulting from the General Plan and LCP Update. Therefore, cumulative transportation impacts would remain significant and unavoidable (Final EIR p. 4.13-25 – 4.13-26).

CHAPTER 6

Findings Regarding Project Alternatives

The City Council hereby declares it has considered and rejected as infeasible the alternatives identified in the Final EIR and described below. CEQA requires an EIR evaluate a range of reasonable alternatives to a project, or to the location of the project, which would feasibly obtain most of the basic project objectives but would avoid or substantially lessen any of the significant effects of the project (*CEQA Guidelines* §15126.6). The No Project alternative must be evaluated, and if it is the environmentally superior alternative, another environmentally superior alternative must be identified among the other alternatives (*CEQA Guidelines* subdivision 15126.6(e)).

The objective of the General Plan and LCP Update is to function as a policy document to guide land use decisions within the city planning area through the year 2040. The Community Vision of the General Plan is as follows:

In 2040, Morro Bay remains a small oceanfront town and thriving year-round destination, known for its natural beauty, creative people, outdoor recreation, working waterfront, and welcoming community spirit. It is a friendly, safe, resilient, and healthy place where people of all ages and economic levels live, work, play, and visit.

The natural environment and wildlife are cherished and conserved and are essential elements that integrate with and define our urban landscape. Our healthy wetlands, iconic Morro Rock, and bustling harbor are complemented by expansive parks, connected bicycle lanes, safe streets, and pathways that are accessible to people of all ages and abilities.

We have a deep appreciation for nature and honor our native, cultural, and maritime heritage. We maintain and support our working waterfront and carefully preserve our estuary, watershed, natural shoreline, and surrounding open space. We adapt to changes in the climate, economy, and culture without compromising our small-town character.

Our vibrant economy is strengthened by sustainable resource practices, a responsive city government, and leading-edge technology that empowers local business owners and attracts new businesses and investors. We are a diverse, multigenerational community where head-of-household jobs, sustainable living wages, and affordable housing options serve as a foundation that allows people of all ages and income levels to thrive.

Modern, well-maintained public amenities and supportive community services nurture our residents, community organizations, and neighborhood groups. We actively

participate in government decisions and take pride in volunteerism. We welcome personal expression and creativity, as reflected in our varied visitor attractions, bustling dining scene, vibrant arts culture, community events, public art, and outdoor activities. Our diverse housing, safe and eclectic neighborhoods, and reliable transit system are enhanced through suitable urban infill and mixed-use development that accommodates modest residential and commercial growth.

Mindful of our rich heritage, we take great pride in our community and work together toward a bright future.

The FEIR evaluated three project alternatives in addition to the proposed General Plan and LCP Update. The alternatives analyzed in the FEIR are as follows:

- Alternative 1: No Project/Continue using 1988 General Plan and 1984 LCP
- Alternative 2: Proposed General Plan and LCP Update without Morro Bay Power Plant/WWTP Redevelopment
- Alternative 3: Reduced Commercial Floor Area Ratio

The FEIR concludes that the No Project Alternative (Alternative 1) would be environmentally superior in comparison to the General Plan and LCP Update because it would continue implementation of the existing 1988 General Plan, which would accommodate less development and growth than the General Plan and LCP Update, Alternatives 2, or Alternative 3. Although Alternative 1 would entail continued growth as dictated by the existing 1988 General Plan, Alternative 1 would not implement new policy language included in the General Plan and LCP Update, such as policies intended to provide guidance for future development and reduce long-term community impacts associated with growth. Alternative 2 would perform similar or better to the General Plan and LCP Update for all environmental resource areas. This alternative would result in no new development on the former Morro Bay Power Plant and City WWTP redevelopment sites, instead designating these sites as Open Space/Recreation. Alternative 3 would perform similar or better to the General Plan and LCP Update for all environmental resource areas. This alternative would result in less new commercial growth and development overall due to the reduction in commercial FAR.

Based on the information presented herein, Alternative 2 would be the environmentally superior alternative when considering overall environmental impacts relative to the performance metrics. However, designating the former Morro Bay Power Plant and City WWTP redevelopment sites as Open Space/Recreation would be inconsistent with the vision and objectives of the General Plan and LCP Update because it would eliminate urban development from areas the City has determined would contribute substantially to a pattern of compact future development, reducing long-term development pressure on agricultural lands outside the planning area. Additionally, reduced growth in these targeted redevelopment locations would be inconsistent with the goals of the General Plan and LCP Update to attract new businesses and investors and provide head-of-household jobs and affordable housing options.

After Alternative 2, Alternative 1 is the next most environmentally superior alternative when considering overall environmental impacts relative to the performance metrics. However, Alternative 1 would not meet the basic project objective to provide an updated community vision for Morro Bay by updating the 1988 General Plan, and would not avoid the significant and unavoidable project-level or cumulative impacts associated with increased VMT, and may result in additional long-term impacts associated with the need for expanded utility infrastructure.

6.1 Alternative 1: No Project

Description: Subdivision 15126.6(e) of the *CEQA Guidelines* requires a “no project” alternative be evaluated in an EIR to allow decision makers to compare the impacts of approving a proposed project with the impacts of not approving that project. *CEQA Guidelines* subdivision 15126.6(e)(3) describes the two general types of no project alternative: (1) when the project is the revision of an existing land use or regulatory plan, policy, or ongoing operation, the no project alternative would be the continuation of that plan; and (2) when the project is not a land use/regulatory plan, such as a specific development on an identifiable property, the no project alternative is the circumstance under which that project is not processed (i.e., no development occurs). Alternative 1 represents the former type of no project alternative and assumes the continued implementation of the 1988 General Plan and 1984 LCP.

This alternative is comprised of a land use pattern that reflects the land use identified in the existing 1988 General Plan. Under this alternative, the proposed General Plan and LCP Update would not be adopted and the existing General Plan and LCP, including the land use map and all of the General Plan and LCP goals and policies, would remain in place through the horizon year of 2040. Thus, any new development in Morro Bay would occur consistent with the existing land use designations and the allowed uses within each designation. Similarly, any new infrastructure would occur as envisioned in the existing 1988 General Plan. Development under this alternative is anticipated to be generally similar in much of the planning area but would not include mixed-use development in the downtown area, or the identified redevelopment of the former Morro Bay Power Plant and City wastewater treatment plant (WWTP) sites, resulting in more non-residential development than under the General Plan and LCP Update. As a result, overall development and anticipated growth would be reduced under the No Project Alternative compared to the General Plan and LCP Update. This alternative assumes that the City’s Sphere of Influence (SOI) would not be extended to include 1,077 acres of the planning area beyond the city limits that is identified as a future extension of Morro Bay’s SOI. Therefore, the planning area for this alternative encompasses the existing city limits and SOI. (FEIR p. 7-2 – 7-10.)

Finding: The City Council finds the No Project Alternative is infeasible because it fails to meet any of the project objectives, including the Project’s objective to guide land use decisions within the City planning area through the year 2040.

Rationale/Supporting Explanation: The No Project Alternative (Alternative 1) would not implement new policy language included in the General Plan and LCP Update, such as policies intended to provide guidance for future development and reduce long-term community impacts

associated with growth. Alternative 1 would not eliminate the significant and unavoidable project-level or cumulative impacts associated with increased VMT. (FEIR p. 7-25.)

6.2 Alternative 2: Proposed General Plan and LCP Update without Morro Bay Power Plant/WWTP Redevelopment

Description: One of the primary long-term strategies of the proposed General Plan and LCP Update land use plan is redevelopment of the former Morro Bay Power Plant and City WWTP sites with uses that respond to their unique site attributes to provide future growth areas for the city within the existing city limit. Under the General Plan and LCP Update land use plan, the former Morro Bay Power Plant and City WWTP sites are planned to accommodate Mixed Use, Public/Institutional, Visitor Serving Commercial, and Open Space/Recreation uses with much of the development being new. Approximately 50 percent of the planned non-residential land use growth (from existing to buildout) and approximately 80 percent of the visitor-serving commercial growth would occur at the former Morro Bay Power Plant and City WWTP sites. The General Plan and LCP Update Land Use Element includes Policy LU-5.4 and Policy LU-5.5, which require the city to develop master plans for these sites and the surrounding areas.

Alternative 2 would remove Policy LU-5.4 and Policy LU-5.5 from the General Plan and LCP Update, and would revise the land use plan to include the former Morro Bay Power Plant and City WWTP sites in Open Space/Recreation, preserving natural areas and resources, and providing future recreational opportunities, consistent with other goals of the General Plan and LCP Update. This alternative would build on the preservation of natural areas within the planning area by reducing the amount of new development compared to the proposed General Plan and LCP Update.

Under Alternative 2, approximately 3.1 million square feet of new commercial development could be constructed in the planning area. This would be 5.7 million fewer square feet of new commercial square footage than could be constructed compared to the General Plan and LCP Update. Additionally, approximately 300 fewer residential units could be constructed within the planning area, as a result of the elimination of the mixed-use overlay in the Morro Bay Power Plant redevelopment area.

Because 300 fewer dwelling units would be constructed under Alternative 2, population density of the City would be reduced compared to the General Plan and LCP Update. Overall, Alternative 2 would reduce the growth in population in Morro Bay through the year 2040 by approximately 4 percent and would reduce the net growth in non-residential development through the year 2040 by approximately 52 percent compared to the General Plan and LCP Update. (FEIR p. 7-10 – 7.16.)

Finding: While Alternative 2 is environmentally similar to the project and would partially meet the project objective to guide land use decisions within the city planning area through the year 2040, the City Council finds Alternative 2 is infeasible because it fails to meet some of the project

objectives identified in the General Plan and LCP Update vision and values, including attracting new businesses and investors, providing head-of-household jobs and affordable housing options, and providing suitable urban infill and mixed-use development that accommodates modest residential and commercial growth.

Rationale/Supporting Explanation: Designating the former Morro Bay Power Plant and City WWTP redevelopment sites as Open Space/Recreation would be inconsistent with the vision and values of the General Plan and LCP Update because it would eliminate urban development from areas which would contribute substantially to a pattern of compact future development, reducing long-term development pressure on agricultural lands outside the planning area. Additionally, reduced growth in these targeted redevelopment locations would be inconsistent with the goals of the General Plan and LCP Update to attract new businesses and investors and provide head-of-household jobs and affordable housing options. (FEIR p. 7-25.)

6.3 Alternative 3: Reduced Commercial Floor Area Ratio

Description: Under the Reduced Commercial Floor Area Ratio (FAR) Alternative, the maximum allowable FAR for the Community Commercial and Visitor-Serving Commercial land use designations would be reduced from 1.25 to 1.0 to reduce commercial density and overall vehicle miles traveled associated with new non-residential development. Approximately 75 percent of the potential new commercial development identified in Table 2-5 of the Final EIR is comprised of Community Commercial and Visitor-Serving Commercial land use (approximately 1.1 million square feet of Community Commercial and approximately 5.5 million square feet of Visitor Serving Commercial). Due to the reduction in overall growth, this alternative would incrementally reduce new vehicle traffic. Development under Alternative 3 assumes that all goals and policies put in place by the General Plan and LCP Update will be in force.

Under Alternative 3, approximately 7.5 million square feet of new commercial development could be constructed in the planning area. This would be 1.3 million fewer square feet of new commercial square footage than could be constructed under the General Plan and LCP Update. Additionally, approximately 103 fewer residential units could be constructed within the planning area, as a result of the FAR reduction within the planned mixed-use overlay areas.

Because 103 fewer dwelling units would be constructed under Alternative 3, population density of the city would be reduced compared to the General Plan and LCP Update. Overall, Alternative 3 would reduce the growth in population in Morro Bay through the year 2040 by approximately 2 percent and would reduce the net growth in non-residential development through the year 2040 by approximately 12 percent compared to the General Plan and LCP Update. (FEIR p. 7.17-23.)

Finding: While Alternative 3 is environmentally similar to the project and would partially meet the project objective to guide land use decisions within the city planning area through the year 2040, the City Council finds Alternative 3 is infeasible because it fails to meet some of the of the project objectives identified in the General Plan and LCP Update vision and values, including

attracting new businesses and investors, providing head-of-household jobs and affordable housing options, and providing suitable urban infill and mixed-use development that accommodates modest residential and commercial growth.

Rationale/Supporting Explanation: Reducing the allowable FAR for the Community Commercial and Visitor-Serving Commercial land use designations would be inconsistent with the vision and values of the General Plan and LCP Update because it would reduce commercial growth that would attract new businesses and investors and provide head-of-household jobs and affordable housing options. In addition, Alternative 3 would not eliminate any of the significant and unavoidable impacts associated with the General Plan and LCP Update, as this alternative would still result in substantial new growth and the associated increase in new vehicle traffic. (FEIR p. 7-25.)

CHAPTER 7

Statement of Overriding Considerations

7.1 Introduction

Section 15093 of the CEQA Guidelines requires lead agencies to adopt a Statement of Overriding Considerations if they elect to approve a project that has significant and unavoidable environmental impacts. The FEIR for the General Plan and LCP Update identifies the following significant and unavoidable impacts:

- **Impact AQ-1:** The FEIR concludes the General Plan and LCP Update would result in an increase in VMT that would exceed the projected rate of population growth in Morro Bay, which would be inconsistent with the SLOAPCD Clean Air Plan. This would be a significant and unavoidable impact (Final EIR p. 4.2-10).
- **Cumulative Impact - Air Quality:** The FEIR concludes the General Plan and LCP Update's contribution to cumulative regional air quality impacts would be significant and unavoidable. (Final EIR p. 4.2-10.)
- **Impact T-2:** The FEIR concludes the General Plan and LCP Update anticipates land use growth that would result in a long-term increase in VMT within the City's SOI. The General Plan and LCP Update Circulation Element includes goals and policies that reduce reliance on passenger vehicles, facilitate pedestrian and bicycle transportation, and establish local targets for VMT reduction. However, future development in Morro Bay would result in increased per service population VMT, and no feasible mitigation is available that would fully address the anticipated increase in VMT. (Final EIR p. 4.13-21.)
- **Cumulative Impact - Transportation:** The Final EIR concludes the General Plan and LCP Update's contribution to cumulative VMT impacts would be significant and unavoidable. (Final EIR p. 4.13-25.)

For projects that would result in significant environmental impacts that cannot be avoided, CEQA requires that the lead agency balance the benefits of these projects against the unavoidable environmental risks in determining whether to approve the projects. If the benefits of these projects outweigh the unavoidable impacts, then those impacts may be considered acceptable (CEQA Guidelines §15093[a]). CEQA requires, before adopting such projects, the public agency adopt a Statement of Overriding Considerations setting forth the reasons why the agency finds the

benefits of the project outweigh the significant environmental effects caused by the project. This statement is provided below.

7.2 Required Findings

The City has identified significant and unavoidable environmental impacts that cannot be lessened through application of feasible mitigation measures that can be incorporated into the project. The City has also examined a reasonable range of alternatives to the project and has determined that none of these alternatives would satisfy the project objectives identified in the General Plan and LCP Update vision and values to the same extent or greater as the project. The City Council finds the project has eliminated or substantially lessened all significant effects on the environment where feasible, and finds, on balance, the remaining significant and unavoidable impacts of the project are acceptable because the benefits of the project outweigh them.

In preparing this Statement of Overriding Considerations, the City Council has balanced the benefits of the project against its unavoidable environmental risks.

The City Council hereby finds it is imperative to balance competing goals in approving the General Plan and LCP Update and the environmental documentation of the General Plan and LCP Update. Not every environmental concern has been fully satisfied because of the need to satisfy competing concerns to a certain extent. The City Council has chosen to accept certain environmental impacts because of the many benefits inherent in the attainment of City, regional, and State goals, as well as the implementation of required mitigation measures, would balance the potential for environmental impacts to occur.

The City Council hereby finds the FEIR has identified and discussed significant effects that may occur as a result of the General Plan and LCP Update. With the incorporation of the goals and policies as identified in the findings, potential impacts are reduced to a level of less than significant except for the unavoidable and significant impacts discussed in Subsection 7.1, above.

The City Council hereby finds it has made a reasonable and good faith effort to eliminate or substantially mitigate the potential impacts resulting from the General Plan and LCP Update.

The City Council further determines except for the General Plan and LCP Update, all other alternatives set forth in the FEIR are infeasible because they may not substantially reduce environmental impacts associated with the General Plan and LCP Update, and would prohibit the realization of the General Plan and LCP Update vision and values and/or specific economic, social, or other benefits the City Council finds outweigh any environmental benefits of the alternatives.

The City Council hereby finds and determines, having reduced the adverse significant environmental effects of the General Plan and LCP Update to the extent feasible by including goals and policies in the General Plan and LCP Update, having considered the entire administrative record on the General Plan and LCP Update, and having weighted the benefits of

the General Plan and LCP Update against its unavoidable significant impacts after mitigation, the General Plan and LCP Update and the supporting environmental documentation provide for a positive balance of the competing goals and that the economic, social and other benefits to be obtained by the General Plan and LCP Update outweigh any remaining environmental impacts and related potential detriment of the project and render those potential significant impacts acceptable based on the considerations noted below.

The City Council finds the project objectives and community values that would be achieved from implementation of the General Plan and LCP Update, as outlined below, outweigh the project's unavoidable environmental risks. Each of the separate benefits of the General Plan and LCP Update, as stated below, is determined to be, unto itself and independent of the other benefits of the General Plan and LCP Update, a basis for overriding all unavoidable adverse environmental impacts identified in these Findings. The alternatives, which were identified in the FEIR would not meet, either in part or in whole to the same extent as the General Plan and LCP Update, the fundamental project objectives and goals of the General Plan and LCP Update, including those as set forth in the General Plan, and each and all of which are deemed and considered by the City to be benefits of the proposed modified General Plan and LCP Update.

Among others, the General Plan and LCP Update has been prepared to do the following:

- **Natural Environment.** Preserve the community's estuary, shoreline, and open green spaces, and ensure the parks and recreation spaces are healthy, resilient, and accessible to all.
- **Heritage & Identity.** Welcome visitors while maintaining our small-town character and honoring our maritime heritage.
- **Jobs & Housing.** Provide a range of affordable housing options and living wage jobs resulting in a higher quality of life.
- **Economic Vitality.** Support a diverse and sustainable economy for both new and existing locally owned businesses, including community-supporting tourism.
- **Infrastructure & Amenities.** Maintain and provide modern, resilient infrastructure and public amenities.
- **Mobility & Access.** Provide safe and accessible streets, trails, and multimodal transportation options that conveniently connect people and places throughout town and to surrounding destinations.
- **Good Governance.** Maintain a government that is supportive, collaborative, equitable, and responsive to the needs of all segments of the population.
- **Resident Services.** Provide a range of public services that support a diverse and multigenerational community.

The General Plan and LCP Update directs the way in which development in the City will occur to accommodate future growth and trends while maintaining the character of the Morro Bay community, consistent with these objectives.

In this regard, the project objectives of the General Plan and LCP Update are reflected in the following General Plan and LCP Update goals:

- LU-1: The community form of Morro Bay reflects its vision and values, promoting a strong economy and high quality of life.
- LU-5: Coastal priority uses are viable, protected, and contribute to the economy and character of Morro Bay.
- LU-8: Morro Bay's downtown and waterfront areas are active and welcoming locations for shopping, recreation, public access, visitor-serving needs, and coastal services.
- CD-1 The individual identity of each of Morro Bay's character areas is embraced and represented by new and renovated development.
- CD-2 The community is designed to be resilient to future climate conditions, weather events, and economic and social change.
- ED-3: Local businesses and employment options are high quality, diverse, and environmentally sustainable.
- ED-4: Employment provides a range of head-of-household jobs that pay living wages and support living in Morro Bay.
- CIR-1: Residents and visitors can easily move about the city in a variety of safe and active ways.
- CIR-3: Traffic monitoring considers all methods of travel, with emphasis on active and sustainable transportation methods.
- NOI-1: A healthy and safe noise environment for Morro Bay residents, businesses, and visitors.
- NOI-2: Minimize transportation-related noise.
- NOI-3: Noise from construction activities associated with maintenance vehicles, special events, and other nuisances is minimized in residential areas and near noise-sensitive land uses.
- C-1: Sensitive habitats are protected from potential negative impacts of land use and development.

- C-2: Cultural and historic resources are identified for protection and showcased as a vital part of Morro Bay history.
- C-3: Air quality in Morro Bay continues to improve through local actions and interagency cooperation.
- C-4: Greenhouse gas emissions in Morro Bay are reduced and consistent with state goals.
- C-5: Morro Bay is a leader in energy innovation and sustainable usage.
- C-6: Energy available to Morro Bay residences, businesses, and public buildings is renewable and sustainable.
- C-7: Morro Bay water is safe, available, and used in an environmentally responsible manner.
- C-8: Morro Bay is a zero waste community.
- C-9: The aesthetic and visual natural resources in and around Morro Bay are protected to preserve the community's identity.
- OS-1: The public has access to plentiful and well-maintained parks, beaches, and recreational activities throughout Morro Bay.
- OS-4: Coastal and marine habitat wildlife and resources are protected while maintaining the cultural identity of the habitat.
- OS-5: Natural resources are preserved to balance the use of open space for outdoor recreation opportunities.
- OS-6: Open spaces are preserved through adaptation strategies to mitigate the effects of sea level rise and promote community resiliency.
- OS-7: Portions of the planning area outside the city limits are planned in a way that preserves their rural nature while providing essential services and infrastructure.
- PS-2: Development is protected from natural disasters and hazards to the greatest extent possible.
- PS-3: Morro Bay is prepared for and responsive to the effects of sea level rise and other coastal hazards in both the short and longer term future.
- PS-4: Response to emergencies is quick, efficient, and effective.
- EJ-4: Morro Bay recognizes and is prepared for increased health risks due to current and anticipated future climate change effects.

The General Plan and LCP Update Land Use Element directs the way in which development in the City will occur to accommodate future growth and trends while maintaining the character of the Morro Bay community, consistent with these goals. The Community Design Element addresses the components of Morro Bay's unique style that will be preserved and enhanced through the General Plan and LCP Update as the City changes over time. The Economic Development Element directs actions that promote a sustainable economy that can withstand fluctuations in the economic environment of the City. The Circulation Element plans for a multimodal transportation network that serves all users and reduces GHGs and vehicle miles traveled. The Noise Element protects current and planned land uses, addresses sites and standards for new housing, supports the location and design of new transportation facilities, addresses traffic noise, and considers how noise adversely affects the enjoyment of recreational pursuits and wildlife. The Conservation Element considers plans for development and their effect on all natural resources located on public lands, including greenhouse gas emissions and water resources, supply, and quality. The Open Space Element establishes goals and policies to protect and conserve Morro Bay's open space resources and addresses opportunities to expand the open space system by assessing park and trail facilities, coastal facilities, and recreation programs. The Public Safety Element addresses public safety, with a specific focus on hazard identification and mitigation. The Environmental Justice Element addresses the social aspects of community design.

The mixed-use nature of the General Plan and LCP Update encourages diversification and development of the City's economic base. Within additional residential uses, there will be additional property tax revenues available that will provide additional benefits. Additionally, within the commercial uses there is a broad diversification of uses that range from the provisions of various types of sales taxes (restaurants, entertainment, etc.) to potential transient occupancy taxes (hotel uses). Further, the General Plan and LCP Update will provide significant benefits to the City and community in terms of creating both short and long-term employment opportunities for the residents of the City including construction work and long-term jobs in the commercial and industrial sector, which are reasonably expected to result in more personal income likely to be spent locally, resulting in additional tax revenues and economic development.

Tax revenues in the City are important given the current budget and fiscal constraints being experienced by the City; and the City's demographics and business realities are likely to continue to affect revenues detrimentally, which potentially threatens budget shortfalls. The City has more residents to serve, but the cost of doing so has increased. The City finds the opportunity to realize additional property, sales and transit occupancy tax revenues is an important consideration for the City.

Consequently, it is reasonably expected the City and its residents will enjoy the economic and social benefits from the diversity of the economic benefits provided by the General Plan and LCP Update. These economic opportunities are especially significant in light of budgetary and other constraints experienced by the City, and which can be further compounded by economic downturns in budgetary situations involving less diversification. This promotes the economic well-being of the City, including the funding of essential services provided by the City.

Each of these benefits provides a separate and independent basis for overriding the significant environmental effects of the General Plan and LCP Update.

As the CEQA lead agency for the proposed action, the City has reviewed the General Plan and LCP Update and the alternatives presented in the EIR. The City Council finds there are no feasible mitigation measures or alternatives that would further reduce or eliminate the significant unavoidable impacts of implementing the General Plan and LCP Update, which create and/or otherwise contribute to related cumulative impacts. For the reasons stated above and based on substantial evidence in the record before it, the City Council finds these unavoidable adverse environmental impacts are acceptable and, furthermore, finds the benefits of the General Plan and LCP Update outweigh its unavoidable adverse environmental effects. Further, the City Council finds all potential adverse environmental impacts and all feasible policy or mitigation measures to reduce the impacts from the Project have been identified in the Draft EIR, the FEIR and public testimony. The City also finds a reasonable range of alternatives was considered in the FEIR and this document, Chapter 6, above, and finds approval of the General Plan and LCP Update is appropriate.

The City Council has identified economic and social benefits and important policy objectives that will result from implementing the General Plan and LCP Update. The City Council has balanced these substantial social and economic benefits against the unavoidable significant adverse effects of the General Plan and LCP Update. Given the substantial social and economic benefits that will accrue from the General Plan and LCP Update, the City Council finds these specific overriding benefits of the Project outweigh the significant impact on the environment.

Public Resource Code section 21002 states, in part, “In the event specific economic, social and other conditions make infeasible such Project alternatives or such mitigation measures, individual projects can be approved in spite of one or more significant effects thereof.” Public Resources Code subdivision 21002.1 (c) provides, “In the event that economic, social, or other conditions make it infeasible to mitigate one or more significant effects of a project on the environment, the project may nonetheless be approved or carried out at the discretion of a public agency”.

Finally, California Administrative Code, Title 4, subdivision 15093(a) states, “If the benefits of a Project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered ‘acceptable.’”

The City Council hereby declares the foregoing benefits provided to the public through approval and implementation of the project outweigh the identified significant adverse environmental impacts of the project that cannot be mitigated. The City Council finds each of the project benefits outweighs the unavoidable adverse environmental impacts identified in the FEIR, and finds those impacts to be acceptable.

Based upon the objectives identified for the project, the City Council has determined the General Plan and LCP Update should be approved and the unmitigated environmental impacts attributable to the project are outweighed by the specific economic, social and other overriding considerations as described above.

The City Council has determined any environmental detriment caused by the General Plan and LCP Update has been minimized to the extent feasible through mitigation measures identified herein, and, where not feasible, has been outweighed and counterbalanced by the significant social benefits to be generated to the City, its residents, and the region.

Mitigation Monitoring and Reporting Program

This document is the Mitigation Monitoring and Reporting Program (MMRP) for the Morro Bay General Plan and Local Coastal Plan Update, SCH#2017111026, proposed in the City of Morro Bay, California. Public Resources Code subdivision 21081.6(a)(1) requires a Lead Agency adopt an MMRP before approving a project to mitigate or avoid significant impacts that have been identified in an Environmental Impact Report (EIR). The purpose of the MMRP is to ensure the required mitigation measures identified in the EIR are implemented as part of the overall project development process. In addition to ensuring implementation of mitigation measures, the MMRP provides guidance to agency staff and decision-makers during project implementation and identifies the need for enforcement action before irreversible environmental damage occurs. The MMRP must be adopted when the City Council makes a final decision on the project.

The following table summarizes the mitigation measures identified in the Final EIR for the proposed project. Specifically, the table identifies each mitigation measure; the action required for the measure to be implemented; the time at which the monitoring is to occur; the monitoring conditions; and the agency or party responsible for ensuring that the monitoring is performed. Once completed, all monitoring actions will be reported in writing to or by the City, which will maintain mitigation monitoring records for the proposed project.

Attachment B to Council Resolution 20-21

Mitigation Measure	Action Required	When Monitoring to Occur	Monitoring Frequency	Responsible Agency or Party	Compliance Verification		
					Initial	Date	Comments
<p>AQ-2. Standard Mitigation for Construction Equipment. Proponents of individual land use projects, or other projects requiring grading or building permits, shall require construction contractors to incorporate the following standard mitigation measures, as applicable, to reduce ROG, NO_x, and DPM emissions from construction equipment. Mitigation measures shall be listed on project construction plans and the project proponent shall perform periodic site inspections during construction to ensure that mitigation measures are being implemented.</p> <ul style="list-style-type: none"> ▪ Maintain all construction equipment in proper condition according to manufacturer’s specifications ▪ Fuel all off-road and portable diesel-powered equipment with ARB-certified motor vehicle diesel fuel (non-taxed version suitable for use off-road) ▪ Use diesel construction equipment meeting ARB’s Tier 2 certified engines or cleaner off-road heavy-duty diesel engines, and comply with the State Off-Road Regulation ▪ Use on-road heavy-duty trucks that meet ARB’s 2007 or cleaner certification standard for on-road heavy-duty diesel engines, and comply with the State On-Road Regulation ▪ Construction or trucking companies with fleets that do not have engines in their fleet that meet the engine standards identified in the above two measures (e.g., captive or NO_x exempt area fleets) may be eligible by proving alternative compliance ▪ All on and off-road diesel equipment shall not idle for more than 5 minutes. Signs shall be posted in the designated queuing areas and or job sites to remind drivers and operators of the 5-minute idling limit ▪ Diesel idling within 1,000 feet of sensitive receptors is not permitted ▪ Staging and queuing areas shall not be located within 1,000 feet of sensitive receptors ▪ Electrify equipment when feasible 	<p>Verify all SLOAPCD Standard Mitigation for Construction Equipment or the equivalent are implemented for all projects as applicable.</p>	<p>During project construction</p>	<p>Continuously during project construction</p>	<p>City of Morro Bay Community Development Department</p>			

Mitigation Measure	Action Required	When Monitoring to Occur	Monitoring Frequency	Responsible Agency or Party	Compliance Verification		
					Initial	Date	Comments
<ul style="list-style-type: none"> Substitute gasoline-powered in place of diesel-powered equipment, where feasible <p>Use alternatively fueled construction equipment on-site where feasible, such as compressed natural gas (CNG), liquefied natural gas (LNG), propane or biodiesel.</p>							
<p>BIO-1(a) Avoidance and Minimization during Development. Policy C-1.3 shall be updated to read:</p> <p>Policy C-1.3. Biological Site Assessments. A biological assessment shall be required for any development proposed on sites that include or are within 100 feet of mapped ESHA in Figure C-2, and all other sites with natural vegetation regardless of whether ESHA has been mapped in Figure C-2, and for all other projects for which evidence indicates that ESHA may be present either on or adjacent to the site. The best available information about the location of ESHA in the City shall be used. Such assessment shall be prepared at the owner’s expense by a qualified biologist approved by the City and shall, at minimum:</p> <ol style="list-style-type: none"> Identify and confirm the extent of the ESHA, Document any site constraints and the presence of sensitive plant or animal species, Recommend buffers and development setbacks and standards to protect the ESHA, Recommend mitigation measures to address any allowable impacts <u>If listed species, other special status species, or nesting birds are present or have potential to occur, then specify avoidance and minimization measures, including compensatory mitigation, to be implemented to avoid or minimize take of individuals and loss of occupied habitat, and specify the necessary consultation pathway(s) with USFWS, NMFS, and/or CDFW to obtain incidental take coverage, where necessary, and</u> Include any other information and analyses necessary to understand potential ESHA impacts as well as measures 	Verify vibration control policies are incorporated into Final General Plan and LCP Update	With adoption of Final General Plan and LCP Update	Once	City of Morro Bay Community Development Department			

Attachment B to Council Resolution 20-21

City of Morro Bay
Morro Bay General Plan and LCP Update

Mitigation Measure	Action Required	When Monitoring to Occur	Monitoring Frequency	Responsible Agency or Party	Compliance Verification		
					Initial	Date	Comments
<p>necessary to protect the resource as required by the Local Coastal Program.</p> <p>If the site contains the potential for monarch overwintering or rookeries due to the presence of appropriately sized trees and groves, then a seasonally timed survey appropriate for detecting the target species must also be included in the study.</p>							
<p>BIO-1(b) External Impacts. Policy OS-7 shall be updated to read:</p> <p>Policy OS-7.1. Account for External Impacts. If any portion of the area outside the City limits is included in the City’s sphere of influence in the future, then prepare and adopt a plan for the affected parcels that includes infrastructure and services provided by the City of Morro Bay. <u>The plan shall also identify policies for the protection of natural resources in the affected areas.</u></p>	<p>Verify vibration control policies are incorporated into Final General Plan and LCP Update</p>	<p>With adoption of Final General Plan and LCP Update</p>	<p>Once</p>	<p>City of Morro Bay Community Development Department</p>			
<p>BIO-3. Wildlife Movement Corridors Protection. The following policy shall be added to the Conservation Element.</p> <p>Policy C-1.17. <u>Project Design for Wildlife Connectivity. Design new stream crossing structures and extensions or modifications of existing structures to accommodate wildlife movement. At a minimum, structures within steelhead streams must be designed in consultation with a fisheries biologist and shall not impede movement. New projects with long segments of fencing and lighting shall be designed to minimize impacts to wildlife. Fencing or other project components shall not block wildlife movement through riparian or other natural habitat. Where fencing or other project components that may disrupt wildlife movement is required for public safety concerns, they shall be designed to permit wildlife movement.</u></p> <p>This policy shall be supported by adding the following implementation action to Goal-1 of the Conservation Element:</p> <p><u>Wildlife movement features shall be included when designing new or modified stream crossing structures to allow wildlife movement including for aquatic and terrestrial</u></p>	<p>Verify vibration control policies are incorporated into Final General Plan and LCP Update</p>	<p>With adoption of Final General Plan and LCP Update</p>	<p>Once</p>	<p>City of Morro Bay Community Development Department</p>			

Mitigation Measure	Action Required	When Monitoring to Occur	Monitoring Frequency	Responsible Agency or Party	Compliance Verification		
					Initial	Date	Comments
<p><u>species. Fencing or other components shall be designed to allow movement.</u></p>							
<p>CR-1(a). Avoidance or Minimization of Historic, Cultural, and Archaeological Resources Impacts. Policy C-2.3 of the General Plan and LCP Update shall be revised to read:</p> <p>Policy C-2.3. Protection of Cultural Resources. Ensure the protection of <u>historic</u>, cultural, and archeological resources during development, construction, and other similar activities. Development shall avoid, to the maximum extent feasible, adversely impacting <u>historic</u>, cultural, and/or archaeological resources, and shall include adequate BMPs to address any such resources that may be identified during construction, including <u>avoidance, minimization, and</u> mitigation measures sufficient to allow documentation, preservation, and other forms of mitigation. <u>If the resource(s) in question are of Native American origin, develop avoidance or minimization measures in consultation with appropriate Native American tribe(s).</u></p>	<p>Verify vibration control policies are incorporated into Final General Plan and LCP Update</p>	<p>With adoption of Final General Plan and LCP Update</p>	<p>Once</p>	<p>City of Morro Bay Community Development Department</p>			
<p>CR-1(b). Cultural Resources Study Implementation Action. The following implementation action for Goal C-2 shall be added to the General Plan and LCP Update:</p> <p><u>Require all discretionary proposals within the cultural resources overlay to consider the potential to disturb cultural resources. If preliminary reconnaissance suggests that cultural resources may exist, a Phase I cultural resources study shall be performed by a qualified professional meeting the Secretary of the Interior’s (SOI) Professional Qualification Standard (PQS) for archaeology and/or architectural history, as appropriate (NPS 1983).</u></p> <p><u>A Phase I cultural resources study shall include a pedestrian survey of the project site and sufficient background research and field sampling to determine whether subsurface prehistoric or historic remains may be present. Archival research should include a records search at the Central Coast Information Center (CCIC) and a Sacred Lands File (SLF) search with the Native American Heritage Commission</u></p>	<p>Verify vibration control policies are incorporated into Final General Plan and LCP Update</p>	<p>With adoption of Final General Plan and LCP Update</p>	<p>Once</p>	<p>City of Morro Bay Community Development Department</p>			

Attachment B to Council Resolution 20-21

City of Morro Bay
Morro Bay General Plan and LCP Update

Mitigation Measure	Action Required	When Monitoring to Occur	Monitoring Frequency	Responsible Agency or Party	Compliance Verification		
					Initial	Date	Comments
<p>(NAHC). Where identified or potential resources are of <u>Native American origin, the appropriate Native American tribe(s) will participate with the qualified professional. The technical report documenting the study shall include recommendations to avoid or, if avoidance is not feasible, reduce impacts to cultural resources.</u></p>							
<p>N-2. Construction Vibration Control Measures and Notification. The following new policies shall be added to the Noise Element under Goal NOI-3: <u>Policy NOI-3.5. Vibration Control. Control construction vibration by avoiding the use of vibratory rollers near vibration-sensitive receptors and scheduling construction activities with the highest potential to produce vibration to hours with the least potential to affect sensitive land uses.</u> <u>Policy NOI-3.6. Construction Vibration Notification. Developers shall notify neighbors of scheduled construction activities that would generate vibration.</u></p>	<p>Verify vibration control policies are incorporated into Final General Plan and LCP Update</p>	<p>With adoption of Final General Plan and LCP Update</p>	<p>Once</p>	<p>City of Morro Bay Community Development Department</p>			
<p>T-1. Pedestrian Facility Improvements. The following pedestrian facility improvements shall be added to the list of “Planned Circulation Improvements” in the General Plan and LCP Update Circulation Element.</p> <ul style="list-style-type: none"> ▪ Embarcadero North of Beach Street: Provide sidewalks and a vehicular connection shifting traffic away from Beach Street for the redeveloped Morro Bay Power Plant site. ▪ Morro Bay Boulevard: Provide a landscaped buffer at least two feet wide between the sidewalk and travel lanes. ▪ Main Street south of Radcliffe Drive: Provide continuous sidewalks to provide acceptable pedestrian operations. ▪ SR 41 east of Main Street: Provide sidewalks with a landscaped buffer when adjacent properties are redeveloped. <p>In addition, Policy CIR-1.8 shall be revised as follows: Policy CIR-1.8. Capital Improvement Program. Use the City’s Capital Improvement Program (CIP) process to prioritize, fund, and build roadway, and bikeway, and pedestrian</p>	<p>Verify vibration control policies are incorporated into Final General Plan and LCP Update</p>	<p>With adoption of Final General Plan and LCP Update</p>	<p>Once</p>	<p>City of Morro Bay Community Development Department</p>			

Mitigation Measure	Action Required	When Monitoring to Occur	Monitoring Frequency	Responsible Agency or Party	Compliance Verification		
					Initial	Date	Comments
improvements, and to address phasing and construction of traffic infrastructure throughout the city.							
TC-1. Tribal Cultural Resources. The Final EIR concludes, in Impact TC-1, development facilitated by the General Plan and LCP Update has the potential to impact tribal cultural resources. Implementation of the goals and policies of the General Plan and LCP Update would minimize the potential for impacts to previously unidentified tribal cultural resources. (Final EIR p. 4.15-3). The City Council finds changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the significant environmental effect as identified in the FEIR. Mitigation Measures CR-1(a) and CR-1(b) would reduce the significant impact to a less than significant level.	Verify vibration control policies are incorporated into Final General Plan and LCP Update	With adoption of Final General Plan and LCP Update	Once	City of Morro Bay Community Development Department			

Attachment B to Council Resolution 20-21

City of Morro Bay

Morro Bay General Plan and LCP Update



Rincon Consultants, Inc.

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San Luis Obispo, California 93401

805 547 0900

info@rinconconsultants.com
www.rinconconsultants.com

May 5, 2021
Project No: 15-02152

Scot Graham, Community Development Director
City of Morro Bay
595 Harbor Street
Morro Bay, California 94332
Via email: sgraham@morrobayca.gov

**Subject: Morro Bay General Plan/Local Coastal Plan Update Final EIR
Revision Letter re: Land Use Change at 3300 Panorama Drive**

Mr. Graham:

This revision letter to the Morro Bay General Plan/Local Coastal Plan Update Final EIR compares the environmental effects of the revised land use at 3300 Panorama Drive to the original planned land use map evaluated in the February 2021 Final Environmental Impact Report (Final EIR) for the Morro Bay General Plan/Local Coastal Plan Update prepared by Rincon Consultants on behalf of the City of Morro Bay.

The Draft EIR was circulated for a 45-day public review period that began on October 19, 2020 and ended on December 4, 2020. Since the Draft EIR was circulated for public review, the Final EIR project description has been revised by City staff to update the existing and planned land use of a single property located at 3300 Panorama Drive. The Final EIR identifies the planned land use at 3300 Panorama Drive property as medium density residential (refer to Final EIR Figure 2-4). The requested revision to the General Plan land use map and Final EIR described herein would modify the planned land use for this property to low density residential, reducing the potential residential development density on the property from 7-15 developable units per acre to 4-7 developable units per acre (refer to Figure 1, attached). The property is approximately 15 acres, but City staff have determined that the developable area of the property is approximately 7 acres. Therefore, this change would result in an estimated reduction in the maximum development potential of the property by almost 60 units.

Because the requested revisions to the planned land use would result in a reduction in residential buildout potential within the City, this change would incrementally reduce potential impacts identified in the Final EIR related to air quality and greenhouse gas emissions, energy consumption, population and housing, public services, and transportation.¹ However, as shown in Final EIR Table 2-5, the requested reduction in buildout would be incremental and minor in comparison to the overall General Plan/Local Coastal Plan Update, which anticipates up to 881 new residential units and up to 8.3 million square feet of new non-residential development. As a result, the requested revision would not reduce

¹ The correlation between buildout potential and transportation impacts is not direct, because the effects of reducing buildout potential on regional vehicle miles traveled (VMT) is complex. However, this discussion assumes VMT would be reduced with the requested revision because the 3300 Panorama Drive property is on the periphery of the City, such that fewer vehicles trips generated from this location would also reduce average vehicle trip lengths in the City.



any of the environmental effects described in the Final EIR such that the overall impact conclusions or mitigation requirements would be reduced. Based on the evidence described above and original analysis in the Final EIR, impacts resulting from implementation of the revised General Plan/Local Coastal Plan Update would not otherwise result in a change in the levels of impact identified in the existing analysis contained in the Final EIR. As such, the Final EIR may be used to fulfill the environmental review requirements for the revised General Plan/Local Coastal Plan Update, and the information contained herein does not require recirculation of the Draft EIR pursuant to CEQA Guidelines Section 15088.5.

As described, the revision to the Morro Bay General Plan/Local Coastal Plan Update would not result in any new or revised environmental impacts, as compared to the General Plan/Local Coastal Plan Update as evaluated in the Final EIR.

Sincerely,

Rincon Consultants, Inc.

A handwritten signature in black ink, appearing to read "CB", written over a horizontal line.

Chris Bersbach, MESM
Senior Environmental Planner/Program Manager

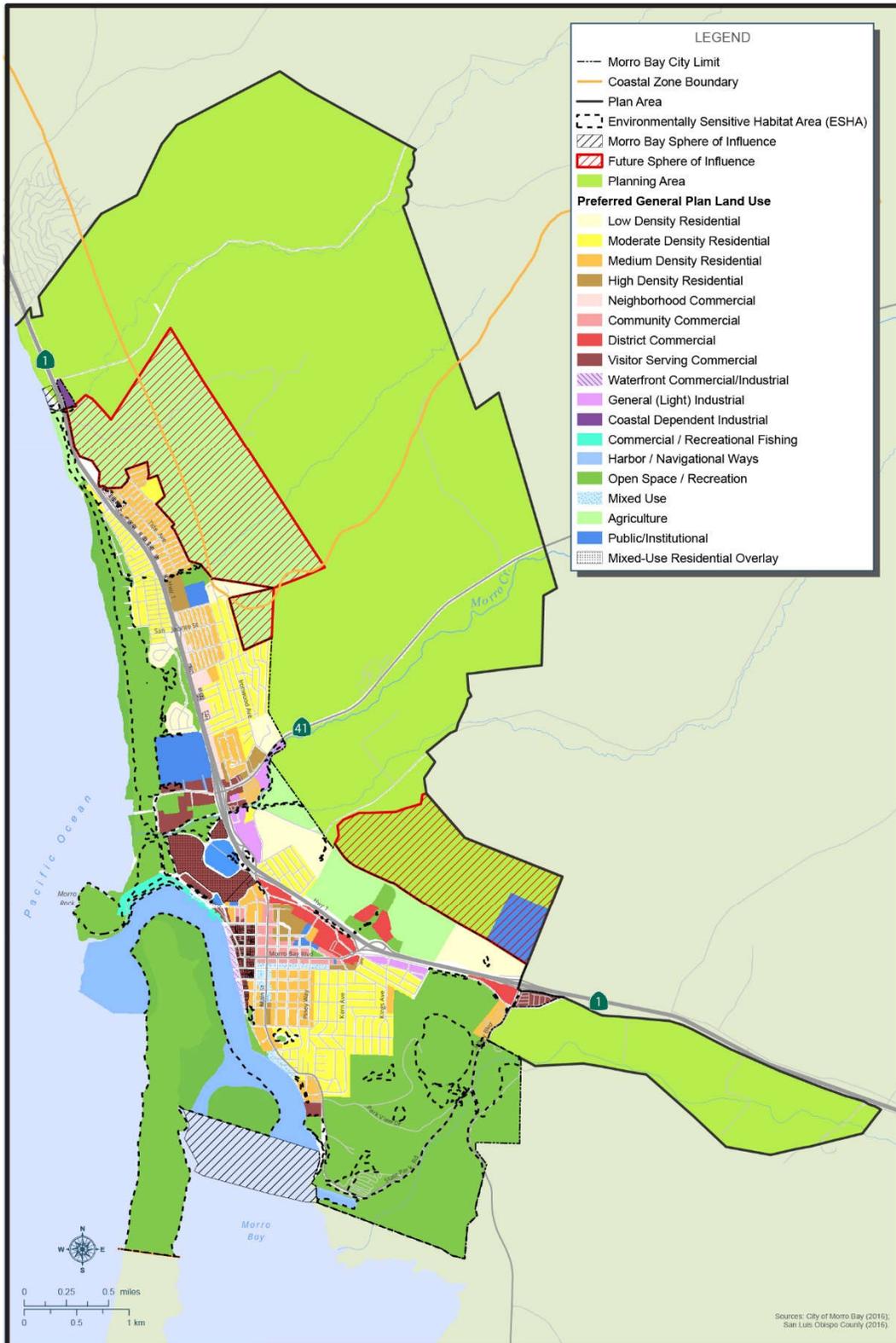
A handwritten signature in black ink, appearing to read "Richard Daulton", written over a horizontal line.

Richard Daulton, MURP
Principal/Vice President

Attachments

Figure 1 Updated Land Use Map (EIR Figure 2-4)

Figure 1 Revised Proposed Land Use Map



CITY COUNCIL

May 11, 2021



Plan Morro Bay Review

1. Council started review of the Plan at the 4/27 public hearing and continued the hearing to a date certain of 5/11/2021.
2. Council to continue review of the Plan in two hour increments over the next two meetings (5/11 and 5/25), unless review is completed earlier
3. Review of Final Environmental Impact Report



Environmental Review

The Draft EIR was circulated for a 45-day public review period from October 2020 through December 2020

- Consistent with requirements of CEQA Guidelines Section 15162 and Public Resources Code Section 21092

The Final EIR comprised of revised Draft EIR, in combination with responses to all written and verbal comments received on the Draft EIR

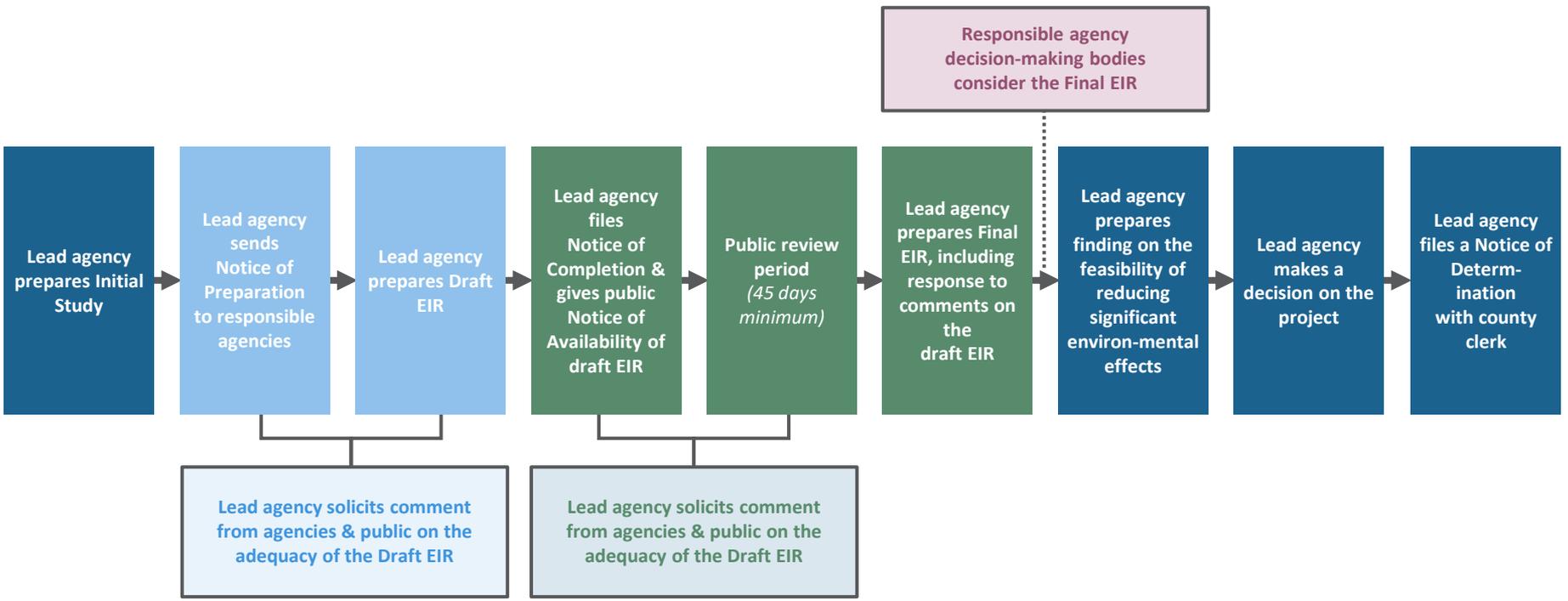
CEQA Graphic

- Agriculture and Forestry Resources
- Biological Resources
- Cultural Resources
- Geology and Soils
- Energy
- Wildfire
- Public Services
- Transportation
- Land Use and Planning
- Hydrology and Water Quality



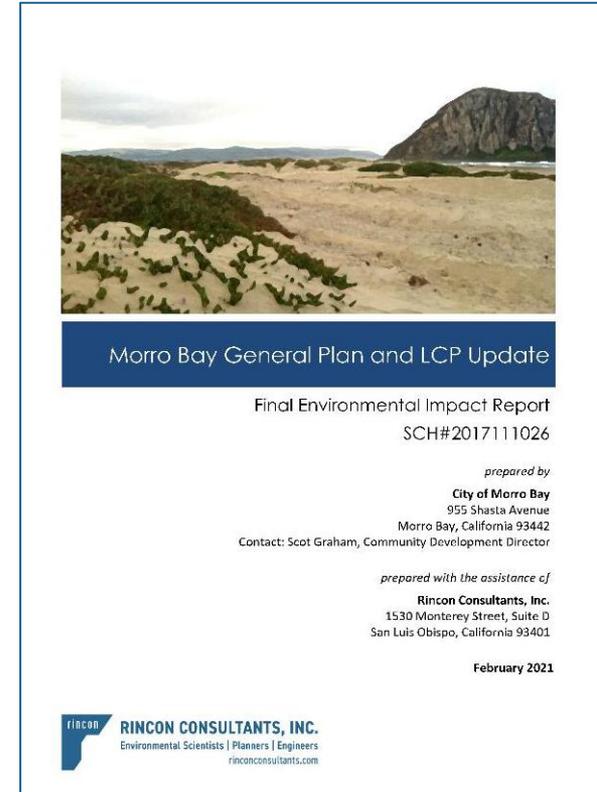
- Hazards and Hazardous Materials
- Tribal Cultural Resources
- Population and Housing
- Aesthetics/Visual
- Recreation
- Noise
- Air Quality
- Mineral Resources
- Greenhouse Gas Emissions
- Utilities and Service Systems

CEQA Process



Final EIR Certification and CEQA Findings

- Final EIR must be certified to allow project approval
- CEQA Findings must be adopted
 - Findings are the link between the Final EIR and Plan Morro Bay
 - Describes how the Mitigation Measures are carried forward in Plan Morro Bay
 - Includes a Statement of Overriding Considerations for Significant Unavoidable (Class I) impacts
 - Included as part of Resolution



Required Mitigation for Impacts

Air Quality

- Standard SLOAPCD Mitigation for Construction Equipment

Biological Resources

- PMB Policy C-1.3 Update: Avoidance and Minimization during Development
- PMB Policy OS-7.1 Update: External Impacts
- PMB Policy C-1.17 Addition: Wildlife Movement Corridors Protection

Cultural and Tribal Cultural Resources

- PMB Policy C-2.3 Update: Avoidance or Minimization of Historic, Cultural, and Archaeological Resources Impacts

- PMB Goal C-2 Update: Cultural Resources Study Implementation Action

Noise

- PMB Policy N-3.5 & N-3.6 Addition: Construction Vibration Control Measures and Notification

Transportation

- PMB “Planned Circulation Improvements” Addition: Pedestrian Facility Improvements
- PMB Policy CIR-1.8 Update: Pedestrian Facility Improvements

Significant and Unavoidable (Class I) Impacts

Air Quality

- Clean Air Plan consistency
- Cumulative air quality impacts

Transportation/Circulation

- Vehicle miles traveled
- Cumulative transportation impacts

Maximum feasible mitigation required for all Class I impacts

All other impacts mitigated below significance thresholds with required Mitigation Measure

Statement of Overriding Considerations

The City Council hereby finds and determines that...

- It is imperative to balance competing goals in adopting PMB and certifying the Final EIR.
- The Final EIR has identified and discussed significant effects that may occur as a result of the General Plan and LCP Update.
- The City has made a reasonable and good faith effort to eliminate or substantially mitigate potential environmental impacts.
- The alternatives evaluated in the Final EIR would not achieve the General Plan and LCP Update vision and values and/or provide specific economic, social, or other benefits that outweigh any environmental benefits of the alternatives.
- The economic, social and other benefits of the General Plan and LCP Update outweigh remaining environmental impacts and render potential significant impacts acceptable.
- The project objectives and community values that would be achieved from implementation of the General Plan and LCP Update outweigh the proposed project's unavoidable environmental risks.

Organization

- 1 - Introduction
- 2 – Vision

Blueprint Review

- 3a – Blueprint Introduction
- 3b – Land Use Element
- 3c – Community Design Element
- 3d – Economic Development Element



Organization (cont'd)

- 3e – Circulation Element
- 3f – Noise Element
- 3g – Housing Element*

**Updated and adopted in 2020, not currently included in Plan Morro Bay*



Organization (cont'd)

Greenprint Review

- 4a – Greenprint Introduction
- 4b – Conservation Element
- 4c – Open Space Element
- 4d – Public Safety Element
- 4e – Environmental Justice Element



Organization (cont'd)

- 5 – Implementation
- 6 – Glossary and Acronyms
- Appendices

Recommendation

Staff recommends Council review and consider the favorable recommendation by Planning Commission for approval of Plan Morro Bay: General Plan/ Local Coastal Program Update, and certification of the Final Environmental Impact Report with Findings of Fact and Statement of Overriding Considerations.



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AGENDA NO: B-2

MEETING DATE: May 11, 2021

Staff Report

TO: Honorable Mayor and City Council

DATE: May 4, 2021

FROM: Cindy Jacinth, Senior Planner

SUBJECT: Adoption of Resolution No. 22-21 approving Major Amendment #MAJ19-006 of Conditional Use Permit No. UP0-260, located at 571 Embarcadero, for the conversion of 839sf of existing 2nd floor office space to one vacation rental unit with 988sf of new deck, replacement of docks and gangway, and 207sf expansion of Harborwalk public access. Project also includes request for master sign program approval and related building facade improvements. This project is located in the Coastal Commission Original Jurisdiction

RECOMMENDATION

Staff recommends the Council adopt Resolution No. 22-21, making the necessary findings for approval of Major Amendment #MAJ19-006 to Conditional Use Permit (CUP) No. UP0-260 as Concept/Precise Plan approval, located at 571 Embarcadero.

ALTERNATIVES

Alternative 1. The City Council could move to modify or delete conditions of approval from the Planning Commission’s favorable recommendation.

Alternative 2. The City Council could move to deny the CUP and request and direct staff to return to Council with a resolution memorializing that denial.

FISCAL IMPACT

The City will realize transient occupancy tax as the project adds a single vacation rental unit to the City’s lodging inventory.

PROJECT DESCRIPTION AND REGULATIONS

The project is a proposed commercial remodel of the Salt Building located at 571 Embarcadero Road. The applicant proposes a second floor conversion of 839sf of two underutilized existing office spaces to one vacation rental unit and two deck areas of 988sf. The project also proposes a 450sf water lease line amendment to accommodate modifications to existing damaged docks and gangway by removing and replacing 2 existing finger docks, providing a new realigned 28’ gangway, replacement of two existing pilings to support a Harborwalk extension of 207sf for increased coastal public access; commercial façade improvements including an ADA accessible chair lift, along with a master sign program approval requesting 73.9sf where 67.5sf is allowed. The Harborwalk extension widens the existing bayside lateral access from 8.5 feet to 10 feet in some areas and as wide as 21 feet along the southern lease line boundary.

Prepared By: CJ

Dept Review: SG

City Manager Review: SC

City Attorney Review: CFN

The project is in the Commercial Visitor-Serving (WF/PD/S.4) zoning district and is located in the Waterfront Master Plan (WMP) and the Downtown Waterfront Specific Plan (DWSP) areas. The project is also located within the Coastal Commission Original Jurisdiction, which has permitting authority for the related coastal development permit. The proposed project was reviewed by the Planning Commission (PC) on April 6, 2021, pursuant to Morro Bay Municipal Code (MBMC) section 17.40.030 (Planned Development overlay), which requires Concept/Precise plan approval for public tidelands projects. The PC reviewed the project and voted 5-0 on April 6, 2021 to forward a favorable recommendation with recommended conditions to the City Council as discussed below (PC Resolution 07-21, Attachment 2). The PC staff report, which discusses the project in greater detail, is provided below as an online link on the last page of this staff report.

BACKGROUND/ DISCUSSION

The PC initially reviewed the CUP amendment on December 18, 2018 and added five project conditions primarily related to restoring the building as much as possible to the original Jim Maul architecture. However, the 2018 project did not move forward to City Council for final CUP approval due to Building Code challenges related to ADA accessibility with the proposed lift and the second floor uses. Since 2018, the Applicant revised the project to maintain the visitor-serving retail/restaurant uses on the first floor and reduced the two proposed second floor vacation rental units to a single vacation rental unit. The project now includes an elevator lift for ADA access at the east elevation facing Embarcadero Road. In addition, recent king tide events caused damage to the two existing finger docks, and as a result, the project also incorporates dock and gangway replacement. At its April 6, 2021 meeting, the PC reviewed the revised CUP application and amended the conditions of approval by updating conditions 10, 15, and 18. (Attachment 2, PC conditions 07-21). These conditions include:

PC recommended conditions

14. *Remove trash/storage area to expose the original brick façade*

Response:

Project plans were updated for the April 6, 2021 PC meeting to show the northeast corner of the building façade with the storage area reduced in order to reveal the brick column as shown in the visual simulation on plan sheet A5.1B.

15. *Add signage for on-site public restroom and relocate as a pub sign for improved visibility*

Response:

The plans have not been updated to reflect this recommended condition. The public restroom sign is shown on plan sheet A6.0 in its original proposed location. This condition would require that the sign location and type be shown on building plans to be confirmed by Planning prior to issuance of a building permit.

16. *Tone down the brightness of the white directory sign on the brick column*

Response:

Project plans were updated for the April 6, 2021 PC meeting as shown on plan sheet A6.3 which depicts the directory wall sign with the muted color.

17. *Revise lighting fixtures to be more consistent with the original Jim Maul architecture*

Response:

Second floor lighting plan revised as shown on plan sheet A7.1. Lighting is proposed to be dark sky compliant wall-mounted light fixtures with wood trim surrounds. The wood trim surround shown on plan sheet A7.1 is a custom design fixture proposed to more closely reflect the architecture design of original light fixture "E" as conditioned by PC. No changes to lighting on the first floor are proposed, however, the existing fascia-mounted flood lights located along the west and east elevations (Fixture C on plan sheet A7.0) do not reflect a style of lighting consistent with the architecture of the building. Staff is recommending a condition of approval be added to specify that all Fixture C lights be revised to be a cutoff-style, downward-facing fixture that better blends with the architecture of the building while also avoiding light glare directed toward the Bay and street glare (see recommended City Council condition 19, Attachment1).

18. *Revise proposed materials for the ADA vertical lift support wall from the proposed brick veneer to brown wood paneling*

Response:

Project plans show the proposed wood siding finish to match existing in the updated visual simulation on plan sheet A5.1B.

CONCLUSION

The PC reviewed the project and has forwarded a favorable recommendation for final approval to City Council. The attached Council Resolution No. 07-21 reflects the PC's recommendation. No exceptions under the Planned Development overlay are proposed. The project proposes a remodel of the existing commercial building, by adding a second-floor vacation rental, façade improvements, improving the existing sub-standard bayside lateral access by widening the Harborwalk from 8 to 10 feet and as wide as 21 feet at the southwest corner of the lease site, and establishing master sign program approval for mix of commercial uses present. The project is located in the Waterfront (WF) zoning district which is intended to "provide for the continued mixture of visitor-serving commercial and recreational and harbor-dependent land uses in appropriate waterfront areas." The remodel of an existing waterfront commercial building to provide first floor visitor-serving retail and restaurant, second floor overnight accommodation, improvements to public access in the form of improved bayside lateral access is consistent with the Waterfront District and the goals of the Waterfront Master Plan and Downtown Waterfront Strategic Plan.

As conditioned, the City Council can find for approval of the project consistent with applicable provisions of the General Plan/ LCP, and Zoning Ordinance. Staff therefore recommends approval of MAJ19-006.

ATTACHMENTS:

1. City Council Resolution No. 22-21
2. Planning Commission Resolution No. 07-21 (adopted April 6, 2021)
3. Plans/ Plan Reductions received April 26, 2021
4. Powerpoint presentation

ONLINE DOCUMENTS

*Complete staff report & attachments for the 4/06/2021 Planning Commission meeting available at the following link: <https://www.morrobayca.gov/ArchiveCenter/ViewFile/Item/5622>

RESOLUTION NO. 22-21

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
TO CONDITIONALLY APPROVE MAJOR MODIFICATION (MAJ19-006) OF
CONCEPT / PRECISE PLAN APPROVAL OF CONDITIONAL USE PERMIT
(UP0-260) FOR CONVERSION OF 839 SF OF EXISTING SECOND FLOOR
OFFICE SPACE TO ONE VACATION RENTAL UNIT WITH 988SF DECK,
450SF WATER LEASE LINE AMENDMENT, REPLACEMENT OF TWO
FINGER DOCKS AND 28 FOOT GANGWAY, REPLACEMENT OF PILINGS TO
SUPPORT NEW 207SF EXPANSION OF HARBORWALK PUBLIC ACCESS,
APPROVAL FOR A MASTER SIGN PROGRAM ALLOWING 73.9 SF WHERE
67.5 SF IS ALLOWED, AND RELATED BUILDING FAÇADE IMPROVEMENTS
LOCATED AT
571 EMBARCADERO, SALT BUILDING**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, the Planning Commission of the City of Morro Bay conducted a public hearing via video conference on April 6, 2021 for the purpose of considering a favorable recommendation to the Morro Bay City Council for approval of a Major Modification (MAJ19-006) to Conditional Use Permit UP0-260 (“Project”); and

WHEREAS, the City Council of the City of Morro Bay (the “City”) conducted a public hearing via video conference on May 11, 2021, for the purpose of considering the favorable recommendation by the Planning Commission; and

WHEREAS, pursuant to the Governor's Executive Order N-29-20 issued on March 17, 2020 in response to the present State of Emergency in existence due to the threat of COVID-19, the City of Morro Bay Planning Commission and the City Of Morro Bay City Council are authorized to hold public meetings via teleconferencing and all requirements in the Brown Act expressly or impliedly requiring the physical presence of members, the clerk or other personnel of the body, or of the public as a condition of participation in or quorum for a public meeting are hereby waived; and

WHEREAS, notices of said public hearings were made at the time and in the manner required by law; and

WHEREAS, the City Council has duly considered all evidence, including the testimony of the Applicant, interested parties, and the evaluation and recommendations by staff, presented at said hearing.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay as follows:

Section 1. Findings. Based upon all the evidence, the Council makes the following findings:

California Environmental Quality Act (CEQA)

- A. That for purposes of the California Environmental Quality Act, Case No. MAJ19-006 is exempt under Section 15301 and 15303, Class 1e and 1g for minor alterations to existing structures and changes to sign copy; and Class 3c for conversion of commercial structures from one use to another where the commercial remodel of this project converting 2nd floor office space, public access improvements, and sign program approval would qualify for an exemption with implementation of best management practices as conditioned by Planning conditions 7-9. To ensure there are no future impacts to eelgrass, a condition of approval has been added to require an updated eelgrass survey prior to construction of the dock and gangway replacement per the California Eelgrass Mitigation Policy (CEMP) (Planning condition 10). Additionally, none of the Categorical Exemption exceptions, noted under Section 15300.2, apply to the project.

Conditional Use Permit Findings

- A. The project will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood in that the conversion of existing second floor office space to one vacation rental unit, improvements to public access, dock and gangway replacement, and building façade improvements at 571 Embarcadero are permitted uses within the zoning district and said structures comply with all applicable project conditions and City regulations and is consistent with the City's Local Coastal Program.
- B. The project will not be injurious or detrimental to property and improvements in the neighborhood and the general welfare of the City in that the proposed widening of the Harborwalk from 8.5 feet to 10 feet and updated public coastal access signage as well as removal of obstructions within the view corridor, will provide greater public coastal access to a visitor-serving commercial use and is consistent with the character of the existing development.

Waterfront Master Plan Findings

- A. The proposed project makes a positive contribution to the visual and public accessibility to the bay while increasing and maintaining commercial fishing industry:
 - a. The proposed project provides the amenities identified in the WF Plan, facilitates pedestrian visual and physical access to the waterfront, in that the Harborwalk bayside lateral access is improved to increase from 8.5 feet to 10 feet in width to allow for easier pedestrian access, enjoyment and better bay views by opening up vertical access to improve view corridor from the street.
 - b. The proposed project makes a positive contribution to the working fishing village character and quality of the Embarcadero area in that the new project reconstructs the finger docks and gangway leading to the existing boat slips in the bay for recreational or commercial boat rental and also with the removal of visual obstructions within the view corridor will maintain and enhance views of the bay.
 - c. The design recognizes the pedestrian orientation of the Embarcadero and provides an interesting and enhanced pedestrian experience in that the project will provide improved lateral public access to the water and docks while assisting in the Harborwalk plan to continue public access along the waterfront as well as create improved view

corridor through the vertical access leading to the bayside lateral access. In addition the project recognizes the pedestrian orientation by approving a sign program which includes a directory sign accessible by pedestrians to inform the types of businesses present. The project is consistent with the character of the existing development.

- d. The project gives its occupants and the public some variety in materials and/or application in that the harborwalk lateral access will be of wood material consistent with the character of the building and coastal access signage will be updated to be consistent with other Embarcadero projects in order to have consistent public access signage in order to promote public awareness of coastal bayside access.
- e. The project contains the elements of harmony, continuity, proportion, simplicity, and balance, and its appearance matches its function and the uses proposed in that the improved harborwalk public lateral access will be accessible to the public and is consistent with the character of the existing development.
- f. The proposed project does not diminish, either directly or by cumulative impact of several similar projects, the use, enjoyment, or attractiveness of adjacent buildings and provides a visual and pedestrian transition connection point to its immediate neighbor to the south and will be enhanced by opening up the vertical access along the center of the building.

Architectural Consideration

- A. As required by Morro Bay Municipal Code Section 17.48.200 the Planning Commission finds the architectural treatment and general appearance of all proposed structures and open areas are in keeping with the character of the surrounding areas, are compatible with any design themes adopted by the city and are not detrimental to the orderly and harmonious development of the city or to the desirability of investment of occupation in the area.

Precise Plan Finding

- A. As required by Morro Bay Municipal Code Section 17.40.030.G, the Planning Commission finds the project is developed sufficiently to approve the project as a combined concept/precise plan approval of the conditional use permit.

Downtown Waterfront Specific Plan (DWSP) Finding

- A. The project is consistent with the Waterfront Design Guidelines for the DWSP in that the proposed project includes outdoor dining, exterior lighting, and a sign program which includes centrally located directory signage and projecting signs oriented toward pedestrians and bicyclists which are encouraged. The project also includes project exterior light consistent with the architectural style of the building as well as outdoor dining deck adjacent to proposed 10-foot wide Harborwalk bayside lateral access.

Section 2. Action. The City Council does hereby approve Major Modification #MAJ19-006 to Conditional Use Permit #UP0-26- as a combined Concept/Precise Plan approval subject to the following conditions:

STANDARD CONDITIONS

1. This permit is granted for the land described in the staff report dated May 4, 2021, for the project at 571 Embarcadero depicted on plans received April 26, 2021, on file with the Community Development Department, as modified by these conditions of approval, and more specifically described as follows: Site development, including all buildings and other features, shall be located and designed substantially as shown on Planning Commission approved plans submitted for MAJ19-006, unless otherwise specified herein.
2. Inaugurate Within Two Years: Unless the construction or operation of the structure, facility, or use is commenced not later than two (2) years after the effective date of this Resolution and is diligently pursued, thereafter, this approval will automatically become null and void; provided, however, upon the written request of the applicant, prior to the expiration of this approval, the applicant may request up to two extensions for not more than one (1) additional year each. Any extension may be granted by the City's Community Development Director (the "Director"), upon finding the project complies with all applicable provisions of the Morro Bay Municipal Code (the "MBMC"), General Plan and certified Local Coastal Program Land Use Plan (LCP) in effect at the time of the extension request.
3. Changes: Minor changes to the project description and/or conditions of approval shall be subject to review and approval by the Community Development Director. Any changes to this approved permit determined, by the Director, not to be minor shall require the filing of an application for a permit amendment subject to Planning Commission review.
4. Compliance with the Law: (a) All requirements of any law, ordinance or regulation of the State of California, the City, and any other governmental entity shall be complied with in the exercise of this approval, (b) This project shall meet all applicable requirements under the MBMC, and shall be consistent with all programs and policies contained in the LCP and General Plan for the City.
5. Hold Harmless: The applicant, as a condition of approval, hereby agrees to defend, indemnify, and hold harmless the City, its agents, officers, and employees, from any claim, action, or proceeding against the City as a result of the action or inaction by the City, or from any claim to attack, set aside, void, or annul this approval by the City of the applicant's project; or applicant's failure to comply with conditions of approval. Applicant understands and acknowledges the City is under no obligation to defend any legal actions challenging the City's actions with respect to the project. This condition and agreement shall be binding on all successors and assigns.
6. Compliance with Conditions: The applicant's establishment of the use or development of the subject property constitutes acknowledgement and acceptance of all Conditions of Approval. Compliance with and execution of all conditions listed hereon shall be required prior to obtaining final building inspection clearance. Deviation from this requirement shall be permitted only by written consent of the Director or as authorized by the Planning Commission. Failure to comply with any of these conditions shall render this entitlement, at the discretion of the Director, null and void. Continuation of the use without a valid entitlement will constitute a violation of the MBMC and is a misdemeanor.
7. Compliance with Morro Bay Standards: This project shall meet all applicable requirements under the MBMC, and shall be consistent with all programs and policies contained in the LCP and General Plan of the City.

Building Conditions:

A. THE FOLLOWING CONDITIONS AND SELECTED CODE REQUIREMENTS SHALL BE MET PRIOR TO ISSUANCE OF A BUILDING PERMIT.

BUILDING DIVISION:

1. The Title sheet of the plans shall include:
 - a. Street address, lot, block, track and Assessor Parcel Number.
 - b. Description of use.
 - c. Type of construction.
 - d. Height of the building.
 - e. Floor area of the building(s).
 - f. Vicinity map.

All construction will conform to the 2016 California Building Code (CBC), 2016 California Fire Code (IFC), 2016 California Mechanical Code (CMC), 2016 California Plumbing Code (CPC), 2016 California Electrical Code (CEC), 2016 California Energy Code, 2016 Green Building Code, 2016 California Residential Code and Accessibility Standards where applicable and all City codes as they apply to this project.

(Code adoption dates are subject to change. The code adoption year is established by application date of plans submitted to the Building Division for plan review.)

2. Building permit plans shall be submitted by a California licensed architect or engineer when required by the Business & Professions Code, except when otherwise approved by the Chief Building Official.
3. The owner shall designate on the building permit application a registered design professional who shall act as the Registered Design Professional in Responsible Charge. The Registered Design Professional in Responsible Charge shall be responsible for reviewing and coordinating submittal documents prepared by others including phased and staggered submittal items, for compatibility with design of the building.
4. The owner shall comply with the City's Structural Observation Program. The owner shall employ the engineer or architect responsible for the structural design, or another engineer or architect designated by the engineer of record or architect responsible for the structural design, to perform structural observation as appropriate. Observed deficiencies shall be reported in writing to the owner's representative, special inspector, contractor and the building official. The structural observer shall submit to the building official a written statement that the site visits have been made and identify any reported deficiencies that, to the best of the structural observer's knowledge, have not been resolved.
5. The owner shall comply with the City's Special Inspection Program. Special inspections may be required by Section 1704 of the California Building Code. All Special Inspectors shall first be approved by the Building Official to work in the jurisdiction. All field reports shall be provided to the City Building Inspector when requested at specified increments in order for the construction to proceed. All final reports from Special Inspectors shall be provided to the Building Official when they are complete and prior to final inspection.
6. Deferred submittals are not allowed, unless otherwise permitted by the Building Official, i.e. fire sprinkler plans and calculations, and truss calculations.
7. Fire sprinklers shall be required in the vacation rental unit.
8. Identify how ADA access is provided to the upper floor unit.

**B. CONDITIONS TO BE MET DURING CONSTRUCTION:
BUILDING DIVISION:**

1. **SITE MAINTENANCE.** During construction, the site shall be maintained so as to not infringe on neighboring property, such as debris and dust.
2. A licensed surveyor or engineer shall verify pad elevations, and setbacks, prior to foundation inspection when determined necessary by the planning division.
3. **ARCHAEOLOGICAL MATERIALS.** In the event unforeseen archaeological resources are unearthed during any construction activities, all grading and or excavation shall cease in the immediate area and the find left untouched. The Building Division shall be notified so that the extent and location of discovered materials may be recorded by a qualified archaeologist, Native American, or palaeontologist, whichever is appropriate. The qualified professional shall evaluate the find and make reservations related to the preservation or disposition of artifacts in accordance with applicable laws and ordinances. If discovered archaeological resources are found to include human remains, or in any other case when human remains are discovered during construction, the Building Official shall notify to county coroner. If human remains are found to be of ancient age and of archaeological and spiritual significance, the Building Official shall notify the Native American Heritage Commission. The developer shall be liable for costs associated with the professional investigation.

**C. CONDITIONS TO BE MET PRIOR TO FINAL INSPECTION AND ISSUANCE OF
CERTIFICATE OF OCCUPANCY:
BUILDING DIVISION:**

1. Prior to building division final approval all required inspections from the other various departments must have been completed and verified by a city inspector. All required final inspection approvals must be obtained from the various departments and documented on the permit card.

D. CONDITIONS SUBJECT TO ONGOING COMPLIANCE:

1. **COMPLIANCE WITH APPLICABLE LAWS.** All applicable requirements of any law or agency of the State, City of Morro Bay and any other governmental entity at the time of construction shall be met. The duty of inquiry as to such requirements shall be upon the applicant.

Fire Conditions:

1. Fire Safety during Construction and Demolition shall be in accordance with 2016 California Fire Code, Chapter 33. This chapter prescribes minimum safeguards for construction, alteration and demolition operations to provide reasonable safety to life and property from fire during such operations.
2. Automatic fire sprinklers for the entire building. An automatic fire sprinkler system, in accordance with NFPA 13, California Fire Code (Section 903) and Morro Bay Municipal Code (Section 14.08.090). Applicant shall submit 3 sets of sprinkler plans to Morro Bay Community Development Department for review.
3. Every sleeping room below the fourth story shall have at least one operable window or door approved for emergency escape or rescue that shall open directly into a public street

and shall be operable from inside to provide a full, clear opening without tools (CBC 310.4). Exception 2 may apply when fully sprinklered in accordance with NFPA 13

4. Fire Department access to equipment. Rooms or areas containing controls for Electrical, FAU, Alarm and Fire Sprinkler Systems shall be identified by approved and appropriate signage for Fire Department use. (CFC 1001.8)
5. Fire Extinguishers. A minimum of one 2A-10-BC extinguisher shall be provided for each floor area, so that travel distance does not exceed 75 feet. Extinguishers shall be serviced annually and shall have a current service tag attached. (CCR, Title 19, Sec. 3.29).

Public Works Conditions:

1. Frontage: Show sidewalk and street frontage on plans. Verify current ADA accessibility requirements are in place.
2. Sewer Lateral: Indicate and label new or existing sewer lateral and connection. If an existing lateral is used, perform a video inspection of the lateral and submit to Public Works via flash drive or DVD, prior to building permit issuance. Lateral shall be repaired as necessary and all repairs shall be noted on approved set of plans. A sewer backwater valve and downstream cleanout, extended to grade, shall be installed on the sewer lateral.
3. Sewer Backwater Valve: Indicate and label sewer backwater valve on plan. A sewer backwater valve shall be installed on site to prevent a blockage or maintenance of the municipal sewer main from causing damage to the proposed project (MBMC 14.24.070).
4. Erosion and Sediment Control Plan: For small projects less than one acre and less than 15% slope, provide a standard erosion and sediment control plan. The Plan shall show control measures to provide protection against erosion of adjacent property and prevent sediment or debris from entering the City right of way, adjacent properties, any harbor, waterway, or ecologically sensitive area.
5. Harbor Deck Extension: Show debris barrier and BMP's on construction plans.
6. Utilities: Show all existing and proposed locations of the sewer lateral, water service, and water and sewer mains on the building plans. Include sizes where appropriate. Note the location of all overhead utilities and construction underground service entrances per the CBC.
7. Water Backflow Prevention Device: Verify and label all new or existing water backflow preventers. Devices are required for fire water systems, irrigation systems on a dedicated water meter, systems which may change in character of use (commercial rentals, etc.), gray water systems, or any plumbing system which has cross-connections or the ability to allow water of deteriorated sanitary quality to enter the public water supply. Add note to plan that device is an approved domestic water backflow prevention device.
8. Public Access: Note on plans how the public will be protected/ screened from work areas. Provide temporary physical barriers that will momentarily segregate the public from construction.
9. Encroachment Permits: A sewer encroachment permit shall be required for any repairs or

installation of a sewer lateral within the City right-of-way or within a utility easement. When utility connections require pavement cuts a traffic control plan indicating appropriate signing, marking, barricades and flaggers must be submitted with the Encroachment Permit application. If a construction dumpster is placed within the City right-of-way or parking spaces are required for construction an encroachment permit is required.

Add the following Notes to the Plans:

1. Any damage, as a result of construction operations for this project, to City facilities, i.e. curb/berm, street, sewer line, water line, or any public improvements shall be repaired at no cost to the City of Morro Bay.

No work shall occur within (or use of) the City's Right of Way without an encroachment permit. Encroachment permits are available at the City of Morro Bay Public Works Office located at 955 Shasta Ave. The Encroachment permit shall be issued concurrently with the building permit.

Planning Conditions:

1. A Coastal Development Permit shall be submitted to the Community Development Department prior to issuance of a building permit.
2. Prior to issuance of a building permit, the Applicant shall either acquire all required regulatory permits and authorizations (i.e. U.S. Army Corps of Engineers, Regional Water Quality Control Board, California Department of Fish and Game), or submit documentation that such permits are not required.
3. Conditions of Approval on Building Plans: Prior to the issuance of a Building Permit, the final Conditions of Approval for both the Conditional Use Permit and the Coastal Development Permit shall be attached to the set of approved plans. The sheet containing Conditions of Approval shall be the same size as other plan sheets and shall be the last sheet in the set of Building Plans.
4. Inspection: The applicant shall comply with all City conditions of approval and conditions imposed by the California Coastal Commission and obtain final inspection clearance from the Planning Division at the necessary time in order to ensure all conditions have been met.
5. Floating dock. Signage shall be added that reflects that the floating dock shall be publicly available for general public pedestrian access and either short-term or long-term use by recreational or commercial boats. Signs discouraging the public from walking on the docks during daylight hours are prohibited. The docks shall be open to the general public during at least daylight hours (i.e. one hour before sunrise to one hour after sunset).
6. The public access closure shall be limited to no more than 45 days. Any extension of public access closure beyond 45 days shall be subject to review and approval by the Community Development Director.
7. A project-specific Oil Spill Response and Recovery Plan that includes specifics on reporting and response procedures, available on-site equipment and contracted services, and responsibilities shall be completed and approved prior to the initiation of construction

activities. Specifically, the project shall include the following Best Management Practices (BMPs) and shall be included on building plans submitted for approval:

- a. No refueling of equipment without adequate containment and spill response equipment. The barge shall have only double contained fuel storage below decks, with the spill containment and clean up kits on-site and easily accessible. Spill containment and clean up kits shall include the following:
 - b. 150 feet Absorbent Boom 200 square feet Absorbent Tarp (for use during pile driving operations)
 - c. Barrel Absorbent Pads
 - d. Container Absorbent Granules
 - e. Rainwater runoff pollution from equipment stored on deck shall be prevented through ongoing equipment maintenance and appropriate double containment.
 - f. The work area shall be contained within a boom to prevent debris from falling into the water.
 - g. All equipment fueling shall take place on the barge, with containment in-place. No refueling between vessels shall occur.
 - h. An Absorption Tarp shall be placed underneath any portable equipment while in use.
 - i. No equipment shall be permitted to enter the water with any petroleum products.
 - j. All equipment used during pile driving operations shall be in good condition without fuel or oil leakage.
 - k. Should any equipment begin to leak, that equipment shall be removed immediately from the barge and repaired or replaced.
 - l. All vessels shall have portable, regularly serviced sanitation equipment. No overboard discharge is permitted.
8. Netting or fencing around and underneath the gangway project site shall be installed to catch and remove debris released during and after construction.
9. To reduce potential turbidity-associated impacts, silt screens should be used when and where they will be effective. The relatively high tidal currents within Morro Bay could reduce the effectiveness of silt screens and should be considered prior to placing of these screens.
10. Eelgrass – Applicant shall be subject to the California Eelgrass Mitigation Policy (CEMP) which requires a pre-construction survey shall be completed within 30-60 days prior to issuance of a building permit **unless otherwise waived under the Army Corps permitting requirements**. Post-construction survey, if required by the CEMP, shall be completed within 30 days of construction completion or as otherwise determined by the National Marine Fisheries Service (NMFS) in order to determine amount of impact if any and CEMP-required annual reporting and mitigations. Any change in eelgrass extent shall be documented and reported to the Community Development Director. If the report identifies a reduction in eelgrass coverage then a plan shall be prepared to identify the appropriate mitigations necessary and in line with the specifications for mitigation of eelgrass habitat as provided for in the California Eelgrass Mitigation Policy, dated October 2014.
11. Harborwalk Bayside Lateral Public Accessway. The bayside lateral access, also known as the Harborwalk, shall maintain a 10-foot-wide coastal access with open unobstructed access at all times with no tables or dining encroachments in order to maximize public

access. Any uses that obstruct the lateral access such as private uses or barriers including furniture, planters, ropes, or restaurant seating within the 10-foot lateral access shall be prohibited.

12. Outdoor Dining Deck. The outdoor dining deck with windscreen approved adjacent to the Harborwalk area shall be for public access only, no table setups shall be permitted, locked accordion gate shall be removed, and coastal access signage shall be posted stating no purchase necessary.
13. Outdoor Lighting. Existing lighting fixtures shall be revised to be consistent with the Jim Maul architectural style. Revised lighting fixtures shall be downward facing to avoid light spillage to areas facing the bay and cutoff style as applicable. Type of lighting fixtures to be submitted to the Planning Division for review and approval by the Community Development Director.

Planning conditions 14-18 added by Planning Commission on December 18, 2018 and conditions 10 (in bold), 15, and 18 updated by Planning Commission on April 6, 2021.

14. Remove the trash area (storage area) to expose the original brick façade.
15. Add signage for on-site public restroom and relocate as a pub sign for improved visibility.
16. Tone down the brightness of the white color of the directory sign on the brick column.
17. Revise lighting fixtures to be more consistent with original Jim Maul architecture. Lighting fixtures A and E are preferred to be replicated where possible.
18. Revise proposed materials for the ADA vertical lift support wall from the proposed brick veneer finish to the brown wood paneling.

City Council conditions:

19. Lighting plan sheet page A7.0 Fixture C shall be revised to a downward facing cut off fixture in a style more consistent with the project architecture. Fixture design shall be submitted to the Community Development Director for review and approval.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on this 11th day of May 2021 on the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

JOHN HEADDING, Mayor

ATTEST

DANA SWANSON, City Clerk

RESOLUTION NO. PC 07-21

A RESOLUTION OF THE MORRO BAY PLANNING COMMISSION FORWARDING A FAVORABLE RECOMMENDATION TO THE MORRO BAY CITY COUNCIL FOR CONCEPT / PRECISE PLAN APPROVAL OF CONDITIONAL USE PERMIT MAJOR MODIFICATION (MAJ19-006) FOR CONVERSION OF 839 SF OF EXISTING SECOND FLOOR OFFICE SPACE TO ONE VACATION RENTAL UNIT WITH 988SF DECK, 450SF WATER LEASE LINE AMENDMENT, REPLACEMENT OF TWO FINGER DOCKS AND 28 FOOT GANGWAY, REPLACEMENT OF PILINGS TO SUPPORT NEW 207SF EXPANSION OF HARBORWALK PUBLIC ACCESS, APPROVAL FOR A MASTER SIGN PROGRAM ALLOWING 73.9 SF WHERE 67.5 SF IS ALLOWED, AND RELATED BUILDING FAÇADE IMPROVEMENTS AT 571 EMBARCADERO, SALT BUILDING

WHEREAS, the Planning Commission of the City of Morro Bay (the “City”) conducted a public hearing via video conference on April 6, 2021 for the purpose of considering approval of Conditional Use Permit Major Modification #MAJ19-006 (“Project”); and

WHEREAS, pursuant to the Governor's Executive Order N-29-20 issued on March 17, 2020 in response to the present State of Emergency in existence due to the threat of COVID-19, the City of Morro Bay Planning Commission is authorized to hold public meetings via teleconferencing and all requirements in the Brown Act expressly or impliedly requiring the physical presence of members, the clerk or other personnel of the body, or of the public as a condition of participation in or quorum for a public meeting are hereby waived; and

WHEREAS, notices of said public hearing were made at the time and in the manner required by law; and

WHEREAS, the Planning Commission has duly considered all evidence, including the testimony of the applicant, interested parties, and the evaluation and recommendations by staff, presented at said hearing.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of Morro Bay as follows:

Section 1: Findings. Based upon all the evidence, the Commission makes the following findings:

California Environmental Quality Act (CEQA)

A. That for purposes of the California Environmental Quality Act, Case No. MAJ19-006 is exempt under Section 15301 and 15303, Class 1e and 1g for minor alterations to existing structures and changes to sign copy; and Class 3c for conversion of commercial structures from one use to another where the commercial remodel of this project converting 2nd floor office space, public access improvements, and sign program approval would qualify for an exemption with implementation of best

Conditional Use Permit Findings

- A. The project will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood in that the conversion of existing second floor office space to one vacation rental unit, improvements to public access, dock and gangway replacement, and building façade improvements at 571 Embarcadero are permitted uses within the zoning district and said structures comply with all applicable project conditions and City regulations and is consistent with the City's Local Coastal Program.

- B. The project will not be injurious or detrimental to property and improvements in the neighborhood and the general welfare of the City in that the proposed widening of the Harborwalk from 8.5 feet to 10 feet and updated public coastal access signage as well as removal of obstructions within the view corridor, will provide greater public coastal access to a visitor-serving commercial use and is consistent with the character of the existing development.

Waterfront Master Plan Findings

- A. The proposed project makes a positive contribution to the visual and public accessibility to the bay while increasing and maintaining commercial fishing industry:
 - a. The proposed project provides the amenities identified in the WF Plan, facilitates pedestrian visual and physical access to the waterfront, in that the Harborwalk bayside lateral access is improved to increase from 8.5 feet to 10 feet in width to allow for easier pedestrian access, enjoyment and better bay views by opening up vertical access to improve view corridor from the street..

 - b. The proposed project makes a positive contribution to the working fishing village character and quality of the Embarcadero area in that the new project reconstructs the finger docks and gangway leading to the existing boat slips in the bay for recreational or commercial boat rental and also with the removal of visual obstructions within the view corridor will maintain and enhance views of the bay.

 - c. The design recognizes the pedestrian orientation of the Embarcadero and provides an interesting and enhanced pedestrian experience in that the project will provide improved lateral public access to the water and docks while assisting in the Harborwalk plan to continue public access along the waterfront as well as create improved view corridor through the vertical access leading to the bayside lateral access. In addition the project recognizes the pedestrian orientation by approving a sign program which includes a directory sign accessible by pedestrians to inform the types of businesses present. The project is consistent with the character of the existing development.

- d. The project gives its occupants and the public some variety in materials and/or application in that the harborwalk lateral access will be of wood material consistent with the character of the building and coastal access signage will be updated to be consistent with other Embarcadero projects in order to have consistent public access signage in order to promote public awareness of coastal bayside access.
- e. The project contains the elements of harmony, continuity, proportion, simplicity, and balance, and its appearance matches its function and the uses proposed in that the improved harborwalk public lateral access will be accessible to the public and that is consistent with the character of the existing development.
- f. The proposed project does not diminish, either directly or by cumulative impact of several similar projects, the use, enjoyment, or attractiveness of adjacent buildings and provides a visual and pedestrian transition connection point to its immediate neighbor to the south and will be enhanced by opening up the vertical access along the center of the building.

Architectural Consideration

- A. As required by Ordinance Section 17.48.200 the Planning Commission finds that the architectural treatment and general appearance of all proposed structures and open areas are in keeping with the character of the surrounding areas, are compatible with any design themes adopted by the city, and are not detrimental to the orderly and harmonious development; of the city or to the desirability of investment of occupation in the area.

Precise Plan Finding

- A. As required by Ordinance Section 17.40.030.G, the Planning Commission finds that the project is developed sufficiently to approve the project as a combined concept/precise plan approval of the conditional use permit.

Downtown Waterfront Specific Plan (DWSP) Finding

- A. The project is consistent with the Waterfront Design Guidelines for the DWSP in that the proposed project includes outdoor dining, exterior lighting, and a sign program which includes centrally located directory signage and projecting signs oriented toward pedestrians and bicyclists which are encouraged. The project also includes project exterior light consistent with the architectural style of the building as well as outdoor dining deck adjacent to proposed 10 foot wide Harborwalk bayside lateral access.

Section 2. Action. The Planning Commission does hereby forward a favorable recommendation to the City Council to approve Conditional Use Permit #MAJ19-006 as a combined Concept/Precise Plan approval subject to the following conditions:

STANDARD CONDITIONS

1. This permit is granted for the land described in the staff report dated March 30, 2021, for the project at 571 Embarcadero depicted on plans received March 12, 2021, on file with the Community Development Department, as modified by these conditions of approval, and more specifically described as follows: Site development, including all buildings and other features, shall be located and designed substantially as shown on Planning Commission approved plans submitted for MAJ19-006, unless otherwise specified herein.
2. Inaugurate Within Two Years: Unless the construction or operation of the structure, facility, or use is commenced not later than two (2) years after the effective date of this Resolution and is diligently pursued, thereafter, this approval will automatically become null and void; provided, however, that upon the written request of the applicant, prior to the expiration of this approval, the applicant may request up to two extensions for not more than one (1) additional year each. Any extension may be granted by the City's Community Development Director (the "Director"), upon finding the project complies with all applicable provisions of the Morro Bay Municipal Code (the "MBMC"), General Plan and certified Local Coastal Program Land Use Plan (LCP) in effect at the time of the extension request.
3. Changes: Minor changes to the project description and/or conditions of approval shall be subject to review and approval by the Community Development Director. Any changes to this approved permit determined, by the Director, not to be minor shall require the filing of an application for a permit amendment subject to Planning Commission review.
4. Compliance with the Law: (a) All requirements of any law, ordinance or regulation of the State of California, the City, and any other governmental entity shall be complied with in the exercise of this approval, (b) This project shall meet all applicable requirements under the MBMC, and shall be consistent with all programs and policies contained in the LCP and General Plan for the City.
5. Hold Harmless: The applicant, as a condition of approval, hereby agrees to defend, indemnify, and hold harmless the City, its agents, officers, and employees, from any claim, action, or proceeding against the City as a result of the action or inaction by the City, or from any claim to attack, set aside, void, or annul this approval by the City of the applicant's project; or applicants failure to comply with conditions of approval. Applicant understands and acknowledges the City is under no obligation to defend any legal actions challenging the City's

actions with respect to the project. This condition and agreement shall be binding on all successors and assigns.

6. Compliance with Conditions: The applicant's establishment of the use or development of the subject property constitutes acknowledgement and acceptance of all Conditions of Approval. Compliance with and execution of all conditions listed hereon shall be required prior to obtaining final building inspection clearance. Deviation from this requirement shall be permitted only by written consent of the Director or as authorized by the Planning Commission. Failure to comply with any of these conditions shall render this entitlement, at the discretion of the Director, null and void. Continuation of the use without a valid entitlement will constitute a violation of the MBMC and is a misdemeanor.
7. Compliance with Morro Bay Standards: This project shall meet all applicable requirements under the MBMC, and shall be consistent with all programs and policies contained in the LCP and General Plan of the City.

Building Conditions:

- A. **THE FOLLOWING CONDITIONS AND SELECTED CODE REQUIREMENTS SHALL BE MET PRIOR TO ISSUANCE OF A BUILDING PERMIT.**

BUILDING DIVISION:

1. The Title sheet of the plans shall include:
 - a. Street address, lot, block, track and Assessor Parcel Number.
 - b. Description of use.
 - c. Type of construction.
 - d. Height of the building.
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All construction will conform to the 2016 California Building Code (CBC), 2016 California Fire Code (IFC), 2016 California Mechanical Code (CMC), 2016 California Plumbing Code (CPC), 2016 California Electrical Code (CEC), 2016 California Energy Code, 2016 Green Building Code, 2016 California Residential Code and Accessibility Standards where applicable and all City codes as they apply to this project.

(Code adoption dates are subject to change. The code adoption year is established by application date of plans submitted to the Building Division for plan review.)

2. Building permit plans shall be submitted by a California licensed architect or engineer when required by the Business & Professions Code, except when otherwise approved by the Chief Building Official.
3. The owner shall designate on the building permit application a registered design professional who shall act as the Registered Design Professional in Responsible Charge. The Registered Design Professional in Responsible Charge shall be responsible for reviewing and coordinating submittal documents prepared by others including phased and staggered submittal items, for compatibility with design of the building.
4. The owner shall comply with the City's Structural Observation Program. The owner shall employ the engineer or architect responsible for the structural design, or another engineer or architect designated by the engineer of record or architect responsible for the structural design, to perform structural observation as appropriate. Observed deficiencies shall be reported in writing to the owner's representative, special inspector, contractor and the building official. The structural observer shall submit to the building official a written statement that the site visits have been made and identify any reported deficiencies that, to the best of the structural observer's knowledge, have not been resolved.
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7. Fire sprinklers shall be required in the vacation rental unit.
8. Identify how ADA access is provided to the upper floor unit.

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1. **SITE MAINTENANCE.** During construction, the site shall be maintained so as to not infringe on neighboring property, such as debris and dust.

2. A licensed surveyor or engineer shall verify pad elevations, and setbacks, prior to foundation inspection when determined necessary by the planning division.
3. **ARCHAEOLOGICAL MATERIALS.** In the event unforeseen archaeological resources are unearthed during any construction activities, all grading and or excavation shall cease in the immediate area and the find left untouched. The Building Division shall be notified so that the extent and location of discovered materials may be recorded by a qualified archaeologist, Native American, or paleontologist, whichever is appropriate. The qualified professional shall evaluate the find and make reservations related to the preservation or disposition of artifacts in accordance with applicable laws and ordinances. If discovered archaeological resources are found to include human remains, or in any other case when human remains are discovered during construction, the Building Official shall notify to county coroner. If human remains are found to be of ancient age and of archaeological and spiritual significance, the Building Official shall notify the Native American Heritage Commission. The developer shall be liable for costs associated with the professional investigation.

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1. Prior to building division final approval all required inspections from the other various departments must have been completed and verified by a city inspector. All required final inspection approvals must be obtained from the various departments and documented on the permit card.

D. CONDITIONS SUBJECT TO ONGOING COMPLIANCE:

1. **COMPLIANCE WITH APPLICABLE LAWS.** All applicable requirements of any law or agency of the State, City of Morro Bay and any other governmental entity at the time of construction shall be met. The duty of inquiry as to such requirements shall be upon the applicant.

Fire Conditions:

1. Fire Safety during Construction and Demolition shall be in accordance with 2016 California Fire Code, Chapter 33. This chapter prescribes minimum safeguards for construction, alteration and demolition operations to provide reasonable safety to life and property from fire during such operations.

2. Automatic fire sprinklers for the entire building. An automatic fire sprinkler system, in accordance with NFPA 13, California Fire Code (Section 903) and Morro Bay Municipal Code (Section 14.08.090). Applicant shall submit 3 sets of sprinkler plans to Morro Bay Community Development Department for review.
3. Every sleeping room below the fourth story shall have at least one operable window or door approved for emergency escape or rescue that shall open directly into a public street and shall be operable from inside to provide a full, clear opening without tools (CBC 310.4). Exception 2 may apply when fully sprinklered in accordance with NFPA 13
4. Fire Department access to equipment. Rooms or areas containing controls for Electrical, FAU, Alarm and Fire Sprinkler Systems shall be identified by approved and appropriate signage for Fire Department use. (CFC 1001.8)
5. Fire Extinguishers. A minimum of one 2A-10-BC extinguisher shall be provided for each floor area, so that travel distance does not exceed 75 feet. Extinguishers shall be serviced annually and shall have a current service tag attached. (CCR, Title 19, Sec. 3.29).

Public Works Conditions:

1. Frontage: Show sidewalk and street frontage on plans. Verify current ADA accessibility requirements are in place.
2. Sewer Lateral: Indicate and label new or existing sewer lateral and connection. If an existing lateral is used, perform a video inspection of the lateral and submit to Public Works via flash drive or DVD, prior to building permit issuance. Lateral shall be repaired as necessary and all repairs shall be noted on approved set of plans. A sewer backwater valve and downstream cleanout, extended to grade, shall be installed on the sewer lateral.
3. Sewer Backwater Valve: Indicate and label sewer backwater valve on plan. A sewer backwater valve shall be installed on site to prevent a blockage or maintenance of the municipal sewer main from causing damage to the proposed project (MBMC 14.24.070).
4. Erosion and Sediment Control Plan: For small projects less than one acre and less than 15% slope, provide a standard erosion and sediment control plan. The Plan shall show control measures to provide protection against erosion of adjacent property and prevent sediment or debris from entering the City right of way, adjacent properties, any harbor, waterway, or ecologically sensitive area.
5. Harbor Deck Extension: Show debris barrier and BMP's on construction plans.
6. Utilities: Show all existing and proposed locations of the sewer lateral, water

service, and water and sewer mains on the building plans. Include sizes where appropriate. Note the location of all overhead utilities and construction underground service entrances per the CBC.

7. Water Backflow Prevention Device: Verify and label all new or existing water backflow preventers. Devices are required for fire water systems, irrigation systems on a dedicated water meter, systems which may change in character of use (commercial rentals, etc.), gray water systems, or any plumbing system which has cross-connections or the ability to allow water of deteriorated sanitary quality to enter the public water supply. Add note to plan that device is an approved domestic water backflow prevention device.
8. Public Access: Note on plans how the public will be protected/ screened from work areas. Provide temporary physical barriers that will momentarily segregate the public from construction.
9. Encroachment Permits: A sewer encroachment permit shall be required for any repairs or installation of a sewer lateral within the City right-of-way or within a utility easement. When utility connections require pavement cuts a traffic control plan indicating appropriate signing, marking, barricades and flaggers must be submitted with the Encroachment Permit application. If a construction dumpster is placed within the City right-of-way or parking spaces are required for construction an encroachment permit is required.

Add the following Notes to the Plans:

1. Any damage, as a result of construction operations for this project, to City facilities, i.e. curb/berm, street, sewer line, water line, or any public improvements shall be repaired at no cost to the City of Morro Bay.

No work shall occur within (or use of) the City's Right of Way without an encroachment permit. Encroachment permits are available at the City of Morro Bay Public Works Office located at 955 Shasta Ave. The Encroachment permit shall be issued concurrently with the building permit.

Planning Conditions:

1. A Coastal Development Permit shall be submitted to the Community Development Department prior to issuance of a building permit.
2. Prior to issuance of a building permit, the Applicant shall either acquire all required regulatory permits and authorizations (i.e. U.S. Army Corps of Engineers, Regional Water Quality Control Board, California Department of Fish and Game), or submit documentation that such permits are not required.

3. Conditions of Approval on Building Plans: Prior to the issuance of a Building Permit, the final Conditions of Approval for both the Conditional Use Permit and the Coastal Development Permit shall be attached to the set of approved plans. The sheet containing Conditions of Approval shall be the same size as other plan sheets and shall be the last sheet in the set of Building Plans.
4. Inspection: The applicant shall comply with all City conditions of approval and conditions imposed by the California Coastal Commission and obtain final inspection clearance from the Planning Division at the necessary time in order to ensure all conditions have been met.
5. Floating dock. Signage shall be added that reflects that the floating dock shall be publicly available for general public pedestrian access and either short-term or long-term use by recreational or commercial boats. Signs discouraging the public from walking on the docks during daylight hours are prohibited. The docks shall be open to the general public during at least daylight hours (i.e. one hour before sunrise to one hour after sunset).
6. The public access closure shall be limited to no more than 45 days. Any extension of public access closure beyond 45 days shall be subject to review and approval by the Community Development Director.
7. A project-specific Oil Spill Response and Recovery Plan that includes specifics on reporting and response procedures, available on-site equipment and contracted services, and responsibilities shall be completed and approved prior to the initiation of construction activities. Specifically, the project shall include the following Best Management Practices (BMPs) and shall be included on building plans submitted for approval:
 - a. No refueling of equipment without adequate containment and spill response equipment. The barge shall have only double contained fuel storage below decks, with the spill containment and clean up kits on-site and easily accessible. Spill containment and clean up kits shall include the following:
 - b. 150 feet Absorbent Boom 200 square feet Absorbent Tarp (for use during pile driving operations)
 - c. Barrel Absorbent Pads
 - d. Container Absorbent Granules
 - e. Rainwater runoff pollution from equipment stored on deck shall be prevented through ongoing equipment maintenance and appropriate double containment.
 - f. The work area shall be contained within a boom to prevent debris from falling into the water.
 - g. All equipment fueling shall take place on the barge, with containment in-place. No refueling between vessels shall occur.

- h. An Absorption Tarp shall be placed underneath any portable equipment while in use.
 - i. No equipment shall be permitted to enter the water with any petroleum products.
 - j. All equipment used during pile driving operations shall be in good condition without fuel or oil leakage.
 - k. Should any equipment begin to leak, that equipment shall be removed immediately from the barge and repaired or replaced.
 - l. All vessels shall have portable, regularly serviced sanitation equipment. No overboard discharge is permitted.
8. Netting or fencing around and underneath the gangway project site shall be installed to catch and remove debris released during and after construction.
9. To reduce potential turbidity-associated impacts, silt screens should be used when and where they will be effective. The relatively high tidal currents within Morro Bay could reduce the effectiveness of silt screens and should be considered prior to placing of these screens.
10. Eelgrass – Applicant shall be subject to the California Eelgrass Mitigation Policy (CEMP) which requires that a pre-construction survey shall be completed within 30-60 days prior to issuance of a building permit unless otherwise waived under the Army Corps permitting requirements. Post-construction survey, if required by the CEMP, shall be completed within 30 days of construction completion or as otherwise determined by the National Marine Fisheries Service (NMFS) in order to determine amount of impact if any and CEMP-required annual reporting and mitigations. Any change in eelgrass extent shall be documented and reported to the Community Development Director. If the report identifies a reduction in eelgrass coverage then a plan shall be prepared to identify the appropriate mitigations necessary and in line with the specifications for mitigation of eelgrass habitat as provided for in the California Eelgrass Mitigation Policy, dated October 2014.
11. Harborwalk Bayside Lateral Public Accessway. The bayside lateral access, also known as the Harborwalk, shall maintain a 10-foot-wide coastal access with open unobstructed access at all times with no tables or dining encroachments in order to maximize public access. Any uses that obstruct the lateral access such as private uses or barriers including furniture, planters, ropes, or restaurant seating within the 10-foot lateral access shall be prohibited.
12. Outdoor Dining Deck. The outdoor dining deck with windscreen approved adjacent to the Harborwalk area shall be for public access only, no table setups shall be permitted, locked accordion gate shall be removed, and coastal access signage shall be posted stating no purchase necessary.

13. Outdoor Lighting. Existing lighting fixtures shall be revised to be consistent with the Jim Maul architectural style. Revised lighting fixtures shall be downward facing to avoid light spillage to areas facing the bay and cutoff style as applicable. Type of lighting fixtures to be submitted to the Planning Division for review and approval by the Community Development Director.

Planning conditions 14-18 added by Planning Commission on December 18, 2018 and conditions 10, 15, and 18 updated by Planning Commission on April 6, 2021.

14. Remove the trash area (storage area) to expose the original brick façade.
15. Add signage for on-site public restroom and relocate as a pub sign for improved visibility.
16. Tone down the brightness of the white color of the directory sign on the brick column.
17. Revise lighting fixtures to be more consistent with original Jim Maul architecture. Lighting fixtures A and E are preferred to be replicated where possible.
18. Revise proposed materials for the ADA vertical lift support wall from the proposed brick veneer finish to the brown wood paneling.

PASSED AND ADOPTED by the Morro Bay Planning Commission at a regular meeting thereof held on this 6th day of April, 2021 on the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:


Susan Stewart, Vice-Chairperson

ATTEST


Scot Graham, Planning Secretary

The foregoing resolution was passed and adopted this 6th day of April 2021.

Salt Building

571 Embarcadero

Morro Bay

PROJECT STATISTICS

ADDRESS:	571 EMBARCADERO MORRO BAY, CA 93442	
APN:	940-000-202	
SITE AREA:		
	<u>EXISTING</u>	<u>PROPOSED</u>
LAND:	3,931 SF	3,931 SF
WATER:	2,250 SF	2,700 SF
TOTAL:	6,181 SF	6,631 SF
NET INCREASE IN TOTAL AREA:	-	+450 SF (WATER)
ZONING:	WF/PD/S.4 H - HARBOR	
EXISTING USE:	OFFICE/MERCANTILE	
PROPOSED USE:	MERCANTILE & HOTEL	
TYPE OF CONSTRUCTION:	TYPE V-B	
OCCUPANCIES:	R-1	
FIRE SPRINKLERS:	NO	
NUMBER OF GUEST ROOMS:	1 GUEST ROOM (ACCESSIBLE)	
LOT COVERAGE:		
	<u>EXISTING</u>	<u>PROPOSED</u>
LAND:	3,931 SF (84.2%)	3,294 SF (83.8%)
WATER:	(E) 2,250 SF & (P) 2,700 SF (47.5%)	1,518 SF (56.2%)
	(PROPOSED HARBORWALK EXTENSION: +207 SF)	
TOTAL:	(E) 6,181 SF & (P) 6,631 SF (70.8%)	4,812 SF (72.6%)
EXISTING GANGWAY:	4'X20'	
PROPOSED GANGWAY:	4'X28'	
BUILDING AREA:		
	<u>EXISTING</u>	<u>PROPOSED</u>
FIRST FLOOR:	2,214 SF	2,250 SF
SECOND FLOOR:	839 SF	839 SF
TOTAL AREA:	3,053 SF	3,089 SF
NET INCREASE IN TOTAL AREA:	-	+36 SF
PROPOSED ROOFTOP DECK AREA:	-	+988 SF
ROOF AREA:		
LAND:	1273 SF	
ROOF AREA > 4:12:	1200 SF (94.5%)	
ROOF AREA < 4:12:	73 SF (5.5%)	
BUILDING HEIGHT:	23'	
VIEW CORRIDOR:	6'-6" WIDE (TO REMAIN AS IS)	
PROPOSED DECK RAILING HEIGHT:	3'-6"	

PROJECT DESCRIPTION

THIS PROJECT PROPOSES THE CONVERSION OF 839 SQUARE FEET OF OFFICE SPACE INTO ONE ACCESSIBLE RENTAL UNIT ON AN EXISTING 3,053 SQUARE FOOT, TWO-STORY, WATERFRONT COMMERCIAL PROPERTY AT 571 EMBARCADERO IN MORRO BAY, CALIFORNIA. A NEW ACCESSIBLE LIFT WILL BE ADDED TO THE FRONT OF THE BUILDING TO ACCESS THE SECOND FLOOR GUEST ROOM. THE PROJECT ALSO PROPOSES RELOCATING THE EXISTING WATER LEASE LINE, ADDING AN EXTRA 450 SQUARE FEET FOR LEASING. 988 SQUARE FEET OF RENTAL-EXCLUSIVE ROOF DECK ON THE SECOND FLOOR WILL BE ADDED.

THE PROJECT ALSO PROPOSES AN EXTENSION OF 207 SQUARE FEET OF THE HARBORWALK DECK TO COMPLY WITH THE 10 FEET MINIMUM BAYSIDE LATERAL PUBLIC ACCESS WITH REMOVAL AND REPLACEMENT OF THE EXISTING GANGWAY. THE EXISTING BOAT DOCKS WILL BE REMOVED AND REPLACED.

ADDITIONALLY, THE PROJECT PROPOSES A TOTAL OF 73.9 SQUARE FEET OF SIGNAGE THROUGH THE SIGNAGE PROGRAM INCLUDED, REQUESTING A SURPLUS OF 6.4 SQUARE FEET TO BE GRANTED.

SHEET INDEX

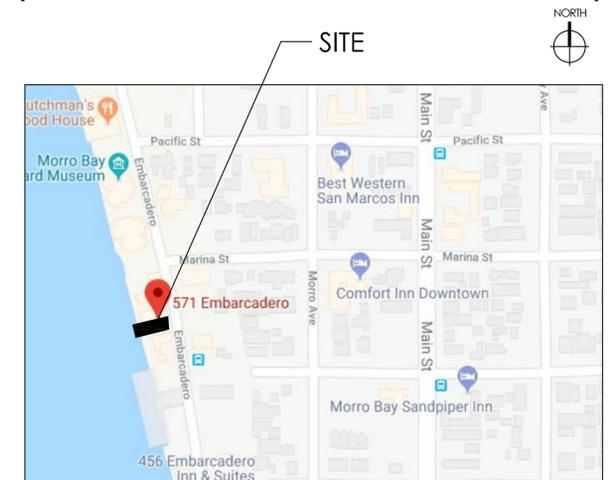
A1.0	COVER SHEET
A2.0	EXISTING FIRST FLOOR PLAN
A2.1	EXISTING SECOND FLOOR PLAN
A2.2	EXISTING ROOF PLAN
A3.0	PROPOSED FIRST FLOOR PLAN
A3.1	PROPOSED SECOND FLOOR PLAN
A3.2	PROPOSED ROOF PLAN
A4.0	ELEVATIONS
A4.1	ELEVATIONS
A5.0	VISUAL SIMULATIONS
A5.1	VISUAL SIMULATIONS
A5.2	VISUAL SIMULATIONS
A5.3	VISUAL SIMULATIONS
A5.4	VISUAL SIMULATIONS
A6.0	SIGNAGE PLAN - COASTAL PUBLIC ACCESS SIGN EXHIBIT
A6.1	SIGNAGE PLAN - REMOVAL EXHIBIT
A6.2	SIGNAGE PLAN - 1ST FLOOR TENANT SIGN EXHIBIT
A6.3	SIGNAGE PLAN - PROPOSED SIGNAGE
A6.4	SIGNAGE PLAN - 2ND FLOOR SIGN EXHIBIT & SQUARE FOOTAGE CALCULATIONS
A7.0	FIRST FLOOR LIGHTING PLAN
A7.1	SECOND FLOOR LIGHTING PLAN
CB1.0	COLORS & MATERIALS BOARD
D1.0	DOCKS: COVER SHEET, GENERAL NOTES, SITE PLAN
D1.1	FLOATING DOCK PLANS/HARBOR WALK PLAN

PROJECT DIRECTORY

OWNER
RICK AND TERI GAMBRIL
P.O. BOX 481
OAKHURST, CA 93644
ATTN: RICK GAMBRIL
PHONE: (559) 760-4904
EMAIL: RGAMBRIL@YAHOO.COM

ARCHITECT
ARRIS STUDIO ARCHITECTS
1327 ARCHER ST, SUITE 220
SAN LUIS OBISPO, CA 93401
ATTN: THOM JESS
PHONE: (805) 547-2240
EMAIL: TJESS@ARRIS-STUDIO.COM

VICINITY MAP



PARKING CALCULATIONS

EXISTING	EXISTING AREA	SPACES
SECOND FLOOR: OFFICE	839 SF	3
TOTAL PARKING REQUIRED	-	3
PROPOSED	PROPOSED AREA	SPACES
SECOND FLOOR: VACATION RENTAL	839 SF	1
(1 SPACE PER 10 ROOMS)		
TOTAL PARKING REQUIRED	-	1

SIGNAGE CALCULATIONS

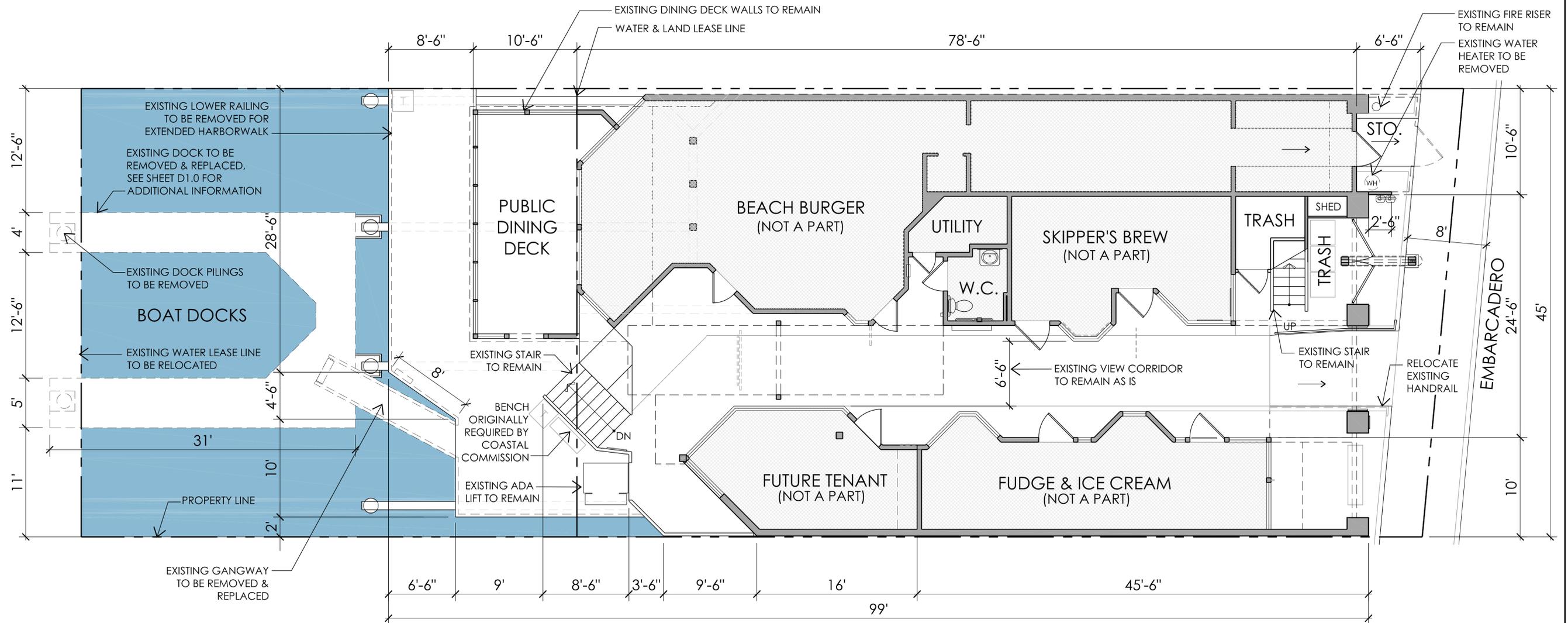
**MAXIMUM ALLOWABLE SIGNAGE CALCULATED W/ PRESENT MORRO BAY SIGNAGE ORDINANCE (SQUARE FOOTAGE EQUALS PROJECT PUBLIC LINEAR FRONTAGE TIMES 1.5)

LINEAR FRONTAGE :	45'
(X1.5 MULTIPLIER)	67.5
MAX. SIGNAGE SQUARE FOOTAGE ALLOWED:	67.5
PROPOSED SQUARE FOOTAGE:	73.9 SF
SURPLUS SQUARE FOOTAGE:	+6.4 SF
PUBLIC SIGNAGE SQUARE FOOTAGE:	20 SF

	Salt Building Morro Bay, CA for: Rick & Teri Gambril	Date: FEBRUARY 13, 2018 Scale: NO SCALE Sheet:
		A1.0

WALL LEGEND

-  EXISTING WALL TO REMAIN
-  EXISTING WALL TO BE DEMOLISHED
-  NEW 2x WALL



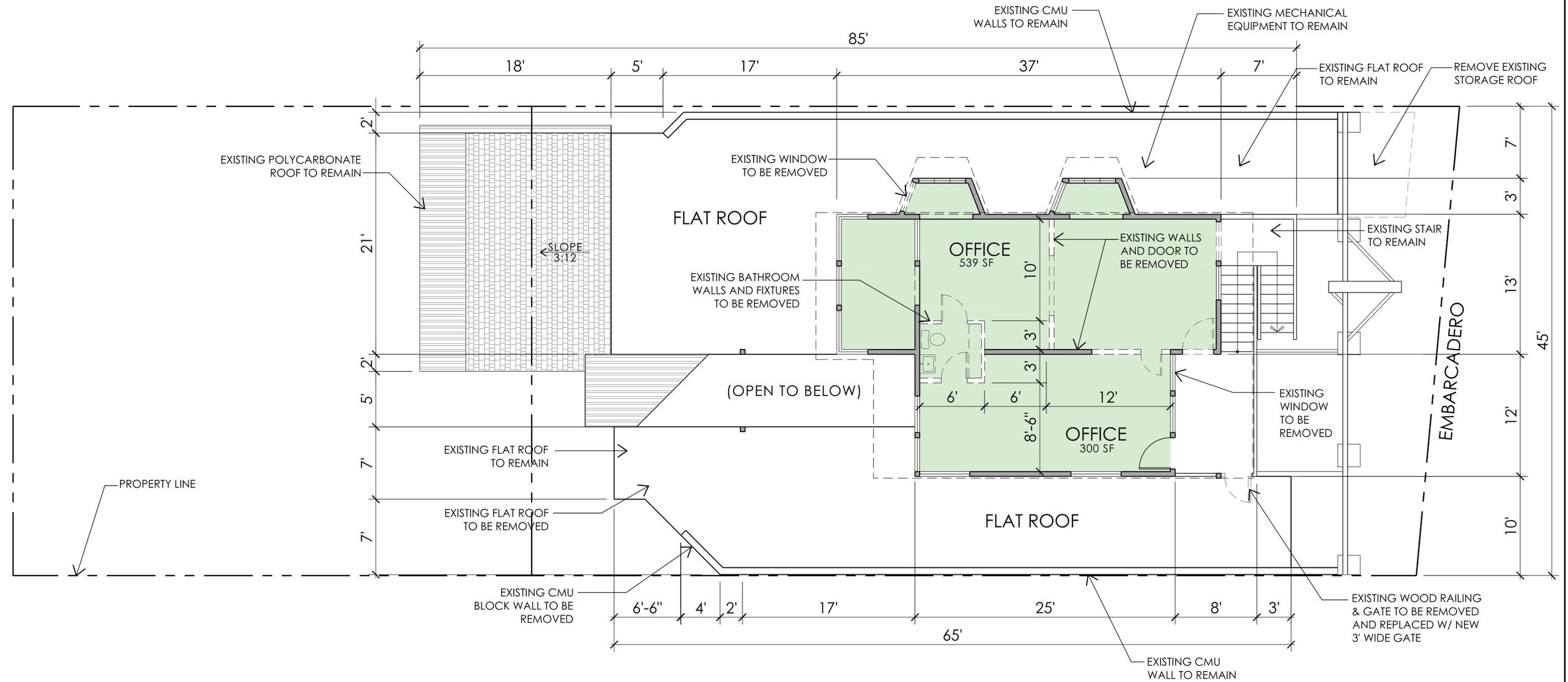
EXISTING FIRST FLOOR PLAN



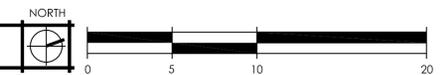
	Salt Building Morro Bay, CA for: Rick & Teri Gambril	Date: FEBRUARY 13, 2018 Scale: 1" = 10' @ 11x17 1" = 5' @ 24x36 Sheet:
		A2.0

WALL LEGEND

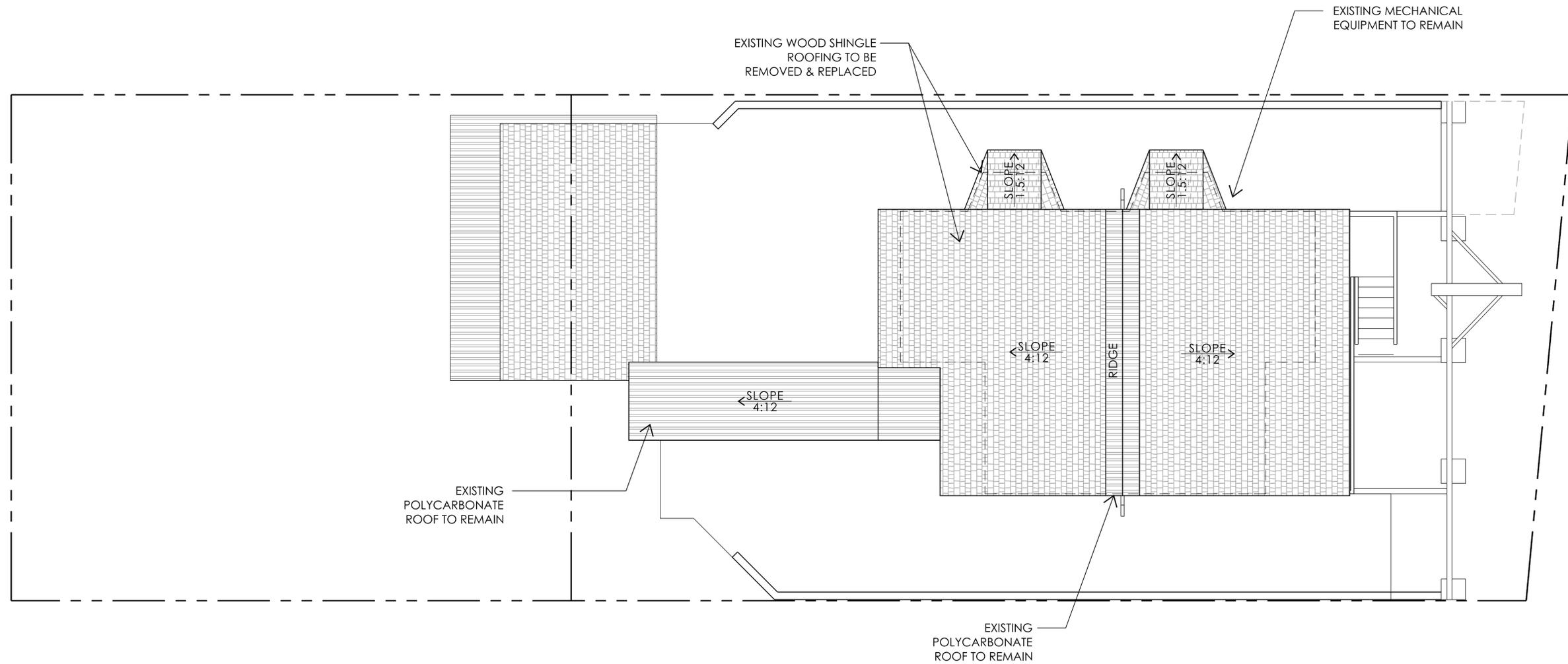
- EXISTING WALL TO REMAIN
- EXISTING WALL TO BE DEMOLISHED
- NEW 2x WALL



EXISTING SECOND FLOOR PLAN



	<p>Salt Building Morro Bay, CA for: Rick & Teri Gambril</p>	<p>Date: FEBRUARY 13, 2018 Scale: 1" = 10' @ 11x17 1" = 5' @ 24x36 Sheet: A2.1</p>
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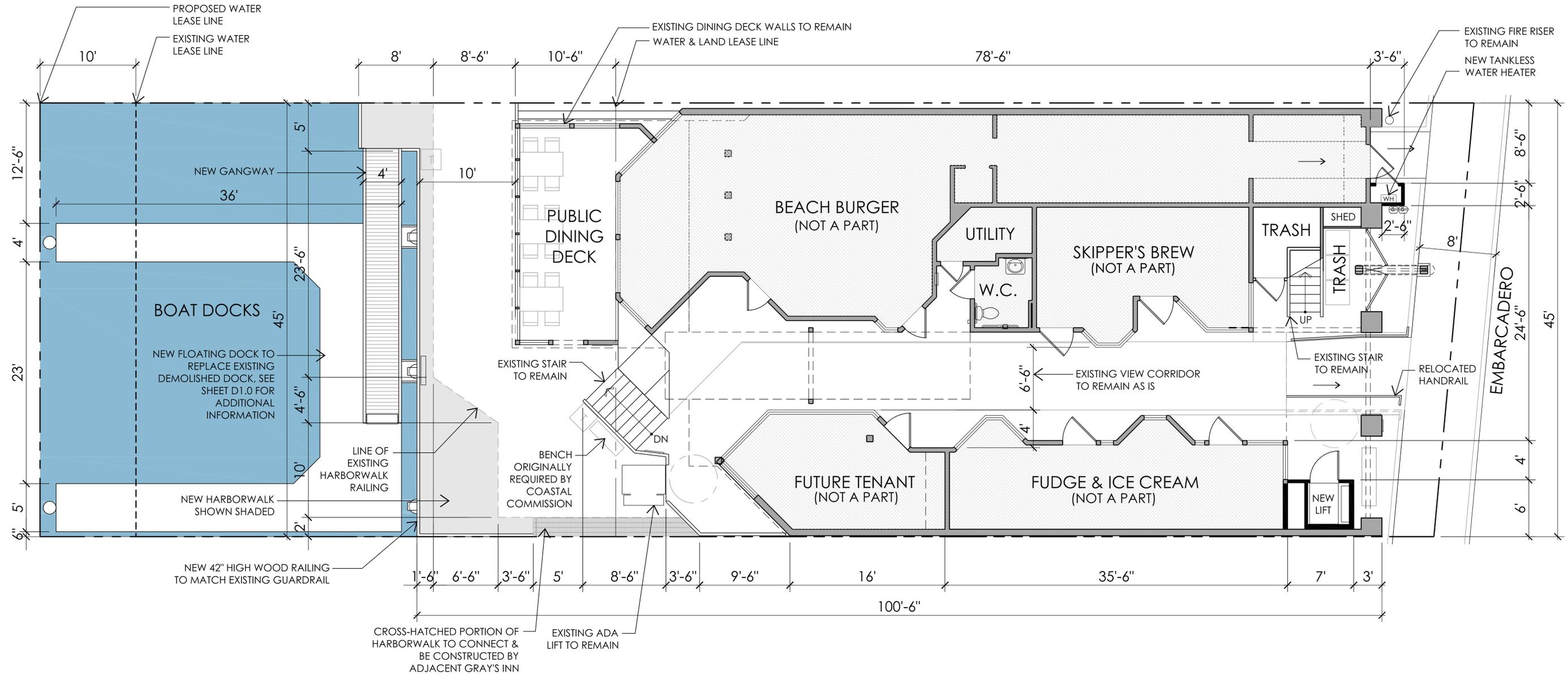
EXISTING ROOF PLAN



	<p>Salt Building Morro Bay, CA</p>	<p>Date: FEBRUARY 13, 2018</p>
	<p>for: Rick & Teri Gambril</p>	<p>Scale: 1" = 10' @ 11x17</p>
		<p>Scale: 1" = 5' @ 24x36</p>
		<p>Sheet: A2.2</p>

WALL LEGEND

-  EXISTING WALL TO REMAIN
-  EXISTING WALL TO BE DEMOLISHED
-  NEW 2x WALL



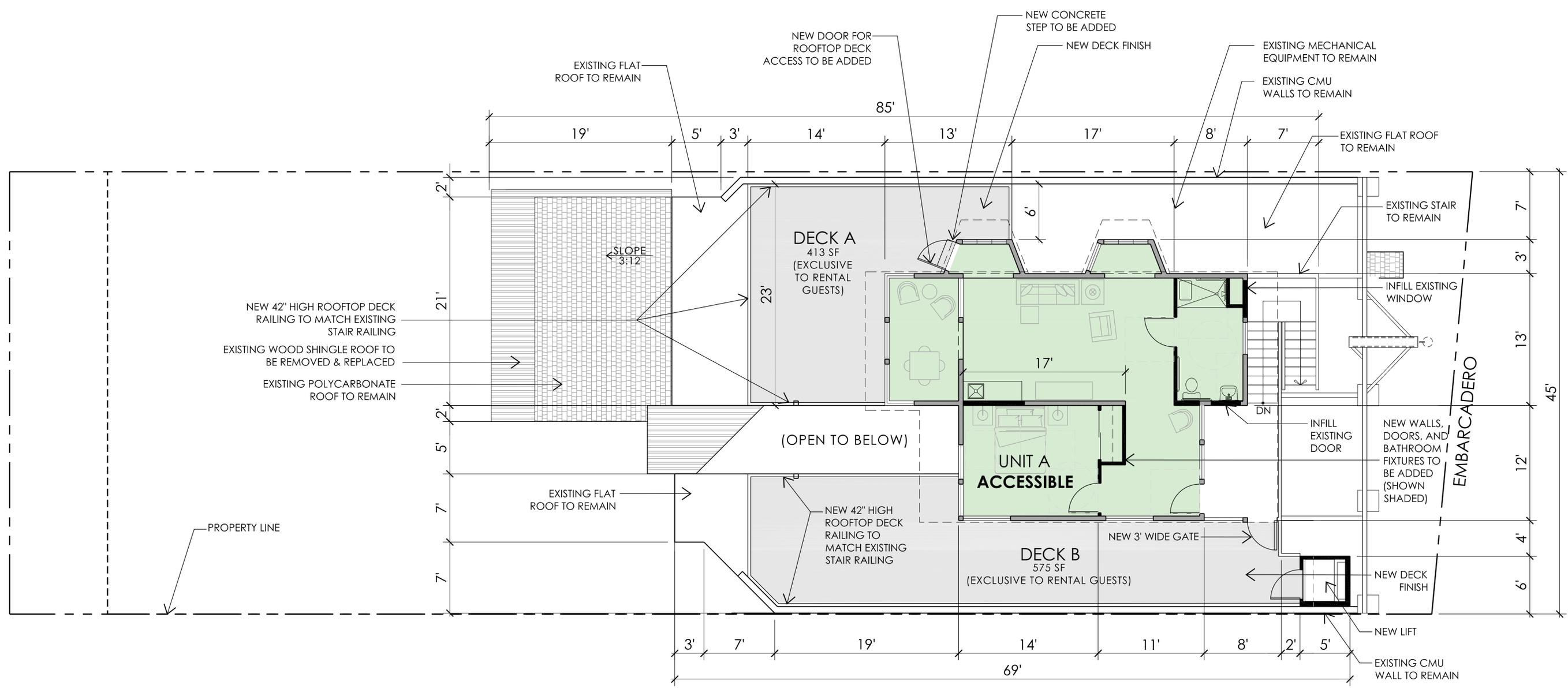
PROPOSED FIRST FLOOR PLAN



	<p>Salt Building Morro Bay, CA</p>	<p>Date: FEBRUARY 13, 2018</p>
	<p>for: Rick & Teri Gambril</p>	<p>Scale: 1" = 10' @ 11x17 1" = 5' @ 24x36</p>
	<p>A3.0</p>	<p>Sheet</p>

WALL LEGEND

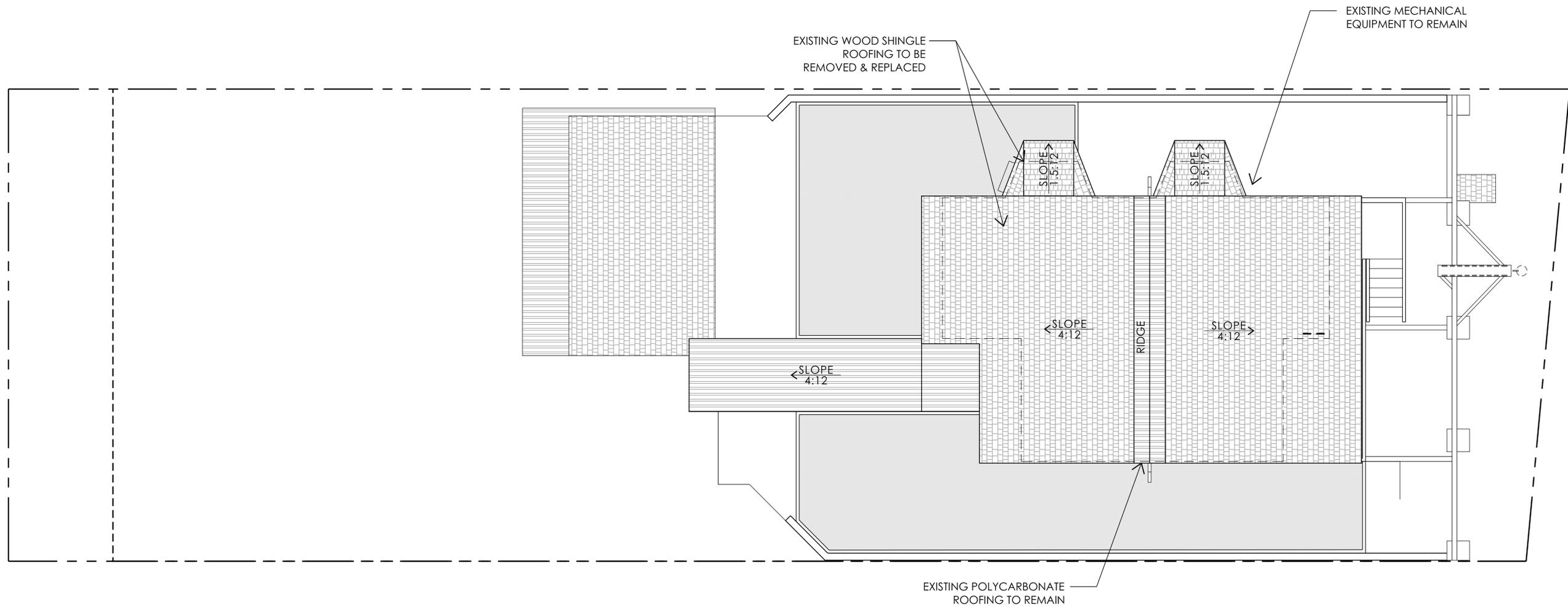
-  EXISTING WALL TO REMAIN
-  EXISTING WALL TO BE DEMOLISHED
-  NEW 2x WALL



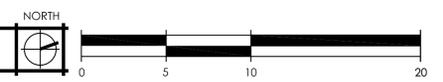
PROPOSED SECOND FLOOR PLAN



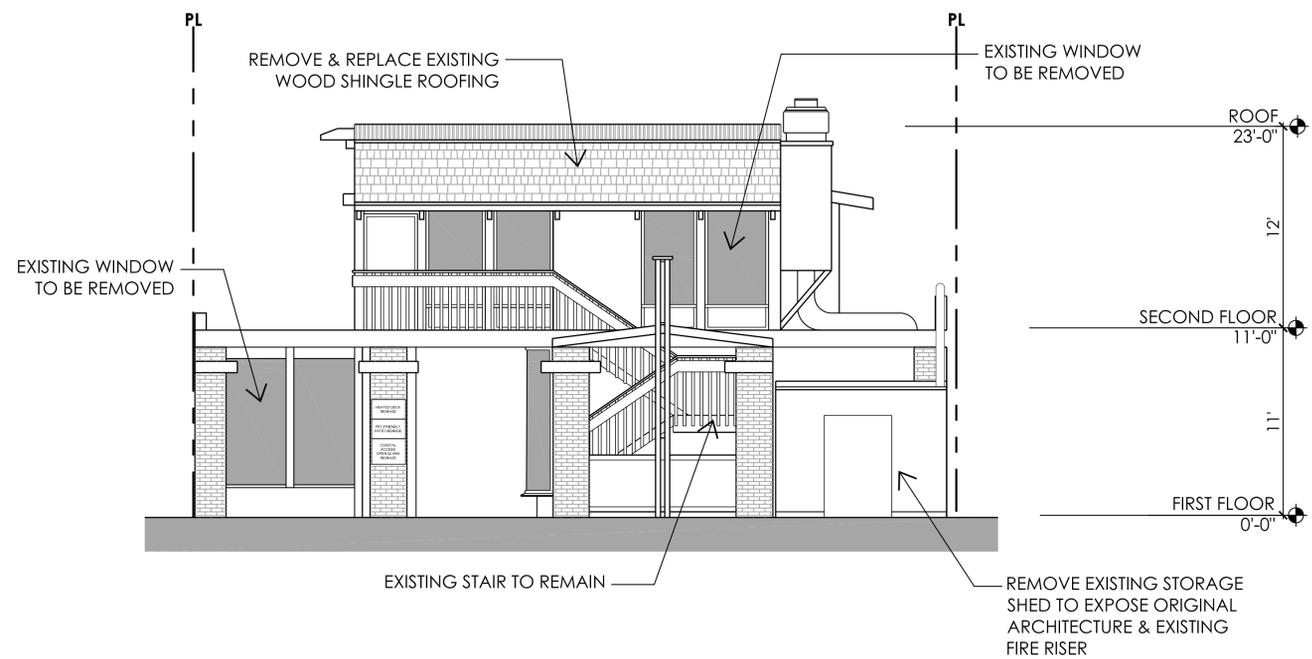
	Salt Building Morro Bay, CA for: Rick & Teri Gambril	Date: FEBRUARY 13, 2018 Scale: 1" = 10' @ 11x17 1" = 5' @ 24x36 Sheet: A3.1
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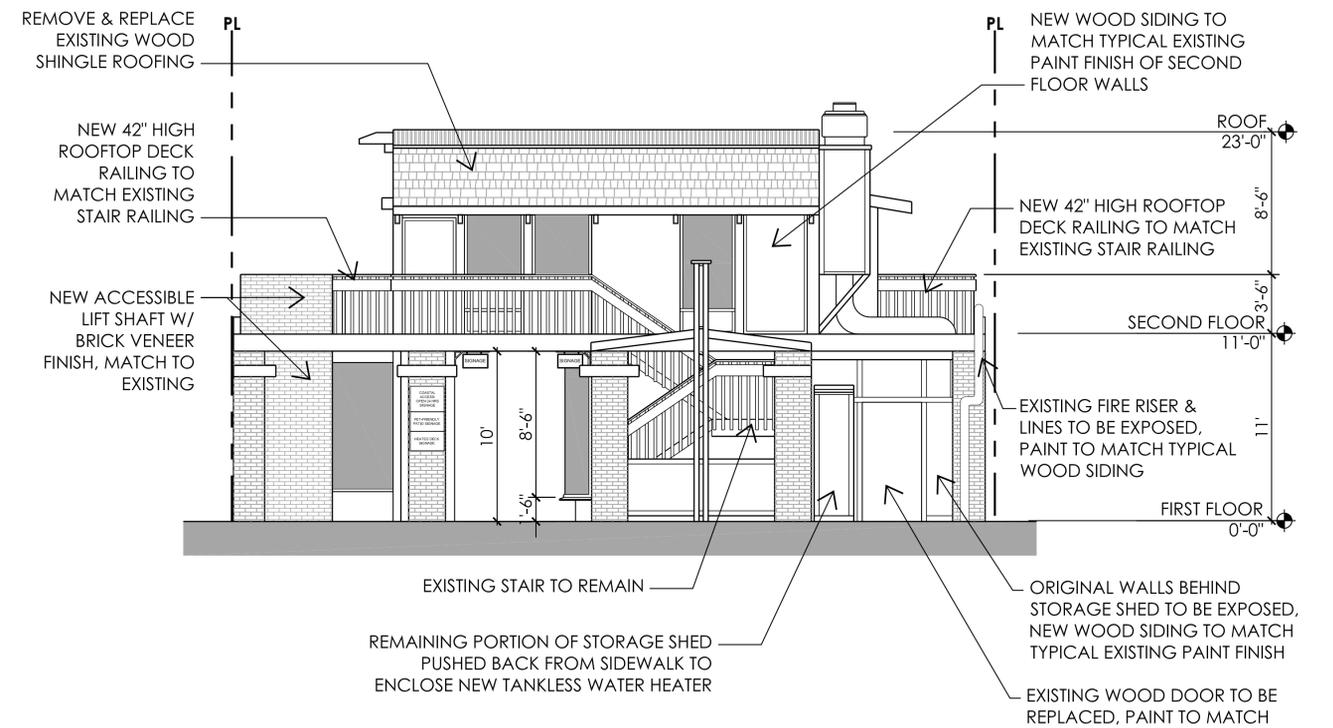
PROPOSED ROOF PLAN



	<p>Salt Building Morro Bay, CA</p>	<p>Date: FEBRUARY 13, 2018</p>
	<p>for: Rick & Teri Gambril</p>	<p>Scale: 1" = 10' @ 11x17</p>
		<p>Scale: 1" = 5' @ 24x36</p>
		<p>Sheet: A3.2</p>



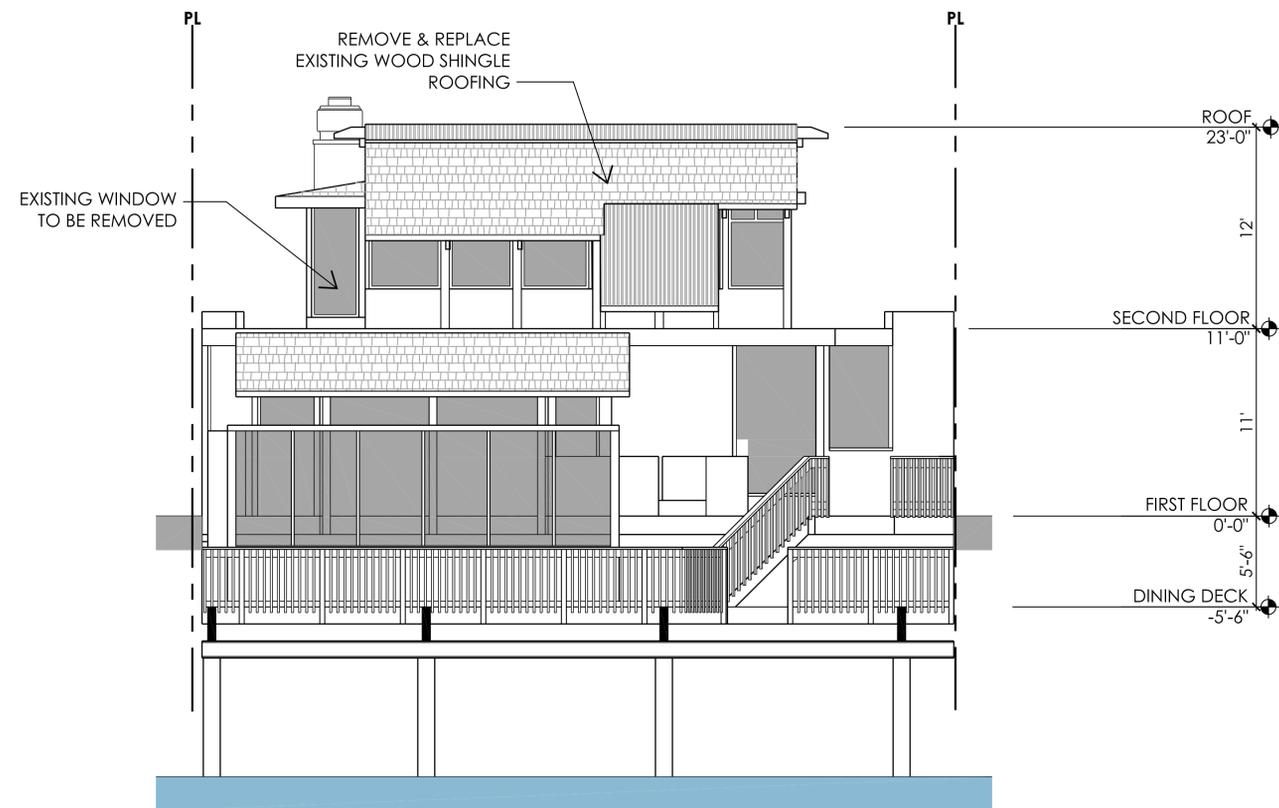
EXISTING FRONT ELEVATION



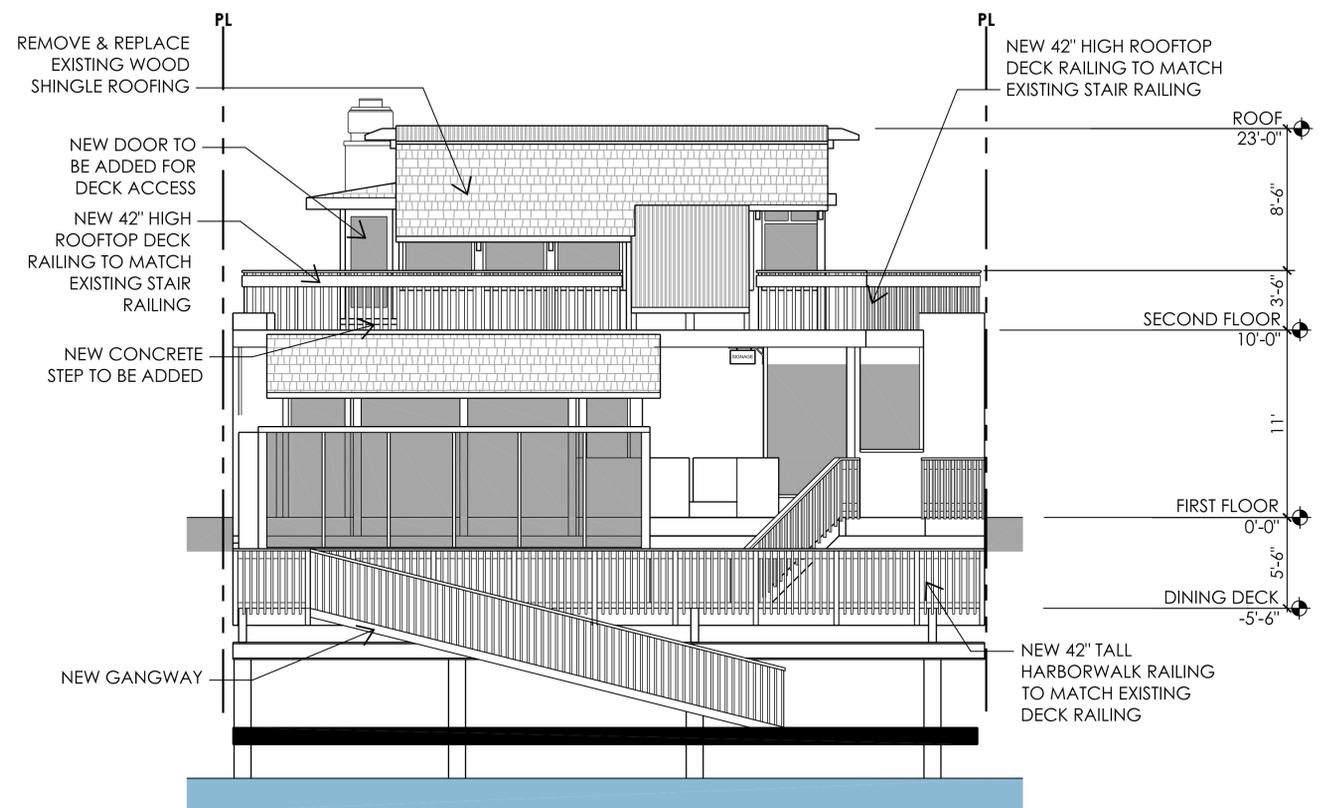
PROPOSED FRONT ELEVATION



	<p>Salt Building Morro Bay, CA for: Rick & Teri Gambril</p>	<p>Date: FEBRUARY 13, 2018 Scale: 1" = 10' @ 11x17 1" = 5' @ 24x36 Sheet: A4.0</p>
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EXISTING REAR ELEVATION



PROPOSED REAR ELEVATION

	<p>Salt Building Morro Bay, CA for: Rick & Teri Gambril</p>	<p>Date: FEBRUARY 13, 2018 Scale: 1" = 10' @ 11x17 1" = 5' @ 24x36 Sheet: A4.1</p>
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REMOVE & REPLACE EXISTING WOOD SHINGLE ROOFING

EXISTING WINDOW TO BE REMOVED

EXISTING FIRE RISER & BRICK COLUMN TO BE EXPOSED

EXISTING STORAGE/UTILITY SHED & DOOR TO BE REMOVED TO EXPOSE ORIGINAL ARCHITECTURE

EXISTING COASTAL ACCESS SIGN TO BE UPDATED & REPLACED

EXISTING WINDOW TO BE REMOVED FOR NEW LIFT

EXISTING SIGNS TO BE REMOVED

VIEW FROM EMBARCADERO - EXISTING

	<p>Salt Building Morro Bay, CA</p>	<p>Date: FEBRUARY 13, 2018</p>
	<p>for: Rick & Teri Gambril</p>	<p>Scale: NO SCALE</p>
	<p></p>	<p>Sheet: A5.0</p>



NEW ACCESSIBLE LIFT SHAFT
W/ WOOD SIDING FINISH,
MATCH TO EXISTING

NEW 42" HIGH ROOFTOP
DECK RAILING TO MATCH
EXISTING STAIR RAILING

NEW WOOD SHINGLE ROOFING TO MATCH EXISTING

NEW INFILL WALL AT REMOVED WINDOW, MATCH TO
TYPICAL WOOD SIDING & PAINT FINISH

EXISTING FIRE RISER & LINES TO BE EXPOSED, PAINT TO
MATCH TYPICAL WOOD SIDING

ORIGINAL WALLS BEHIND STORAGE SHED TO BE EXPOSED,
NEW WOOD SIDING WITH BOARD & BATTEN TRIM TO
MATCH TYPICAL EXISTING PAINT FINISH

EXISTING DOOR TO BE REPLACED, PAINT TO MATCH

REMAINING PORTION OF STORAGE/UTILITY SHED
PUSHED BACK FROM SIDEWALK TO ENCLOSE NEW
TANKLESS WATER HEATER

NEW DIRECTORY SIGNAGE

RELOCATED RAMP HANDRAIL

UPDATED COASTAL ACCESS SIGN

VIEW FROM EMBARCADERO - PROPOSED (ALTERNATE WOOD OPTION)

	<p>Salt Building Morro Bay, CA for: Rick & Teri Gambril</p>	<p>Date: FEBRUARY 13, 2018 Scale: NO SCALE Sheet: A5.1B</p>
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EXISTING DINING DECK WALL
SIGN TO REMAIN

EXISTING CAPTAIN STEW'S BAY
CRUISE BANNER TO BE REMOVED

REMOVE & REPLACE EXISTING
WOOD SHINGLE ROOFING

EXISTING ACCESSIBLE
CHAIR TO REMAIN

EXISTING GANGWAY
TO BE REMOVED &
REPLACED

EXISTING PUBLIC DINING
DECK TO REMAIN

EXISTING LOWER RAILING
TO BE REMOVED FOR
EXTENDED HARBORWALK



VIEW FROM HARBOR - EXISTING

	Salt Building Morro Bay, CA for: Rick & Teri Gambril	Date: FEBRUARY 13, 2018 Scale: NO SCALE Sheet: A5.2
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NEW 42" HIGH ROOFTOP DECK RAILING TO MATCH EXISTING STAIR RAILING

REMOVE & REPLACE EXISTING WOOD SHINGLE ROOFING

EXISTING ACCESSIBLE CHAIR LIFT TO REMAIN

PORTION OF HARBORWALK CONSTRUCTED BY GRAY'S INN

BENCH ORIGINALLY REQUESTED BY COASTAL COMMISSION

EXTENDED HARBORWALK DECKING TO CONNECT TO GRAY'S INN PORTION

NEW 42" HIGH HARBORWALK RAILING

NEW GANGWAY TO BOAT DOCKS

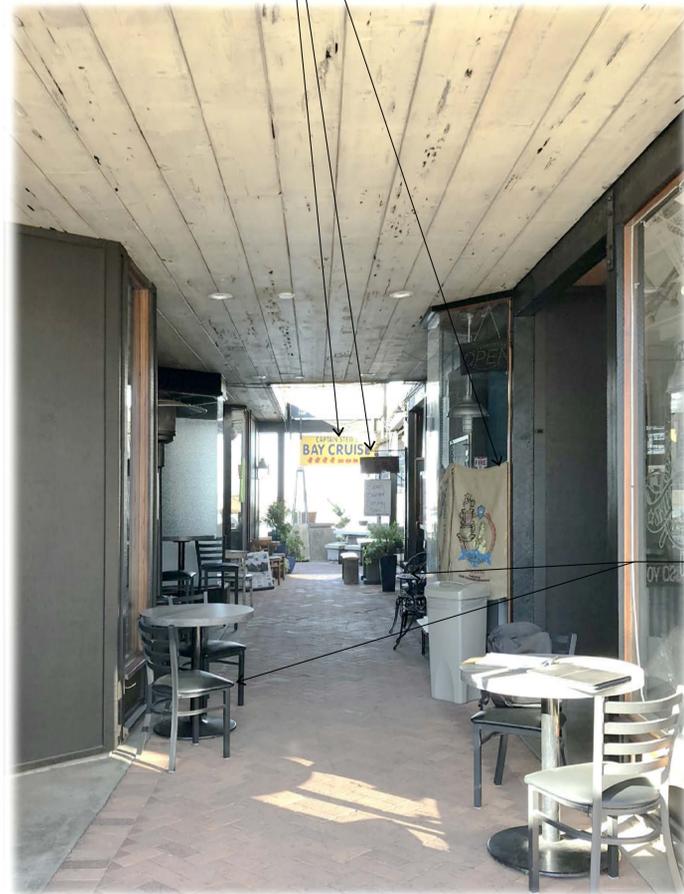


VIEW FROM HARBOR - PROPOSED

	Salt Building Morro Bay, CA	Date: FEBRUARY 13, 2018
	for: Rick & Teri Gambril	Scale: NO SCALE
		Sheet: A5.3

REMOVE EXISTING SIGNAGE

NEW TYPICAL FRAMED PUB SIGNS FOR EACH TENANT. MAINTAIN 8'-0" MINIMUM HEAD CLEARANCE FROM BOTTOM OF SIGN



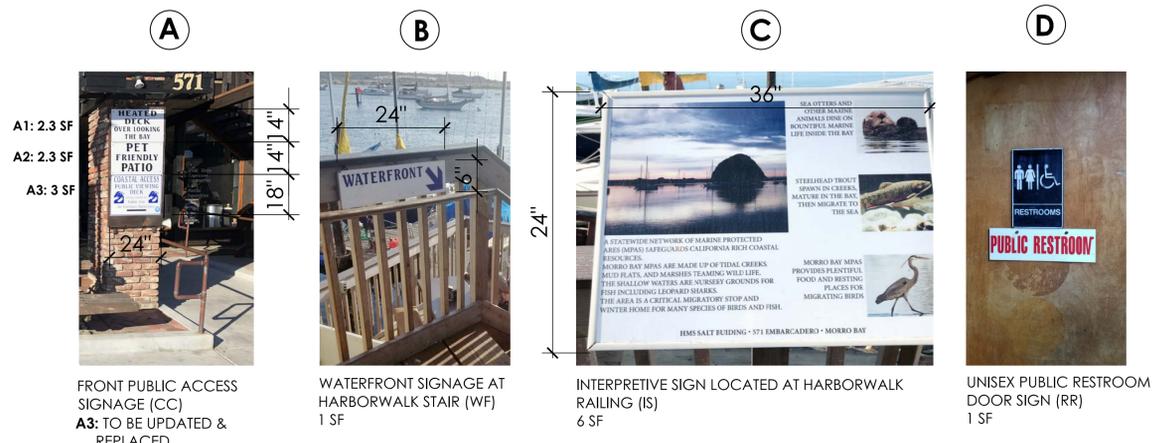
REMOVE ALL EXISTING UNPERMITTED CHAIRS & TABLES IN VIEW CORRIDOR



VIEW CORRIDOR - EXISTING

VIEW CORRIDOR - PROPOSED

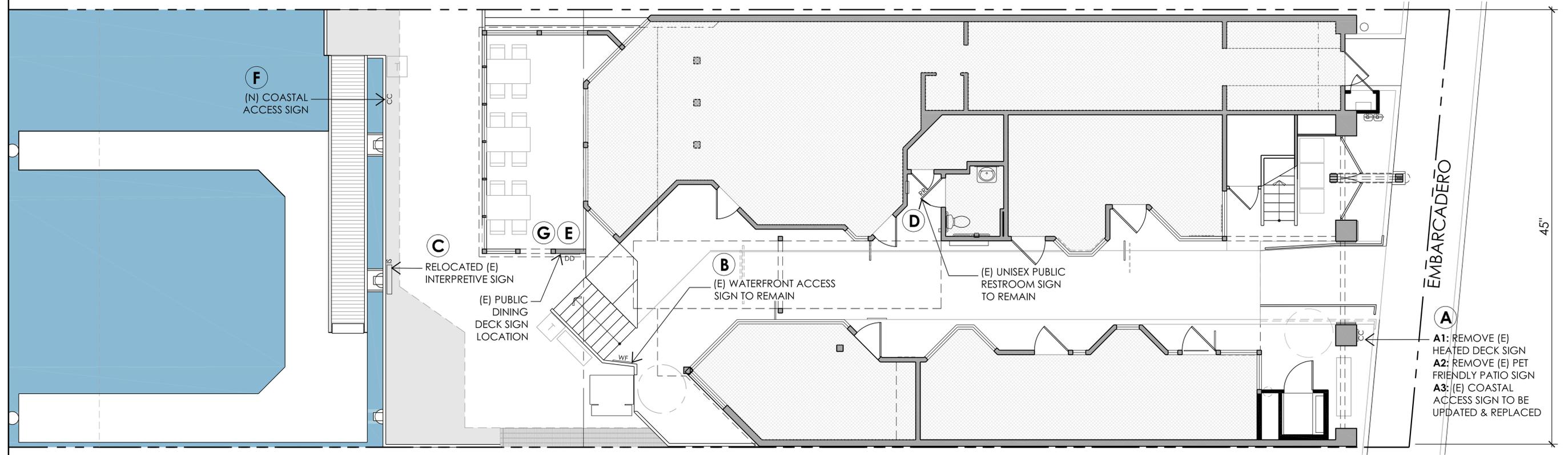
	Salt Building Morro Bay, CA	Date FEBRUARY 13, 2018
	for: Rick & Teri Gambril	Scale NO SCALE
		Sheet A5.4



EXISTING PUBLIC ACCESS SIGNAGE

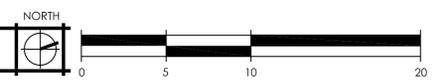


PROPOSED COASTAL ACCESS SIGNAGE

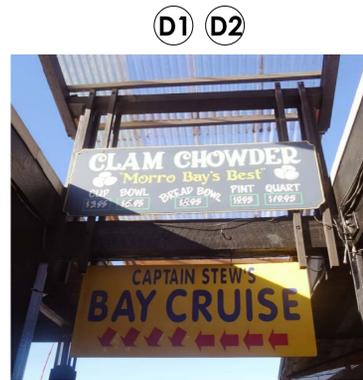


- A1:** REMOVE (E) HEATED DECK SIGN
- A2:** REMOVE (E) PET FRIENDLY PATIO SIGN
- A3:** (E) COASTAL ACCESS SIGN TO BE UPDATED & REPLACED

COASTAL PUBLIC ACCESS SIGN EXHIBIT - FIRST FLOOR PLAN



	Salt Building Morro Bay, CA for: Rick & Teri Gambril	Date: FEBRUARY 13, 2018
		Scale: 1" = 10' @ 11x17 1" = 5' @ 24x36
		Sheet: A6.0



D1 D2

POST-MOUNTED CLAM CHOWDER SIGN
CAPTAIN STEW'S BAY CRUISE DOUBLE-SIDED BANNER



D3 D4

"OPEN" PUB SIGN
BEACH BURGER WHITEBOARD



D5

WINDOW-PAINTED STEW CRUISE
SIGN ON DOOR GLAZING



D6 D7

(2) CAPTAIN STEW'S CRUISER
WHITEBOARDS



D8

INTERIOR BURLAP BANNER



D9

ABRI WATERFRONT RESTAURANT
MONUMENT SIGN



D10 D11

CAPTAIN STEW'S \$10 BAY CRUISE &
BAY CRUISE PAPER FLYER



D12

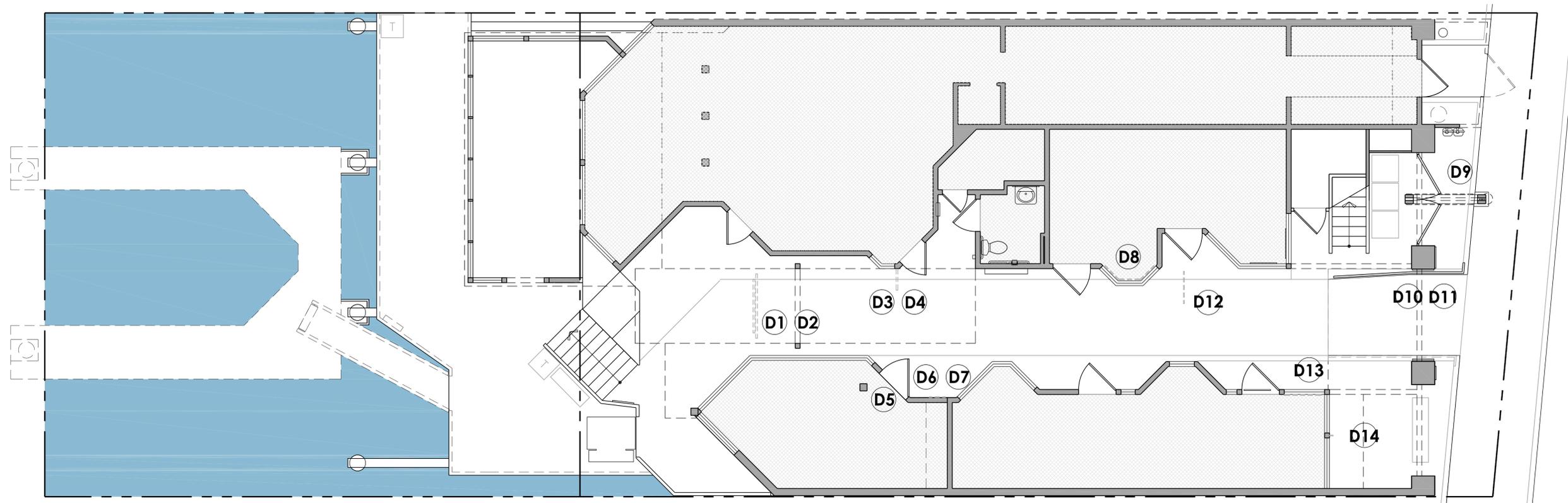
CEILING MOUNTED SKIPPER'S
BREW BANNER



D13 D14

GREEN ICE CREAM 3D SIGN
ICE CREAM DECAL

EXISTING TENANT SIGNAGE TO BE REMOVED



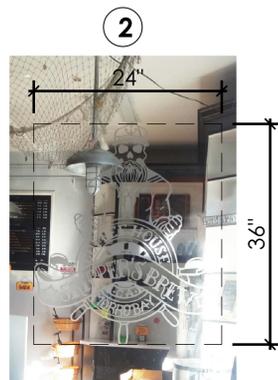
SIGN REMOVAL EXHIBIT - FIRST FLOOR PLAN



	Salt Building Morro Bay, CA for: Rick & Teri Gambril	Date FEBRUARY 13, 2018 Scale 1" = 10' @ 11x17 1" = 5' @ 24x36 Sheet A6.1
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1
BEACH BURGER POST-MOUNTED SIGN
(DOUBLE SIDED)
35 SF (17.5 SF EACH SIDE)



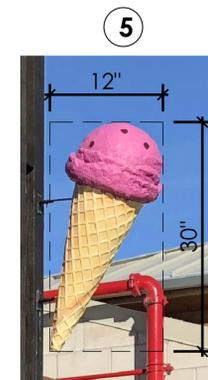
2
SKIPPER'S BREW WINDOW DECAL
6 SF



3
COFFEE WINDOW DECAL
5 SF

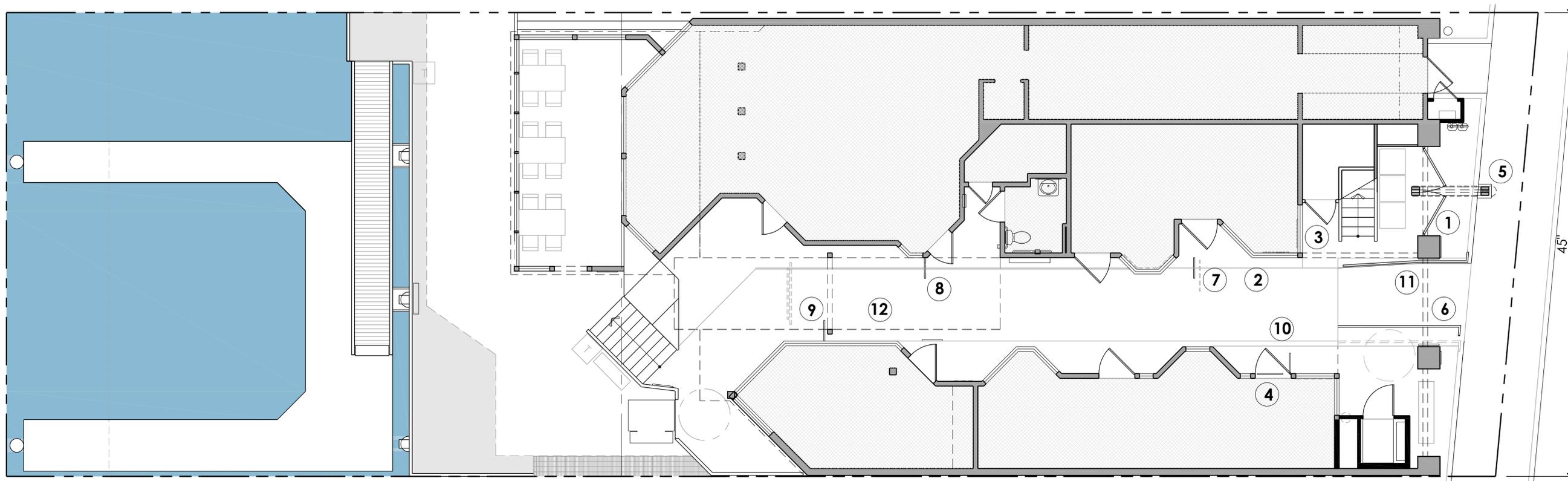


4
FUDGE & ICE CREAM WINDOW SIGN
4.4 SF

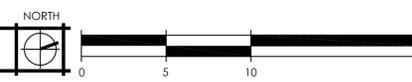


5
PINK ICE CREAM
SCULPTURE SIGN
5 SF

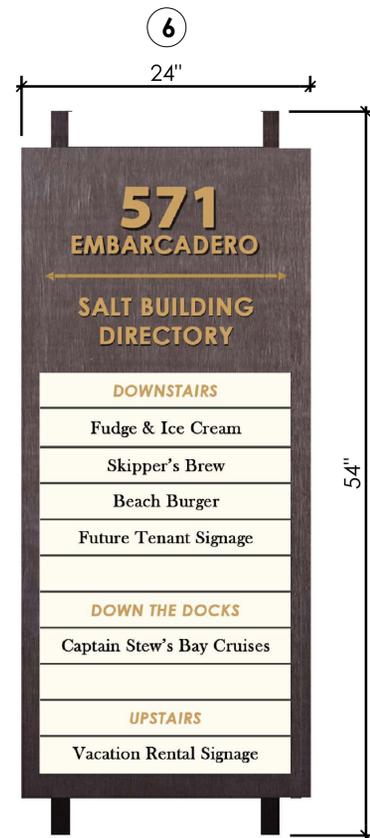
EXISTING TENANT SIGNAGE TO REMAIN



SIGN EXHIBIT - FIRST FLOOR PLAN



	Salt Building Morro Bay, CA for: Rick & Teri Gambril	Date: FEBRUARY 13, 2018 Scale: 1" = 10' @ 11x17 1" = 5' @ 24x36 Sheet: A6.2
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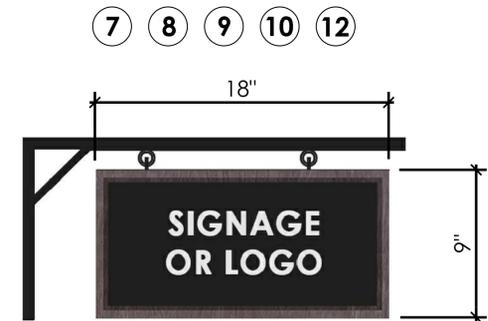


PROPOSED DIRECTORY SIGN
SIGN DIMENSIONS: 24"X54" (9 SF)
TO BE MOUNTED FLAT TO EXISTING BRICK COLUMN
WOOD TO MATCH EXISTING PANELS ON BUILDING

DIRECTORY WALL SIGN

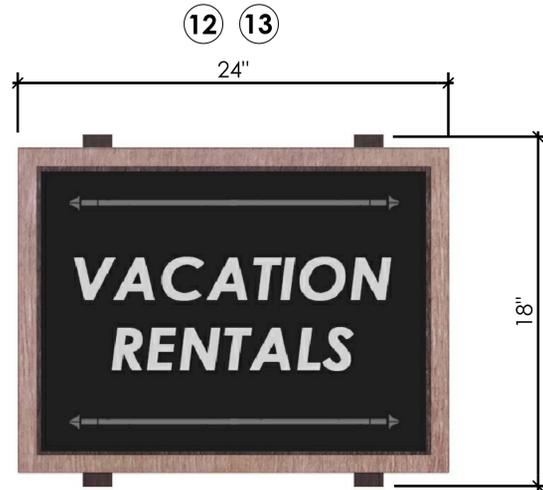


TYPICAL PUB SIGN IN VIEW CORRIDOR



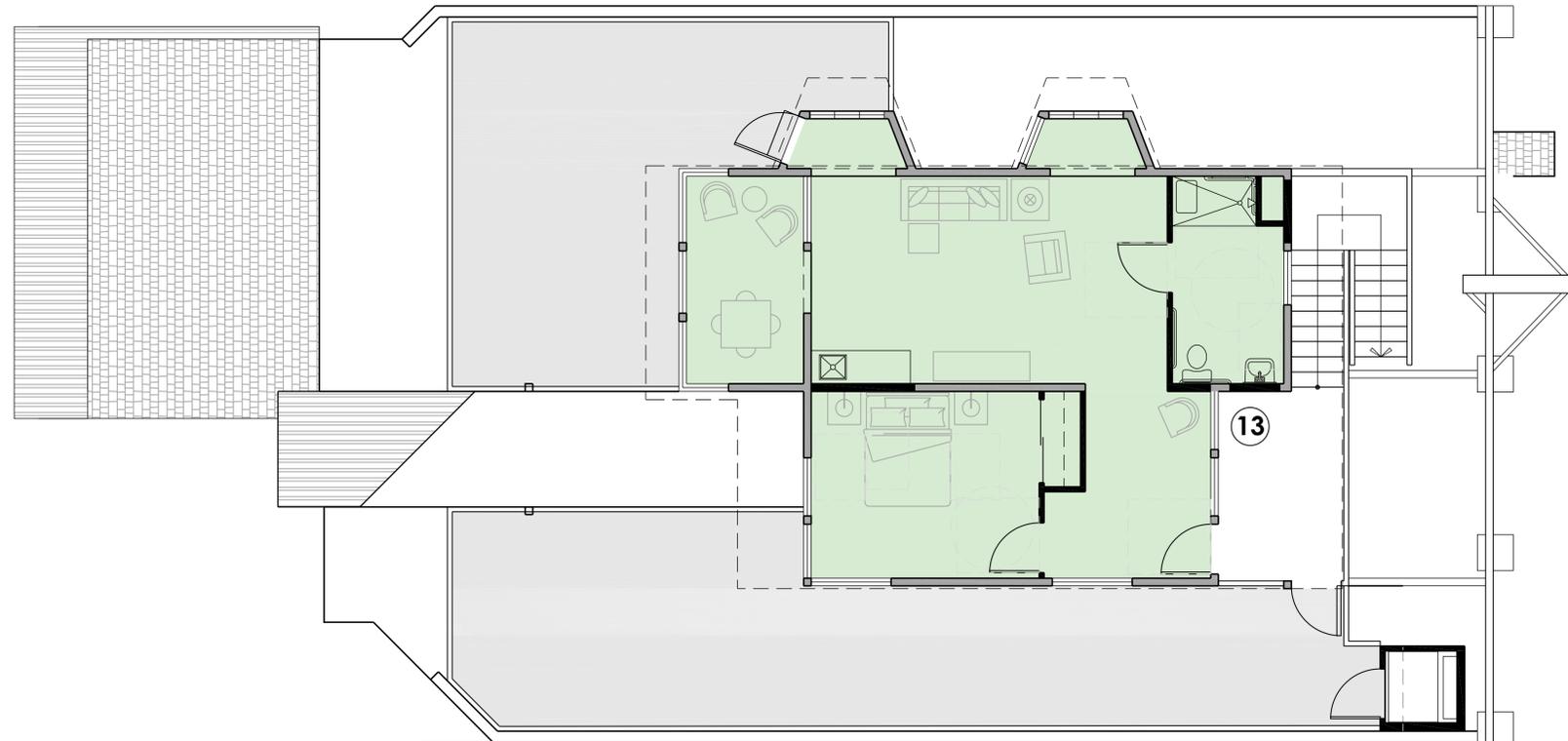
PROPOSED TYPICAL PUB SIGN
SIGN DIMENSIONS: 18"X9" (1 SF)
OCCURS ONCE FOR EACH TENANT IN VIEW CORRIDOR
MINIMUM 8' HEAD CLEARANCE TO BOTTOM OF SIGN
METAL OR WOOD BRACE, PAINTED DARK
METAL OR WOOD FRAMED SIGN

	<p>Salt Building Morro Bay, CA</p>	<p>Date: FEBRUARY 13, 2018</p>
	<p>for: Rick & Teri Gambriel</p>	<p>Scale: 1" = 10' @ 11x17</p>
		<p>Sheet: 1" = 5' @ 24x36</p>
		<p>A6.3</p>



PROPOSED VACATION RENTAL SIGN
 SIGN DIMENSIONS: 24"x18" (3 SF)
 TO BE MOUNTED FLAT TO WOOD PANEL SIDING
 WOOD TO MATCH EXISTING TRIM ON BUILDING
 TEXT TO BE DETERMINED

VACATION RENTAL WALL SIGN



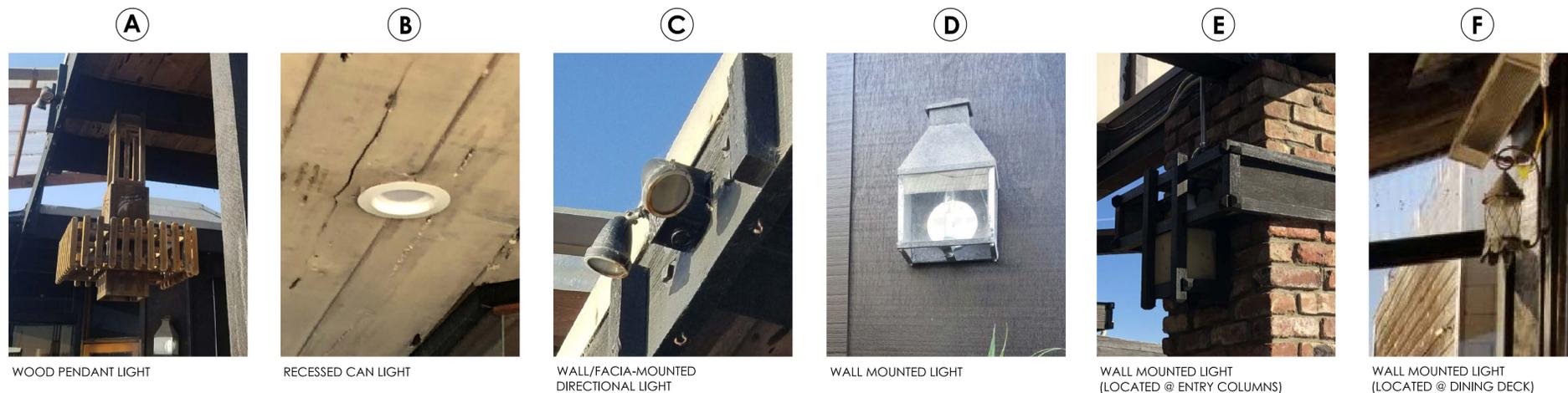
SIGN EXHIBIT - SECOND FLOOR PLAN

SIGNAGE CALCULATIONS

Mark	Business	Sign Type	Existing/Proposed	Permitted?	Facade Location	Dimensions	Square Footage
Public Signage							
A3	Coastal Access: Public Viewing Deck	Wall	E	x	Front, Back Column	24' x 18"	3
B	Waterfront Direction	Directional	E	x	Top of Stair	24' x 6"	1
C	Interpretive Sign	Post	E	x	Bayside, lower dock railing	36' x 24"	6
D	Restroom	Wall	E	x	Door	9' x 15"	1
E	Coastal Access: Public Viewing Deck	Wall	P	x	Front, Back Column	24' x 18"	3
F	Coastal Access: Open 24 Hours (Deck)	Wall	P		Bayside, Lower dock railing	24' x 18"	3
G	Coastal Access: Dining Deck	Wall	P	x	Bayside, Outside Dining	24' x 18"	3
						TOTAL	20
Tenant Signage							
General							
6	Directory	Directory	P		Front, brick column	24" x 54"	9
						TOTAL	9
Skipper's Brew							
2	Skipper's Brew	Window decal	E		Primary	24' x 36"	6
3	Callfree products	Window decal	E		Secondary	30' x 24"	5
7	Pub Sign	Pub Sign	P		Primary	18' x 9"	1
						TOTAL	12
Embarcadero Fudge & Ice Cream							
4	Embarcadero Fudge & Ice Cream	Window sign (above door)	E		Primary	30' x 21"	4.4
5	Pink ice cream	3D sign (monument)	E		Monument/pole	12' x 30' x 12"	5
10	Pub Sign	Pub Sign	P		Primary	18' x 9"	1
						TOTAL	10.4
Beach Burger Restaurant							
1	Beach Burger Monument (Double-sided)	Pole	E	x	Monument/pole	72' x 36"	35
8	Pub Sign	Pub Sign	P		Primary	18' x 9"	1
						TOTAL	36
Captain Stew's Bay Cruises							
9	Pub Sign	Pub Sign/Directional	P		Primary	18' x 9"	1
						TOTAL	1
Future Tenant							
12	Pub Sign	Pub Sign	P		Primary	18' x 9"	1
						TOTAL	1
Vacation Rental							
11	Rental Upstairs	Direction	P		Front, Back Column	24' x 9"	1.5
12	Wall Sign	Wall	P		Primary	24' x 18"	3
						TOTAL	4.5
						PROPOSED TOTAL SF	73.9
						ALLOWABLE SF BASED OFF 45'	67.5
						<small>*calculated by linear frontage times 1.5</small>	
						SURPLUS SF	6.4

**CALCULATIONS BASED ON PRESENT MORRO BAY SIGN ORDINANCE FOR EMBARCADERO ZONING

	Salt Building Morro Bay, CA for: Rick & Teri Gambril	Date: FEBRUARY 13, 2018 Scale: 1" = 10' @ 11x17 1" = 5' @ 24x36 Sheet: A6.4
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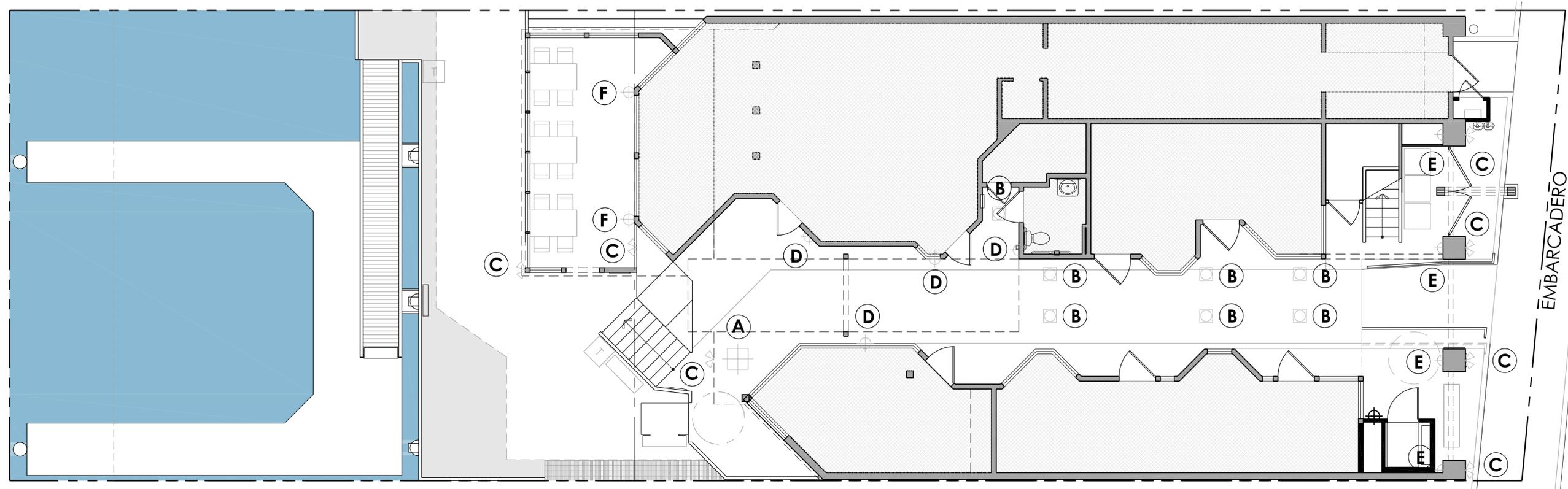


WOOD PENDANT LIGHT RECESSED CAN LIGHT WALL/FACIA-MOUNTED DIRECTIONAL LIGHT WALL MOUNTED LIGHT WALL MOUNTED LIGHT (LOCATED @ ENTRY COLUMNS) WALL MOUNTED LIGHT (LOCATED @ DINING DECK)

LIGHTING LEGEND

- EXISTING WALL MOUNTED LIGHT
- NEW WALL MOUNTED LIGHT
- EXISTING WALL/FACIA-MOUNTED DIRECTIONAL LIGHT
- NEW WALL/FACIA-MOUNTED DIRECTIONAL LIGHT
- EXISTING RECESSED CAN LIGHT
- EXISTING WOOD PENDANT LIGHT

EXISTING SITE LIGHT FIXTURES



SCHEMATIC SITE LIGHTING - FIRST FLOOR PLAN

	<p>Salt Building Morro Bay, CA for: Rick & Teri Gambril</p>	<p>Date: FEBRUARY 13, 2018</p>
		<p>Scale: 1" = 10' @ 11x17 1" = 5' @ 24x36</p>
		<p>Sheet: A7.0</p>

G



CEILING MOUNTED LIGHT

BEVELED ENDS

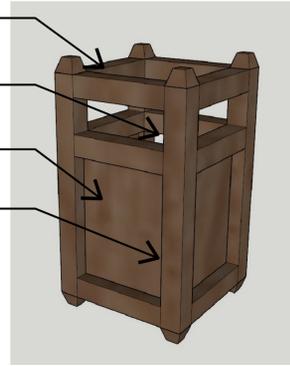
STANDARD LIGHT FIXTURE
INSIDE TRIM TO BE DARK
SKY COMPLIANT

2X2 WOOD PIECES

WOOD STAIN ON COVER
TRIM PANELS TO MATCH
EXISTING WOOD PANELS
ON BUILDING

SIZE OF WOOD TRIM
AROUND LIGHT:
18" H X 9.5" W X 9.5" D

H



WALL MOUNTED LIGHT W/ WOOD TRIM
**LIGHT FIXTURE INSIDE SHALL BE DARK SKY COMPLIANT



STANDARD WALL MOUNTED LIGHT FIXTURE

WAC LIGHTING
TUBE LED OUTDOOR ARMED SCONCE
BRONZE FINISH
(OR OWNER SELECTED EQUAL)

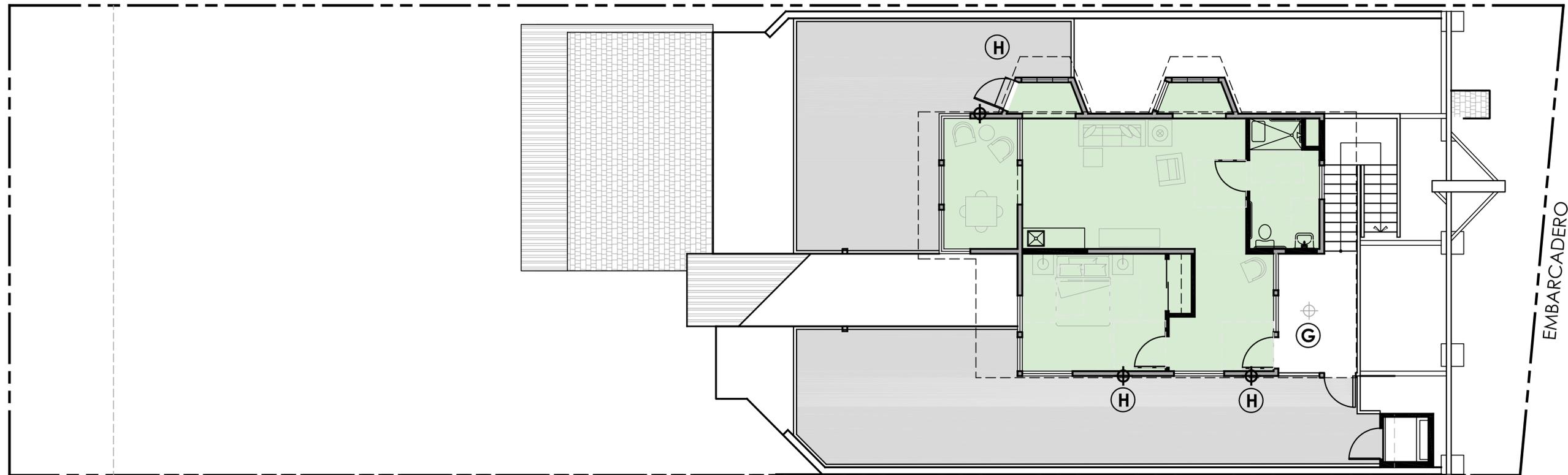
EXTERIOR LIGHT FIXTURES SHALL COMPLY
WITH THE CITY'S DARK SKY PRESERVATION
ORDINANCE.
ALL FIXTURES SHALL BE SHIELDED WITH
LIGHT DIRECTED DOWNWARDS.

LIGHTING LEGEND

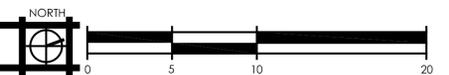
- EXISTING WALL MOUNTED LIGHT
- NEW WALL MOUNTED LIGHT
- EXISTING WALL/FACIA-MOUNTED DIRECTIONAL LIGHT
- EXISTING RECESSED CAN LIGHT
- EXISTING WOOD PENDANT LIGHT

EXISTING SITE LIGHT FIXTURES

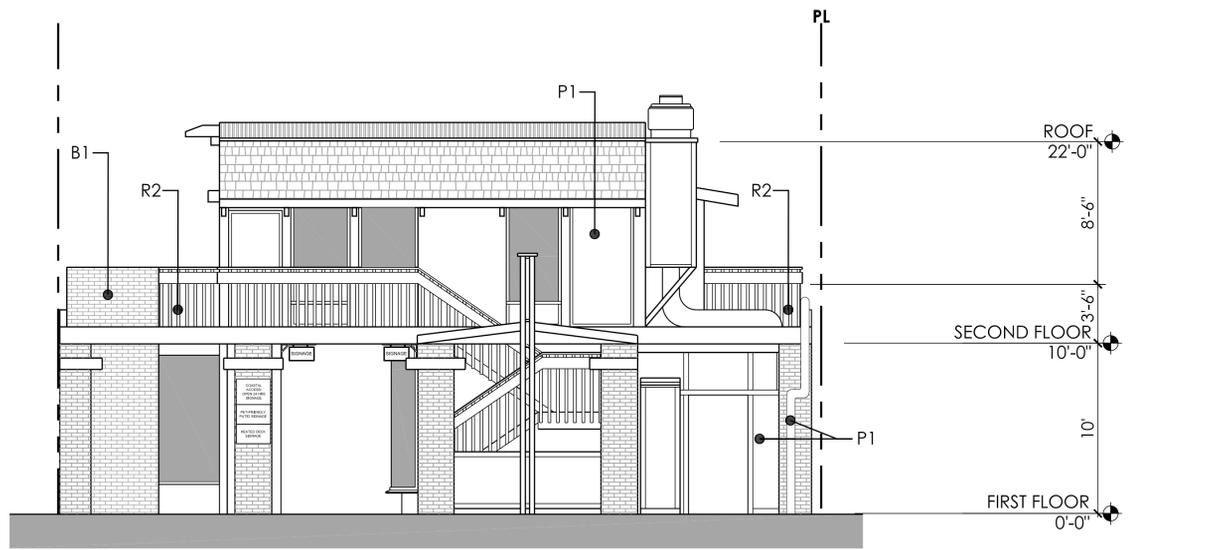
PROPOSED SITE LIGHT FIXTURES



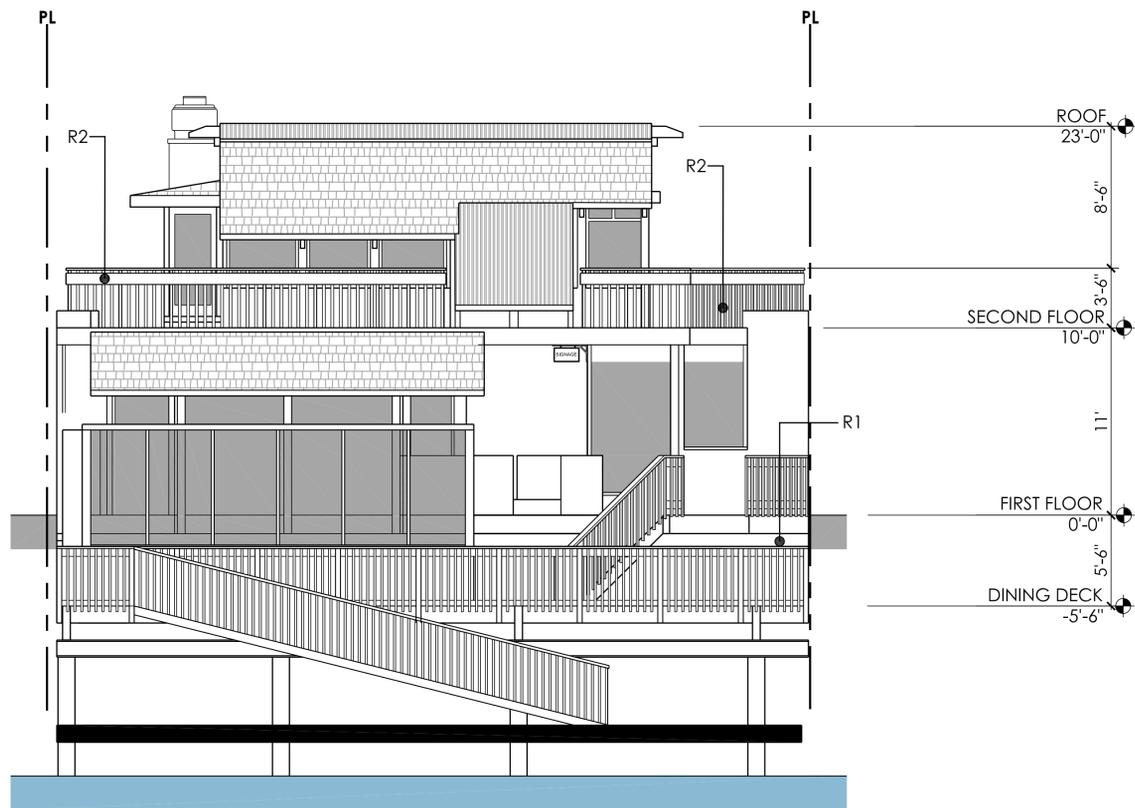
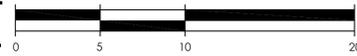
SCHEMATIC SITE LIGHTING - SECOND FLOOR PLAN



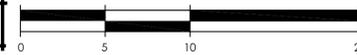
	<p>Salt Building Morro Bay, CA for: Rick & Teri Gambril</p>	<p>Date: FEBRUARY 13, 2018 Scale: 1" = 10' @ 11x17 1" = 5' @ 24x36 Sheet: A7.1</p>
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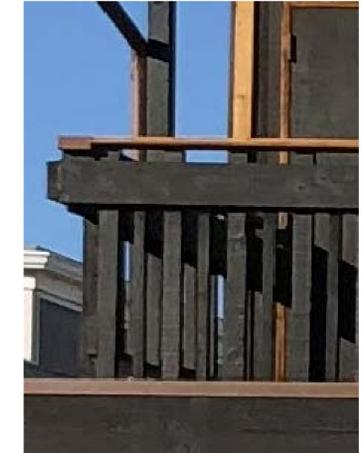
PROPOSED FRONT ELEVATION



PROPOSED BACK ELEVATION



R1
HARBORWALK RAILING



R2
ROOF DECK RAILING



B1
BRICK VENEER
MATCH TO EXISTING



P1
PAINTED WOODSIDING
BENJAMIN MOORE
HC-68 "MIDDLEBURY BROWN"
(OR MATCH TO EXISTING)

	<p>Salt Building Morro Bay, CA for: Rick & Teri Gambril</p>	<p>Date: FEBRUARY 13, 2018</p>
		<p>Scale: 1" = 10' @ 11x17</p>
		<p>Sheet: 1" = 5' @ 24x36</p>
		<p>CB1.0</p>

GENERAL NOTES

PROPOSED IMPROVEMENTS

THE CONSTRUCTION COORDINATORS INFORMATION SHALL BE POSTED ON SITE
CONSTRUCTION COORDINATOR SHALL BE GENE DOUGHTY,
LAND/SEA INTERFACE 805-772-8436

CONTRACTOR SHALL HAVE ON SITE 200 COPY OF C.B.C., ALL WORK SHALL COMPLY W/ 2011 C.B.C., 2020 UMC, 2015 NEC, 2020 UPC 2015 CALIF TITLE 24, CITY OF MORRO BAY, CODES AND REQUIREMENTS, CONDITIONS OF APPROVAL CALIFORNIA COASTAL COMMISSIONS STANDARD AND SPECIAL CONDITIONS CALIFORNIA BOATING AND WATERWAYS GUIDELINES.

CONTRACTOR SHALL NOTIFY ARCHITECT AND OWNER PRIOR TO CHANGES OF CONSTRUCTION FOR APPROVAL.
CARPENTRY
ALL STRUCTURAL LUMBER SHALL BE GRADED IN ACCORDANCE W/ W.C.L.A.

NOTE! ARCHITECT SHALL SUBMIT SPECIAL INSPECTION AND SPECIAL OBSERVATION REPORT TO CITY OF THE PLACEMENT OF PILE FOLLOWING PLACEMENT OF THE PILING

SCHEDULE OF WORK
SUBMIT PRECISE PLAN AMENDMENT/CONCEPT PLAN FOR REVIEW AND APPROVAL SPRING 2021
SUBMIT APPROVED PRECISE/CONCEPT TO COSTAL COMMISSION FOR REVIEW WITHIN 6 MONTHS OF CITY APPROVAL.

INSTALL NEW TREATED BEAMS
EXTEND EXISTING HARBORWALK TO 10' WIDE.
ENLARGE EXISTING DECKING BY 113 S.F.
REPLACE AND INSTALL 2 NEW 16" STEEL PILES.
ENLARGE AND REPLACE EXISTING DEMOLISHED DOCKS. W/ NEW FLOATING SLIPS.
REMOVE AND RELOCATE NEW H.C. ACCESSIBLE GANGWAY

MATERIAL SPECIFICATIONS

Dock Frame Aluminum Structural Members: All structural components within the dock system to be comprised of 6000 series marine grade aluminum per ASTM B 221. Side rails will be Standard BWM proprietary extrusion.

c. Decking: Proposed decking for this project is Moistureshield Composite decking. This is an excellent deck material for the marine environment and we have used this product on our docks with great performance and success over the last 20 years. All decking will be secured to the dock structure with 316-grade stainless steel fasteners. Capped and heat absorption reduction composite decking options are also available.

b. Flotation: All floats comprised of 100% Virgin LLDE, filled with molded in place virgin 1pcf Expanded Polystyrene meeting all USCG standards including the Hunt absorption test.
FIBERGLASS GRATING SHALL BE "INDUSTRIAL GRATING" GRAY OR EQUAL

NOTE!

CONSTRUCTION PRACTICES SHALL BE AS REQUIRED BY CITY OF MORRO BAY CODES AND REQUIREMENTS, CALIFORNIA COASTAL COMMISSION CONDITIONS OF APPROVAL.

SILT SCREENS SHALL BE PLACED WITHIN THE AREA OF ALL IN-WATER CONSTRUCTION OR DISTURBANCE TO REDUCE POTENTIAL TURBIDITY ASSOCIATED IMPACTS. ALL CONSTRUCTION SHALL OCCUR WITHIN THE PROJECT FOOTPRINT.

LEGAL DESCRIPTION

OWNERS----- RICK GAMBRIL

SITE ADDRESS----- 571 Embarcadero
MORRO BAY, CALIF
95W

LEASE SITES----- Morro Bay, California
COUNTY OF SAN LUIS OBISPO, CALIFORNIA

APN. ----- PARCEL 9 OF PARCEL MAP MORRO BAY 68-30
ZONE----- H. WF. (PD/S.4)

SITE INFORMATION

LEASE INFORMATION		MARINA INFORMATION	
LAND LEASE	3892 S.F.	REMOVE EXISTING 12" DIA. PILES --	2.
EXISTING WATER LEASE	2250 S.F.	INSTALL NEW STEEL/EPOXY PILING	2
PROPOSED WATER LEASE	2700 S.F.	EXISTING SLIP LENGTH	118.5 LF.
TOTAL LEASE AREA	6592 S.F.	PROPOSED SLIP LENGTH	141 LF.
BUILDING COVERAGE	3245 S.F.	EXISTING SLIP AREA	370 S.F.
EXISTING DECKING	587 S.F.	PROPOSED SLIP AREA	525 S.F.
PROPOSED ADDITIONAL DECKING	182 S.F.		
LANDSCAPE COVERAGE	18 S.F.		
BUILDING USE --MIX USE GROUP B-2/TYPE	V		



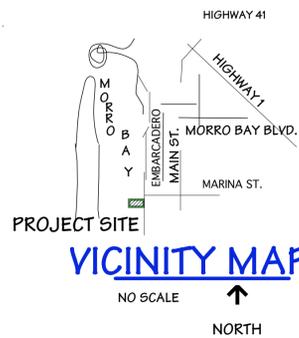
1 SIGNAGE SHALL BE 24" WIDE X 18" HIGH METAL SIGN W/ IMAGES MOUNTED FLAT ON 4X4 POST w/ white background & blue lettering
A sign that states "Caution: due to fluctuation of water elevation, this dock/pier is only accessible between tidal elevations of +7' to 0. use with caution, to be located @ top of gangway access."

2 SIGNAGE SHALL BE 24" WIDE X 18" HIGH METAL SIGN W/ IMAGES MOUNTED FLAT ON 4X4 POST w/ white background & blue lettering
PUBLIC BOARDWALK TO REMAIN OPEN 24 HOURS A DAY to be located upcast & downcast & entrance to courtyard

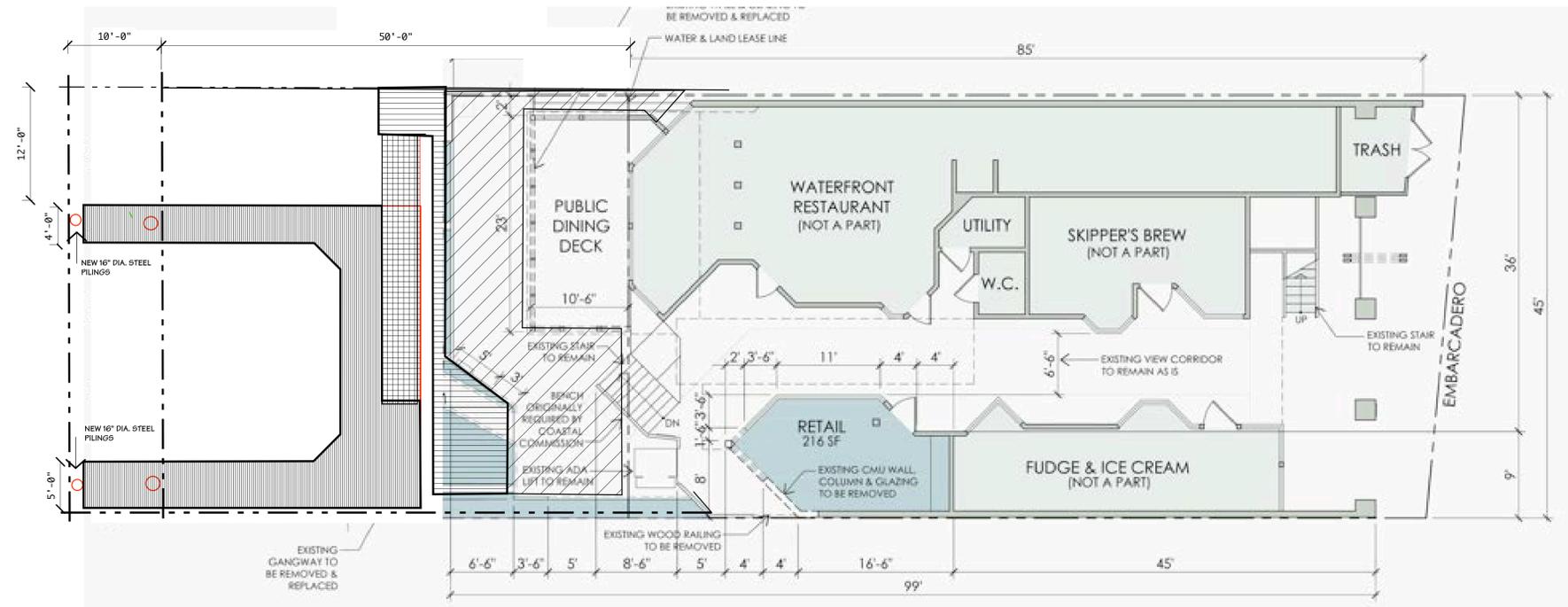


3 SIGNAGE SHALL BE 24" WIDE X 18" HIGH METAL SIGN W/ IMAGES MOUNTED FLAT ON 4X4 POST w/ white background & blue lettering
INTERPRETIVE SIGNAGE DEPICTING COMMERCIAL AND

4 SIGNAGE SHALL BE 24" WIDE X 18" HIGH METAL SIGN W/ IMAGES MOUNTED FLAT ON 4X4 POST w/ white background & blue lettering
PUBLIC BOARDWALK TO REMAIN OPEN 24 HOURS A DAY to be located upcast & downcast & entrance to courtyard



VICINITY PHOTO



MARINA SITE PLAN

SCALE 1/8" = 1'-0"

INDEX TO DRAWINGS

- D 1.0 COVER SHEET, GENERAL NOTES
- D 1.1 SITE PLAN
- D 2.0 FLOATING DOCK PLANS/HARBOR-WALK PLAN
- D 3.0 CITY OF MORRO BAY CONDITIONS
- D 4.0 COASTAL COMMISSION CONDITIONS

OFFSHORE DOCK PLANS FOR RICK GAMBRIL

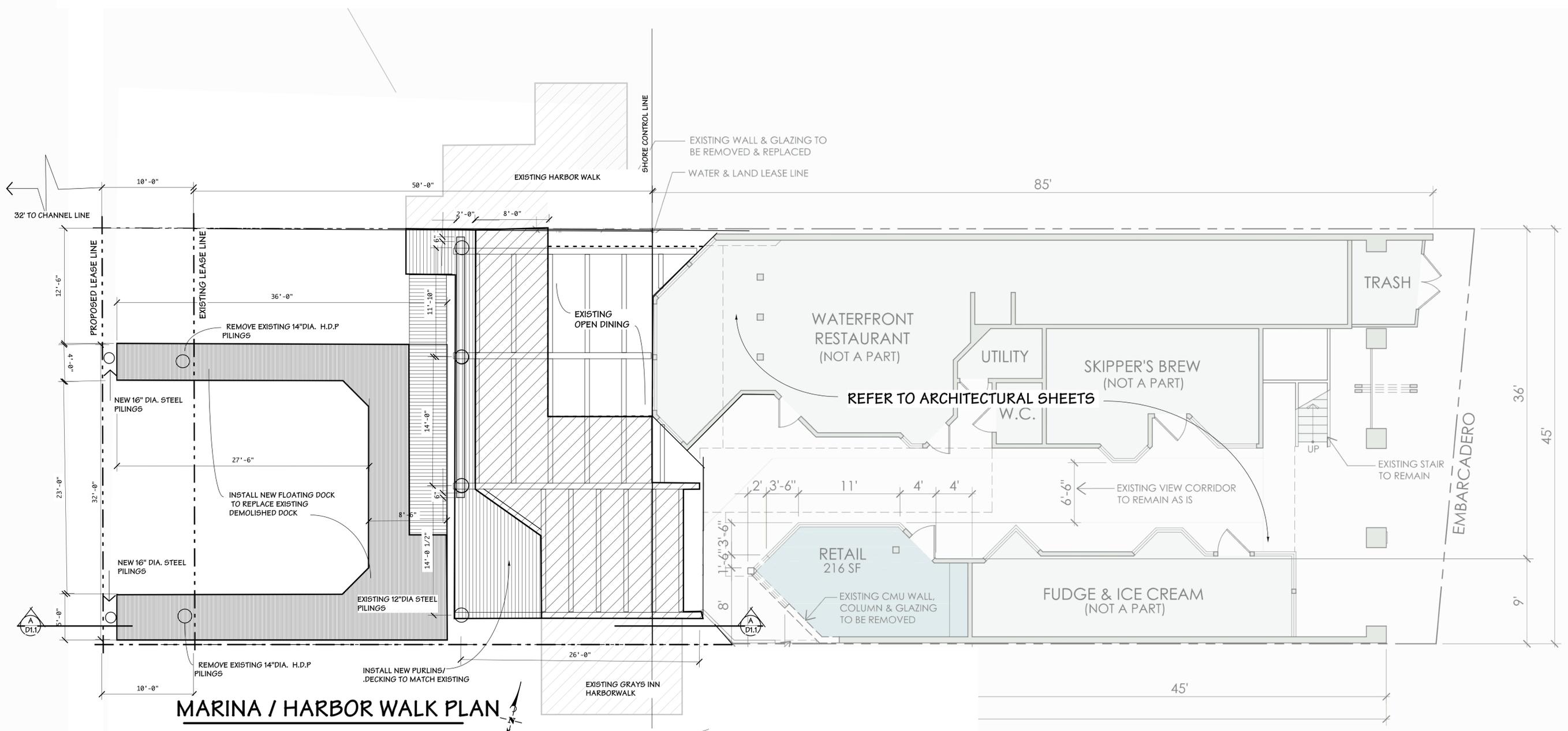
GENERAL NOTES
LEGAL DESCRIPTION
SITE INFORMATION
LEASE SITE IMPROVEMENTS

3-11-21

D 1.0 SHEET OF 6 SHEET

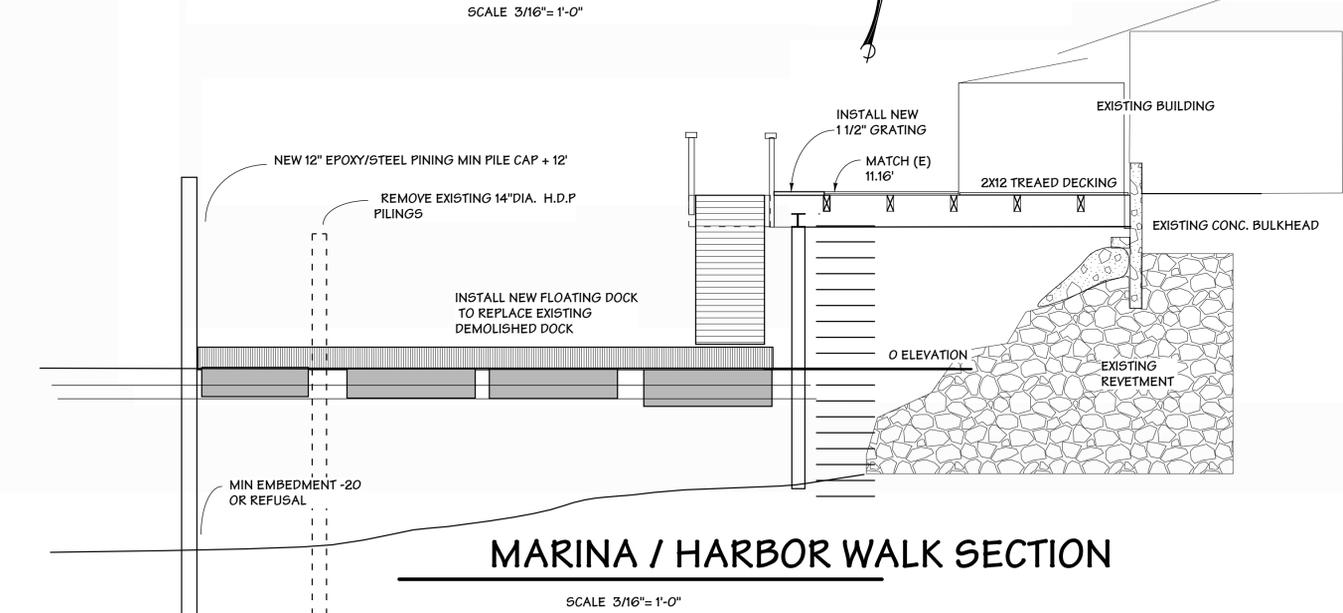
LAND/SEA INTERFACE
GENE DOUGHTY-ARCHITECT
1-805-772-8436
C 18794

A-1



MARINA / HARBOR WALK PLAN

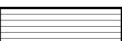
SCALE 3/16" = 1'-0"



MARINA / HARBOR WALK SECTION

SCALE 3/16" = 1'-0"

LEGEND

-  EXISTING HARBOR WALK
-  PROPOSED ADDITIONAL HARBOR WALK
-  PROPOSED H.C. GANGWAY
-  REPLACE/ PROPOSED FLOATING SLIPS

OFFSHORE DOCK PLANS
 FOR
RICK GAMBRIL
 571 EMBARCADERO, MORRO BAY, CALIF

LAND/SEA INTERFACE
 GENE DOUGHTY-ARCHITECT
 1-805-772-8436
 C 18794

MARINA / HARBOR WALK PLAN
 MARINA/HARBOR WALK SECTION
 3-11-21
 SCALE: AS NOTED
 DRAWN: GD

SHEET
D 1.1
 OF 6 SHEET



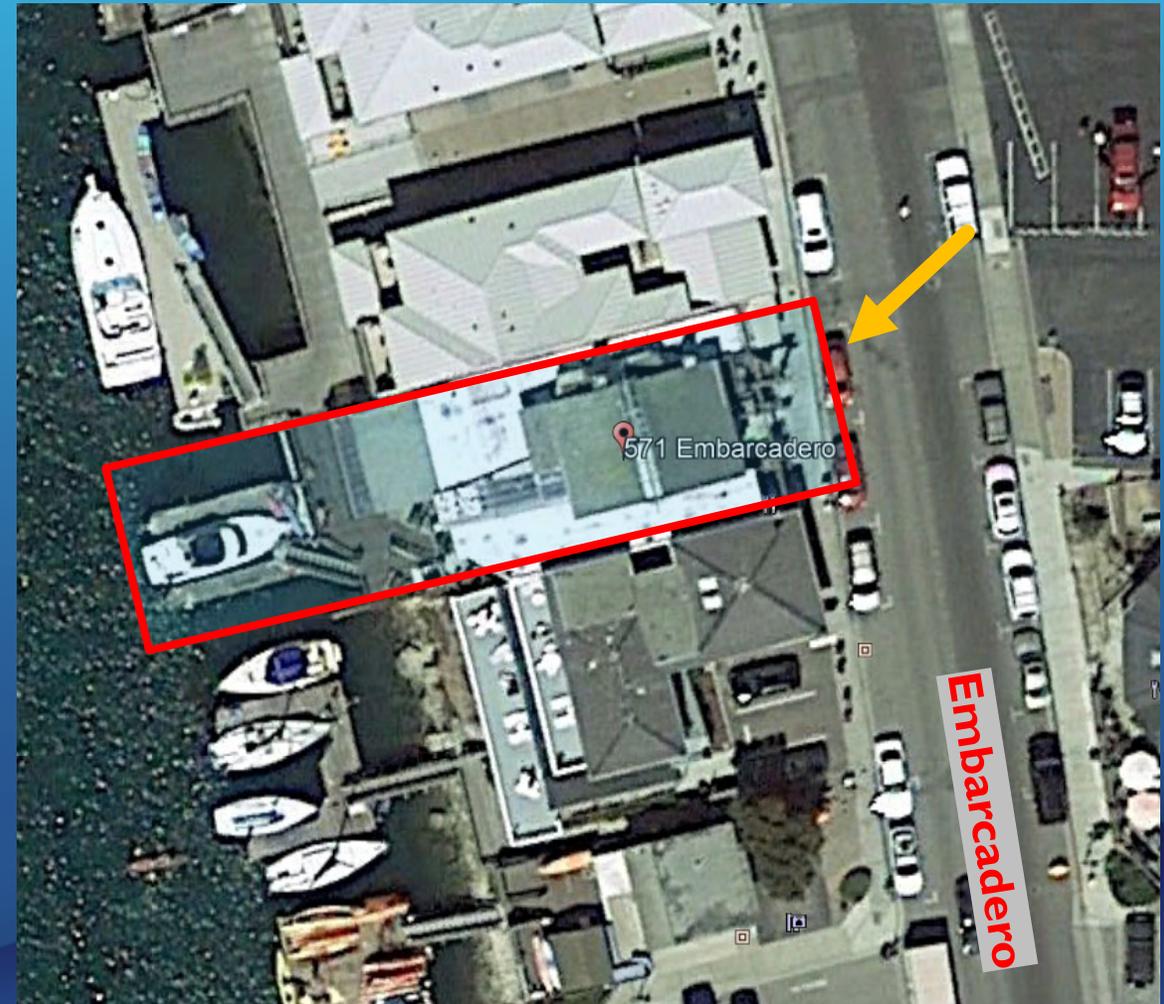
City of Morro Bay City Council

**CONDITIONAL USE PERMIT
MAJOR MODIFICATION
(MAJ19-006)**

**SALT BUILDING, 571 EMBARCADERO RD
COMMERCIAL REMODEL, VACATION RENTAL,
DOCK REPLACEMENT, SIGN PROGRAM &
PUBLIC ACCESS IMPROVEMENTS**

**APPLICANT: RICK GAMBRIL
AGENT: CATHY NOVAK CONSULTING**

MAY 11, 2021



MORRO BAY
PUT LIFE ON COAST

PROPOSED DEVELOPMENT

1. Vacation Rental: Convert existing 839sf of 2nd floor office space to 1 vacation rental unit and also convert a portion of the first floor roof area to 988sf deck for rental guests. Install a vertical chair lift for ADA access.
2. Public Access: Harborwalk extension of 207sf of bayside lateral access to increase from 8.5 to 10feet wide.
3. Dock & Gangway: Replace damaged finger docks and realign 28' gangway. 450sf lease line amendment. 2 new pilings for support.
4. Master Sign Program: Request for Approval of Master Sign Program for 73.9sf where 67.5sf is allowed pursuant to City's Sign Ordinance (MBMC 17.68.110.C)



MORRO BAY
PUT LIFE ON COAST

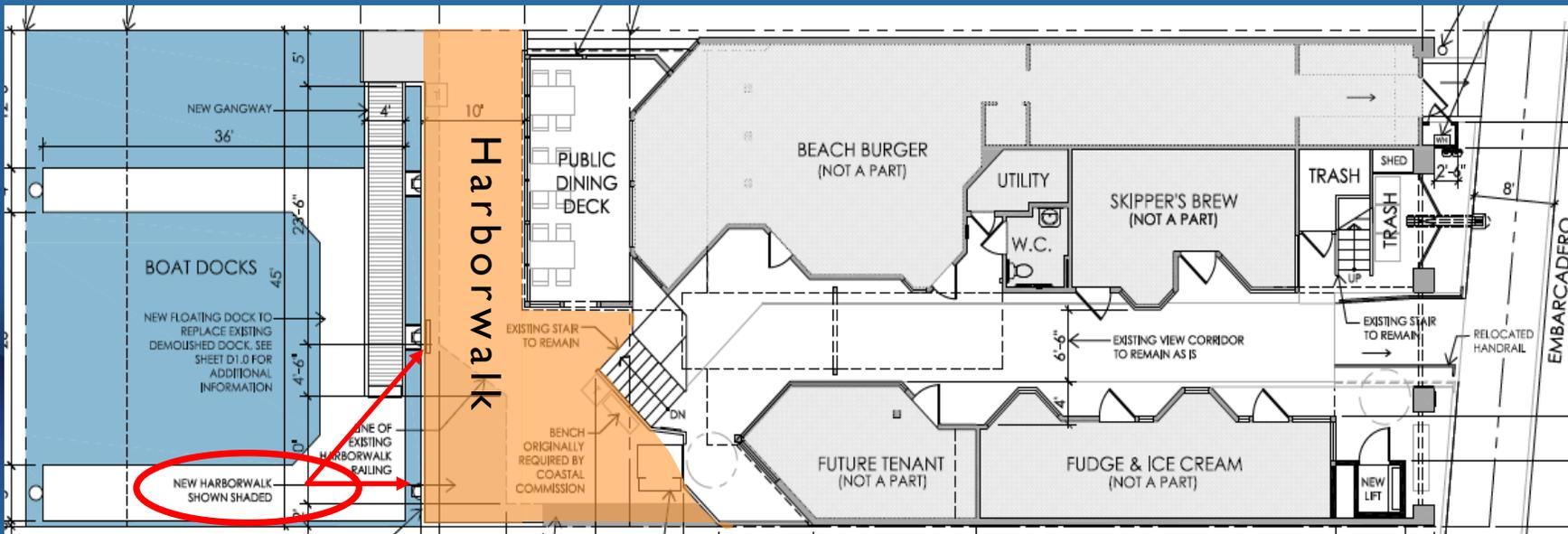
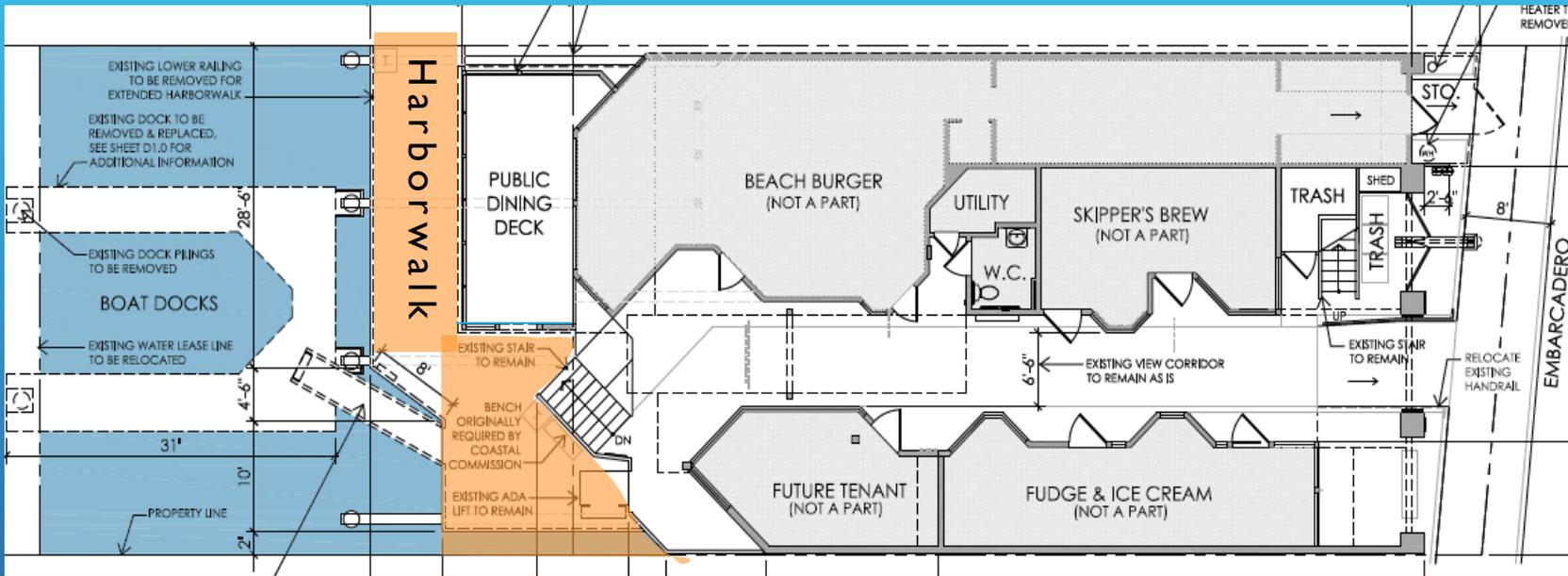
PLANNING COMMISSION RECOMMENDATION

- Planning Commission adopted Resolution 07-21 on April 6, 2021, forwarding a favorable recommendation for approval to City Council.
- The PC recommendation includes 5 project conditions:
 1. Remove trash /storage to expose brick façade
 2. Add & relocate signage for public restroom
 3. Tone down color of directory sign
 4. Revise lighting fixtures to be consistent with original architecture
 5. Revise material for ADA vertical lift from brick veneer to brown wood paneling

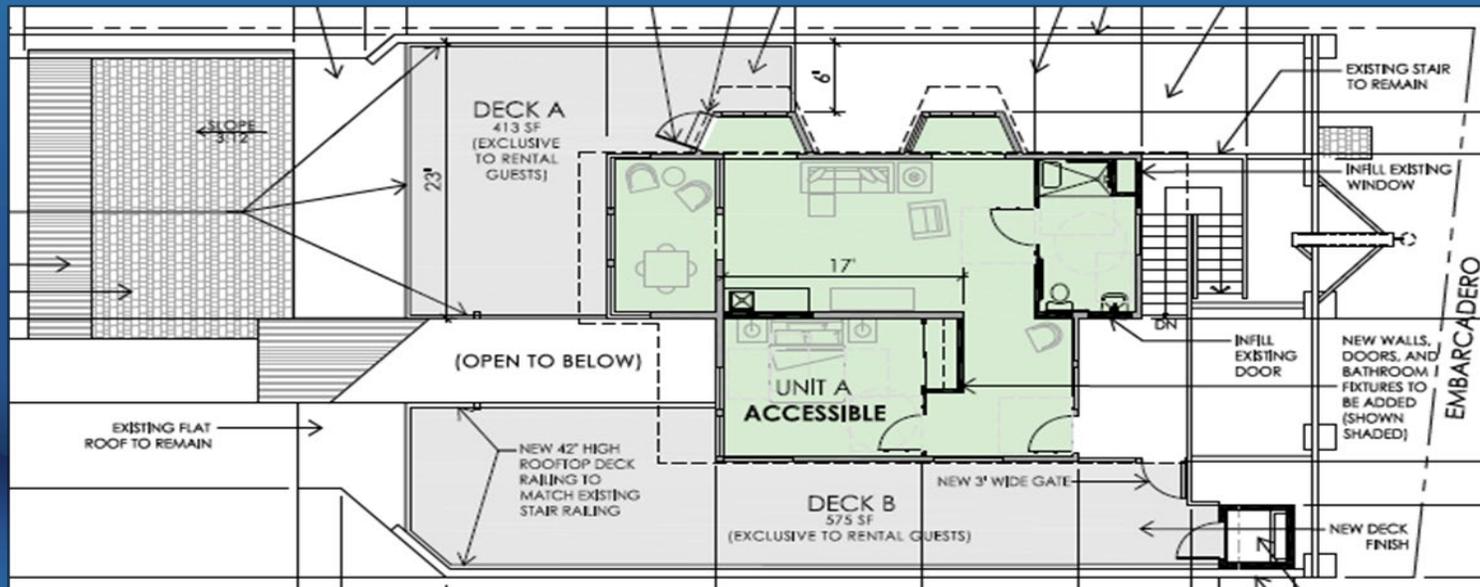
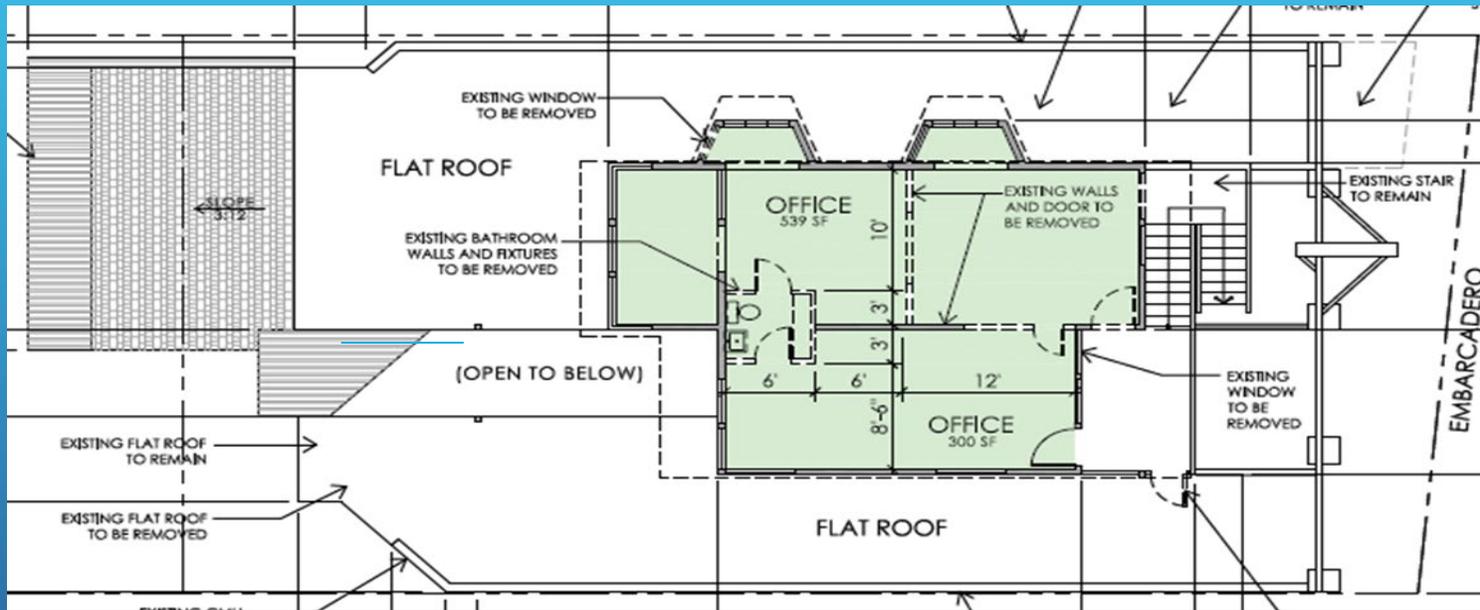


MORRO BAY
PUT LIFE ON COAST

First Floor Site Plan Existing and Proposed



Second Floor Site Plan Existing and Proposed



Visual Simulations – Existing Building



EXISTING COASTAL ACCESS SIGN
TO BE UPDATED & REPLACED

EXISTING WINDOW TO BE
REMOVED FOR NEW LIFT



MORRO BAY
PUT LIFE ON COAST



NEW ACCESSIBLE LIFT SHAFT
W/ WOOD SIDING FINISH,
MATCH TO EXISTING

NEW 42" HIGH ROOFTOP
DECK RAILING TO MATCH
EXISTING STAIR RAILING

RELOCATED RAMP HANDRAIL

UPDATED COASTAL ACCESS SIGN

Visual Simulations – Proposed Building



MORRO BAY
PUT LIFE ON COAST



Visual Simulations – Existing Bayside



MORRO BAY
PUT LIFE ON COAST



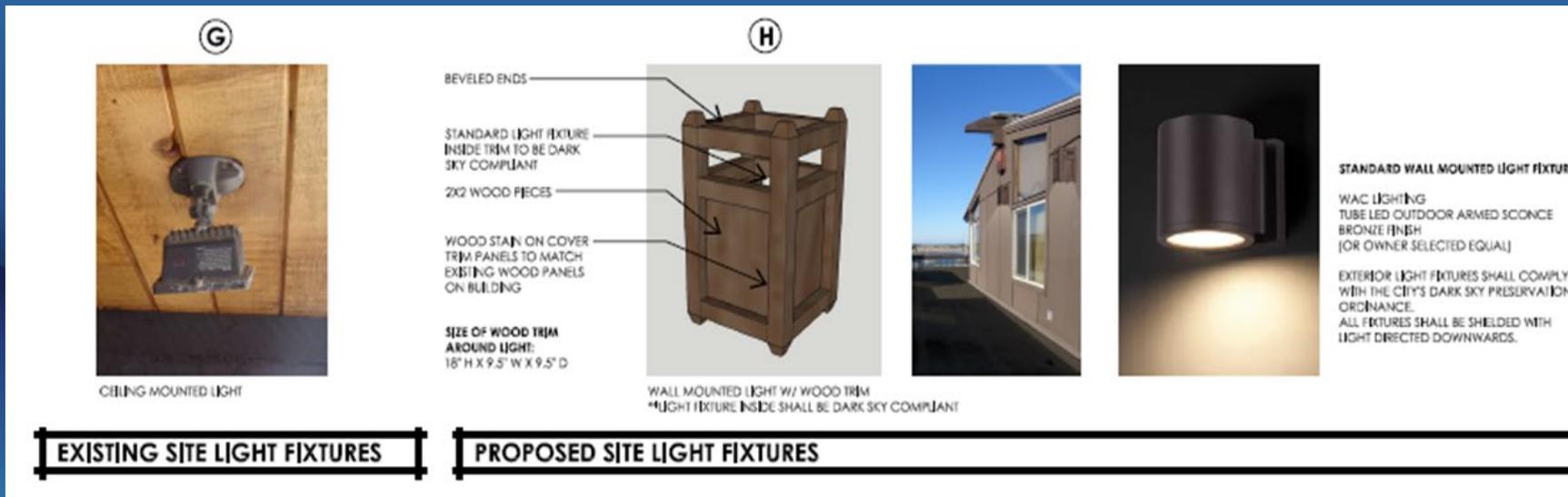
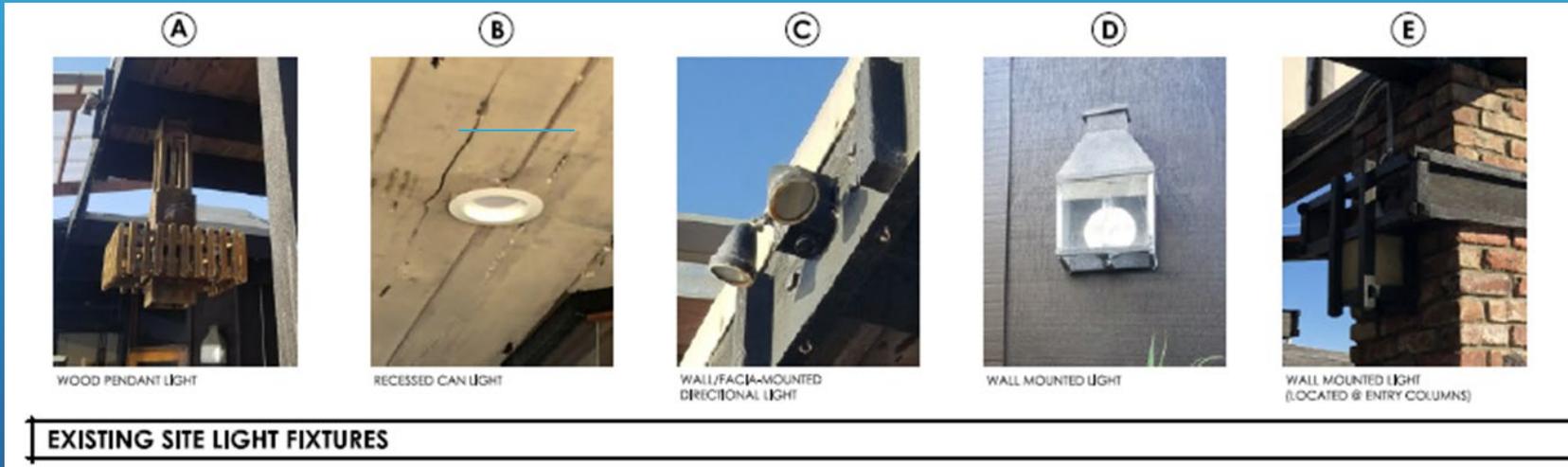
Visual Simulations – Proposed Bayside with expanded Harborwalk



Lighting Fixtures

- Second floor lights to be replaced with custom Fixture H.

Condition 19 recommended to replace Fixture C lights consistent with PC conditions and recommendation.



MORRO BAY
PUT LIFE ON COAST

Staff Recommendation:

Conditionally approve the project (#MAJ19-006) by adopting Resolution 22-21 which includes the Finding and Conditions of Approval for the CUP major modification depicted on plans received April 26, 2021.



AGENDA NO: B-3

MEETING DATE: May 11, 2021

Staff Report

TO: Mayor and City Council

DATE: May 6, 2021

FROM: Katie Lichtig, Interim Finance Director

SUBJECT: Public Hearing and Adoption of Resolution No. 23-21, which Rescinds Resolution No. 96-20 and Adopts the FY 2021/22 Master Fee Schedule

RECOMMENDATION

Staff recommends that the City Council conduct the formally noticed public hearing, review the proposed Master Fee Schedule, and adopt Resolution No. 23-21 which updates the City’s Master Fee Schedule for Fiscal Year (FY) 2021/22. This Resolution also rescinds Resolution No. 96-20 that adopted the current FY 2020/21 Master Fee Schedule and replaces it in its entirety for the new fiscal year.

BACKGROUND

Annually, the City reviews and revises the adopted Master Fee Schedule, which specifies what charges are approved for various City provided services. “Fee” activities are services and functions provided by the City to individuals who receive some direct material benefit above and beyond services offered to residents at general taxpayer expense. Council has directed this annual process be revised to have one consolidated fee schedule brought forward in late Spring. This format allows staff to implement any revised fees into budget preparations for the upcoming fiscal years.

The Morro Bay Municipal Code Chapter 3.34, Master Fee Schedule, stipulates how the City shall move forward with amending the Master Fee Schedule. Relevant sections of that chapter are included below for reference.

3.34.010 – Established

The City Master Fee Schedule is established, which shall set forth a consolidated listing of fees as fixed and adopted by the City Council, in accordance with all applicable provisions of state and city laws.

3.34.020 – Fee Revisions and Reviews

Any fees included in the Master Fee Schedule may be reviewed and revised annually by the City Council. The City’s cost of providing the services shall be computed and reflected in these fees. The fees shall then be enumerated, and the revised Master Fee Schedule adopted by resolution of the City Council.

Over the last two fiscal years, Council has directed a phased approach to certain fee increases. Fees that increased significantly were to be phased in with increases enumerated in the 2020/21 Fee

Prepared By: KL

Dept Review: KL

City Manager Review: SC

City Attorney Review: CFN

Schedule to commence in FY 21/22, and to be adjusted by either the Consumer Price Index or the Engineering News-Record (ENR) indices (ENR as noted on the Master Fee Schedule). The original fee schedule, effective January 2020 per Resolution No. 88-19, included the originally planned second phase-in of fees consistent with the updated Fee study, moving towards aligning City fees under a primarily cost recovery model. However, staff recommended, and the Council adopted a deferral of these phase-in's to help support and provide some relief to City customers due to the impacts of the COVID-19 pandemic. The Council also adopted deferred increases to the Liveaboard and commercial slip and pier fees (those fees went into effect on October 1, 2020). Staff prepared Resolution No. 96-20 to adopt the proposed FY 2020/21 Master Fee Schedule and rescind and replace in its entirety Resolution No. 88-19 that established the FY 2019/20 Master Fee Schedule. A link to the FY 2020/21 Comprehensive Fee Schedule reflecting all City Fees, effective July 1, October 1 and November 10, 2020, has been provided as Attachment 3 for Council reference.

DISCUSSION

Staff is recommending implementation of the next phase of fees increases that were deferred last year when the Master Fee Schedule was adopted by the City Council (Attachment 1). The final phase was noted in Attachment 1.A as a reference only and was assessed based on what is now known about the economic impacts and recovery from the COVID-19 pandemic.

Consistent with FY 2020/21 Master Fee Schedule and noted as reference, these deferred fees are proposed to increase by the Consumer Price Index (2.0%) or the Engineering News-Record (3.16%), whichever index is spelled out in the Master Fee Schedule (Attachment 1). The attached schedule also includes a final fee phase in for FY 2021/22 that had been previously discussed. These phased in fees are now proposed to be implemented with all other fee increases on July 12, 2021. This date was selected so that all fees are established on a single date. Development related fees cannot be implemented any earlier than 60 days after adoption. Thus, all the fees (including development fees) cannot be implemented any sooner than 60 days from Council adoption, and July 12, 2021 is this date. This ensures there is ease of communication to the community and streamlines implementation administratively.

As expected, there are many small changes to the Master Fee Schedule. The more significant actions being recommended in the Proposed Master Fee schedule include the following:

- Added appropriate fees associated with the permitting and compliance monitoring of the two retail cannabis operations. This includes fees for initial and annual operating permit reviews conducted by Community Development as well as initial and annual employee/manager/owner background investigation conducted by the Morro Bay Police Department.
- Increase in daily parking fees at the boat launch to \$10 a day (currently \$5). In evaluating this possible fee increase the Harbor Department determined that this fee has not been changed since it was initially adopted and the market rate to launch a boat or to park a vehicle and trailer at other boat launches is higher.
- Modest increases for non-resident rental fees for Recreation Services managed facilities. This is consistent with prior Council direction to attempt to achieve cost recovery. It is important to note that when renting a facility there is more latitude in setting the fee because it is not exclusively related to personnel providing a service.
- There are a number of fees that no increase is proposed because the increase was immaterial, and the staff decided to "round down" instead of up or market rates did not warrant an increase.

Commercial Fishing Slip Fee

In addition, staff is recommending, based upon discussion with the Morro Bay Commercial Fishermen's Organization (MBCFO), a change to the previously approved phased in approach to commercial slip fee. The fee study conducted by Revenue and Cost Specialists, LLC, determined that the commercial slip fees were not providing sufficient revenues to cover operating costs and repair and replacement costs for those facilities. The study ascertained that \$9/foot was needed to achieve 100% cost recovery for those facilities, compared to the current fee at that time of \$5/foot. Per adopted Council policy, the City built in a 15% subsidy for commercial slips to account for the significant benefit commercial fishing brings the Morro Bay economy.

Based on that methodology, the first increase was approved for 2019 (and implemented in October 2020), moving it up to \$7.10/foot, with a planned increase in 2021 to \$8.16/foot. The plan was to bring that forward (the last increase) to City Council for review this year. City representatives have met with the MBCFO to discuss this last round of increases. In those discussions, MBFCO representatives shared concerns that a full increase now will severely impact the local fishing industry. They proposed a compromise that will help the City fund needed improvements and reduce the overall financial impact on the industry. The MBFCO brought forward a compromise proposal to reduce impact on the local industry, while also providing financial support for physical improvements to the City slips and piers they utilize (Attachment 2). The proposal would raise the fee from \$7.10/foot to \$8/foot in October 2022, thus delaying the increase by one year and reducing it by a small amount. They further request that only CPI increases be instituted on this fee for the next 10 years following 2022. In return, the MBFCO agrees to provide \$100,000 in grant funds awarded by the Central California Joint Cable Fisheries to the City once a construction project on the docks and piers moves forward. That \$100,000 will more than offset the loss of revenue for one year, and provide a much needed boost to planned improvements to the Beach Street Slips. Therefore, staff recommends support for this proposal.

FISCAL IMPACTS

For ease of review, the red-line fee schedule (Attachment 1) provides a comparison between existing fees. Most fees are increasing by a relatively minor amount and will be reflected in the upcoming budget. Fees related to commercial cannabis retailers is an exception. In total, Community Development is projecting fees totaling \$9,000 for two commercial cannabis permit renewals. The Police Department is projecting a total of \$18,000 for commercial cannabis retailers between fees on initial and renewal background investigations.

RECOMMENDATION

Staff recommends the Council conduct a public hearing after which adopt Resolution No. 23-21, which Rescinds Resolution No. 96-20 and adopts the FY 2021/22 Master Fee Schedule

ATTACHMENTS

1. Resolution No. 23-21
 - a. Proposed FY 2021/22 Master Fee Schedule in Redline
2. Morro Bay Commercial Fishermen's Organization Proposal dated May 3, 2021
3. [Link](#) to FY 2020/21 Adopted Master Fee Schedule from Resolution No. 96-20

RESOLUTION NO. 23-21

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
ADOPTING FISCAL YEAR 2021/22 MASTER FEE SCHEDULE**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, the City Council finds fees and charges for City services are annually in need of review for possible updating to reflect changes in the cost of providing those services; and

WHEREAS, pursuant to the California Constitution, with certain exceptions, if a City Fee exceeds the City's cost for providing the service covered by that fee, that fee is considered a tax; and

WHEREAS, the City has reviewed the attached fees, and finds they do not exceed the actual costs of providing related services when that limitation is applicable; and

WHEREAS, on July 14, 2015, City Council adopted Resolution No. 55-15, specifying the month of December as the determinate for retrieving San Francisco-Oakland-Hayward Consumer Price Index (CPI) and Engineering News Record (ENR) Construction Cost Index adjustment factors; and

WHEREAS, the City Council adopted Resolution 96-20 approving revisions to the Fiscal Year (FY) 2020/21 Master Fee Schedule on November 10, 2020; and

WHEREAS, on November 10, 2020 when the Morro Bay City Council adopted Resolution 96-20, the Council determined that the economic effects of the COVID-19 Pandemic were significant and therefore adopted a phased in Master Fee Schedule such that some fee increases were deferred until the adoption of the FY 2021/22 Master Fee Schedule; and

WHEREAS, based upon continuing economic impacts due to the COVID-19 Pandemic and other factors, commercial fishing slip fees shall increase from \$7.10/foot to \$8/foot on October 1, 2022, and annual increases will be instituted on this fee annually for the next 10 years following 2022 using the December to December San Francisco-Oakland-Hayward CPI. Moreover, in consideration for this reduced (compared to market) commercial fishing slip fee schedule, Morro Bay Commercial Fishermen's Organization agrees to provide a \$100,000 in grant funds awarded by Central California Joint Cable Fisheries to the City once a construction project on the docks and piers move forward; and

WHEREAS, the City has reviewed the attached amended FY 2021/22 Master Fee Schedule, and finds they do not exceed actual costs of providing related services when that limitation is applicable; and

WHEREAS, California Government Code sections 66000, *et seq.*, mandate numerous detailed and stringent requirements for all development fees levied by local government on new construction projects; and

WHEREAS, Section 66017 of the California Government Code requires a 60-day “waiting period” before any development fee increase can become effective; and

WHEREAS, pursuant to government Code section 66016, *et seq.*, specific fees to be charged for services must be adopted by City Council resolution or ordinance, after providing notice and holding a public hearing; and

WHEREAS, the City’s Municipal Code Section 3.34.020 (Fee revisions and reviews), states: “Any fees, included in the Master Fee Schedule, may be reviewed and revised annually by the city council. The City’s cost of providing the services shall be completed and reflected in these fees. The fees shall then be enumerated, and the revised Master Fee Schedule adopted by resolution of the City Council.”

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California, as follows:

SECTION 1. Effective 60 days after adoption of this Resolution, Resolution No. 96-20 shall be rescinded.

SECTION 2. Effective 60 days after adoption of this Resolution, the Fiscal Year 2021/22 Master Fee Schedule, attached hereto and incorporated herein by reference, is hereby amended and readopted.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 11th day of May 2021, by the following vote:

AYES:
NOES:
ABSENT:

JOHN HEADDING, Mayor

ATTEST:

DANA SWANSON, City Clerk

CITY OF MORRO BAY FEE SCHEDULE FOR THE FISCAL YEAR ~~2020/21~~2021/22

All fees adjust annually by either the December Consumer Price Index (CPI = ~~2.52.0~~ %) or Construction Cost Index (ENR = ~~5.363.16~~ %). The CPI used is for the San Francisco-Oakland-San Jose area.

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GENERAL FEES	
FEE NAME	Proposed Fee Effective 7/12/2021
Photocopies (unless otherwise defined)	\$0.40 per page \$0.70 per 11x17" page
Copies -Digital	\$5 per device
Records Request	\$5.00 – Retrieval of FPPC filings 5 or more years old.
Print material mailed	Cost of copying/printing and postage
Refundable appeal fee for non-land use administrative decisions	\$300 <u>306</u> *
Elections filing fee - Notice of intention to circulate petition; this amount is refundable under Elections Code Section 9202(b), with conditions	\$200
Candidate Filing Fee	\$25 per candidate. This fee is limited by state law.

*Estimated Cost of Appeal is ~~\$3,495~~3,565. The ~~\$300~~306 appeal fee denotes 88.6% cost recovery.

FINANCE	
FEE NAME	Proposed Fee Effective 7/12/2021
Budget document, per copy	Actual cost of outside company to print and bind, or Copies – Printed fee at: \$0.40 per page – Letter and Legal sized paper \$0.70 per page – Tabloid sized paper
City audit document, per copy	Actual cost of outside company to print and bind, or Copies – Printed fee at: \$0.40 per page – Letter and Legal sized paper \$0.70 per page – Tabloid sized paper
Master Fee Schedule	Actual cost of outside company to print and bind, or Copies – Printed fee at: \$0.40 per page – Letter and Legal sized paper \$0.70 per page – Tabloid sized paper
Business Tax Schedule	Actual cost of outside company to print and bind, or Copies – Printed fee at: \$0.40 per page – Letter and Legal sized paper \$0.70 per page – Tabloid sized paper
Returned check charge, per CA Civil Code Section 1719	\$75 per check <u>processing fee</u> <u>\$25 per check for the first check</u> <u>\$35 per check for the second and future checks</u>
Business License – New	\$31.60 <u>\$31</u> per license
Business License – Renewal	\$15.30 <u>\$15</u> per license
Cannabis Business License (renewal)	\$4,500 per license

UTILITY BILLING	
FEE NAME	Proposed Fee Effective 7/12/2021
Water service application fee	\$5 <u>\$50</u> per account
Physical posting of shut-off notice at customer location	\$36 <u>37</u>
Refundable/transferrable deposit - residential tenants only on signup (MC 13.04.220)	\$100
Deposit required for service termination for delinquent non-payment (residential tenants only, if a deposit has not previously been collected)	\$100
Reconnection	\$87 <u>89</u>

COMMUNITY DEVELOPMENT	
BUILDING DIVISION	
FEE NAME	Proposed Fee Effective 7/12/2021
Valuation of from 0 - \$3,000 (including electrical service less than 600 amp, and minor plumbing alternatives)	\$174 <u>\$177.50</u>
\$3,001 to \$1,000,000	.026 x total valuation as determined by the Building Official (50% submittal/50% at issuance)
apply to portion of valuation above \$1,000,000	.0075 x portion of valuation over \$1,000,000 as determined by the Building Official (50% submittal/50% at issuance)
Construction Operation After Hours	\$77 <u>\$78.50</u>
Building Re-Address Processing	\$61 <u>\$62</u>
Demo Commercial	\$231 <u>\$235.50</u>
Demo Residential	\$154 <u>\$157</u>
In-lieu Housing Fee (if unit not affordable housing) - per square foot	\$0.38 <u>\$0.39</u>
General Plan Maintenance	8% surcharge on all Building Permits
I.T. Service Fee	.0075 x valuation (valuation capped at \$1,000,000)
SMIP Category I (Residential)	.00013 x valuation
SMIP Category II (Commercial)	.00028 x valuation

COMMUNITY DEVELOPMENT	
BUILDING DIVISION Cont.	
FEE NAME	Proposed Fee Effective 7/12/2021
Unsafe Building repair, demolition or moving structure	Charged at cost
Inspection Fees - outside of normal work hours - per hour, 2 hour minimum	\$ Fully Allocated Hourly Rate x 1.2
Re-Inspection Fees - per hour	\$149 <u>\$152</u>
Inspection for which no fee is otherwise indicated - per hour, 1 hour minimum – Use for Certificate of Occupancy	\$149 <u>\$152</u>
Additional Plan Review required by changes, additions, revisions to the approved plans - per hour, 1hour minimum	\$149 <u>\$152</u> per hour. One hour minimum
Use of outside consultants for special plan checking and inspection	Charged at cost + 25% Administration Fee
Permits – Change Ownership/Add Contractor	\$123 <u>\$125.50</u> per request
Permit Extension of Time	\$61 <u>\$62</u> -per request
Residential Solar Permit 1kW to 15 kW	\$446 <u>\$455</u>

COMMUNITY DEVELOPMENT

BUILDING DIVISION Cont.

FEE NAME	Proposed Fee Effective 7/12/2021
Residential Solar over 15kW	\$445 \$454 + \$10 \$10.25 per kW above 15kW
Commercial Solar Permit below 50kW	\$892 \$910
Commercial Solar Permit 50kW – 250kW	\$892 \$910 + \$10 \$10.25 per kW above 50kW
SPECIAL INSPECTION & PLAN REVIEW FEES	
Penalty for commencing construction without permit(s). This is in addition to the standard building permit fees.	2 times the permit fee
DEVELOPMENT IMPACT FEES (Increase by CPI Until Further Impact Fee Discussion in September 2020)	
Building fees per square foot, including garages (enclosed spaces). Single family residential additions of 500 square feet or less are exempt. Water and Wastewater fees are additional. An increase in meter size resulting from the need to comply with the hydraulic demand associated with Fire Sprinklers is exempt.	
Residential, Single Family	\$4.54 \$4.63
Residential, Multi-family	\$7.28 \$7.43
Accessory Dwelling Unit	\$1.10 \$1.12
Non-residential, commercial	\$4.61 \$4.70
Non-residential, office	\$3.25 \$3.32
Non-residential, industrial	\$1.67 \$1.70

DEVELOPMENT IMPACT FEES	
Park fees for residential in-fill lots, per square foot	
Single-family	\$1.44 \$1.41
Single-Family, Detached Accessory Structure	\$0.36 \$0.35
Accessory Dwelling Unit	\$0.36 \$0.35
Multi-family	\$2.40 \$2.35
Public Facilities Fees, per square foot.	
Single-family residential:	
General Government	\$1.38 \$1.35
Police	\$0.46 \$0.45
Parks	\$1.44 \$1.41
Fire	\$0.50 \$0.49
Storm Drain	\$0.06
Traffic	\$2.22 \$2.18
Multi-family residential:	
General Government	\$2.27 \$2.23
Police	\$0.75 \$0.74
Parks	\$2.40 \$2.35
Fire	\$0.85 \$0.83
Storm Drain	\$0.07
Traffic	\$3.46 \$3.39
Public Facilities Fees, per square foot	
Non-residential, commercial:	
General Government	\$0.30 \$0.29
Police	\$0.07
Parks	\$0.02
Fire	\$0.27 \$0.26
Storm Drain	\$0.04

DEVELOPMENT IMPACT FEES	
Public Facilities Fees, per square foot	
Traffic	\$3.87 <u>\$3.95</u>
Non-residential, office:	
General Government	\$0.37 <u>\$0.38</u>
Police	\$0.09
Parks	\$0.02
Fire	\$0.36 <u>\$0.37</u>
Storm Drain	\$0.04
Traffic	\$2.36 <u>\$2.41</u>
Non-residential, industrial:	
General Government	\$0.10
Police	\$0.04
Parks	\$0.02
Fire	\$0.09
Public Facilities Fees, per square foot (continued)	
Storm Drain	\$0.04
Traffic	\$1.36 <u>\$1.39</u>
PLANNING DIVISION	
Affordable Housing In-Lieu:	
Funding assistance application fee	\$635 <u>\$647.50</u>
Reasonable Accommodation (ADA) fee (no fee required if in conjunction with other discretionary permit)	\$123 <u>\$125.50</u>

PLANNING DIVISION Cont.	
Coastal Permits (may be billed at direct cost)	
FEE NAME	Proposed Fee Effective 7/12/2021
Coastal Permit in combination with Conditional Use Permit	No Fee
Coastal Permit (Administrative)	\$1,410 <u>\$1,438</u>
Regular CDP Without CUP - New single family and single family additions over 25%, Multiple Dwelling, Office, Commercial, Convention, Industrial & Institutional	\$13,545 <u>\$13,816</u>
Additions between 10% and 25% to a Single Family Dwelling in Coastal Appeals area (Planning Commission)	\$5,865 <u>\$5,982</u>
Emergency Permit (excluding required regular CDP)	\$1,035 <u>\$1,056</u>
Other administrative – Tree Removal, private	\$570 <u>\$581.50</u>

Environmental (may be billed at direct cost):	
FEE NAME	Proposed Fee Effective 7/12/2021
Categorical Exemption	\$67 <u>\$68</u>
Negative Declaration	\$4,035 <u>\$4,116</u>
Mitigated Negative Declaration If contracted = contract amount + 25% administrative fee	In House - \$6,660 <u>\$6,793</u> per application, Outside - \$6,660 <u>\$6,793</u> as a deposit for outside consultant plus 25% Administrative Fee
Filing Fee - for environmental document	\$195 <u>\$199</u>
Environmental Impact Report - Contract Amount + 25% administrative fee	Initial \$5,000 deposit for cost of staff and outside consultant
Archaeology Research Fee – Santa Barbara Central Coast Information Services	\$144 <u>\$147</u>
Miscellaneous:	
Sidewalk Vending Permit	\$331 <u>\$337.50</u> (initial fee and annual renewal fee)
Letter regarding land use confirmation or other research – per hour cost	\$159 <u>\$162</u>
Development Agreement – charged at fully allocated hourly rates for all personnel involved, plus any outside costs	\$10,000 deposit
Extra Planning Commission Meeting	\$2,180 <u>\$2,223.50</u>
Applicant Requested Continuance	\$128 <u>\$130.50</u>
Fine, in addition to permit fee	Two times the permit fee + plus \$50 <u>\$51</u> per day – after notice.

FEE NAME	Proposed Fee Effective 7/12/2021
Appeal of City decision, excluding Coastal Permits in the appeal jurisdiction – refundable if appellant prevails	\$300 <u>\$306*</u>
Telecomm Facility – Administrative (new fee)	\$154 <u>\$157</u>
Street name/Rename Processing	\$353 <u>\$360</u>
Commercial Medical Cannabis	\$18,000 deposit for cost of staff time and outside consultant
<u>Commercial Cannabis Operating Permit – New</u>	<u>\$9,000</u>
<u>Commercial Cannabis Operating Permit – Annual Renewal</u>	<u>\$4,500</u>
Vacation Rental Monitoring Fee	\$108 <u>\$110 per permit</u>
Conceptual Review Fee – Fee is credited toward any future discretionary permit application within 24 months.	\$4,355 <u>\$4,442</u> per application
Notification fees:	
Planning Commission Hearing	\$454 <u>\$463</u>
Administrative Permit Noticing	\$530 <u>\$540.50</u>
Sign Permits:	
Sign Permit	\$595 <u>\$607</u>
Sign Exception (CUP)	\$3,450 <u>\$3,519</u>
Pole Sign (CUP)	\$3,450 <u>\$3,519</u>

*Estimated Cost of Appeal is ~~\$3,495~~ \$3,565. The ~~\$300~~ \$306 appeal fee denotes ~~8.6%~~ 8% cost recovery.

FEE NAME	Proposed Fee Effective 7/12/2021
Sign Program (New Fee)	\$1,280 <u>\$1,305.50</u>
Fines – Temporary, beyond time allowed by Ordinance – per day after notice given	\$50 <u>\$51</u> per day after notice given
Fines – Permanently attached sign w/o permit – per day after notice	\$50 <u>\$51</u> per day after notice given
Subdivisions: all Subdivisions may be billed at direct cost	
Tentative Parcel Map Application	\$6,682 <u>\$6,815.50</u> per map
Tentative Tract Map 0 to 10 lots, add \$100.00 per lot over 10 lots	\$12,915 <u>\$13,173</u> per map
Lot Line Adjustment	\$5,915 <u>\$6,033</u> per application
Certificate of compliance (legal determination) – initial fee covers up to 4 lots. Add \$250 per lot over 4 lots	\$1,220 <u>\$1,244.50</u> + \$256 <u>\$261</u> per lot for every lot over 4
Lot Mergers	\$5,915 <u>\$6,033</u>
Text Amendments & Annexations (May be billed at direct cost)	
<p>Zone Ord. Changes/LCP</p> <ul style="list-style-type: none"> - Minor (single section revisions/additions) - Major (multiple sections revised/added) <p>If contracted – contract amount + 25% administrative fee. Fee amount becomes an initial deposit.</p>	<p>Minor = \$ 5,000 deposit for cost of staff and outside consultant</p> <p>Major = \$ 10,000 deposit for cost of staff and outside consultant</p>

FEE NAME	Proposed Fee Effective 7/12/2021
Specific Plan (Billed as deposit with charges at the fully allocated hourly rates for all personnel involved + any outside costs). If contracted = cost + 25% administration fee. Fee amount becomes an initial deposit.	\$5,000 deposit for cost of staff and outside consultant
General Plan/Local Coastal Plan Amendment: - Minor (single section revisions/additions) - Major (multiple sections revised/added) If contracted – cost + 25% administrative fee. Fee amount becomes an initial deposit.	\$ 5,000 deposit for cost of staff and outside consultant \$10,000 deposit for cost of staff and outside consultant
Annexations – Deposit to be determined by staff. Billed at fully allocated staff cost. If contracted – contract amount + 25% administrative fee.	\$ 10,000 deposit for cost of staff and outside consultant
Time Extensions	
Time extension for CUP, regular Coastal Permits and variance (Planning Commission)	\$2,540 <u>\$2,591</u>
Time Extensions for Tract Maps and Parcel Maps	\$3,515 <u>\$3,583</u>
Time Extension - Administrative	\$292 <u>\$298</u>
Use Permits - All use permits may be billed at direct cost at the discretion of the Community Development Director and the scheduled fee would then be deemed as a deposit. All Projects in the Planned Development Overlay require a Use Permit	
Conditional Use Permit (CUP)	\$13,545 <u>\$13,816</u>
CUP Concept Plan	\$14,890 <u>\$15,188</u>

FEE NAME	Proposed Fee Effective 7/12/2021
CUP Precise Plan	\$10,235 <u>\$10,440</u>
CUP Combined Concept/Precise Plan	\$14,890 <u>\$15,188</u>
One SFR in a Planned Development Zone or Bluff Area	\$6,929 <u>\$7,068</u>
Occupancy Change in Commercial/Industrial Zones	\$5,745 <u>\$5,860</u>
Additions to non-conforming structures, not adding units or new uses	\$5,990 <u>\$6,102</u>
Minor Use Permit (Residential & Industrial Uses)	\$2,305 <u>\$2,351</u>
Temporary Use Permit – Longer than 10 days	\$1,725 <u>\$1,759.50</u>
Outdoor display and sales and outdoor dining	\$1,725 <u>\$1,759.50</u>
Administrative Temporary Use Permit – 7 consecutive days or 10 non-consecutive days	\$620 <u>\$632.50</u>
Amendments to Existing Permits (Planning Commission)	\$8,960 <u>\$9,139</u>
Major modification while processing	\$5,035 <u>\$5,136</u>
Minor amendments to existing permits (Administrative)	\$705 <u>\$719</u>
Special Use Permit (Minor – PC Review)	\$5,665 <u>\$5,778</u>
Special Use Permit (Major – PC Review)	\$13,190 <u>\$13,454</u>

Variances	
FEE NAME	Proposed Fee Effective 7/12/2021
Variance	\$5,665 <u>\$5,778</u>
Variance processed with other permits	\$1,025 <u>\$1,045.50</u>
Minor Variance	\$697 <u>\$711</u>
Parking Exception (will always be accompanied by a Conditional Use Permit, Minor Use Permit or Coastal Development Permit)	\$1,000 <u>\$1,020</u>
Laserfiche Applies to all Planning and Building Permits	
Laserfiche of planning and building documents, including scanning and storage. Fee based on plan set pages only.	\$15. <u>30</u> for first page of plan set, and \$7. <u>14</u> for each additional page.

PUBLIC WORKS	
FEE NAME	Proposed Fee Effective 7/12/2021
IMPACT FEES	
Water Impact fee (Capacity Credit is given for existing meter) Based on Water & Wastewater Impact Fee Update, Bartle Wells Associates, 3/17/15	
Less than 1-inch meter	\$5,721 <u>\$5,835</u>
1 inch meter	\$7,674 <u>\$7,827</u>
1-1/2 inch meter	\$15,346 <u>\$15,653</u>
2 inch meter	\$24,555 <u>\$25,046</u>
3 inch meter	\$46,041 <u>\$46,962</u>
Wastewater fee (Capacity Credit is given based on existing water meter size) Based on Water & Wastewater Impact Fee Update, Bartle Wells Associates, 3/17/15	
Less than 1-inch meter	\$5,777 <u>\$5,893</u>
1 inch meter	\$7,702 <u>\$7,856</u>
1-1/2 inch meter	\$15,439 <u>\$15,748</u>
2 inch meter	\$24,648 <u>\$25,141</u>
3 inch meter	\$46,214 <u>\$47,138</u>

ENGINEERING DEVELOPMENT REVIEW FEES

Flood Hazard Development Permit (MC 14.72.040) - time and materials costs may be added to minimum, when actual cost exceeds the minimum fee (PW):

FEE NAME	Proposed Fee Effective 7/12/2021
Permit, minimum fee	\$369 <u>\$376</u>
Flood plain letter	\$163 <u>\$166</u>
City Engineer Map Review Fees Subdivisions - (PW):	
Final Map - Tract, minimum fee (MC 16.24.040J)	\$6,406 <u>\$6,534</u>
Final Map – Tract, Per lot for every lot over 4 lots	\$248 <u>\$253</u>
Final Parcel Maps	\$4,794 <u>\$4,890</u>
Map Amendment Review, minimum fee	\$1,528 <u>\$1,559</u>

Public Improvement Plans Inspections/Plan Review - time and materials costs may be added to minimum, when actual cost exceeds the minimum fee:	
FEE NAME	Proposed Fee Effective 7/12/2021
Public/Subdivision Improvement Plan Check, and Inspection as a Percentage of the approved Engineer's estimate for Subdivision Improvements	6.3 Percent (6.3%)
Lease Line Adjustment	\$2,140 \$2,208 per application
Abandonment Process:	
Street/R-O-W Abandonment Process	\$7,111 \$7,336
Summary Abandonment	\$3,570 \$3,683
Right of Way Dedication	\$516 \$532 per permit
Encroachment Permits (MC 13.16.140) - time and materials costs may be added to minimum, when actual cost exceeds the minimum fee (PW):	
Regular – Surface Improvements	\$316 \$326
Regular – Underground Improvements	\$527 \$544
Special - Private Encroachments into the Public R/W, Landscaping plant materials and exempt.	\$1,200 \$1,238
Annual Utility Encroachment Permit	\$3,750 \$3,869
Wide Load Permit with Traffic Control Plans - Per Year (Set by State of California)	\$95
Wide Load Permit with Traffic Control Plans - One Time (Set by State of California)	\$17

FEE NAME	Proposed Fee Effective 7/12/21
Temporary Encroachment Agreement. Plus current San Luis Obispo Recording Fees	\$158 <u>\$163</u>
Street & Sidewalks:	
Exception Application Exception Application (Sidewalk Deferral) Plus current San Luis Obispo Recording Fees	\$805 <u>\$830</u>
PLANNING AND ENGINEERING DEVELOPMENT REVIEW FEES	
Storm Water Fees (PW):	
Single Family; Other than Single Family (per 6,000 square foot lot area, or fraction thereof):	
Planning review of preliminary stormwater plan	\$163 <u>\$166</u> per application
Building permit review of stormwater plan	\$332 <u>\$339</u> per permit
Inspection of stormwater facility/erosion control	\$200 <u>\$204</u> per application
Trees (PW):	
Removal Permit (to trim, brace or remove, MC 12.08.110)	\$313 <u>\$319</u>

WATER	
FEE NAME	Proposed Fee Effective 7/12/2021
Meter Installations/Connections:	
3/4 inch Meter/Service (Only installed where Fire sprinklers are not required)	City Installation: \$1,604 <u>\$1,636</u> Contractor Provides Service Line Install: \$461 <u>\$470</u> plus actual cost of parts. Partial credit may apply if staff is able to use existing parts.
1 inch meter Meter/Service	City Installation: \$2,151 <u>\$2,194</u> Contractor Provides Service Line Install: \$461 <u>\$470</u> plus actual cost of parts. Partial credit may apply if staff is able to use existing parts.
1-1/2"meters and above	City Installation: \$2,722 <u>\$2,776</u> Contractor Provides Service Line Install: Actual cost of outside contractor & parts.
Meter Box Installation/Replacement	\$533 <u>\$544</u> per meter box, paved/concrete location \$338 <u>\$345</u> per meter box, unpaved location
Water Meter Re-Read	\$67 <u>\$68</u>
Reconnection (MC 13.04.310)	\$87 <u>\$89</u>
After - Hours Water Meter Turn Off/On	\$580 <u>\$592</u>
Water meter lock and any other damage. Subject to Police investigation and potential prosecution for theft of water and tampering with City Property	Time and materials

Meter Installations/Connections (continued):	
FEE NAME	Proposed Fee Effective 7/12/2021
Water Meter Testing (Remove, test and replace meter); fee refunded if meter test indicates an overage of greater than 2%	\$261 <u>\$266</u> per test plus outside cost of testing. Fee refunded if meter test indicates an overage of greater than 2%.
Water Equivalency Unit (WEU) "In-Lieu" Fee - per WEU required . In-lieu fee is an alternative for an applicant that does not provide the WEU offset, as required and set by Council Resolution	2 x \$3,217 <u>\$3,281</u> /WEU required = \$6,435 <u>\$6,562</u>
Fire Hydrants Meter Installation and Removal for Contractor Use (MC 13.04.360): Rental, per day plus cost of water at current rate structure. Hydrant Meter Rental, per day plus cost of water at current rate structure.	\$251 <u>\$256</u> per rental plus \$5 per day and \$1,500 refundable deposit. Water Meter will be read and billed on a monthly basis.
Certificate of Compliance – Water Retrofit	\$77 <u>\$78.50</u>
Water Service Refundable Deposit - residential tenants only	\$100

FEE NAME	Proposed Fee Effective 7/12/2021
WASTEWATER	
Connection Permit - This is in addition to an Encroachment Permit.	\$159 <u>\$162</u>
Discharge Fee - Tank Trucks and Commercial per truck, for gallon. No septage allowed	\$266 <u>\$271</u> + \$0.25 <u>\$0.26</u> /gal or fraction there of
Raising Manhole to Grade	\$159 <u>\$162</u> per manhole
Sewage Spill Cleanup - cost of providing service Sewage spill clean up	Fully allocated hourly rate for all staff involved.
Fats, Oils & Grease Inspection	\$159 <u>\$162</u> – inspection \$159 <u>\$162</u> - reinspection
OTHER FEES	
Dedication 15 Gallon Tree and Plaque	Actual Cost of Labor and Parts
Dedication Bench and 1 Plaque Space	Actual Cost of Labor and Parts
Dedication Whole Bench with 3 Plaque Spaces	Actual cost of labor and parts
Other Park Amenity Dedication	To Be Determined on an individual basis

POLICE SERVICES	
FEE NAME	Proposed Fee Effective 7/12/2021
Permits and Licenses:	
Tow/Taxi Service Provider Application Fee	\$1,805 <u>\$1,841</u>
Taxi Operator Permit Application Fee	\$905 <u>\$923</u>
Taxi Operator Permit Application Renewal Fee	\$149 <u>\$152</u>
Second Hand Dealer Permit - City Application Fee (does not include Department of Justice fee) (MBMC 5.40.330)	\$1,040 <u>\$1,060</u>
Second Hand Dealer Permit renewal - City Application Fee (does not include Department of Justice fee) (MBMC 5.40.330)	\$282 <u>\$288</u>
Massage Therapist/Parlor Permit Application Fee (MBMC 5.40.330)	\$149 <u>\$152</u>
Special Events	Fully Allocated Hourly Rate for all staff involved
ABC Permit	\$777 <u>9</u> per permit
Support Services Activity:	
Digital Photo Reproduction to CD - per hour, 1 hour minimum	Service no longer offered. Refer to Copy – Digital fee, \$5 per device
Audio/Video Tape Reproduction - per hour, 1 hour minimum	Service no longer offered. Refer to Copy – Digital fee, \$5 per device
Record Searches/Reviews/Clearance/Responses - per hour, 1 hour minimum	\$ 676 <u>8</u> per letter

Officer Activity:	
FEE NAME	Proposed Fee Effective 7/12/2021
Equipment Citation Sign Off	\$15
Vehicle Impound Fee Administrative Costs (CVD 22850.5)	\$190 \$194
Abandoned Vehicle Removal (junk vehicles/parts)	\$190 194
Other Police Services:	
Firearms-seizure/storage (PC 33880)	\$128
State Mandated Costs	
Concealed Weapons Permit (does not include DOJ or other fees (PC25455) Fees set by California Penal Code Sections 12050-12054 and 26190a	\$100 per permit (\$20 paid at time of application with remaining amount paid upon issuing of permit) Psychological testing costs are added to the above fees up to \$150. Permit requires fingerprinting.
Renewal of Concealed Weapons Permit (does not include cost of ID card) Fees set by California Penal Code Sections 12050-12054 and 26190a	Renewal Permit - \$25 Amended Permit - \$10
Subpoena Duces Tecum (does not include costs of report, etc) (EC 1563(b)(1))	Subpoenaed Non-Sworn \$ 35 per day plus \$0.20 per mile (California Government Code Section 68093) Subpoenaed Peace Officer – Full cost to the public entity incurred in paying the peace officer, firefighter his or her salary or other compensation and traveling expense for each day that such officer is required to remain in attendance (California Government Code 68097.2) Subpoena Duces Tecum - \$15 (California Government Code Section 1563(b)(6))
Delinquent Parking Citation Copy (VC 40206.5)	Remove. Refer to the City's Copies – Printed Fee
Repossessed Vehicle (GC 41612)	\$15 Fee set by California Government Code 41612

State Mandated Costs Cont.	
FEE NAME	Proposed Fee Effective 7/12/2021
Live scan Fingerprint Fees (PC 13300(e))	\$ 35 per request
Cost Recovery:	
DUI Emergency Response (MBMC 3.40.030)	Per Government Code Section 53155, charge the actual costs incurred up to \$12,000 per response for all responding personnel.
False Alarm Response (after 3 rd false alarm in a year) (MBMC 9.22.020)	No Charge – 1 st and 2 nd response within a year \$380 <u>\$388</u> – 3 rd and subsequent response within a year.
Commercial Cannabis business – <u>initial</u> employee background investigation fee	\$165.00 <u>\$470</u> per regular employee <u>investigation conducted</u>
<u>Commercial Cannabis business – annual employee background investigation renewal</u>	<u>\$235 per regular employee investigation conducted</u>
Commercial Cannabis business – <u>initial manager-owner</u> background investigation fee	\$265.00 <u>\$580</u> per <u>owner/management employee</u>
<u>Commercial Cannabis business – annual owner background investigation fee</u>	<u>\$290 per owner</u>

FIRE	
FEE NAME	Proposed Fee Effective 7/12/2021
Permits:	
Permit Inspection Fees:	
Any single permit identified in Title 24 CFC and not specifically addressed in the Master Fee Schedule	\$282 <u>\$288</u> per permit
Any combination of permits shall not exceed	\$1,179 <u>\$1,203</u>
Special Occurrence or Use Permit (equipment & personnel charges additional)	\$150 <u>\$153</u>
Equipment & Personnel Charges:	
Engine or Truck: per hour, per vehicle (personnel charges additional)	\$132 <u>\$135</u>
Squad/Rescue: per hour, per vehicle (personnel charges additional)	\$96 <u>\$98</u>
Utility/Command Vehicle: per hour, per vehicle (personnel charges additional)	\$46 <u>\$47</u>
Personnel charges	Per hour, per person – 2 hour minimum, unless otherwise specified, at current productive hourly rate

FEE NAME	Proposed Fee Effective 7/12/2021
Plan Review Fees:	
Plan Review fee for valuation \$0 to \$1,000,000	.011 of total valuation plus use of outside consultant for Plan Review & Inspection based on actual cost
Plan Review for valuation over \$1,000,000	.0025 applies to portion of valuation over \$1,000,000
Additional Plan Review required by changes, additions or revisions to approved plans	Personnel charges, as specified in Equipment & Personnel Charges, on an hourly basis, plus actual cost of outside consultant for Plan Review
Fire Protection:	
System & Equipment Fees:	
Fire Sprinkler System Installation Inspection - (above ground):	
Residential	\$190 \$194
Commercial	\$285 \$291 + \$ 15.25 per head
Commercial projects or tenant improvements under 1,000 sq. ft.	\$190 \$194 + \$ 15.25 per head
Use of Outside Consultants for Plan Review & and/or Inspection	\$195 \$199 + actual cost
Request for Building Fire Flow Calculations	\$385 \$393
Request for Hydrant Flow Information	\$195 \$199
Fire & Safety Inspection Program	\$40 \$41 – B2 Business Inspection (4 yr Self Inspection Program) \$140 \$143 – NonB2 Business Inspection (Annual Inspection) Fees collected through Business Licensing.
Request for Hydrant Flow Test	\$75 \$76.50 fee plus personnel & equipment as specified in Personnel and Equipment Charges, 1 hr min

FEE NAME	Proposed Fee Effective 7/12/2021
Engine company business inspection:	
1st and 2nd inspections	No charge
3rd and subsequent inspections	\$348 <u>\$355</u>
New and annual business/facility inspection fees:	
Administrative citation for failure to correct a violation shall be charged per 1.03.050 of the Municipal Code	1 st Citation \$102 <u>\$100</u>
Administrative citation for second violation of the same ordinance in the same year shall be charged per 1.03.050 of the Municipal Code	\$205 <u>\$200</u>
Administrative citation for third and each additional violation of the same ordinance in the same year shall be charged per 1.03.050 of the Municipal Code	\$513 <u>\$500</u>
Annual weed and hazard abatement inspection fees:	
1st inspection for compliance	No charge
2nd and subsequent inspections	\$195 <u>\$199</u>
Administrative citation for failure to correct a violation shall be charged per 1.03.050 of the Municipal Code	\$150 <u>\$153</u>
Administrative citation for second violation of the same ordinance in the same year shall be charged per 1.03.050 of the Municipal Code	\$299 <u>\$305</u>
Administrative citation for third and each additional violation of the same ordinance in the same year shall be charged per 1.03.050 of the Municipal Code	\$599 <u>\$611</u>

Incident Response Fees:	
FEE NAME	Proposed Fee Effective 7/12/2021
Negligent Incidents	Response due to negligent/malicious act (e.g., DUI traffic accident, climber on Morro Rock, incendiary fire, negligent hazardous material incident, negligent confined space incident, etc.) Two hour minimum to be charged as specified by Personnel & Equipment Charges plus any material costs and contract services used.
Excessive or Malicious False Alarms	Emergency response due to "Failure to Notify" when working on or testing fire/alarm system 0.5 hours minimum to be charged as specified by Personnel & Equipment Charges.
Alarm system malfunction resulting in 2 in 30 days or 3 in 12 months	Charged as specified by Personnel & Equipment Charges plus any material costs
Other Fire Services:	
Fire response report, per report	\$128 <u>\$132</u>
Additional copies, per page	See General Fees for copy charges
Cause & Origin investigation reports, per report	\$369 <u>\$376</u>

FEE NAME	Proposed Fee Effective 7/12/2021
Non-renewal of required annual permit	Charge double permit fee rate
Failure to obtain permit	Charge double permit fee rate
Missed site inspection appointment	\$195 \$199
Failure to meet permit requirements/requiring re-inspection	\$195 \$199
Permits - California Fire Code:	
See operational and construction permits identified in the California Fire Code, Section 105	
Plan Review Fees:	
Plan Review Fees	Total valuation to recover the cost of providing service
Use of outside consultant for Plan Review and/or Inspection	\$75 \$76.50 plus actual cost of consultant
All Plan Review Fees shown are minimum amounts, based on average processing. Large or complex projects may be subject to increased fees based upon time, costs, or equipment costs as shown per Equipment & Personnel Charges.	

HARBOR DEPARTMENT

1. All fees are due in advance. At the Harbor Department’s discretion, billing in arrears for qualified and registered vessels with current account status may be allowed.

2. Any account past due over 10 days will be charged a \$35 late fee on a monthly basis. Accounts are due and payable by the 10th of every month.

VESSEL FEES

1. All vessel fees based on the length of the vessel or the length of the slip, whichever is greater, with a 36-foot minimum.

2. The Harbor Director may waive dockage fees for “tall ships” visiting Morro Bay Harbor for any period less than 30 days with written notice.

3. Transient Slip fees will be charged by the day or by the month, whichever is less.

4. Transient Slip monthly subleases shall be limited to 3 months in any slip as long as there are vessels appropriate to the slip size on the sublease waiting list.

5. Floating Dock and Anchorage stay limited to 30 days in any 6-month period.

FEE NAME	Proposed Fee Effective 7/12/2021	<u>Proposed Fee</u> Effective 10/1/22
Commercial Fishing Slips – monthly rate per foot. <u>(No CPI applied for 2021 or 2022)</u>	\$7.10*	<u>\$8</u>
Commercial Fishing Slip Waiting List Deposit	\$435	
Head Float Berth – monthly rate	\$256.25 <u>\$261</u>	
Transient Slips – monthly sublease rate per foot	\$11 <u>\$11.25</u> Commercial; \$14 <u>\$14.25</u> Recreational	
Transient Slips – daily rate per foot	\$ 1 Commercial; \$1.50 <u>\$1.53</u> Recreational	
T-Piers – daily rate per foot	\$0.35 <u>\$0.43</u>	
<u>Floating Dock</u>	\$0.45 <u>\$0.46</u>	
A1-5 Anchorage Area – first 5 days	\$0.00	
A1-5 Anchorage Area – daily rate/foot over 5 days. <u>Reduced to match demand.</u>	\$0.40 <u>\$0.35</u>	

Vessel Fees (continued)	
FEE NAME	Proposed Fee Effective 7/12/2021
Temporary Moorage – large vessels or equipment requiring special accommodation or assistance – daily rate	\$187 <u>\$191</u>
Impound Fee	\$218 <u>\$222</u>
Impounded Vessels – daily storage rate per foot	\$2.31 <u>\$2.36</u>
MOORING FEES	
1. Guest Mooring stay limited to 30 days in any 6-month period without prior approval of the Harbor Department.	
FEE NAME	Adopted Fee Effective 7/12/2021
City Moorings – monthly rate	\$282 <u>\$295</u>
Private Moorings – monthly rate	\$96 <u>\$98</u>
Guest Moorings – daily rate per foot	\$0.46
Mooring Ownership Transfer – private moorings	\$1,290 <u>\$1,316</u>

SERVICE FEES

1. South T-Pier Hoist may only be used for fish unloading only in certain cases; see Harbor Department Rules and Regulations.

2. Dry Storage fee is for use of each approximate 10-foot by 30-foot space; may be pro-rated.

3. Triangle Lot Boat Storage fee is for use of each approximate 12-foot by 30-foot space; minimum monthly increments.

FEE NAME	Proposed Fee Effective 7/12/2021
T-Pier Electrical Convenience Fee – daily rate	\$3.08 <u>\$3.14</u>
South T-Pier Hoist – rate per use	\$16.50 <u>\$16.83</u>
South T-Pier Hoist Fish Unloading – per hour	\$86.20 <u>\$87.92</u>
Wharfage – rate per ton	\$1.13 <u>\$1.15</u>
Loaned Electric Cord or Adaptor Replacement	\$188 <u>\$192</u>
Dry Storage – monthly rate	\$102 <u>\$104</u>
Triangle Lot Trailer/Boat Storage – monthly rate	\$102 <u>\$104</u>

LIVEABOARD FEES

1. Liveaboard permits are valid for 2 fiscal years. Any Liveaboard application, submitted during the period January 1 through June 30, is valid only for that fiscal year and the following fiscal year. Any Liveaboard application, submitted July 1 through December 31, will only be valid for the remainder of that fiscal year and the following fiscal year.

2. Liveaboard Permit Inspections may be conducted by the Harbor Patrol or by a qualified Marine Surveyor acceptable to the City.

FEE NAME	Proposed Fee Effective 7/12/2021
Liveaboard Permit Administration - Monthly	\$44.80 <u>\$45.70</u>
Liveaboard Permit Inspection – biennial (if done by Harbor Patrol)	\$150 <u>\$153</u>

EQUIPMENT & PERSONNEL CHARGES

1. Vessels requiring non-emergency assistance more than once in any 12-month period may be charged at the rates established herein.

2. Personnel and vessels/vehicles charged on an hourly basis with a 1-hour minimum.

FEE NAME	Adopted Fee Effective 7/12/2021
Patrol Officer – per hour	\$154 <u>\$157</u>
Patrol Supervisor – per hour	\$179 <u>\$183</u>
Lifeguard	\$28 <u>\$29</u>

LAUNCH RAMP PARKING FEES

1. Launch Ramp Parking fees apply to the extended yellow-striped tow vehicle and trailer parking spaces at the Launch Ramp parking lot and Tidelands Park.

2. Annual Parking Permits are valid for one calendar year and may be prorated to the nearest month.

FEE NAME	Proposed Fee Effective 7/12/2021
Daily (or any part thereof)	\$6 <u>\$10</u>
Annual Permit	\$159 <u>\$175</u>
Failure to Pay Established Fee	\$50 <u>\$60</u>
Failure to Visibly Display Receipt	\$50 <u>\$60</u>

LEASE ADMINISTRATION FEES

FEE NAME	Proposed Fee Effective 7/12/2021
New Master Lease Negotiation & City Council Approval	\$2,870 \$2,972
Other Actions Requiring City Council Approval (lease amendment, lease assignment & assumption, deed of trust approval, lease line adjustment, license agreement approval, building lease approval)	\$1,435 \$1,464
Sublease Approval	\$410 \$418

RECREATION

FACILITY RENTALS:

COMMUNITY CENTER

FEE NAME	Proposed Fee Effective 7/12/2021	
	Resident/Non-Profit Groups	Non-Resident/For-Profit Groups
Auditorium – Per Hour	\$92 <u>\$94</u>	-\$138 <u>\$141</u>
Auditorium, one-half – Per Hour	\$56 <u>\$57</u>	\$82 <u>\$84</u>
Multi-Purpose Room – Per Hour	\$51 <u>\$52</u>	\$77 <u>\$78.50</u>
Lounge – Per Hour	\$41 <u>\$42</u>	\$61 <u>\$62</u>
Studio – Per Hour	\$31 <u>\$32</u>	\$46 <u>\$47</u>
Conference Room – Per Hour	\$15 <u>\$16</u>	\$26 <u>\$27</u>
Kitchen – Per Hour Note: Kitchen only rentals permitted Monday – Friday; weekend rentals must be combined with room rental.	\$26	\$31 <u>\$32</u>
Kitchen – 8 Hours	-\$128 <u>\$131</u>	-\$154 <u>\$157</u>

VETERAN'S MEMORIAL BUILDING

FEE NAME	Proposed Fee Effective 7/12/2021	
	Resident/Non-Profit Groups	Non-Resident/For-Profit Groups
Assembly, w/o kitchen – Per Hour	\$41 <u>\$42</u>	\$54 <u>\$55</u>
Complete, w/o kitchen – Per Hour	\$46 <u>\$47</u>	\$61 <u>\$62</u>
Meeting, w/o kitchen – Per Hour	\$34 <u>\$35</u>	\$45 <u>\$46</u>
Kitchen & barbeque – Per Hour Note: Kitchen only rentals permitted Monday – Friday; weekend rentals must be combined with room rental.	\$25 <u>\$25</u>	\$31 <u>\$32</u>
Kitchen – 8 hours	-\$128 <u>\$131</u>	-\$154 <u>\$157</u>

RECREATION FACILITY RENTALS (CONTINUED)

TEEN CENTER

	Resident/Non-Profit Groups	Non-Resident/For-Profit Groups
Per hour – up to 50 participants, includes one staff	\$77 <u>\$78.50</u>	\$102 <u>\$104</u>
Per hour - over 50 participants, includes two staff	\$102 <u>\$104</u>	\$128 <u>\$131</u>
Processing Fee: \$10, non-refundable	\$10 <u>\$10.25</u> – Park Reservations \$26 <u>\$26.50</u> – Facility/ Field/Court Rental \$36 <u>\$36.75</u> Bounce House \$36 <u>\$36.75</u> – Alcohol/Security	
Public Special Event/Festival Processing Fee (all public space rentals):	\$354 <u>\$361</u> per event, non-refundable	
Security Deposit: \$150, no alcohol or live music \$500, alcohol and/or live music \$750, alcohol and/or live music over 200 people The City reserves the right to require additional security deposit limits at its discretion.	Facility Impact fee, non-refundable, per event based on group size: 100-200 participants: \$169 <u>\$172</u> 201 or more participants: \$348 <u>\$355</u>	
Event set-up: \$51 <u>\$52</u> per hour Event breakdown: \$51 <u>\$52</u> per hour Veteran’s Memorial Building stage use, set-up and breakdown: \$102 <u>\$104</u> flat rate	Facility Attendant(s): \$20 <u>\$21</u> per hour each Security Guard(s): \$32 <u>\$33</u> per hour each (Required for events with alcohol and/or dancing) Unscheduled overtime: \$77 <u>\$79</u> per hour	
Insurance: cost based on event size/type	Cancellations: 20% charge of invoiced costs	

HOURLY and PARK USE FEES (continued)		
	Resident/Non-Profit Groups	Non-Resident/For-Profit Groups
Anchor Memorial Park Open Area Bayshore Bluffs Open Area Centennial Parkway Open Area City Park Open Area Cloisters Park Open Area General Open Area Monte Young Open Area Tidelands Park Open Area Coleman Park Coleman Basketball Courts Del Mar Park Hillside or Meadow Del Mar Park Basketball Courts Del Mar Pickleball Courts Del Mar Tennis Courts Lila Keiser Park BBQ (Excluding Tournament Use) Monte Young Tennis Courts North Point Overlook	\$82 \$84 /4 Hours \$246 \$251 /day per area	\$102 \$104 /4 Hours \$307 \$313 /day per area
Lila Keiser Park Tournament Use (does not include field prep, or hourly use rates)	\$546 \$557	\$1,093 \$1,115
Public Special Event/Festival	\$546 \$557	\$1,093 \$1,115
Morro Beach Private Reception/Event – up to 100 people	\$205 \$209	\$307 \$313
Morro Beach Private Reception/Event – beyond 100 people	\$307 \$313	\$461 \$470
Morro Rock Parking Lot – Available only for public special events (non-exclusive use)	\$307 \$313	\$461 \$470

HOURLY and PARK USE FEES (continued)		
	Resident/Non-Profit Groups	Non-Resident/For-Profit Groups
Giant Chessboard – Wooden Pieces	\$44 <u>\$45</u>	-\$88 <u>\$90</u>
Giant Chessboard – Plastic Pieces	\$12 <u>\$12</u>	-\$18 <u>\$19</u>
Basketball Courts, Pickleball Court & Tennis Court Hourly	\$8	\$10 <u>\$11</u>
Lila Keiser hourly field rental w/o lights	\$8	\$10 <u>\$11</u>
Lila Keiser hourly field rental w/ lights	\$20 <u>\$21</u>	\$31 <u>\$32</u>
Lila Keiser field preparation	\$31 <u>\$33</u>	\$41 <u>\$42</u>
City Park Banner Placement	\$128 <u>\$131</u> /wk	\$179 <u>\$183</u> /wk
ADDITIONAL FEES		
Security Deposit: \$50, Bounce House \$150, no alcohol or live music \$500, alcohol and/or live music \$500 Organized Sporting Event (tournaments) \$500 Public Special Event/Festival The City reserves the right to require additional security deposit limits at its discretion	Lila Keiser Support Services: \$28 <u>\$29</u> per hour Insurance: cost based on event size/type Cancellations: 20% of invoiced costs	

MISCELLANEOUS PROPERTY USE		
	Resident/Non-Profit Groups	Non-Resident/For-Profit Groups
Recreation equipment rental, per bag Includes one: Horseshoes, Badminton, Volleyball, Bocce Ball	\$12	-\$18 <u>\$19</u>
Skate Park - Per Hour (2 hour minimum)	-\$76 <u>\$78</u>	-\$102 <u>\$104</u>
Photography/Filming - Per Day	\$546 <u>\$557</u>	\$1,092 <u>\$1,114</u>
ADDITIONAL FEES		
Equipment Rental Deposit: \$50 Photography/Filming Deposit: \$1,025		
<u>Resident/Non-Profit and Non-Resident/For-Profit fees for activities and programs offered by Recreation Services shall be set by the Recreation Services Manager</u>		

MORRO BAY TRANSIT AND TROLLEY

Morro Bay Transit - Fixed Route

Regular fare, per ride	\$1.50
Discount fare, per ride	\$0.75
Regular punch pass (11 rides for the price of 10)	\$15
Discount punch pass (11 rides for the price of 10)	\$7.50
Regular day pass	\$4
Discount day pass	\$2

Morro Bay Transit - Call-a-Ride:

Fare, per ride	\$2.50
Call-A-Ride punch pass (11 rides for the price of 10)	\$25

Morro Bay Trolley Fares (Ages 12 and up):

Per ride (Children, under 12 years old ride free, but must be accompanied by a fare-paying adult)	\$1
All day pass	\$3

Morro Bay Trolley Advertising:

Exterior Side of Trolley (approx. 36"x20") - with supplied sign	\$411 <u>\$419</u>
Exterior Side of Trolley (approx. 36"x20") - MB Community Foundation supplied sign	\$480 <u>\$490</u>
Exterior Rear of Trolley (approx. 24"x20") - with supplied sign	\$374 <u>\$381</u>
Exterior Rear of Trolley (approx. 24"x20") - MB Community Foundation supplied sign	\$411 <u>\$419</u>
Interior (approx. 26"x12") - with supplied sign	\$176 <u>\$180</u>
Interior (approx. 26"x12") - MB Community Foundation supplied sign	\$213 <u>\$217</u>

Morro Bay Trolley Rental Rates:

Hourly rate includes driver, fuel, cleaning, standby mechanic and administration, unless otherwise noted.

One day, within City Limits, per hour (2 hour minimum):

Transportation of passengers to and from one location to another or continuous loop with multiple stops; plus cost of fuel

~~\$117~~\$119

One day, outside City limits, per hour (3 hour minimum)

Transportation of passengers to and from one location to another or continuous loop with multiple stops; plus cost of fuel

~~\$117~~\$119

Morro Bay Commercial Fishermen's Organization

Slip Lease Proposal to the City of Morro Bay

May 3, 2021

The Directors of the Morro Bay Commercial Fishermen's Organization (MBCFO) hereby propose the following contractual agreement with the City of Morro Bay, California:

MBCFO has \$100,000 dedicated to slip improvement/construction for the North and South Beach Street City slips that will be released to the City as they present actual construction related expense receipts for labor or materials to MBCFO.

This offer is contingent on the City limiting the second slip rate increase to \$8/ft and delaying it to October, 2022. Additionally, the City will re-write its commercial slip lease agreement so as after the Oct. 22 rate increase, future commercial fishing slip rate increases will be limited to the annual federal cost of living increase for 10 years or until 2032.

Tom Hafer, President, MBCFO

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AGENDA NO: C-1

MEETING DATE: May 11, 2021

Staff Report

TO: Honorable Mayor and City Council

DATE: May 5, 2021

FROM: Matt Vierra, Fire Marshal
Steven C. Knuckles, Fire Chief

SUBJECT: Discussion of the Use of Fireworks within the City of Morro Bay

RECOMMENDATION

Staff recommends the City Council receive a staff presentation on fireworks and provide direction deemed appropriate by a majority of the Council.

FISCAL IMPACT

None.

BACKGROUND

At the July 14, 2020, meeting, City Council requested that staff review the current "Safe and Sane" fireworks ordinance and respond back with recommendations to City Council ahead of the upcoming 2021 summer, in particular 4th of July.

The California State Fire Marshal divides fireworks into two categories: "dangerous fireworks" and "Safe and Sane" fireworks. California has zero tolerance for the sale and use of dangerous fireworks which are illegal unless you hold a special display license. "Safe and Sane" fireworks may be sold, purchased, and used by the public. Only licensed retailers can sell Safe and Sane fireworks and can only do so from June 28 to July 6 each year as per California Health and Safety Code 12599. All "Safe and Sane" fireworks must display a "State of California" State Fire Marshal registered seal to be considered legal. The exceptions to this rule are "party poppers" and "snap caps," which are in a category of their own. Under California fireworks laws, these items can be sold year-round.

In 2018, the U.S. Fire Administration reported there were 19,500 fires started by fireworks in the U.S. These fires caused five civilian deaths, and \$105 million in direct property damage. In 2018, it was reported there were 9,100 consumer fireworks-related injuries that were seen in emergency departments throughout the country with 44% of those being burn injuries. In 2019, Cal Fire reported there were 7,148 fires in the State, estimating 5-7% of those fires were caused by fireworks related activities. Locally in San Luis Obispo County, there were 6 fireworks related fires reported on July 4, 2020.

Prepared By: MV/SK

Dept Review: SK

City Manager Review: SC

City Attorney Review: CN

Safe and Sane Fireworks Regulations in Morro Bay

The City currently allows for the limited the use of "Safe and Sane" fireworks on private properties and does not allow any type of fireworks on beaches, parks, and other City-owned properties. On May 12, 2015, the City Council adopted Ordinance No. 592 which amended Morro Bay Municipal Code subsection 14.08.090 O, to increase the fine structure to allow for a \$1000 administrative citation for a first offense, and included a provision wherein police officers have the authority to issue an administrative citation for the first offense. Also included in that update, was a restriction for the use of "Safe and Sane" fireworks would be allowed only on private property within City limits. Added exceptions to the Ordinance are listed below:

1. The sale of fireworks, approved by the State Fire Marshal as "Safe and Sane," shall be permitted, subject to the approval of a permit by the Fire Chief.
2. The use of fireworks, approved by the State Fire Marshal as "Safe and Sane," shall be permitted on private property only.
3. Public fireworks displays may be allowed, subject to the approval of a permit by Fire Chief.
4. Pyrotechnics for use in movie industry operations may be allowed, subject to the approval of a permit by the Fire Chief.
5. This section shall not apply to the sale and use of State Fire Marshal approved and listed party poppers and snap caps.
6. Any person violating this provision will be guilty of a misdemeanor and subject to a \$1,000 fine for each offense.
7. Notwithstanding any other provision of this code, any Morro Bay Police Officer may issue an administrative citation for a first offense without first issuing a warning; and the administrative fine shall be \$1,000 for each offense.

Effective January 1, 2016, State law requires that if dangerous fireworks are seized and the city should issue, and collect, an administrative penalty for that violation, then 65% of any funds collected must be forwarded to the State of California for deposit in the State Fire Marshal's Fireworks Enforcement and Disposal Fund (California Health & Safety Code section 12726(c)). These funds are used for statewide programs for the enforcement, disposal, and education of the public safety agencies in the proper handling and management of dangerous fireworks.

Recent Fourth of July Fireworks Information

The year 2020 was an exceptional year for the use of both legal and illegal fireworks within the State of California. It is unknown whether it was due to the COVID-19 pandemic or the limitations of traditional 4th of July fireworks display shows, but there were more calls for service involving fireworks across the state than ever before. On July 4, 2020, Los Angeles County Fire had the 2nd busiest day in the department's history with 1,676 calls of service. Closer to home, the Santa Maria Fire Department had 53 calls and Cayucos / Los Osos combined had a total of one call for service. It is worth noting that Cal Fire does not respond to firework related calls, only to reported fires in their response areas. Although not all these calls were directly related to fireworks, many were the result of activities revolving around the use of fireworks. Morro Bay has traditionally had a limited number of calls for service related to the use of fireworks. Staff was able to collect a call history for Morro Bay Fire and Morro Bay Police

Department for the past 5 years that were potentially a result of fireworks (the increased volume of calls in 2020 may be attributed to the pandemic):

Year	Firework Calls/Fire department	Fires	Injuries
2016	0	0	0
2017	1	1	0
2018	0	0	0
2019	0	0	0
2020	1	0	0
Year	Fireworks Calls/Police department	Citations	
2016	15	0	
2017	11	0	
2018	9	0	
2019	3	0	
2020	23	0	

During the weeks leading up to July 4th, the Fire Chief and Fire Marshal educate our City’s businesses, along with hotels and recreation vehicle parks with prevention materials regarding the use of “Safe and Sane” fireworks and the regulations that apply. Social Media is also utilized on numerous platforms along with local radio public service announcements. The Fire Departments staffing is also increased in the days surrounding the 4th of July holiday with engine companies patrolling the city throughout the day. The Police Department maintains a highly visible, proactive, and professional presence to maintain the peace so the public can enjoy a peaceful “Family Fun Day” July 4th, celebration. The Police Department begins a social media campaign the last week of June and lasts through the July 4th holiday. The messages include safety and legal information about the hazards of illegal and legal fireworks. Additionally, staffing is enhanced through designated roving teams for illegal fireworks enforcement, utilizing special off-road capability for beach areas during nighttime hours. In addition, our Police Department’s LED mobile billboard trailers are located at key entrances of the city to notify visitors of fireworks restrictions within city limits. Uniformed enforcement teams identifying and contacting potentially disruptive people and problem areas, as well as fireworks violations. They also advise the public regarding increased officer patrols for the purpose of citing those who deploy illegal fireworks.

The sale and possession of fireworks are illegal in most of San Luis Obispo County but there are exceptions for “Safe & Sane” fireworks, which do not fly or explode. Typically, the use of illegal fireworks is not mixed with the use of “Safe and Sane” fireworks. The California Penal Code requires that an officer and or a firefighter must visualize the misdemeanor crime igniting an illegal firework or visualize the procession of an illegal firework on the person or persons to issue the citation which makes issuing citations to individuals using illegal fireworks difficult. When City staff receives reports of illegal fireworks use in our community, upon the arrival of our law enforcement or fire personnel, the unwitnessed act of igniting the illegal fireworks has already occurred.

DISCUSSION

The use of fireworks is a well-established July 4th tradition in the United States. Although fireworks are a symbolic display of patriotism during this time of celebration, they can be dangerous when handled incorrectly or in the wrong environment. Any firework that flies in the air, darts across the ground, or explodes, is considered illegal in California. However, it is important to remember that even if a firework is “Safe and Sane,” it does not mean that they cannot start fires – it means they have less chance of starting fires, because they are more controlled.

The advance warnings provided by Morro Bay Police and Fire Departments have had the intended effect of reducing the prevalence of illegal firework use, injuries and fires related to firework use. The use of "Safe and Sane" fireworks enjoyed by many of our citizens on their private property, have not resulted in significant issues nor labored our City's Police and Fire Department's responses.

The City currently allows for the limited the use of "Safe and Sane" fireworks on private properties and does not allow any type of fireworks on beaches, parks, and other City-owned properties. These restrictions and the outreach conducted by staff have been successful in limiting fires and injuries in our community and keeping the calls for service from the Police and Fire Departments at a minimum. The calls for service in Morro Bay during the July 4th holiday are traditionally considerably less than other neighboring areas. Staff recommends continuing the use of "Safe and Sane" fireworks within the city with the current restrictions in place. Banning the use of "Safe and Sane" in Morro Bay would create significant enforcement challenges, and likely not lead to better safety outcomes. Therefore, staff recommends that the City Council maintain current regulations regarding fireworks in Morro Bay.

ATTACHMENTS

1. City of Morro Bay Municipal Code 14.08.090 Section O
2. PowerPoint Presentation

- **14.08.090 - Modifications of the California Fire Code.**

The California Fire Code, adopted in Section 14.01.020, is hereby modified, amended, and/or supplemented as follows:

O. Section 5609 is added to read as follows:

SECTION 5609.1
SALE AND USE OF FIREWORKS

5609.1 Sale and Use of Fireworks Unlawful. The sale or use of fireworks, pyrotechnics, and others explosives shall be unlawful.

Exceptions:

1. The sale of fireworks, approved by the State Fire Marshal as "safe and sane," shall be permitted, subject to the approval of a permit by the Fire Chief.
2. The use of fireworks, approved by the State Fire Marshal as "safe and sane," shall be permitted on private property only.
3. Public fireworks displays may be allowed, subject to the approval of a permit by the Fire Chief.
4. Pyrotechnics for use in movie industry operations may be allowed, subject to the approval of a permit by the Fire Chief.
5. This section shall not apply to the sale and use of State Fire Marshal approved and listed party poppers and snap caps.
6. Any person violating this provision will be guilty of a misdemeanor and subject to a \$1,000 fine for each offense.
7. Notwithstanding any other provision of this code, any Morro Bay Police Officer may issue an administrative citation for a first offense without first issuing a warning; and the administrative fine shall be \$1,000 for each offense.



Safe and Sane Fireworks

- Updated Ordinance 592, Municipal Code 14.08.090-O on May 12, 2015
- Definition of Safe and Sane Fireworks
- Definition of Illegal Fireworks
- Actions taken by our Police and Fire Department
- Limitations issuing Citations
- Calls for service history



Safe and Sane Fireworks



- California Health and Safety Code 12529
- California Health and Safety Code 12599
- The exceptions to this rule.....
- All "Safe and Sane" fireworks must display State Fire Marshal registered fireworks seal.



What is an Illegal Firework?

- ❑ A good rule of thumb is if it goes up in the air, darts across the ground or explodes, it's dangerous and illegal.





Fireworks Codes & Fines

Morro Bay Municipal Code #14.08.090 O

5609.1 Sale and Use of Fireworks Unlawful. The sale or use of fireworks, pyrotechnics, and other explosives shall be unlawful.

- “Safe and Sane” fireworks are only allowed on private property.
- Not allowed on City property.
- Not allowed on City beaches.
- Not allowed in City Parks.
- \$1,000.00 citation.



Increase of the use of fireworks



- In 2018 fire departments reported around the nation.
- 9,100 firework related injuries.
- Five civilian deaths.
- \$19,500 fires started by fireworks.
- \$105 million in direct property damage.



Fireworks in San Luis Obispo County



- The sale and possession of fireworks are illegal in most of SLO County
- Unincorporated areas of San Miguel, Templeton & Oceano, only within their respective community services districts.
- “Safe & Sane” fireworks are legal in Arroyo Grande, Grover Beach and Morro Bay on private properties.



Calls for service related to fireworks

Year	Firework Calls/Fire department	Fires	Injuries
2016	0	0	0
2017	1	1	0
2018	0	0	0
2019	0	0	0
2020	1	0	0

Year	Fireworks Calls/Police department	Citations
2016	15	0
2017	11	0
2018	9	0
2019	3	0
2020	23	0

2020	53	0
2019	3	0
2018	0	0
2017	0	0
2016	0	0



Staffing and Enforcement:



- Increased staffing at the fire station.
- Engine companies were also out and about throughout the city
- Distribution of Prevention materials.

- Increased staffing to patrol throughout the city.
- Uniformed enforcement.
- Social Media.
- LED mobile billboards.





Questions?



- Safe and Sane fireworks have a less chance for starting fires.
- Use of “Safe and Sane” fireworks to private properties only.
- Minimum calls for service from the Police and Fire Departments.
- \$1000.00 citation is consistent with other agencies in SLO county.
- Staff would recommend continuing with the current restrictions in place.



AGENDA NO: C-2

MEETING DATE: May 11, 2021

Staff Report

TO: Honorable Mayor and City Council

DATE: May 5, 2021

FROM: Rob Livick, PE/PLS – City Engineer

SUBJECT: Adoption of Resolution No. 24-21 Approving the Engineer’s Report and Declaring the Intent to Levy the Annual Assessment for the Cloisters Landscaping and Lighting Maintenance Assessment District

RECOMMENDATION

Staff recommends City Council adopt Resolution No. 24-21 declaring the intent to levy the annual assessment for the maintenance of the Cloisters Park and Open Space for fiscal year 2021/22 and approving the Engineer’s Report.

FISCAL IMPACT

Based on the Engineer’s Report, which estimates the annual costs of maintaining the Cloisters Park and Open Space for the upcoming year at \$134,050. Those costs will be offset by the collection of \$148,944 in assessments from the parcel owners in the Cloisters Subdivision. The remaining approximately ten percent of \$14,894 is proposed to be transferred to the accumulation fund for funding of future capital projects.

The original formation of the assessment district in 1996 set the fixed assessment of \$1,241.20 per parcel or \$148,944 for the entire Cloisters Landscape Lighting Maintenance Assessment District. In 1996, the Consumer Price Index (CPI) was 157 and today (3/2021) the CPI is at 283. This has resulted in an eighty percent drop in the purchasing power of the assessment district funds.

BACKGROUND/DISCUSSION

On April 13, 2021, City Council adopted Resolution No. 17-21, which initiated the proceedings to levy the annual assessment to fund the maintenance of the Cloisters Park and Open Space. As ordered by the Council and required by law, an Engineer’s Report has been prepared detailing the estimated annual assessment for the parcel owners for fiscal year 2021/22 and expenditures for the District. Staff intends to continue to perform most maintenance tasks with City Maintenance staff and directly allocate their time to the assessment district. This year staff has proposed a reduction in the staffing allocation to provide for an approximately ten-percent reserve. Upon adoption of Resolution No. 24-21, the next and final step in the annual levy of assessment process is the public hearing after which City Council orders the levy of assessment.

Tract 1996, known as the Cloisters development, is a 124-lot subdivision bounded by State Highway One at the east, Atascadero State Beach at the west, Morro Bay High School at the south, and Azure, Coral, and San Jacinto Streets at the north.

Prepared By: <u>rl</u>	Dept Review: <u>RL</u>
City Manager Review: <u>SC</u>	City Attorney Review: <u>CFN</u>

It was well known, any development at the Cloisters was going to require a balance between continuation of lateral and vertical access within and through the property, while at the same time conserving the sensitive plant and wildlife resources present.

Zoning on most of the Cloisters site is Planned Development, Single-Family Residential with the sand dunes and wetlands zoned Environmentally Sensitive Habitat (ESH). The purpose of the Planned Development (PD) overlay zone is to provide for detailed and substantial analysis of development on parcels, which because of location, size or public ownership, warrant special review. That overlay zone was also intended to allow for the modification of, or exemption from, the development standards of the primary zone, which would otherwise apply if such action would result in better design or other public benefit.

On September 23, 1996, City Council passed Resolution No. 69-96, which accepted the final map for Tract 1996 known as the Cloisters Subdivision, consisting of 124 lots. Lots 1 through 120 were for single-family residential purposes, Lots 121, 122 (APN 065-386-005 & 016 on attached Assessor's Map) were for the 27.75-acre park and open space, Lot 124 was dedicated for a fire station and Lot 123 was offered to the state.

The findings and conditions of approval for the project were numerous. For example, City Council made findings the Cloisters project could cause significant environmental impacts relating to land use, visual/aesthetics, affordable housing, traffic generation, air quality noise, geology, drainage and water quality, ecological resources, and public services; but those impacts were mitigated by the recommended conditions. In addition, City Council made further findings the Cloisters project was in compliance with the specific policies of the General Plan/Land Use Plan (GP/LUP) and Zoning Ordinance with respect to protection of views, environmentally sensitive resources, public access, circulation, hazards and other requirements so long as the environmental impacts were mitigated. Finally, City Council made other findings the Cloisters project complies with the Morro Bay Municipal Code (MBMC) with respect to optional subdivision design and related improvements, and the optional design is justified in order to contribute to a better community environment through the dedication of extensive public areas, restoration of the ESH area, provision of scenic easements, provision of larger than usual lots adjacent to such areas, and maintenance of a consistent lot layout pattern adjacent to existing development on the north side of Azure Street.

In order to mitigate the environmental impacts of the project, and to provide a greater than normal public benefit (upon modification of otherwise applicable standards) as required in a PD overlay zone, the conditions of approval for the project required the applicant to form an assessment district for the maintenance of the public park, bicycle pathway, right-of-way landscaping, coastal access ways, ESH restoration areas and any other improved common areas to be privately held or dedicated to the City. The public park area, as well as all open space improvements and the assessment district, were part of many detailed discussions during City and Coastal Commission hearings.

The assessment district formation proceedings began in August 1996, with all of the owners of the real property within the proposed district petitioning the City and consenting in writing to the formation of the district pursuant to the Landscape and Lighting Act of 1972. The assessment district formation proceedings concluded with the final public hearing for formation on September 23, 1996, which levied the annual assessment of \$148,944 for the maintenance of the 27.75 acres of park and open space.

In preparing the various purchase and sale documents for each individual lot, including the Conditions, Covenants, and Restrictions, the developer was especially careful to call out the

existence of the assessment district and to make certain the existence of the assessment district would not come as a surprise to anyone who purchased one of the lots. The Developer assured the City “There will be no surprises to prospective owners about the assessments or their amounts.”

In drafting all the project documents, the City and the developer reinforced the special benefits for the residents of the Cloisters Project with the public amenities and easements. Each Cloister’s lot directly benefits from the public park, bicycle pathway, right-of-way landscaping, coastal access ways, ESH restoration areas and coastal access ways. There was also created and reserved in favor of each owner in the Cloisters Development, Conservation Space in parcels 065-386-005 & 0065-386-016, and a Scenic Conservation Easement in parcel 065-386-020 for view, open space, scenic, passive recreation and coastal access, none of which will be developed with any improvements or structures, unless necessary and proper for the restoration and maintenance of the Environmentally Sensitive Habitat Area.

CONCLUSION

The process for the annual levy of assessment for the Cloisters Landscaping and Lighting Maintenance Assessment District requires the City Council receive the Engineer’s Report, approve and/or modify the report and adopt a Resolution of Intention. The Resolution of Intention gives notice of the time, date and place for a public hearing by the City Council on the issue of the levy of assessment. The public hearing has been set for June 22, 2021, to be held via teleconference in accordance pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020. A summary of the Resolution of Intention shall be published in the newspaper as a legal notice of public hearing, to which all interested parties are afforded the opportunity to be heard either through written or oral communication. Upon completion of the public hearing on June 22, 2021, the City Council may adopt the resolution ordering the levy of the annual assessment.

ATTACHMENT

1. Draft City Council Resolution No. 24-21
2. Engineer’s Report

RESOLUTION NO. 24-21

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
DECLARING THE CITY'S INTENTION TO LEVY THE ANNUAL ASSESSMENT FOR
CLOISTERS LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT
PURSUANT TO THE "LANDSCAPING AND LIGHTING ACT OF 1972" (STREETS AND
HIGHWAYS SECTIONS 22500 ET.SEQ.) FOR FISCAL YEAR 2021/22**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, all property owners of the Cloisters subdivision requested the City of Morro Bay form a maintenance assessment district to fund the maintenance of the Cloisters Park and Open Space; and

WHEREAS, the Landscaping and Lighting Act of 1972 (Streets and Highways Code sections 22500 et. seq.) (the "Act") enables the City to form assessment districts for the purpose of maintaining public improvements; and

WHEREAS, pursuant to Section 22623 of the Act, the City Engineer has filed in the Office of the City Clerk, and submitted for review to the City Council, a report entitled "Engineer's Report - Cloisters Landscaping and Lighting Maintenance Assessment District", dated May 3, 2021, prepared in accordance with Article 4 of the Act, commencing with Section 22565; and

WHEREAS, pursuant to Section 22608.2 of the Act, the subdivider was required by City Ordinance to install improvements for which an assessment district was required to assure continued and uninterrupted maintenance of the Cloisters Park and Open Space; and

WHEREAS, pursuant to the intent of Article XIII, Section 4, of the California Constitution, the property owners have elected to form the Cloisters Landscaping and Lighting Maintenance Assessment District.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Morro Bay,

Section 1. The City Council approves the Engineer's Report.

Section 2. It is the intent of the Council to order the annual levy and collection of assessments for the Cloisters Landscaping and Lighting Maintenance Assessment District at a public hearing to be held at the Regular City Council Meeting on June 22, 2021, at or about 5:30 p.m., via teleconference in accordance pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020.

Section 3. The improvements to be maintained at the Cloisters Park and Open Space are specified in the Engineer's Report dated May 3, 2021, which is hereby approved.

Section 4. The assessment upon assessable lots within the district is proposed to total \$148,944 or \$1,241.20 per assessable parcel for Fiscal Year 2021/22.

Section 5. Staff is directed to continue the Major Maintenance/Capital Improvement Program that will address items requiring significant expenditures in FY 2021/22. Any, projects

identified with input from the community and shall be approved through the budget or budget amendment process by the City Council prior to implementation.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting held on this 11th day of May 2020 by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

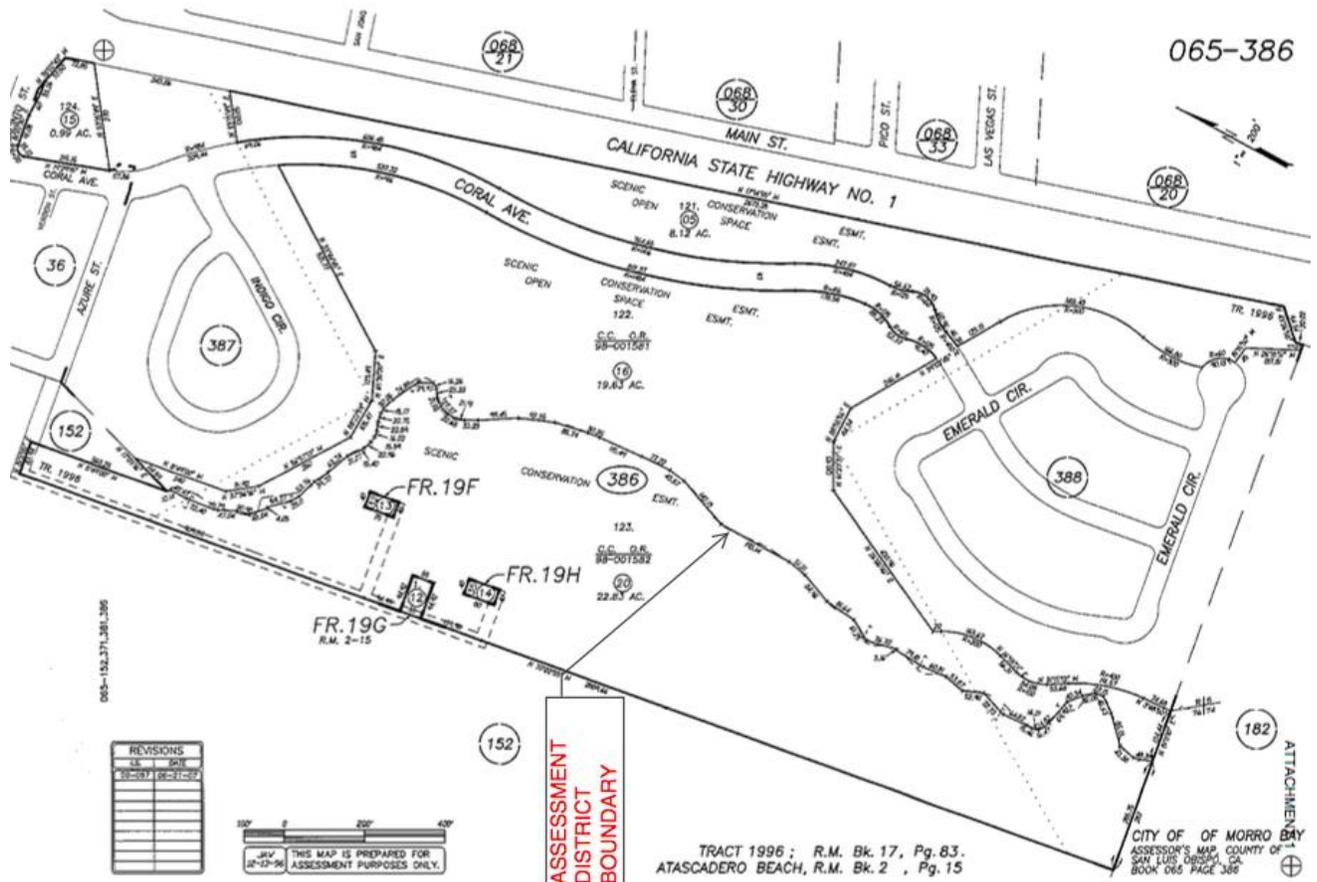
JOHN HEADDING, Mayor

ATTEST:

DANA SWANSON, City Clerk

EXHIBIT A
 CLOISTERS
 LANDSCAPING AND LIGHTING
 MAINTENANCE ASSESSMENT DISTRICT
 DISTRICT BOUNDARY DIAGRAM

The boundary diagrams for the District have previously been submitted to the City Clerk in the format required under the 1972 Act and, by reference, are hereby made part of this Report. The boundary diagrams are available for inspection at the office of the City Clerk during normal business hours. The following diagram provides an overview of the District.





CITY OF MORRO BAY

**CLOISTERS
LANDSCAPING AND LIGHTING
MAINTENANCE ASSESSMENT DISTRICT**

2021/22 ENGINEER'S ANNUAL LEVY REPORT

May 3, 2021

AFFIDAVIT FOR 2021/22 ENGINEER'S ANNUAL LEVY REPORT

CITY OF MORRO BAY

**CLOISTERS
LANDSCAPING AND LIGHTING
MAINTENANCE ASSESSMENT DISTRICT**

This report describes the proposed maintenance, improvements, budgets, zone of benefit and assessments to be levied on parcels of land within the *Cloisters Landscaping and Lighting Maintenance Assessment District* for the fiscal year 2021/22, as the same existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the San Luis Obispo County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council and, to the best of my knowledge, information, belief, the report, the assessments and diagrams have been prepared and computed in pursuant to the Landscaping and Lighting Act of 1972.

Dated this 3rd day of May, 2021



Rob Livick, PE/PLS – City Engineer



CITY OF MORRO BAY

CLOISTERS

LANDSCAPING AND LIGHTING

MAINTENANCE ASSESSMENT DISTRICT

ENGINEER’S REPORT

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I. Overview

A. Introduction

The City Council of the City of Morro Bay (hereafter referred to as “City”), County of San Luis Obispo, State of California, previously formed and has levied and collected annual assessments for the district designated as:

CLOISTERS LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT

(hereafter referred to as “District”) pursuant to the provisions of the Landscaping and Lighting Act of 1972, being Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500 (hereafter referred to as the “1972 Act”), and in compliance with the provisions of the California State Constitution Articles XIIC and XIID (hereafter referred to as the “Constitution” or “Proposition 218”).

This Report has been prepared in accordance with Chapter 1, Article 4 (commencing with Section 22565) of the 1972 Act and describes the District and changes to the District including: territories annexed; modifications to the improvements or organization; and the proposed budgets and assessments applicable for fiscal year 2021/22.

Project History

Tract 1996, known as the Cloisters development, is a 124 lot subdivision bounded by State Highway One at the east, Atascadero State Beach at the west, Morro Bay High School at the south, and Azure, Coral, and San Jacinto Streets at the north (the “Cloisters”).

The Cloisters, prior to development, was a privately owned 80-plus acre expanse of open land. The property was historically used for lateral and vertical access and contained a large area of sensitive sand dunes abutting the eastern edge of Atascadero State Beach. Over the years, it was the subject of various land development proposals including an RV park, a 390-unit condominium development, a 466-unit single family residential development, a 455-unit mixed residential development, and a 213-unit residential development. The City approved none of these development proposals.

It was well known that any development at the Cloisters was going to require a balance between continuation of lateral and vertical access within and through the property, while at the same time conserving the sensitive plant and wildlife resources present. In addition, the negative impacts of development on the site would have to be sufficiently offset by public resources and public amenities from the site.

Zoning on most of the Cloisters site is Planned Development, Single-Family Residential with the sand dunes and wetlands zoned Environmentally Sensitive Habitat (ESH). The purpose of the Planned Development (PD) overlay zone is to provide for detailed and substantial analysis of development on parcels, which because of location, size or public ownership, warrant special review. This overlay zone is also intended to allow for the modification of, or exemption from,

the development standards of the primary zone which would otherwise apply if such action would result in better design or other public benefit.

On September 23, 1996, the City Council passed Resolution No. 69-96, which accepted the final map for Tract 1996, known as the Cloisters Subdivision, consisting of 124 lots. Lots 1 through 120 were for single-family residential purposes; Lots 121,122 and 124¹ (dedicated for a fire station) were offered to the City subject to the completion of the public improvements; and Lot 123 was offered to the State.

The findings and conditions of approval for the project were numerous. For example, the City Council made findings that the Cloisters project could cause significant environmental impacts relating to land use, visual/aesthetics, affordable housing, traffic generation, air quality, noise, geology, drainage and water quality, ecological resources, and public services; but that these impacts could be mitigated by the recommended conditions. In addition, the City Council made further findings that the Cloisters project was in compliance with the specific policies of the General Plan/Local Coastal Plan (GP/LCP) and zoning ordinance with respect to protection of views, environmentally sensitive resources, public access, circulation, hazards and other requirements so long as the environmental impacts were mitigated. Finally, the City Council made further findings that the Cloisters project complied with MBMC with respect to optional subdivision design and related improvements, and that the optional design was justified in order to contribute to a better community environment through the dedication of extensive public areas, restoration of the ESH area, provision of scenic easements, and provision of larger than usual lots adjacent to such areas, and maintenance of a consistent lot layout pattern adjacent to existing development on the north side of Azure Street.

In order to mitigate the environmental impacts of the project and to provide a greater public benefit as required in a PD overlay zone, the conditions of approval for the project required the applicant to form an assessment district for the maintenance of the public park, bicycle pathway, right of way landscaping, coastal access ways, ESH restoration areas and any other improved common areas to be privately held or dedicated to the City. The public park area, as well as all open space improvements and the assessment district were part of many detailed discussions during each City and Coastal Commission hearing. Without this Condition of Approval and the creation of the assessment district, the project would not have been approved and there would not be a Cloisters Development.

B. Assessment History and Current Legislation

In November 1996, California voters approved Proposition 218 that established specific requirements for the ongoing imposition of taxes, assessments and fees. The provisions of the Proposition are now contained in the California Constitutional Articles XIII C and XIII D. All assessments described in this Report and approved by the City Council are prepared in accordance with the 1972 Act and in compliance with these provisions of the Constitution.

¹ Lot 124 of the Cloisters Subdivision (Tract 1996) has been sold and is going through the entitlement process for development of several single-family homes, which will be annexed to the District. As a result, the assessment per lot will be adjusted.

Pursuant to the Article XIID Section 5 of the Constitution, certain existing assessments were exempt from the substantive and procedural requirements of the Article XIID Section 4, and property owner balloting is not required until such time that a new or increased assessment is proposed. Specifically, the City determined that the annual assessments originally established for the Cloisters were imposed in accordance with a consent and waiver as part of the original development approval for the properties within these areas. As such, pursuant to Article XIID Section 5b, all the property owners approved the existing District assessments at the time the assessments were created (originally imposed pursuant to a 100% landowner petition). Therefore, the pre-existing assessments (the maximum assessment rates adopted prior to the passage of Proposition 218) for this district is exempt from the procedural requirements Article XIID Section 4. However, any new or increased assessment for the Cloisters shall comply with both the substantive and procedural requirements of Article XIID Section 4 before such assessments are imposed.

The assessment district formation proceedings began in August 1996, and concluded with the final public hearing on September 23, 1996 for formation of the District pursuant to the 1972 Act. This formation led to the annual assessment levy of \$148,944 (the “Assessment”) for the maintenance of the thirty-four (34) acres of public resource lands including open space and natural lands, wetland area and pond used for drainage mitigation for homes constructed in Cloisters, median landscaping, trees, a neighborhood park and recreation area, fencing and other public improvements. The maximum assessment rates that existed and were adopted in fiscal year 1996/1997 did not include the assessment range formulae (inflationary adjustment) for their maximum assessment rates and therefore will remain static unless those being assessed vote to increase the assessments. Refer to section III D – “Maintenance Costs” for an analysis of the decision to not include an inflationary adjustment in the formulae.

In preparing the various purchase and sale documents for each individual lot, including the Conditions, Covenants, and Restrictions, the owners and developer called out the existence of the assessment district and to make certain that the existence of assessment district was disclosed to anyone who purchased one of these lots. In drafting all the project documents, the City and the developer reinforced the special benefits for the residents of the Cloisters Project from the public amenities and easements maintained by the assessment.

II. Description of the District

A. Improvements Authorized by the 1972 Act

As applicable or may be applicable to this proposed District, the 1972 Act defines improvements to mean one or any combination of the following:

- the installation or planting of landscaping
- the installation or construction of statuary, fountains, and other ornamental structures and facilities
- the installation or construction of public lighting facilities
- the installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof, including, but not limited to, grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities
- the maintenance or servicing, or both, of any of the foregoing
- the acquisition of any existing improvement otherwise authorized pursuant to this section.

Incidental expenses associated with the improvements including, but not limited to:

- the cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment
- the costs of printing, advertising, and the publishing, posting and mailing of notices
- compensation payable to the County for collection of assessments
- compensation of any engineer or attorney employed to render services
- any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements
- any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5²
- costs associated with any elections held for the approval of a new or increased assessment.

The 1972 Act defines "Maintain" or "maintenance" to mean furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including:

- repair, removal, or replacement of all or any part of any improvement
- providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury
- the removal of trimmings, rubbish, debris, and other solid waste
- the cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

B. Maintenance Items

The ongoing maintenance for the District, and the costs thereof, paid from the levy of the annual assessments, are generally described below.

² There is no existing bond debt nor is any anticipated at this time.

Replacement, maintenance and servicing of improvements include, but are not limited to, turf, ground cover, shrubs, trees, other landscaping, irrigation systems, fencing, signage, trails, walkways, recreation facilities, lighting, restroom facilities, parking and all necessary appurtenances, and labor, materials, supplies, utilities and equipment. The public resources maintained by the assessments from the District are further summarized as follows:

- Parkland: 4 Acres
- Open space meadow and natural land: 18.15 Acres
- Wetland: 5.5 Acres
- Medians and parkways within the public rights-of-way: 1.6 Acres

Within those areas, the following items are maintained through the levy of assessments:

1. Landscaping

- a. Turf
- b. Planted medians
- c. Planter beds (formerly demonstration garden)
- d. Drainage systems, including gabion channels
- e. Irrigation system (spray and drip)
- f. Scrub/meadow plantings
- g. Trees & shrubs along the sound wall
- h. Willows
- i. Wetland area plantings and pond

2. Hardscaping

- a. Asphalt path system
- b. Concrete walkways
- c. Parking lot
- d. Decomposed granite paths
- e. Play area surfacing
- f. Bridge on City owned property

3. Facilities and miscellaneous

- a. Barbeques
- b. Bike rack
- c. Benches
- d. Directional signs
- e. Drinking fountains
- f. Fences:
 - i. 6' and 3' solid – Bike Path and Fire Access Fencing
 - ii. Habitat Area (ESHA) fencing and keep out signs
- g. Interpretive panels
- h. Light bollards
- i. Monuments with lights
- j. Observation pier at pond
- k. Picnic tables
- l. Play equipment and sand lot
- m. Restroom
- n. Sound wall
- o. Trash cans

III. Method of Apportionment

A. General

This section of the Engineer's Report includes an explanation of the special benefits to be derived from the installation, maintenance and servicing of the improvements and the methodology used to apportion the total assessment to properties within the District.

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements which include the construction, maintenance and servicing of public lights, landscaping and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

The proceeds from the District are used to fund the maintenance and upkeep of public resources within the Cloisters development project for the special benefit of the properties located within the project. The continued maintenance and upkeep of these important items is a distinct and special benefit to properties within the District.

Easements were created and reserved in favor of each owner in the Cloisters Development for view, open space, scenic, passive recreation and coastal access across the entirety of Lots 121, 122 and 123; these lots shall not be developed with any improvements or structures unless necessary and proper for the restoration and maintenance of the ESHA. This is another distinct and special benefit conferred on property within the District.

B. Benefit Analysis

Each of the proposed improvements, the associated costs and assessments have been carefully reviewed, identified and allocated based on special benefit pursuant to the provisions of the Constitution and 1972 Act. The improvements associated with the District have been identified as necessary, required and/or desired for the orderly development of the properties within the District to their full potential, consistent with the proposed development plans and applicable portions of the City GP/LCP as identified previously in this report. As such, these improvements would be necessary and required of individual property owners for the development of such properties, and the ongoing operation, servicing and maintenance of these improvements would be the financial obligation of those properties. Therefore, the improvements and the annual costs of ensuring the maintenance and operation of the improvements are of direct and special benefit to the properties. The method of apportionment (method of assessment) is based on the premise that each assessed parcel within the District receives special benefit from various improvements provided by the District. The desirability and security of properties is enhanced by the presence of local improvements in close proximity to those properties. The special benefits associated

with landscaped improvements are specifically:

- enhanced desirability of properties through association with the improvements
- improved aesthetic appeal of properties providing a positive representation of the area
- enhanced adaptation of the urban environment within the natural environment from adequate green space and landscaping.

C. Maintenance Tasks

A list of maintenance tasks required to maintain the District in acceptable condition for public use was originally developed based on maintenance standards established for existing parks within the City and is included in this report as Attachment A. The list has since been divided into Janitorial and Landscaping Maintenance Tasks, with an additional section for Deferred Maintenance Tasks/Capital Replacement Projects.

While the purchasing power of the assessments has severely eroded since formation of the district, the City has worked efficiently to provide the necessary maintenance and still accumulate a modest reserve to serve as a buffer should the County fail to collect the full assessment; and for the repair and replacement of the improvements maintained by the district

D. Maintenance Costs

The estimated annual cost of maintaining the District was originally developed by the Recreation and Parks Department based on the tasks required and the City's Flat Rate Manual for Parks Maintenance and appeared to be a conservative estimate. District costs include labor, utilities, insurance, engineering services and depreciation/reserves. The cost of maintenance for the 2021/22 fiscal year is estimated to be \$134,050. The cost estimate is included in this report as Attachment B. This estimate reflects a transfer to the City's General Fund in the amount of 11,475.63 for allocation of overhead costs not directly charged to the District. This Cost Allocation Plan (CAP) includes, but is not limited to, costs for: accounting, management oversight, IT, and general City overhead. This allocation was approved when City Council adopted Master Fee Schedule of in 2019 which the CAP was approved.

The original formation of the assessment district in 1996 set the fixed assessment of \$148,944 (or \$1,241.20 per assessed parcel) for the entire Cloisters Landscape Lighting Maintenance Assessment District. In 1996, the Consumer Price Index (CPI) was 157 and today (3/2021) the CPI is at 283. This has resulted in a substantial drop in the purchasing power of the assessment district funds, but due to increased efficiency in the service delivery along with some reductions in service originally provided in district, the City has been able to maintain the facilities and accrue an accumulation.

E. Apportionment of Assessment

The total assessment for the District is apportioned equally to each of the one hundred and twenty residential lots. Lots 121 and 122 (Parcel 1) Cloisters Park and Open Space, Lot 124 (dedicated for a fire station, declared as surplus by the City and sold - currently vacant, but new

owner is going through the entitlement process to develop several single-family homes and will be annexed to the Cloisters LLMAD once developed; and Lot 123 offered to the State are not assessed. Individual assessments are listed in the table shown in Attachment C.

Attachment A

CLOISTERS LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT

TYPICAL MAINTENANCE TASKS

Task	Weekly	Twice Weekly	Monthly	Twice Annually	Annually	As Needed
I <i>Turf Maintenance</i>						
Mow						XX
Edge/Trim						XX
Fertilize				XX		XX
Aerate/Seed				XX		XX
II <i>Other Landscape Maint.</i>						
Prune plants/shrubbery				XX		XX
Maintain weed free						XX
Maintain bark mulch						XX
Rake/distribute gravel/sand			XX			XX
Fertilize				XX		
III <i>Tree Maintenance</i>						
Prune trees					XX	
Maintain tree supports						XX
Remove dead trees						XX
IV <i>Irrigation</i>						
Maintain/repair irrigation system						XX
Program/check controllers			XX			XX
Hand water as required						XX
Monitor water usage			XX			
V <i>Weed control</i>						
Mow open areas				XX		XX
Remove noxious weeds				XX		
Weed identified areas				XX		XX
VI <i>Wetlands</i>						
Coordinate maint. with city						XX
VII <i>Paths, walkways, parking lot maintenance</i>						
Conduct general safety inspection					XX	XX
Remove foreign objects						XX
Trim/spray pathways						XX

**CLOISTERS
LANDSCAPING AND LIGHTING
MAINTENANCE ASSESSMENT DISTRICT**

TYPICAL MAINTENANCE TASKS (cont.)

Task	Weekly	Twice Weekly	Monthly	Twice Annually	Annually	As Needed
VII <i>Paths, walkways, parking lot maintenance (cont.)</i>						
Inspect hardscape for damage			XX			XX
Remove dog litter						XX
VIII <i>Pest/Disease Control</i>						
Control pests/rodents and plant diseases						XX
IX <i>Litter/trash control</i>						
Litter pick up throughout						XX
Remove trash from garbage cans		XX				
Empty ashes from bbq's		XX				
X <i>Restroom</i>						
Clean/sanitize/service	Daily M-F					
Maintain roof						XX
Maintain plumbing						XX
Paint structure						XX

Attachment B

CLOISTERS LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT

DISTRICT BUDGET - FISCAL YEAR 2021/22

NAME: Cloisters Landscaping and Lighting Maintenance Assessment District

DIAGRAM: Attached, as Attachment D

PLANS AND SPECIFICATIONS: On file in the Office of the City Engineer.

ESTIMATED COST OF MAINTENANCE: The table on the following page outlines the estimated budget for the maintenance of the District for fiscal year 2021/22. It also provides a look back at the previous fiscal year including the current fiscal year with expenses as of February 2021.

CONTRACT SERVICES

Includes non-routine maintenance and repair costs, as needed.

PERSONNEL SERVICES

Includes all daily and routine tasks as well as non-routine maintenance and repair costs.

INTERFUND TRANSFERS

Is the accounting practice that calculates and spreads the proportionate share of agency-wide indirect cost to departments and funds that receive a service from other departments (e.g., Payroll, Administration).

SUPPLIES

Includes all supplies used in daily tasks as well as non-routine repair and maintenance.

SERVICES

Includes utilities, outside engineering, insurance and contract services.

CAPITAL/DEFERRED MAINTENANCE RESERVE (ACCUMULATION)

Accumulated funds to be directed at capital projects, permits, and other one-time expenses and to maintain the required fund reserves.

CURRENT ACCUMULATION FUND BALANCE	\$80,802
ESTIMATED ACCUMULATION FUND BALANCE END FY 2021/22	\$96,341
TOTAL ASSESSMENT:	\$148,944.00
PER PARCEL YEARLY ASSESSMENT (\$148,944/120 parcels)	\$1,241.20

Account Number		Account Description	2019 Actual Amount	2020 Actual Amount	2021 Actual Amount Thru 8 mos 2/28/21	2021 Amended Budget	2022 Requested
Fund: 570 - Cloisters Park Maint AD							
EXPENSES							
Department: 6167 - Cloisters Park							
<i>10-Personnel - Personnel Services</i>							
<i>Account Classification Total: 10-Personnel - Personnel Services</i>			\$90,433.88	\$90,255.81	\$66,295.13	\$92,328.00	\$74,542.16
<i>60-Supplies - Supplies</i>							
5109		Uniforms/Safety Equipment	0.0000	77.5500	0.0000	0.0000	0.0000
5199		Miscellaneous Operating Supplies	13.0000	121.1200	0.0000	0.0000	0.0000
5501		Grounds Maintenance Supplies	2,277.9500	3,050.6700	1,124.2900	4,100.0000	3,203.2035
5502		Building Maint. Supplies	58.4400	21.1200	161.5400	0.0000	22.1760
<i>Account Classification Total: 60-Supplies - Supplies</i>			\$2,349.39	\$3,270.46	\$1,285.83	\$4,100.00	\$3,225.38
<i>70-Services - Services</i>							
6106		Contractual Services	18,128.3600	18,036.0900	240.0000	40,500.0000	250.0000
6301		Electricity	2,311.1700	2,336.0900	1,077.5200	0.0000	1,847.1771
6303		Water	23,322.9900	35,469.0100	26,460.7700	0.0000	39,691.1550
6305		Disposal	3,194.0600	3,228.5400	2,012.3400	0.0000	3,018.5100
<i>Account Classification Total: 70-Services - Services</i>			\$46,956.58	\$59,069.73	\$29,790.63	\$40,500.00	\$44,806.84
Department Total: 6167 - Cloisters Park			\$139,739.85	\$152,596.00	\$97,371.59	\$136,928.00	\$122,574.38
Department: 7710 - Interfund Transactions							
<i>100-Interfund - Interfund Transfers</i>							
<i>Account Classification Total: 100-Interfund - Interfund Transfers</i>			\$0.00	\$11,071.82	\$5,546.00	\$11,362.00	\$11,475.62
Department Total: 7710 - Interfund Transactions			\$0.00	\$11,071.82	\$5,546.00	\$11,362.00	\$11,475.62
EXPENSES Total			\$139,739.85	\$163,667.82	\$102,917.59	\$148,290.00	\$134,050.00
Fund REVENUE Total: 570 - Cloisters Park Maint AD			\$148,944.00	\$148,322.40	\$93,741.60	\$148,944.00	\$148,944.00
Fund EXPENSE Total: 570 - Cloisters Park Maint AD			\$139,739.85	\$163,667.82	\$102,917.59	\$148,290.00	\$134,050.00
Fund Total: 570 - Cloisters Park Maint AD			\$9,204.15	(\$15,345.42)	(\$9,175.99)	\$654.00	\$14,894.00

Attachment C

**CLOISTERS
LANDSCAPING AND LIGHTING
MAINTENANCE ASSESSMENT DISTRICT**

PARCEL/ASSESSMENT TABLE

Lot Number	County Assessor's Parcel Number	Annual Assessment
1	065-387-001	\$1,241.20
2	065-387-002	\$1,241.20
3	065-387-003	\$1,241.20
4	065-387-004	\$1,241.20
5	065-387-005	\$1,241.20
6	065-387-006	\$1,241.20
7	065-387-007	\$1,241.20
8	065-387-008	\$1,241.20
9	065-387-009	\$1,241.20
10	065-387-010	\$1,241.20
11	065-387-011	\$1,241.20
12	065-387-012	\$1,241.20
13	065-387-013	\$1,241.20
14	065-387-014	\$1,241.20
15	065-387-015	\$1,241.20
16	065-387-016	\$1,241.20
17	065-387-017	\$1,241.20
18	065-387-018	\$1,241.20
19	065-387-019	\$1,241.20

Lot Number	County Assessor's Parcel Number	Annual Assessment
20	065-387-053	\$1,241.20
21	065-387-054	\$1,241.20
22	065-387-055	\$1,241.20
23	065-387-023	\$1,241.20
24	065-387-024	\$1,241.20
25	065-387-025	\$1,241.20
26	065-387-026	\$1,241.20
27	065-387-027	\$1,241.20
28	065-387-028	\$1,241.20
29	065-387-029	\$1,241.20
30	065-387-030	\$1,241.20
31	065-387-031	\$1,241.20
32	065-387-032	\$1,241.20
33	065-387-033	\$1,241.20
34	065-387-034	\$1,241.20
35	065-387-035	\$1,241.20
36	065-387-036	\$1,241.20
37	065-387-037	\$1,241.20
38	065-387-038	\$1,241.20
39	065-387-039	\$1,241.20
40	065-387-040	\$1,241.20
41	065-387-041	\$1,241.20
42	065-387-042	\$1,241.20
43	065-387-043	\$1,241.20

Lot Number	County Assessor's Parcel Number	Annual Assessment
44	065-387-044	\$1,241.20
45	065-387-045	\$1,241.20
46	065-388-001	\$1,241.20
47	065-388-002	\$1,241.20
48	065-388-003	\$1,241.20
49	065-388-004	\$1,241.20
50	065-388-005	\$1,241.20
51	065-388-006	\$1,241.20
52	065-388-007	\$1,241.20
53	065-388-008	\$1,241.20
54	065-388-009	\$1,241.20
55	065-388-010	\$1,241.20
56	065-388-011	\$1,241.20
57	065-388-012	\$1,241.20
58	065-388-013	\$1,241.20
59	065-388-014	\$1,241.20
60	065-388-015	\$1,241.20
61	065-388-016	\$1,241.20
62	065-388-017	\$1,241.20
63	065-388-018	\$1,241.20
64	065-388-019	\$1,241.20
65	065-388-020	\$1,241.20
66	065-388-021	\$1,241.20
67	065-388-022	\$1,241.20

Lot Number	County Assessor's Parcel Number	Annual Assessment
68	065-388-023	\$1,241.20
69	065-388-024	\$1,241.20
70	065-388-025	\$1,241.20
71	065-388-026	\$1,241.20
72	065-388-027	\$1,241.20
73	065-388-028	\$1,241.20
74	065-388-029	\$1,241.20
75	065-388-030	\$1,241.20
76	065-388-031	\$1,241.20
77	065-388-032	\$1,241.20
78	065-388-033	\$1,241.20
79	065-388-034	\$1,241.20
80	065-388-035	\$1,241.20
81	065-388-036	\$1,241.20
82	065-388-037	\$1,241.20
83	065-388-038	\$1,241.20
84	065-388-039	\$1,241.20
85	065-388-040	\$1,241.20
86	065-388-041	\$1,241.20
87	065-388-042	\$1,241.20
88	065-388-043	\$1,241.20
89	065-388-044	\$1,241.20
90	065-388-045	\$1,241.20
91	065-388-046	\$1,241.20

Lot Number	County Assessor's Parcel Number	Annual Assessment
92	065-388-047	\$1,241.20
93	065-388-048	\$1,241.20
94	065-388-049	\$1,241.20
95	065-388-050	\$1,241.20
96	065-388-051	\$1,241.20
97	065-388-052	\$1,241.20
98	065-388-053	\$1,241.20
99	065-388-054	\$1,241.20
100	065-388-055	\$1,241.20
101	065-388-056	\$1,241.20
102	065-388-057	\$1,241.20
103	065-388-058	\$1,241.20
104	065-388-059	\$1,241.20
105	065-388-060	\$1,241.20
106	065-388-061	\$1,241.20
107	065-388-062	\$1,241.20
108	065-388-063	\$1,241.20
109	065-388-064	\$1,241.20
110	065-388-065	\$1,241.20
111	065-388-066	\$1,241.20
112	065-388-067	\$1,241.20
113	065-388-068	\$1,241.20
114	065-388-069	\$1,241.20
115	065-388-070	\$1,241.20

Lot Number	County Assessor's Parcel Number	Annual Assessment
116	065-388-071	\$1,241.20
117	065-388-072	\$1,241.20
118	065-388-073	\$1,241.20
119	065-388-074	\$1,241.20
120	065-388-075	\$1,241.20
121	065-386-005	0
122 (Parcel 1)	065-386-016	0
123 (Parcel 2)	065-386-017 065-386-018 065-386-019 065-386-012 065-386-013 065-386-014 065-386-010	0
124	065-386-015	0

Attachment D

CLOISTERS LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT

DISTRICT BOUNDARY DIAGRAM

The boundary diagrams for the District have previously been submitted to the City Clerk in the format required under the 1972 Act and, by reference, are hereby made part of this Report. The boundary diagrams are available for inspection at the office of the City Clerk during normal business hours. The following diagram provides an overview of the District.



AGENDA NO: C-3

MEETING DATE: May 11, 2021

Staff Report

TO: Honorable Mayor and City Council

DATE: May 5, 2021

FROM: Rob Livick, PE/PLS – City Engineer

SUBJECT: Adoption of Resolution No. 25-21 Approving the Engineer’s Report and Declaring the Intent to Levy the Annual Assessment for the North Point Natural Area Landscaping and Lighting Maintenance Assessment District

RECOMMENDATION

Staff recommends City Council adopt Resolution No. 25-21 approving the Engineer’s Report and declaring the intent to levy the annual assessment for maintenance of the North Point Natural Area.

FISCAL IMPACT

Based on the Engineer’s Report, which estimates the annual costs of maintaining the North Point Natural Area for the upcoming fiscal year, the fiscal impact is estimated at \$5,645. Those costs will be offset by the collection of an assessment for the same amount from the parcel owners in the North Point Subdivision.

The original formation of the assessment district in 1996 set the fixed assessment of \$564.50 per parcel or \$5,645 for the entire North Point Landscape Lighting Maintenance Assessment District. In 1997, the Consumer Price Index (CPI) was 160 and today (3/2021) the CPI is at 283. This has resulted in a drop in the purchasing power of the assessment district funds, but due to increased efficiency and reduction in the service originally provided in district, the City has been able to maintain the facilities. Staff is recommending that only 90-percent of the assessment proceeds be budgeted, therefor leaving ten-percent available to build the accumulation fund and be available for future capital and major maintenance needs.

SUMMARY

On April 13, 2021 City Council adopted Resolution No. 18-21, which initiated the proceedings to levy the annual assessment to fund the maintenance of the North Point Natural Area. Additionally, staff was directed to have an Engineer’s Report prepared, detailing the estimated annual assessment for the parcel owners for fiscal year 2021/22. Upon adoption of Resolution No. 25-21, the next and final step in the annual levy of assessment process is the public hearing after which the City Council orders the levy of assessment.

BACKGROUND/DISCUSSION

As part of the annual assessment process, staff is required to provide an Engineer’s Report, which is an estimate of costs for maintenance of the North Point Natural Area. The cost estimates are based on the maintenance standards currently adhered to in existing parks within Morro Bay and included in the Flat Rate Manual for Parks Maintenance, as well as maintenance costs from the

Prepared By: <u>RL</u>	Dept. Review: <u>RL</u>
City Manager Review: _____	City Attorney Review: <u>CFN</u>

current fiscal year. The estimate for providing maintenance of the North Point Natural Area is \$5,080 per parcel for fiscal year 2021/22 and is less than the total annual assessment of \$5,645. This allows for the accumulation of funds, over time, for any needed capital maintenance projects.

Personnel costs, as well as supplies and services, have risen significantly in the last several years. However, due to the small acreage, natural landscaping, minimal street lighting, and little irrigation in the assessment district along with a reduction in the level of service provided, the assessment amount collected is currently adequate to cover the costs of maintenance.

CONCLUSION

The process for the annual levy of assessment for the North Point Natural Area Landscaping and Lighting Maintenance Assessment District requires the City Council to receive the Engineer's Report, approve and/or modify the report and adopt a Resolution of Intention. The Resolution of Intention gives notice of the time, date and place for a public hearing by the City Council on the issue of the levy of assessment.

The public hearing has been set for the Regular City Council meeting on June 22, 2021 at or about 5:30 p.m. to be held via teleconference in accordance pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, at which all interested parties will be afforded the opportunity to be heard either through written or oral communication. Upon completion of the public hearing on June 22, 2021, the City Council may adopt the resolution ordering the levy of the annual assessment.

ATTACHMENT

1. Resolution No. 25-21
2. North Point Landscaping and Lighting Maintenance Assessment District Engineer's Report

RESOLUTION NO. 25-21

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
APPROVING THE ENGINEER'S REPORT AND DECLARING
THE CITY'S INTENTION TO LEVY THE ANNUAL ASSESSMENT FOR THE
MAINTENANCE OF THE NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING
MAINTENANCE ASSESSMENT DISTRICT PURSUANT TO THE "LANDSCAPING AND
LIGHTING ACT OF 1972" (STREETS AND HIGHWAYS SECTIONS 22500 ET SEQ.) FOR
THE 2021/22 FISCAL YEAR**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, all property owners of the North Point subdivision requested the City of Morro Bay form a maintenance assessment district to fund the maintenance of the North Point Natural Area; and

WHEREAS, the Landscaping and Lighting Act of 1972, commencing with Streets and Highways Code section 22500 (the "Act") enables the City to form assessment districts for the purpose of maintaining public improvements; and

WHEREAS, pursuant to Section 22623 of the Act, the City Engineer has filed in the Office of the City Clerk, and submitted for review to the City Council, a report entitled "Engineers Report North Point Natural Area Landscaping and Lighting Maintenance Assessment," dated May 5, 2021, prepared in accordance with Article 4 of the Act, commencing with Section 22565 (the "Engineer's Report"); and

WHEREAS, pursuant to Section 22608.2 of the Act, the subdivider was required by City ordinance to install improvements for which an assessment district was required in order to assure continued and uninterrupted maintenance of the North Point Natural Area; and

WHEREAS, pursuant to the intent of Article XIII, Section 4, of the California Constitution, the property owners have elected to form the North Point Natural Area Landscaping and Lighting Maintenance Assessment District.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Morro Bay,

Section 1. The City Council approves the Engineer's Report.

Section 2. It is the intent of the Council to order the annual levy and collection of assessments for the North Point Natural Area Landscaping and Lighting Maintenance Assessment District generally located as shown in Exhibit "A" attached hereto at a public hearing to be held at the Regular City Council meeting on June 22, 2021 at or about 5:30 p.m., via teleconference in accordance pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020.

Section 3. The improvements to be maintained at the North Point Natural Area are specified in the Engineer's Report dated May 5, 2021 which is hereby approved.

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Section 4. The assessment upon assessable lots within the district is proposed to total \$5,645 or \$564.50 per assessable parcel for fiscal year 2021/22.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held this 11th of May 2021 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

JOHN HEADDING, Mayor

ATTEST:

DANA SWANSON, City Clerk



CITY OF MORRO BAY

**NORTH POINT NATURAL AREA
LANDSCAPING AND LIGHTING
MAINTENANCE ASSESSMENT DISTRICT**

2021/22 ENGINEER'S ANNUAL LEVY REPORT

May 5, 2021

AFFIDAVIT FOR 2021/22 ENGINEER'S ANNUAL LEVY REPORT

CITY OF MORRO BAY

**NORTH POINT NATURAL AREA
LANDSCAPING AND LIGHTING
MAINTENANCE ASSESSMENT DISTRICT**

This report describes the proposed maintenance, improvements, budgets, zone of benefit and assessments to be levied on parcels of land within the North Point Natural Area Landscaping and Lighting Maintenance Assessment District for the fiscal year 2021/22, as the same existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the San Luis Obispo County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council and, to the best of my knowledge, information, belief, the report, the assessments and diagrams have been prepared and computed in pursuant to the Landscaping and Lighting Act of 1972.

Dated this 5th of May 2021



Rob Livick, PE/PLS – City Engineer



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I. Overview

A Introduction

The City Council of the City of Morro Bay (hereafter referred to as “City”), County of San Luis Obispo, State of California, previously formed and has levied and collected annual assessments for the district designated as:

NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT

(hereafter referred to as “District”) pursuant to the provisions of the Landscaping and Lighting Act of 1972, being Part 2 of Division 15 of the California Streets and Highways Code, commencing with Section 22500 (hereafter referred to as the “1972 Act”), and in compliance with the provisions of the California State Constitution Articles XIIC and XIID (hereafter referred to as the “Constitution” or “Proposition 218”).

This Report has been prepared in accordance with Chapter 1, Article 4 (commencing with Section 22565) of the 1972 Act and describes the District and changes to the District including: territories annexed; modifications to the improvements or organization; and the proposed budgets and assessments applicable for fiscal year 2021/22.

History

As a condition of approval for Tract No. 2110, the North Point subdivision, the developers were required to offer to the City for dedication Lot 11 of the subdivision for park purposes, and to construct improvements on Lot 11 including a paved parking area, a stairway providing access to the beach, benches, landscaping and irrigation, lighting, and other improvements. The subdivision was also conditioned to provide maintenance of the park by establishing an assessment district. Lot 11 of Tract No. 2110 is identified as the North Point Natural Area.

B Assessment History and Current Legislation

In November 1996, California voters approved Proposition 218 that established specific requirements for the ongoing imposition of taxes, assessments and fees. The provisions of the Proposition are now contained in the California Constitutional Articles XIIC and XIID. All assessments described in this Report and approved by the City Council are prepared in accordance with the 1972 Act and in compliance with these provisions of the Constitution.

Pursuant to the Article XIID Section 5 of the Constitution, certain existing assessments were exempt from the substantive and procedural requirements of the Article XIID Section 4, and property owner balloting is not required until such time that a new or increased assessment is proposed. Specifically, the City determined that the annual assessments originally established for the North Point were imposed in accordance with a consent and waiver as part of the original development approval for the properties within these areas. As such, pursuant to Article XIID Section 5b, all the property owners approved the existing District assessments at the time the assessments were created (originally imposed pursuant to a 100% landowner petition). Therefore, the pre-existing assessments (the maximum assessment rates adopted prior to the passage of Proposition 218) for this district is exempt from the procedural requirements Article XIID Section 4. However, any new or increased assessment for the North Point Natural Area shall comply with

both the substantive and procedural requirements of Article XIID Section 4 before such assessments are imposed.

II. Description of the District

A. Improvements Authorized by the 1972 Act

As applicable or may be applicable to this proposed District, the 1972 Act defines improvements to mean one or any combination of the following:

- The installation or planting of landscaping.
- The installation or construction of statuary, fountains, and other ornamental structures and facilities
- The installation or construction of public lighting facilities.
- The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof, including, but not limited to, grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
- The maintenance or servicing, or both, of any of the foregoing.
- The acquisition of any existing improvement otherwise authorized pursuant to this section.

Incidental expenses associated with the improvements including, but not limited to:

- The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment;
- The costs of printing, advertising, and the publishing, posting and mailing of notices;
- Compensation payable to the County for collection of assessments;
- Compensation of any engineer or attorney employed to render services;
- Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
- Any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5.
- Costs associated with any elections held for the approval of a new or increased assessment.

The 1972 Act defines "Maintain" or "maintenance" to mean furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including:

- Repair, removal, or replacement of all or any part of any improvement.
- Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury.
- The removal of trimmings, rubbish, debris, and other solid waste.
- The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

B. Maintenance Items

A list of maintenance tasks required to maintain the North Point Natural Area in acceptable condition for public use was developed by the City Recreation and Parks Department based on maintenance standards established for existing parks within the City.

III. Method of Apportionment

A General

This section of the Engineer's Report includes an explanation of the special benefits to be derived from the installation, maintenance and servicing of the improvements and the methodology used to apportion the total assessment to properties within the District.

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements which include the construction, maintenance and servicing of public lights, landscaping and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

The proceeds from the District are used to fund the maintenance and upkeep of public resources within the North Point development project for the special benefit of the properties located within the project. The continued maintenance and upkeep of these important items is a distinct and special benefit to properties within the District.

B. Benefit Analysis

Each of the proposed improvements, the associated costs and assessments have been carefully reviewed, identified and allocated based on special benefit pursuant to the provisions of the Constitution and 1972 Act. The improvements associated with the District have been identified as necessary, required and/or desired for the orderly development of the properties within the District to their full potential, consistent with the proposed development plans and applicable portions of the City General Plan and Local Coastal Plan as identified previously in this report. As such, these improvements would be necessary and required of individual property owners for the development of such properties, and the ongoing operation, servicing and maintenance of these improvements would be the financial obligation of those properties. Therefore, the improvements and the annual costs of ensuring the maintenance and operation of the improvements are of direct and special benefit to the properties. The method of apportionment (method of assessment) is based on the premise that each assessed parcel within the District receives special benefit from various improvements provided by the District. The desirability and security of properties is enhanced by the presence of local improvements in close proximity to those properties. The special benefits associated with landscaped improvements are specifically:

- Enhanced desirability of properties through association with the improvements.
- Improved aesthetic appeal of properties providing a positive representation of the area.
- Enhanced adaptation of the urban environment within the natural environment from adequate open space and landscaping.

C. Maintenance Tasks

A list of maintenance tasks required to maintain the North Point Natural Area in acceptable

condition for public use was developed by the Public Works Department based on maintenance standards established for existing parks within the City and is included in this report as Attachment A.

D. Maintenance Costs

The estimated annual cost of maintaining the North Point Natural Area was originally developed by the Recreation and Parks Department based on the tasks required and the City's Flat Rate Manual for Parks Maintenance. Annual maintenance is currently provided through contract services and is supplemented by City Public Works staff. Assessment district costs include labor, utilities, insurance, engineering services and depreciation/reserves. The annual cost of maintenance, including any reserves, for the 2021/22 fiscal year is estimated to be \$5,645, including reserve. The cost estimate is included in this report as Attachment B.

The original formation of the assessment district in 1996 set the fixed assessment of \$564.50 per parcel or \$5,645 for the entire North Point Landscape Lighting Maintenance Assessment District. In 1997, the Consumer Price Index (CPI) was 160 and today (3/2021) the CPI is at 283. This has resulted in a drop in the purchasing power of the assessment district funds, but due to increased efficiency along with a decreased level in the service originally provided in district, the City has been able to maintain the facilities at a minimal level.

E. Apportionment of Assessment

The total assessment for the District is apportioned to each of the ten residential lots equally. Lot 11, the North Point Natural Area; Lot 12, a private street; and Lot 13, an open space parcel granted to the State of California; are not assessed. Individual assessments are listed in Attachment C.

Attachment A

NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT MAINTENANCE TASKS

Routine Maintenance Tasks

- Review for vandalism/repair
- Pick-up – paper, trash, cigarette butts, etc
- Empty - trash receptacle(s)
- Clean - benches
- Inspect and maintain as necessary:
 - beach access stairway
 - bike rack
 - lights
 - natural area plantings

Weekly or as needed

- Blow paths, parking lot
- Monthly or as needed
- Check trees
- Check/repair sprinkler system
- Trim trees and bushes as needed
- Critical parts inspections

Annually or as needed

- Paint beach access stairway, public access signage
- New plantings (replacement)
- General safety inspection
- Annual tree pruning
- Remove graffiti
- Mow open space
- Pest/gopher control
- Trim and spray paths
- Repair public access signage

Operational Expenses

- Street Lighting
- Irrigation
- Refuse Service

Attachment B

NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING MAINTENANCE ASSESSMENT DISTRICT

NAME: North Point Natural Area Landscaping and Lighting Maintenance Assessment District

DIAGRAM: Attached

PLANS AND SPECIFICATIONS: For a detailed description of the improvements, refer to the plans and specifications for Tract 2110 on file in the office of the City Engineer. No bonds or notes will be issued for this Maintenance Assessment District.

ESTIMATED COST OF MAINTENANCE: The following outlines the estimated budget for the maintenance of the North Point Natural Area for fiscal year 2021/22.

TOTAL ASSESSMENT:	\$5,645.00
PER PARCEL YEARLY ASSESSMENT (10 parcels)	\$564.50
ACCUMULATION BALANCE (March 2020)	\$0
ESTIMATED ACCUMULATION BALANCE AT END OF FY 2021/22	\$565

Budget Estimate

City of Morro Bay			FY 21-22 Budget Worksheet				
Account Number	Account Description	2019 Actual Amount	2020 Actual Amount	2021 Actual Amount Thru 8 mos 2/28/21	2021 Amended Budget	2022 Requested	
EXPENSES							
Department: 6162 - North Point Park							
<i>10-Personnel - Personnel Services</i>							
4999	Labor Costs Applied	0.0000	342.7900	0.0000	2,457.0000	972.4200	
<i>Account Classification Total: 10-Personnel - Personnel Services</i>		\$7,177.25	\$9,618.12	\$3,631.64	\$2,457.00	\$972.42	
<i>60-Supplies - Supplies</i>							
<i>70-Services - Services</i>							
6301	Electricity	0.0000	98.4600	99.0600	100.0000	148.5900	
6303	Water	0.0000	537.6000	268.8000	500.0000	460.8000	
6305	Disposal	0.0000	2,700.2100	1,625.2800	2,700.0000	2,786.1943	
6710	Notices & Publications	0.0000	363.0000	0.0000	0.0000	0.0000	
<i>Account Classification Total: 70-Services - Services</i>		\$0.00	\$3,699.27	\$1,993.14	\$3,300.00	\$3,395.58	
Department Total: 6162 - North Point Park		\$7,177.25	\$13,383.42	\$5,624.78	\$5,757.00	\$4,368.00	
Department: 7710 - Interfund Transactions							
<i>100-Interfund - Interfund Transfers</i>							
8501	Transfers Out	0.0000	645.0000	352.5000	705.0000	712.0000	
<i>Account Classification Total: 100-Interfund - Interfund Transfers</i>		\$0.00	\$645.00	\$352.50	\$705.00	\$712.00	
Department Total: 7710 - Interfund Transactions		\$0.00	\$645.00	\$352.50	\$705.00	\$712.00	
EXPENSES Total		\$7,177.25	\$14,028.42	\$5,977.28	\$6,462.00	\$5,080.00	
Fund REVENUE Total: 565 - North Point Assessment		\$0.00	\$5,983.35	\$3,050.65	\$5,645.00	\$5,645.00	
Fund EXPENSE Total: 565 - North Point Assessment		\$7,177.25	\$14,028.42	\$5,977.28	\$6,462.00	\$5,080.00	
Fund Total: 565 - North Point Assessment		(\$7,177.25)	(\$8,045.07)	(\$2,926.63)	(\$817.00)	\$565.00	

Attachment C

PARCEL/ASSESSMENT TABLE

Lot Number	County Assessor's Parcel Number	Annual Assessment
1	065-082-10	\$564.50
2	065-082-11	\$564.50
3	065-082-12	\$564.50
4	065-082-13	\$564.50
5	065-082-14	\$564.50
6	065-082-15	\$564.50
7	065-082-16	\$564.50
8	065-082-17	\$564.50
9	065-082-18	\$564.50
10	065-082-19	\$564.50
11	065-082-20	\$ 0.00
12	065-082-21	\$ 0.00
13	065-082-22	\$ 0.00

Attachment D

DISTRICT BOUNDARY DIAGRAM

The boundary diagrams for the District have previously been submitted to the City Clerk in the format required under the Act and, by reference are hereby made part of this Report. The boundary diagrams are available for inspection at the office of the City Clerk during normal business hours. The following diagram provides an overview of the District.

