



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, November 14, 2023 – 5:30 P.M. Veterans Memorial Hall 209 Surf St., Morro Bay, CA

Public Participation:

Public participation is allowed in the following ways:

- *Community members may attend the meeting in person at the Morro Bay Veterans Hall.*
- *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.*

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*
- *Members of the public may watch the meeting either on cable Channel 20 or as streamed on the City [website](#).*
- *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. Agenda Correspondence received at council@morrobayca.gov by 10 a.m. on the meeting day will be posted on the City website.*

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

- Astound Business Solutions Presentation

PUBLIC COMMENT

Members of the audience wishing to address the Council on City business matters not on the agenda may do so at this time. For those desiring to speak on items on the agenda, but unable to stay for the item, may also address the Council at this time.

Public comment is an opportunity for members of the public to provide input to the governing body. To increase the effectiveness of the Public Comment Period, the City respectfully requests the following guidelines and expectations be followed:

- Those desiring to speak are asked to complete a speaker slip, which are located at the entrance, and submit it to the City Clerk. However, speaker slips are not required to provide public comment.
- When recognized by the Mayor, please come forward to the podium to speak. Though not required, it is helpful if you state your name, city of residence and whether you represent a business or group. Unless otherwise established by the Mayor, comments are to be limited to three minutes.
- All remarks should be addressed to Council, as a whole, and not to any individual member thereof.
- The Council respectfully requests that you refrain from making slanderous, profane or personal remarks against any elected official, commission and/or staff.
- Please refrain from public displays or outbursts such as unsolicited applause, comments or cheering.
- Any disruptive activities that substantially interfere with the ability of the City Council to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.
- Your participation in City Council meetings is welcome and your courtesy will be appreciated.
- The Council in turn agrees to abide by its best practices of civility and civil discourse according to Resolution No. 07-19.

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 OCTOBER 24, 2023, CITY COUNCIL MEETING;
(CITY CLERK)

RECOMMENDATION: Approve as submitted.

A-2 FIRST QUARTER INVESTMENT REPORT (PERIOD ENDING SEPTEMBER 30, 2023)
FOR FISCAL YEAR (FY) 2023-24; (ADMINISTRATIVE SERVICES DEPARTMENT)

RECOMMENDATION: Receive the attached First Quarter Investment Report (period ending September 30, 2023) for FY 2023-24.

A-3 ADOPTION OF RESOLUTION NO. 72-23 APPROVING AMENDMENT NO. 5 TO THE
MORRO BAY TRANSIT AND TROLLEY OPERATIONS AND MANAGEMENT
AGREEMENT WITH MV TRANSPORTATION, INC.; (PUBLIC WORKS DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 72-23 approving Amendment No. 5 to the Morro Bay Transit and Trolley Operations and Management Agreement with MV Transportation, Inc. (MV).

- A-4 AUTHORIZE EXECUTION OF LICENSE AGREEMENT WITH LIBERTINE AND HARBORWALK PLAZA LEASE SITES, 801 AND 833 EMBARCADERO RESPECTIVELY, TO ENABLE JOINT ACCESS BETWEEN BUILDINGS; (COMMUNITY DEVELOPMENT DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council review the staff report and authorize execution of the License Agreement.

- A-5 OCTOBER 2023 POLICE AND FIRE DEPARTMENT CALLS FOR SERVICE REPORTS; (POLICE DEPARTMENT/FIRE DEPARTMENT)

RECOMMENDATION: Receive and file.

- A-6 PROCLAMATION DECLARING NOVEMBER AS “FAMILY COURT AWARENESS MONTH”; (ADMINISTRATION)

RECOMMENDATION: Approved as submitted.

- A-7 PROCLAMATION DECLARING NOVEMBER AS “NATIONAL HOSPICE AND PALLIATIVE CARE MONTH”; (ADMINISTRATION)

RECOMMENDATION: Approved as submitted.

B. PUBLIC HEARING ITEMS

- B-1 INTRODUCTION AND FIRST READING OF ORDINANCE NO. 662: AMENDMENTS TO 2022 ZONING CODE/COASTAL IMPLEMENTATION PLAN (IP) AND ZONING MAP AMENDMENTS AND ADOPTION OF RESOLUTION NO. 73-23 FOR A GENERAL PLAN/ LOCAL COASTAL PROGRAM (LCP) COASTAL LAND USE PLAN MAP AMENDMENT AND INTRODUCTION AND FIRST READING OF ORDINANCE NO. 661: AMENDMENT TO 2022 ZONING CODE TO ADOPT OBJECTIVE DESIGN STANDARDS ESTABLISHED AS CHAPTER 17.31; (COMMUNITY DEVELOPMENT DEPARTMENT)

RECOMMENDATION: Staff recommends Council review Planning Commission recommendations and, as two separate motions, take the following actions:

1. (i) Introduce for first reading by number and title only, with further reading waived, Ordinance No. 662, “An Ordinance of the City Council of the City of Morro Bay, California, Amending the 2022 Zoning Code/Coastal Implementation Plan (IP) Title 17 (Zoning) and the Zoning Map which includes miscellaneous amendments to all of Division I and Division II and Chapters 17.23, 17.26, 17.27, 17.29, 17.30, 17.36, 17.38, 17.39, 17.42, 17.43, 17.44, 17.53, and 17.54 of the Morro Bay Municipal Code (MBMC)”; and (ii) adopt Resolution No. 73-23 approving a General Plan/ Local Coastal Program (LCP) Land Use Map amendment; with a finding that no further environmental review is required pursuant to State CEQA Guidelines section 15162.
2. Introduce for first reading by number and title only, with further reading waived, Ordinance No. 661, “An Ordinance of the City Council of the City of Morro Bay, California for adoption of Objective Design Standards for inclusion as Chapter 17.31 of the Morro Bay Municipal Code, ‘Residential and Mixed Use Objective Design Standards,’ and further to be an amendment to the 2022 Zoning Code with a finding that no further environmental review is required pursuant to State CEQA Guidelines section 15162.”

C. BUSINESS ITEMS

- C-1 CONSIDERATION OF AMENDMENT NO. 4 TO AN EXISTING CONTRACT WITH GHD, INC. FOR COMPLETING THE PROJECT APPROVAL AND ENVIRONMENTAL DOCUMENT (PA& ED) PHASE FOR INTERSECTION IMPROVEMENTS AT STATE ROUTE 41, STATE ROUTE 1, AND MAIN STREET; (PUBLIC WORKS DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council approve and authorize the City Manager to execute Amendment No. 4 (Attachment 1) to the existing amended agreement with GHD Inc., for completion of the Project Approval and Environmental Document (PA&ED) phase for Intersection Improvements at State Route 41, State Route 1, and Main Street (SR-41/SR-1/Main) and extend the contract through January of 2025.

- C-2 INTRODUCTION AND FIRST READING OF ORDINANCE NO. 663, AMENDING THE MORRO BAY MUNICIPAL CODE TO ADD CHAPTER 8.15 PERTAINING TO THE UNAUTHORIZED REMOVAL OF SHOPPING CARTS FROM RETAIL ESTABLISHMENTS AND FACILITATING RETRIEVAL OF ABANDONED SHOPPING CARTS TO TITLE 8 (“HEALTH AND SAFETY”); (POLICE DEPARTMENT/FIRE DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council introduce for first reading by title only, with further reading waived, Ordinance No. 663, “An Ordinance of the City Council of the City of Morro Bay, California, Amending Title 8 (“Health and Safety”) of the Morro Bay Municipal Code to add Chapter 8.15 pertaining to the unauthorized removal of shopping carts from retail establishments and to facilitate retrieval of abandoned shopping carts.”

- C-3 QUARTERLY UPDATE ON 2023-24 AND FY 2024–25 CITY COUNCIL GOALS AND ACTION ITEMS; (CITY MANAGER)

RECOMMENDATION: Staff recommends the City Council receive a progress report on the City Council goals, goals’ statements, and action Items. Provide direction regarding future updates and consideration of modifying previously adopted goals.

- C-4 CONSIDERATION OF REVISIONS TO THE CITY COUNCIL POLICIES & PROCEDURES TO ADD SECTION 5.5 ESTABLISHING A POLICY REGARDING THE USE OF PUBLIC RESOURCES BY ELECTED OFFICIALS; (CITY MANAGER)

RECOMMENDATION: Staff recommends the City Council discuss proposed revisions to the City Council Policies & Procedures and adopt Resolution No. 74-23 amending the City Council Policies & Procedures, to add Section 5.5 establishing a policy regarding the use of public resources by elected officials.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

E. ADJOURNMENT

The next Regular Meeting will be held on **Tuesday, December 12, 2023 at 5:30 p.m.**

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, 595 HARBOR ST, MORRO BAY, CA 93442 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.

PRESENT: Carla Wixom Mayor
Laurel Barton Council Member
Cyndee Edwards Council Member
Jennifer Ford Council Member
Zara Landrum Council Member

ABSENT: None

STAFF: Yvonne Kimball City Manager
Chris Neumeyer City Attorney
Dana Swanson City Clerk
Steve Conway Interim Assist. City Manager/Admin Svcs Dir.
Greg Kwolek Public Works Director
Scot Graham Community Development Director
Daniel McCrain Fire Chief
Amy Watkins Police Chief
Ted Schiafone Harbor Director

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Wixom 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 there was no reportable action as no closed session meeting was held.

MAYOR & COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

https://youtu.be/QKuk-S83Dyl?si=FjKDsJ_RzgsiFRyW&t=106

CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS

<https://youtu.be/QKuk-S83Dyl?si=19b4fYvd4s4WVgGO&t=432>

- Introductions – Interim Assistant City Manager/Admin Services Director, Steve Conway and Senior Budget Analyst, Melissa Green

PRESENTATIONS

<https://youtu.be/QKuk-S83Dyl?si=DPvtLooSV6NHgRVL&t=927>

- Dr. Michael Boswell, Cal Poly Director of City and Regional Planning, provided a presentation on the City's Climate Action Plan Update
- Morro Bay Police Department Explorer Post Presentation
- Proclamation to Mary Lou Jannopoulos for the Morro Bay Theatre

PUBLIC COMMENT

<https://youtu.be/QKuk-S83Dyl?si=qL5HebZMIsdns7sv&t=1616>

Sharon O'Leary, Morro Bay, thanked the Council for consideration of Los Osos Cares's funding request to continue the Estero Bay RUOK program.

Linda Winters, Morro Bay, reported Assembly Bill 318 extending mobile home park resident protection under the MRLPP for three years was signed into law this week.

Lynsey Hansen and Ray Riordan, Morro Bay Chamber of Commerce, recognized Mary Lou Jannopoulous for her 50 years of service to the community.

Janice Peters, Morro Bay, thanked the Council for recognizing By the Sea Productions through its community grant program last year and hoped they would approve this year's funding request for a new sound system.

Chuck Stoll, Morro Bay, urged the Council to approve Morro Bay in Bloom's community grant request, thanked volunteers for their support of Monday Night Dinner program, appreciated the forum to discuss vacation rental policies and announced the Annual Thanksgiving Dinner to be held at the Morro Bay Community Center.

Aaron Ochs, Morro Bay, hoped the community would come together to have productive discussions about alternatives to the proposed BESS project.

Kiernan Connell, Morro Bay, commented on the importance of neutrality regarding lives lost in the middle east.

Terry Simons, Morro Bay, suggested the city consider forming district elections.

Seychelles Cannes, Morro Bay, opined maintenance and support vessels for Offshore Wind were not appropriate for Morro Bay.

An unnamed resident shared a video of burning lithium batteries and commented on homeland security issues.

Bill Martony, Morro Bay, requested an update on discussions regarding Morro Elementary, commented on appropriate locations for recycled water, and offered Measure D restrictions would preclude support vessels for offshore wind.

Dawn Ferber, Morro Bay, suggested a footbridge across Highway 1 near La Jolla Street would improve pedestrian safety at the Main St./Hwy 41 intersection. She opposed people having permits for multiple short-term rentals.

Richard Sadowski, Morro Bay, commented on the Climate Action Plan update presentation and hoped the City would support his community grant request for related work.

Linda Donnelly, Morro Bay, spoke regarding a Request for Proposals to conduct a water / sewer rate study.

Paul Donnelly, Morro Bay, commented on issues that should be considered in the climate action plan update, including emissions created by heavy construction projects and traffic congestion on busy tourist weekends.

Nattalia Merzoyan, Morro Bay, expressed concern about the effects offshore wind has on sea life and encouraged others to watch the documentary, "Thrown to the Wind."

Margaret Carman, Morro Bay, introduced her mantra, "wind is not green nor sustainable."

Susan Stewart, Morro Bay business owner, spoke regarding the Historical Society's reenactment of a coroner's inquest into the death of a headless, handless body Franklin Riley found on the beach near his house.

Mayor Wixom closed public comment.

A. CONSENT AGENDA

https://youtu.be/QKuk-S83Dyl?si=ij-ejRE7_GO68CQh&t=4029

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 OCTOBER 10, 2023, CITY COUNCIL SPECIAL CLOSED SESSION MEETING; (CITY CLERK)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE OCTOBER 10, 2023, CITY COUNCIL MEETING; (CITY CLERK)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF FISCAL YEAR 2022-23 YEAR-END BUDGET AMENDMENTS; (ADMINISTRATIVE SERVICES DEPARTMENT)

RECOMMENDATION: Staff recommends that the City Council receive the Fiscal Year (FY) 2022-23 Year-End Budget Review contained herein and adopt Resolution No. 69-23 approving FY 2022-23 Year-End Budget Adjustments.

A-4 AUTHORIZE CITY OF MORRO BAY TO ENTER INTO AN AGREEMENT WITH THE STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES TO RECEIVE \$300,000 IN GRANT FUNDS FOR THE SEQUOIA COURT STORM DRAIN REPLACEMENT PROJECT; (PUBLIC WORKS DEPARTMENT)

RECOMMENDATION: Adopt Resolution No. 70-23 for the City of Morro Bay (City) to enter into an agreement with the State of California Department of Water Resources (CDWR) to receive \$300,000 in funding for its Sequoia Court Storm Drain Replacement Project (collectively, the "Project").

A-5 AUTHORIZE CITY MANAGER APPROVAL OF A ONE-YEAR EXTENSION FOR THE CITYWORKS LICENSE AGREEMENT IN THE AMOUNT OF \$47,500.00; (COMMUNITY DEVELOPMENT DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council review the staff report and authorize the City Manager to approve a one-year extension of the Cityworks License Agreement in the amount of \$47,500.00.

A-6 PROCLAMATION RECOGNIZING THE CULTURAL, HISTORICAL, AND SOCIAL CONTRIBUTIONS OF MARY LOU JANNOPOULOS; (ADMINISTRATION)

RECOMMENDATION: Approved as submitted.

Mayor Wixom opened public comment for the Consent Agenda.

<https://youtu.be/QKuk-S83Dyl?si=sE3LOckb3yncdwci&t=4050>

Betty Winholtz, Morro Bay, spoke to Item A-3, asking for clarification on carry over items.

Terry Simons, Morro Bay, also expressed concerns about carry overs in the capital improvement budget.

The public comment period was closed.

Mayor Wixom asked that staff respond to questions raised during public comment.

MOTION: Council Member Edwards moved approval of Consent Agenda Items A-1 through A-6. The motion was seconded by Council Member Landrum and carried 5-0.

B. PUBLIC HEARINGS - NONE

C. BUSINESS ITEMS

C-1 REVIEW MORRO BAY PUBLIC PARKING MANAGEMENT STUDY CONDUCTED BY WALKER CONSULTANTS AND CONSIDER RECOMMENDED NEXT STEPS; (CITY MANAGER)
<https://youtu.be/QKuk-S83Dyl?si=iSeBVih1PqkWdsZ4&t=4406>

City Manager Kimball introduced the item and turned to Steffen Turoff of Walker Consultants, Police Chief Watkins, Public Works Director Kwolek, Harbor Director Schiafone, and Fire Chief McCrain, who provided the report and responded to Council inquiries.

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

<https://youtu.be/QKuk-S83Dyl?si=L9Ta7U9fDD6pezJr&t=8808>

Terry Simons, Morro Bay, urged the City to pursue paid parking at the Rock and offer an annual pass for local residents.

An unnamed resident offered comments.

Paul Donnelly, Morro Bay, commented on heavy traffic along the waterfront on busy weekends.

Bill Martony, Morro Bay, offered suggestions to alleviate traffic along the Embarcadero and, rather than paid parking, beautify the Rock parking lot and offer shuttle service.

Val Seymour, Morro Bay, favored paid parking along the Embarcadero with revenues used to improve the Rock area. She opposed the use of consultants and suggested reconvening the parking committee if further input was needed.

Janice Peters, Morro Bay, agreed the Embarcadero parking lot was an appropriate test for paid parking.

Betty Winholtz, Morro Bay, appreciated the information provided, suggested replacing trash cans along the harbor walk, considering a return to 4-lane traffic without street parking, and reminded staff the Rock parking lot was not conducive to paving.

Kyle Finger supported paid parking with revenues used for signage and improved public transportation.

Jeff Eckles, Morro Bay, favored staged implementation of a waterfront paid parking plan and encouraged the City to give ample consideration for employees and residents who need to park there.

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

Following discussion, there was Council consensus for staff to pursue conversations with Coastal Commission regarding options for paid parking at the Rock as well as widening the pedestrian bridge over Morro Creek to allow for vehicle traffic.

The Council took a brief recess at 8:40 p.m. The meeting reconvened at 8:51 p.m. with all members present.

There was Council consensus to hear Item C-4 next.

Council Member Ford recused herself from Item C-4 due to a potential conflict of interest and left the dais at 8:53 p.m.

C-4 ADOPT RESOLUTION NO. 71-23 AWARDED FISCAL YEAR 2023-24 COMMUNITY GRANTS; (CITY MANAGER)
<https://youtu.be/6aJPKUyhVjc?si=Y5dQAuXFSdfIONyZ&t=66>

City Manager Kimball provided the report.

The public comment period for Item C-4 was opened.
<https://youtu.be/6aJPKUyhVjc?si=ngl0PQpzE4S2Og1X&t=287>

Richard Sadowski, Morro Bay, spoke regarding the funding request to purchase air quality monitoring equipment.

Christine Robertson, Executive Director of San Luis Coastal Education Foundation, appreciated the City being a partner in this equity work.

Betty Winholtz, Morro Bay, urged the Council to alter the budget to fund requests from Honor Flight and the Ecologists Estuary Air Monitoring Project.

Linda Donnelly, Morro Bay, spoke in support of funding for Honor Flight.

The public comment period for Item C-4 was closed.

Following discussion there was consensus to pull \$1,000 each from Morro Bay Art Association and Diversity Coalition and allocating \$2,000 to Honor Flight.

MOTION: Council Member Landrum moved adopt Resolution No. 71-23, distributing money as presented with a change to give Honor Flight \$2,000, reducing funding to Diversity Coalition and Morro Bay Art Association. The motion was seconded by Council Member Barton and carried 4-0-1 with Council Member Ford having recused herself.

Council Member Ford returned to the dais at 9:18 p.m.

C-2 REVIEW AND POTENTIAL RECONSIDERATION OF THE CITY OF MORRO BAY'S POSITION ON NATIONAL MARINE SANCTUARY IN LOCAL WATERS AND POTENTIAL CHUMASH HERITAGE NATIONAL MARINE SANCTUARY; (HARBOR DEPARTMENT)
<https://youtu.be/6aJPKUyhVjc?si=gqdGwzoYrgqao65a&t=1545>

Harbor Director Schiafone provided the report and responded to Council inquiries.

There was Council consensus to finish this item as well as Item C-3.

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

<https://youtu.be/6aJPKUyhVjc?si=SmuhOiyIv0cepgVp&t=2328>

Janice Peters, Morro Bay, offered historical perspective and urged the Council to restate the City's opposition to the proposed marine sanctuary.

Terry Simons, Morro Bay, affirmed the need to have a seat at the table.

Richard Sadowski, Morro Bay, spoke in support of the proposed sanctuary with boundaries that include the Estero Bay area.

An unnamed resident asked a hybrid approach was possible.

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

Following discussion, there was Council consensus to submit a comment letter expressing the City's questions and concerns, including: no seat at the table on the advisory council, potential impacts on future dredging needs, the sanctuary name not being inclusive of local tribes, continued support for commercial fishing industry and unknown impacts on commercial fishing.

C-3 REVIEW AND CONSIDER PUBLIC COMMENT OPTIONS FOR THE DRAFT INITIAL STUDY AND MITIGATED NEGATIVE DECLARATION FOR THE LOS OSOS COMMUNITY SERVICES DISTRICT PIPELINE RESILIENCY INTERTIE PROJECT; (PUBLIC WORKS DEPARTMENT)

<https://youtu.be/6aJPKUyhVjc?si=IHLrUgbFO8n0b1o &t=3832>

Public Works Director Kwolek provided the report and responded to Council inquiries.

The public comment period for Item C-3 was opened.

<https://youtu.be/6aJPKUyhVjc?si=Q9kfJtagDatj1WTF&t=4845>

Terry Simons, Morro Bay, offered comments regarding the Los Osos project and issues around Morro Bay's water supply.

Betty Winholtz, Morro Bay, commented on concerns submitted as agenda correspondence and urged the Council to not consent to a consolidated permit.

Paul Donnelly, Morro Bay, stated Measure G would prevent the City from selling water to another agency and suggested the existing pipeline was designed for service only to Morro Bay.

Ron Munds, LOCSO General Manager, commented on the project and stated it was not intended to limit the flow of water to or negatively impact Morro Bay.

Linda Donnelly, Morro Bay, stated Measures G and J protect Morro Bay's state water allocation and that it was not to be sold.

The public comment period for Item C-3 was closed.

Mr. Munds responded to follow-up questions by Council.

MOTION: Council Member Ford moved to consider staff recommended public comment options responsive to the Draft IS and MND by the October 27, 2023, 30-day public comment deadline, included as suggestions 1-4 in the staff report. The motion was seconded by Council Member Edwards and carried 5-0.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
<https://youtu.be/6aJPKUyhVjc?si=PbFXdDrsh94IqARc&t=6886>

Council Member Ford requested an update on the Boys & Girls Club Project at the Teen Center. Staff committed to reconnecting with the group and providing an update.

Council Member Landrum requested a joint meeting with the Citizens Finance Advisory Committee to discuss workplan and assignments. There was consensus to schedule a joint meeting after the first of the year.

Council Member Landrum requested and received full support for a deeper look at short-term vacation rentals and review of the current ordinance.

E. ADJOURNMENT

The meeting adjourned at 10:52 p.m.

Recorded by:

Dana Swanson
City Clerk

This Page Intentionally Left Blank



AGENDA NO: A-2

MEETING DATE: November 14, 2023

Staff Report

TO: Honorable Mayor and Councilmembers **DATE:** November 3, 2023

FROM: Steve Conway, Interim Asst City Manager/Admin Services Director
Emily Conrad, Finance Manager

SUBJECT: First Quarter Investment Report (period ending September 30, 2023) for Fiscal Year (FY) 2023-24

RECOMMENDATION

Receive the attached First Quarter Investment Report (period ending September 30, 2023) for FY 2023-24.

FISCAL IMPACT

There is no fiscal impact associated with this recommendation.

DISCUSSION

The First Quarter Investment Report for FY 2023-24, attached, demonstrates that as of September 30, 2023, the City's weighted portfolio yield of 3.52% for the quarter was in line with the Local Agency Investment Fund (LAIF) yield of 3.59% for that quarter. Interest rates continued to increase over the prior quarter and prior fiscal year.

The City recorded \$231,160 in interest earnings for the first quarter. For comparison, in the first quarter of FY 2022-23 the City recorded \$19,240 in interest earnings. The significant increase in interest earnings is a result of higher interest rates in the market, higher cash balances for the City due to the ability to rebuild reserves, and staff efforts to pursue improved investment options consistent with Council's Investment Policy and State law.

This quarter, staff invested in four certificates of deposit with interest rates in the 5 percent range to take advantage of available high-yield instruments. LAIF interest rates also continued to climb over the last two years, increasing 3.35% since September 30, 2021. The interest increase has substantially boosted the City's earnings in this large portfolio that provides safety and liquidity through the State Treasurer's Office. These efforts, on top of actions earlier in the calendar year to procure other high-yield certificates of deposit, as well as larger U.S. Treasury Notes and a Federal Home Loan Bank (FHLB) investment, have yielded significant returns for the City. These higher interest revenues in FY 2022-23 and FY 2023-24 will help mitigate other areas of revenue cooling such as sales tax and transient occupancy tax.

Staff is in the process of evaluating investment options more comprehensively, including the exploration of utilizing an investment firm. Many small cities utilize investment advisors with extensive expertise in municipal investments to ensure ongoing maximization of interest revenues within the confines of State law and local investment policies.

Prepared By: EC

Dept Review: SC

City Manager Review: YK

City Attorney Review:

CONCLUSION

Staff recommends that the City Council receive the First Quarter Investment Report (period ending September 30, 2023) for Fiscal Year 2023-24.

ATTACHMENT

1. First Quarter Investment Report for FY 2023-24 (period ending September 30, 2023)

Prepared By: EC

Dept Review: SC

City Manager Review: YK

City Attorney Review:

CITY OF MORRO BAY
QUARTERLY PORTFOLIO PERFORMANCE
9/30/2023

INVESTMENT OR CUSIP NUMBER	INSTITUTION	PURCHASE PRICE	INTEREST RATE	PURCHASE DATE	MATURITY DATE	DAYS TO MATURITY
POOLED MONEY INVESTMENT ACCOUNT:						
LAIF	LOCAL AGENCY INVESTMENT FUND	\$ 36,841,954	3.59%	DAILY	DAILY	1
MONEY MARKET ACCOUNT:						
MM	MECHANICS BANK - MONEY MARKET	14,050,074	4.59%	DAILY	DAILY	1
SWEEP	MECHANICS BANK - SWEEP	<u>5,405,345</u>	0.01%	DAILY	DAILY	1
	SUBTOTAL LIQUID INSTRUMENTS:	56,297,373				
CERTIFICATES OF DEPOSIT:						
3090683803	US BANK (FORMERLY STATE FARM BANK)	250,435	3.050%	10/21/2013	10/24/2023	24
61690UDL1	ZIONS BANK - Morgan Stanley Bk NA	246,000	3.100%	1/24/2019	1/24/2024	116
90307LAB0	ZIONS BANK - Uncle Cr Union Livermore CA	248,000	5.000%	1/25/2023	1/25/2024	117
1731202F5	ZIONS BANK - Citibank NA	246,000	3.200%	1/25/2019	1/25/2024	117
052392BM8	ZIONS BANK - Austin Telco Fed. Cred. Union Tex	249,000	3.400%	8/12/2022	8/12/2024	317
33715LFH8	ZIONS BANK - First Technology FCU	248,000	5.050%	5/26/2023	5/27/2025	605
53052LAT6	ZIONS BANK - Liberty FCU Evansville	248,000	5.000%	5/24/2023	5/27/2025	605
795451BQ5	ZIONS BANK - Sallie Mae	245,000	3.400%	7/6/2022	7/7/2025	646
20825WAZ3	ZIONS BANK - Connexus Cred. Union	249,000	3.400%	8/15/2022	8/15/2025	685
27002YFE1	ZIONS BANK - Eaglebank - Bethesda	249,000	3.300%	8/18/2022	8/18/2025	688
90352RDA0	ZIONS BANK - US Alliance FCU Rye NY	249,000	4.700%	5/26/2023	5/26/2026	969
39573LEC8	ZIONS BANK - Greenstate Credit Unions	248,000	4.900%	5/31/2023	6/1/2026	975
254673Q33	ZIONS BANK - Discover Bank Greenwood	245,000	3.350%	8/16/2022	8/17/2026	1,052
130162AX8	ZIONS BANK - CA Credit Union - Glendale	243,000	5.150%	8/28/2023	8/28/2026	1,063
444425ACC6	ZIONS BANK- Hughes Fed Cred Union - Tucson	248,000	5.150%	8/29/2023	8/31/2026	1,066
856285G21	ZIONS BANK - State Bank of India NY	250,000	1.750%	2/9/2022	2/9/2027	1,228
25844MBN7	ZIONS BANK- Dort Financial Cr. Union - Grand Blanc	246,000	5.000%	8/28/2023	2/26/2027	1,245
41138NAB4	ZIONS BANK- Hapo Community Cred. Union - Richland	248,000	5.000%	8/31/2023	2/26/2027	1,245
02589ABQ4	ZIONS BANK - American Express Natl	247,000	2.000%	3/9/2022	3/9/2027	1,256
14042TFJ1	ZIONS BANK - Capital One	<u>246,000</u>	2.700%	4/6/2022	4/13/2027	1,291
		4,948,435				
U.S. OBLIGATIONS						
3130AV3G5	Federal Home Loan Banks	401,974	5.125%	3/20/2023	2/23/2024	146
3130ARHG9	Federal Home Loan Banks	<u>3,590,680</u>	2.125%	3/27/2023	2/28/2024	151
		3,992,654				
U.S. TREASURY BILLS						
91282CFQ9	US Treasury Bills	2,998,673	4.580%	4/26/2023	3/21/2024	173
U.S. TREASURY NOTES & BONDS						
91282CFQ9	US Treasury Notes	996,718	4.375%	10/31/2022	10/31/2024	397
	SUBTOTAL NON-LIQUID INSTRUMENTS:	12,936,480				
	TOTAL INVESTMENTS: \$	<u>69,233,852</u>				
			RECORDED INTEREST AS OF 9/30/2023	% OF LIQUID PORTFOLIO HOLDINGS	WEIGHTED AVERAGE RATE OF EARNINGS	WEIGHTED AVERAGE MATURITY
			<u>231,160</u>	<u>81.315%</u>	<u>3.521%</u>	<u>77</u>
PUBLIC AGENCY RETIREMENT SERVICES (PARS) - LEAGALLY RESTRICTED INVESTMENTS EXCLUDED FROM WEIGHTED PORTFOLIO						
PARS OPEB	Public Agency Retirement Services	2,108,109	-3.79%	DAILY	DAILY	1
PARS Pension Trust	Public Agency Retirement Services	<u>2,152,114</u>	-2.86%	DAILY	DAILY	1
		4,260,223				

Portfolio holdings as of the quarter ended June 30, 2023, are in compliance with the current Investment Policy. With **81.315%** of the portfolio held in liquid instruments, allowing the City to meet cash flow needs for at least six months, in compliance with the investment policy approved by the City Council in June 2023. The investment policy will be updated annually as required by state law.

This Page Intentionally Left Blank



AGENDA NO: A-3

MEETING DATE: November 14, 2023

Staff Report

TO: Honorable Mayor and City Council **DATE:** October 24, 2023
FROM: Greg Kwolek, Public Works Director
Janeen Burlingame, Management Analyst
SUBJECT: Adoption of Resolution No. 72-23 Approving Amendment No. 5 to the Morro Bay Transit and Trolley Operations and Management Agreement with MV Transportation, Inc.

RECOMMENDATION

Staff recommends the City Council adopt Resolution No. 72-23 approving Amendment No. 5 to the Morro Bay Transit and Trolley Operations and Management Agreement with MV Transportation, Inc., (MV).

FISCAL IMPACT

A one-year extension to the Morro Bay Transit and Trolley Operations and Management Agreement (Agreement) has no fiscal impact on the General Fund as the Transit Fund pays for transit and trolley services.

The vehicle service hour fee will increase by \$3.53 to \$45.37 per hour due to increased Transit and Trolley driver wages/benefits and upgrades to the non-revenue vehicle for the manager. The monthly management fee for Transit and Trolley services will increase by \$695.99 and \$166.13, respectively, to \$6,484.17 per month for Transit and \$2,537.35 per month for Trolley due to an increase in non-driver staff wages/benefits. The total estimated increase in cost for Transit and Trolley services is \$22,157 for the one-year extension period. The vehicle service hour and monthly management fee increases would be paid for with Transportation Development Act (TDA) funds received from the State for transit operations. The 2023-24 Fiscal Year budget included these contractual increases.

DISCUSSION

The City and MV Transportation Inc. (MV) entered into an agreement effective January 1, 2015 for MV to provide year-round deviated fixed route transit and seasonal trolley services for the City. The Agreement was extended one-year through December 31, 2020 and later amended again for an additional three one-year periods (Amendments 2, 3, and 4 in 2020, 2021, and 2022) through December 31, 2023 while responding to the Coronavirus (COVID-19) global pandemic. Amendment No. 5 would extend services provided by MV through December 31, 2024.

During the upcoming year, City staff will explore whether the City should continue to manage all aspects of the City's transit services (capital, marketing, service planning, reporting, maintenance, and grant administration) versus contracting all these services to another agency such as the Regional Transit Authority.

CONCLUSION

Staff recommends the City Council adopt Resolution No. 72-23 approving Amendment No. 5 to the Agreement with MV.

ATTACHMENT

1. Resolution No. 72-23 with Amendment 5 to the Morro Bay Transit and Trolley Operations and Management Agreement

Prepared By: JB

Dept Review: GK

City Manager Review: YK

City Attorney Review: LNL

RESOLUTION NO. 72-23

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
APPROVING FIFTH AMENDMENT TO MORRO BAY TRANSIT AND TROLLEY
OPERATIONS AND MANAGEMENT AGREEMENT WITH MV TRANSPORTATION, INC.**

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

WHEREAS, effective January 1, 2015, the City of Morro Bay (City) and MV Transportation Inc. (MV) entered into an agreement for MV to provide year-round deviated fixed route and seasonal trolley services for City (the "Agreement"); and

WHEREAS, pursuant to Section 2.2 of the Agreement, the term was extended one-year through December 31, 2020 (Amendment No. 1); and

WHEREAS, City and MV amended the Agreement for three additional one-year periods through December 31, 2023 while responding to the Coronavirus (COVID-19) global pandemic (Amendment 2, Amendment 3, and Amendment 4); and

WHEREAS, the Agreement and Amendments No. 1, No. 2, No. 3, and No. 4 are hereinafter referred to as the "Amended Agreement;" and

WHEREAS, City desires to extend the Amended Agreement for one-year while the City completes an analysis of transit management ownership options.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Morro Bay approval of the Fifth Amendment to the Amended Agreement, attached hereto.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 14th day of November 2023 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE:

CARLA WIXOM, Mayor

ATTEST:

DANA SWANSON, City Clerk

**CITY OF MORRO BAY
AMENDMENT NO. 5 TO THE AGREEMENT FOR
MORRO BAY TRANSIT AND TROLLEY
OPERATIONS AND MANAGEMENT**

This Amendment No. 5 is entered into on the 14th day of November 2023, by and between the City of Morro Bay, a municipal corporation ("City") and MV Transportation Inc., a California corporation ("Contractor").

RECITALS

- A. City and Contractor entered into an agreement as of January 1, 2015 for Contractor to provide year-round deviated fixed route and seasonal trolley services for City (the "Agreement").
- B. Pursuant to Section 2.2 of the Agreement, the term was extended one-year through December 31, 2020 (Amendment No. 1).
- C. City and Contractor amended the Agreement for three additional one-year periods through December 31, 2023 while responding to the Coronavirus (COVID-19) global pandemic (Amendment 2, Amendment 3, and Amendment 4).
- D. The Agreement and Amendment No. 1, No. 2, No. 3, and No. 4 are hereinafter referred to as the "Amended Agreement."
- E. City desires to extend the Amended Agreement for one-year while the City completes an analysis of transit management ownership options.

NOW, THEREFORE, City and Contractor mutually agree to amend the Amended Agreement as follows:

- 1. The term of the Amended Agreement is extended by one-year, effective January 1, 2024 through December 31, 2024.
- 2. The Vehicle Service Hour compensation rate applicable for calendar year 2024 shall be established at \$45.37 per vehicle service hour.
- 3. The Monthly Management Fee applicable for calendar year 2024 shall be established at \$6,484.17 per month for the deviated fixed route and \$2,537.35 per month for the Trolley.
- 4. Except as expressly set forth in this Amendment, the terms and conditions in the Amended Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 5 to be executed by their duly authorized representatives as of the Effective Date.

CITY OF MORRO BAY

MV TRANSPORTATION, INC.

By: _____
Carla Wixom, Mayor

By: _____
Kevin Klika, President and COO

Attest:

By:

Dana Swanson, City Clerk

Jamie Pierson, Executive VP and CFO

This Page Intentionally Left Blank



AGENDA NO: A-4

MEETING DATE: November 14, 2023

Staff Report

TO: Honorable Mayor and City Council **DATE:** October 30, 2023

FROM: Scot Graham, Community Development Director
Cindy Jacinth, Planning Manager

SUBJECT: Authorize Execution of License Agreement with Libertine and Harborwalk Plaza lease sites, 801 and 833 Embarcadero respectively, to enable joint access between buildings

RECOMMENDATION

Staff recommends the City Council review the staff report and authorize execution of the License Agreement.

ALTERNATIVES

1. Direct staff to revise terms in the license agreement; or
2. Decline authorization to execute license agreement which would require building design changes in the pending conditional use permit for the Libertine re-development.

FISCAL IMPACT

Provisions in the License Agreement allow for termination of the agreement by either the Licensor (Harborwalk Plaza) or Licensee (Libertine). If the City does not approve the termination of the agreement, then City would be responsible for paying to Licensor the prescribed license fee in the amount of \$250 per month. To ensure compliance by the Licensee, the Harbor Department will be incorporating license fee payment requirements into the Master Lease Agreement for the Libertine which will require compliance with the terms of this License Agreement.

BACKGROUND/DISCUSSION

The Libertine building at 801 Embarcadero has a current planning application under review for conditional use permit approval. The proposed project would mostly demolish and reconstruct the Libertine building in approximately the same location with its building entry doors and trash facilities planned to be located on the north side of the building across from Harborwalk Plaza's building entry doors and trash location. The building design creates an accessway between the two buildings that necessitates a license agreement since it crosses Harborwalk Plaza's lease site boundary lines (see Exhibit A of the License Agreement attached). The license agreement drafted for execution would allow use of the area by Libertine as licensee.

Prepared By: CJ Dept Review: SG
City Manager Review: YK City Attorney Review: CFN

Upon discussion with the master leaseholders for the two lease sites, the City Attorney's office has prepared a License Agreement that specifies terms of the licensed area. The Agreement also specifies required City acknowledgement of the agreement before it can be effective. This therefore would require signature by the Mayor, City Clerk, and acknowledgment by the Harbor Director.

CONCLUSION

Staff recommends Council authorize execution of the License Agreement. The agreement has been drafted by the City Attorney's office and reviewed and accepted by all parties.

ATTACHMENT(S)

1. License Agreement

LICENSE AGREEMENT

This License Agreement (this "**License Agreement**") is made as of the _____ day of _____, 2023 (the "**Effective Date**"), is by and among T.L.C. FAMILY ENTERPRISES, INC., a California corporation ("**Licensor**"), CALIFORNIA COASTAL INVESTMENTS LLC, a California limited liability company ("**Licensee**") and the CITY OF MORRO BAY, a municipal corporation ("**City**"); and, together Licensor and Licensee are collectively referred to herein as the "**Parties**" or individually as a "**Party**".

WHEREAS, Licensor is the master tenant of that certain real property common known and located at 833 Embarcadero Street, Morro Bay, CA 93442, currently designated as Assessor's Parcel Number 066-322-009 (the "**Property**"), pursuant to that certain master lease with the City of Morro Bay ("**City**"), as master landlord;

WHEREAS, Licensee is the master tenant of that certain real property common known and located at 801 Embarcadero Street, Morro Bay, CA 93442, currently designated as Assessor's Parcel Number 066-322-008 (the "**Licensee Property**"), pursuant to that certain master lease with City, as master landlord;

WHEREAS, pursuant to the above-mentioned master leases, City's acknowledgment of this License Agreement is required before it can become effective and, therefore, for that sole purpose City's Harbor Director is signing this Licensed Agreement on behalf of City; and

WHEREAS, the Parties desire by this License Agreement to provide for the licensing by Licensor to Licensee of the right to use an approximately 380 square-foot area between the Property and the Licensee Property, as depicted in **Exhibit A**, attached hereto and made a part hereof (the "**Licensed Area**").

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. License. Licensor hereby grants to Licensee, and Licensee hereby accepts, a license (the "**License**") to use and occupy the Licensed Area for the purposes hereafter provided for the License Period (as defined in Section 2). This License Agreement is not appurtenant to the Licensee Property and the Parties do not intend to create a lease or any other interest in real property for Licensee through this License Agreement, and the Parties only intend to create a license during the License Period. Licensee has inspected the Licensed Area and agrees to accept the Licensed Area "AS-IS," "WHERE-IS" and "WITH ALL FAULTS" on the date hereof. THE PARTIES DO NOT MAKE ANY WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THIS LICENSE AGREEMENT, THE LICENSED AREA, OR THE PROPERTY.

2. License Term

(a) License Period. The "**License Period**" for the Licensed Area shall commence on the date Licensee is issued a temporary or final Certificate of Occupancy (the "**COO**") by City in its governmental capacity (the "**Commencement Date**"), and shall expire automatically and immediately upon the date the master lease between City and Licensee terminates for any reason ("**Expiration Date**"); provided, that City must also approve the termination of the License Period prior to it being effective if any of the uses

on the Licensee Property are the same as allowed by the COO. The time period between the Commencement Date and the Expiration Date shall be known as the "**License Period**".

(b) License May Be Revoked. Notwithstanding anything to the contrary herein and subject to prior approval by City if any of the uses on the Licensee Property are the same as allowed by the COO, this License Agreement shall be revocable by either Party at any time during the License Period; provided, that the terminating Party delivers to the non-terminating Party and City ninety-days' (the "**Termination Period**") written notice of such election (the "**Termination Notice**"); provided, further, that before denying that approval, City must take reasonable efforts to assist that Parties to agree not to revoke this License Agreement. The Termination Notice shall state the date of termination (which date shall not be before expiration of the Termination Period (the "**Termination Date**")) and shall be sent in accordance with Section 14. Either Party's right to terminate this License Agreement is subject to no default existing under this License Agreement at the time the Termination Notice is sent and on the Termination Date. The right to revoke this License Agreement is not subject to or contingent on whether the non-terminating Party is in default under the terms of this License Agreement.

(c) City Obligations.

If City does not approve the termination of this License Agreement, as described in Subsection (b), above, or 7. (b) or 11. (a), below, then City will be responsible for paying to Licensor the License Fee described in Section 4., below, for the maintenance and use of Licensed Area and City will be deemed to the responsible party to comply with the terms of this License Agreement, both until and unless another licensee takes on that responsibility and pays the License Fee to Licensor.

3. Use. The Licensed Area shall be non-exclusively used for access to and from the Licensee Property including, without limitation, for Licensee's employees, agents, guests and invitees, the trash area required for the uses on the Licensee Property, deliveries, and the like, and for no other purpose except as may be agreed upon by Licensor in writing in its sole and absolute discretion.

4. License Fee. Licensee shall pay a license fee (the "**License Fee**") for the Licensed Area in the monthly amount of Two Hundred Fifty Dollars and 00/100 (\$250.00) on the first (1st) day of each calendar month. Payments of the License Fee shall be made payable to Licensor in United States dollars and shall be delivered to Licensor at the address specified herein or such other address as Licensor may designate by written notice from time to time. The License Fee will be increased by three percent (3%) on each anniversary of the Commencement Date.

5. Compliance with Laws and Regulations. The Parties shall promptly and continually comply with all present and future applicable laws and regulations of all state, federal, municipal and local governments, departments, commissions and boards and any direction of any public officer pursuant to law (collectively, "**Laws**") having jurisdiction which shall impose any obligation or duty upon the Parties with respect to the Licensed Area.

6. Access. The access provided by Section 3., above, shall be available to twenty-four (24) hours per day, seven (7) days per week.

7. Maintenance and Repairs; Default.

(a) Maintenance and Repairs. Licensor and Licensee (so long as the herein License Agreement is in effect) shall jointly maintain and pay (50-50%) all costs associated with the repair, replacement and maintenance of the Licensed Area, except to the extent caused by the misuse, negligence or willful misconduct of Licensee or Licensor, in which event said repair, replacement, and maintenance shall be the sole responsibility of the Party who necessitated such repair. Maintenance contemplated by this License Agreement includes, but is not limited to, the following:

(i) The Licensed Area shall be kept clear of all debris. Any and all trash/waste, deliveries, luggage, and other personal property, shall be removed from the Licensed Area within fifteen (15) minutes.

(ii) The Licensed Area shall be swept once daily by Licensor and Licensee, schedule to be determined the Parties as needed.

(iii) The Licensed Area shall be power washed at least once per month and additionally on an as-needed basis due to trash and pedestrian traffic by the responsible party.

(iv) The surfaces of the Licensed Area shall be retouched; paint, repair dents and dings in the walls, doors, gate, handrails, walkway etc. at a minimum of biannually due to damage caused by Licensor and Licensee, and their respective, employees, guests, invitees, agents, tenants or customers. Schedule to be determined by the Parties as needed.

(v) All utilities, materials, labor and other costs used for maintenance will be provided by individual parties performing maintenance.

(vi) Licensor will provide video surveillance of the Licensed Area to document the Parties' performance of their maintenance responsibilities.

(b) Default. In the event Licensee fails to comply with its maintenance responsibilities as set forth in Subsection 7. (a), above, or otherwise fails to pay its portion of maintenance expenses, Licensor may terminate this License Agreement after Licensor's service of a thirty-day written notice to cure and Licensee's failure to cure said breaches identified therein, subject to City's approval; provided, further, that before denying that approval, City must take reasonable efforts to have Licensee comply with its responsibilities under this License Agreement.

8. Insurance.

(a) Licensee's Insurance Requirements. Licensee shall, at its own cost and expense, maintain and keep in force at all times during the License Period: (i) commercial general liability insurance, which shall include coverage against claims for personal injury, death, or property damage occurring on, in or about the Licensed Area with limits of not less than One Million Dollars (\$1,000,000) with respect to the Licensed Area, Licensor's personal property, and Licensee's conduct of business therein; Licensor shall be named as an additional insured; and (ii) employers' liability and workers' compensation insurance to the extent required by the laws of the State of California.

(b) Licensor Not Liable. In no event shall Licensor be liable for any damage to or loss of personal property or equipment sustained by Licensee, whether or not it is insured, even if such loss is caused by the negligence of Licensor, its employees, officers, directors, or agents. Any property of any kind brought on the Licensed Area by Licensee shall be at the sole risk of Licensee.

9. Alteration; Restoration. Licensee may not make any alterations, installations, additions, or improvements in or to the Licensed Area without the prior written consent of Licensor, which consent may be withheld or conditioned in Licensor's sole and absolute discretion, and approval by City in its landlord and governmental capacities.

10. Indemnification. Licensee hereby covenants and agrees to defend, indemnify, and hold harmless Licensor, its shareholders, directors, officers, employees, agents, invitees and guests ad City and its officers, employees and agents and save them harmless from any and all liability, loss, costs, or obligations on account of, or arising out of (a) any injury to or death of any person, or damage to or loss of property, or any other thing occurring on or about any part of the Licensed Area, or in any manner growing out of, resulting from, or connected with the use, condition, or occupancy of the Licensed Area if caused by any negligent or wrongful act or omission of Licensee or its agents, partners, contractors, employees, permitted assignees, licensees, sublessees, invitees, or any other person or entity for whose conduct Licensee is legally responsible; and (b) violation of or failure to observe or perform any condition, provision, or agreement of this License Agreement to be observed or performed by Licensee hereunder. The indemnity obligations outlined herein shall survive any cancellation, expiration, or termination, for any reason, of this License Agreement.

11. Default; Limitation of Damages.

(a) Defaults. If either Party defaults in the performance of any of its obligations under this License Agreement, and such default continues for more than thirty (30) days after receipt of written notice from the non-defaulting Party, then, subject to City's approval, the non-defaulting Party shall have the right to terminate this License Agreement and pursue any other remedies available at law or in equity, except as limited herein; provided, further, that before denying that approval, City must take reasonable efforts to have the defaulting party comply with its responsibilities under this License Agreement.

(b) Limitation of Damages. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS LICENSE AGREEMENT, IN NO EVENT SHALL LICENSOR BE LIABLE TO LICENSEE FOR ANY INDIRECT, PUNITIVE, SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES WHATSOEVER, INCLUDING LOSS OF GOODWILL OR LOSS OF PROFITS

12. Licensee Covenants. Licensee covenants and agrees during the terms of this License Agreement Licensee shall: (a) take reasonable steps to minimize the effects of construction and the disruption of Licensor's tenants during construction on the Licensee Property; and (b) Licensee will cooperate with Licensor and, in good faith, take under consideration Licensor's recommendations regarding the aesthetic appearance of the North wall viewed from the walkway.

13. Surrender. On or before the Expiration Date, or sooner termination of this License Agreement, Licensee shall remove all personal property from the Licensed Area that is owned or leased by Licensee. Licensee shall vacate and surrender full and complete possession of the Licensed Area to Licensor, vacant and broom clean, in its "as-is" condition and state of repair, subject only to: (i) reasonable wear and tear; and (ii) damage caused by the gross negligence or wrongful act of Licensor. The surrender obligations outlined herein shall survive any cancellation, expiration, or termination, for any reason, of this License Agreement.

14. Notices. Any notice, demand, request, or other communication hereunder shall be in writing and shall be addressed as the addresses stated below. Communications may be delivered and shall be deemed to have been given by the delivering party and received by the receiving party: (i) when delivered by hand; (ii) one day after deposit with a nationally recognized overnight courier or delivery service if sent priority overnight delivery; or (iii) on the third day after the date mailed by certified or registered mail (in each case, return receipt requested and postage prepaid). Courtesy copies of notices will also be sent by email. Rejection or other refusal to accept, or the inability to deliver because of a changed address of which no notice was given, shall be deemed to be receipt of the notice, demand, request, or communication sent.

If to Licensors: TLC Family Enterprises, Inc.
 Attn: Cherise Hansson

 665 Kings Avenue

 Morro Bay CA 93442

 mermaidutsg@yahoo.com

If to Licensee: Central Coast Investments, LLC
 Attn: Eric Newton

 2436 Broad Street

 San Luis Obispo, CA 93401

 eric@newtonconstruction.com

If to City: City of Morro Bay
Attn: Community Development Director
955 Shasta Avenue
San Luis Obispo, CA 93442
sgraham@morrobayca.gov

15. Subordination. This License Agreement and the license granted herein are subject and subordinate to all ground and underlying leases affecting the Property or the real property, and to all mortgages which may now or hereafter affect such leases, or the Property.

16. Warranties. EXCEPT AS SET FORTH IN THIS LICENSE AGREEMENT, LICENSOR DOES NOT MAKE ANY WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THIS LICENSE AGREEMENT, THE LICENSED AREA, OR THE REAL OR PERSONAL PROPERTY OR PROPERTY INTERESTS, INCLUDING THE WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

17. Alternative Dispute Resolution. The Parties will attempt to resolve any dispute arising out of or relating to this License Agreement through friendly negotiations amongst the Parties. If the matter is not resolved by negotiation, then the Parties agree to mediate any dispute or claim arising between them out of this License Agreement before resorting to court action. Licensee shall be responsible for all mediation fees. If any Party: (i) commences an action without first attempting to resolve the matter through mediation; or (ii) before commencement of an action, refuses to mediate after a request has been made, then that Party shall not be entitled to recover attorney fees, even if they would otherwise be available to that Party in any such action.

18. Miscellaneous.

(a) Counterparts. This License Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

(b) Attorneys' Fees. If any action is brought by either Party against the other in connection with or arising out of this License Agreement, the prevailing party shall be entitled to recover from the other party its reasonable out-of-pocket costs and expenses, including, without limitation, reasonable attorneys' fees, incurred in connection with the prosecution or defense of such action.

(c) Third-Party Beneficiary. The Parties agree City is a third-party beneficiary under this License Agreement and may, but is not required, to pursue all legal and equitable remedies if either or both of the Parties do not comply with all the terms and conditions of this License Agreement, subject to Section 17., above.

(d) Master Lease Agreement. The Parties understand City and Licensee will be entering into a new Master Lease Agreement and further understand that new Master Lease Agreement will include one or more conditions that require Licensee to comply with each and all of its obligations established by this License Agreement.

(e) Construction. The Parties acknowledge they have reviewed and revised this License Agreement, and their counsel has done or has had the opportunity to do the same, and agree that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this License Agreement or any exhibits or amendments hereto.

(f) Governing Law; Venue. This License Agreement shall be governed by and construed in accordance with the laws of the state where the Licensed Area is located. Any legal suit, action, or proceeding arising out of or relating to this License Agreement shall be instituted in the state court located in the State of California and County of San Luis Obispo, and each party irrevocably submits to the exclusive jurisdiction of such court in any such suit, action, or proceeding.

(g) Section Headings. The section titles herein are for convenience only and do not define, limit, or construe the contents of such sections.

(h) Attachment and Exhibits. All attachments and exhibits to this License Agreement are hereby made a part hereof as if fully set out herein.

(i) Severability. If any provision or provisions in this License Agreement is/are found to be in violation of any law or otherwise unenforceable, all other provisions remain unaffected in full force and effect.

(j) Binding Effect. This License Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns and shall not be modified except by an express written agreement signed by a duly authorized representative of both Parties.

(k) Time of the Essence. Time shall be of the essence of each provision of this License Agreement in which time is a factor.

(l) No Recording. Neither Licensor nor Licensee shall record this License Agreement or a memorandum of this License Agreement, but the same shall not insulate any future owner of any interest in the Property or Licensee's Property from the requirements of this License Agreement.

///

///

///

IN WITNESS WHEREOF, the Parties hereto have duly executed this License Agreement as of the Effective Date.

CITY

City of Morro Bay, a municipal corporation

By: _____
Carla, Wixom, Mayor

LICENSOR:

T.L.C. FAMILY ENTERPRISES, INC., a California corporation

By: _____
Cherise Hansson, President

By: _____
Travis Leage, Secretary

Attest:

Dana Swanson, City Clerk

LICENSEE:

CALIFORNIA COASTAL INVESTMENTS LLC, a California limited liability company

By: _____
Eric Newton, Member-Manager

Approved as to Form:

Chris F. Neumeyer, City Attorney

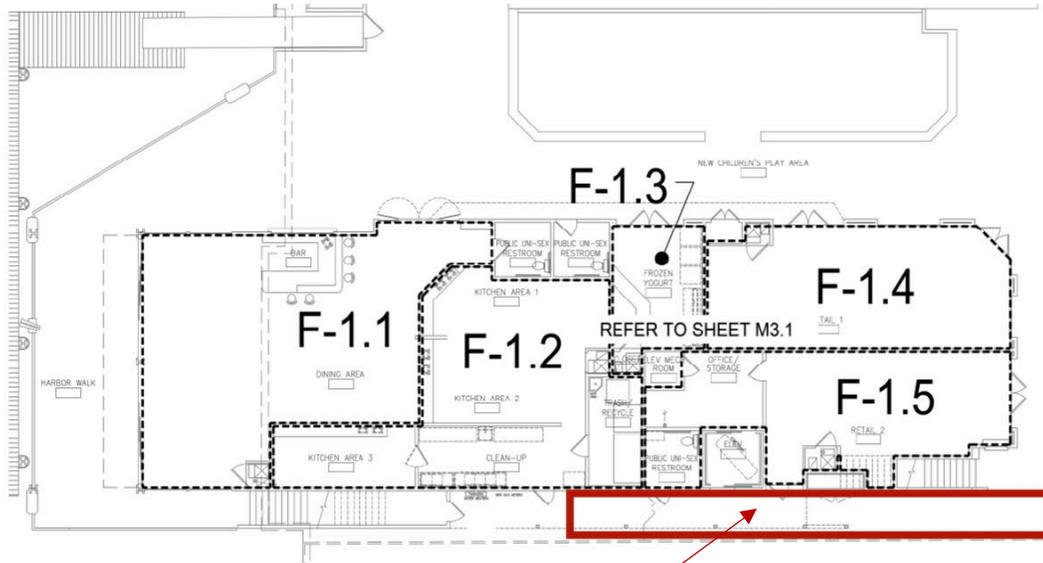
By: _____
Rodessa Newton, Member-Manager

City acknowledgment:

By: _____
Ted Schiafone, Harbor Director

EXHIBIT A

THE LICENSED AREA



The Licensed Area

This Page Intentionally Left Blank



AGENDA NO: A-5

MEETING DATE: November 14, 2023

Staff Report

TO: Honorable Mayor and City Council

DATE: November 6, 2023

FROM: Daniel McCrain, Fire Chief
Amy Watkins, Police Chief

SUBJECT: October 2023 Police and Fire Department Calls for Service Reports

RECOMMENDATION

Receive and file.

ATTACHMENTS

1. Fire Department Update
2. Police Department Update

Prepared By: DM/AW

Dept Review: _____

City Manager Review: YK

City Attorney Review: _____



City of Morro Bay
 Fire Department
 Daniel McCrain, Fire Chief
 715 Harbor St.
 Morro Bay, CA 93442



Fire Department Update

The Morro Bay Fire Department has had a busy summer. Department personnel have contributed a combined total of 3,839 hours providing Mutual Aid to fires throughout California and Oregon and one Search and Rescue incident in the San Miguel area. The time Department personnel spent providing Mutual aid is reimbursed by the Governor’s Office of Emergency Services (OES) so there is no cost to the city to provide this support.

The Fire Department’s call volume is increasing October has seen a 27% increase in responses compared to October 2022, with approximately a 10% increase in Year-to-Date responses compared to last year.

Category	October 2023	Year-to-Date
Fires	4	30
Explosion/Overpressure	0	1
EMS/Rescue	149	1,238
Hazardous Condition	4	207
Service Calls	28	207
Good Intent	20	147
False Alarm	25	134
Severe Weather	0	19
Total Responses	230	1,847

On November 1, 2023 Morro Bay Fire responded to a vegetation fire originating 1401 Teresa Drive near the intersection of Highway 1, Teresa Drive and South Bay Boulevard. The fire was contained to a total of 47 acres. Incident Management was initiated by Morro Bay Fire Department and then turned over to a Cal Fire Battalion Chief. The incident was in the Morro Bay Fire Department response area but occurred just outside of city limits in State Responsibility area. There were no reported injuries and no structures lost. The cause incident is under investigation by CALFIRE investigators.



City of Morro Bay
Fire Department
Daniel McCrain, Fire Chief
715 Harbor St.
Morro Bay, CA 93442



Photo provided by CALFIRE San Luis Obispo Unit



Daniel McCrain
Fire Chief
Morro Bay Fire Department



Morro Bay Police Department

850 Morro Bay Blvd., Morro Bay, CA 93442
Phone (805)772-6225 Facsimile (805)772-2224
Amy Watkins, Chief of Police

Morro Bay Police Department Update

The Morro Bay Police Department continues to respond to increased levels of calls for service throughout the city. 2023 began with numerous weather-related responses and safety concerns as a result of record-breaking storms and rainfall. Spring brought numerous city events including the 70.3 Ironman Triathlon that brought thousands of participants and visitors to Morro Bay during a three-day span. Our summer remained as busy as ever with locals and visitors enjoying the beauty and attractions that make Morro Bay special. As we enter fall and winter the department is preparing for holiday traffic and congestion as well as events and celebrations that will increase demand on officers and staff.

Morro Bay Police Statistics

<u>Category</u>	<u>October 2023</u>	<u>Year-to-Date</u>
Total Calls for Service	908	10,244
Reports Taken	77	699
Arrests	42	466

** 12 arrests in October requiring a medical clearance resulting in a total of 30.5 hours of officer time.

Community Events

The Morro Bay Police Department participated in several community events so far in 2023. The holiday season brings our favorite time of year to engage and visit each member of our community with events such as Trick or Treat Farmers Market, Thanksgiving Meal Deliveries, and of course Caroling Cops. Below is a list of events the police department has participated in during 2023.

- Coffee with the Cops
- Pizza with the Police
- Neighborhood Cop
- Chamber of Commerce Events
- 4th of July Bike Parade
- National Night Out
- Sheriff's Family Day
- Faith and Blue Weekend
- Cops and Kids



MBPD's Caroling Cops



*December 4th, 5th, 6th, & 7th
5:00pm to 8:00pm*

Monday: North MB East & West side of Hwy 1 to San Jacinto

Tuesday: North MB (South of San Jacinto to Atas. Rd, Cloisters

**Wednesday: Central MB (Morro Dunes, Silver City, Radcliffe,
North side of MB Blvd, West side Main & Embarcadero)**

Thursday: South MB (Kern, East side of Main to State Parks



This Page Intentionally Left Blank

**A PROCLAMATION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
PROCLAIMING NOVEMBER AS
“FAMILY COURT AWARENESS MONTH”**

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

WHEREAS, the mission of the Family Court Awareness Month Committee (FCAMC) is to increase awareness on the importance of a family court system that prioritizes child safety and acts in the best interest of children; and

WHEREAS, the mission at the FCAMC is fueled by the desire to create awareness and change in the family court system for the conservatively estimated, 58,000 children a year ordered into unsupervised contact with abusive parents, while honoring the hundreds of children who have been reported as murdered during visitation with a dangerous parent; and

WHEREAS, the mission of the FCAMC is to increase awareness on the importance of empirically-based education and training on domestic violence and child abuse, including emotional, psychological, physical, and sexual abuse, as well as childhood trauma, coercive control, and post separation abuse for judges and all professionals working on cases within the family court system; and

WHEREAS, the mission of the FCAMC is to increase awareness on the importance of using scientifically valid, evidence-based, treatment programs and services that are proven in terms of safety, effectiveness, and therapeutic value; and

WHEREAS, the mission at the FCAMC is to educate judges and other family court professionals on evidence-based, peer-reviewed research. Such research is a critical component to making decisions that are truly in the best interest of children.

NOW, THEREFORE, BE IT RESOLVED, that the Morro Bay City Council does hereby proclaim November as “Family Court Awareness Month” in the City of Morro Bay and encourage all residents to support efforts to prevent the harm of children in the hands of family members and to honor and value the lives of children.

IN WITNESS WHEREOF I have hereunto
set my hand and caused the seal of the city
of Morro Bay to be affixed this 14th day of
November 2023

CARLA WIXOM, Mayor
City of Morro Bay, California

This Page Intentionally Left Blank

AGENDA NO: A-7

MEETING DATE: November 14, 2023

**A PROCLAMATION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
DECLARING NOVEMBER 2023 AS
“NATIONAL HOSPICE AND PALLIATIVE CARE MONTH”**

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

WHEREAS, hospice and palliative care empower people facing a serious or life-limiting illness to live as fully as possible, ensuring people dignity, choice, and quality of life; and

WHEREAS, the hospice model involves an interdisciplinary, team-oriented approach to treatment, including expert medical care, quality symptom control, and comprehensive pain management as a foundation of care; and

WHEREAS, beyond providing physical treatment, hospice attends to the patient’s emotional, spiritual and family needs, and provides family services like respite care and bereavement counseling; and

WHEREAS, in an increasingly fragmented and broken health care system, hospice is one of the few sectors that demonstrates how health care can – and should – work at its best for its patient; and

WHEREAS, a growing body of peer-reviewed research indicates that timely access to hospice and palliative care can decrease hospitalizations and Emergency Room visits and increase quality of life for patients and family caregivers; and

WHEREAS, every year more than 1.56 million Americans living with life-limiting illness, and their families, received care from the nation’s hospice programs in communities throughout the United States; and

WHEREAS, more than 355,000 trained volunteers contribute 16 million hours of service to hospice programs annually in the U.S.; and

WHEREAS, hospice and palliative care organizations are advocates and educators about advance care planning that help individuals make decisions about the care they want; and

WHEREAS, Hospice of San Luis Obispo County, Central Coast Hospice, Dignity Health Hospice, and Wilshire Hospice provide hospice care and bereavement counseling respectively to individuals within the County of San Luis Obispo.

NOW, THEREFORE, that Morro Bay City Council does hereby proclaim November 2023 as **National Hospice and Palliative Care Month** and encourage citizens to increase their understanding and awareness of care at the end of life and to observe this month with appropriate activities and programs.

IN WITNESS WHEREOF I have hereunto
set my hand and caused the seal of the City
of Morro Bay to be affixed this 14th day of
November 2023

CARLA WIXOM, Mayor

City of Morro Bay, California

This Page Intentionally Left Blank



AGENDA NO: B-1

MEETING DATE: November 14, 2023

Staff Report

TO: Honorable Mayor and City Council **DATE:** November 8, 2023

FROM: Scot Graham, Community Development Director
Cindy Jacinth, Planning Manager

SUBJECT: Introduction and First Reading of Ordinance No. 662: Amendments to 2022 Zoning Code/Coastal Implementation Plan (IP) and Zoning Map Amendments and Adoption of Resolution No. 73-23 for a General Plan/ Local Coastal Program (LCP) Coastal Land Use Plan Map Amendment and Introduction and First Reading of Ordinance No. 661: Amendment to 2022 Zoning Code to adopt Objective Design Standards established as Chapter 17.31

RECOMMENDATION

Staff recommends Council review Planning Commission recommendations and, as two separate motions, take the following actions:

1. (i) Introduce for first reading by number and title only, with further reading waived, Ordinance No. 662, "An Ordinance of the City Council of the City of Morro Bay, California, Amending the 2022 Zoning Code/Coastal Implementation Plan (IP) Title 17 (Zoning) and the Zoning Map which includes miscellaneous amendments to all of Division I and Division II and Chapters 17.23, 17.26, 17.27, 17.29, 17.30, 17.36, 17.38, 17.39, 17.42, 17.43, 17.44, 17.53, and 17.54 of the Morro Bay Municipal Code (MBMC)"; and (ii) adopt Resolution No. 73-23 approving a General Plan/ Local Coastal Program (LCP) Land Use Map amendment; with a finding that no further environmental review is required pursuant to State CEQA Guidelines section 15162.
2. Introduce for first reading by number and title only, with further reading waived, Ordinance No. 661, "An Ordinance of the City Council of the City of Morro Bay, California for adoption of Objective Design Standards for inclusion as Chapter 17.31 of the Morro Bay Municipal Code, 'Residential and Mixed Use Objective Design Standards,' and further to be an amendment to the 2022 Zoning Code with a finding that no further environmental review is required pursuant to State CEQA Guidelines section 15162."

ALTERNATIVES

The City Council may move to revise, add to, or otherwise modify proposed Zoning amendments.

FISCAL IMPACT

The Zoning Code was comprehensively updated in 2022 as part of the Plan Morro Bay project which was partially grant-funded by the State Coastal Commission and Ocean Protection Council. Grant funds for this project have since been exhausted and the grant was closed out. Grant funding was also used for development of the Objective Design Standards and that grant funding has also been completed. Staff costs related to the final work on the requested Zoning Code amendments are paid

Prepared By: CJ

Dept Review: SG

City Manager Review: YK

City Attorney Review: LNL

by the General Fund.

DISCUSSION / BACKGROUND:

In November 2022, the City Council adopted a comprehensive update to the City's Zoning Code/Coastal Implementation Plan (IP)¹ which repealed and replaced Title 17 of the Morro Bay Municipal Code through adoption of Ordinance 654. The Zoning Code/IP was then submitted for certification in December 2022 as an LCP Amendment application to the California Coastal Commission (CCC). Upon review of the City's LCP application, CCC requested multiple edits prior to certifying the City's 2022 Zoning Code/IP. These proposed amendments along with City proposed amendment edits, which also include Land Use Map and Zoning Map Amendments are included together in the proposed 2023 Zoning Code/IP Amendments and discussed further in this staff report.

Objective Design Standards (ODS) were reviewed by City Council at a public hearing on October 10, 2023. The City Council moved to wait until the Zoning Code amendments are done before taking action on potential adoption of the ODS. A link to the October 10, 2023 staff report and attachments is [here](#) and at the end of the staff report. *The proposed Zoning Code Amendments and the ODS are discussed separately below.*

PLANNING COMMISSION RECOMMENDATION:

The Planning Commission (PC) reviewed the adoption draft of the proposed Zoning Code Amendments at duly noticed public hearings on September 19, 2023 and October 3, 2023 which resulted in adoption of PC Resolution 15-23 forwarding a favorable recommendation to City Council (Exhibit B). The Zoning Code Amendments Adoption Draft is online at www.morrobayca.gov/planmb. For ease of review, those edits requested for amendment by Coastal Commission are shown in red font and those edits proposed as City clean-up amendments are shown in blue font. Each of the proposed amendment items were presented to the PC in an itemized and detailed [spreadsheet list](#) which identifies by chapter number the requested amendment along with corresponding staff explanation (Online link #3 below). In addition, Planning Commission also reviewed proposed amendments to the City's General Plan/LCP Land Use Map and Zoning Map at both the September 19, 2023, October 3, 2023, and November 7, 2023 hearings.

The PC recommendations for the Zoning Code Amendments included the changes as listed below. These changes are reflected in the updated Council Adoption Draft of the Zoning Code/IP Amendments. The ODS PC recommendations are discussed later in the staff report.

PC Recommendation 10/3/2023 hearing:

1. **Downtown Heights in the Community Commercial Zone (CC) Chapter 17.08.** PC recommendation was to reduce maximum downtown heights from 37 feet to 30 feet which is reflected in section 17.08.030.
2. **Lighting standards in Sign section Table 17.29.050.** PC recommendation was to revise illumination standards section to provide further clarification (*italics added to note PC change*) to read "LED lights may be allowed if certified under the LEED Green Building Rating Systems or equivalent *and illumination proposed is a low lumens warm temperature light and* Dark Sky qualified". This edit is reflected in Table 17.29.050.

¹ The IP, more commonly referred to as the Zoning Code, implements the City's Coastal Land Use Plan as part of the City's Local Coastal Program (LCP).

PC Recommendation 10/3/2023 and 11/7/2023 hearing:

1. PC adopted Resolutions 15-23 and 18-23 forwarding a favorable recommendation to Council to adopt the proposed Land Use Map and Zoning Map amendments as listed in this staff report and also shown in Attachments 4 and 5.

There was also additional PC discussion at the September 19, 2023 and October 3, 2023 public hearings regarding potential changes to commercial building setbacks, visual resource policy language, and discussion of incorporating definitions for live-work uses and non-hosted hotel. No changes regarding these concepts were recommended for the Zoning Amendments, but rather PC direction was to consider these items as part of the Downtown Design District subcommittee process.

COASTAL COMMISSION REQUESTED EDITS:

Staff coordinated closely with CCC staff throughout the Plan Morro Bay project, including the development of the Zoning Code/IP. The requested amendments by CCC were developed based on ensuring compliance with the Coastal Act and consistency with the City's 2021 LCP (Plan Morro Bay). Because of the multiple edits, Coastal staff recommendation was that the amendments be approved by the City prior to proceeding with certification of the City's Zoning Code/Coastal Implementation Plan (IP).

The sections of the Zoning Code that include Coastal-requested amendments include Division I (Introductory Provisions), Division II (District Regulations), and Chapters 17.23 (General Site Regulations), 17.26 (Nonconforming Uses, Structures, and Lots), 17.27 (Parking and Loading), 17.30 (Standards for Specific Uses), 17.38 (Design Review), 17.39 (Coastal Development Permits), 17.42 (Modifications), 17.43 (Reasonable Accommodation), 17.44 (Variances), 17.53 (Use Classifications), and 17.54 (List of Terms and Definitions). The spreadsheet summary is available online [here](#) and at the link at the end of the staff report and provides a detailed explanation of each change by page number with corresponding staff response.

Those chapters or sections of the Zoning Code that are marked with an IP designation represent the portions of the Zoning Code that are not yet legally in effect. The delay in certification has resulted in the unusual situation of City operating in effect with two Zoning Codes since only portions of the Zoning Code (the IP) are subject to Coastal certification. Upon City approval of the proposed amendments, the amended Zoning Code/IP will be forwarded to Coastal Commission to complete our LCP Amendment application.

CITY-INITIATED ZONING CODE AMENDMENTS

In addition to the Coastal Commission requested edits, Planning Commission's recommendation includes various clean-up amendments necessary to provide further clarity on standards, correct typographical errors, refine Sign regulation standards, and in the case of Accessory Dwelling Units (ADUs) update the ordinance language to the most current State legislation. The proposed clean-up amendments are specified on rows 32-47 of the spreadsheet and these amendments include Chapters 17.03, 17.07, 17.08, 17.10, 17.23, 17.27, 17.29, 17.30, 17.36, 17.38, 17.53, and miscellaneous grammatical edits or typos corrected throughout.

Fences

Staff has prepared an additional proposed amendment with regard to fencing requirements. Fences

and freestanding walls is in the Zoning Code at section 17.23.060. In short, the section states that fences are limited to *no more than 3 feet if solid or 4 feet if 50% open in front and corner side setbacks* and allowed up to 6.5 feet if in rear or interior side setback areas. The 2022 Zoning Code included a new provision that allowed properties located both north of Alva Paul Creek and east of Hwy 1 a higher fence height limit of *no more than 4 feet if solid or 5 feet if 50% open in front and street-side setbacks*. This higher fence height was approved based on PC recommendation and acknowledgment that properties in this area of the city are in many cases smaller (on average about 2400sf in lot size) and as such creates such a small back yard that the front yard is often used as the outdoor space which would reasonably necessitate a higher fence to allow for privacy, safety, and family use. Since the adoption of the Zoning Code, the City has experienced a large number of fence complaints related to height and disputes regarding non-conforming fences that have been present for years. To remedy this issue, Staff is recommending that all existing fences be grandfathered at their existing height, as of the date of adoption of this Ordinance 662. This would apply citywide and only to fences located on private property. Those fences located in public rights-of-way would still be subject to Public Works requirements. The amended section 17.23.060 would therefore read as follows (new addition in bold underlined font):

*“Solid Fences, Walls, Dense Hedges, and Similar Structures. Solid fences, walls, dense hedges, and similar structures may be a maximum of three feet high within the required front and corner side setback except on parcels north of Alva Paul Creek and east of Highway One where solid fences, walls, dense hedges, and similar structures may be a maximum of four feet. **Fence heights in existence as of date of adoption of Ordinance 662 shall be considered legal, non-conforming and allowed to remain.**”*

LAND USE MAP AND ZONING MAP AMENDMENTS

This Amendment package also includes various Land Use Map and Zoning Map Amendment for several parcels identified in the City where there is an inconsistency between land use and zoning designations, or an error in the map. These parcels are listed below by address and/or APN number.

Land Use Map list of changes by APN number – PC recommendation 10/3/2023:

1. Dog Beach, 065-022-009 – Change from Agriculture to Open Space
2. Dog Beach, 065-022-011 – Change from Agriculture to Open Space
3. Preston Lane, 068-183-026 – Change from Moderate Density Residential to General (Light) Industrial

Zoning Map list of changes by APN number – PC recommendation 10/3/2023:

1. Dog Beach, 065-022-009 – Change from Agriculture (AG) to Open Space (OS)
2. Dog Beach, 065-022-011 – Change from Agriculture (AG) to Open Space (OS)
3. Preston Lane, 068-183-026 – Change from Residential Single-Unit (RS-A) to Industrial General (IG)
4. Preston Lane, 068-291-046 – Change from Residential Single-Unit (RS-A) to Industrial General (IG)

Zoning Map list of changes by APN number and/or address – PC recommendation 11/7/2023:

1. Eagle Rock vacant property, APN 066-221-001 change from RS-A zoning to OS zoning;
2. Morro Bay Police Station, 850 Morro Bay Blvd/870 Morro Bay Blvd, APN #066-075-021/066-075-007 change from CC zoning to PF zoning;

3. Morro Bay Fire Station, 715 Harbor St, APN 066-071-035 change from CC zoning to PF zoning;
4. Morro Bay Comm Dev/Public Works/City Hall, 595 Harbor St/955 Shasta Ave APN 066-280-025, change CC zoning to PF zoning;
5. Morro Bay Community Center/Rec Dept, 1001 Kennedy Way, APN 066-280-023; change RH zoning to PF zoning;
6. Public Library, 625 Harbor St, APN 066-280-024 change CC zoning to PF zoning;
7. 2830 Alder Ave, APN 068-212-014, change from RM zoning to NC zoning;
8. 393 Zanzibar St, APN 065-081-056, change from NC zoning to RM zoning

OBJECTIVE DESIGN STANDARDS (ODS)

The ODS are proposed to be added as Chapter 17.31 to the 2022 Zoning Code (online link at end of staff report). Planning Commission forwarded a favorable recommendation to City Council by adoption of PC Resolution 09-23. The recommended ODS were reviewed by City Council in a duly noticed public hearing on October 10, 2023. At that hearing, the Council reviewed the standards and continued the item until the Zoning Code Amendments were brought forward which are part of this staff report.

City Council discussion at the October 10, 2023 meeting included questions for staff and additional clarification regarding various provisions of the proposed ODS. Staff has summarized the key questions presented and provided clarification and follow up for Council review below:

1. Where are ODS projects allowed?

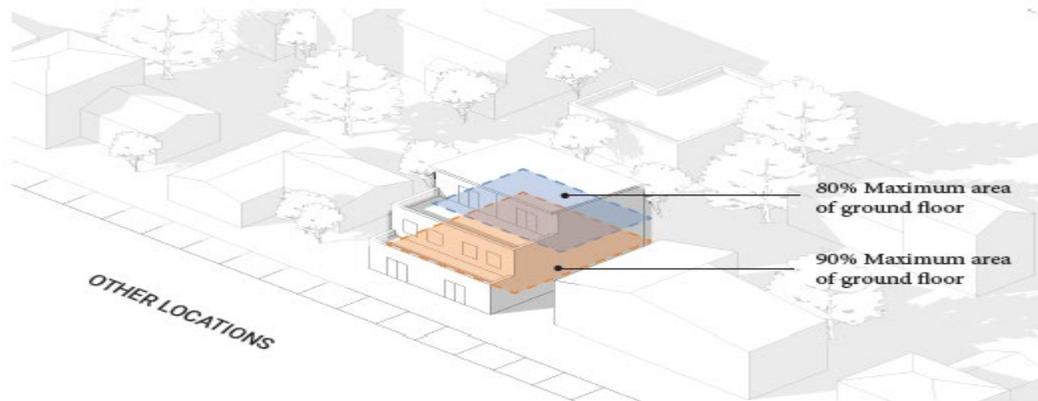
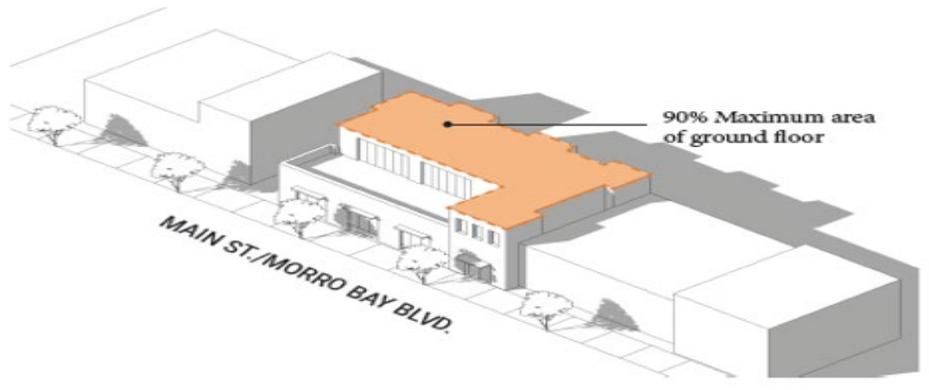
Staff response: ODS applies to commercial or multi-family zoned properties or other zones where mixed use projects are allowed. ODS would only apply to projects submitted under one of the State housing bills. In all cases ODS projects would be subject to the base zoning development standards such as height and setbacks.

2. Why do the ODS not include elevator requirements? Seniors as a demographic are most at risk of losing housing. Can we add requirements for elevators?

Staff response: The City could not include an ODS provision that would make a project more expensive as it could be construed as prohibiting housing or have the effect of reducing the number of units. However, the California Building Code and Americans with Disabilities Act dictate when elevators are required and that could be used to ensure projects include elevators per the CBC. Staff recommendation would be to therefore not include elevator requirements in the ODS, but rather to consider appropriateness of a local amendment to the CBC to further refine elevator requirements on multi-story developments. All projects applied for under ODS are subject to the maximum height requirements under the zone district.

3. Can you provide images of what the massing and upper floor step backs look like?

Staff response: PC wanted fewer renderings in the ordinance to avoid people catering their project design to a certain architectural style represented in renderings which is why images are not included in the recommended ordinance. Since the October 10th meeting, staff has prepared conceptual renderings below for Council reference to illustrate upper story massing.



4. Is ODS only for affordable housing?

Staff response: The ODS are design guidelines, they do not create affordable housing by itself. However, projects by developers that are proposed as affordable or a portion as affordable could utilize the ODS if they were seeking streamlined housing approval and their property was located in an eligible zoning district. ODS would only be utilized for projects that are submitted under one of the State Housing Bills that allow for the application of ODS.

5. Clarification regarding allowance of parapet roof when the ODS already includes screening requirements.

Staff response: Planning Commission recommended parapet roofs be allowed both as an architectural design element and also for rooftop screening since this is a common design in Morro Bay architecture.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Pursuant to State CEQA guidelines, a Program EIR for the Plan Morro Bay project was prepared, released for a 45-day public review process on October 19, 2020 to December 4, 2020 and certified by the City Council on May 25, 2021 (State Clearinghouse number 2017111026).

The proposed Zoning Code / Coastal Implementation Plan Amendments implement the General Plan/ LCP which was considered through the programmatic EIR review referenced above. That document provides a programmatic review of the potential impacts associated with implementation of the overall Plan Morro Bay project. State CEQA Guidelines Section 15162 provides that no further

review is required under CEQA when there are no substantial changes in the Project, there are no substantial changes with respect to the circumstances under which the Project is undertaken, and there is no new information of substantial importance, which was not known and could not have been known at the time of certification of the EIR. The proposed Zoning Code/ IP Amendments, and GP/LCP Land Use Map and Zoning Map Amendments are consistent with and implement the General Plan/ LCP Coastal Land Use Plan and is consistent with the analysis presented in the EIR and therefore, pursuant to State CEQA Guidelines Section 15162, no subsequent analysis is required.

PUBLIC NOTICE

Notice of this public hearing was published in the San Luis Obispo Tribune newspaper on November 3, 2023 as a 1/8th page legal display ad as required for items affecting more than 1,000 residents and individual notices of this public hearing were also sent to all owners and occupants within 500 feet of the parcels proposed for Land Use Map and Zoning Map amendments and posted in public notice kiosks at City Hall, the Community Development Department, and the Morro Bay Public Library.

CONCLUSION

The proposed amendments before the Council reflect the recommendation by the Planning Commission. Staff recommends the City Council review the PC recommendation and make two motions. First to Introduce for first reading, with further reading waived, Ordinance No. 662, (i) amending the Zoning Code adopted by Council November 2022 with miscellaneous amendments to all of Division 1 and Division 2 and Chapters 17.23, 17.26, 17.27, 17.29, 17.30, 17.36, 17.38, 17.39, 17.42, 17.43, 17.44, 17.53, and 17.54; (ii) adopt Resolution No. 73-23 to amend General Plan/ Local Coastal Program (LCP) Land Use Map (LUP) with a finding that no further environmental review is required pursuant to State CEQA Guidelines section 15162 with a second separate motion to introduce for first ready by number and title only, with further reading waived, Ordinance No. 661 amending the 2022 Zoning Code to adopt Objective Design Standards established as Chapter 17.31; with a finding that no further environmental review is required pursuant to State CEQA Guidelines section 15162.

ATTACHMENTS

1. Ordinance No. 662, 2023 Zoning Code/ IP Amendments
2. Ordinance No. 661, Objective Design Standards, Chapter 17.31 of Zoning Code
3. Resolution No. 73-23 for General Plan/ LCP Land Use Map Amendments
4. Planning Commission Resolutions 15-23 and 18-23
5. Land Use and Zoning Map Proposed Amendments, listed by parcel

ONLINE LINKS:

1. [Council Amendment Adoption Draft of Zoning Code/IP with edits, November 2023](#)
2. [Council Amendment Adoption Draft of Zoning Code/IP, clean formatting, November 2023](#)
3. [Spreadsheet Summary Matrix with all Zoning Amendment edits](#)
4. [Link to October 10, 2023 City Council staff report for Objective Design Standards](#)
5. [Proposed Zoning Map with 2023 Map Amendment](#)
6. [Proposed Land Use Map with 2023 Map Amendment](#)
7. [Ordinance 654 adopted November 2022](#)

ORDINANCE NO. 662

**AN ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
AMENDING THE 2022 ZONING CODE/COASTAL IMPLEMENTATION PLAN (IP)
TITLE 17 (ZONING) AND THE ZONING MAP WHICH INCLUDES MISCELLANEOUS
AMENDMENTS TO ALL OF DIVISION I AND DIVISION II AND CHAPTERS 17.23,
17.26, 17.27, 17.29, 17.30, 17.36, 17.38, 17.39, 17.42, 17.43, 17.44, 17.53, and
17.54 OF THE MORRO BAY MUNICIPAL CODE (MBMC)**

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

WHEREAS, duly noticed public hearings for the Zoning Code / Coastal Implementation Plan (IP) Amendments and Zoning Map Amendments were held by Planning Commission on September 19, 2023, October 3, 2023, and November 7, 2023; and

WHEREAS, the Planning Commission of the City of Morro Bay conducted a hybrid public hearing both in-person at 209 Surf Street, Morro Bay, and via video conference on September 19, 2023 and October 3, 2023 for the purpose of considering a favorable recommendation to the Morro Bay City Council for adoption of the Zoning Code /IP Amendments as part of the Plan Morro Bay project, and forwarded a favorable recommendation with adoption of Planning Commission Resolution No. 15-23; and

WHEREAS, the Planning Commission of the City of Morro Bay conducted a hybrid public hearing both in-person at 209 Surf Street, Morro Bay, and via video conference on November 7, 2023 for the purpose of considering a favorable recommendation to the Morro Bay City Council for adoption of the Zoning Map Amendments as part of the Plan Morro Bay project, and forwarded a favorable recommendation with adoption of Planning Commission Resolution No. 18-23; and

WHEREAS, pursuant to State CEQA guidelines, a Program Environmental Impact Report (EIR) for the Plan Morro Bay project was prepared, released for a 45-day public review process on October 19, 2020 to December 4, 2020 and certified by the City Council on May 25, 2021 (State Clearinghouse number 2021111026); and

WHEREAS, the proposed Zoning Code/IP Amendments and Zoning Map Amendments implement the General Plan/Local Coastal Plan (LCP) Coastal Land Use Plan which was considered through a programmatic EIR review and that document provides a programmatic review of the potential impacts associated with implementation of the overall Plan Morro Bay project; and

WHEREAS, State CEQA Guidelines Section 15162 provides that no further review is required under CEQA when there are no substantial changes in the Project, and there are no substantial changes with respect to the circumstances under which the Project is undertaken, and there is no new information of substantial importance, which was not known and could not have been known at the time of certification of the EIR; and

WHEREAS, the proposed Zoning Code/ IP Amendments and Zoning Map Amendments

are consistent with and implements the General Plan / LCP Coastal Land Use Plan and is consistent with the analysis presented in the EIR and therefore, pursuant to State CEQA Guidelines Section 15162, no subsequent analysis is required; and

WHEREAS, the City Council of the City of Morro Bay (the “City”) conducted a hybrid public hearing both in-person at the Morro Bay Veteran’s Hall at 209 Surf Street and via video conference on November 14, 2023, for the purpose of considering the favorable recommendation by the Planning Commission and for purposes of adoption of the Zoning Code / Coastal Implementation Plan (IP) Amendments and Zoning Map Amendments and finding that no further environmental review is necessary pursuant to CEQA State Guidelines Section 15162; and

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

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

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

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

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

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

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

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

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

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

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

SECTION 2. Title 17 (Zoning) of the Morro Bay Municipal Code is hereby amended upon both final certification by the California Coastal Commission, as well as the effective date as an operation of law, of an amended Title 17 of the Morro Bay Municipal Code, in a form substantially

similar to the Zoning Code / IP and the Zoning Map located on the City’s Plan Morro Bay website at www.morrobayca.gov/planmb. Non-substantive/typographical changes to the Zoning Code replacement and Zoning Map at www.morrobayca.gov/planmb may be authorized by the City Attorney; no material changes beyond typographical corrections may be made prior to second reading.

SECTION 3. CEQA Findings. Pursuant to State CEQA guidelines, a Program EIR for the Plan Morro Bay project was prepared, released for a 45-day public review process on October 19, 2020 to December 4, 2020 and certified by the City Council on May 25, 2021 (State Clearinghouse number 2021111026). The proposed Zoning Code / Coastal Implementation Plan update project implements the General Plan/ LCP which was considered through the programmatic EIR review referenced above. That document provides a programmatic review of the potential impacts associated with implementation of the overall Plan Morro Bay project. State CEQA Guidelines Section 15162 provides that no further review is required under CEQA when there are no substantial changes in the Project, there are no substantial changes with respect to the circumstances under which the Project is undertaken, and there is no new information of substantial importance, which was not known and could not have been known at the time of certification of the EIR. The proposed Zoning Code/ IP Update Amendment is consistent with and implements the General Plan/ LCP Coastal Land Use Plan and is consistent with the analysis presented in the EIR and therefore, pursuant to State CEQA Guidelines Section 15162, no subsequent analysis is required.

SECTION 4. Severability. If any section, subsection, phrase, or clause of this ordinance or any part thereof is for any reason held to be unconstitutional or otherwise unenforceable, such decision shall not affect the validity of the remaining portions of this ordinance or any part thereof. The City Council hereby declares that it would have passed this ordinance and each section, subsection, phrase or clause thereof irrespective of the fact that any one or more sections, subsections, phrases, or clauses be declared unconstitutional or otherwise unenforceable.

SECTION 5. Effective Date. This Ordinance shall take effect 30 days after its adoption and upon certification required as an operation of law.

//

//

//

//

//

//

//

//

//

//

SECTION 6. Certification. The City Clerk shall certify as to the passage and adoption of this Ordinance and shall cause the same to be posted as the designated locations in the City of Morro Bay.

INTRODUCED at a regular meeting of the City Council held on the 14TH day of November 2023, by motion of _____ and seconded by _____.

PASSED AND ADOPTED on the ___ day of _____, 2023, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE:

CARLA WIXOM, MAYOR

ATTEST:

DANA SWANSON, City Clerk

APPROVED AS TO FORM:

CHRIS F. NEUMEYER, City Attorney

STATE OF CALIFORNIA)
COUNTY OF SAN LUIS OBISPO)
CITY OF MORRO BAY)

I, Dana Swanson, City Clerk for the City of Morro Bay, California, do hereby certify that the foregoing Ordinance No. 662 was duly passed and adopted by the City Council of the City of Morro Bay at the regular meeting thereof, held on the ____ day of _____, 2023, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE:

IN WITNESS WHEREOF I have hereunto set my hand and affixed the official seal of the City of Morro Bay, California, this _____ day of _____, 2023.

DANA SWANSON, City Clerk

ORDINANCE NO. 661

**AN ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
FOR ADOPTION OF OBJECTIVE DESIGN STANDARDS FOR INCLUSION AS
CHAPTER 17.31 OF THE MORRO BAY MUNICIPAL CODE, "RESIDENTIAL AND
MIXED-USE OBJECTIVE DESIGN STANDARDS," AND FURTHER TO BE AN
AMENDMENT TO THE 2022 ZONING CODE WITH A FINDING THAT NO FURTHER
ENVIRONMENTAL REVIEW IS REQUIRED PURSUANT TO STATE CEQA
GUIDELINES SECTION 15162**

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

WHEREAS, the City Council of the City of Morro Bay (the "City") conducted a public hearing on October 10, 2023, conducted in a hybrid format with both an in-person meeting at the Morro Bay Veterans Memorial Building, 209 Surf Street, Morro Bay, CA 93442 as well as through virtual public participation provided telephonically through Zoom, for the purpose of considering the approval of "Objective Design Standards" for various development case types in the City, which resulted from a policy goal in the adopted Housing Element update 2020-2028; and

WHEREAS, the City Council of the City of Morro Bay (the "City") conducted a public hearing on November 14, 2023, conducted in a hybrid format with both an in-person meeting at the Morro Bay Veterans Memorial Building, 209 Surf Street, Morro Bay, CA 93442 as well as through virtual public participation provided telephonically through Zoom, for the purpose of considering the approval of "Objective Design Standards" for various development case types in the City, which resulted from a policy goal in the adopted Housing Element update 2020-2028; and

WHEREAS, California Government Code Section 65300 requires the City adopt a comprehensive, long-term general plan for the physical development of the City; and

WHEREAS, Government Code Section 65860 requires that the City's zoning regulations be consistent with its General Plan and that in the event that zoning regulations become inconsistent with the General Plan by reason of amendment to the General Plan, the zoning shall be amended so that it is consistent with the General Plan as amended; and

WHEREAS, in May 2021 the City adopted a comprehensive update to its General Plan and Local Coastal Program Coastal Land Use Plan (LCP) known as Plan Morro Bay; and

WHEREAS, on November 22, 2022 the City Council adopted Ordinance 654, which repealed and replaced Title 17 of the Morro Bay Municipal Code (MBMC) in its entirety and adopted the 2022 Zoning Code / Coastal Implementation Plan (IP); and

WHEREAS, amendments to the MBMC, including its zoning regulations, are necessary to provide consistency with the 2021 General Plan/LCP Update; and

WHEREAS, the City determined that the General Plan /LCP Update, including the Plan Morro Bay's Zoning Code/ Coastal Implementation Plan (IP) Update was a project requiring review pursuant to the California Environmental Quality Act (CEQA),

Public Resources Code 21000 et seq., and that an Environmental Impact Report (EIR) should be prepared to evaluate the potential environmental effects of such updates; and

WHEREAS, on May 26, 2021, the City Council adopted Resolution 20-21, certifying the EIR for the General Plan Update (State Clearinghouse Number SCH#2021111026), adopting Findings of Fact and Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program; and

WHEREAS, the Planning Commission reviewed the ordinance setting Objective Design Standards, attached hereto as Exhibit A as a new proposed MBMC Chapter 17.31, in four public hearings, resulting in the presented version of the ordinance at Exhibit A; and

WHEREAS, in its August 15, 2023 public hearing, Planning Commission voted 4-1 to forward a favorable recommendation for City Council adoption of the proposed new Chapter 17.31 of the MBMC, "Residential and Mixed Use Objective Design Standards," at Exhibit A hereto; and

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

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA FINDS AND ORDAINS AS FOLLOWS:

SECTION 1. FINDINGS. Based upon all the evidence, the Council makes the following findings:

- (a) California Environmental Quality Act. No further environmental review is required pursuant to State CEQA Guidelines Section 15162. To this end:
 - i. The proposed Objective Design Standards to be added as amendment to the 2022 Zoning Code implements the General Plan/LCP, which was considered through the General Plan /LCP Update Environmental Impact Report (EIR) (SCH No. 2021111026). That document provides a programmatic review of the potential impacts associated with implementation of the overall General Plan/LCP. The EIR is comprised of a Draft EIR (Draft EIR) and Final EIR (Final EIR). The Final EIR was released for public review on October 19, 2020 and certified by the City Council on May 25, 2021.
 - ii. The proposed Objective Design Standards as a Zoning Code amendment are consistent with the analysis presented in the EIR and, pursuant to State CEQA Guidelines Section 15162, no subsequent analysis is required.
 - iii. Therefore, there are no substantial changes in the project analyzed in the EIR, there are no substantial changes with respect to the circumstances under which such project is undertaken, and no new information of substantial importance, which was not known and could not have been known at the time of certification of the EIR, and no further environmental review is required.
- (b) Municipal Code (Zoning Code Update) Amendment. The proposed municipal code amendment is consistent with the General Plan goals, policies, and implementation programs and are necessary in order to provide consistency with the 2021 General Plan. This action is supported by the findings in Section 2(a)

above, and is further supported by all findings of fact presented at the City Council hearing, including without limitation those facts stated in the accompanying staff report and exhibits thereto, and all evidence, determinations and direction of the City's Planning Commission, all of which evidence is incorporated herein by this reference.

SECTION 2. FINDINGS. The City Council does hereby adopt the Objective Design Standards, new Chapter 17.31 of the MBMC, "Residential and Mixed Use Objective Design Standards," provided as Exhibit A hereto, which includes the Planning Commission recommended changes and serves as an amendment to the 2022 Zoning Code for the Plan Morro Bay Update.

SECTION 3. SEVERABILITY. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have adopted this ordinance and each section, subsection, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions thereof may be declared invalid or unconstitutional.

SECTION 4. EFFECTIVE DATE. This ordinance shall be in full force and effect thirty (30) days after its passage and adoption.

SECTION 5. CERTIFICATION. The City Clerk shall certify as to the passage and adoption of this ordinance, and the City Clerk shall cause the same to be posted and codified in the manner required by law.

INTRODUCED at a regular meeting of the City Council held on the 14th day of November 2023, by motion of _____ and seconded by _____.

PASSED AND ADOPTED on the _____ day of _____ 2023 on the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:
- RECUSE:

CARLA WIXOM, Mayor

ATTEST

DANA SWANSON, City Clerk

APPROVED AS TO FORM:

CHRIS F. NEUMEYER, City Attorney

STATE OF CALIFORNIA)
COUNTY OF SAN LUIS OBISPO)
CITY OF MORRO BAY)

I, Dana Swanson, CITY CLERK OF THE CITY OF MORRO BAY, DO HEREBY CERTIFY that the foregoing Ordinance Number 661 was duly adopted by the City Council of the City of Morro Bay at a regular meeting of said Council on the ____ day of _____ 2023, and that it was so adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE:

IN WITNESS WHEREOF I have hereunto set my hand and affixed the official seal of the City of Morro Bay, California, this ____ day of _____, _____.

DANA SWANSON, City Clerk

Chapter 17.31: Residential and Mixed Use Objective Design Standards

17.31.010	Introduction
17.31.020	Site Design Standards
17.31.030	Building Design Standards
17.31.040	Additional Mixed Use Standards
17.31.050	Parking Structures
17.31.060	Utilitarian Elements

17.31.010 Introduction

- A. **Purpose.** The purpose of these design standards is to provide the public, building and design professionals, and decision-makers with objective, clear, and measurable criteria for eligible residential and mixed use development in Morro Bay.
1. State housing laws have established eligibility for various types of residential and mixed use development, which must be evaluated on the basis of objective standards adopted by the city.
 2. The intent of such State legislation is to facilitate and expedite the construction of housing, contribute to the Regional Housing Needs Allocation, and address the local shortage of housing. The State finds that lack of homes has resulted in the following across California:
 - a. Workers, public safety employees, healthcare providers, educators moving to lower-cost homes farther away from the communities they serve;
 - b. Employers facing increasing difficulty in securing and retaining a workforce;
 - c. Increased pressure to develop farmlands, open space, and rural areas into lower-cost homes, with longer commute times, greenhouse gas emissions, and higher exposure to fire hazard;
 - d. Increased poverty and homelessness;
 - e. Lower income residents moving into crowded and unsafe homes; and
 - f. Families and individuals moving out of their communities and ultimately out of the State of California.
 3. The intent of this Chapter is to provide clear design direction and an expedited planning process for these eligible residential projects. Unless otherwise indicated herein, all references to State statutes refer to the California Government Code.
- B. **Eligible Projects.** The provisions of this chapter apply to projects made eligible by, but not limited to, the following State housing laws:
1. ***Senate Bill 35 Projects (California Government Code §65913.4).*** SB 35 establishes eligible residential development in cities where the number of residential units built is less than the Regional Housing Needs Allocation for the reporting period. Eligible

CITY OF MORRO BAY
OBJECTIVE DESIGN STANDARDS

NOVEMBER 2023 CITY COUNCIL ADOPTION DRAFT

projects are subject to a ministerial, streamlined approval process, consistent with objective standards, if the following conditions are met.

- a. The proposed project contains two or more residential units, and at least two-thirds of the square footage of the development is designated for residential use;
 - b. The proposed project is located on a site that satisfies the following:
 - i. The site is a legal parcel or parcels located in city boundaries;
 - ii. 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses (parcels that are only separated by a street or highway shall be considered to be adjoined); and
 - iii. The site is zoned for residential use or residential mixed use development;
 - c. The proposed site is not located any of the following:
 - i. A coastal zone (defined in Division 20 and commencing with Section 30000 of the Public Resources Code);
 - ii. Prime farmland or farmland of statewide importance (as defined by the United States Department of Agriculture);
 - iii. Wetlands (as defined in the United States Fish and Wildlife Service Manual);
 - iv. Very high fire hazard severity zone (as defined by the Department of Forestry and Fire Protection pursuant to Section 51178 of the California Government Code);
 - v. Hazardous waste sites (defined by the Department of Toxic Substances Control and pursuant to Section 65962.5);
 - vi. Delineated earthquake fault zone (defined by the State Geologist);
 - vii. Floodplains (defined by the Federal Emergency Management Agency);
 - viii. Floodways (defined by the Federal Emergency Management Agency);
 - ix. Lands identified for conservation in an adopted natural community conservation plan (pursuant to the Natural Community Conservation Planning Act);
 - x. Habitat for protection species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protect species, or species protected by the federal Endangered Species Act of 1973;
 - xi. Lands under conservation easement;
 - d. The proposed project is required to record land use deed restrictions for any units that are subsidized;
 - e. The proposed project would not require the demolition of housing and is not located on a site that is governed under the Mobilehome Residency Law.
2. **Senate Bill 330 Projects (California Government Code §65589.5 and §65920).** SB 330 establishes eligible affordable residential development in cities where the number of residential units built is less than the Regional Housing Needs Allocation for the

CITY OF MORRO BAY
OBJECTIVE DESIGN STANDARDS

NOVEMBER 2023 CITY COUNCIL ADOPTION DRAFT

reporting period. Eligible residential development is subject to a preliminary application process pursuant to Sections 65589.5 and 65920, and must be consistent with objective standards.

3. ***Assembly Bill 2011 Projects (California Government Code §65400, §65585, and §65912).*** AB 2011 establishes eligible 100 percent affordable residential and mixed use development along commercial corridors (where office, retail, or parking is the principal use), subject to specific affordability, labor, and environmental criteria. AB 2011 projects are subject to a ministerial, streamlined approval process, if the following conditions are met.
 - a. The proposed project meets the following affordability criteria:
 - i. 100 percent of the units within the development project, excluding managers' units, shall be dedicated to lower income households at an affordable cost, as defined by Section 50052.5 of the Health and Safety Code; and
 - ii. The units shall be subject to a recorded deed restriction for a period of 55 years for rental units and 45 years for owner-occupied units;
 - b. The proposed site satisfies the following:
 - i. The proposed project is located in a zoning district where office, retail, or parking are a principally permitted use;
 - ii. The proposed project is located on a legal parcel or parcels located in city boundaries; and
 - iii. The proposed project is located on a site where 75 percent of the perimeter adjoins parcels that are developed with urban uses (parcels that are only separated by a street or highway shall be considered to be adjoined);
 - c. The proposed site is not located in any of the following:
 - i. Prime farmland or farmland of statewide importance (as defined by the United States Department of Agriculture);
 - ii. Wetlands (as defined in the United States Fish and Wildlife Service Manual);
 - iii. Very high fire hazard severity zone (as defined by the Department of Forestry and Fire Protection pursuant to Section 51178 of the California Government Code);
 - iv. Hazardous waste sites (defined by the Department of Toxic Substances Control and pursuant to Section 65962.5);
 - v. Delineated earthquake fault zone (defined by the State Geologist);
 - vi. Floodplains (defined by the Federal Emergency Management Agency);
 - vii. Floodways (defined by the Federal Emergency Management Agency);
 - viii. Lands identified for conservation in an adopted natural community conservation plan (pursuant to the Natural Community Conservation Planning Act);

CITY OF MORRO BAY
OBJECTIVE DESIGN STANDARDS

NOVEMBER 2023 CITY COUNCIL ADOPTION DRAFT

- ix. Habitat for protection species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protect species, or species protected by the federal Endangered Species Act of 1973;
 - x. Lands under conservation easement; or
 - xi. A site where more than one-third of the square footage on the site is dedicated to industrial use;
- d. The proposed project would not require the demolition of housing and is not located on a site that is governed under the Mobilehome Residency Law; and
- e. If vacant, the proposed site does not contain tribal cultural resources (as defined by Section 21074 of the Public Resources Code) found pursuant to a consultation.
4. **Assembly Bill 2162 Projects (California Government Code §65583 and §65650).** AB 2162 establishes eligible supportive housing by-right in zones where multi-unit and mixed use development is permitted. Eligible projects are subject to a ministerial, streamlined approval process, consistent with objective standards, if the following conditions are met.
- a. Units within the proposed development are subject to a recorded affordability deed restriction for 55 years;
 - b. 100 percent of the units within the development project, excluding managers' units, shall be dedicated to lower income households at an affordable cost, as defined by Section 50052.5 of the Health and Safety Code; and
 - c. At least 25 percent of the total units, or 12 units, whichever is greater, are restricted to residents in supportive housing who meet target criteria.
5. **Senate Bill 6 Projects (California Government Code §65913.4 and §65852.24).** SB 6 establishes eligible residential development along commercial corridors (where office, retail, or parking is the principal use), subject to specific labor and environmental criteria, in cities where the number of residential units built is less than the Regional Housing Needs Allocation for the reporting period. Eligible projects are subject to a ministerial, streamlined approval process, consistent with objective standards, if the following conditions are met.
- a. The proposed project contains two or more residential units, and at least two-thirds of the square footage of the development is designated for residential use;
 - b. The proposed project is located on a site that satisfies the following:
 - i. The site is a legal parcel or parcels located in city boundaries;
 - ii. 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses (parcels that are only separated by a street or highway shall be considered to be adjoined); and
 - iii. The site is zoned for residential use, residential mixed use development, office commercial use, or retail commercial use;
 - c. The proposed site is not located any of the following:
 - i. A coastal zone (defined in Division 20 and commencing with Section 30000 of the Public Resources Code);

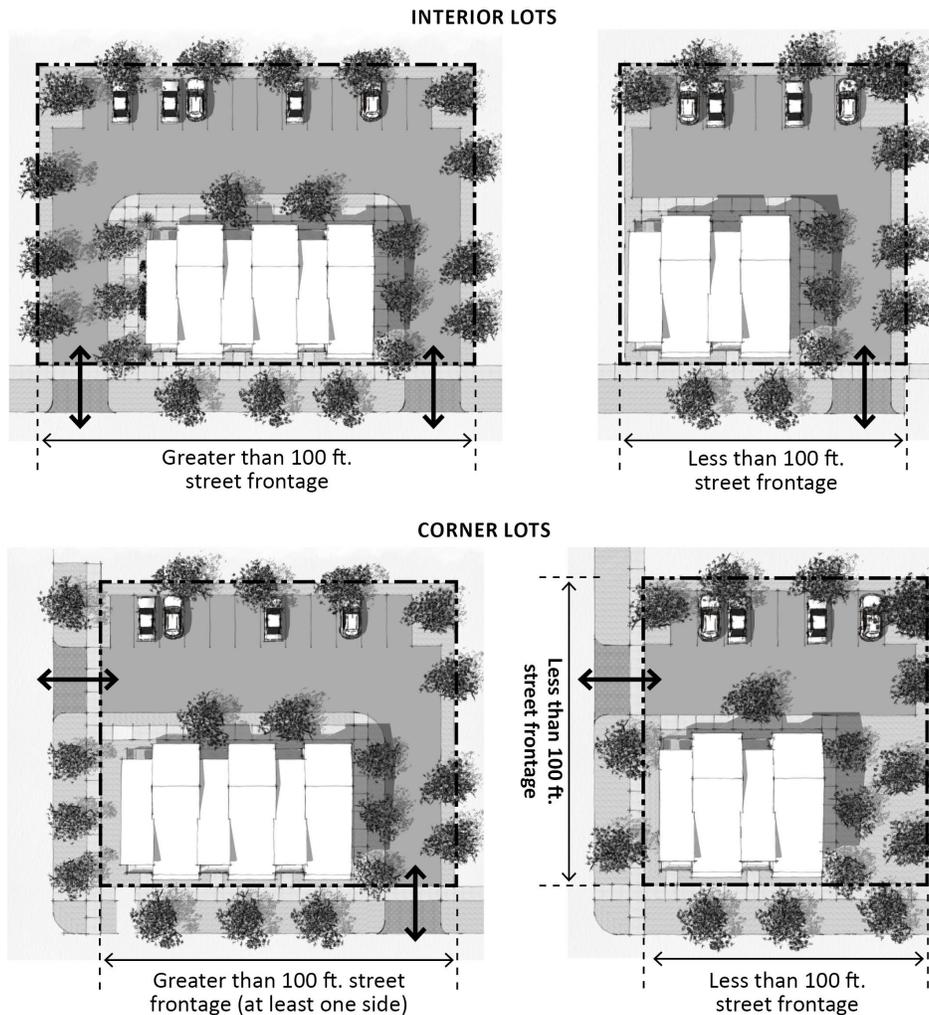
CITY OF MORRO BAY
OBJECTIVE DESIGN STANDARDS
NOVEMBER 2023 CITY COUNCIL ADOPTION DRAFT

- ii. Prime farmland or farmland of statewide importance (as defined by the United States Department of Agriculture);
 - iii. Wetlands (as defined in the United States Fish and Wildlife Service Manual);
 - iv. Very high fire hazard severity zone (as defined by the Department of Forestry and Fire Protection pursuant to Section 51178 of the California Government Code);
 - v. Hazardous waste sites (defined by the Department of Toxic Substances Control and pursuant to Section 65962.5);
 - vi. Delineated earthquake fault zone (defined by the State Geologist);
 - vii. Floodplains (defined by the Federal Emergency Management Agency);
 - viii. Floodways (defined by the Federal Emergency Management Agency);
 - ix. Lands identified for conservation in an adopted natural community conservation plan (pursuant to the Natural Community Conservation Planning Act);
 - x. Habitat for protection species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protect species, or species protected by the federal Endangered Species Act of 1973; or
 - xi. Lands under conservation easement;
- d. The proposed project is required to record land use deed restrictions for any units that are subsidized.
6. All other residential or mixed use projects made eligible by State law and which are required to meet objective standards.
- C. **Compliance with Other Standards.** In addition to meeting objective standards in this chapter, eligible residential projects shall comply with other objective standards as established in the Morro Bay Municipal Code, other adopted City plans, and the California Building Code (CBC).
- D. **Conflicting Standards.** If there is any conflict between the objective design standards of this Chapter and other City requirements, the less restrictive objective design standard applicable to the project shall apply. If there is any conflict between City requirements stated in this chapter and State law, the State law requirement shall apply.
- E. **Exceptions, Waivers, or Modifications.** The City's non-streamlined, discretionary review process shall be required for any project that seeks exceptions, waivers, variances or other modifications to the objective standards of this Chapter.

17.31.020 Site Design Standards

- A. **Purpose.** Site planning refers to the arrangement of - and relationships between - buildings, parking areas, common and private open space, landscaping, and pedestrian connections. The site planning topics in this section include site layout and building placement, vehicular surface parking and access, pedestrian circulation and access, landscaping, and common and private open space.
- B. **Building Placement and Orientation.** Building placement and orientation shall comply with the provisions of Chapter 17.07, Residential Districts, or Chapter 17.08, Commercial and Mixed Use Districts. In addition, if buildings on the same block establish a contiguous street wall along at least 50 percent of the primary street frontage, new buildings shall be located to maintain the contiguous street wall.
- C. **Vehicular Parking and Access.** Off-street vehicular parking and access shall comply with the provisions of Chapter 17.27, Parking and Loading. For properties in Commercial and Mixed Use Districts, projects shall also comply with Section 17.08.040, Supplemental Regulations. In addition, projects shall comply with the following:
1. **Primary Access.** Side street or alley access shall serve as the primary vehicular access to off-street parking areas, if available. If not available, the primary street shall serve vehicular access. See Section 17.27.100, Driveways and Drive Approaches, for detailed standards related to driveway location, site layout, limits to driveway width and design.
 2. **Number of Access Points.**
 - a. For interior lots with less than 100 linear feet of street frontage, a maximum of one vehicle access point from the street is permitted. For interior lots with 100 linear feet or more of street frontage, a maximum of two vehicular access points from the street is permitted.
 - b. For corner lots, one vehicular access point is permitted where both street frontages are less than 100 linear feet. Two vehicular access points are permitted for lots where at least one street frontage is 100 linear feet or more.
 - c. The above standards assume that an access point can be a two-way connection (both ingress and egress) or a one-way connection (either ingress or egress).

CITY OF MORRO BAY
 OBJECTIVE DESIGN STANDARDS
 NOVEMBER 2023 CITY COUNCIL ADOPTION DRAFT
FIGURE 17.31.020(C)(2): VEHICULAR ACCESS POINTS



3. **Parking Location.** Parking areas shall not be located within any front or street side setback, or between any residential/mixed use structure and the primary street.
 - a. **Parking Area Gates.** Parking areas with gates to control access are allowed. Gates shall be located a minimum of 20 feet from the back of sidewalk, or edge of pavement where there is no sidewalk.
4. **Loading and Service Areas.** The provision, layout and design of loading and service areas shall comply with Section 17.27.090, Loading, as well as the following standards:
 - a. All required loading and service areas shall be located adjacent to a façade other than the primary building frontage.
 - b. Loading and service areas shall not be located adjacent to residential dwelling units or common open space areas. Loading areas shall be screened from public view by building walls and/or uniformly solid fencing or walls, not less than six feet in height, or evergreen trees at least 10 feet in height.
5. **Avoid Vehicle Light Intrusion into Ground-Floor Units.** Vehicle parking areas shall be located, oriented, and/or screened to prevent visual intrusion of vehicle lights into

CITY OF MORRO BAY
OBJECTIVE DESIGN STANDARDS
NOVEMBER 2023 CITY COUNCIL ADOPTION DRAFT

interior residential spaces, including residential units on neighboring properties. Where parking areas are located within 15 feet of a residential unit, they shall be located within a garage, carport, or parking structure, or screened by a solid wall, fence, or landscaping a minimum of six feet in height.

D. **Pedestrian Circulation and Access.** On-site pedestrian circulation and access shall be provided according to the following standards.

1. **Internal Connections.** A system of pedestrian walkways shall connect all buildings on a site to each other, to on-site automobile and bicycle parking areas, and to any on-site open space areas or pedestrian amenities.
2. **To Circulation Network.** Regular connections between on-site walkways and the public sidewalk shall be provided. An on-site walkway shall connect the primary building entry or entries to a public sidewalk on each street frontage. Such walkway shall be the shortest practical distance between the main entry and sidewalk, generally no more than 125 percent of the straight line distance.
3. **To Neighbors.** Direct and convenient access shall be provided from commercial and mixed-use projects to adjoining residential and commercial areas to the maximum extent feasible while still providing for safety and security.
4. **To Transit.** Safe and convenient pedestrian connections shall be provided from transit stops to building entrances.
5. **Pedestrian Walkway Design.**
 - a. Walkways shall be a minimum of five feet wide, shall be hard-surfaced, and paved with concrete, stone, tile, brick, or comparable material.
 - b. Where a required walkway crosses parking areas or loading areas, it must be clearly identifiable through the use of a raised crosswalk, a different paving material, or similar method.
 - c. Where a required walkway is parallel and adjacent to an auto travel lane, it must be raised or separated from the auto travel lane by a raised curb at least four inches high, bollards, or other physical barrier.
6. **Pedestrian Design in Parking Areas.** See Section 17.27.110, Parking Area Design and Development Standards, for requirements involving pedestrian access to vehicle parking areas.

E. **Common and Private Open Space.** Common and private open spaces shall be provided according to the base zoning district regulations in Chapter 17.07, Residential Districts, or Chapter 17.08, Commercial and Mixed Use Districts. Section 17.23.100, Open Space, contains objective standards regarding minimum dimensions, usability, and accessibility for both private and common open space. In addition, the following standards apply:

1. **Common Open Space.** Common open space shall be provided according to Section 17.23.100, Open Space, and shall comply with the following:
 - a. **Amenity Types.** Where required by the base zoning district, projects shall provide at least one common open space through the following amenities: play areas, common courtyards, patios, gathering spaces, multi-use paths and trails, athletic/recreational facilities, dog runs and enclosures; pools and spas, rooftop decks, and community gardens. An applicant may provide common open space

CITY OF MORRO BAY
OBJECTIVE DESIGN STANDARDS

NOVEMBER 2023 CITY COUNCIL ADOPTION DRAFT

through an amenity not on this list if it is readily accessible by all residents for recreation and social purposes.

- b. *Location.* Common open space shall be located to fulfill at least one of the following:
 - i. Avoid Building Shadow. The common open space shall not be located within the winter shadow line of the north-facing side of any building.
 - ii. Proximity to Multiple Homes. The common open space(s) is within 250 feet of the pedestrian entrances to at least 20 percent of the residential homes.
 - iii. Rooftop. The common open space is located on a building rooftop and is a minimum of 15 feet away from any property line.
 - c. *Visibility.* Common open space shall be located and arranged to allow visibility into the space from pedestrian walkways within the development. Fencing or barriers shall be designed with opaque, nontransparent materials for a maximum of 80 percent of the surface area, to allow some visual transparency between the common open space and pedestrian walkways.
2. **Private Open Space.** Private open space shall be provided according to Section 17.23.100, Open Space, and shall be screened with one of the following options:
 - a. *Screening with Structural Elements.* A private open space screened by a fence or wall shall comply with Section 17.23.060, Fences and Freestanding Walls.
 - b. *Screening with Landscaping and Structural Elements.* A private open space screened by landscaping shall provide a landscape buffer or dense evergreen shrubs/vines of minimum 5 feet width and minimum 4 feet height. If a ground-level private open space is visible from a public right-of-way or common open space, a landscape buffer is required.

F. **Landscaping.** Landscaping shall be utilized for all outdoor areas that are not specifically used for parking, driveways, walkways, or open space. Refer to Chapter 17.25, Landscaping, for regulations applicable to all new development. In addition, projects within the Coastal Resource Protection (CRP) Overlay District shall comply with relevant regulations in Chapter 17.14, Coastal Resource Protection Overlay District. For landscaping requirements in vehicular parking areas, refer to Section 17.27.110, Parking Area Design and Development Standards. In addition, the following standards apply:

1. **Number of Plants.** A minimum of one 15-gallon tree or equivalent box size and 10 five-gallon shrubs shall be planted for every 1,000 square feet of required landscape area.
2. **Plant Selection.** Projects shall comply with water efficient planting standards of Section 17.25.050, General Requirements. Plants shall be selected from plants that are native to California, or plants included on the City's Street Tree List. Artificial or synthetic plants, except for turf, are prohibited. In addition, tree and plant species that attract and provide habitat for local fauna (e.g., birds and pollinators such as bees and butterflies) are encouraged.
3. **Privacy.** Landscaping shall be provided as a buffer between adjacent individual units. Landscaping shall obscure direct sight lines, and may be used in combination with walls, fencing, and/or trellises to screen views. Plant selection and landscape screening

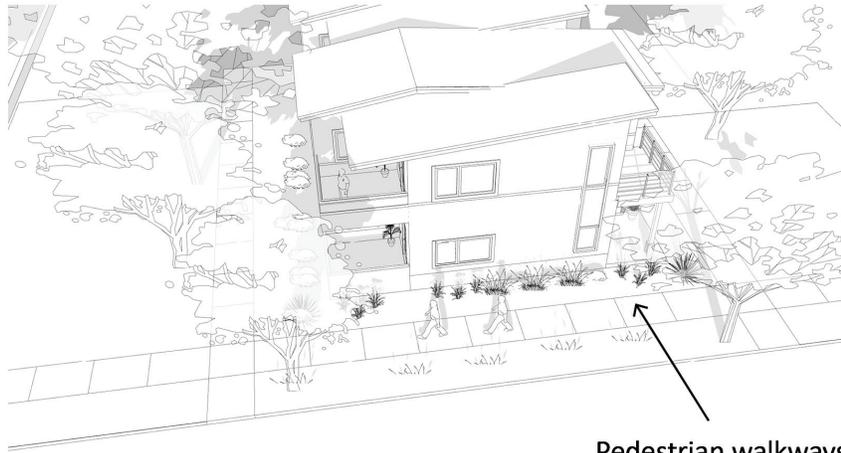
CITY OF MORRO BAY
OBJECTIVE DESIGN STANDARDS

NOVEMBER 2023 CITY COUNCIL ADOPTION DRAFT

container size shall be selected to achieve at least 50 percent of this height within three years of installation.

4. ***Pedestrian Walkways.*** Pedestrian walkways shall be adjacent to landscaping, on at least one side and may include a mix of turf, groundcover, or shrubs. Trees provided within 20 feet of pedestrian walkways shall be placed a maximum of 30 feet apart on center, in order to provide some shade.

FIGURE 17.31.020(F)(4): PEDESTRIAN WALKWAYS



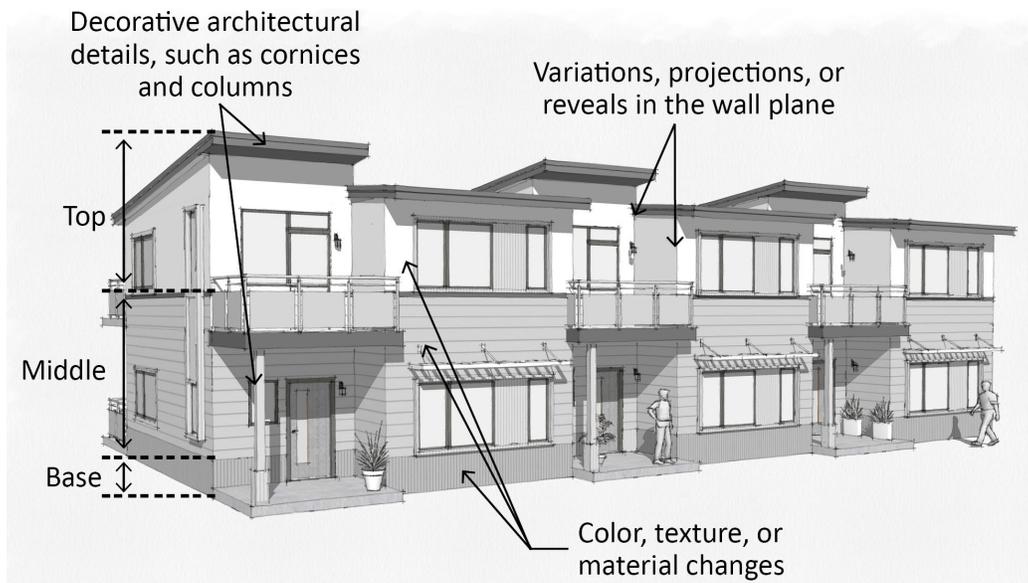
Pedestrian walkways
adjacent to landscaping
on at least one side

17.31.030 Building Design Standards

A. **Building Form, Massing, and Façade Articulation.** Building form, massing and façade articulation facilitate the distinction of individual units, or groups of units, through varied heights, projections, setbacks, and recesses. Materials and colors emphasize changes and hierarchy in building form.

1. **Building Form and Vertical Hierarchy.** Buildings shall be designed to differentiate between a defined base; a middle or body; and a top, cornice, or parapet cap. Buildings two stories or less shall include a defined base and a top, cornice, or parapet cap. This effect shall be achieved through incorporating at least two of the following design elements for all buildings:
 - a. Color, texture, or material changes.
 - b. Variations, projections, or reveals in the wall plane.
 - c. Variations in fenestration size or pattern.
 - d. Decorative architectural details such as cornices and columns.

FIGURE 17.31.030(B)(1): BUILDING FORM AND VERTICAL HIERARCHY



2. **Four-sided Architecture.** Buildings shall be designed and articulated with common details, articulation, materials, and elements on all sides.
3. **Massing.**
 - a. **Upper Floor Area Reduction.**
 - i. **Main Street and Morro Bay Boulevard.** The floor area for upper floors shall be reduced through one of the following options:
 - (1) The second floor shall have a maximum floor area that is 90 percent of the ground floor area, and the third and higher floors

CITY OF MORRO BAY
OBJECTIVE DESIGN STANDARDS
NOVEMBER 2023 CITY COUNCIL ADOPTION DRAFT

shall have a maximum floor area that is 80 percent of the ground floor area.

- (2) The second and higher floors shall provide that 50 percent of every elevation is set back a minimum of 3 feet in addition to the required setback area.

ii. All Other Locations.

- (1) The second floor shall have a maximum floor area that is 90 percent of the ground floor area.

- (2) The third floor shall have a maximum floor area that is 80 percent of the ground floor area.

- (3) Floors above the third floor shall have a maximum floor area that is 70 percent of the ground floor area.

- b. *Upper Floor Cantilever.* Upper floor uncovered decks a minimum of 6 feet by 8 feet in dimension shall be allowed to cantilever and protrude into front or street side setbacks or public-right-of-way, provided that there is a minimum of 12 feet of vertical clearance and that the cantilever does not encroach more than 2 feet into the setback or public right-of-way. Right-of-way encroachment shall obtain an Encroachment Permit in accordance with Title 12 of the Morro Bay Municipal Code.

4. ***Façade Articulation.*** All street-facing facades shall have at least one horizontal or vertical projection or recess at least two feet in depth for every 25 horizontal feet of wall. If located on a building with two or more stories, the articulated elements must be greater than one story in height, and may be grouped rather than evenly spaced in 25-foot modules. Building entrances and front porches and projections into required yards such as stoops, bays, overhangs, fireplaces, and trellises may count towards meeting this requirement.

5. ***Roofs.***

- a. *Roof Line Variation.* Roof lines shall not extend more than a length of 40 feet without at least one prominent change as described below:

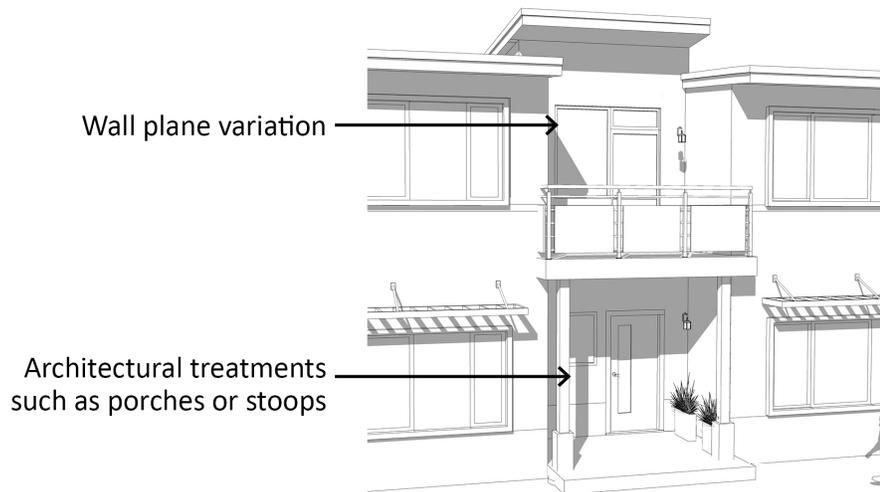
- i. Provide variation in roof form, such as hip, gable, shed, and flat with parapet.

- ii. Provide variation of roof height of at least 18 inches (as measured from the highest point of each roof line).

CITY OF MORRO BAY
OBJECTIVE DESIGN STANDARDS
NOVEMBER 2023 CITY COUNCIL ADOPTION DRAFT

- i. Roof above the entry incorporating a change in roof line of at least 18 inches in height.
 - ii. Entry incorporating a variation of wall plane (recessed or projected) a minimum of 2 feet from the adjacent wall planes.
 - iii. Entry incorporating architectural treatments that vary from those on the general facade (e.g., window and/or door trim with substantial depth and detail, decorative siding, decorative fascia, porches, stoops).
- c. *Porch Requirements.* A porch serving more than one unit shall be a minimum of 6 feet by 8 feet in dimension.
- d. *Enhanced Paving for Building Entrances.* Primary building entryways shall provide decorative and accent paving that contrast in color and texture from any adjacent pedestrian walkway surfaces. Allowed materials include stamped concrete, stained concrete painted concrete, concrete pavers, brick, stone, flagstone, and tile. Decomposed granite, pea gravel, and other types of crushed rock are prohibited.

FIGURE 17.31.030(B)(1)(B): PRIMARY BUILDING ENTRY ARCHITECTURAL TREATMENTS



2. ***Individual Unit Entrances.***

- a. *Upper-Floor Unit Entry.* Exterior entries to individual units on upper floors are permitted; however, in order to avoid a “motel-style” appearance, no exterior access corridor located above the ground floor may provide access to five or more upper-floor units.
- b. *Non Street-Adjacent Buildings.* Buildings not located adjacent to a street shall have unit front entryways oriented to face common open space areas such as landscaped courtyards, plazas, or paseos.
- c. *Porch Requirements.* A porch serving an individual unit shall be a minimum of 5 feet by 8 feet in dimension.
- d. *Stoop Requirements.* A stoop serving an individual unit shall be a minimum of 4 feet by 4 feet in dimension. The stoop adjacent to the door shall be a maximum

CITY OF MORRO BAY
OBJECTIVE DESIGN STANDARDS

NOVEMBER 2023 CITY COUNCIL ADOPTION DRAFT

of 5 feet in height above the adjacent walkway, and stairs or ramps from the stoop lead directly to the public right-of-way, or a parallel to the public right-of-way.

C. **Windows.**

1. **Privacy.** Where a residential building is located within 10 feet of a neighboring property line, windows facing neighboring buildings shall be offset a minimum of 5 feet from closest edge to edge. Where this offset cannot be provided, the window design on the building facades facing each other shall avoid unfiltered/direct views into interiors and shall be designed with one or more of the following:
 - a. Utilize non-transparent or obscured glazing, such as frosted/patterned glass, glass block, or non-operable opaque windows. Reflective glazing is not permitted.
 - b. Provide permanent architectural screens or affixed louvers at windows.
 - c. Utilize clerestory windows with the bottom edge of the window a minimum height of 6 feet from the ground.
2. **Window Treatment.** All windows shall either be recessed at least 2 inches from the plane of the surrounding exterior wall or shall have trim at least 1/2 inch in depth and 2 inches in width.
 - a. *Windows Facing a Public Street.* Windows facing a public street shall feature enhanced window treatments, such as decorative architectural brackets, trim, shutters, awnings, and/or trellises.
 - b. *Window Shutters.* Functional and decorative shutters shall be one-half-width of the associated window glazing (for paired shutters), or matching window width for a single shutter.

D. **Materials and Colors.** Exterior building materials and colors shall comply with the provisions of Section 17.07.040, Supplemental Regulations (Residential Districts), or Section 17.08.040, Supplemental Regulations (Commercial and Mixed Use Districts).

1. **Wall Material.** The primary exterior siding material for buildings shall be stone, brick, stucco, concrete block, painted wood clapboard, fiber cement clapboard, or painted metal clapboard.
2. **Window Material.** Window materials, color, and style shall be consistent on all elevations, unless used at an entry way or as an accent feature.
3. **Material Transition.** Changes in material shall occur at inside corners of intersecting walls or at architectural features that break up the wall plane, such as columns.
4. **Awnings.** Glossy finish vinyl awning material is not allowed.

17.31.040 Additional Mixed Use Standards

- A. **Façade Articulation.** Building façades visible from the primary street shall not extend more than 50 feet in length without at least one of the following: a 5-foot variation in depth in the wall plane, architectural element, or other prominent feature that provides visual interest. Building entrances, front porches, upper-story setbacks, and projections such as stoops, bays, overhangs, fireplaces, upper-story decks and trellises count towards this requirement.

CITY OF MORRO BAY
OBJECTIVE DESIGN STANDARDS
NOVEMBER 2023 CITY COUNCIL ADOPTION DRAFT

- B. **Ground Floor Height.** In order to retain the small-scale building character of Morro Bay, the ground floor height of commercial portions of mixed use projects shall be a maximum of 12 feet, measured floor to floor.
- C. **Ground Floor Transparency.** Exterior walls of buildings or portions of buildings containing non-residential uses facing and within 20 feet of a front or street side lot line shall include windows, doors, or other openings for at least 50 percent of the building wall area located between 2.5 and seven feet above the level of the sidewalk. Such walls may run in a continuous plane for no more than 30 feet without an opening.
- D. **Street-Facing Setbacks.** Where a front setback or street-facing side setback is provided for a mixed use building, it shall be designed for pedestrian orientation with hard surface and amenities. The setback area on each lot shall contain at least two amenities per 50 linear feet such as benches, drinking fountains, shade structure, or other design element (e.g. art or sculpture, planters, and kiosks).
- E. **Entrances.**
 - 1. **Residential Street-Adjacent Entry.** Mixed use buildings located adjacent to the primary street shall incorporate at least one residential building entrance that directly fronts the public sidewalk or right-of-way and complies with the requirements of Subsection 17.31.030(B)(1).
 - 2. **Commercial Storefronts.** Commercial entrances adjacent to the sidewalk shall be recessed from the façade by a minimum of 2 feet from the rest of the building, creating an alcove.

17.31.050 Parking Structures.

- A. **Wall Plane Variation.** Façades visible from the primary street shall not extend more than 50 feet in length without at least one of the following: a 3-foot variation in depth in the wall plane, architectural element, or other prominent feature that provides visual interest.
- B. **Materials and Colors.** The parking structure shall utilize the same colors and materials as the primary buildings.
- C. **Articulation.** The exterior of the parking structure shall apply at least one of the following as articulation:
 - 1. Applied materials such as brick, stone, and/or siding which extend at least two inches from the face of the structure to the face of the applied materials. Painted concrete, smooth concrete, or stucco walls shall not be considered sufficient articulation.
 - 2. Decorative architectural features such as cut metal screens, awnings, trellises, louvers, and/or decorative security grills shall be used on openings facing a public street or open space.
- D. **Landscaping.** Vertical plantings shall be located between openings, entrances, and architectural accent features. At least one tree shall screen the building façade per 50 feet. Trees shall be selected from California native plants or from the City's Street Tree list. Trees shall be selected to grow to 40 feet in height at maturity, and shall grow to at least 15 feet in height within two years from time of installation.

17.31.060 Utilitarian Elements

- A. **Bicycle Parking.** Bicycle parking shall comply with the provisions of Section 17.27.080, Bicycle Parking. Additionally, long-term bicycle parking areas shall be required to provide one 110 voltage wall outlet per every 10 long-term bicycle parking spaces for residents with electric bicycles.
- B. **Refuse Storage and Collection Areas.** Trash, recycling, and green waste container enclosures are required for residential and mixed use developments. They shall be located within a service section of the primary building, incorporated into the exterior building design, or located within a detached and locked enclosure designed and placed as follows:
 - 1. **Location.** The enclosure shall be located to the rear or side of the building and located outside of view from a public right-of-way.
 - 2. **Screening.** The enclosure shall include a solid wall a minimum of 6 feet in height and a roof structure that fully shields the top of the container, and be located on the site in an area where the screening height required is allowed.
 - 3. **Materials.** The enclosure shall use materials that are consistent with exterior colors and materials of the primary building.
- C. **Fences and Walls.** Fences and walls shall comply with the provisions of Section 17.23.060, Fences and Freestanding Walls. In addition, where fences and walls of different materials or finishes intersect, a column or pilaster shall be provided.
- D. **Lighting.** Lighting shall comply with the provisions of Section 17.23.080, Lighting and Illumination. Projects within the Coastal Resource Protection (CRP) Overlay Zone District shall comply with additional provisions of Section 17.14.090, Visual Resource Protection. Lighting in parking areas shall also comply with Section 17.27.110, Parking Area Design and Development Standards.
- E. **Screening of Mechanical Equipment.** Equipment and utilities shall comply with the provisions of Section 17.23.130, Screening.
- F. **Vents and Exhaust.** All wall-mounted elements shall be located at interior corners of building walls or behind building or screening elements that conceal them from public view. All flashing, sheet metal vents, exhaust fans/ventilators, and pipe stacks shall be painted to match the adjacent roof or wall material and/or color.

RESOLUTION NO. 73-23

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
APPROVING AN AMENDMENT TO THE LAND USE MAP INCLUDED IN THE
GENERAL PLAN/ LOCAL COASTAL PROGRAM LAND USE PLAN**

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

WHEREAS the City Council of the City of Morro Bay (the “City”) conducted a public hearing on November 14, 2023 conducted in a hybrid format with both an in-person meeting at the Morro Bay Veterans Memorial Building, 209 Surf Street, Morro Bay, CA 93442 as well as through virtual public participation provided telephonically through Zoom and Government Code section 54953, for the purpose of considering an amendment to the land use map included in the General Plan (GP)/Local Coastal Program (LCP) Land Use Plan (LUP) to change Dog Beach Assessor Parcel Numbers (APN) # 065-022-009 and 065-022-011 from Agriculture to Open Space and Preston Lane property APN # 068-183-026 from Moderate Density Residential to General (Light) Industrial (“Project”); and

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

WHEREAS, the City’s Planning Commission, on October 3, 2023, conducted a Public Hearing on the proposed Project and adopted Resolution 15-23 forwarding a recommendation to the Morro Bay City Council for approval of the Project; and

WHEREAS, the City Council has duly considered all evidence, including the testimony of the applicant, interested parties, and the recommendation provided by Planning Commission (Resolution 15-23), 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 City Council makes the following findings:

California Environmental Quality Act (CEQA)

Pursuant to the California Environmental Quality Act, no further environmental review is required pursuant to State CEQA Guidelines Section 15162, because the LUP Map was considered as part of the GP/LCP through the General Plan /LCP Update Environmental Impact Report (EIR) (SCH No. 2017111026). That document provides a programmatic review of the potential impacts associated with implementation of the overall General Plan/LCP. The EIR is comprised of a Draft EIR (Draft EIR) and Final EIR (Final EIR). The Final EIR was released for public review on October 19, 2020 and certified by the City

Council on May 25, 2021. The proposed Land Use Map change is consistent with the analysis presented in the EIR and, pursuant to State CEQA Guidelines Section 15162, no subsequent analysis is required.

Therefore, there are no substantial changes in the Project, there are no substantial changes with respect to the circumstances under which the Project is undertaken, and no new information of substantial importance, which was not known and could not have been known at the time of certification of the EIR, and no further environmental review is required.

GP/LCP Amendment findings

1. The proposed land use changes are consistent with the intent of the State Coastal Act; and
2. The proposed amendment is consistent with the intent and policies of the General Plan/Local Coastal Program Land Use Plan; and
3. The proposed change in the land use designation for the subject properties will be consistent with the Zoning Map update currently pending approval.

Section 2: Action. The City Council does hereby approve the proposed amendment to the Land Use map included in the General Plan (GP)/Local Coastal Program (LCP) Land Use Plan (LUP) to change Dog Beach Assessor Parcel Numbers (APN) # 065-022-009 and 065-022-011 from Agriculture to Open Space and Preston Lane property APN # 068-183-026 from Moderate Density Residential to General (Light) Industrial and hereby directs staff to pursue certification of the amendment by the California Coastal Commission

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting held on this 14th day of November 2023 by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE:

CARLA WIXOM, Mayor

ATTEST:

DANA SWANSON, City Clerk

RESOLUTION NO. PC 15-23

A RESOLUTION OF THE MORRO BAY PLANNING COMMISSION FORWARDING A FAVORABLE RECOMMENDATION TO THE MORRO BAY CITY COUNCIL FOR ADOPTION OF ZONING CODE / COASTAL IMPLEMENTATION PLAN AMENDMENTS AND APPROVAL OF AN AMENDMENT TO THE LAND USE MAP AND ZONING MAP OF THE GENERAL PLAN/ LOCAL COASTAL PROGRAM FOR PLAN MORRO BAY AND FINDING THAT NO FURTHER ENVIRONMENTAL REVIEW IS REQUIRED PURSUANT TO STATE CEQA GUIDELINES SECTION 15162

WHEREAS, California Government Code Section 65300 requires the City adopt a comprehensive, long-term general plan for the physical development of the City; and

WHEREAS, Government Code Section 65860 requires that the City's zoning regulations be consistent with the General Plan and that in the event that zoning regulations become inconsistent with the general plan by reason of amendment to the General Plan, the zoning shall be amended so that it is consistent with the General Plan as amended; and

WHEREAS, in May 2021 the City adopted a comprehensive update to its General Plan and Local Coastal Program Coastal Land Use Plan (LCP) known as Plan Morro Bay; and

WHEREAS, in November 2022 the City adopted a comprehensive update to its Zoning Code / Coastal Implementation Plan via Ordinance 654 which was subsequently submitted to the California Coastal Commission as an LCP amendment application for certification and which is currently pending; and

WHEREAS, amendments to the Zoning Code /Coastal Implementation Plan (IP), Land Use Map and Zoning Map are necessary to provide consistency with the General Plan/LCP and to ensure compliance with the California Coastal Act; and

WHEREAS, the City determined that the General Plan /LCP, including Plan Morro Bay's Zoning Code/ Coastal Implementation Plan (IP) (also referred to herein as "Project") was a project requiring review pursuant to the California Environmental Quality Act (CEQA), Public Resources Code 21000 et seq. and that an Environmental Impact Report (EIR) was prepared to evaluate the potential environmental effects of the Project; and

WHEREAS, on May 26, 2021, the City Council adopted Resolution 20-21, certifying the EIR for the General Plan Update (State Clearinghouse Number SCH#2021111026), adopting Findings of Fact and Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program; and

WHEREAS, the Planning Commission of the City of Morro Bay (the "City") conducted a public hearing on September 19, 2023 conducted in a hybrid format with both an in-person meeting at the Morro Bay Veterans Memorial Building, 209 Surf Street, Morro Bay, CA 93442 as well as through virtual public participation provided telephonically through Zoom, for the purpose of considering a favorable recommendation to the Morro Bay City Council for adoption of the Zoning Code / Coastal Implementation Plan Amendment and Land Use Map and Zoning Map Amendment ("Project"); and

WHEREAS, the Planning Commission of the City of Morro Bay (the "City") conducted a public hearing on October 3, 2023 conducted in a hybrid format with both an in-person meeting at the Morro Bay Veterans Memorial Building, 209 Surf Street, Morro Bay, CA 93442 as well as through virtual public participation provided telephonically through Zoom, for the purpose of considering a favorable recommendation to the Morro Bay City Council for adoption of the Zoning Code / Coastal Implementation Plan Amendment and Land Use Map and Zoning Map Amendment (APN # ("Project"); and

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

WHEREAS, the Planning Commission has duly considered all evidence, including the written and oral staff report, presentation, public testimony on the Project, and whether the Project should be adopted; and

WHEREAS, the written staff report and exhibits to the staff report regarding 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 proposed Project, the Planning Commission and all City legislative bodies involved with the proposed Project will consider the Project and the Planning Commission recommends all other governmental agencies and legislative bodies that must review or approve, if at all, the proposed Project do the same; and

WHEREAS, the Planning Commission has completed review of the Project and related materials.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of Morro Bay recommends that the City Council finds for approval and adoption of the Zoning Code / Coastal Implementation Plan Amendment and Land Use Map and Zoning Map Amendment based upon the follow findings:

Section 1: California Environmental Quality Act

Finding: No further environmental review is required pursuant to State CEQA Guidelines Section 15162.

Evidence: The proposed Zoning Code /Implementation Plan Amendments further implement the General Plan/LCP, which was considered through the General Plan /LCP Update Environmental Impact Report (EIR) (SCH No. 2021111026). That document provides a programmatic review of the potential impacts associated with implementation of the overall General Plan/LCP. The EIR is comprised of a Draft EIR (Draft EIR) and Final EIR (Final EIR). The Final EIR was released for public review on October 19, 2020 and certified by the City Council on May 25, 2021.

The proposed Zoning Code/ IP Amendments and Land Use Map and Zoning Map Amendment change for Parcels #APN 065-022-009, 065-022-011, 068-291-046, and 068-183-026 are consistent with the analysis presented in the EIR and, pursuant to State CEQA Guidelines Section 15162, no subsequent analysis is required.

Therefore, there are no substantial changes in the Project, there are no substantial changes with respect to the circumstances under which the Project is undertaken, and no new information of substantial importance, which was not known and could not have been known at the time of certification of the EIR, and no further environmental review is required.

Section 2: The Local Coastal Plan Implementation Program Amendments are intended to further the goals of the California Coastal Act, as set forth in Section 30001.5 of the Public Resources Code, to:

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

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

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

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

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

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

ACTION. The Planning Commission does hereby forward a favorable recommendation to the City Council to adopt the Zoning Code/ Coastal Implementation Plan Amendments and General Plan / Local Coastal Program Land Use Map and Zoning Map Amendment for APN# 065-022-009 and APN# 065-022-011 and APN #068-291-046 and APN 068-183-026.

PASSED AND ADOPTED by the Morro Bay Planning Commission at a regular meeting thereof held on this 3rd day of October, 2023 on the following vote:

AYES: Rodriquez (m), Meyers (s), Ingraffia, Roschen

NOES: King

ABSENT:

ABSTAIN:



William Roschen, Chairperson

ATTEST



Scot Graham, Planning Secretary

The foregoing resolution was passed and adopted this 3rd day of October, 2023.

RESOLUTION NO. PC 18-23

A RESOLUTION OF THE MORRO BAY PLANNING COMMISSION FORWARDING A FAVORABLE RECOMMENDATION TO THE MORRO BAY CITY COUNCIL FOR ADOPTION OF ZONING CODE / COASTAL IMPLEMENTATION PLAN ZONING MAP AMENDMENTS AND FINDING THAT NO FURTHER ENVIRONMENTAL REVIEW IS REQUIRED PURSUANT TO STATE CEQA GUIDELINES SECTION 15162

WHEREAS, California Government Code Section 65300 requires the City adopt a comprehensive, long-term general plan for the physical development of the City; and

WHEREAS, Government Code Section 65860 requires that the City's zoning regulations be consistent with the General Plan and that in the event that zoning regulations become inconsistent with the general plan by reason of amendment to the General Plan, the zoning shall be amended so that it is consistent with the General Plan as amended; and

WHEREAS, in May 2021 the City adopted a comprehensive update to its General Plan and Local Coastal Program Coastal Land Use Plan (LCP) known as Plan Morro Bay; and

WHEREAS, in November 2022 the City adopted a comprehensive update to its Zoning Code / Coastal Implementation Plan via Ordinance 654 which was subsequently submitted to the California Coastal Commission as an LCP amendment application for certification and which is currently pending; and

WHEREAS, amendments to the Zoning Code /Coastal Implementation Plan (IP) Zoning Map are necessary to provide consistency with the General Plan/LCP and to ensure compliance with the California Coastal Act; and

WHEREAS, the City determined that the General Plan /LCP, including Plan Morro Bay's Zoning Code/ Coastal Implementation Plan (IP) (also referred to herein as "Project") was a project requiring review pursuant to the California Environmental Quality Act (CEQA), Public Resources Code 21000 et seq. and that an Environmental Impact Report (EIR) was prepared to evaluate the potential environmental effects of the Project; and

WHEREAS, on May 26, 2021, the City Council adopted Resolution 20-21, certifying the EIR for the General Plan Update (State Clearinghouse Number SCH#2021111026), adopting Findings of Fact and Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program; and

WHEREAS, the Planning Commission of the City of Morro Bay (the “City”) conducted a public hearing on October 3, 2023 conducted in a hybrid format with both an in-person meeting at the Morro Bay Veterans Memorial Building, 209 Surf Street, Morro Bay, CA 93442 as well as through virtual public participation provided telephonically through Zoom, and adopted Resolution 15-23 forwarding a favorable recommendation to the Morro Bay City Council for adoption of the Zoning Code / Coastal Implementation Plan Amendment and Land Use Map and Zoning Map Amendment (APN # (“Project”)); and

WHEREAS, the Planning Commission of the City of Morro Bay (the “City”) conducted a public hearing on November 7, 2023 conducted in a hybrid format with both an in-person meeting at the Morro Bay Veterans Memorial Building, 209 Surf Street, Morro Bay, CA 93442 as well as through virtual public participation provided telephonically through Zoom, for the purpose of forwarding a favorable recommendation to the Morro Bay City Council for additional Zoning Code / Coastal Implementation Plan Zoning Map Amendments (“Project”) at eight locations around town and as itemized in the October 30, 2023 staff report (APN#s 066-221-001, 066-075-021/066-075-007, 066-071-035/066-071-034, 066-280-025, 066-280-023, 066-280-024, 065-081-056, and 068-212-014); and

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

WHEREAS, the Planning Commission has duly considered all evidence, including the written and oral staff report, presentation, public testimony on the Project, and whether the Project should be adopted; and

WHEREAS, the written staff report and exhibits to the staff report regarding 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 proposed Project, the Planning Commission and all City legislative bodies involved with the proposed Project will consider the Project and the Planning Commission recommends all other governmental agencies and legislative bodies that must review or approve, if at all, the proposed Project do the same; and

WHEREAS, the Planning Commission has completed review of the Project and related materials.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of Morro Bay recommends that the City Council finds for approval and adoption of the

Zoning Code / Coastal Implementation Plan Zoning Map Amendment based upon the follow findings:

Section 1: California Environmental Quality Act

Finding: No further environmental review is required pursuant to State CEQA Guidelines Section 15162.

Evidence: The proposed Zoning Code /Implementation Plan Amendments further implement the General Plan/LCP, which was considered through the General Plan /LCP Update Environmental Impact Report (EIR) (SCH No. 2021111026). That document provides a programmatic review of the potential impacts associated with implementation of the overall General Plan/LCP. The EIR is comprised of a Draft EIR (Draft EIR) and Final EIR (Final EIR). The Final EIR was released for public review on October 19, 2020 and certified by the City Council on May 25, 2021.

The proposed Zoning Code/ IP Amendments and Land Use Map and Zoning Map Amendment change for the eight locations around town that are itemized in the October 30, 2023 staff report (APN#s 066-221-001, 066-075-021/066-075-007, 066-071-035/066-071-034, 066-280-025, 066-280-023, 066-280-024, 065-081-056, and 068-212-014) are consistent with the analysis presented in the EIR and, pursuant to State CEQA Guidelines Section 15162, no subsequent analysis is required.

Therefore, there are no substantial changes in the Project, there are no substantial changes with respect to the circumstances under which the Project is undertaken, and no new information of substantial importance, which was not known and could not have been known at the time of certification of the EIR, and no further environmental review is required.

Section 2: The Local Coastal Plan Implementation Program Amendments are intended to further the goals of the California Coastal Act, as set forth in Section 30001.5 of the Public Resources Code, to:

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

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

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

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

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

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

ACTION. The Planning Commission does hereby forward a favorable recommendation to the City Council to adopt the Zoning Code/ Coastal Implementation Plan Amendments Zoning Map Amendments for APN#s 066-221-001, 066-075-021/066-075-007, 066-071-035/066-071-034, 066-280-025, 066-280-023, 066-280-024, 065-081-056, and 068-212-014.

PASSED AND ADOPTED by the Morro Bay Planning Commission at a regular meeting thereof held on this 7th day of November, 2023 on the following vote:

AYES: Ingraffia (m), King (s), Rodriguez

NOES:

ABSENT:

ABSTAIN: Roschen, Meyer

/s/ Mike Rodriguez
Mike Rodriguez, Vice-Chairperson

ATTEST

/s/ Scot Graham
Scot Graham, Planning Secretary

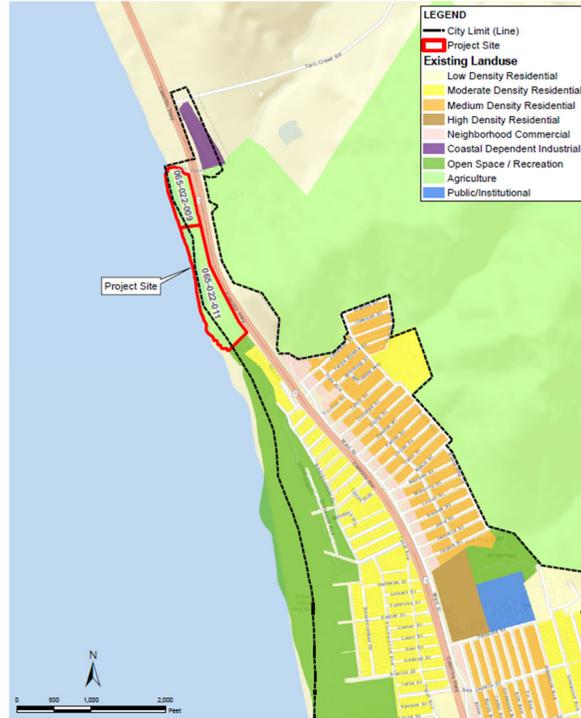
The foregoing resolution was passed and adopted this 7th day of November, 2023.

City of Morro Bay

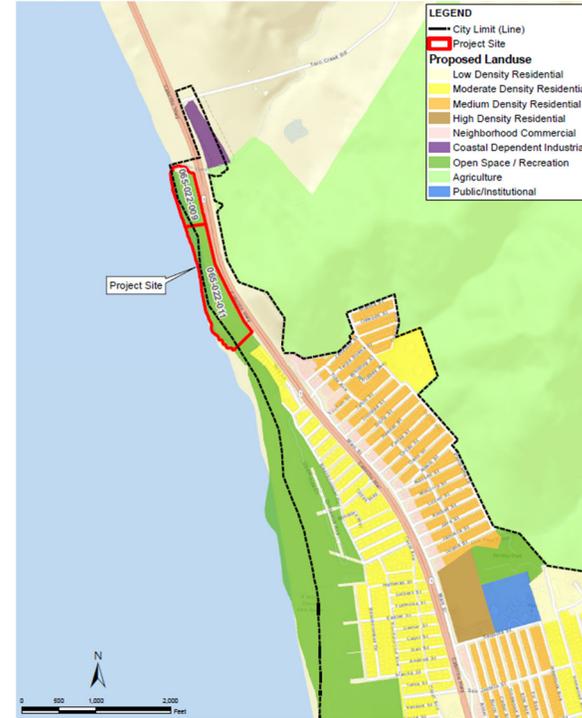
Proposed Land Use Map and Zoning Map Amendments by parcel

Dog Beach parcels 065-022-009 and 065-022-011

Existing Land Use Map



Proposed Land Use Map



Existing Zone



Proposed Zoning

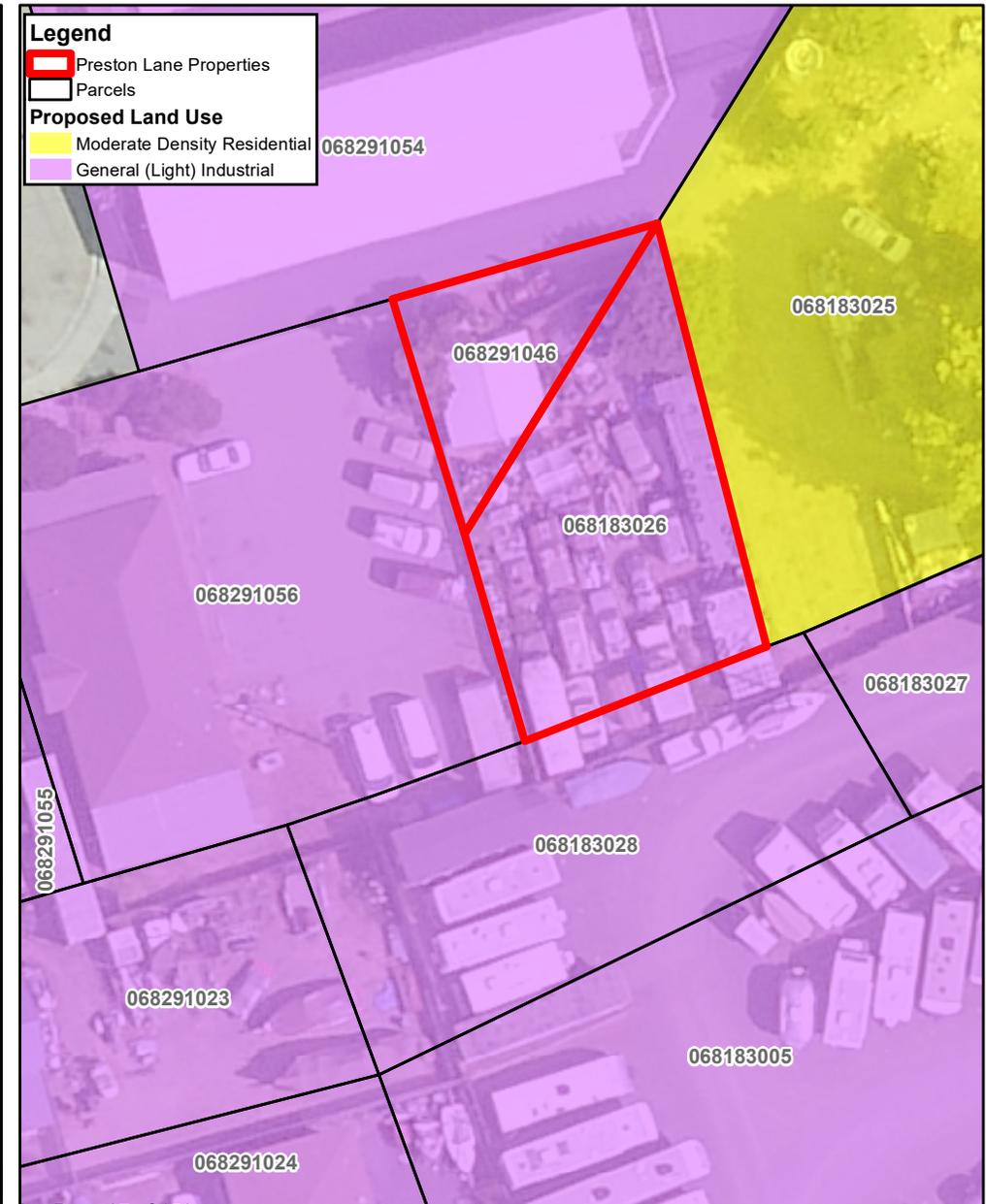
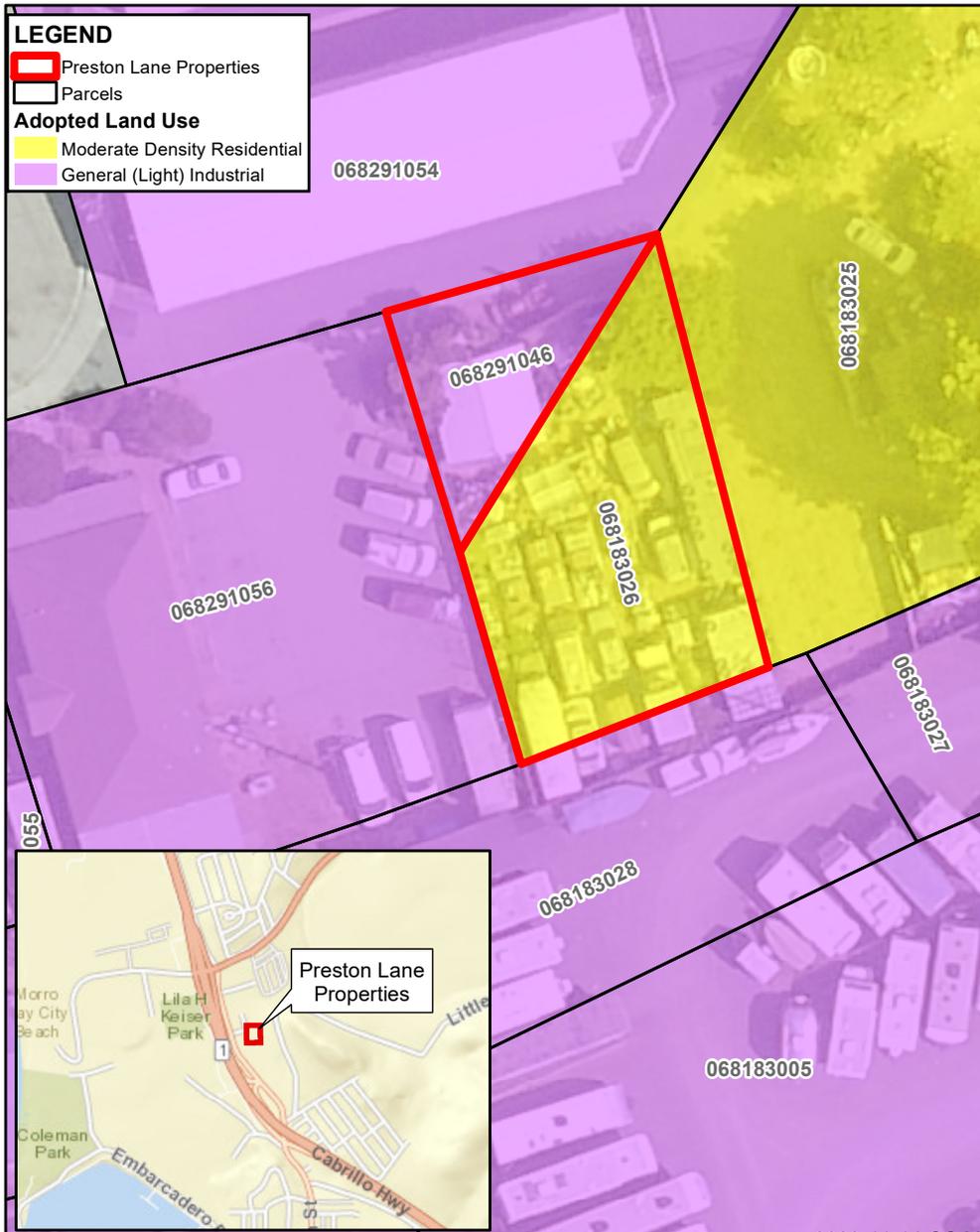




City of Morro Bay Preston Lane Properties APNs 068-291-046 & 068-183-026

Adopted Land Use

Proposed Land Use

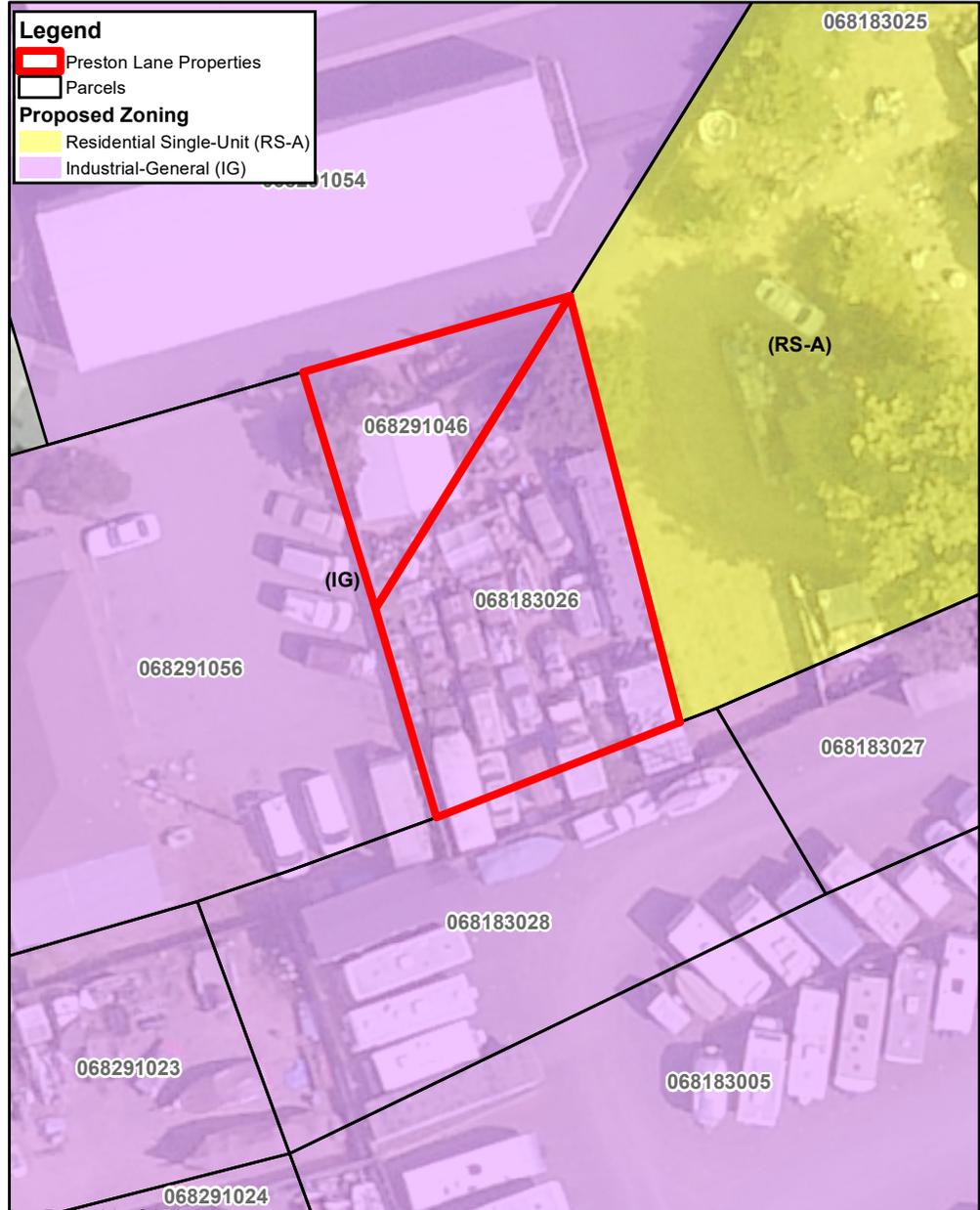
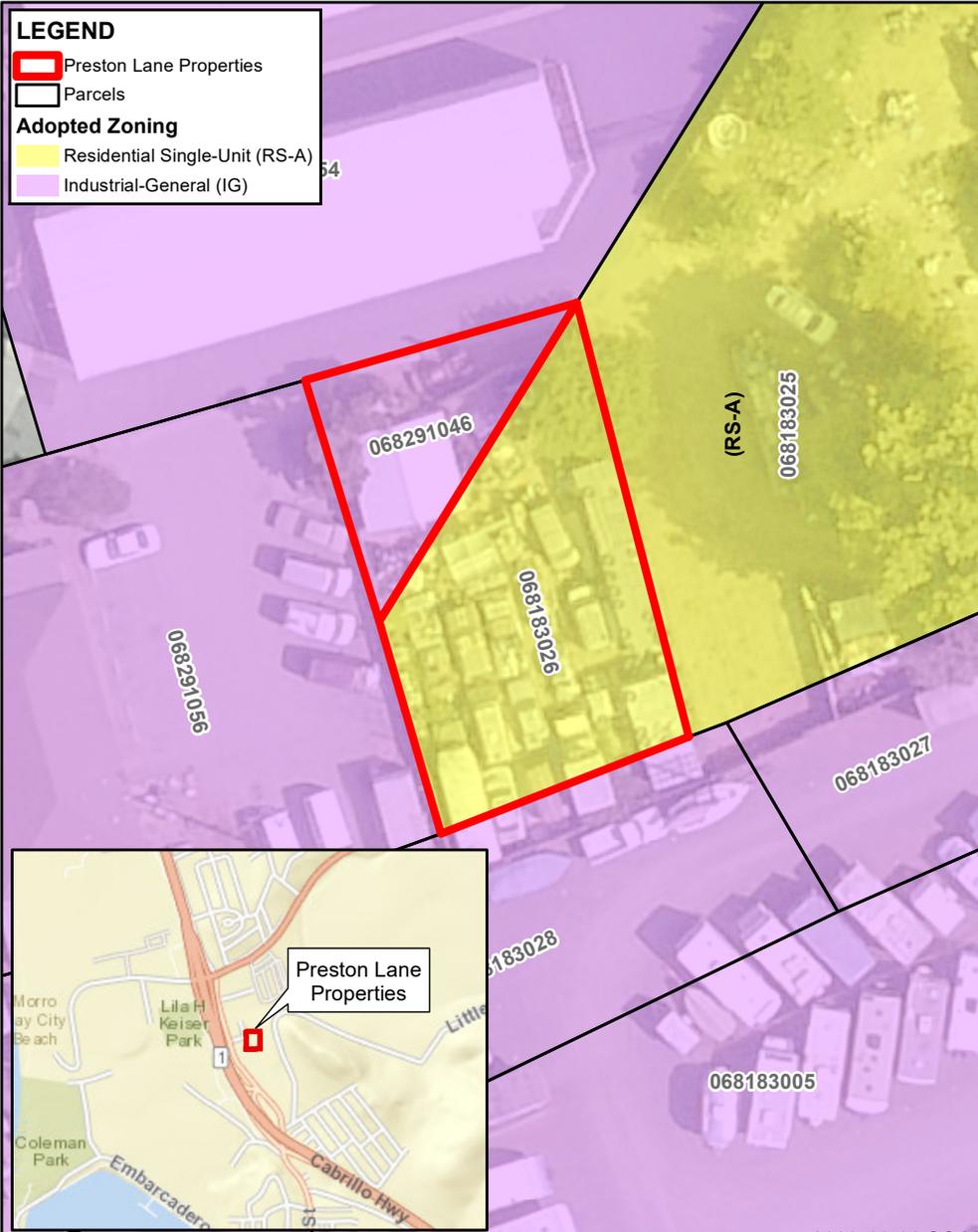




City of Morro Bay Preston Lane Properties APNs 068-291-046 & 068-183-026

Adopted Zoning

Proposed Zoning

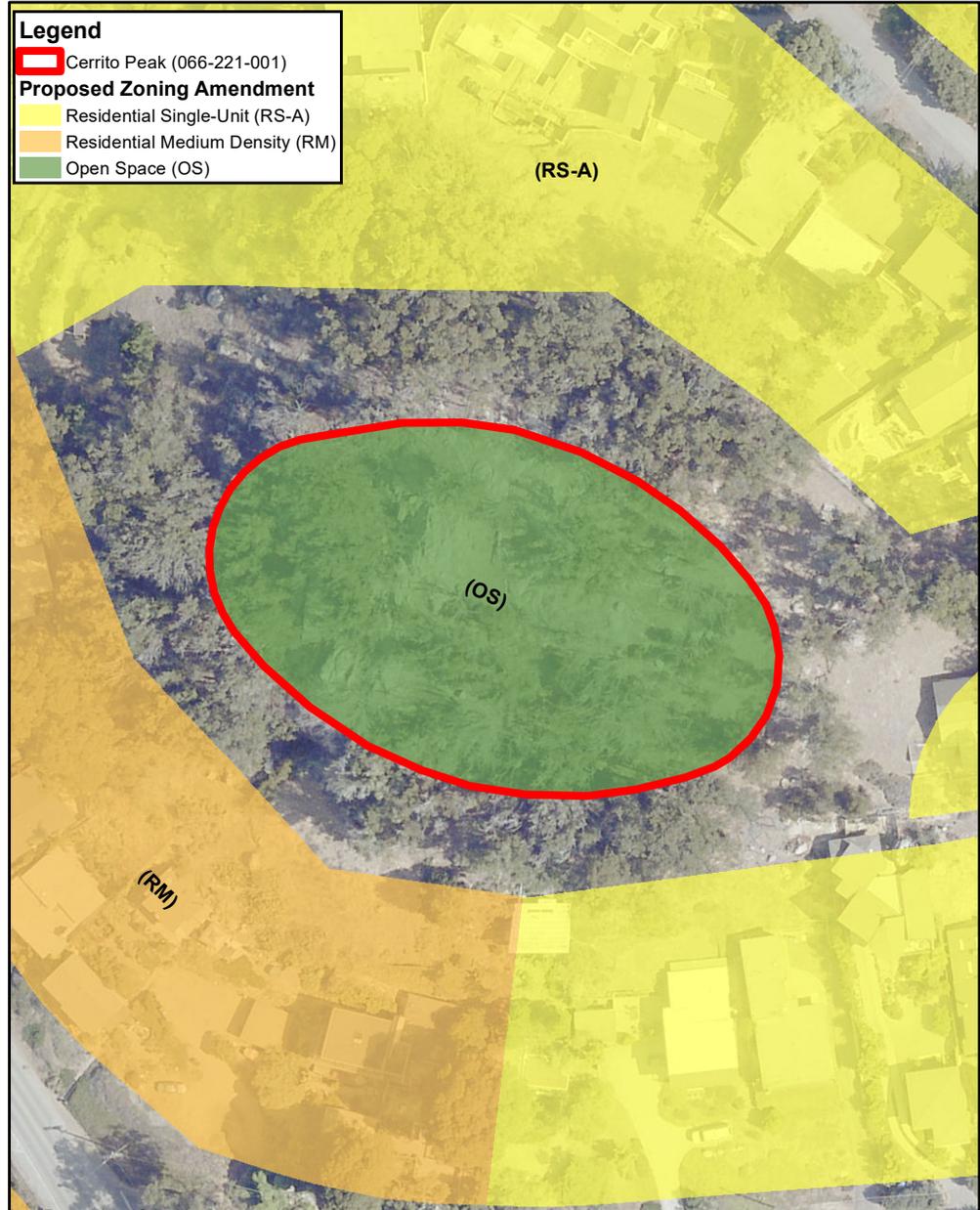
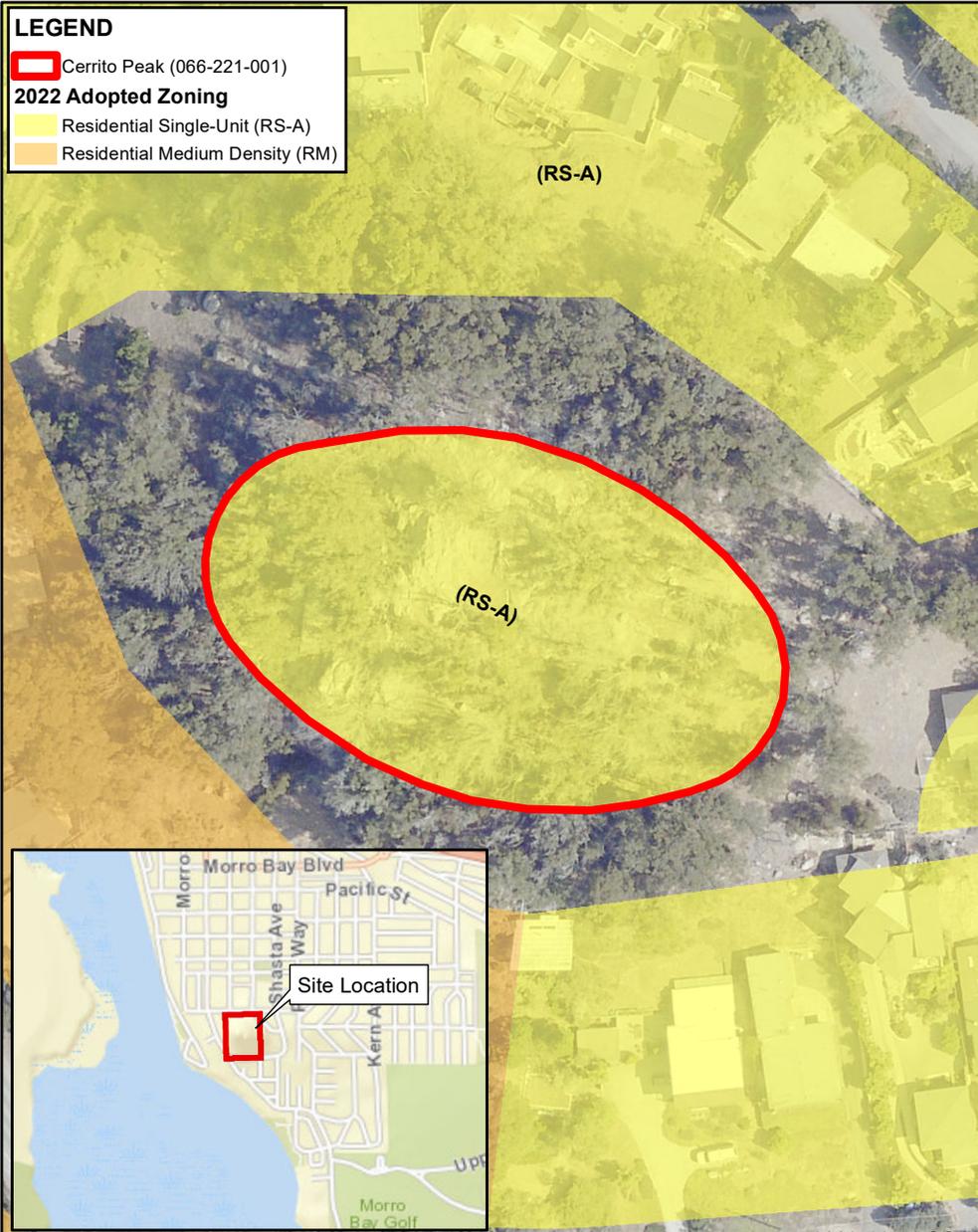




City of Morro Bay Cerrito Peak (066-221-001)

2022 Adopted Zoning

Proposed Zoning Amendment

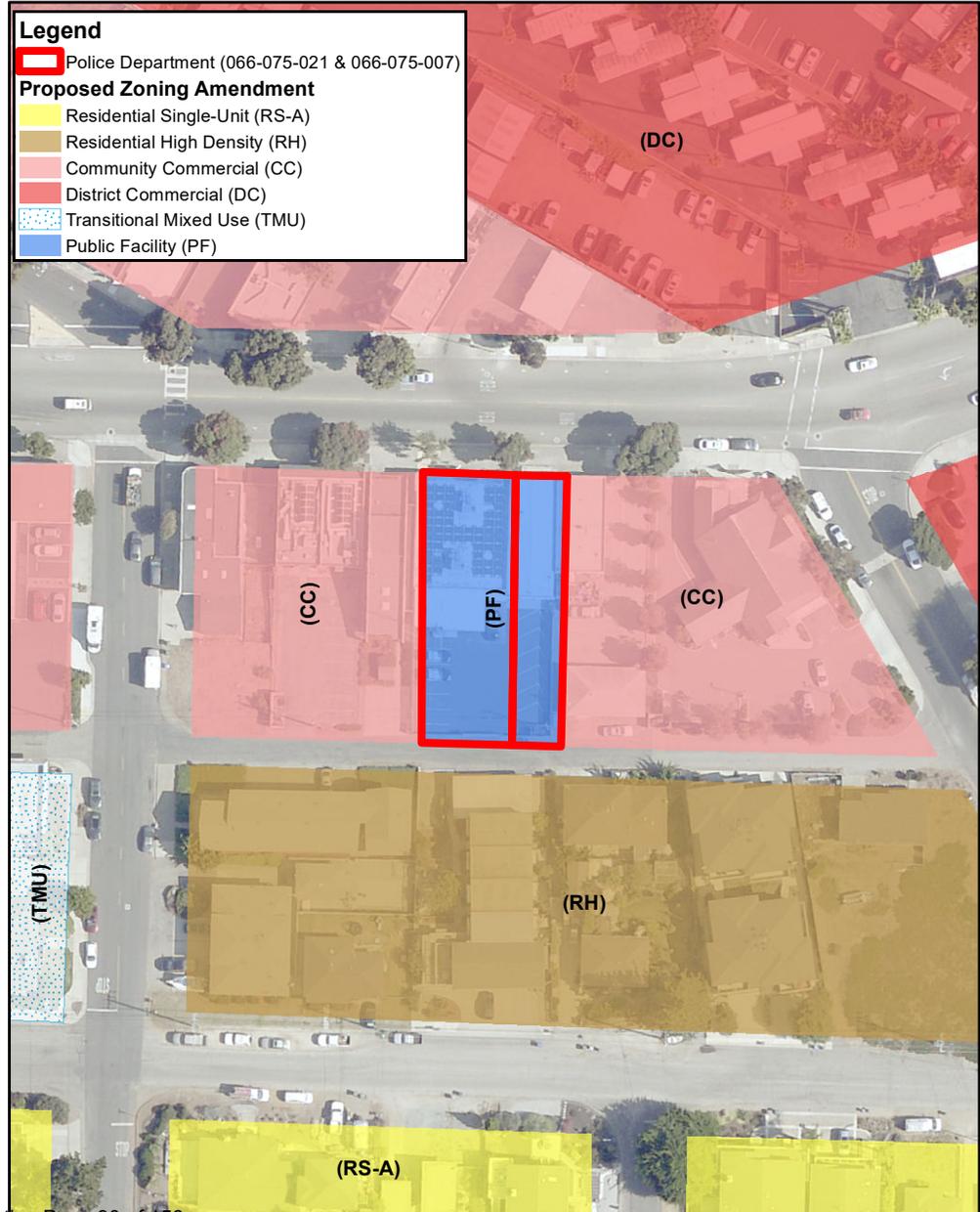
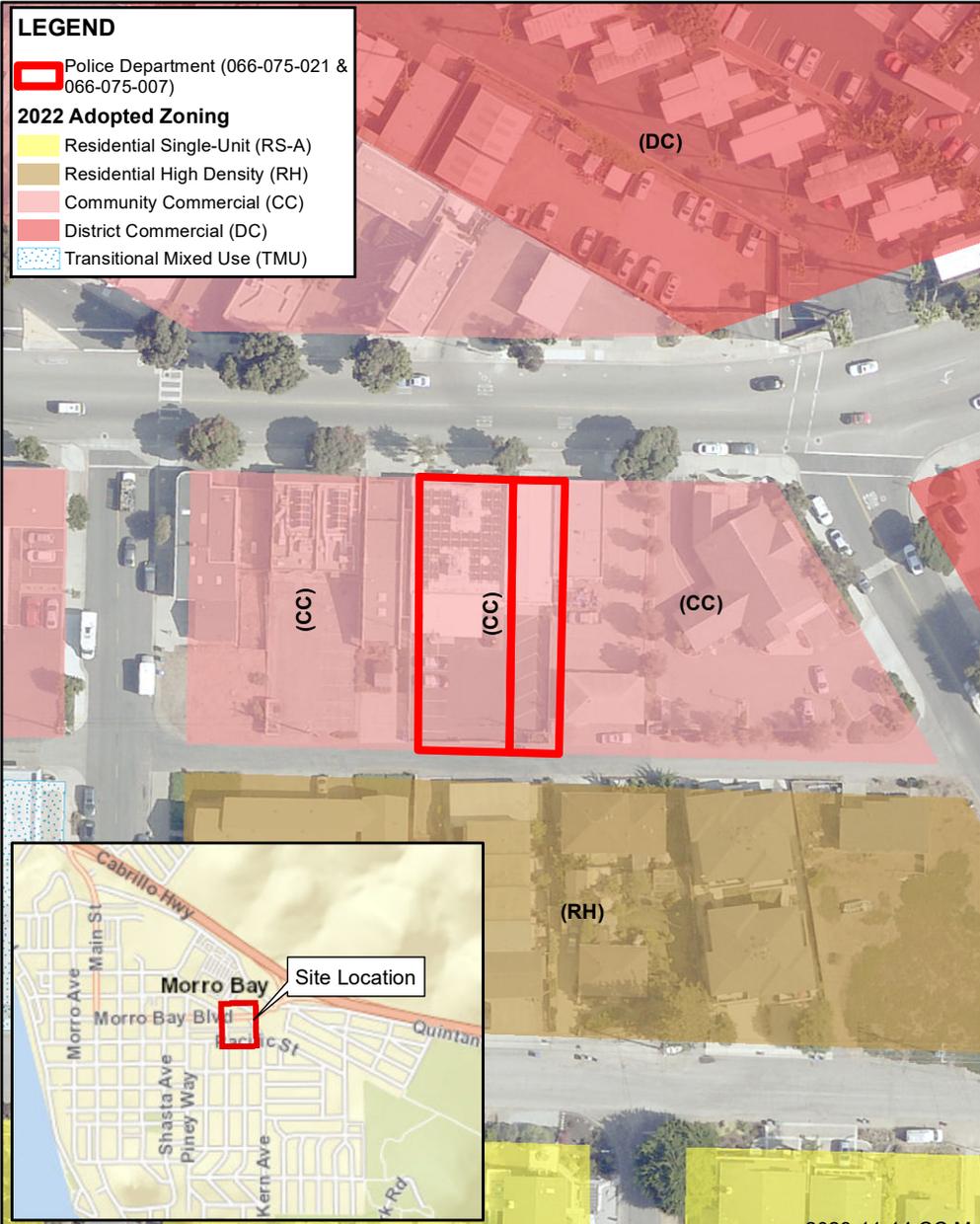




City of Morro Bay Police Department (066-075-021/066-075-007)

2022 Adopted Zoning

Proposed Zoning Amendment

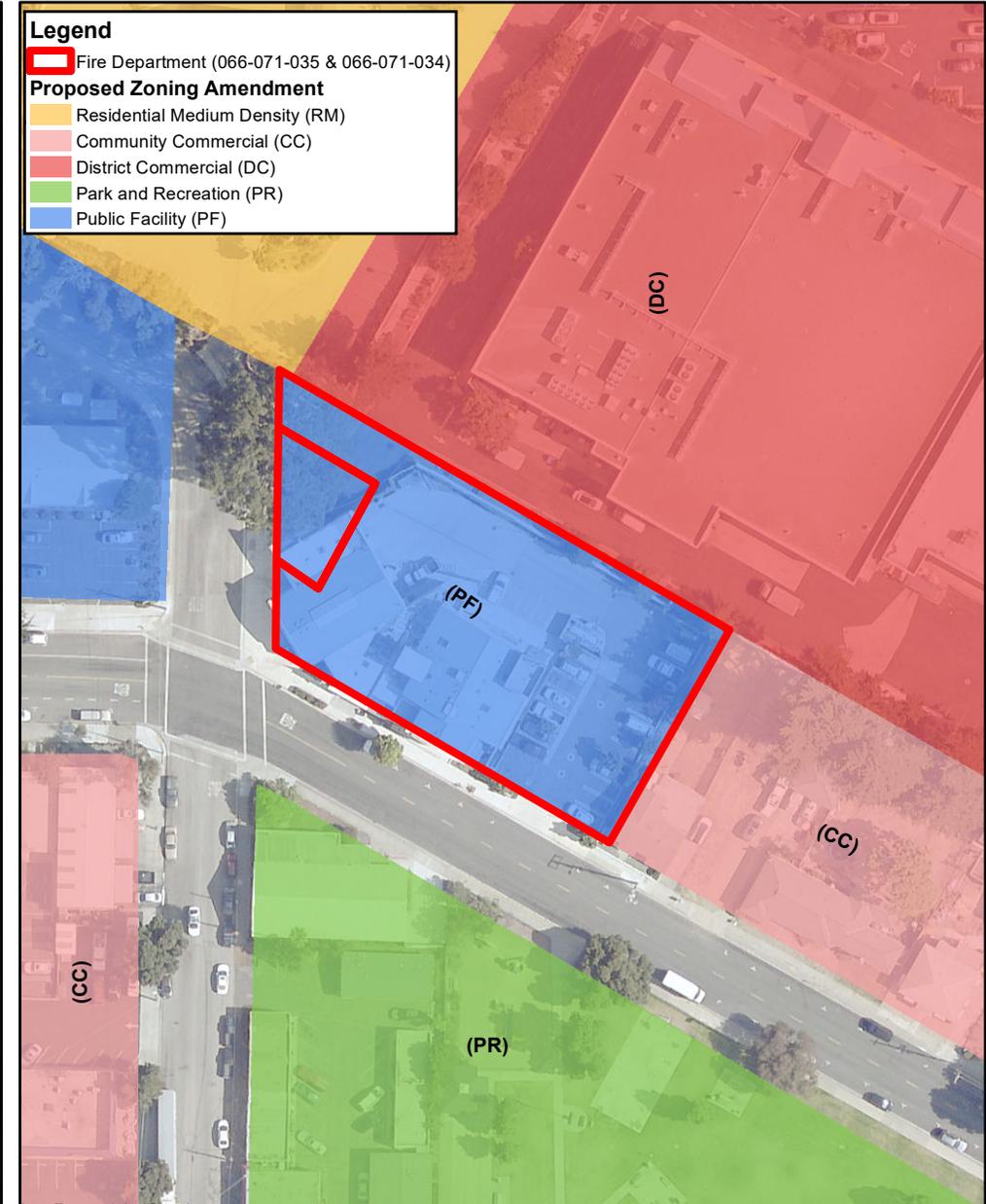
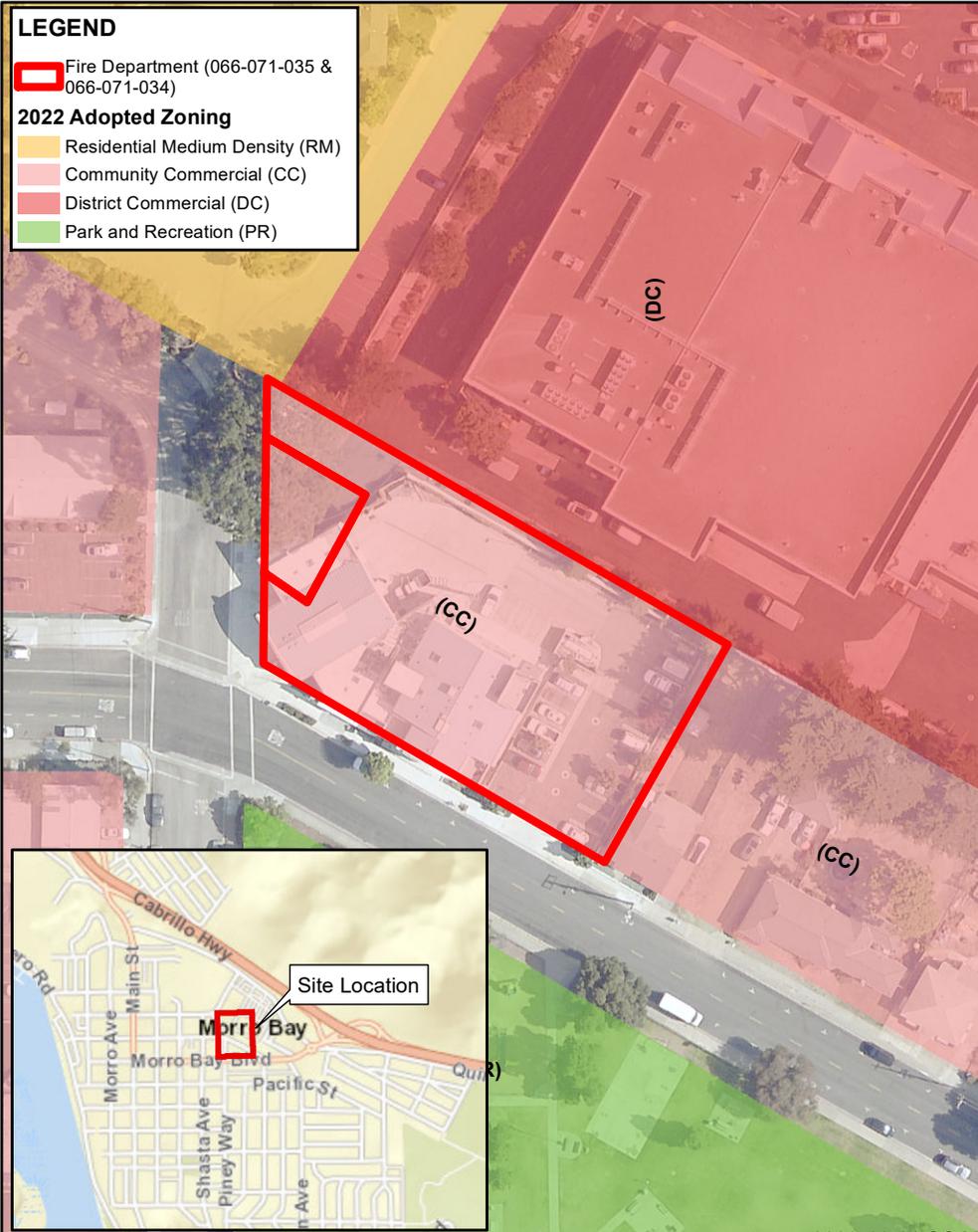




City of Morro Bay Fire Department (066-071-035/066-071-034)

2022 Adopted Zoning

Proposed Zoning Amendment

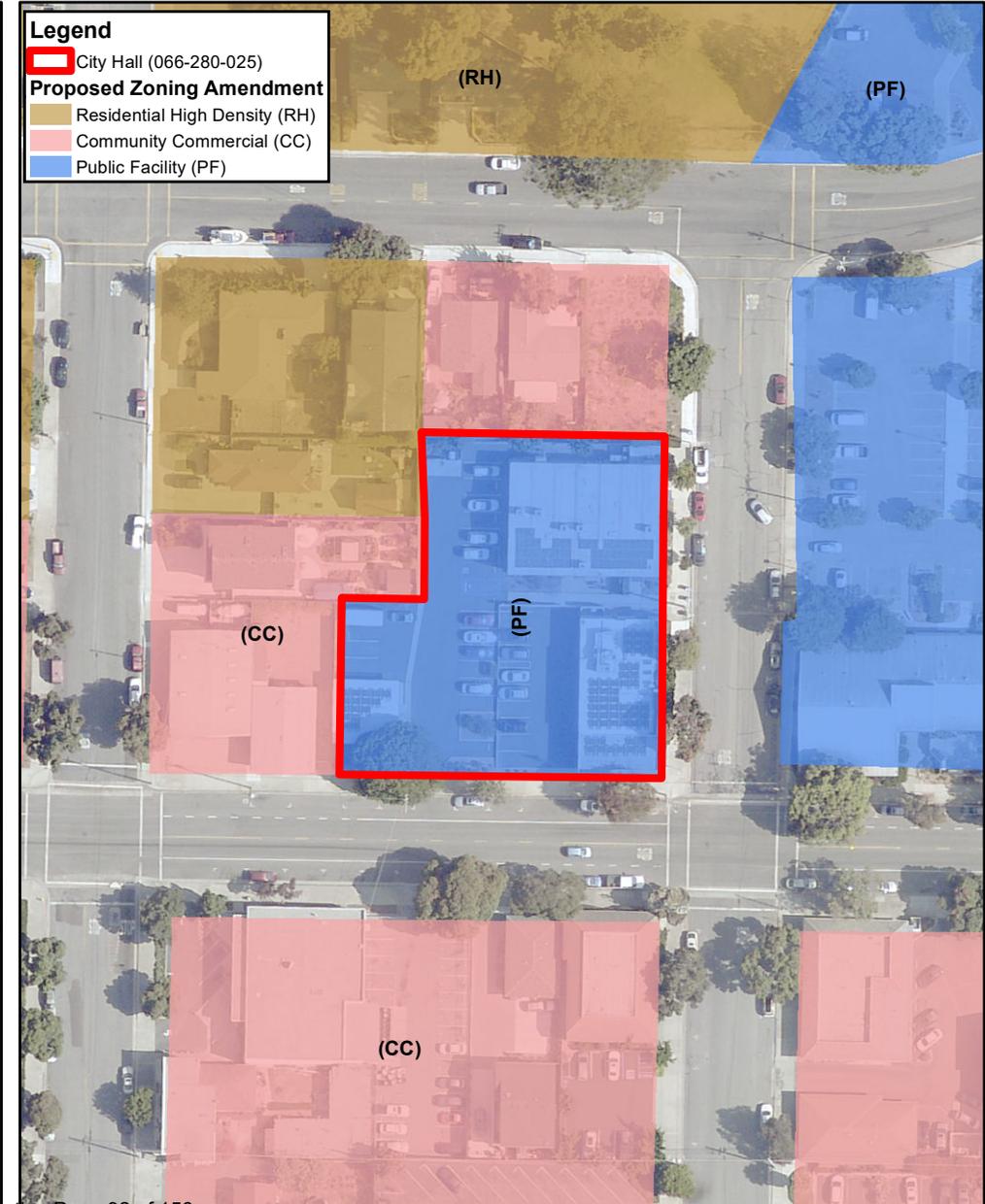
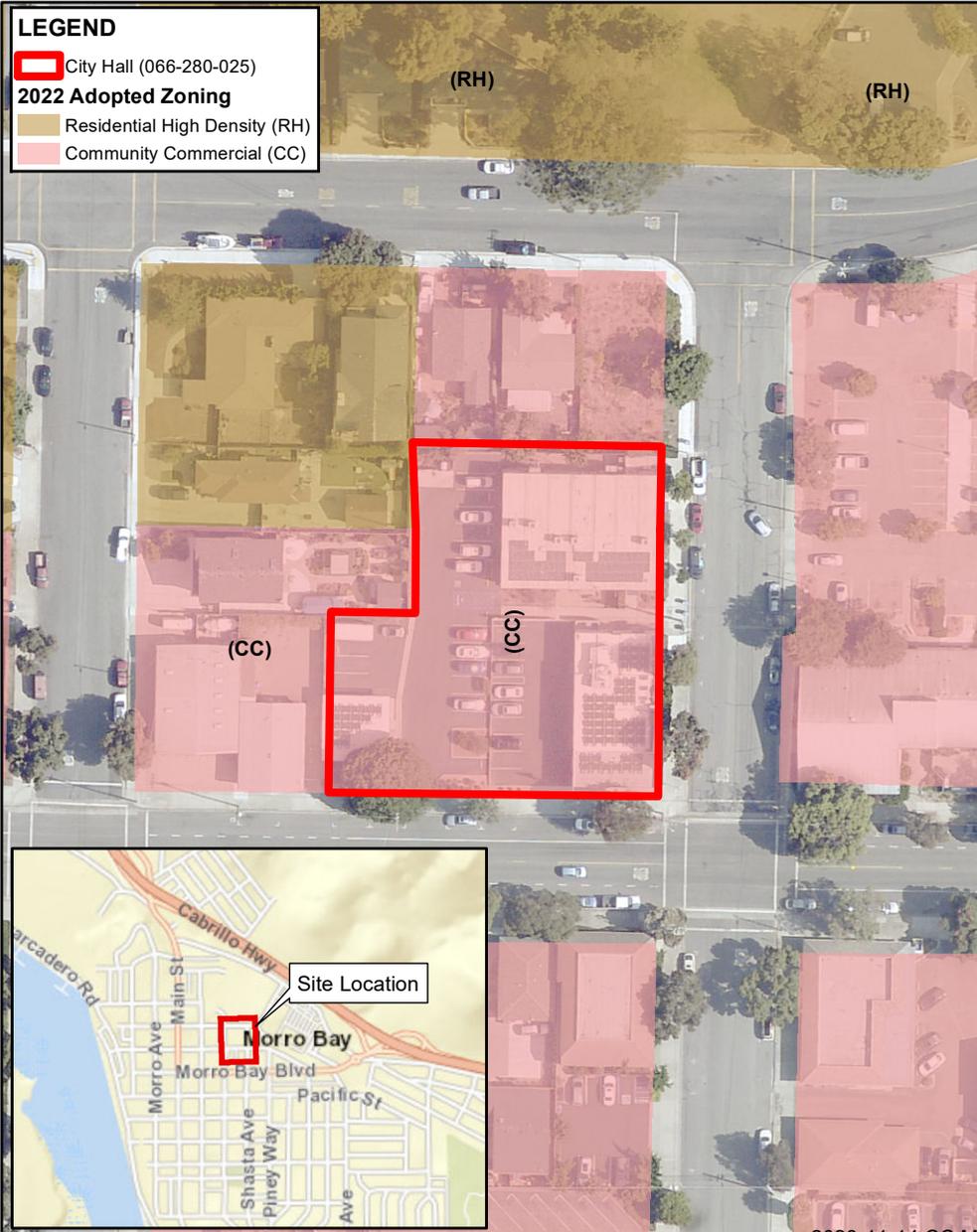




City of Morro Bay City Hall (066-280-025)

2022 Adopted Zoning

Proposed Zoning Amendment

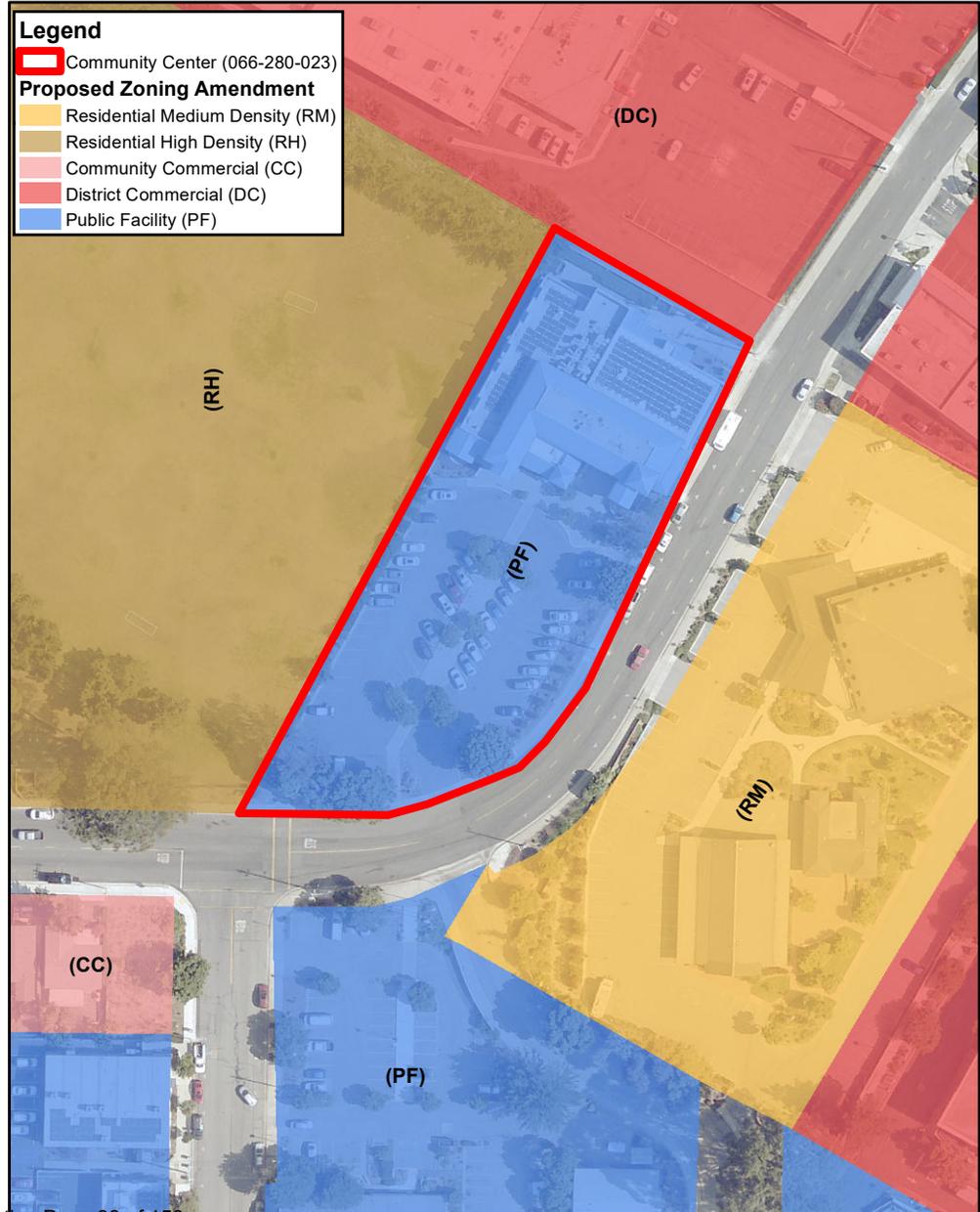
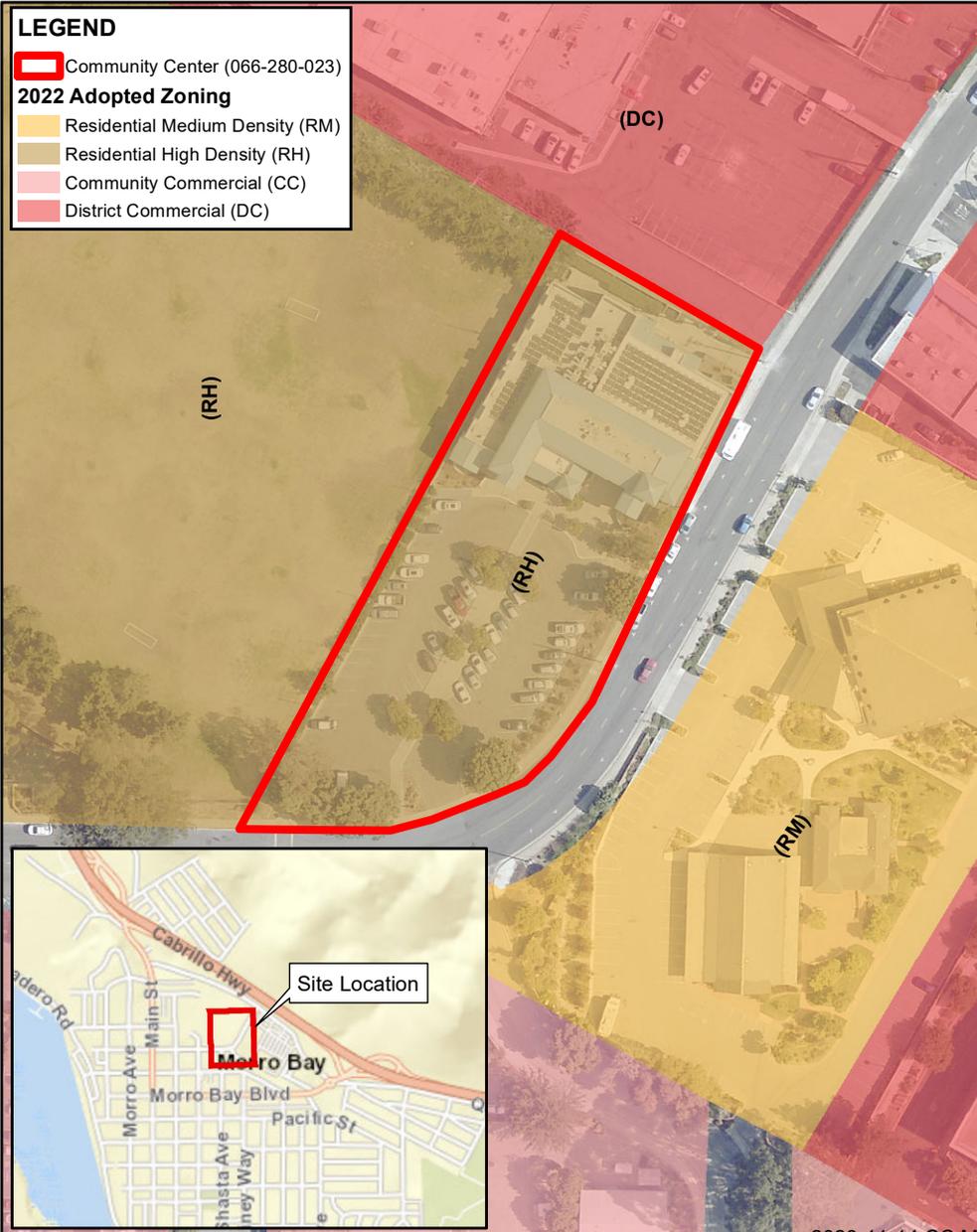




City of Morro Bay Community Center (066-280-023)

2022 Adopted Zoning

Proposed Zoning Amendment

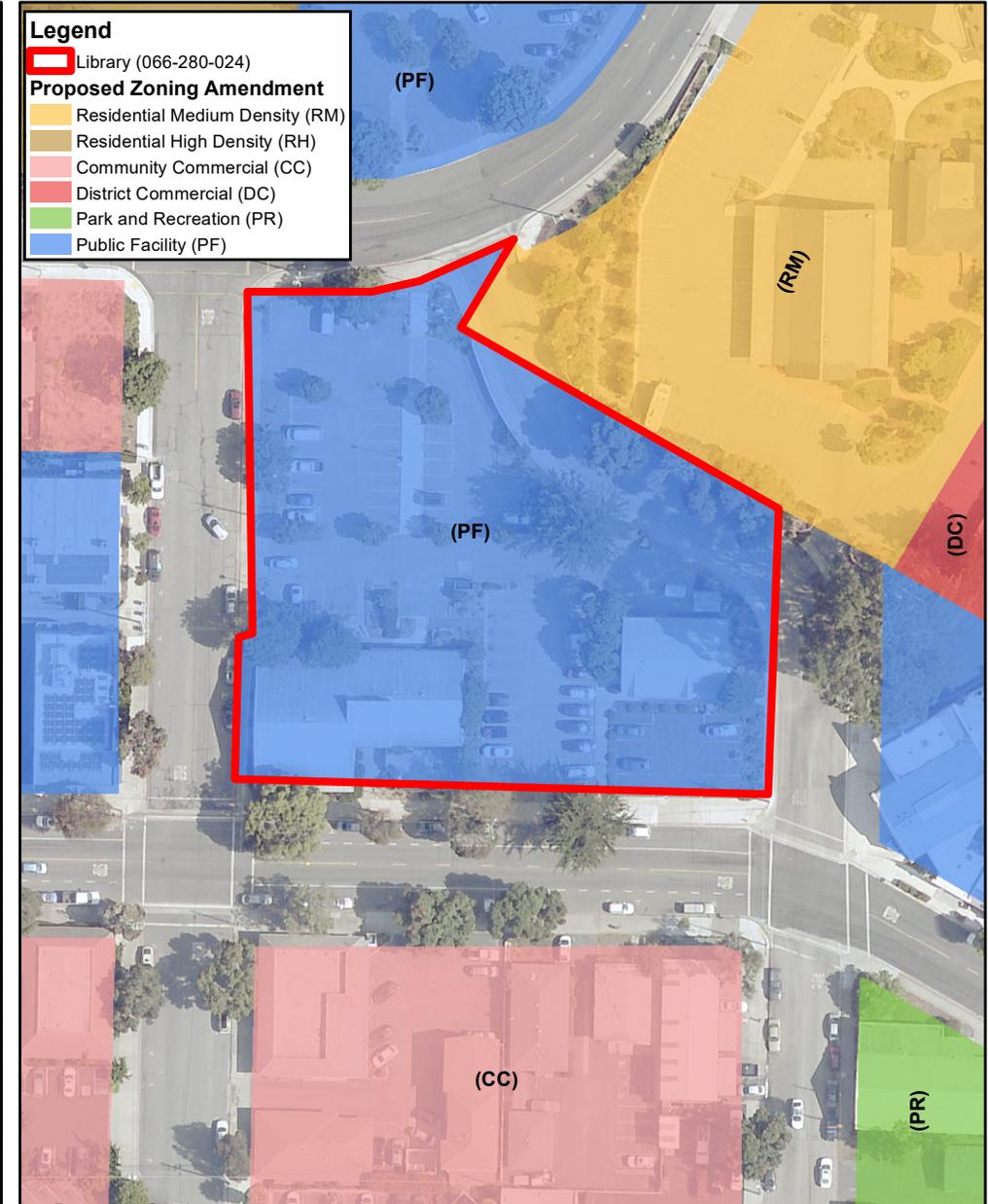
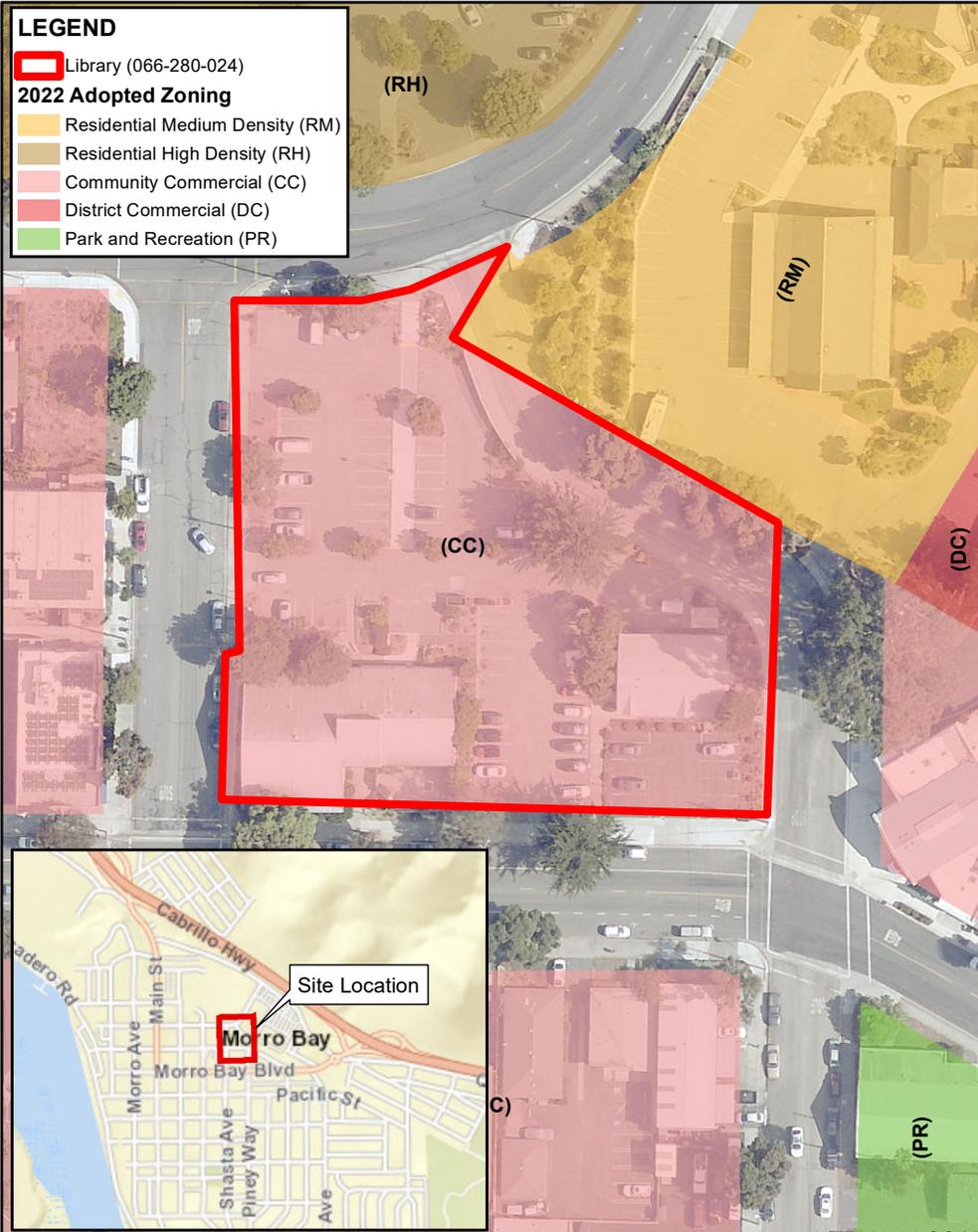




City of Morro Bay Library (066-280-024)

2022 Adopted Zoning

Proposed Zoning Amendment

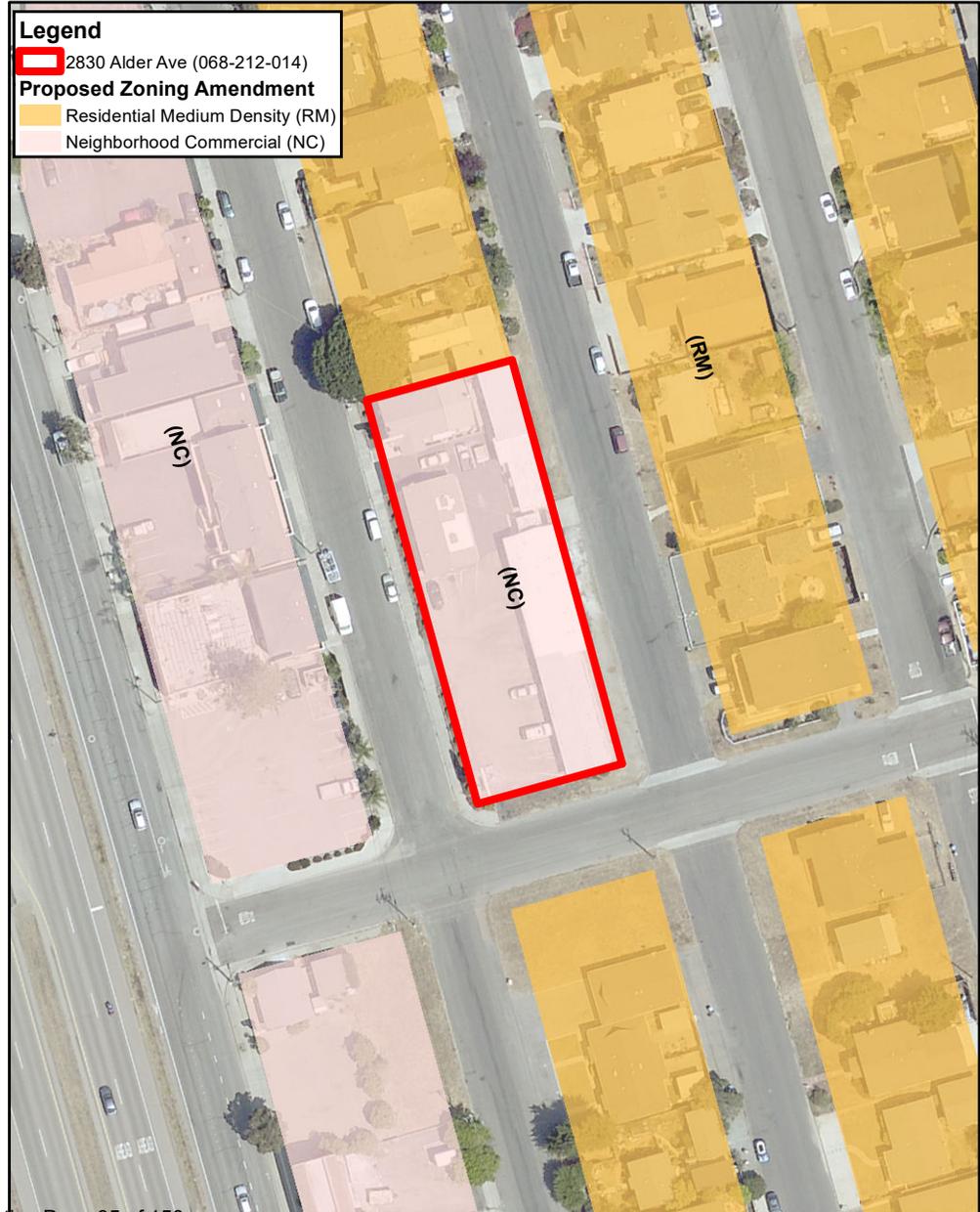




City of Morro Bay 2830 Alder Ave (068-212-014)

2022 Adopted Zoning

Proposed Zoning Amendment

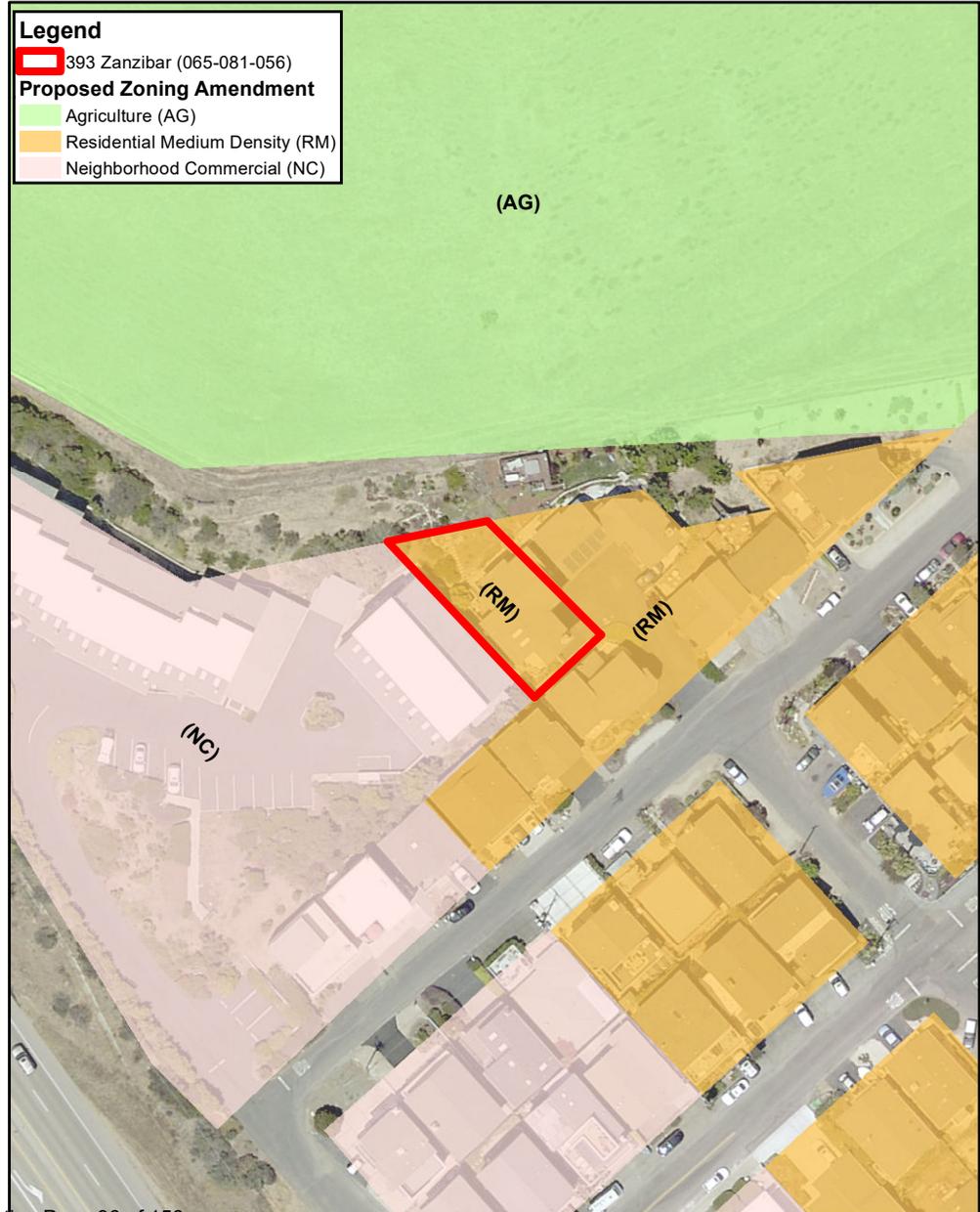
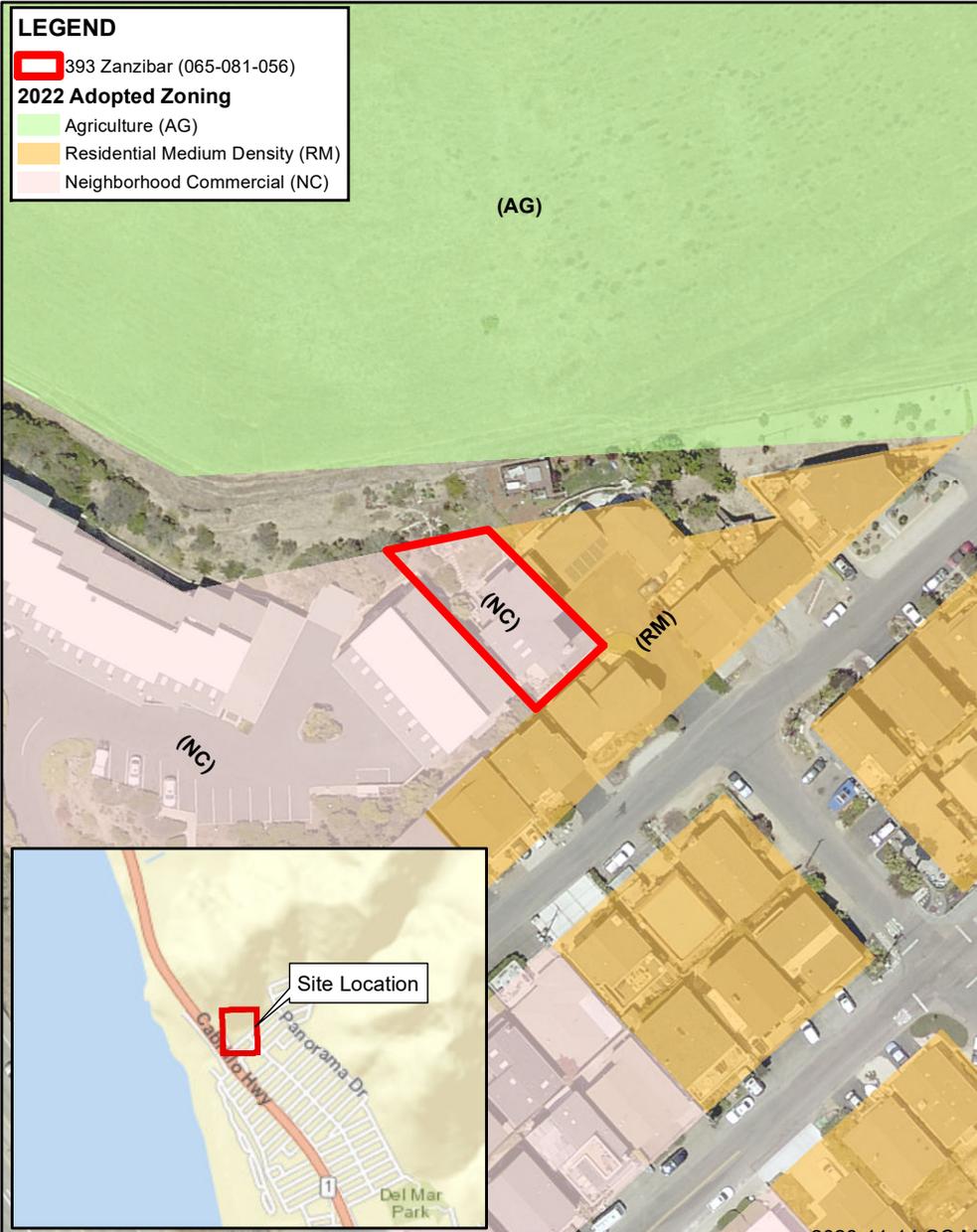




City of Morro Bay 393 Zanzibar (065-081-056)

2022 Adopted Zoning

Proposed Zoning Amendment





AGENDA NO: C-1
MEETING DATE: November 14, 2023

Staff Report

TO: Honorable Mayor and City Council **DATE:** November 3, 2023

FROM: Eric Riddiough, PE – City Engineer
Greg Kwolek – Public Works Director

SUBJECT: Consideration of Amendment No. 4 to an Existing Contract with GHD, Inc. for Completing the Project Approval and Environmental Document (PA& ED) phase for Intersection Improvements at State Route 41, State Route 1, and Main Street

RECOMMENDATION

Staff recommends the City Council approve and authorize the City Manager to execute Amendment No. 4 (Attachment 1) to the existing amended agreement with GHD Inc., for completion of the Project Approval and Environmental Document (PA&ED) phase for Intersection Improvements at State Route 41, State Route 1, and Main Street (SR-41/SR-1/Main) and extend the contract through January of 2025.

ALTERNATIVES

1. City Council may direct staff to not amend the contract with GHD. Though much of the work necessary for meeting Caltrans requirements for PA&ED have been completed by GHD in the existing contract, Amendment No. 4 is necessary to update and complete the scope of work for project approval and completion of the environmental document so that the project can be transferred to Caltrans for initiation of the design phase.
2. City Council may provide other direction to staff.

FISCAL IMPACT

The recommended contract amendment with GHD for PA&ED will cost the City \$394,676. This is covered in the project budget. Funding will come from budgeted Development Impact Fees already set aside for this project.

BACKGROUND/ DISCUSSION

The roundabout project was originally discussed in early 2000 with both Caltrans and SLOCOG. Both agencies have recognized the need to improve that intersection and recommended a roundabout project. Then in 2016, the City entered into the original agreement with GHD, formerly Omni-Means, to begin PA&ED, including environmental, planning, permitting, and preliminary engineering for the roundabout in the hope to partner with Caltrans. This work has been delayed several times and its original agreement have been amended accordingly. The latest contract amount was \$325,408 as of 2021. The attached amendment further explains the history of the project.

Recent years upon inquires of SLOCOG and CALTRANS, discussions regarding the project resumed. After much public outreach in spring of 2023 to assist the City Council coming to a final

Prepared By: <u>ER</u>	Dept Review: _____
City Manager Review: <u>_YK_</u>	City Attorney Review: <u>_CFN_</u>

decision about which intersection improvements to implement at this intersection, the City Council directed staff to move forward with completion of PA&ED and design of a roundabout option at the SR-41/SR-1/Main intersection at their regular meeting on June 27, 2023. Since that meeting, staff has learned from Caltrans of a potential option to transfer the project to Caltrans at the conclusion of PA&ED. In this scenario, Caltrans would complete design plans, specifications, and estimates (PS&E) and ultimately construction of the project. As such, Amendment No. 4 only provides for PA&ED work and not anything beyond.

Transferring the project to Caltrans at the conclusion of PA&ED presents several benefits to the City:

- Significant reduction of City exposure to cost overruns due to construction and project delays
- Elimination of staff time spent on project design and construction
- Potential return of funds committed by City for project design and construction
- Caltrans implementation of City Council direction
- Seat at the table for implementation of pedestrian safety design elements

Realizing these benefits will require the City to continue carrying the project through PA&ED with GHD. After completion of the environmental document, the Caltrans State Highway Operation and Protection Program (SHOPP) team would roll the project under their existing SR-1 Maintenance Improvements project that has a similar design and construction timeline. This would lower the City's contribution considerably below the \$2.5 million already pledged, with up to \$1.5 million being returned to the City.

With Caltrans overseeing the project after PA&ED, the City would continue to be involved in review of the project and would be a significant player in providing input on the design. Pedestrian and overall user safety were voiced heavily during public outreach as paramount for the success of this project given the proximity of Morro Bay High School. With pedestrian safety at the intersection as a top goal, the City would continue to advocate for a focused emphasis on pedestrian design features such as raised crosswalks, high visibility painted crosswalks, flashing beacons, and other engineering solutions. Caltrans will work collaboratively with the City and SLOCOG during design and construction with public engagement so that all stakeholders are engaged throughout the project up until completion.

Should the City choose to not transfer the project to Caltrans, the City will still need GHD to perform the PA&ED work in Amendment No. 4. Moreover, the City would then need to proceed with a new contract amendment with GHD for PS&E or release a request for proposals for consultant selection for the PS&E phase. Both of these options would require extra funds borne by the City and may lengthen the timeline for moving the project into construction. It might be worth noting that upon negotiation discussions with city staff, GHD agreed to provide a lower than current rates in this amendment.

CONCLUSION

Staff recommends the City Council approve and authorize the City Manager to execute Amendment No. 4 to the original 2016 contract (Attachment 1) to the existing amended agreement with GHD Inc, for the PA&ED phase for Intersection Improvements at SR-41/SR-1/Main in the amount of \$394,676 for a total contract amount for PA&ED of \$719,184 and extend the contract through January of 2025.

ATTACHMENT(S)

1. Amendment No. 4 with GHD, including Exhibit A (Scope of Services, Fee, and Schedule)

CITY OF MORRO BAY

AMENDMENT NO. 4 TO THE AGREEMENT
FOR CONSULTANT SERVICES
BETWEEN THE CITY OF MORRO BAY
AND GHD, INC.

This AMENDMENT NO. 4 TO THE AGREEMENT FOR CONSULTANT SERVICES BETWEEN THE CITY OF MORRO BAY AND GHD, INC. (“Amendment No. 4”) is entered on the 14th day of November 2023, by and between the City of Morro Bay, a municipal corporation (“City”) and GHD, Inc., a California corporation (“Consultant”).

RECITALS

WHEREAS, City and Consultant (collectively, the “Parties”) entered into an agreement as of September 1, 2016, for consulting services related to the State Route 1/41/Main Street Interchange Improvement Project (the “Agreement”) which was approved by the City Council in the amount of \$236,557.00 (the “Agreement”); and

WHEREAS, on October 8, 2019, the Parties executed Amendment No. 1 to the Agreement, which extended the term of the Agreement until December 31, 2021, and in which Consultant assumed all rights and obligations of Omni-Means, Ltd., under the Agreement and City consented to such assumption; and

WHEREAS, on April 13, 2021, the Parties executed Amendment No. 2 to the Agreement which extended the term of the Agreement until June 30, 2022, added Additional Scope of Work, and added compensation for the Additional Scope of Work in the amount of \$87,951; and

WHEREAS, on July 19, 2023, the Parties executed Amendment No. 3 to the Agreement which extended the term of the Agreement until July 30, 2023; and

WHEREAS, the Parties agree to amend the Agreement because of the remaining scope of work necessary to update necessary project studies and complete the Project Approval and Environmental Document phase of the project; and

WHEREAS, the Parties now wish to extend the term of the Agreement to January 31, 2025.

NOW THEREFORE, the parties hereto mutually agree as follows:

1. Section 1 of the Agreement is amended as follows (new text in ***bold italics***, deleted text in ~~strikethrough~~):

This Agreement shall commence on September 1, 2016, and shall remain and continue in effect until tasks described herein are completed, but in no event later than ~~December 31, 2018~~ ***January 31, 2025***, unless sooner terminated pursuant to the provisions of this Agreement.. In the event of any inconsistency between the terms of such letter proposal, and the Agreement, the terms of the Agreement shall govern. No other terms and conditions from that letter proposal, other than description of scope of services or work, shall apply to this Agreement, unless specifically agreed to by City in writing.

2. The Additional Work results in a net increase of THREE HUNDRED NINETY-FOUR THOUSAND SIX HUNDRED SEVENTY-SIX DOLLARS EVEN (\$394,676.00) to the

original contract for a new contract total of SEVEN HUNDRED NINETEEN THOUSAND ONE HUNDRED EIGHTY-FOUR DOLLARS EVEN (\$719,184.00) which will be billed on a time and materials basis as approved by the City Engineer or designee.

3. Consultant shall not be compensated for any further services rendered in connection with its performance of the Agreement that are in addition to those set forth in this Amendment No. 4, absent further mutual, written amendment(s) and in compliance with the limitations on signing authority in the City's Purchasing System (Chapter 3.08 of the Morro Bay Municipal Code).
4. The agreement shall remain and continue in effect until all tasks are satisfactorily completed, but in no event later than January 31, 2025, unless sooner terminated pursuant to the provisions of the Agreement.
5. Except as expressly set forth herein the terms and conditions of the Agreement and Amendments 1, 2, 3 and 4 shall remain in full force and effect.
6. The effective date of this Amendment No. 4 shall be deemed to be November 14, 2023.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their duly authorized representatives.

CITY OF MORRO BAY

GHD, INC.
(2 signatures required)

By: _____
Yvonne Kimball
City Manager

By: _____
Kamesh Vedula
Principal and Vice-President

Attest:

By: _____
J. Duncan Findlay
Secretary

Dana Swanson, City Clerk

APPROVED AS TO FORM

Chris Neumeyer, City Attorney



November 2, 2023

Original Sent Via Email

Eric Riddiough, P.E.
City of Morro Bay
Public Works Department
595 Harbor Street
Morro Bay, CA 93442

Dear Eric:

Re: Proposal: State Route 1/41/Main Street Interchange Improvement Project

We are keenly aware of the importance of this project on a local and regional level. The proposed improvements at the SR1 and SR 41 and Main Street intersection are needed not only to enhance safety but also to improve operational efficiency. We understand that providing these improvements has become a priority for the City and Region. **The Scope for this Task Order includes the anticipated work for Project Approval and Environmental Document (PA&ED) to meet the Caltrans requirements for moving the project forward. The proposed scope and fee reflects the recent feedback from Caltrans in phone calls and a preliminary review of the previously submitted project documents. Their feedback noted that no field survey, boundary validation, nor structure preliminary geotechnical report would be required for the PA&ED and Project Approval processes.**

The Team we have created are all knowledgeable of both City and State requirements and consider that knowledge their specialty in their discipline. Our Team includes the following very capable and motivated subconsultants to help us deliver this important project:

- **SWCA – Environmental Consultants**
- **Bengal Engineering – Structural Services**
- **Parikh – Geotechnical Services**
- **Hamner, Jewell & Associates – Right-of-Way Services**

GHD is realistic about what it will take to complete a successful project as outlined in our attached proposal. We are ready to work in strong partnership with the City of Morro Bay to deliver this project through to Project Approval and beyond. We are ready to do the hard work related to environmental clearance and preliminarily designing a great project. We know what it takes to deliver a quality project through Caltrans and we have a team built to deliver.

Below is a summary to-date of the work completed and what is left to complete environmental clearance and preliminary design:

- Environmental Documentation – 105% Previously Completed overall and needs to be redone, generally.
 - Traffic Study – 100% Completed previously and has been redone recently per new requirements within the previous contract budgets but needs to be reviewed and approved by Caltrans
 - Noise Study Report – 100% Completed previously and needs to be redone per current requirements so it is current.
 - Air Quality / Climate Change Memorandum – 100% Completed previously and needs to be redone per current requirements so it is current.
 - Phase I Initial Site Assessment – 100% Completed previously and needs to be

- redone per current requirements so it is current.
 - Coastal Zone Consistency Determination – 100% Completed previously and needs to be redone per current requirements so it is current.
 - Floodplain Studies – 100% Completed previously and needs to be redone per current requirements so it is current.
 - Natural Environment Study – Minimal Impact (NES-MI) – 100% Completed previously and needs to be redone per current requirements so it is current.
 - Visual Impact Assessment (VIA) Checklist – 100% Completed previously and needs to be redone per current requirements so it is current.
 - Minor VIA – 100% Completed previously and needs to be redone per current requirements so it is current.
 - Land Use and Community Impact Memorandum / Assessment – 100% Completed previously and needs to be redone per current requirements so it is current.
 - Section 106 Compliance – 100% Completed previously with additional efforts as-required from the Cultural Resources found present onsite and need to complete this process per Caltrans requirements.
 - Initial Study / Environmental Assessment – 50% Completed previously. Caltrans recently converted the project the Environmental Documentation category from IS/MND to IS/EA due to potentially significant impacts expected on Cultural Resources. New requirements described in scope of work attached.
 - Decision Document (Mitigated Negative Declaration and Finding of No Significant Impact – 0% Completed previously and needs to be completed following certification of Environmental Document.
 - Planning Permits – 0% Completed previously and needs to be completed.
 - Public Involvement and Community Outreach – 100% Completed previously with additional efforts within the previous contract budgets but needs to be completed with an emphasis on the Environmental Document.
- Preliminary Engineering – 90% Previously Completed and needs to be updated.
 - Supplement Preliminary Design – 100% Completed previously and needs to be refined per recent public outreach comments.
 - Topographic Mapping and Surveying (Optional) – New requirement suggested due to adjacent construction activities and to support updated preliminary design.
 - Preliminary Utility Coordination – 100% Completed previously and needs to be redone due to adjacent construction activities.
 - Structure Preliminary Geotechnical Report (SPGR) – New requirement due to anticipated wall type and current Caltrans standards.
 - Preliminary Geotechnical Design Report (PGDR)) – New requirement due to anticipated wall type and current Caltrans standards.
 - Advance Planning Study (APS) – 100% Completed previously and needs to be redone due due to anticipated wall type and per current requirements so it is current.
 - Right of Way Planning – 0% Completed previously and needs to be completed.
 - Prepare Storm Water Data Report – 100% Completed previously and needs to be redone to be current, especially given the recent adjacent construction activities.
 - Other Required Research/Documentation – 50% Completed previously and needs to be redone per recent construction activities and to be current.
 - Update Preliminary Cost Estimates – 100% Completed previously and needs to be redone to be current.
- Project Approval – 0% Completed and needs to be completed per current Caltrans requirements.

We are excited by the challenges and the opportunities of delivering your project that not only serves the residents of Morro Bay but also enhances the safety and accessibility for all visitors to this community. We look forward to working with you and the City on this project. Please feel free to contact me if you have any questions regarding our attached proposal.

Sincerely,

GHD

A handwritten signature in blue ink that reads "John Rogers". The signature is written in a cursive style with a large initial "J" and "R".

John C. Rogers, P.E.
Project Manager/Senior Transportation Engineer

Attachment: Proposal – State Route 1/41/Main Street Interchange Improvement Project

Exhibit A

Scope of Services

State Route 1/41/Main Street Interchange Improvement Project

City of Morro Bay

The Scope of Services has been developed by GHD based upon the request for proposal, qualifications and contract (RFP/RFQ), visits to the project site, our team's knowledge of the State and Federal requirements, knowledge of the project improvements and requirements through preparation of both approved ICE Step 1 and Step 2 process documents, expertise in roundabout design, knowledge of the local setting, and experience on similar projects.

The following Scope of Services includes two primary tasks as identified in the RFP/RFQ which include; Task 1 Environmental Determination and Planning Permits and, Task 2 Design Engineering. For each primary task, subtasks are provided that clearly demonstrate the services to be provided and our proposed process to successfully deliver not only the required environmental determinations and approvals, but also a complete biddable and constructible project design.

Task 1 - Environmental Determination and Planning Permits

The following Task 1 scope of services include those environmental services anticipated to be required as part of the environmental documentation process under CEQA and NEPA. The scope is based on our understanding of the project and the project history, our experience with similar interchange improvement projects and the Caltrans SER and Guidance for Compliance, preliminary investigation and research, and background information provided by the City as part of the Request for Proposal/Qualifications. Importantly, our approach differs in some significant ways from the Environmental Compliance Evaluation prepared in November 2014 (SWCA 2014). The key factor driving these changes is that Caltrans will serve as the CEQA Lead Agency for the project, rather than the City of Morro Bay (City).

To support the environmental documentation process, the Task 1 scope of services also provide for a public involvement and community outreach process which will include, at a minimum, a public open house, stakeholder meetings and presentations at public hearings. Preliminary engineering services will provide support information for the environmental documentation process which will include, at a minimum, descriptions of the proposed improvement alternatives, planning level right of way and structure information, storm water/drainage requirements and best management practices, and potential utility impacts and coordination issues.

As Caltrans has determined that this project must follow their capital projects process, services are identified that will provide for the documentation required by Caltrans in order to obtain both environmental approval and approval of a preferred project.

Finally, implementation of the project will require a Coastal Development Permit (CDP). Services are identified to acquire this permit.

Exhibit A

Task 1A - Project Management, Meetings and Coordination

1A.1 - Project Management and Coordination

Under this task GHD shall, at a minimum, perform the following duties:

- Establish administrative reporting requirement with the City;
- Participate in Project Development Team (PDT) and project coordination meetings;
- Provide monthly project status reports and project schedule updates;
- Coordinate and monitor design for conformance with Caltrans and City of Morro Bay standards and policies;
- Coordinate project submittals and reviews;
- Provide coordination with other agencies;
- Provide project coordination with subconsultants;
- Oversee the project components listed in this Task 1 Scope of Services;
- Implement Quality Assurance and Quality Control Measures;
- Serve as a Liaison with stakeholders and interested persons;
- Provide technical support to lead agency; and
- Prepare invoices at the end of each month of previous month's work.

1A.2 - Project Meetings

GHD shall be available throughout the length of this project to attend meetings as needed with the City of Morro Bay Project Manager. We shall also coordinate and attend all PDT and/or project coordination meetings and prepare meeting records for each meeting. Up to ten (10) PDT and/or project coordination meetings are assumed by GHD through completion of Task 1. Subconsultants will attend each meeting, if needed, based on their level of involvement.

Task 1B - Environmental Determination

SWCA (**Subconsultant**) has developed this scope of services for environmental services anticipated to be required as part of the environmental documentation process under CEQA and NEPA. Since Caltrans will act as CEQA and NEPA Lead Agency, the project will not follow Caltrans's standard Local Assistance process (which was the basis for scoping environmental requirements in the 2014 Environmental Compliance Evaluation). Instead, SWCA understands that the project will be treated as a State Highway System project with Caltrans Oversight and will take somewhat of a hybrid approach. SWCA has consulted with their in-house Caltrans NEPA Specialist and with Caltrans Environmental Planner Kristen Merriman of Caltrans Central Region regarding this project and the appropriate process steps and requirements. The following scope of services has been developed based on this input along with SWCA's extensive experience working with Caltrans on similar projects.

Preliminary Environmental Analysis: SWCA understands that a Project Initiation Document (PID) has already been prepared for the project and that no additional preliminary environmental scoping document will be required. Therefore, preparation of a Preliminary Environmental Analysis Report or PES is not included in this scope of services.

1B.1 - Environmental Project Management / Quality Assurance/Quality Control

SWCA project management will include general management of the Environmental Project Team, as well as coordination/correspondence with GHD, the City, Caltrans, and other regulatory agencies, as deemed appropriate by GHD. SWCA's project manager and additional staff, as appropriate, will be available to meet with the project team and City and/or

Exhibit A

Caltrans staff at all requested meetings and public hearings (up to 10 meetings assumed). SWCA will be prepared to respond to questions, make presentations, and/or participate in an advisory capacity relating to the environmental planning and permitting components of the project.

1B.2 - Technical Environmental Studies

SWCA has provided a brief description of the scope of work for the various technical studies anticipated to be required as part of the environmental documentation process. It is important to note that this list of technical studies is only preliminary. The scope of work for the technical studies can be refined or changed by the City as needed in order to best serve City staff and meet Caltrans requirements. The technical studies required would ultimately be developed as a result of meetings with the City and Caltrans environmental staff, public outreach, and consultation with local stakeholders.

Traffic Study: GHD has developed a traffic study as part of the ICE process (Steps 1 and 2). GHD will develop a VISSIM simulation model utilizing the traffic forecasts provided in the ICE studies to simulate peak hour transportation operations for the “No Build” and each of the two build alternatives. Also, Caltrans has requested a Traffic Operations Analysis Report to include the following:

GHD will coordinate new traffic multimodal turning movement counts for the AM and PM peak hours and average daily traffic counts to be collected at the project study intersections and segments.

Similar to the ICE Step 2 that was approved in 2019, the project study Intersections are as follows:

- SR 41 at Main Street
- SR 41 at SR 1 NB Off/On Ramp

Traffic counts were collected for the SR 41 at SR 1 SB Off/On-Ramp intersection. Even though this is not a study intersection, it will need to be checked to make sure the improvements are not causing any issues, in particular any queuing back to the SR 1 mainline. In addition, we collected average daily traffic (ADT). These locations are on every leg of the study intersections. These counts have been processed to find the AM and PM peak hour that will be used for the existing conditions analysis.

GHD created a new baseline (2022) for the existing conditions analysis from traffic counts collected above. All study intersections have been analyzed and compared to the previous ICE analysis.

GHD has evaluated different design years for the No Build and Build alternatives (stop control, traffic signal, and roundabout) for Opening Year 2025, Interim Year (10 Years out - 2035), and Design Year (2045) Year. This analysis was performed in Synchro using HCM 6th methodology and queuing analysis per the microsimulation software SimTraffic. Forecasted future traffic volumes will come from growth rates established in the 2045 SLOCOG RTP/SCS Travel Demand Model (TDM). Per evaluation of SLOCOG's TDM there is an average annual growth rate of .11% from 2015 to 2045. So we recommend a conservative approach of using an ambient annual growth rate of .5% per year with the traffic added in from the approved projects in the area. Per recent coordination with the City of Morro Bay, the approved project in the vicinity as the Atascadero Hotel is approved and due to go to construction in April/May 2023 and the Multi-Family Housing Project (405 Atascadero

Exhibit A

Road) which is in construction.

Our results will show the vehicle delay and Daily Vehicle Hours of Delay (DVHD) and Daily Persons Hours of Delay (DPHD) for each alternative and the expected GHG emissions.

Per Caltrans Transportation Analysis under CEQA (TAC), Evaluating Transportation Impacts of State Highway System Projects, September 2020, the roundabout alternative has the potential to be screened out as a roundabout is mentioned as “Project Types Not Likely to Lead to a Measurable and Substantial Increase in Vehicle Travel.” However, greenhouse gas (GHG) emission reduction and any VMT induced will still be to be reported in the TOAR. GHD will utilize SLOCOG’s Travel Demand Model to capture the VMT increase or decrease between Opening and Design year for the No-Build and Build scenarios and report the GHG emissions per the operational analysis.

After the assessment, we will determine if the VMT increase is less than significant or not per CEQA.

The past 5 years of existing collision analysis will be obtained from Caltrans TASAS data. This analysis will be used in understanding the collision trends at these locations including severity, type, and violation. With COVID impacting part of the 5-year timeline, we will also evaluate the collisions pre and post COVID to understand the trends. In addition, visualization of the collisions through ArcMap will be provided.

Per confirmation with Caltrans District 5, GHD will follow Highway Safety Manual (HSM) Performance-Based Decision Making in selecting the preferred alternative. This analysis will follow HSM, Part C, and Predictive Methods for Urban and Suburban Arterials for No Build and Build Alternatives.

All analysis and results will be summarized for selecting the preferred alternative.

All findings and results will be summarized in the Traffic Operations Analysis Report, including conclusions of the alternatives and comparison to the previous ICE analysis. A draft TOAR will be provided to the City and Caltrans for comments and feedback. After all comments are addressed the final TOAR will be signed and sealed for inclusion in the CEQA/NEPA document overall performance matrix which will help inform the preferred alternative.

Noise Study Report: Existing uses in the project area would be subject to a short-term increase in noise associated with construction of the proposed project. Demolition of the existing infrastructure and pile driving (if required) may cause both noise and vibration at the project site. Project-generated truck traffic noise may be of concern for nearby residences as equipment and materials shipments (including worker trips) are made to the project site. Adjacent uses may experience an increase in ambient noise levels associated with the addition of travel lanes in closer proximity to adjacent receptors; however, adjacent land uses are not highly sensitive and such increases are expected to be negligible when compared to existing traffic noise along SR-1 and SR-41.

The anticipated minor physical alteration of the vertical or horizontal alignment of SR-1 and/or SR-41 would result in the project being considered a Type 1 project by the FHWA. The SWCA team would prepare a Noise Study Report consistent with Caltrans’ SER and utilizing methodology set forth in Caltrans’ *Traffic Noise Analysis Protocol for New*

Exhibit A

Highway Construction, Reconstruction, and Retrofit Barrier Projects (May 2011). Preparation of the noise study will include: 1) recording of long-term 24-hour and short-term 15-minute noise measurements; 2) definition of existing conditions; 3) identification of the loudest noise hour; 4) preparation of anticipated future noise levels using the FHWA's Traffic Noise Model; and 5) consideration of reasonable and feasible noise abatement measures in the event an impact is identified.

If the Noise Study Report identifies existing or modeled future noise levels at any proximate sensitive receptor that would exceed established land use based Noise Abatement Criteria, preparation of a Noise Abatement Decision Report (NADR) would be required. The closest sensitive receptor is a single-family residence located approximately 250 feet northeast of the intersection. Additional receptors, including hotels and residences, are located within 500 feet of the intersection. At this time, it is anticipated that preparation of a NADR will not be required and is not included in this scope of services.

Air Quality / Climate Change Memorandum: The project would generate short-term construction emissions resulting from ground disturbing activities (i.e., fugitive dust) and the use of diesel-fueled construction equipment. Air quality concerns related to the disturbance of potential hazardous substances within the existing structure or surrounding areas, such as asbestos and lead-based paint, are also possible. Long-term air quality would likely be improved by the project, as it would relieve traffic congestion in the area; however, if circulation patterns in the city could be significantly affected by the intersection modifications; overall air quality effects should be considered.

The SWCA team will prepare a memorandum-style air quality/climate change memorandum meeting Caltrans standards. The memorandum will include a quantification of potential emissions resulting from construction activities through use of the most recent version of the ROADMod modeling program. Changes in mobile source emissions will be estimated using EMFAC2014. The operational emissions analysis will also discuss mobile source air toxics (MSAT). The memorandum will discuss transportation conformity requirements on a regional level. A project-level carbon monoxide or particulate matter hot spot analysis is not required, as the project area is in attainment for these pollutants.

Phase I Initial Site Assessment: PARIKH (**Subconsultant – DBE**) will prepare the Phase I Initial Site Assessment (ISA) study report for the proposed project improvements. Generally the ASTM recommends a 1.0 mile radius for the data search. The ISA study will be prepared to identify potential hazardous waste sites and evaluate environmental factors that may have impacted the soil groundwater quality within the project limits. The study will include data collection and documents research including historical land use based on study of aerial photographs and other relevant documents. The data research will be ordered from Environmental Data Research Inc. (EDR Inc.) for the proposed project. No field exploration and/or testing are included in this phase of the work.

Coastal Zone Consistency Determination: The federal Coastal Zone Management Act requires that a Coastal Zone Consistency Determination be completed for federally funded projects in the coastal zone prior to completion of a NEPA Determination. The determination must be submitted to the California Coastal Commission 90 days prior to approval of the action. The California Coastal Commission has 60 days to respond. SWCA will develop a concise memo addressing consistency of the proposed SR-1/SR-41/Main Street Interchange Improvement Project with the California Coastal Act and the Local Coastal Program. This memo will be submitted to Caltrans, as the federal lead agency, in order to

Exhibit A

initiate consistency consultation with the Federal Consistency Unit of the California Coastal Commission. SWCA's role during this time will be to support Caltrans with any additional information that may be needed.

Floodplain Studies: Caltrans will require preparation of a Location Hydraulic Study (LHS) and Summary Floodplain Encroachment Report (SFER). GHD will be responsible for preparing both the LHS and SFER, coordinating submittals and reviews with Caltrans, and obtaining the necessary approvals.

Natural Environment Study – Minimal Impact (NES-MI): The Natural Environment Study – Minimal Impact (NES-MI) consists of an impact analysis of the sensitive biological resources with potential to occur within the project impact area. Prior to conducting the fieldwork and NES-MI preparation, SWCA would request an official species list from the USFWS Information for Planning and Conservation (IPaC) website for the project location. The species list would include all federal species that would need to be taken into consideration in the NES-MI. Per Caltrans requirements, the USFWS official species list must be acquired within 6 months of submitting the NES-MI for review. SWCA will ensure that this list is updated prior to submittal to Caltrans.

In addition to the USFWS species list, SWCA graphic specialists would conduct a 5-mile radius search of the project impact area using the CDFW California Natural Diversity Database (CNDDDB) to determine what other species may need to be taken into consideration. SWCA's experience has been that a 5-mile radius is acceptable and often results in a more focused list of species for evaluation, thus reducing time spent analyzing species that are considered to have no potential to occur in the subject project area. This is particularly helpful when compiling and analyzing botanical resources within San Luis Obispo County.

Following the database search and review of existing documents, one field survey will be conducted by SWCA biologists to confirm baseline information on vegetation communities, habitat types, and plant and wildlife species in the study area has not changed. At this time, SWCA assumes only one site visit would be necessary. Resources identified during field surveys will be mapped with Global Positioning System (GPS)/GIS and will be overlain on plans and/or aerials provided by the City.

SWCA conducted botanical surveys in the project area on March 24, 2015, and March 23, 2016 to document any special-status plant species or habitat for special-status species present in the proposed project area. No special-status plant species or native habitats that could support special-status plants were observed during either survey effort; therefore, it is SWCA's professional opinion that no special-status species concerns occur in the proposed project area. Caltrans generally accepts botanical survey information for up to 2 years; therefore, we do not believe any further botanical surveys are necessary and none are proposed.

As part of preparation of the NES-MI, SWCA will prepare a focused impact analysis on Morro shoulderband snail (MSS; *Helminthoglypta walkeriana*). Based on an SWCA reconnaissance survey of the study area, almost the entire project site consists of disturbed habitat, and lacks baywood fine sand, and coastal dune scrub vegetation which is the preferred habitat for the Morro shoulderband snail. At this time, we do not believe there will be any potential for MSS to occur at the site. This assessment will be thoroughly discussed within the NES-MI.

Exhibit A

The NES-MI will include a description of each project alternative under consideration; regulatory overview; study methods; documentation of existing conditions; special-status plant and animal species, sensitive habitats, and jurisdictional features (wetlands/other waters); evaluation of permanent, temporary, direct, indirect, and cumulative impacts; and recommended avoidance and minimization measures. The NES-MIs will also adequately address invasive plant species as required by Executive Order (EO) 13112, Wetland Protection under EO 11990, and Flood Plain Management under EO 11988. The NES-MI will be prepared using the most current Caltrans template available prior to submittal of the draft to Caltrans.

It is important to note that an NES-MI cannot be used by Caltrans for purposes of Section 7 consultation with USFWS. Therefore, this scope is based on our assumption that the evaluation will determine no potential for take of any federally listed species. SWCA assumes no potential for take will occur based on their familiarity with the project site and their understanding that no disturbance or discharge into Morro Creek (which could affect California red-legged frog [*Rana draytonii*] and steelhead [*Oncorhynchus mykiss*] habitat) is anticipated. If studies determine that additional analysis and documentation would be required to facilitate federal consultation under Section 7, including an NES, BA, and Jurisdictional Waters Delineation, SWCA could complete any additional documentation under a change order.

Visual Impact Assessment (VIA) Checklist: SWCA will utilize the Caltrans Visual Impact Assessment Guide (VIA Guide) to determine the level and type of visual impact assessment that would be required for the project. Itemized responses to the checklist set forth in the VIA Guide would be provided, including project-specific details supporting each response. After completion of the VIA checklist, the final project score will be compared to Caltrans's established thresholds to determine whether additional visual analysis, scoping, photo simulations, public review, or impact determinations and minimization would be necessary. SWCA will consult with the City and Caltrans to determine the appropriate level of visual analysis necessary.

Minor VIA: Because of the project's location in a highly visible area, with a high number of public views from SR-1 and SR-41, and its scenic importance as a "gateway" to the city, SWCA anticipates that a Minor VIA will be required. SWCA will determine the extent to which the proposed intersection modifications would be visible from Key Viewing Areas (KVAs), and determine the extent of any visual impacts when compared to existing conditions.

The Minor VIA will provide a visual analysis to address aesthetic impacts of the project consistent with CEQA, NEPA, and Caltrans requirements and format. SWCA will identify up to three KVAs to ensure adequate coverage of the new alternative and the scope of work will include photographic documentation of existing conditions. Due to the sensitive visual nature of the project site, GHD will prepare visual simulations for inclusion with the Minor VIA.

Land Use and Community Impact Memorandum / Assessment: A memorandum style Land Use and Community Impacts Assessment will be prepared following relevant guidance in Volume 4 of the Caltrans SER, including, in particular, an evaluation of the community impacts that may occur as a result of necessary right-of-way acquisitions and changes in access, circulation, and parking. An analysis of temporary and long-term impacts on local businesses and residents will be conducted to determine potential effects

Exhibit A

associated with short-term construction activities (i.e., detours and construction noise) and the anticipated permanent right-of-way acquisitions within the project area as a result of the proposed interchange improvements. The analysis will also identify the need for relocation of public utilities and will consider the potential for secondary impacts associated with potential for delays or loss of access for emergency vehicles. The analysis of social impacts will include a discussion of any beneficial effects that would result from the proposed improvements to pedestrian and bicyclist access and streetscape enhancements. SWCA will develop appropriate mitigation measures, as necessary, to reduce impacts through consultation with the City and the project design engineers.

Section 106 Compliance: SWCA will undertake the tasks for National Historic Preservation Act (NHPA) Section 106 and CEQA/NEPA compliance. In order to comply with Section 106, SWCA proposes the following:

- ***Area of Potential Effects Mapping Assistance***

SWCA will assist GHD in the preparation of an APE map that includes a delineation of the area of direct impact and area of indirect effects. The map will depict existing and proposed right-of-way, staging areas, and the location of any cultural resources identified in the APE. The map will be created to meet the standards of Caltrans; this includes, but is not limited to, providing the polygons of any known cultural resources included within the APE as a result of the records search (described below), and creating maps at a scale of 1":200' and printed on 11×17 sheets.
- ***Archaeological Survey Report***
 - **Records Search** - SWCA will conduct a records search for the proposed project area at the California Historical Resources Information System's Central California Information Center (CCIC), located at the University of California, Santa Barbara. SWCA assumes that Caltrans will require a 1-mile search radius. SWCA further assumes that the records search will be completed at the CCIC for a maximum direct cost of \$900.00 and will be conducted at standard rates. The typical turnaround time for this request is approximately 30 days. SWCA would initiate this task immediately following notice to proceed from GHD. The timing of the records search is critical in meeting the deadline for the Section 106 studies.
 - **Native American Coordination** - Pursuant to Code of Federal Regulations Title 36, Section 800.4(a)(3), preparation of the ASR and HPSR will include coordination with up to 20 local Native American individuals and groups who may have knowledge of, or concerns about, Native American resources in the area. SWCA will initiate this task on behalf of the City and Caltrans by contacting the Native American Heritage Commission (NAHC) to request a Sacred Lands File search and to request a list of Native American contacts. Upon receipt of the Sacred Lands File search, SWCA will prepare and mail letters to each of the NAHC-listed contacts, requesting information concerning any Native American religious or cultural resources within or immediately adjacent to the project area. Up to two telephone calls will be made to each of the Native American groups on the NAHC list to document good-faith follow-up efforts.
 - **Archaeological Survey Report** - SWCA will conduct an intensive-level archaeological survey of the area of direct impacts. SWCA will survey the APE and prepare updates to the California Department of Parks and Recreation (DPR)

Exhibit A

Series 523 forms for the portion of the site within the APE. No testing or excavation will be conducted, nor will any artifacts, samples, or specimens be collected during the survey.

Upon completion of the field survey, SWCA will prepare an ASR according to Caltrans's current guidance as specified in the SER. The ASR will document the results of the records search, Native American scoping, and field survey. The report will include maps depicting the area surveyed for cultural resources. Locations of sensitive archaeological sites or Native American cultural resources may be depicted or described in the report and will be considered confidential; therefore, the report may not be distributed to the public. This report will be submitted to the City and Caltrans for review.

The proposed roundabout location is within the boundaries of a known archaeological site; therefore, SWCA assumes the ASR will result in positive findings. It is anticipated that additional tasks will be required to comply with Section 106; these tasks may include archaeological delineation (Extended Phase I), evaluation (Phase II testing), and data recovery; preparation of a Finding of Effects; and a Memorandum of Agreement. It is impossible to accurately scope this additional work until the preliminary analysis has been completed and appropriate agencies and Native American groups have been consulted; therefore, SWCA's scope does not include additional archaeological testing or reporting at this time. Upon completion of the ASR, SWCA will consult with the project team to determine the necessary next steps, based on the findings in the ASR, project design, the results of Native American consultation, and project team coordination. Any additional work would be completed under a change order.

- Historic Properties Survey Report - Upon completion of the ASR, SWCA will prepare a short-format Caltrans HPSR according to Caltrans's current guidance as specified in the SER. The HPSR is the overarching document that summarizes the results of the cultural resources investigation; it will include a project description, a description of the APE, details of coordination with Native American groups/individuals as well as local government and historic groups, a summary of identification efforts, information regarding any properties identified within the APE, a list of attached documentation, and the findings of the study.

SWCA assumes that no historic properties exist within the APE. Based on our familiarity with the project site and available information, SWCA assumes historic properties are not located within or impacted by the proposed project. However, if the project APE is found to contain historic properties, as described under Section 106 of the NHPA, additional cultural studies would become necessary requiring additional analysis and consultation not included within this scope of services.

1B.3 - CEQA/NEPA Environmental Documentation

In the 2014 Environmental Compliance Evaluation, it was assumed that the appropriate environmental clearance documents for the project would be an IS/MND under CEQA and a Categorical Exclusion (CE) under NEPA. However, as a State Highway System project with Caltrans Oversight, Caltrans will now take the lead under CEQA and NEPA. Based on SWCA's relevant experience with Caltrans and discussion with staff, it is now anticipated

Exhibit A

that Caltrans will require preparation of an EA under NEPA.

The project is not expected to result in significant and unavoidable environmental impacts; however, an EA may be required to allow for evaluation of more than one design alternative (if necessary, which can't be done in a CE). In addition, the EA will address any potential public controversy over the project's purpose, need, and/or design by providing an opportunity for the public to review and comment on the environmental document.

With Caltrans' role as CEQA Lead Agency, it is likely that an IS/MND that complies with Caltrans' approved templates and SER guidance will be required. In particular, if an EA is ultimately required under NEPA, SWCA believes Caltrans will view the benefits of a IS/EA that meets Caltrans' requirements as outweighing any potential added cost or delay that may result from an approach that doesn't include utilization of the City's 2002 IS/MND.

At this time, SWCA's scope includes preparation of an IS/EA that meets all of the requirements of the Caltrans SER and IS/EA Annotated Outline. However, SWCA's first step in environmental documentation will be to consult closely with the project team and Caltrans to explore any available options for qualifying the project for a CE under NEPA and/or utilizing/updating the City's 2002 IS/MND for CEQA compliance. SWCA will review the NEPA CE Checklist to determine whether any federal regulations can be relied upon to establish the project's qualification for a CE under applicable NEPA regulations. SWCA will also consult with the project team regarding the preferred approach for CEQA compliance: revision of the City's previous 2002 IS/MND or preparation of a new joint document pursuant to the Caltrans SER. The CEQA approach may ultimately be determined based on Caltrans' requirements under NEPA.

Initial Study / Environmental Assessment: SWCA will prepare an IS/EA pursuant to the Caltrans SER and IS/EA Annotated Outline. This scope of work assumes a routine IS/EA is the appropriate environmental document for this project, and a complex IS/EA will not be required. Should it become apparent during environmental evaluation that a complex IS/EA or an EIR/EIS is necessary, GHD and the City will be notified immediately for appropriate action.

SWCA will use the information within the NEPA technical reports prepared for the project to prepare the IS/EA. Preparation of the IS/EA will include an assessment of all resources as required by the City's preferred CEQA checklist and the Caltrans SER. It is assumed that the IS/EA will consider both build alternatives (the traffic signal alternative and the roundabout alternative) and the No Build Alternative. The IS/EA will be written in language understandable to the public and decision-makers, and will utilize graphics and tables to clearly present information. It will be concise and focus on the most important issues identified through public and/or internal scoping.

This task assumes up to two rounds of administrative review. SWCA will revise the administrative draft IS/EA in response to comments from GHD, the City, and Caltrans. This task also includes costs to manage noticing, production, distribution, and management of the public review process, including preparation and publishing of a Notice of Availability (NOA) and Notice of Intent (NOI), Notice of Public Hearing or Opportunity for a Public Hearing, and any other required means of noticing the public per CEQA and the SER and as determined by City and Caltrans staff (i.e., newspaper publishing and mailings). SWCA will provide electronic copies of all draft IS/EA documents and assumes the City and/or Caltrans will manage production and printing.

Exhibit A

SWCA will be responsible for collection and documentation of all public comments received and public comment analysis, as determined by the City and Caltrans. SWCA will manage noticing, preparation materials, presentation of the project, responses to questions, and compilation of any public comments in preparation of public hearings. SWCA will work closely with the project team to develop responses to comments, for incorporation into a complete Public Comment and Response Report, if requested, for incorporation into the final environmental document.

The Final IS/EA will be prepared by revising the body of the draft IS/EA (as necessary) and will include: a separate Environmental Commitments/Mitigation Measures section, a brief summary of the public review process, a Wetlands Only Practicable Alternative Finding and/or Floodplain Only Practicable Alternative Finding (if necessary), and a discussion as to the final disposition of Section 106 issues. This task assumes up to two rounds of administrative review.

Decision Document (Mitigated Negative Declaration and Finding of No Significant Impact): SWCA will prepare the Mitigated Negative Declaration and Finding of No Significant Impact (MND/FONSI), including an errata sheet for changes to the IS/EA (if necessary) and responses to substantive public concern statements (if necessary). SWCA will facilitate review and document clearance to the extent requested by the City and Caltrans, and will provide public notice of the MND/FONSI through preparation and submittal or publishing of a NOA of the MND/FONSI, Notice of Determination (NOD), CDFW environmental filing fee documentation, or other appropriate means as determined by City and/or Caltrans staff. SWCA will file the NOA, NOD, and CDFW filing fee documentation with the County Clerk and the State Clearinghouse within 5 days of project approval as required by CEQA and the Caltrans SER. *(Please note that applicable CDFW environmental filing fees are assumed to be paid for by the City; receipt of these fees from the City will need to be coordinated within the five day statutory period.)* SWCA also assumes the City and/or Caltrans will manage production and printing of all final MND/FONSI documents.

Task 1C - Planning Permits

1C.1 - Planning Permits

Based on SWCA's knowledge of the permit process for federal and state agencies, implementation of this project will only require permits/agreements/approvals from Caltrans and the City, and a federal consistency letter from the California Coastal Commission.

SWCA will assume the responsibility of acquiring the Coastal Development Permit (CDP). The City implements the Local Coastal Plan and would administer the CDP for this project (subject to the appellate jurisdiction of the California Coastal Commission). SWCA would prepare the permit package that would include completed permit applications, maps of the project location, site photographs, construction plans, and pertinent background reports. To facilitate the permitting process, SWCA would prepare a signature-ready application package following completion of the technical studies. The coastal development permit is expected to be approved along with the approval of the environmental document. SWCA assumes any other permits required for this project (i.e., encroachment permits) would be acquired by the City.

Task 1D - Public Involvement and Community Outreach

Exhibit A

1D.1 - Public Open House

GHD will coordinate and participate in one (1) public open house. Strategic Initiatives (**Subconsultant**) will take the lead on facilitating and running the public meeting (other subconsultants will participate based on their level of involvement). GHD will be responsible for developing all meeting materials and handouts. GHD will also prepare a public meeting notice and provide it to City of Morro Bay staff to be included in the local newspaper. It is anticipated that the City will be responsible for this noticing. Property owners and other interested parties will also be mailed a copy of the notice. It is anticipated that the City of Morro Bay staff would generate the mailing list and GHD will then be responsible for mailing the notices. Finally, a meeting record will be prepared following the conclusion of the public open house.

1D.2 - Stakeholder Meetings

GHD will be available to participate in up to three (3) meetings with stakeholder groups or key interested individuals. A meeting summary will be prepared and provided to the City for review and comment following each meeting.

1D.3 Public Hearings

GHD and SWCA (environmental subconsultant) will prepare and attend one (1) and one (1) City Council hearing. We will be available to present information, provide presentation materials, and answer questions associated with the project at the hearings.

Task 1E Preliminary Engineering

1E.1 - Supplement Preliminary Design

Preliminary engineering design has been completed for the two project build alternatives (traffic signal alternative and 6-legged roundabout alternative) in sufficient detail as to generally satisfy Caltrans Intersection Control Evaluation (ICE) process. Under this task, GHD will review the current designs and provide any final adjustments to ensure that each alternative has been optimized, all final preliminary design comments addressed, and potential design impacts are fully defined.

1E.2 - Preliminary Utility Coordination

GHD will contact utility companies, provide mapping for review and comment, and obtain written confirmation from utility companies on the location of their existing facilities. This information will then be included in the current planning level base mapping and used to identify potential utility impacts and relocations associated with each project build alternative.

1E.3 - Preliminary Geotechnical Design Report (PGDR)

The project proposes to include retaining walls and slope cuts, and pavement for the roundabout and ramp work. The work is within the city and Caltrans ROW. To simplify the process PARIKH (**Subconsultant – DBE**) will prepare a combined report that covers these elements as a PGDR.

A Preliminary Geotechnical Design Report is proposed for the roadway pavement, retaining walls, slopes and other civil design features. The review will be based on readily

Exhibit A

available data including as-built Log of Test Borings from the previous geotechnical reports and other Agency records. The potential geotechnical/geologic impacts and mitigations will be discussed on a broad basis including but not limited to slope stability, geology, seismic impacts, erosion, groundwater conditions, etc. for the proposed project. Wall foundation types will be based on Caltrans standard design guidelines. Generally, the geotechnical issues relevant to the proposed project are presented in a qualitative manner with no specific design recommendations.

1E.4 - Advance Planning Study (APS)

The proposed roundabout alternative will require provision of a new retaining wall along both the SR 1 northbound off-ramp to, and along the SR 1 northbound on-ramp from SR 41 to facilitate implementation of the proposed improvements. Bengal Engineering (**Bengal, Subconsultant – DBE**) will prepare Advance Planning Studies (APS) to document the scope and cost of the proposed structure work by developing feasible retaining wall systems to accommodate these improvements. Each APS will be prepared in accordance with guidelines set forth in Caltrans Memo to Designers. Each APS will consist of one plan sheet for each retaining wall showing the basic structure layout and estimated cost.

1E.5 - Right of Way Planning

Right of Way planning services will be provided by Hamner Jewell Associates (**HJA, Subconsultant**). Services provided by HJA will include the following:

- Provide project team support in the preliminary planning stages, analyzing right of way that would be required for each identified alternative;
- Prepare preliminary right of way cost estimates; and,
- Prepare two Right of Way Data Sheets per Caltrans requirements for the two build alternatives.

1E.6 - Prepare Storm Water Data Report

GHD will prepare a PA/ED level storm water data report (SWDR) based on Caltrans current requirements. The report will identify preliminary project drainage and on-site storm water detention requirements, and provide initial recommendations and preliminary estimates for treatment BMP's for each build alternative.

1E.7 - Update Preliminary Cost Estimates

The preliminary cost estimates developed for each build alternative and provided in the ICE Step 2 document will be updated as needed based on Caltrans requirements.

Task 1F - Project Approval

As Caltrans has determined that this project is a **Capital Project**, their approval of the preferred project will require a two step process. As an environmental document (ED) is required, a draft project report (DPR) must be prepared and approved prior to the project report (PR). The DPR approves the release of the draft environmental document (DED) to the public and the DED must be attached to the DPR. Following public circulation of the DED, consideration of public comments, and the selection of a preferred alternative, the DPR is then revised accordingly and becomes the PR which recommends Caltrans formal approval of the preferred project. The final environmental document (FED) must also be attached to the PR. The following tasks represent the work required and the sequence for obtaining Caltrans project approval.

1F.1 Administrative Draft Project Report (ADPR)

An Administrative Draft Project Report (ADPR) will be prepared in accordance with

Exhibit A

Caltrans published guidelines following substantial completion of all preliminary engineering tasks (Task C), environmental technical studies (Task D2), and administrative draft environmental document (ADED). Up to forty (40) copies of the ADPR will be prepared and submitted to the City and PDT for review and comment. An electronic copy of the ADPR will also be provided to both the City and Caltrans.

1F.2 Review Comments on ADPR

Comments received on the ADPR will be reviewed and any identified issues or concerns will be addressed.

1F.3 Draft Project Report (DPR)

Following the resolution of all comments and issues identified with the ADPR, and with Caltrans approval of the draft environmental document (DED), the 1st Draft PR (DPR) will be prepared for review and comment by the City and PDT. Upon resolution of any final comments, the final DPR will be prepared and provided to Caltrans for circulation and approval. The approved DPR will then allow circulation of the DED for public review.

1F.4 Draft Final Project Report (DFPR)

Following public review of the DED, the PDT will consider public comments and a recommendation will be made as to the preferred project. The DPR will be then updated to include the recommended preferred alternative and to reflect any new considerations identified from comments received during the DED public review. A draft final project report (DFPR) will be prepared and up to forty (40) copies of the DFPR will be submitted to the City and PDT for review and comment. An electronic copy of the DFPR will also be provided to both the City and Caltrans.

1F.5 Final Project Report (PR)

Upon resolution of all final comments and issues, a final PR (PR) will be prepared which will also include the FED as an attachment, with up to fifteen (15) copies submitted to the City and PDT for review and comment. Upon resolution of any final comments, one (1) copy of the final PR with original engineer's stamp and signature will be submitted for Caltrans final approval and signatures. Reproduction of up to forty (40) additional copies of the approved PR will be provided to the City and Caltrans. An electronic copy of the approved PR will also be provided to both the City and Caltrans.



State Route 1/41/Main Street Interchange Improvements Project
12619326

Description	PD	PM	IAC/QC	Roundabout QA/QC	QA/QC	Project Engr	Traffic Engr	Drain Engr	Engineer	Land Arch	Total Hours	Labor Total	SWCA	Bengal Engineering DBE	Parikh Consultants DBE	Hamner Jewell Associates	Subs Markup	Total Subs	Disb.	Total Disb.	Estimated Project Total	
	Walter	Rogers	Venegas- Moran	Pitcock	Boyle	Beltran	Penry	Stevens	Staff	Piper												
	\$249	\$224	\$186	\$186	\$249	\$186	\$249	\$224	\$140	\$207												
Task 1A	Project Management, Coordination and Meetings										234	\$50,356	\$0	\$10,320	\$0	\$0	\$0	\$0	\$10,320	\$0	\$0	\$60,676
	24	140	0	0	0	70	0	0	0	0	234	\$50,356	\$0	\$10,320	\$0	\$0	\$0	\$10,320	\$0	\$0	\$60,676	
	20	120	0	0	0	60	0	0	0	0	200	\$43,020	\$0	\$5,160	\$0	\$0	\$0	\$5,160	\$0	\$0	\$48,180	
	4	20	0	0	0	10	0	0	0	0	34	\$7,336	\$0	\$5,160	\$0	\$0	\$0	\$5,160	\$0	\$0	\$12,496	
Task 1B	Environmental										112	\$20,946	\$102,000	\$13,440	\$15,989	\$0	\$13,143	\$144,572	\$0	\$0	\$165,518	
	0	18	8	0	0	20	6	12	36	12	112	\$20,946	\$102,000	\$13,440	\$15,989	\$0	\$13,143	\$144,572	\$0	\$0	\$165,518	
	0	2	0	0	0	4	0	0	0	0	6	\$1,192	\$14,000	\$0	\$0	\$0	\$1,400	\$15,400	\$0	\$0	\$16,592	
	0	8	8	0	0	8	4	8	32	8	76	\$13,692	\$51,500	\$13,440	\$15,989	\$0	\$8,093	\$89,022	\$0	\$0	\$102,714	
	0	8	0	0	0	8	2	4	4	4	30	\$6,062	\$36,500	\$0	\$0	\$0	\$3,650	\$40,150	\$0	\$0	\$46,212	
Task 1C	Planning Permits										46	\$8,334	\$5,000	\$0	\$0	\$0	\$500	\$5,500	\$0	\$0	\$13,834	
	0	4	8	0	0	8	2	4	16	4	46	\$8,334	\$5,000	\$0	\$0	\$0	\$500	\$5,500	\$0	\$0	\$13,834	
Task 1D	Public Involvement and Community Outreach										86	\$16,618	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,250	\$2,250	\$18,868
	0	24	0	0	0	24	6	0	20	12	86	\$16,618	\$0	\$0	\$0	\$0	\$0	\$0	\$2,250	\$2,250	\$18,868	
	0	8	0	0	0	8	2	0	4	4	26	\$5,166	\$0	\$0	\$0	\$0	\$0	\$0	\$750	\$750	\$5,916	
	0	8	0	0	0	8	2	0	8	4	30	\$5,726	\$0	\$0	\$0	\$0	\$0	\$0	\$750	\$750	\$6,476	
	0	8	0	0	0	8	2	0	8	4	30	\$5,726	\$0	\$0	\$0	\$0	\$0	\$0	\$750	\$750	\$6,476	
Task 1E	Preliminary Engineering										224	\$42,300	\$0	\$27,500	\$12,851	\$10,000	\$5,035	\$55,386	\$0	\$0	\$97,686	
	0	26	26	8	8	48	6	30	58	14	224	\$42,300	\$0	\$27,500	\$12,851	\$10,000	\$5,035	\$55,386	\$0	\$0	\$97,686	
	0	8	8	8	8	16	2	4	16	4	74	\$14,198	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,198	
	0	4	4	0	0	4	2	4	16	4	38	\$6,846	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,846	
	0	2	2	0	0	4	0	0	0	0	8	\$1,564	\$0	\$0	\$12,851	\$0	\$1,285	\$14,136	\$0	\$0	\$15,700	
	0	2	2	0	0	4	0	0	0	0	8	\$1,564	\$0	\$27,500	\$0	\$0	\$2,750	\$30,250	\$0	\$0	\$31,814	
	0	4	2	0	0	4	0	2	2	2	16	\$3,154	\$0	\$0	\$0	\$10,000	\$1,000	\$11,000	\$0	\$0	\$14,154	
	0	2	0	0	0	8	0	16	16	0	42	\$7,760	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,760	
	0	4	8	0	0	8	2	4	8	4	38	\$7,214	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,214	
Task 1F	Plan Preparation										186	\$34,594	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,500	\$3,500	\$38,094
	0	18	22	6	0	62	10	12	44	12	186	\$34,594	\$0	\$0	\$0	\$0	\$0	\$0	\$3,500	\$3,500	\$38,094	
	0	4	8	0	0	24	2	4	16	4	62	\$11,310	\$0	\$0	\$0	\$0	\$0	\$0	\$500	\$500	\$11,810	
	0	4	4	4	0	16	2	2	8	2	42	\$7,840	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,840	
	0	4	4	0	0	8	2	2	8	2	30	\$5,608	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$1,000	\$6,608	
	0	4	4	2	0	8	2	2	8	2	32	\$5,980	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$1,000	\$6,980	
	0	2	2	0	0	6	2	2	4	2	20	\$3,856	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$1,000	\$4,856	
Total Labor Hours	24	230	64	14	8	232	30	58	174	54	888	\$173,148	\$107,000	\$51,260	\$28,840	\$10,000	\$18,678	\$215,778	\$5,750	\$5,750	\$394,676	
Estimated Project Total	\$5,976	\$51,520	\$11,904	\$2,604	\$1,992	\$43,152	\$7,470	\$12,992	\$24,360	\$11,178	888	\$173,148	\$107,000	\$51,260	\$28,840	\$10,000	\$18,678	\$215,778	\$5,750	\$5,750	\$394,676	

This Page Intentionally Left Blank



AGENDA NO: C-2

MEETING DATE: November 14, 2023

Staff Report

TO: Honorable Mayor and City Council

DATE: October 31, 2023

**FROM: Amy Watkins, Police Chief
Dan McCrain, Fire Chief**

SUBJECT: Introduction and First Reading of Ordinance No. 663, amending the Morro Bay Municipal Code to add Chapter 8.15 pertaining to the Unauthorized Removal of Shopping Carts from Retail Establishments and Facilitating Retrieval of Abandoned Shopping Carts to Title 8 (“Health and Safety”)

RECOMMENDATION

Staff recommends the City Council introduce for first reading by title only, with further reading waived, Ordinance No. 663, “An Ordinance of the City Council of the City of Morro Bay, California, Amending Title 8 (“Health and Safety”) of the Morro Bay Municipal Code to add Chapter 8.15 pertaining to the unauthorized removal of shopping carts from retail establishments and to facilitate retrieval of abandoned shopping carts.”

DISCUSSION

Abandoned shopping carts constitute a nuisance, create potential hazards to the health and safety of the public, and interfere with pedestrian and vehicular traffic on streets, sidewalks, and private property. This proposed ordinance maintains primary responsibility for managing cart service with the owner of the cart and sets requirements for the prompt retrieval of carts that have been taken off business premises.

Enacted in 1997, Chapter 19 of the California Business and Professions Code (sections 22435 to 22435.13) known as the “California State Shopping Cart and Laundry Cart Law,” limits cities in the manner by which shopping cart abatement and impoundment is conducted. Nevertheless, the California Business and Professions Code does permit cities to develop an ordinance with regulations to eliminate the accumulation of abandoned shopping carts within city limits so long as it does not conflict with State law.

The proposed ordinance is consistent with State law in making it unlawful to remove a shopping cart from business premises or to possess it after it has been removed and following all notification and impoundment guidelines. Furthermore, the ordinance prohibits a shopping cart owner to allow one of their cart(s) to be abandoned or remain unattended on public or private property other than the business premises of the shopping cart owner. The proposed ordinance also requires shopping cart owners to secure their carts during hours when their business is closed and conspicuously mark and

Prepared By: AW

Dept Review: _____

City Manager Review: YK

City Attorney Review: LNL

identify each cart with the name, address, and telephone number of the owner as well as placing a notification on the cart that provides that the removal of the cart from the business premise is a violation of State and municipal law.

This ordinance also requires shopping cart owners to submit an annual abandoned shopping cart prevention plan. Business owners must submit their abandoned shopping cart prevention plan to the Morro Bay Fire Department within 60 days of this ordinance or if the business opens after the date of the ordinance that implements this chapter becomes effective, then within 30 days after a business that uses carts commences operations. Failure to submit a plan can subject cart owners to administrative penalties under Chapter 8.15.100 of the Morro Bay Municipal Code. With this plan, the shopping cart owners must provide the following:

- Permanent identification on the carts.
- Loss prevention measures.
- Inventory of carts including type and color.
- A description of an employee training program designed to prevent carts from being taken off business premises.
- Mandatory retrieval if the carts are removed from the business site.
- Community outreach of notification regarding removal of shopping carts from the premises to customers and community.

There are several types of cart containment options that shopping cart owners may choose, including physical barrier systems or electronically operated wheel locking systems. Owners may choose which method of cart containment or control will work best for their particular store. The ordinance allows designated City staff to review the plans for compliance and to make necessary corrections to plans before approval.

The ordinance also permits the City to retrieve carts immediately when it is in a location that could impede emergency services or when the cart does not identify the shopping cart owner as required. However, when the location of the cart is not impeding emergency services and the cart identifies the owner, then pursuant to State law, the City may only remove the abandoned cart 72 hours after giving notice to its owner.

In the event that a cart has been impounded and the identity of the owner is discernable, the City will provide notice to the owner as to the cart's location, how the cart may be retrieved, and a warning that the failure to retrieve the cart may result in the cart's sale or destruction after 30 days per State law and the new Morro Bay Municipal Code chapter. The City would not be required to provide notice if the identity of the shopping cart's owner is not provided for on the cart.

CONCLUSION

The overall objective of this ordinance is to establish a foundation with the retail industry to ensure that the abandoned shopping cart prevention plan is responsive to the needs of the community for a clean and safe environment.

ATTACHMENTS

1. Proposed Ordinance No. 663
2. Written notification to business owners of the proposed ordinance.

ORDINANCE NO. 663

**AN ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
AMENDING TITLE 8 (“HEALTH AND SAFETY”) OF THE MORRO BAY MUNICIPAL CODE
TO ADD CHAPTER 8.15 PERTAINING TO THE UNAUTHORIZED
REMOVAL OF SHOPPING CARTS FROM RETAIL ESTABLISHMENTS AND TO
FACILITATE RETRIEVAL OF ABANDONED SHOPPING CARTS**

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

WHEREAS, the City has a fundamental interest in promoting the public health, safety and welfare of its residents, visitors and businesses, and the aesthetic qualities of the City; and

WHEREAS, abandoned or unattended shopping carts off the premises of retail establishments can interfere with pedestrian and vehicle traffic; the use of public streets, sidewalks, public areas, and public rights-of-way; can constitute a hazard to streams, riparian areas and other natural areas; and contribute substantially to litter, clutter and visual blight; and

WHEREAS, the purpose of this ordinance is to promote the public health, safety and welfare, and the aesthetic qualities of the City by regulating and prohibiting the removal of shopping carts from the premises of retail establishments, including designated parking areas, without the authorization or consent of the cart’s owner, and to regulate the retrieval and disposition of abandoned or unattended shopping carts that are found off the premises of retail establishments so as to:

1. Provide for pedestrian and vehicle safety;
2. Ensure that the flow of pedestrian or vehicle traffic, including ingress into or egress from any residence, place of business, street, sidewalk, public area, public right-of-way, or any legally parked or stopped vehicle, is not unreasonably interfered with;
3. Help protect streams, creeks, riparian areas, and other natural areas within the City;
4. Reduce litter, clutter, and visual blight associated with abandoned or unattended shopping carts;
5. Divert cart waste from the landfill; and
6. Balance the rights and interests of those engaged in commercial activities that provide shopping carts for use by customers with the rights and interests of those who do not want to be disturbed by abandoned or unattended shopping carts on private and public property.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, HEREBY FINDS AND ORDAINS AS FOLLOWS:

SECTION 1. Recitals. The above Recitals are true and correct and are hereby incorporated by this reference.

SECTION 2. Adoption. A new Chapter 8.15, entitled “Unauthorized Removal of Shopping Carts from Retail Establishments” is hereby added to Title 8 of the Morro Bay Municipal Code (“Health and Safety”) to read in its entirety as follows:

“UNAUTHORIZED REMOVAL OF SHOPPING CARTS FROM RETAIL ESTABLISHMENTS

8.15.010 Authority and Purpose; Findings

This chapter is adopted pursuant to Business and Professions Code Sections 22435 through 22435.8 and the city’s general police powers for the purpose of regulating and prohibiting the removal of shopping carts from the premises of retail establishments, including designated parking areas, without the authorization or consent of the shopping cart’s owner, and to regulate the retrieval and disposition of abandoned or unattended shopping carts that are found off the premises of retail establishments.

The presence of abandoned or unattended carts, or parts thereof, on private or public property is found to create a condition tending to reduce the value of private property, to create blight and deterioration, interfere with pedestrian and vehicular traffic, to be injurious to health, safety, and general welfare, and contributes to landfill waste. The presence of abandoned or unattended carts, or parts thereof, on private or public property, except as expressly hereinafter permitted, is declared a public nuisance which may be abated as such in accordance with the provision of this chapter.

This chapter is intended to implement, and operate in consistency with, the California Business and Professions Code (sections 22435 to 22435.13) known as the “California State Shopping Cart and Laundry Cart Law.” In the event of inconsistency between the terms of this chapter and the California Business and Professions Code, which inconsistency cannot be reasonably harmonized, the terms of the Business and Professions Code shall control.

8.15.020 Applicability

This chapter applies to all businesses located in the city that provide shopping carts for customer use and to all shopping carts on and off the premises of businesses within the city.

8.15.030 Administration

The director is authorized to administer this chapter which includes, without limitation, the ability to promulgate administrative policies and procedures to interpret, implement and enforce this chapter.

8.15.040 Definitions

“Abandoned or unattended shopping cart” means any shopping cart which is left unattended, discarded or abandoned upon any public property other than the premises from which the shopping cart was removed, without the authorization or consent of the cart’s owner.

“Abandoned shopping cart prevention and retrieval plan” shall mean a document required to be submitted by the responsible business owner, pursuant to this chapter.

“Agent” means the person or persons designated by the owner of a shopping cart authorized to perform or provide retrieval services on behalf of the owner. The agent may be the owner, store manager, employee or a private cart retrieval company.

“Director” shall mean the Assistant City Manager, or Director of Public Works, or the Fire Chief, or the Director of Community Development for the City of Morro Bay, or such other director or designee thereof as designated by the City Manager, to administer the appropriate sections of this chapter.

“Occurrence” means the retrieval or impoundment by the city pursuant to this chapter of all shopping carts of an owner in a one-day period.

“Owner” means a person who owns or provides shopping carts for use by customers in connection with the operation of a business.

“Person” includes, without limitation, individuals, corporations, partnerships, and all other legal entities, and officers, employees, and authorized agents of an owner.

“Premises” means the entire area owned and utilized by a retail establishment that provides shopping carts for use by customers, including any parking lot or other off-street area provided by an owner, or shared with other retail establishments, for use by customers for parking automobiles or other vehicles.

“Public property” means the outdoor common area of any building, business premises, apartment building or complex, or other premises or portion thereof which is adjacent to public property, open to the public, and which contains a shopping cart or shopping carts visible at street or ground level from the adjacent public property.

“Retail establishment,” with regard to shopping carts, means any business located in the city of Morro Bay which offers or provides shopping carts for the use by customers of such business regardless of whether such business is advertised or operated as a retail or wholesale business, and regardless of whether such business is open to the general public, is a private club or business, or is a membership store.

“Shopping cart” means a basket mounted on wheels or a similar device generally used by a customer for the purpose of transporting goods of any kind within a retail establishment or designated parking or loading area of that business establishment.

"Physical containment system" means one of the following, as approved by the director:

1. Disabling devices on all shopping carts which prevent them from being removed from the business premises by locking the wheels or otherwise preventing the movement of the carts.
2. Any other system of equipment approved by the director that physically contains shopping carts on the premises.

8.15.050 Declaration of a Public Nuisance

It is hereby declared that the removal from ownership premises and abandonment of shopping carts constitutes a public nuisance that could impede emergency services, interfere with pedestrian and vehicular traffic, reduce property values, promote blight and property deterioration,

comprise an attractive nuisance and create other hazards to health, safety, and general welfare of the community.

8.15.060 Required Signs and Identification

Cart Identification and Removal Warning Signs Required. Pursuant to Section 22435.1 of the Business and Professions Code, every shopping cart owned or provided by an owner shall have a sign permanently affixed to the shopping cart that includes the following information:

1. The owner's name, business address and phone number.
2. Notice of the procedure to be utilized for authorized removal of the shopping cart from the premises.
3. Notice that unauthorized removal of the shopping cart from the premises or parking area of a retail establishment, or the unauthorized possession of the shopping cart, is a violation of state law and this chapter.

8.15.070 Prohibitions

A. Unauthorized Removal Unlawful. It shall be unlawful for any person, either temporarily or permanently, to remove a shopping cart from a business premises or be in possession of a shopping cart with a permanently affixed sign as provided in Section 8.15.060, or that has been removed from a premises without written consent of the cart owner as authorized by this chapter; excepting removal for the purpose of repair, maintenance, or disposal of a cart as authorized by this chapter.

A cart owner may permit customer off-premises use of a shopping cart for transportation of purchased items. The authorization must be in writing with date(s) and time(s) of such authorized use. Any shopping cart taken off premises must be returned to the owner's premises within seventy-two hours.

B. Abandonment Prohibited. It shall be unlawful and a public nuisance for any person to cause or permit any shopping cart to be abandoned or remain unattended on or upon any sidewalk, street, alley or other area other than the premises of the owner of such shopping cart.

8.15.080 Cart Containment and Retrieval by Owners

A. Mandatory Secure Containment of Shopping Carts After Hours. Every shopping cart owner must lock or otherwise securely contain all shopping carts of the owner after business hours in a manner that reasonably prevents theft or removal from the premises. All shopping carts located on the premises of a retail establishment, other than an establishment open for business twenty-four hours per day, must be collected at the end of each business day by the owner, employees, or authorized agents of the retail establishment and be collectively confined in a secured manner in a designated cart confinement area on the premises until the commencement of the next business day.

All shopping carts located on the premises of any retail establishment open for business twenty-four hours per day, other than carts then currently in use by a customer, must be collected by the owner, employees, or authorized agents of the retail establishment and returned to a designated cart confinement area on the premises at least twice per calendar day between the hours of 12:00

p.m. (noon) and 12:00 a.m. (midnight) on each day the retail establishment is open for business. This section does not apply to:

1. Shopping carts located within an enclosed building.
2. Shopping carts removed from the premises of a retail establishment for purposes of repair or maintenance that are in the possession or custody of the party to whom removal has been authorized in writing by the shopping cart owner.
3. Shopping carts being transported by the owner, or an officer, employee, or authorized agent of the owner, to or from a business location of the owner.

B. **Mandatory Retrieval of Carts.** All abandoned shopping carts of a retail establishment that are found off the premises of the retail establishment must be retrieved as soon as practicable by the owner, or an authorized agent of the owner, including a cart retrieval service retained by the owner. The city shall notify the owner of an abandoned shopping cart when such shopping cart is located in a place that can be accessed safely by the owner. Such notice may be given by telephone, email or text message to the owner or owner's agent designated in the abandoned shopping cart prevention and retrieval plan, if an approved plan is in place, and shall include the cart's location. Within three business days from the date the owner of the cart is provided with notice by the city that an abandoned shopping cart of the owner has been located, the owner or agent shall cause the identified shopping cart(s) to be retrieved.

C. **Retrieval Services.** Persons retained to perform shopping cart retrieval services must carry written authorization from the owner to be presented upon request by the director. Vehicles used by retrieval services must bear conspicuous signs identifying the name of the cart retrieval service.

8.15.090 Impoundment and Retrieval of Abandoned Shopping Carts

A. The director may immediately retrieve and impound any shopping cart, in accordance with the provisions outlined in Business and Professions Code Section 22435.7.

B. **Impoundment Following Three-Day Notice.** A shopping cart that has a sign affixed to it in accordance with the provisions of this chapter and Business and Professions Code Section 22435.1 may be impounded by the city provided both of the following conditions are met:

1. The shopping cart is located outside the premises or parking area of a retail establishment; and
2. Except as provided in subsection C of this section (Impoundment Without Three-Day Notice), the shopping cart is not retrieved within three business days from the date the owner of the shopping cart, or his or her agent, receives actual notice from the city of the shopping cart's discovery and location.

C. **Impoundment Without Three-Day Notice.**

1. The city may retrieve and impound any abandoned shopping cart without first giving three days' notice provided:
 - a. The director provides actual notice to the owner, or his or her agent, of the impoundment of the shopping cart within twenty-four hours following the impound;

- b. The notice informs the owner, or his or her agent, of the location where the shopping cart may be claimed;
- c. Any shopping cart reclaimed by the owner, or his or her agent, within three business days after the date of actual notice to the owner, or his or her agent, of the impound, must be released and surrendered to the owner, or his or her agent, at no charge, including the waiver of any impound and storage fees or fines which otherwise would be applicable; and
- d. The shopping cart is held at a location that is both:
 - i. Reasonably convenient to the owner of the shopping cart; and
 - ii. Open for business at least six hours of each business day.

D. Immediate Retrieval and Impoundment by City for Impeding Emergency Services. The director may immediately retrieve and impound any shopping cart from public or private property if the location of the shopping cart impedes emergency services.

E. Any cart reclaimed by the owner or their agent within three business days from the date the owner of the shopping cart, or their agent, is given actual notice by the city of the shopping cart's discovery and location, or impoundment, shall not be deemed a violation for purposes of this chapter.

F. The owner of any shopping cart that is not reclaimed within three business days after the date the owner has been given actual notice by the city of the shopping cart's discovery and location, or impoundment, is subject to prosecution or the imposition of administrative costs, fees, fines, interest and other penalties applicable under this chapter commencing four business days after the date of notice.

G. Following the city having retrieved more than ten (10) carts in any thirty (30)-day period or the issuance of more than ten (10) administrative citations in any twelve (12)-month period from one business, the City's Director of Community Development may require the owner to install a physical containment system.

8.15.100 Abandoned Shopping Cart Prevention and Retrieval Plan

A. Abandoned Shopping Cart Prevention and Retrieval Plan Required. Every owner who provides shopping carts to customers shall develop, implement and comply with the terms and conditions of an approved abandoned shopping cart prevention and retrieval plan to prevent the unauthorized removal of shopping carts from a premises and, if removed, to retrieve the shopping cart within three business days after knowing of the cart's removal from the premises or after receiving notice from the city that the shopping cart has been abandoned.

To be effective, an abandoned shopping cart prevention and retrieval plan must be approved by the director. To be eligible for approval, an abandoned shopping cart prevention and retrieval plan shall include the following elements:

1. Name. The name of the owner and the business name, the physical address where the business is conducted, name, address and phone number(s) of the on-site and off-site owner, if different.
2. Inventory of Carts. A complete list of all shopping carts maintained on or in the premises.

3. Community Outreach. A description of a community outreach process under which the owner shall cause notice to be provided to customers that the removal of shopping carts from the premises is prohibited and is a violation of state and city ordinance. This notice may include, but is not limited to, flyers distributed at the premises, warnings on shopping bags, signs posted in prominent places near door and parking lot exits, direct mail, announcements using intercom systems at the premises, website or other means demonstrated to be effective to the reasonable satisfaction of the director.

4. Cart Identification. Signs and shopping cart identification requirements which conform to state law. Owners shall attach an example of the proposed shopping cart ownership identification sign which shall conform to California Business and Professions Code Section 22345.1.

5. Loss Prevention Measures. A description of the specific measures that the owner shall implement to prevent shopping cart removal from the owner's premises. These measures may include, but are not limited to, electronic or other disabling devices on the shopping carts so they cannot be removed from the premises, effective management practices, use of courtesy clerks to accompany customers and return the shopping carts to the store, use of security personnel to prevent removal, security deposit for use of shopping cart, or other demonstrable measures acceptable to the director that are likely to prevent shopping cart removal from the premises. Cart owners shall conduct regular maintenance to ensure disabling devices and/or security deposit systems are working properly. If at any time, a cart owner determines the disabling device installed on a cart is not working properly, the cart shall be pulled from circulation until it is repaired. The cart owner shall inspect, test, and repair all abandoned carts returned to the owner prior to making the returned carts available for use.

6. Employee Training. A description of an ongoing employee training program that shall be implemented by the owner and that shall be designed to educate new and existing employees on the abandoned shopping cart prevention plan and conditions contained therein at least annually.

7. Mandatory Cart Retrieval. A plan for retrieval of abandoned shopping carts by the owner within three business days after knowing of a cart's removal from the owner's premises or after receiving notice from the city that the shopping cart has been abandoned.

B. Failure to Submit Plan. The plan must be submitted to the director within sixty days after this chapter becomes effective or alternatively, if a business opens after the date this chapter becomes effective, then within thirty days after a business that uses carts commences operations. Any owner who fails to provide the abandoned shopping cart prevention and retrieval plan shall be required to pay the city one hundred dollars for each calendar month the plan is not provided, as a penalty for not complying with this Section 8.15.100.

8.15.110 Recovery of Fines and Costs by City

A. Pursuant to Business and Professions Code Section 22435.7(f), any owner that fails to retrieve the owner's shopping cart or shopping carts within three business days from the date of being given notice of the cart's or carts' discovery and location, or impoundment, by the city, is guilty of a violation of this chapter and may be punished with an administrative fine of fifty dollars for each occurrence in excess of three during the six-month period starting January 1st and ending on June 30th or the six-month period starting July 1st and ending December 31st of each calendar year.

B. In addition to the fines imposed above, the owner shall pay the city's actual costs for retrieving and storing the owner's shopping cart or carts except when the owner, or their authorized agent, reclaims their cart or carts within three business days from being given notice of the cart's or carts' discovery and location, or impoundment, by the city, in which case all fines, costs and fees shall be waived.

C. Any fines recovered, or proceeds derived from such sale or disposal shall be used to pay the costs of removal, storage, and related administrative procedures. Surplus proceeds derived from such sale or disposal shall be deposited in the general fund of the city.

8.15.120 Disposal of Abandoned Shopping Carts

The city may sell or otherwise dispose of any shopping cart:

A. That is not reclaimed from the city within thirty (30) days of receipt by the owner, or the owner's agent, of actual notice from the city of the cart's discovery and location, or impoundment.

B. If the owner of the cart cannot be determined.

C. If the cart is rendered unusable (e.g., mangled or destroyed).

8.15.130 Enforcement

Every cart owner who violates any provision of such owner's effective cart nuisance abatement program, and every person who violates any provision of this chapter, shall be subject to enforcement procedures for each violation by any lawful means available to the city, including, but not limited to, those set forth in California Business and Professions Code Sections 22435.3 and 22435.5, Section 8.15.010 of this code, and chapters 1.16 of the Morro Bay Municipal."

SECTION 3. CEQA EXEMPTION. Pursuant to the California Environmental Quality Act (CEQA), it can be seen with certainty that there is no possibility that the proposed Municipal Code Amendment regarding the security of shopping carts will have any effect on the environment (General Rule Exemption CEQA Guidelines Sec. 15061(b)(3)) and the proposed Ordinance would be exempt per CEQA Section 15301 Existing Facilities, as there would be negligible or no expansion of use; CEQA Section 15308 Actions by Regulatory Agencies for the Protection of the Environment, as the proposed ordinance is intended to assure the maintenance and protection of the environment; and 15311 Accessory Structures, regarding potential placement on-premise signage needed for public notification associated with the proposed ordinance.

SECTION 4. SEVERABILITY. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance, or the application thereof to any person or circumstances, is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any other provision or application, and to this end the provisions of this ordinance are declared to be severable. The City Council hereby declares that it would have adopted this ordinance and each section, subsection, sentence, clause, phrase, part or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, parts or portions thereof be declared invalid or unconstitutional.

SECTION 5. EFFECTIVE DATE. This ordinance shall be in full force and effect thirty (30) days after its passage and adoption.

SECTION 6. CERTIFICATION. The City Clerk shall certify as to the passage and adoption of this ordinance, and the City Clerk shall cause the same to be posted and codified in the manner required by law.

INTRODUCED at a regular meeting of the City Council held on the 14th day of November 2023, by motion of Council Member _____ and seconded by Council Member _____.

PASSED AND ADOPTED on the _____ day of _____, 2023 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE:

CARLA WIXOM, Mayor

ATTEST:

DANA SWANSON, City Clerk

APPROVED AS TO FORM:

CHRIS F. NEUMEYER, City Attorney

STATE OF CALIFORNIA)
COUNTY OF SAN LUIS OBISPO)
CITY OF MORRO BAY)

I, Dana Swanson, CITY CLERK OF THE CITY OF MORRO BAY, DO HEREBY CERTIFY that the foregoing Ordinance Number 663 was duly adopted by the City Council of the City of Morro Bay at a regular meeting of said Council on the _____ day of _____ 2023, and that it was so adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE:

IN WITNESS WHEREOF I have hereunto set my hand and affixed the official seal of the City of Morro Bay, California, this ____ day of _____, _____.

DANA SWANSON, City Clerk



CITY OF MORRO BAY

CITY HALL

595 Harbor Street
Morro Bay, CA 93442

November 7, 2023

NOTICE

The City of Morro Bay is scheduled for a first reading of a proposed Municipal Code Ordinance on Tuesday November 14th, 2023. If approved, the Ordinance would be adopted December 12, 2023 and take effect 30 days after adoption (January 11, 2024).

This Ordinance applies to all businesses located in the city that provide shopping carts for customer use and to all shopping carts on and off the premises of businesses within the city.

Requirements for business owners under the Morro Bay Municipal Code Shopping Cart Ordinance 8.15

under this Ordinance include:

- **Cart Containment and Retrieval by Owners**
 1. Every shopping cart owner must lock or otherwise securely contain all shopping carts of the owner after business hours in a manner that prevents theft or removal from the premises.
- Business Owners are required to submit an **Abandoned Shopping Cart Prevention and Retrieval Plan** to the Morro Bay Fire Department within 60 days of adoption of this ordinance. This plan shall include the following information:
 1. Name. The name of the owner and the business name, the physical address where the business is conducted, name, address and phone number(s) of the on-site and off-site owner, if different.
 2. Inventory of Carts. A complete list of all shopping carts maintained on or in the premises.
 3. Community Outreach. A description of a community outreach process under which the owner shall cause notice to be provided to customers that the removal of shopping carts from the premises is prohibited and is a violation of state and city ordinance. This notice may include, but is not limited to, flyers distributed at the premises, warnings on shopping bags, signs posted in prominent places near door and parking lot exits, direct mail, announcements using intercom systems at

the premises, website or other means demonstrated to be effective to the reasonable satisfaction of the director.

4. Cart Identification. Signs and shopping cart identification requirements which conform to state law. Owners shall attach an example of the proposed shopping cart ownership identification sign which shall conform to California Business and Professions Code Section 22345.1.

5. Loss Prevention Measures. A description of the specific measures that the owner shall implement to prevent shopping cart removal from the owner's premises. These measures may include, but are not limited to, electronic or other disabling devices on the shopping carts so they cannot be removed from the premises, effective management practices, use of courtesy clerks to accompany customers and return the shopping carts to the store, use of security personnel to prevent removal, security deposit for use of shopping cart, or other demonstrable measures acceptable to the director that are likely to prevent shopping cart removal from the premises. Cart owners shall conduct regular maintenance to ensure disabling devices and/or security deposit systems are working properly. If at any time, a cart owner determines the disabling device installed on a cart is not working properly, the cart shall be pulled from circulation until it is repaired. The cart owner shall inspect, test, and repair all abandoned carts returned to the owner prior to making the returned carts available for use.

6. Employee Training. A description of an ongoing employee training program that shall be implemented by the owner and that shall be designed to educate new and existing employees on the abandoned shopping cart prevention plan and conditions contained therein at least annually.

7. Mandatory Cart Retrieval. A plan for retrieval of abandoned shopping carts by the owner within three business days after knowing of a cart's removal from the owner's premises or after receiving notice from the city that the shopping cart has been abandoned.

Residents and business owners are welcome to provide public comment on the proposed Ordinance at the November 14, 2023 Regular Meeting to be held at the Morro Bay Veterans Hall, 209 Surf Street, Morro Bay, beginning at 5:30 p.m.



AGENDA NO: C-3

MEETING DATE: November 14, 2023

Staff Report

TO: Honorable Mayor and City Council

DATE: November 8, 2023

FROM: Yvonne Kimball, City Manager

SUBJECT: Quarterly Update on 2023-24 and FY 2024–25 City Council Goals and Action Items

RECOMMENDATION

Staff recommends the City Council receive a progress report on the City Council goals, goals' statements, and action items. Provide direction regarding future updates and consideration of modifying previously adopted goals.

ALTERNATIVES

None

FISCAL IMPACT

There is no immediate fiscal impact related to the recommendation; however, many of the action items have associated fiscal impacts, some of which will result in costs to the City when implemented and others which may bring revenue enhancements to the City if implemented.

BACKGROUND/DISCUSSION

In April 2023, the Council adopted a set of goals, goals statements and short-term action items following a deliberated process. The Council adopted four goals for FY 2023-24 and FY 2024-25: public infrastructure, economic vitality, housing / homelessness response, and community engagement. Each of the goals have several corresponding action items. Some are specific while some are general in nature; all of them require significant focus and/or resources to accomplish. The Goals are intended to correlate to the annual budgets and staff's performance priorities.

It has been a meaningful experience to review those goals with the team. I am pleased to report that all goals are underway and are in various stages of early progress, near completion or completion. Moreover, I am impressed by the amount of existing work that was not captured by the April-2023 goal document. As indicated in the progress report, this small team has an exceptionally full action list. Although this is not everything the team does day in day out, this provides a glimpse into City offices' hustle and bustle. City Council and some advisory committees have been working alongside of City staff. This progress report is truly a testimony of Council's dedication and community's engagement.

Moving forward, I recommend Council provide directions to prioritize or refine this long list where we can. While some actions can be considered discretionary, such as remodeling of the Harbor offices (which was a great example of creativity and community partnership), most added actions on the

Prepared By: _YK _____

Dept Review: _____

City Manager Review: __ YK _____

City Attorney Review: _____

progress list are not initiated by the City Council or City staff; however the work related to them is part of governance and can't be eliminated no matter how much resources might be needed, such as contract negotiations with the solid waste haulers. I would caution that additional tasks (without seeing others through or eliminated) likely exceed the current bandwidth.

ATTACHMENTS

1. FY 2023-24 & 2024-25 Goals, Goals' Statements & Action Items
2. Progress report

City of Morro Bay

2023-2025 Goals and Short Term Actions



CITY PURPOSE

In order to preserve the high quality of life in Morro Bay, the City's purpose is to provide essential public service and infrastructure to maintain a safe, clean and healthy place for residents and visitors to live, work and play. To achieve that purpose, the City invests the vast majority of its resources in services such as city planning, infrastructure maintenance and improvement, public safety, public utilities, recreation services, and the internal financial, human resources, and technology to support these public services.

CITY GOALS, GOAL STATEMENTS, AND SHORT-TERM ACTION ITEMS

The City is able to successfully provide these core services thanks to community support

and volunteerism that resource and supplement the City's talented professional staff. As a result of this success, the City is also able to dedicate some resources to address the emerging challenges and future-facing opportunities. In April 2023, the City Council adopted four (4) City goals and twenty-seven corresponding short-term action items. The City goals each have goal statements that outline what the City aims to achieve. The short-term action items are the area of focus related to the goals that the City will work on in Fiscal Years 2023-24 and 2024-25 (all listed below). Combining the City's work on core services with future oriented goals will help ensure our community remains a great place to live, work and play for current and future generations.



CITY COUNCIL GOALS

1. PUBLIC INFRASTRUCTURE

2. ECONOMIC VITALITY

3. HOUSING / HOMELESSNESS RESPONSE

4. COMMUNITY ENGAGEMENT

PUBLIC INFRASTRUCTURE



GOAL STATEMENTS:

- (1) Assess and provide report on state of infrastructure including streets, sewer lines, sidewalks, storm drains and Harbor infrastructure.
- (2) January 2023 storm response and future mitigation.
- (3) Repair, update and enhance Veterans Hall so it can continue to serve the community.
- (4) Striping program to improve sidewalks, crosswalks & accessible parking.

SHORT-TERM ACTIONS

- Street Paving
- Complete Capital Needs Assessments
- Complete Development Impact Fee Study
- Update Council Chamber:
A/V upgrades, web-based agenda management system for closed captioning and improved accessibility for visually impaired
- Prioritize storm recovery efforts, maximizing FEMA/insurance reimbursement opportunities; Hazard mitigation / climate resiliency (grant funding eligibility)
- Public safety needs assessment (Standards of Cover)
- Improve streetscape with road striping, parking lines & curb painting

GOAL STATEMENTS:

- (1) Pursue grant writing opportunities.
- (2) Evaluate opportunities for City-owned properties.
- (3) Streamline permit process for residential and commercial development.

ECONOMIC VITALITY



SHORT-TERM ACTIONS

- Market Plaza development opportunities (currently under negotiations)
- Monitor and stay engaged in offshore wind development
- Pursue grant opportunities, including:
 - RFP for full-service Grant Writer & Grant Administration (if successful)
 - Coleman Beach area
 - Climate Action Plan & Waterfront Master Plan
 - DBW grant funding for boat ramp replacement
- Review of City-owned properties, strategy to optimize use or revenues. Explore use of commercial realtor to manage commercial rental property
- Streamline permit processing for residential (including ADUs) and commercial development (also supports Housing goal)
- Presentation to Council on Paid Parking Study and proposed Pilot Program; implement, as directed

HOUSING

HOMELESSNESS RESPONSE



GOAL STATEMENTS:

- (1) Identify low-income housing opportunities.
- (2) Explore achievable options for unhoused residents.
- (3) Speed up processing of ADU permits to increase availability of affordable housing.

SHORT-TERM ACTIONS

- Housing Element Program Implementation (Housing by-right Policy and Objective Design Guidelines projects underway – \$275K rec'd in grant funding)
- Review possible upzone of Seashell Estates property for proposed housing project
- Explore achievable options at the City level (emergency warming shelters, pallet homes, etc.)
- Continue participation in County's 5-year Housing & Infrastructure Plan
- Continue participation in the County-wide 5-year Strategic Plan to address homelessness
 - *Homeless Outreach Case Manager*
- Identify affordable housing incentive program
- Speed up processing of ADU permits to increase availability of affordable housing

COMMUNITY ENGAGEMENT



GOAL STATEMENTS:

- (1) Build relationships and improve the purpose of advisory bodies to attract and retain members.
- (2) Hold community workshops and study sessions on upcoming development.
- (3) Improve City website and social media presence.

SHORT-TERM ACTIONS

- Leverage partnerships with Chamber, Visit Morro Bay, local service clubs and community organizations, and other event hosts
- Explore/assess available communication tools
- Conduct joint Council/advisory board meetings periodically and consider biannual or annual advisory board reports to Council
- Develop Historic Preservation Ordinance using draft ordinance prepared by Historical Society as a starting point
- Continue MBPD Citizens Academy, Consider Community Academy and other opportunities for project / community outreach, including study sessions and workshops
- Develop and implement outreach and communication plan using different formats to reach broad spectrum of residents
- Ad hoc Committee review of Planning Process

Visit us at: <https://www.morrobayca.gov/> and sign up to receive e-notifications regarding upcoming meetings and other City news.

You may contact the City Council via email at council@morrobayca.gov

You can follow the City of Morro Bay on social media



City Council Goals and Action Items for FY 2023-24 and FY 2024-25

Goal #1: Public Infrastructure Goal Statements: (1) Assess and provide report on state of infrastructure including streets, sewer lines, sidewalks, storm drains and Harbor Infrastructure; (2) January 2023 storm response and future mitigation; (3) Repair, update and enhance Veterans Hall so it can continue to serve the community; (4) Striping program to improve sidewalks, crosswalks & accessible parking.					
Item #	Action Items	Departments Involved	Lead Department	Current Status	Upcoming Milestones / Completion
1)	Street Paving	Public Works	Public Works	Dig out project completed in August, was delayed due to storms and wet conditions. City staff performing small digout and paving work once a week mostly in North Morro Bay. City used contractor to perform short term rehabilitation of Preston Lane, which was destroyed during the storms and flooding. City currently working on contract to obtain updated pavement ratings. To supplement staff repairs, City will facilitate on call contracts with contractors to perform larger roadway repairs. City is concurrently in design phase of surface seal project, expected to begin next spring. Subsequent paving project will focus on rehabilitation of low PCI residential streets and is anticipated to begin next fall.	-Finalize contract with PEI -Finalize design and street selection for surface seal project -Get on call contracts in place for larger roadway repairs -Begin design of next paving project -Request funding for future paving projects in next budget cycle
2)	Complete Capital Needs Assessments	Public Works, Harbor	Public Works	Budget has been appropriated, and staff released RFP in summer 2023. City staff has finalized negotiations with consultant and are getting contract in place to begin work. Harbor Department separately had Capital Needs Assessment of the North T-Pier to direct staff on use of \$1.5 M Congressional Appropriation.	Contract award for capital needs assessment is likely to go to City Council for approval in late 2023. Harbor Department and Public Works will work toward an RFP to utilize Grant funds to repair/improve North T-Pier.
3)	Complete Development Impact Fee Study	Admin Svcs, Public Works, Comm Dev, Harbor, Fire, Police	Admin Services	RFP complete; a staff project team has been convened to complete consultant selection and evaluate study scope and timing. Continue other evaluations of city fees/rates for city services including utilities and update as needed for continued financial sustainability.	Contract award for preliminary analysis of impact fees and project to potentially start in Fall 2023, pending scope and timing determinations. Water/ Sewer rate study RFP was released in October 2023
4)	Update Council Chamber: A/V upgrades, web-based agenda management system for closed captioning and improved accessibility for visually impaired	Public Works, City Clerk, IT	Public Works	Staff has performed preliminary research and will prioritize making recommendations on upgrades upon completion of other projects. Staff is also working with vendor to implement web-based agenda system.	web-based agenda system expected in place early 2024; A/V and facility upgrades to be determined while continued exploration of space functionalities and funding options.

City Council Goals and Action Items for FY 2023-24 and FY 2024-25

5)	Prioritize storm recovery efforts, maximizing FEMA/insurance reimbursement opportunities; Hazard mitigation / climate resiliency (grant funding opportunities)	Public Works, Admin Services, Risk Mgmt, Comm Dev	Public Works	Staff has submitted claims to insurer. Staff has submitted 20 separate projects with a total of 35 claim damages at approximately \$28 million. Projects where City has already completed restoration are currently under review by FEMA for completeness and eligibility. FEMA has conducted site inspections with staff in late-August and mid-September for damages where restoration has not yet been completed. Staff, through lobbying firm, obtained \$300k to repair Sequoia storm drain.	City is awaiting evaluation by insurer on coverage of damages. The City is awaiting FEMA inspection reports. Staff is finalizing bid package and will put Sequoia storm drain project out to bid in the coming days.
6)	Public safety needs assessment (Standards of Cover)	Fire, Police	Fire	RFP posted on October 18, 2023	Responses due by November 13, 2023
7)	Improve streetscape with road striping, parking lines & curb painting	Public Works	Public Works	Not started	Staff is awaiting results of Local Road Safety Plan to bundle projects for cost savings.
GOAL #1 - ADDITIONAL PROJECTS / ON-GOING ACTIONS					
8)	Harbor Office Remodel	Harbor	Harbor	Harbor Department completed an interior and exterior remodel of the Harbor Office Building for a total of \$60,000. Interior improvements, included new IT wiring, paint, floors, partitions and furniture. Exterior improvements included new siding, paint and new roofing.	
9.1)	WRF final including IPR	Public Works, City Attorney, City Manager, Council subcommittee, PWAB	Public Works	Closeout of Anvil contract awaits Anvil's review and City's approval of solution to brine line issue. FBV closeout awaits resolution of several small items. IPR awaits approval of direction and contract amendments from the City Council.	Closeout of Anvil and FBV should occur by end of January 2024. IPR agenda item will be heard by the City Council/PWAB on November 14, 2023.
9.2)	Wastewater Treatment Plant Decomissioning	Public Works	Public Works	Planning and review with CCSD ongoing \$135k budgeted in both FY 22/23 and FY 23/24 for planning / engineering	Start planning process in 2023/24 Discussions ongoing with CCSD for cost share and planning
9.3)	Jointly owned property/infrastructure seperation	Public Works, City Manager, Legal, Council sub-committee	Public Works	Discussions with Cayucos Sanitary District are ongoing.	closed session discussions
10)	Monitor regional and City water portfolio (on-going)	Public Works	Public Works	Responded to Los Osos CSD connecting to State Water Tie-in Project EIR on October 24, 2023	Los Osos CSD will consider approval of environmental document on December 7, 2023.
11.1)	Electric Vehicle Charging Stations - Embarcadero	Public Works	Public Works	City to proceed with first dual-port installation at restroom near Harbor Office. Contractor procured and awaiting materials for installation. Long lead times on materials. Design completed by vendor on first location. The second Embarcadero location has not been moved forward yet until first location is near completion.	Installation of charger for 1247 Embarcadero (Harbor Restroom). 1205 Embarcadero - Apply for service and electrical design w/ PG&E at second location later in 2023, construction to follow.
11.2)	Electric Vehicle Charging Stations - Del Mar Park	Public Works	Public Works	Plans submitted to City Building Div have been approved. PG&E and electrical design completed. Review of contracts for installation and maintenance in process with City Attorney.	Construction likely delayed until 2024 with lead time on materials and until contract issues resolved with vendor

City Council Goals and Action Items for FY 2023-24 and FY 2024-25

12)	Coleman Park Restroom Renovation and Park Improvements	Public Works	Public Works	Restroom grant received, concept drawings have been discussed with public; other grant applications have been submitted Facilitation with tribes and groups paused but will continue once additional funding source identified	Apply for State Conservancy Grant for additional \$1-1.5 million RFP for preliminary design; pursue other funding sources; community outreach; environmental, and plans, specifications, and estimate (PS&E)
13)	Repave Police Annex Parking Lot	Public Works	Public Works	Design 100% and waiting for completion of Lila Keiser project for bidding	Finalize and advertise for bid later in 2023
14)	Trash and Recycling Can Replacements	Public Works	Public Works	Staff is working on building custom prototype trash can to save money and beautify the City.	Completion of prototype by January 2024.
15)	Lila Kaiser Parking Lot Rehabilitation and ADA Upgrades	Public Works	Public Works	Design 90%. Construction cost estimate exceeded original budget funding by \$80k. \$120,000 in original budget. Balance of funding in the FY 23/24 request	Finalize and advertise for bid later in 2023
16)	City Park (and other parks) Play Equipment	Public Works	Public Works	Has not been procured. Project has been deferred for several years. Maintenance to procure landscape architect consultant for preparation of scope and drawings	Prioritize Sites where greatest need exists through the assessment process; identify process for procurement - RFP, design/build, etc.
17)	Del Mar Tennis Court Rehabilitation	Public Works	Public Works	Staff has met with manufacturer on recommended next steps	Staff will purchase material and perform rehabilitation of the tennis courts
18)	Pickleball Court Resurfacing	Public Works	Public Works	Staff has met with MBAA on need to resurface. Staff has obtained bids for contractor to perform work	Award of contract is anticipated by end of December.
19.1)	Wastewater Collections System Improvements – Main Street and Atascadero Road	Public Works	Public Works	In design, 50-60% complete Design to reconvene with completion of WRF. Assessing location of main at SR-41/Main for future Roundabout Project	Finish design and bid out in 2024/25
19.2)	Wastewater Collections System Improvements - Beachcomber Main Replacement	Public Works	Public Works	Beachcomber main line design is near complete / some revisions in progress from constructability review Discussion about backyard mains to be facilitated at future PWAB meeting	Advertise for bid Beachcomber Main replacement in 2023/early 2024 Finish Backyard Main Lines design (next phase) to tie into new main line Present to PWAB at future meeting
19.3)	Wastewater Collections System Improvements - Backyard Sewer Main Improvements	Public Works	Public Works	Backyard mains 60% designed - pipe bursting is leading, cost effective alternative for replacement, but relocation of mains into streets could be solution as well.	Design and Cost analysis, Pro/Cons of pipe bursting versus main relocation to streets Present to PWAB at future meeting
20)	Lift Station No. 1 Force Main Replacement	Public Works	Public Works	Design is 100% complete. Encroachment permit received from Caltrans.	Bid out for construction late 2023 / early 2024
21)	Utility Hole (Manhole) Rehabilitation Project	Public Works	Public Works	Recently approved in 23/24 budget	Procure consultant perform design (PS&E) Advertise for construction late in 2023
22)	Outfall Inspection, Condition Assessment and Cleaning	Public Works	Public Works	Recently approved in 23/24 budget	Develop RFP for consultant services to perform design/scope of work

City Council Goals and Action Items for FY 2023-24 and FY 2024-25

23)	SR1/SR41/Main St Intersection Improvements	Public Works	Public Works	Project Approval and Environmental Document (PA&ED) phase ongoing Extended Phase 1 Findings from Tribal / Caltrans completed and Environmental Document in progress. Continued meetings with consultant and Caltrans project team. Traffic studies and Traffic Operations Analysis updated for traffic counts. Community Engagement and public meetings conducted; Council direction given in June 2023 to pursue preferred Roundabout alternative for design	Start CEQA / NEPA, Project Approval Document for Caltrans; complete PA&ED by late 2024. Amend contract with GHD to finish PA&ED phase of project with goal of transferring project to Caltrans pending Council direction.
24)	ADA Accessibility Upgrades at Quintana and Main Streets Intersection	Public Works	Public Works	Approved in 22/23 budget - \$180k, which includes Measure Q and E and CDBG funding. SLOCOG recently selected this project to receive a grant in the amount of \$490k which was awarded in August of 2022	Develop RFP for obtaining consultant services PS&E for this project
25)	Citywide Speed Survey	Public Works	Public Works	Completed study and ordinance update of speeds.	Finalize signage placement plans and striping additions details with consultant. Once plans complete, get quotes for installation. <u>Notify public of changed speed areas.</u>
26.1)	Local Roadway Safety Plan (LRSP)	Public Works	Public Works	First community workshop held in September. Next workshop scheduled for 11/9/23	Final community meeting at PWAB special meeting on 12/6 Draft plan to follow
26.2)	LRSP Implementation and Safety Improvements	Public Works	Public Works	LRSP in process to identify needs and priority project ideas	Finalization and adoption of LRSP Identify priority projects and implement or pursue additional funding
27)	Active Transportation / Active Corridor Studies	Public Works	Public Works	Recently approved with FY 23/24 budget	RFP for ATP process and document prep Pursue planning grants such as Sustainable Communities to leverage City \$ as local match
28)	Sidewalk Improvements and Street Tree Replacements Project	Public Works	Public Works	Recently approved with FY 23/24 budget	Identify priority areas for work and present to PWAB. Develop new City Street tree well and sidewalk standard details and update City Street Tree list
29.1)	Emergency Storm Drain Repair Juniper/Elena	Public Works	Public Works	Completed	Completed
29.2)	Emergency Storm Drain Repair - Sequoia Court	Public Works	Public Works	Assessment of line completed in June. Confirmed poor condition and need for replacement. Procured design contract in July. Design in progress for replacement of approx 300 lf of failed line	Finalize PS&E, obtain right of entry permission, and advertise for bid.

City Council Goals and Action Items for FY 2023-24 and FY 2024-25

29.3)	Annual Storm Drain Replacement and Major Maintenance Project	Public Works	Public Works	Recently approved with FY 23/24 budget	Prioritize Sites where greatest need exists; identify process for procurement - RFP, design/build, etc.
30)	Waterways and Storm Systems Management Plan	Public Works	Public Works	Recently approved with FY 23/24 budget Recently met with ACOE to discuss additional funding and strategy. Future meetings to discuss strategy going forward.	RFP for consultant services Request permits from ACOE and CDFW for maintenance of creek channels
31)	Nutmeg Tank and related Pressure Zone Improvements	Public Works	Public Works	30% design complete, assessing design for next steps for complete design; Cultural and environmental work complete for MND. MND to be circulated in Fall of 2023	Complete admin review of MND before circulating for public comment in fall. If 30% design is approved in concept, procure full PS&E design services, planning, environmental
32)	Water Tank Rehabilitation	Public Works	Public Works	Construction in progress; Kings #2 recoating complete; Blanca 1 and 2 recoating complete; Blanca 3 and 4 rehabilitation in progress.	Construction completion delayed to end of 2023; maintenance contract part of bid for 10-year plan; Kings #1 recoating to be started in Oct soon after Blanca 3 and 4 completed.
33)	Reskin Reverse Osmosis Treatment Building	Public Works	Public Works	Bids too high, when bid out first; additional funds to be requested in future budgets	Prepare scope, RFP and procure consultant for PS&E
34)	Brackish Water Reverse Osmosis Building Improvements	Public Works	Public Works	Increase funding approved in 23/24 budget	Develop RFP for consultant services to perform design
35)	Morro Basin Wellfield Rehabilitation	Public Works	Public Works	Approved in 22/23 and 23/24 budget Recycled water program work in progress	Develop RFP for consultant services to perform design
36)	OneWater Plan Update	Public Works	Public Works	Approved in 22/23 and 23/24 budget Work has not been initiated	Develop RFP for consultant services to update plan
37)	Bike Path Tree Replacement Plan and Implementation	Public Works	Public Works	Staff has not yet begun this project	n/a

Not yet initiated
Underway
Nearing Completion
Complete

City Council Goals and Action Items for FY 2023-24 and FY 2024-25

Goal #2: Economic Vitality					
Goal Statements: (1) Pursue grant writing opportunities; (2) Evaluate opportunities for City-owned properties; (3) Streamline permit process for residential and commercial development.					
Item #	Action Items	Departments Involved	Lead Department	Current Status	Upcoming Milestones / Completion
1)	Market Plaza development opportunities	Comm Dev, City Manager	Comm Dev	City completed its Notice of Availability timeframe with regard to State's Surplus Lands Act (AB 1486). The property is currently being leased with an annual income of \$60k.	City is in active negotiations for a sale and redevelopment of the property. Staff is currently working on an update to the property appraisal.
2)	Monitor and stay engaged in offshore wind development	Council Sub-Committee, City Manager, Harbor, Community Development	City Manager	Council adopted Reso 20-23 requesting regular Council updates on Offshore Wind Energy Legislation and Development; participation in local, state and federal meetings regarding offshore wind energy legislation and development; and requesting notification and updates on pending state and federal legislation related to offshore wind development. Council sub-committee and Harbor Director attended 2023 Pacific Offshore Wind Summit May 8-10, 2023. Harbor Department attended multiple webinars and ZOOM meetings regarding offshore wind legislation and communications from OSW leaseholders. Harbor Department presented a historical and informational guide to a joint meeting of Council and Planning Commission on September 26, 2023.	A new City webpage on OSW was created so that stakeholders have easy access to important information regarding this topic. Future meetings with Wind vendors. Nov.1 2023 information session at SLO county. Stay engaged with regional programs, such as REACH, CalPoly. Prepared to respond to SLO county's funding RFP. City/Harbor is working with Federal and State leaders to create a path for annual funding of OSW experts to support the City in its effort assist the State with its ambitious renewable energy goals.
3)	Pursue grant opportunities, including RFP for full-service grant writer & grant administration (if successful); Coleman Beach area; Climate Action Plan & Waterfront Master Plan; DBW grant funding for boat ramp replacement	All	Finance	City Council authorized staff to submit an application to the Coastal Commission for up to \$500,000 in grant funding to update the Waterfront Master Plan. Comm Dev staff is working with a CalPoly graduate class on update of the Climate Action Plan (CAP). Harbor Dept has applied for and obtained the following grants for use in 2023/2024: Sea Tow Life Jacket Loaner Grant (equipment, non monetary), HUD Congressional Appropriation to improve North T-Pier (\$1.5M), MBCFO Grant to repair commercial fishing docks (\$100k) and fund the Washington DC trip (\$8k), DBW Grant for Flare Disposal (\$50k), DBW Grant for Oil/Fuel Containment Equipment (\$40k), (2) SAVE Grants for vessel disposal and salvage (\$15K) (\$38k). In addition to these grants, the Harbor Dept was appropriated \$14.5 M to dredge the Harbor inlet and back channel. The Fire Dept was recently awarded \$48k for extrication tools from the Office of Traffic Safety. Two grant applications pending with FEMA -- one grant is for mobile radios and the second is a SAFER grant for 3 Firefighter positions. The Department also received the Diablo Canyon Nuclear Preparedness grant for three handheld radios and a laptop computer for \$30,827.	Looking into development of a grant management systems given compliance difficulties with auditing requirements given \$12-14 million in grants awarded in last two years; evaluating necessary resources. Community Development Staff will submit a \$500,000 grant application to Coastal Commission in November for update of the waterfront masterplan. The Climate Action Plan (CAP) kickoff public workshop was held on October 25, 2023 at the Community Center. Harbor / City Manager expect SLO county wind funding RFP in December 2023; City Manager connecting w/ state and federal lobbyists re: funding for infrastructure, community facility improvements, harbor dredging.

City Council Goals and Action Items for FY 2023-24 and FY 2024-25

4)	Review of City-owned properties, strategy to optimize use or revenues. Explore use of commercial realtor to manage commercial rental property	City Manager, Comm Dev, Harbor, Admin Svcs	Comm Dev	City is exploring opportunities with other governmental agencies (CS discussion). The Harbor Department has had negotiations and/or working on negotiations with multiple Master Lease Holders to improve annual revenue. These meetings and negotiations include: Bayfront Marina, Three Stacks and a Rock, Giovanni's, TLC enterprises, Morro Bay Paddle Sports, Associated Pacific, State Parks Marina, Libertine, Windows on the Water, Kickers, Morro Bay Fish Company, Dockside Restaurant, Van Buerden Investments, Cal Poly and MBCFO Storage. Community Development is negotiating a purchase and sale agreement for 781 Market Street property for development of a mixed use hotel project. Staff is also looking at alternative uses for the Teen Center property located on Atascadero Road.	Developing an inventory of surplus properties, needs assessment studies, closed session discussions as needed.
5)	Streamline permit processing for residential (including ADUs) and commercial development (also supports Housing goal)	Comm Dev	Comm Dev	CDD has implemented an online portal that allows applicants to submit application electronically. Plans can also be checked electronically removing the need for paper plans. If approved by Council, the final update to the new Zoning Code significantly reduces the number of projects that are required to go to PC and Council. Objective Design Standards are going to Council on November 14th.	Final updates to the Zoning Code are scheduled for first reading on 11/14 and adoption at the 12/12 Council meeting.
6)	Presentation to Council on Paid Parking Study and proposed Pilot Program; implement, as directed.	City Manager, Police Department, Comm Dev, Harbor,	City Manager	Phase I - Walker Consultants under contract for next phase of the pilot program, which includes seeking further input from the parking stakeholder group, advisory bodies and Council. Presentation to Council completed on 10/24/2023. Phase II - focus on Rock area	Council direction no paid parking as of now but directed staff looking into paid parking at Rock to address traffic management, emergency response and maintenance needs. Staff to consult with CCC

GOAL #2 - ADDITIONAL PROJECTS / ON-GOING ACTIONS

7)	Employee retention / recruitment. Responding to rising labor costs, employee comp study & aftermath, negotiations	HR, Admin Services, Legal, City Manager	City Manager	2023 Comp Study began Nov. 2022, completed in Oct. 2023; Council tentative acceptance, employees discussions, study results expected to be tied to future budget and MOUs; completed negotiations for the 2024 health insurance premium increase	
----	---	---	--------------	--	--

City Council Goals and Action Items for FY 2023-24 and FY 2024-25

8)	TOT audit	Admin Services, Legal, Community Development	Admin Services, City Manager	TOT Audit was completed in July 2023. New appeal process approved by Council in Oct 2023. Audit final determination letters mailed to businesses 11/8/23 with 15 day appeal period. City will be appointing a hearing officer to consider appeals if any are filed.	Appeals, if any, must be filed within 15 days subsequent to date of mailing final determination letter (mailing date 11/8/23)
9)	Financial stability	All Departments	Admin Service, City Manager	Finance to update FY 23/24 5yr financial forecast prior to FY 24/25 budget development. Continued emphasis on long-term financial planning, review of expenditures (cost controls), departmental efficiencies in procurement and delivery of services, and increased efforts to achieve new sources of revenue and cost recovery.	Updated 5-year forecast anticipated for January 2024. Staff will be working with all operating departments to identify opportunities for current and future FY cost savings and efficiencies. Water/Sewer rate study RFP out.
10)	City contract / agreement processes	All	City Clerk, Admin Services	Simplify, streamline internal contracts review and approval process in order to reduce bottleneck, improve efficiency	training of new admins of each dept.; established an Admin directive ref. "off-the-shelf" products

Not yet initiated
Underway
Nearing Completion
Complete

City Council Goals and Action Items for FY 2023-24 and FY 2024-25

Goal #3: Housing / Homelessness Response Goal Statements: (1) Identify low-income housing opportunities; (2) Explore achievable options for unhoused residents; (3) Speed up processing of ADU permits					
Item #	Action Items	Departments Involved	Lead Department	Current Status	Upcoming Milestones / Completion
1)	Housing Element Program Implementation (Housing by-right Policy and Objective Design Guidelines projects underway - \$275K rec'd in grant funding)	Comm Dev	Comm Dev	Updated Zoning Code approved by Council in November 2022 includes new inclusionary housing and density bonus policies. The Housing by Right Policy was paused by the Planning Commission and pulled from the zoning code update going to Council in November of 2023.	Objective Design standards will return to Council for consideration with Zoning Amendments on 11/14/23.
2)	Review possible upzone from low density to medium or high density for the Seashell Estates property located off of Teresa Drive for possible housing project	Comm Dev	Comm Dev	City Manager formed an ad hoc group to discuss concerns regarding upzoning the property. Applicant has submitted application for conceptual review by PC Spring 2023. The first review by PC of the land use change resulted in denial and request by PC that if be brought back with the overall project. The PC later reviewed a conceptual development plan for the project and provided feedback on design to the property owner. Project is currently paused pending resubmittal by the applicant.	
3)	Explore achievable options at the City level (emergency warming shelters, pallet homes, etc.)	City Manager, Fire, Comm Dev, Police	City Manager	On 5/23/23, Council authorized City Manager to provide a letter of support to the County Homeless Service Division in support of an ERF-2-R grant application to seek funding for a temporary supportive housing campus to serve Quintana Road encampment population. Fire Chief and Police Chief spoke to County and local advocates for tiny homes and found out the County has an interest in supporting a tiny home project in Morro Bay. The County has been in discussion with a private property owner regarding the potential for this project. We are scheduling a follow up meeting with County representatives to discuss further. The internal working group is also in discussions with a local non-profit group, 805 Street Outreach to provide shower facilities on a regular basis to the unhoused population.	
4)	Continue participation in County's 5-year Housing & Infrastructure Plan	Comm Dev	Comm Dev	The Plan is almost complete and, once complete, staff will return to Council to discuss implementation opportunities for Morro Bay. SLOCOG is the lead on plan preparation.	
5)	Continue participation in the County-wide 5-year Strategic Plan to address Homelessness; Homeless Outreach Case Manager	City Manager, Comm Dev, Police, Fire	City Manager	See Item 3 above.	

City Council Goals and Action Items for FY 2023-24 and FY 2024-25

6)	Identify affordable housing incentive program	Comm Dev	Comm Dev	Staff is currently working with the Downtown Design District committee on creation of development/design guidelines for the downtown that may serve to incentivize affordable housing.	First full DDD committee meeting was held Oct 18, 2023 and the first public forum was held on Nov 2, 2023, followed by DDD committee meeting on Nov 8, 2023. Overall DDD effort is scheduled to wrap up in May 2024.
7)	Speed up processing of ADU permits to increase availability of affordable housing	Comm Dev	Comm Dev	Stock ADU plans are complete and posted to the the City's website: https://ca-morrobay2.civicplus.com/1056/Pre-Approved-ADU-Program	Building Division is finalizing a guidance document to outline the building permit process for these units. Expect document to be completn by years end.

GOAL #3 - ADDITIONAL PROJECTS / ON-GOING ACTIONS

8)	Outreach and cleanup of encampments	Police, Fire, Public Works, Harbor	Police and Fire	Internal working group intends to bring ordinances forward to city council to address encampments(Potentially December council meeting). The city's Homeless Outreach Coordinator works regularly with unhoused to connect to services. Continued discussions with County and non-profit groups for additional outreach and support services.	
9)	Short-term Rental Ordinance review	Comm Dev	Comm Dev	Review of the City's short term rental ordinance is pending direction from City Council.	Staff will seek Council direction early 2024
10)	Significant project applications	Comm Dev	Comm Dev	Current significant projects: 3300 Panarama; 48 unit single family subdivision is under review. Application is undergoing environmental review and technical studies are being finalized. Once environmental technical studies are finalized they will be posted to the City's current projects page. Panorama went before the Planning Commission for conceptual review on Nov 7, 2023. Vistra Battery Energy Storage System Project is undering going environmental review and preparation of a draft Environmental Impact Report is underway. Release of the Draft EIR is anticipated in the beginning 2024. 405 Atascadero Road HASLO affordable housing project has been waiting on electrical switch gear to be delivered to power the facility. Once powered they will be able to call for final inspection/occupancy.	November 7, 2023: 3300 Panorama project went to PC for conceptual review (not for permit or discretionary review) to obtain input from the community and PC.

Not yet initiated
Underway
Nearing Completion
Complete

City Council Goals and Action Items for FY 2023-24 and FY 2024-25

Goal #4: Community Engagement Goal Statements: (1) Build relationships and improve the purpose of advisory bodies to attract and retain members; (2) Hold community workshops and study sessions on upcoming development; (3) Improve City website and social media presence					
Item #		Departments Involved	Lead Department	Current Status	Upcoming Milestones / Completion
1)	Leverage partnerships with Chamber, Visit Morro Bay, local service clubs and community organizations, and other event hosts	All	City Manager	weekly communication with Chamber, Visit MB and all. A ED contract issued with Chamber.	ongoing
2)	Explore/assess available communication tools	All	City Clerk	Council appropriated \$75,000 in the FY 23-24 budget to enhance communication efforts. A RFP is expected to issue early 2024.	city manager to decide organizational structure and how to oversee ongoing communication
3)	Conduct joint Council/advisory board meetings periodically and consider biannual or annual advisory board report to Council	City Manager, Admin Svcs, Comm Dev, Public Works, Harbor, Recreation & All dept	Mayor and Council	Joint Council / Planning Commission meeting was held 9/26/23. CFAC meeting held on 10/2023. A joint Council / PWAB meeting to discuss the City's water portfolio and such is scheduled for Nov. 2023.	Joint CFAC/HAB Ad Hoc committee has been established to review and is expected to hold a joint meeting with Council in January 2024; CFAC requests a joint meeting w. Council to clarify council expectations and scope of work.
4)	Develop Historic Preservation Ordinance using draft ordinance prepared by Historical Society as a starting point	Comm Dev	Comm Dev	PC recently completed a series of Historic Preservation meetings. Work by the Downtown Design District committee will feed into the future historic preservation ordinance. Work on the ordinance is anticipated to begin in 2024.	
5)	Continue MBPD Citizens Academy; consider Community Academy and other opportunities for project / community outreach, including study sessions and workshops	All	City Manager	Police hosted National Night Out and Coffee with a Cop events. Comm Dev, Fire, Rec and others attended Rotary Club meetings, Chamber of Commerce "Squeaky Wheel" events, "Listening Tour" and "Breakfast on the Bay" events. Fire also attended Maritime Museum Family Fun Day event, City Manager attended Visit MB events/ regional economic development events. Council / staff attended OSW events.	a citizens academy would be a long term goal.
6)	Develop and implement outreach and communication plan using different formats to reach broad spectrum of residents	All Depts. & council members	City Manager, City Clerk	Assisted council members with their individual outreach sessions. City Mgr meetings with residents and businesses, interest groups. Ongoing web content updates by all departments. Fire Department has partnered with the County Office of Emergency Services to create county wide evacuation zones. There are zones defined in Morro Bay. These zones will be utilized to distribute evacuation and shelter in place information during emergencies through a mobile app and the county's readyso.org website.	Policy to help individual cm use of public resources for outreach events; potential communication consultant to help organize website and other existing means of communication, adding safety call for service reports for public knowledge; planning for regular City Manager updates to community
7)	Ad hoc Committee review of Planning Process	Comm Dev	Comm Dev	Ad hoc committee was formed but has not met. It is anticipated that the committee will meet after approval of the zoning code update.	

City Council Goals and Action Items for FY 2023-24 and FY 2024-25

GOAL #4 - ADDITIONAL PROJECTS / ON-GOING ACTIONS

8)	Processed citizens initiative seeking to amend Plan Morro Bay to prohibit, unless approved by Morro Bay voters, any change to land use designations of Visitor-Serving Commercial or Commercial/Recreational Fishing, on certain designated parcels within the City	City Clerk, Legal, City Manager	City Clerk	The initiative was filed on Aug 9, 2023 and found to be sufficient on August 31, 2023. On Sept 12, 2023, the Council voted to submit the measure to Morro Bay voters at the November 2024 election.	The qualified petition and Resolutions adopted by City Council on Sept 12, 2023, have been submitted to the SLO County Clerk's office for placement on the November 2024 ballot
----	---	---------------------------------	------------	---	---

Not yet initiated
Underway
Nearing Completion
Complete

Staff recognized that the subjects of those meetings are closely related to City operations; however, the first few outreach meetings were not specifically directed by the City Council, therefore were considered as an outreach effort made by individual council members. Community outreach by individual council members is a long-standing tradition that has typically taken place in coffee shops or parks so the outreach and subject matter were not in question, particularly given improved communication is an adopted City goal.

A couple of individual outreach meetings by Council Members took place since the request for a Council policy. Those meetings fortunately did not result in excessive use of City resources. However, in some cases, to support an outreach effort, staff research and preparation time do occur along with facility rental conflicts. With the concern of California law prohibiting using of public resources for either personal or political purposes, staff recommends a policy defining use of public resources by elected officials that could be utilized to address future requests.

Under California law, using public resources for either personal or political purposes is illegal. "Public resources" include such things as:

- Money (for example, charges made on an agency credit card or account),
- Staff time,
- Equipment (for example, machinery, vehicles, technology, tools, telephones, furniture and computers), and
- Supplies (for example, items one would otherwise purchase at office supply or hardware stores).

"Use" means the use of public resources that is substantial enough to result in a gain or advantage for the user and a loss to the local agency that can be estimated as monetary value. There are very narrow exceptions for "incidental and minimal" use of resources. The purposes of these exceptions appear to be more to prevent traps for the unwary; they do not constitute an affirmative authorization for personal use of public resources.

Public officials face both criminal and civil penalties for using public resources for personal or political benefit.

DISCUSSION

Staff surveyed SLO County cities and reviewed council policy manuals from various agencies around the State and found that many agencies have adopted policies to guide the allowed use of City resources (facilities, staff time, equipment, supplies) by elected officials. The Institute for Local Government has collected sample Governance handbooks that were perused for this report. <https://www.ca-ilg.org/codes-conduct-civility-and-ethics>

Several cities, including the City of Pismo Beach have adopted the policy language provided as Option 1 below. Option 1 is the most commonly used. Staff also drafted Option 2 for Council consideration. Provided as Attachment 1 is a draft resolution amending the Council Policies and Procedures to add Section 5.5 establishing a policy regarding the use of public resources by elected officials listed in Option 1 below. Council Members may adopt the Resolution as presented, or a modified version as agreed to by a majority of the members.

Option 1:

Use of Public Resources

Members shall not use public resources unavailable to the public in general, such as City staff time, equipment, supplies or facilities, for private gain or personal purposes.

Option 2:

Use of Public Resources and Advocacy.

Members shall not use public resources which are not available to the public in general (e.g., City staff time, equipment, supplies or facilities) for private gain, political advantage, or for personal purposes not otherwise authorized by law. When representing their individual opinions and positions, Members shall expressly state they are not representing the Council or the City of Morro Bay, unless expressly authorized by the Council.

CONCLUSION

Staff recommends the City Council discuss revisions to the City Council Policies & Procedure and either:

1. Adopt Resolution No. 74-23 amending the City Council Policies & Procedures (utilizing Option 1); or
2. Adopt Resolution No. 74-23 using modified policy language as agreed to by a Council majority, or
3. Establish a Council sub-committee to review the Council Policies & Procedures in part, or in whole, and return to Council with recommended revisions.

This policy does not apply to individual council member's events that have been authorized by the Council. For example, if one or all of the Town Hall meetings were specifically authorized by the Council, staff will provide research and facility uses and other resources that are necessary to support other city directed events.

ATTACHMENTS

1. [Link](#) to City Council Policies & Procedures
2. Resolution No. 74-23 adopting revised Council Policies & Procedures

RESOLUTION NO. 74-23

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
AMENDING THE CITY COUNCIL
POLICIES AND PROCEDURES MANUAL**

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

WHEREAS, the Council Policies and Procedures Manual for the City of Morro Bay (the “Manual”) is a combination of City Council actions, policies, references, and information regarding the City Council; and

WHEREAS, to ensure all Councilmembers are familiar with and understand the City of Morro Bay’s philosophies and policies regarding serving on the City Council, on July 23, 2001, the City Council adopted Resolution 47-01 approving an early version of the Manual; and

WHEREAS, the Manual has been amended several times throughout the years; and

WHEREAS, at a Regular Meeting held October 10, 2023, the City Council directed staff to bring forward policy language around Council Member use of City facilities and resources; and

WHEREAS, the City Council desires to add Section 5.5 to establish a policy for use of public resources by elected officials.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay does hereby amend the City Council Policies and Procedures Manual to add Section 2.6 as follows:

5.5 Use of Public Resources

Members shall not use public resources unavailable to the public in general, such as City staff time, equipment, supplies or facilities, for private gain or personal purposes.

PASSED AND ADOPTED by the City Council, City of Morro Bay at a regular meeting thereof held on the 14th day of November 2023 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE:

CARLA WIXOM, Mayor

ATTEST:

DANA SWANSON, City Clerk