

City of Morro Bay

City Council Agenda

Mission Statement

The City of Morro Bay is dedicated to the preservation and enhancement of the quality of life. The City shall be committed to this purpose and will provide a level of municipal service and safety consistent with and responsive to the needs of the public.

REGULAR MEETING TUESDAY, FEBRUARY 23, 2016 VETERANS MEMORIAL HALL - 6:00 P.M. 209 SURF ST., MORRO BAY, CA

ESTABLISH QUORUM AND CALL TO ORDER

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

CLOSED SESSION REPORT

MAYOR & COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS –

PUBLIC PRESENTATIONS – Morro Bay Tourism Bureau Quarterly 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.

To increase the effectiveness of the Public Comment Period, the following rules shall be followed:

- When recognized by the Mayor, please come forward to the podium and state your name and address for the record. Comments are to be limited to three minutes.
- All remarks shall 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.

A. CONSENT AGENDA

Unless an item is pulled for separate action by the City Council, the following actions are approved without discussion.

- A-1 RESOLUTION NO. 07-16 AUTHORIZING SUBMISSION OF RURAL TRANSIT FUND GRANT APPLICATION; (PUBLIC WORKS)

RECOMMENDATION: Adopt Resolution No. 07-16.

- A-2 RESOLUTION NO. 08-16 AUTHORIZING APPLICATION SUBMITTAL FOR THE CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY'S BEVERAGE CONTAINER RECYCLING CITY/COUNTY PAYMENT PROGRAM; (PUBLIC WORKS)

RECOMMENDATION: Adopt Resolution No. 08-16.

- A-3 ADOPTION OF RESOLUTION NO. 10-16 UPDATING THE CITY'S CONFLICT OF INTEREST CODE; (ADMINISTRATION)

RECOMMENDATION: Adopt Resolution No. 10-16.

- A-4 ADOPTION OF 2016-17 CITY GOALS AND PROGRAM OBJECTIVES; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

- A-5 PROCLAMATION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY DECLARING TUESDAY, FEBRUARY 23, 2016 AS "WORLD SPAY DAY"; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

B. PUBLIC HEARINGS

- B-1 CONCEPT PLAN APPROVAL FOR CONDITIONAL USE PERMIT (UP0-359) FOR THE CONSTRUCTION OF A GANGWAY, DOCK, SEVEN (7) BOAT SLIPS, SECOND STORY DINING DECK EXPANSION, AND COASTAL ACCESS IMPROVEMENTS AT 725 EMBARCADERO, ROSE'S LANDING; (COMMUNITY DEVELOPMENT)

RECOMMENDATION: Adopt Resolution No. 09-16 making the necessary findings for approval of Conditional Use Permit #UP0-359 and adopt the Mitigated Negative Declaration for Improvements at 725 Embarcadero (Rose's Landing).

C. BUSINESS ITEMS

- C-1 RECREATION PROGRAMS UPDATE; (ADMINISTRATION)

RECOMMENDATION: Review information provided by staff and provide comment.

C-2 CONSIDERATION OF CONVERSION OF THE DEL MAR PARK HOCKEY RINK INTO PERMANENT PICKLEBALL COURTS; (ADMINISTRATION)

RECOMMENDATION: Discuss and direct staff accordingly.

C-3 CITY OF MORRO BAY PARTICIPATION IN THE CALIFORNIA HERO PROGRAM; (PUBLIC WORKS)

RECOMMENDATION: Adopt Resolution No. 12-16 authorizing the City's participation in the California HERO Program.

C-4 COMMUNITY DEVELOPMENT DEPARTMENT UPDATE; (COMMUNITY DEVELOPMENT)

RECOMMENDATION: Review information provided by staff and provide comment.

C-5 CONSIDERATION AND DISCUSSION OF CITY SIGNATURE COMMUNITY EVENTS; (ADMINISTRATION)

RECOMMENDATION: Adopt Resolution No. 11-16 approving the City's sponsored/partnered events.

C-6 CONSIDERATION OF AND RECOMMENDATION TO CITY COUNCIL REGARDING THE CITY CO-SPONSORSHIP POLICY AND GUIDANCE ON COMMUNITY FACILITY USE BY VARIOUS GROUPS AT FREE OR REDUCED COST; (ADMINISTRATION)

RECOMMENDATION: Review information provided by staff and provide direction.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

E. ADJOURNMENT

The next Regular Meeting will be held on **Tuesday, March 8, 2016 at 6:00 pm** at the Veteran's Memorial Hall located at 209 Surf Street, Morro Bay, California.

THIS AGENDA IS SUBJECT TO AMENDMENT UP TO 72 HOURS PRIOR TO THE DATE AND TIME SET FOR THE MEETING. PLEASE REFER TO THE AGENDA POSTED AT CITY HALL FOR ANY REVISIONS OR CALL THE CLERK'S OFFICE AT 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 AT CITY HALL LOCATED AT 595 HARBOR STREET; MORRO BAY LIBRARY LOCATED AT 625 HARBOR STREET; AND MILL'S COPY CENTER LOCATED AT 495 MORRO BAY BOULEVARD DURING NORMAL BUSINESS HOURS.

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 THAT REASONABLE ARRANGEMENTS CAN BE MADE TO PROVIDE ACCESSIBILITY TO THE MEETING.

RESOLUTION NO. 07-16

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
AUTHORIZING SUBMISSION OF APPLICATION TO THE
RURAL TRANSIT FUND GRANT PROGRAM**

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

WHEREAS, the San Luis Obispo Council of Governments (SLOCOG) annually adopts the Federal Transit Administration (FTA) Section 5311 formula funds Program of Projects (POP); and

WHEREAS, SLOCOG began the Rural Transit Fund (RTF) program with Resolution 02-16 on December 5, 2002, by programming FTA Section 5311 funds to the San Luis Obispo Regional Transit Authority (RTA); and

WHEREAS, RTA has agreed to use those Federal funds for operating support and SLOCOG has agreed to exchange a similar amount of Transportation Development Act (TDA) funds for use in the RTF program; and

WHEREAS, SLOCOG, RTA, and other rural transit operators worked together to develop a process to exchange FTA Section 5311 formula funds with TDA funds to create the RTF, including Policies and Procedures to govern the RTF program; and

WHEREAS, the Policies and Procedures developed ensure all funds will be used solely for rural transit projects consistent with the original intent of the FTA Section 5311 program; and

WHEREAS, there is \$465,000 available for competitive distribution and awarded projects can begin spending funds July 1, 2016.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California, the Public Works Director, or his duly appointed representative, is authorized to submit an application to the Rural Transit Fund for the purchase of a transit vehicle and approve using up to \$9,720 in previously unallocated FY 14/15 Transportation Development Act Local Transportation Funds for the City's local match to the grant.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 23rd day of February, 2016 on the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

JAMIE L IRONS, Mayor

ATTEST:

DANA SWANSON, City Clerk



AGENDA NO: A-2

MEETING DATE: February 23, 2016

Staff Report

TO: Honorable Mayor and City Council **DATE:** February 9, 2016
FROM: Janeen Burlingame - Management Analyst
SUBJECT: Resolution No. 08-16 Authorizing Application Submittal for the California Department of Resources Recycling and Recovery's Beverage Container Recycling City/County Payment Program

RECOMMENDATION

Staff recommends the City Council adopt Resolution No. 08-16.

FISCAL IMPACT

There is no fiscal impact to the City's General Fund.

BACKGROUND

In 1988, California enacted a program to place a deposit on beverage containers. The deposit is currently 5 cents for small beverage containers and 10 cents for large beverage containers. The California Department of Resources Recycling and Recovery (CalRecycle) administers funding programs to assist organizations with establishing convenient beverage container recycling and litter abatement projects, and to encourage market development and expansion activities for beverage container materials. Funds are available through the competitive Beverage Container Recycling Grants and the City/County Payment Program.

For the City/County Payment Program, CalRecycle provides funding to jurisdictions to enhance the beverage container program and provide opportunities for beverage container recycling (cities receive between \$5,000 and \$12,000 depending upon the size of the jurisdiction).

DISCUSSION

For the last 13 years, the San Luis Obispo County Integrated Waste Management Authority (IWMA) has worked with the member jurisdictions to apply for the funding. The IWMA has used the funding for region-wide projects, such as providing technical assistance and recycling bins to businesses to start or expand their recycling. The IWMA has also provided CalRecycle with the required program and financial reporting.

Effective this year, CalRecycle requires each jurisdiction to adopt a resolution that must be submitted as part of the application package, rather than the IWMA submitting a Board resolution on behalf of the jurisdictions. Without a resolution, it will not be possible for the IWMA to continue applying for funding from CalRecycle for the region-wide business recycling program.

CONCLUSION

Staff recommends the City Council adopt Resolution No. 08-16.

Prepared By: J Burlingame	Dept Review: _____
City Manager Review: <u> DWB </u>	
City Attorney Review: <u> JWP </u>	

RESOLUTION NO. 08-16

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
AUTHORIZING APPLICATION SUBMITTAL FOR THE CALIFORNIA
DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY'S BEVERAGE
CONTAINER RECYCLING CITY/COUNTY PAYMENT PROGRAM**

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

WHEREAS, pursuant to Public Resources Code sections 48000 *et seq.*, the Department of Resources Recycling and Recovery (CalRecycle) has established various payment programs to make payments to qualifying jurisdictions to assist organizations with establishing convenient beverage container recycling and litter abatement projects, and to encourage market development and expansion activities for beverage container materials; and

WHEREAS, in furtherance of that authority, CalRecycle is required to establish procedures governing the administration of the payment programs; and

WHEREAS, CalRecycle's procedures for administering payment programs require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of the payment program.

NOW, THEREFORE, BE IT RESOLVED:

1. The Public Works Department is authorized to submit an application to CalRecycle for any and all payment programs offered for the Beverage Container Recycling City/County Payment Program;
2. The Public Works Director, or his designee, is hereby authorized as Signature Authority to execute all documents necessary to implement and secure payment; and
3. This authorization is effective until rescinded by the City Council of the City of Morro Bay.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 23rd day of February 2016 by the following vote:

AYES:
NOES:
ABSENT:

JAMIE L. IRONS, Mayor

ATTEST:

DANA SWANSON, City Clerk



AGENDA NO: A-3

MEETING DATE: February 23, 2016

Staff Report

TO: Honorable Mayor and City Council

DATE: February 8, 2016

FROM: Dana Swanson, City Clerk

SUBJECT: Adoption of Resolution No. 10-16 Updating the City's Conflict of Interest Code

RECOMMENDATION

Staff recommends the City Council update the City's Conflict of Interest Code by adopting the proposed Resolution No. 10-16.

ALTERNATIVES

No alternatives are recommended.

FISCAL IMPACT

None.

BACKGROUND/DISCUSSION

Government Code, section 83700 requires all cities adopt a Conflict of Interest Code. A Conflict of Interest Code shall have the force of law, and any violation of a Conflict of Interest Code by a designated employee shall be deemed a violation of the Government Code. To simplify the preparation and adoption of Conflict of Interest Codes, the Fair Political Practices Commission has adopted a form Conflict of Interest Code, which is found at 2 California Code of Regulations, section 18730. As such, the City may comply with Government Code, section 83700 by doing all of the following: (1) Adopting the form Conflict of Interest Code, (2) identifying designated positions and boards that must comply with the requirements of the Conflict of Interest Code and (3) identifying financial disclosure categories to which each designation position and board fall within.

In February 2015, the City established an updated Conflict of Interest Code through the adoption of Resolution No. 09-15. Staff has determined it is once again necessary to update the City's Conflict of Interest Code to include the newly designated position of Deputy City Manager and newly formed General Plan / Local Coastal Program Advisory Committee. By adopting the attached Resolution No. 10-16, the City Council will ensure the City's Conflict of Interest Code is up to date and reflects the current organization and operations of the City.

Now that the City Attorney has been with providing legal services to the City for almost two years, he again reviewed the disclosure categories applicable to different designated positions with a better

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Prepared By: DS

Dept Review: _____

City Manager Review: DWB

City Attorney Review: JWP

understanding of various positions' duties. Based on that review, changes were made to the disclosure categories for several of the designated positions.

CONCLUSION

Staff recommends the City Council adopt the attached Resolution No. 10-16.

RESOLUTION NO. 10-16

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
ADOPTING A REVISED CONFLICT OF INTEREST CODE
AND REPEALING RESOLUTIONS IN CONFLICT THEREWITH**

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

WHEREAS, pursuant to the provisions of the Government Code, sections 87300 *et seq.* (the Code”), each agency is required to adopt a Conflict of Interest Code; and

WHEREAS, the Fair Political Practices Commission has adopted a regulation, 2 Cal. Code Reg. section 18730, which contains the terms of a standard model Conflict of Interest Code, which can be incorporated by reference, and which may be amended by the Fair Political Practices Commission after public notice and hearings to conform to amendments to the Political Reform Act; and

WHEREAS, the Fair Political Practices Commission recommends each agency incorporate Commission Regulations 18730 and 18720 by reference as the body of their Code, and all changes to the Political Reform Act and to Regulations 18730 and 18720 will automatically be part of the City’s Conflict of Interest Code; and

WHEREAS, the City of Morro Bay incorporated its Conflict of Interest Code with the adoption of Resolution No. 09-15 adopted February 24, 2015, and its Conflict of Interest Code is in further need of updating; and

WHEREAS, the City Council has determined the documents attached to this Resolution, as Exhibits A and B, accurately set forth the current designated positions regulated by the Conflict of Interest Code, and the respective categories of financial interests which should be made reportable and those boards and commissions which should be designated and the respective categories of financial interests which should be made reportable by their members; and

WHEREAS, this action will ensure the City’s Conflict of Interest Code is up to date and in compliance with the law.

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

SECTION 1. Resolution No. 09-15 and any other resolutions in conflict with this Resolution are hereby repealed in their entirety.

SECTION 2. The terms of Title 2, Division 6 of the California Code of Regulations, Section 18730, and any amendments to it duly adopted by the Fair Political Practices Commission, incorporated herein by reference, along with the attached documents entitled Exhibit A in which members and employees are designated, and Exhibit B in which disclosure categories are set forth, constitute the Conflict of Interest Code for the City of Morro Bay.

SECTION 3. Pursuant to the Code, any person holding a designated position, including any person holding a designated position in an acting capacity, shall file a Statement of Economic Interest with the City Clerk. Additionally, any person hired for a position not covered by the Code, who makes or participated in making a governmental decision shall file a Statement of Economic Interest with the City Clerk.

SECTION 4. The City Clerk is the filing official for the Mayor, Councilmembers, City Manager, City Attorney, and Planning Commissioners. For the persons holding those positions, the City Clerk accepts the filing, retains a copy, and forwards the original to the Fair Political Practices Commission in Sacramento. For all other persons holding designated positions, the City Clerk is the filing officer and retains the statements. The City Clerk will make the statements available for public inspection and reproduction. (Government Code Section 81008)

SECTION 5. Any future amendments to the City's Conflict of Interest Code including, but not limited to, amendments to the designated positions list or to the financial disclosure categories, shall be made by resolution duly adopted by the City Council of the City of Morro Bay.

SECTION 6. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on this 23rd day of February, 2016 on the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

JAMIE L. IRONS, Mayor

ATTEST:

DANA SWANSON, City Clerk

EXHIBIT A
RESOLUTION NO. 10-16

CITY OF MORRO BAY

LIST OF DESIGNATED POSITIONS
CONFLICT OF INTEREST CODE

Position	Disclosure Category
Mayor, Council Members, City Manager, City Attorney, City Clerk, City Treasurer, Planning Commission Members	As required by State law
<u>Boards, Committees & Commissions</u>	
Citizens Oversight / Citizens Finance Committee	1,2
Harbor Advisory Board	1,2
Public Works Advisory Board	1,2
Recreation & Parks Commission	1,2
Tourism Business Improvement District Advisory Board	1,2
Water Reclamation Facility Citizens Advisory Committee	1,2
General Plan / Local Coastal Program Advisory Committee	1,2
<u>Administration</u>	
Deputy City Manager	1-6
Human Resources Analyst	1,5,6
Information Systems Technician	1,2
<u>Harbor</u>	
Harbor Director	1-6
Harbor Business Coordinator	1-6
<u>Fire</u>	
Fire Chief	1-6
Fire Captain	1-6
Administrative Technician	2,5,6
<u>Police</u>	
Police Chief	1-6
Police Commander	1-6
Support Services Manager	2,3,5,6

Public Works

Public Works Director	1-6
Management Analyst	1,2,5,6
Capital Project Manager	1,2
Associate Engineer	2,3,4,5,6
Assistant Engineer	2,3,4,5,6
Engineering Technician IV	2,3,4,5,6
WWTP Manager	2,4,5,6
WWTP Supervisor	2,4,5,6
Maintenance Superintendent	2,4,5,6
Collection Systems Supervisor	2,4,5,6
Water Systems Supervisor	2,4,5,6
Streets/Parks Leadworker	2,4,5,6
Facility Maintenance Leadworker	2,4,5,6

Community Development

Community Development Manager	1-6
Assistant Planner	1-6

Recreation

Recreation Director	1-6
Recreation Supervisor – Sports Services	5,6
Recreation Supervisor – Youth Services	5,6

Consultants

1,2

Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation: The City Manager may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure requirements. The City Manager’s determination is a public record and shall be retained for public inspection in the same manner and location as the Conflict of Interest Code.

EXHIBIT B
RESOLUTION NO. 10-16

CITY OF MORRO BAY

DISCLOSURE CATEGORIES

General Provisions

When a designated employee or individual is required to disclose investments, business positions and sources of income, he or she need only disclose investments in business entities and sources of income which do business in the City, plan to do business in the City or have done business in the City within the past two (2) years. In addition to other activities, a business entity is doing business within the City if it owns real property within the City. When a designated employee or individual is required to disclose real property, he or she need only disclose that which is located in whole or in part within or not more than two (2) miles outside the boundaries of the City or within two (2) miles of any land owned or used by the City.

Designated employees shall disclosed their financial interests pursuant to the appropriate disclosure category as indicated in Exhibit "A".

Disclosure Categories

- Category 1: All investments, business positions and sources of income. (See Statement of Economic Interests Schedules A-1, A-2, C, D and E.)
- Category 2: All interests in real property. (See Statement of Economic Interests, Schedule B.)
- Category 3: All investments, business positions, interests in real property and sources of income subject to the regulatory, permit or licensing authority of the department. (See Statement of Economic Interests Schedules A-1, A-2, B, C, D and E.)
- Category 4: Investments in business entities and sources of income which engage in land development, construction or the acquisition of real property. (See Statement of Economic Interests Schedules A-1, A-2, B, C, D and E.)
- Category 5: Investments in business entities and sources of income of the type which contracts with the City to provide services, supplies, materials, machinery or equipment to any City department. (See Statement of Economic Interests Schedules A-1, A-2, B, C, D and E.)
- Category 6: Investments in business entities and sources of income of the type which contracts with the City to provide to the designated employee's department services, supplies, materials, machinery, or equipment. (See Statement of Economic Interests Schedules A-1, A-2, B, C, D and E.)



AGENDA NO: A-4

MEETING DATE: February 23, 2016

Staff Report

TO: Honorable Mayor & City Council **DATE:** February 17, 2016
FROM: David W. Buckingham, City Manager
SUBJECT: Adoption of 2016-17 City Goals and Program Objectives

RECOMMENDATION

Staff recommends the City Council adopt the 2016-17 City Goals and Program Objectives, as presented.

FISCAL IMPACT

The fiscal impact of approval of the City Goals and Program Objectives will be discussed in the 2016-17 budget process.

BACKGROUND/ DISCUSSION

On December 8, 2015, the City Council adopted Resolution No. 72-15 outlining the Strategic Planning Framework, which directs the timing for development of City Goals and Objectives. In accordance with that policy, study sessions were held on January 12 and 26, 2016, to discuss, modify and reprioritize program objectives for each of the current ten City Goals. Based on discussion at those study sessions, staff presented City Goals and Program Objectives for 2016-17 for discussion at the February 9th City Council meeting. Attached are the final 2016-17 City Goals and Program Objectives for Council adoption.

ATTACHMENT

Memorandum dated February 24, 2016 re: 2016-2017 City Goals and Objectives

Prepared By: DWB

Dept Review: _____

City Manager Review: DWB

City Attorney Review: _____



CITY OF MORRO BAY

CITY HALL

595 Harbor Street
Morro Bay, CA 93442

Memorandum for City Council, Staff and the Public

Date: February 24, 2016

Subject: 2016-2017 City Goals and Objectives

1. Purpose. The purpose of this document is to identify City of Morro Bay Goals and Objectives for the Budget Year July 2016 – Jun 2017.

- a) The City of Morro Bay Strategic Planning Framework, adopted by the City Council on December 8, 2015, directs the timing for development of City Goals and Objectives.
- b) In accordance with that policy, the City's 10 existing goals remain in place. They will be reviewed and modified in January of 2017.
- c) The City's 2016/17 budget year objectives were developed in January and February of 2016, encompassing broad input from residents, staff, advisory bodies and Council. This process included receiving resident, board and Council input through the year, then, two formal Council study sessions in January 2016 and deliberation at one Council meeting on February 9, 2016. This document was approved / adopted by Council on February 23, 2016.
- d) The objectives under each goal identify a number of specific objectives the City intends to accomplish in the July 2016 to June 2017 budget year. Accomplishing these objectives, however, is dependent on adequate resourcing – both staff time and money. Thus, some objectives may not be completed if adequate resources are not allocated during the fiscal year 2016/2017 budget process.
- e) City staff intends to develop simple action plans, including milestones and basic metrics, for each of these program objectives. Staff will update the Council on the status of work on each objective periodically through the year, and formally at the November 15, 2016 Annual Goals Update.

2. Goals and Objectives. Following are the City of Morro Bay's 10 Goals and subordinate program objectives for budget year 2016-17:

Goal #1 - Develop New WRF

- a) **Public Participation.** Continue to pursue robust public input on site design and aesthetics opportunities/process associated WRF project, site and ancillary facilities.

- b) **Property Acquisition.** Complete property appraisal, make first earnest money payment, and close on property.
- c) **Facility Master Plan.** Complete the facility master plan.
- d) **Complete the Master Reclamation Plan.** Make initial, then final determinations on reclamation options for the water reclamation component of the facility and approve the master reclamation plan.
- e) **Environmental Review.** Complete and certify environmental review.
- f) **SRF Loan Application.** Complete state revolving fund (SRF) construction loan application.
- g) **Grant Funding.** Investigate and pursue additional Proposition 1 grants applicable to the WRF project.
- h) **Annexation.** As part of the GP/LCP process, evaluate possible annexation of property acquired for the WRF and bring to Council for decision.
- i) **Construction Delivery Decision.** Bring to Council for decision the method of procurement to be used for construction of the WRF.
- j) **Construction RFP.** Issue a Request for Proposal to pre-qualify design-build or builder teams, dependent on procurement method, to participate in the bidding process.
- k) **Construction Contract.** Issue a design-build or other design/construction contract approved by Council.
- l) **Cayucos Participation Decision.** Bring to Council for decision final throughput design / construction requirement based on Cayucos CSD decision on participation in the MB WRF project.
- m) **Existing WWTP Site Future.** Work with the Cayucos Sanitary District to frame decision regarding future ownership of shared property at existing WWTP site.
- n) **City Corporation Yard Transition.** Complete design and identify funding requirements for possible City corporation yard component of the WRF project.
- o) **Improve Influent Quality.** Research and bring to Council for decision various options, from incentives to ordinances, to improve the quality of influent at the new WRF to decrease treatment costs.

Goal #2 - Improve Streets

- a) **Street Summit.** Plan and execute a “streets summit” to inform residents and work various street improvement approaches including financing and a possible funding revenue measure on the Nov. 2018 ballot.
- b) **Traffic Calming.** Complete 2-3 traffic calming projects at appropriate locations as dictated by the circulation element of the general plan. Include San Jacinto/Main for primary consideration.

- c) **41/Main Street Intersection Funding.** Research options and bring to Council for decision the required 50-percent local match (~ \$2M) to the Highway 41, Main Street and Highway 1 (ramp) Intersection improvement project. (Moved from Goal 4, otherwise unchanged.)
- d) **Traffic Signs.** Replace 20% of non-conforming traffic signs.
- e) **Traffic Markings.** Refresh Street markings, focusing on cross walks and legends, in the down town, embarcadero, north Main and routes to school.
- f) **Bike Needs.** Complete specific items from the unmet bike needs list that are funded in the FY16/17 budget process. Include Highway 1 and Yerba Buena, Bike Parking at public buildings, and traffic calming on San Jacinto for primary consideration. (If not completed in 2015/16, also complete the Class 1 path from Lemos to Cloisters, San Jacinto and Main bike safety, and installation of Bike Friendly Community signs.)
- g) **Bike Lane Painting.** Bring to Council in the budget scaled proposals for green painting various bike lanes including extensions through intersections, as appropriate.
- h) **Construction Timing.** Research and bring to council for consideration actions to remove existing City-imposed restrictions on timing of street work so that some paving, patching and painting work can be performed at appropriate times during shoulder and summer seasons.

Goal #3 - Review and Update Significant City Land Use Plans

- a) **GP/LCP.** Continue work on the GP/LCP update, completing the alternatives analysis and administrative draft of the Blue Print / Green Print; and administrative draft of the Program EIR, while pursuing robust public input in the entire process.
- b) **Zoning Option for GP/LCP update.** Bring to Council for consideration a budget decision to add a full zoning update/overhaul to the GP/LCP contract.
- c) **WRF / Righetti Property Master Plan.** Complete site master plan for the entire Righetti property should the Council decide to construct the WRF at that site.
- d) **Wireless Ordinance.** Update wireless ordinance and process through Coastal Commission.
- e) **Downtown/Waterfront Strategic Plan (DWSP).** Consider incorporating the downtown/waterfront strategic plan into the GP/LCP process. Complete the DWSP part of the plan.
- f) **2016 Building Code.** Review and adopt the 2016 California Building and Standards Code. Consider integrating green building incentives and greywater / solar-ready initiatives not included in the state revisions.

Goal #4 - Maintain Core Public Safety Services

- a) **Speed Survey.** Update citywide speed survey to determine appropriate safe driving speeds for all streets.
- b) **Marijuana Ordinances.** Begin a robust public discussion, informed by the results of a likely marijuana “recreational use” statewide initiative on the November 2016 ballot that results in Council consideration and action on all aspects of marijuana cultivation, medical and possible recreational use.
- c) **Good Neighbor Campaign.** Plan and implement a “Good Neighbor Campaign”, including aspects of Public Safety and Code Enforcement.
- d) **Public Safety Scrub of MBMC.** Complete a review of all public safety ordinances in the MBMC, including various sections of the MBMC that currently require first offence warning for violations of code, and bring recommended changes to Council for decision.
- e) **Strategic Plan Implementation.** Implement certain items to be identified from the 2015/16 Police Department and Fire Department strategic plan updates.
- f) **Public Education.** Provide 3 CERT training sessions for the public and multiple Hands-Only-CPR presentations with the goal to educate 100 citizens in CERT and 500 citizens in Hands –Only-CPR.

Goal #5 - Ensure Fiscal Sustainability

- a) **Budget Forecast.** Complete a, professional, external, 10-year budget forecast in Jan-Mar 2017 with the new Council.
- b) **Budget Transparency.** Consider and implement additional budget transparency / citizen participation actions.
- c) **CFAC Review.** Review and refine the roles and responsibilities of the Citizens Finance Advisory Committee after their first full year of operation.
- d) **Community Choice Aggregation.** Partner with regional entities to further research possible implementation of a Community Choice Aggregation approach to energy choice.
- e) **Budget Policies.** Adopt a comprehensive set of financial and budget policies to provide a meaningful and easily understood framework for maintaining financial discipline.
- f) **Vehicle Replacement.** Determine City vehicle requirements, then determine replacement costs over a 15-year period to estimate the total costs required to fund replacements on an annual basis.
- g) **Recreation Programming.** Evaluate partnerships and/or contracting opportunities to increase the range recreation programming through the use of external service providers.

Goal #6 - Support Economic Development

- a) **Tidelands Trust Lease Management Policy.** Update and revise the City Lease Management Policy.
- b) **Economic Development Strategic Plan.** Launch the initial EDSP marketing toolkit and the 30-60-90-day action steps in the MB Economic Development Strategic Plan fostered by Chabin Concepts.
- c) **MBPP.** Consider providing proactive support, including a possible “memorandum of cooperation”, to any entity pursuing demolition, remediation and redevelopment (for non-energy producing purposes) of the Morro Bay Power Plant property.
- d) **Business Information on Website.** Complete a full renovation of the “Doing Business” section of the City’s website to enhance service for existing businesses and better market to potential new business for Morro Bay.
- e) **Business Incentives.** Research, evaluate, and bring to Council for consideration business incentive opportunities that may encourage existing business reinvestments in Morro Bay or recruit new businesses to the community.
- f) **Commercial Real Estate Inventory.** Partner with a local real estate agent to create a commercial real estate inventory and market this information on the City’s website.
- g) **Aquarium Project.** Work closely with the Central Coast Aquarium to bring a Concept Plan for approval to Council and Coastal Commission.
- h) **Business Improvement Districts.** Be receptive to, and provide City support, to any business improvement district opportunities proposed by Morro Bay business interests.
- i) **Economic Development Code Scrub.** Complete a high-level analysis of the Morro Bay Municipal Code to revise/remove policies that impede or hamper an improved business climate.
- j) **Maritime Museum.** Update the current MOU and complete a license agreement with the Central Coast Maritime Museum.
- k) **Marine Services Facility.** Contract for, complete and bring to Council for consideration a full feasibility study for the proposed Marine Services Facility.
- l) **Tourism Integration.** Complete the integration of the management of Tourism Business Improvement District operations with other aspects of the City’s Economic Development plans and activities.
- m) **Food Trucks.** Research and bring to Council for consideration a change to the MBMC to allow “food trucks” during approved events.

Goal #7 - Improve City Infrastructure, Facilities and Public Spaces.

- a) **Market Street Bluff / Centennial Parkway Area Revitalization.** Begin a public process and bring to Council ideas for revitalization of the city owned properties adjacent to Centennial Parkway, including the Front Street parking lot, the Branigan's / Distasio's building, and the City-owned parking lot at Market and Pacific.
- b) **Implementation of Concept Plans.** Depending on public input and funding, complete design, research funding tools and begin implementation work on various projects including Centennial Parkway revitalization and the Embarcadero Promenade concept.
- c) **ADA Compliance Improvements.** Following the ongoing ADA compliance assessment, complete \$50K of ADA compliance improvements, or as set by the FY2016/17 budget.
- d) **Signage and Branding.** Install new welcome, way finding and street signs based on updated city "branding" resulting from the Vision / Values and DWSP projects.
- e) **Improve Trash Collection and Public Restroom Cleaning.** Research and bring to Council for funding proposals to increase the frequency of public trash collection in public areas and the cleaning of public restrooms.
- f) **Tree Trimming.** Research and bring to Council for direction a proposal to increase the frequency of tree trimming in the downtown from ~5 years to ~2 ½ years, while continuing City tree management and planting consistent with the Urban Forest Management plan.
- g) **Community Beautification.** Budget depending, implement specific Community Heritage and Beautification Committee recommendations including installing permanent aesthetic lighting in downtown street trees, providing direct City support to the Hidden History interpretive panel project, Vet's Hall turf removal / garden installation. Refresh and re-implement the City Adopt-a-Park program.
- h) **ESH Fencing.** Fence the Environmentally Sensitive Habitat (ESH) between the Embarcadero dirt extension and the Morro Bay Power Plant property in the same manner as the ESH fencing on the opposite side of the road.
- i) **City Hall Functional Improvements.** Plan and complete remodeling of the IT space in City Hall to provide additional / more functional office space and improved customer service in MB City Hall.
- j) **Facility Maintenance Program.** Update the Facility Maintenance Program using priority setting in time to influence the 2017/18 budget cycle.

Goal #8 - Enhance Quality of Life

- a) **Community Pool Planning.** Prepare for, and enact, the overall management of community access at the new Morro Bay High School/Community Pool.

- b) **City-Sponsored/Partnered Events.** Execute the following City/Partnered Events: Fourth of July, Rock to Pier Run, Dixon Spaghetti Dinner, Downtown Trick-Or-Treat (partner with the Chamber of Commerce), Lighted Boat Parade/Christmas Tree Lighting (partner with Rotary).
- c) **Sea Otter Awareness.** Take specific action to raise awareness of Sea Otter protection practices and participate in the 2016 Sea Otter Awareness Week.
- d) **Pickleball Court Space.** Research and present to Council opportunities for additional, future Pickleball court space.
- e) **Recreation Guide.** Sponsor and publish the Morro Bay Recreation Programs Guide in Fall, Winter, and Spring, beginning Fall 2016.
- f) **Vet’s Hall Renovation Planning.** Bring to Council a proposal for partial revitalization of Vet’s Hall to achieve functional improvements for public meetings and work toward a more attractive / rentable space for private events.
- g) **Public Meeting Broadcasts.** Bring to Council a proposal for upgrading City-owned broadcast equipment used to video and broadcast public meetings.
- h) **Community Paramedicine.** Research and partner with other EMS agencies in our County for possible proposals for Federally funded Community Paramedicine Programs starting after 2018, pursue public / private partnerships to simultaneously improve local healthcare access.

Goal #9 - Improve Water Supply Diversification

- a) **State Water Planning.** Assess the long-term requirements for continued participation in the State Water Project, conduct initial determination what level of participation is appropriate, and identify timeline for contract renewal.
- b) **Desal Permit.** Submit permit application for full time use of the City desal plant as part of the City’s water portfolio.
- c) **Desal Location.** Research and bring to Council for decision options to relocate the City desal plant.
- d) **“One Water” Planning.** In concert with the GP/LCP update, complete Master Plans for Water Supply, Water System, Wastewater Collection, and stormwater as a “One Water” Plan.
- e) **CMC Emergency Exchange Agreement.** Resolve emergency exchange agreement with CDCR for CMC water.

Goal #10 - Improve City Operations

- a) **IT Support.** Assess opportunities to enhance IT help desk support services through supplemental, contractual support.

- b) **IT Disaster Protection.** Move City computer servers from City Hall to the Fire Station.
- c) **Records Management.** Develop a prioritized, budgeted short- and long-term plan for improving records management policies and procedures, including development of a trustworthy electronic records system, and staff education regarding legal requirements and best practices. Begin digital scanning of Harbor Dept Records.
- d) **Compensation Study.** Complete a professional, external, comparative study of City of Morro Bay compensation policies and levels to ensure both taxpayers and employee interests are appropriately served. Complete the study in time for 2017/18 MOU negotiations.
- e) **Lease Management Office Reorganization.** Research and bring to Council for consideration transferring Harbor lease and property management functions to the Administrative Services Department or another City Department. (MP Recommendation)
- f) **MBMC and City Organization.** Review and bring to Council for consideration changes to the MBMC related to City staff organization.
- g) **Succession Planning.** Develop a succession planning framework and conduct detailed succession planning for positions at high risk for turnover. (MP Rec.)
- h) **Harbor Maintenance.** Evaluate transferring Harbor maintenance functions to Public Works.
- i) **GIS.** Research and bring to Council for decision options for providing comprehensive geographic information system data for both internal and customer serving applications.
- j) **Community Resource Connections.** Refine and formalize, with Council resolution, the relationship between the City and the Community Resource Connections Office.

David W. Buckingham
City Manager

**A PROCLAMATION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY
DECLARING**

**Tuesday, February 23, 2016 as
“WORLD SPAY DAY”**

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

WHEREAS, pets provide companionship to 65% of U.S. households; and

WHEREAS, 2.4 million healthy and adoptable cats and dogs are put down in animal shelters each year due to a lack of critical resources and public awareness; and

WHEREAS, nearly 90% of pets living in poverty, and 98% of community (feral and stray) cats are unaltered; and

WHEREAS, spaying and neutering has been shown to dramatically reduce the number of animals who are put down in animal shelters; and

WHEREAS, programs exist to assist with the cost of spaying or neutering pets living in poverty and community cats; and

WHEREAS, veterinarians, national and local animal protection organizations, and private citizens worked together to ensure the spaying or neutering of more than 68,000 pets and community cats through “World Spay Day” in the United States and throughout the world in 2015; and

WHEREAS, veterinarians, national and local animal protection organizations, and private citizens have joined together again to advocate the spaying and neutering of pets and community cats on “World Spay Day 2016”.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Morro Bay, does hereby proclaim February 23, 2016, as “**WORLD SPAY DAY**” calling for the citizens of Morro Bay to observe the day by having their own pets spayed or neutered or by sponsoring the spaying or neutering of a pet in need.

IN WITNESS WHEREOF I have
hereunto set my hand and caused the
seal of the City of Morro Bay to be
affixed this 23rd day of February, 2016

Jamie L. Irons, Mayor
City of Morro Bay, California



AGENDA NO: B-1

MEETING DATE: February 23, 2016

Staff Report

TO: Honorable Mayor and City Council

DATE: February 10, 2016

FROM: Cindy Jacinth, Associate Planner

SUBJECT: Concept Plan approval for Conditional Use Permit (UP0-359) for the Construction of a Gangway, Dock, seven (7) Boat Slips, Second Story Dining Deck Expansion, and Coastal Access Improvements at 725 Embarcadero, Rose's Landing

RECOMMENDATION

Staff recommends the City Council adopt the Mitigated Negative Declaration and adopt Resolution No. 09-16, making the necessary findings for approval of Conditional Use Permit (#UP0-359) for the construction of a new gangway, dock, seven (7) boat slips (6 private rentals and 1 public slip), proposed second story dining deck expansion along the west side of the building, and coastal access improvements at 725 Embarcadero, Rose's Landing.

ALTERNATIVES

1. The City Council may move not to adopt the Resolution for approval and instead add additional conditions to the project and direct staff to return to the next Council meeting with a revised Resolution for approval.
2. The City Council may move to modify or delete conditions of approval from the Planning Commission's favorable recommendation.
3. The City Council could move to deny the Conditional Use Permit request.

FISCAL IMPACT

The proposed project will likely have positive fiscal impacts for the City. The lease agreement for the subject site (Lease Sites 82-85/82W-85W) requires a percentage of revenues be paid to the City.

BACKGROUND

The project site is located in the waterfront (WF) district and is zoned with planned development (PD) and special treatment (S.4) overlays. Pursuant to Section 17.40.030 of the Zoning Ordinance, development on lands zoned with a PD Overlay require a Conditional Use Permit. For new development or new uses on public lands or lands greater than one acre, the applicant must submit

Prepared By: CJ Dept Review: SG
City Manager Review: DWB
City Attorney Review: JWP

concept and precise plans. Concept plans for development in the PD Overlay Zone shall receive final approval from the City Council at a duly noticed public hearing after review and approval by the Planning Commission at a noticed public hearing.

The Planning Commission reviewed the proposed project at a noticed public hearing on January 5, 2016, and voted 4-1 to forward a favorable recommendation with conditions to the City Council. Prior to January 5, 2016, the project was previously scheduled for public hearing and then continued several times in order to address proposed environmental mitigations related to eelgrass protection and public access. Upon approval by the City Council, the Applicant would seek Coastal Development Permit approval from the Coastal Commission before returning to the Planning Commission for precise plan approval.

Project Description:

The project description includes three main components consisting of new docks, building addition of 2nd floor dining deck and improvements to coastal access. Specifically, the concept plan approval of Conditional Use Permit #UP0-359 is for construction of a new gangway, floating dock, and seven (7) boat slips. The dock portion of the project located at the western extent of 725 Embarcadero consists of Water Lease Site 82W-85W which will increase from approximately 50-feet to 93.71-feet in order to accommodate the dock project. Ten new pilings would be installed to support the dock. Of the seven new boat slips, slip number one will be controlled by the Morro Bay Harbor Department, with the remaining six (6) slips proposed for non-commercial purposes and available as private month-to-month rentals. In addition, the project proposes a 487sf second-story dining deck expansion along the west side of the restaurant with creation of a dedicated outdoor observation deck area along the south side of the building second floor. The project also proposes enhancements to existing bayside lateral access in the form of expansion of the northerly entrance of the existing 8 foot access way, new coastal access signage, changes to the covered portion of the semi-enclosed coastal access way by removing the wood/glass wall, the addition of four skylights and southward expansion of the first-floor outdoor dining area to improve lateral access circulation.

DISCUSSION

Included within the Resolution are additional conditions added by the Planning Commission. Those planning conditions 10-14 are:

10. Improve connections between lateral access on north side of building and existing public view deck seaward of the Front Street terminus. Improvements to include a bridge from the viewing deck to the existing lateral access way.
11. Public access space and private dining shall be clearly delineated and enclosed with railing as required by the Waterfront Master Plan.
12. Glass windscreen and/or roof of the bayside lateral access walkway shall be removed along its length north of the outdoor first floor dining facilities located at southwest end of building.
13. Precise Plan shall include a specific sign plan with both commercial tenant and public access signs shown, including, but not limited to, plans denoting size and material of sign, location of signs and method of attachment.
14. Plans shall be revised to the greatest extent feasible, to ensure lateral access at the south end of the lease site is able to accommodate a connection point to future lateral access to Lease Site 18.

Since the Planning Commission meeting, the applicant has submitted revised plans and visual simulations (Exhibit E) intended to address the recommended conditions. Those are discussed by category below:

Bayside Lateral Access

Policy 1.20 of the City’s Local Coastal Plan (LCP) requires all projects shall be required to provide continuous bayside lateral access as a condition of approval. LCP Policy 1.21 also requires provisions of vertical access to the bayfront.

The current bayside lateral access from north to south is not well delineated nor readily apparent to visitors as the signage is out of date, and with the dining tables present, it gives the appearance that the lateral access is intended for customers only. In addition, the access way is covered by a roof and glass wall that seems uninviting. The Applicant has submitted revised plans which denote a bridge connection on the north end, removal of dining tables and the wood and glass wall along the west access way with a new 42” tall metal railing and addition of four skylights to open up and brighten the lateral access as shown below and also in Exhibit E.

Visual Simulations:



Visual Simulation showing bridge connection north of lease site



Visual Simulation showing improved lateral access to left and new docks to right of image.



Visual Simulation showing lateral access with dining deck expansion to the left.

Continuing south, the revised plans also show

expansion of the first-floor outdoor dining in order to retain dining tables in that corner and also provide a dedicated 10-foot wide lateral access, which leads to the south plaza area. The south plaza area is proposed to provide a 10-foot wide stamped concrete walkway that wraps around an existing water fountain in order to improve awareness of vertical access consistent with Policy 1.21. A visual simulation of the widened south lateral access with docks is shown below and also found in Exhibit E.



On right of image, 10-foot wide lateral access proposed adjacent to outdoor dining with docks and gangway on left.

In addition, the plans show both the bridge connection point and stamped concrete path outside of the lease site boundaries, which would be within City maintained public right-of-way. Although the bridge material, wood or metal, has not been identified yet, the City’s Harbor Department has requested a condition of approval be added to require the Applicant enter into a maintenance agreement for repair and maintenance of the bridge if the materials are made of wood. (Harbor condition #2).

Planning Commission condition 14, which references Lease site 78W-81W to the south, also referred to as Lease Site 18, is not up for renewal until 2032, at which time a component of bayside lateral access would be required. The revised Rose’s Landing plans provide a landward connection at the border of land lease and the water lease lines.

Outdoor Dining / Observation Deck

In addition to the first-floor outdoor dining, there is currently existing outdoor dining on the second floor. The applicant proposes to create a second-floor public observation deck area as part of improvements to coastal access. Originally, the entire second-floor deck was proposed to be for observation purposes. However, in considering the feedback received by Planning Commission and the existing policy language in the Waterfront Master Plan, which encourages outdoor dining, the Applicant’s plans now show the second-floor observation deck as partial outdoor restaurant dining with appropriate railing separating dining uses from a dedicated observation area along the perimeter as shown on sheet 3.0 of plans and as shown in the image below (Exhibit E).

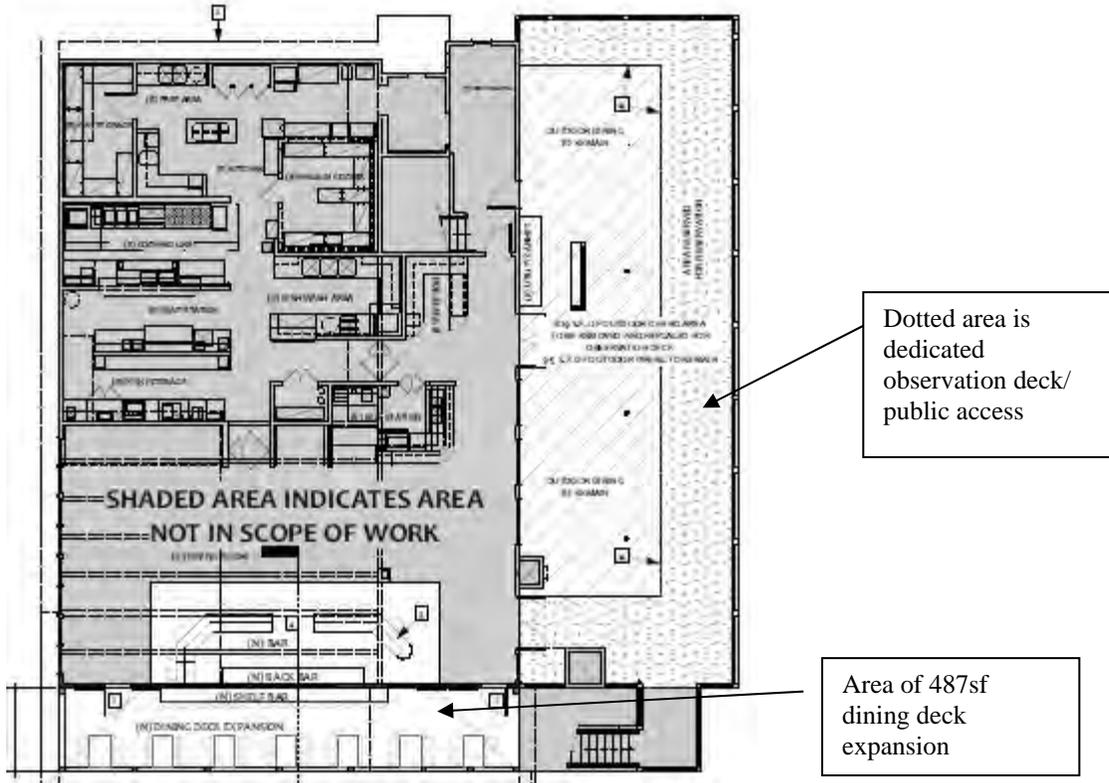


PHOTO SIMULATION 5
Outdoor Dining Deck Expansion

Coastal Access Signage

The existing coastal access signage is out of date and the project has been conditioned to provide an updated sign plan at multiple location points, both at the street side, the lateral access, and on the second-floor observation decks, all in order to inform public of availability of coastal access.

The resulting bayside lateral access with updated and additional signage is an improvement over the existing coastal access, which routes the public through existing outdoor dining spaces. As revised the plans now show, coastal access goes around the outdoor dining spaces. That is consistent with the

Waterfront Master Plan Design Guidelines, which encourage outdoor dining and require dining areas to be enclosed in permanent low see-through railings or fences.

Eelgrass / Environmental Mitigations

Regarding presence of eelgrass and shading impacts, the Applicant is subject to NOAA Fisheries California Eelgrass Mitigation Policy (CEMP) which requires protection of eelgrass habitat to the greatest extent feasible, both for vegetated areas and for a 5 meter unvegetated buffer surrounding eelgrass. During the application process, the Applicant made several revisions to the dock plans in order to avoid eelgrass. In order to accommodate the Planning Commission condition to improve lateral access by constructing a bridge at the northern landside lease edge, the Applicant's revised plans now show a bridge connection point. The bridge is 8 feet in width which meets the City's LCP requirements, although Coastal Commission lateral access requirements are 10 feet. The bridge width was reduced to the City's minimum 8-foot requirement in order to minimize intrusion into protected eelgrass habitat, though there is 5sf of intrusion in that area into unvegetated habitat. To offset that, the gangway is relocated southerly, so it connects with the head float near slip 7, versus the previous location near slips 5 and 6. Relocation of the gangway provides for two benefits: it allows for a 10-foot width of bayside lateral access near the first-floor outdoor dining area and, secondly, it reduces the amount of eelgrass intrusion for an overall reduction from 519 square feet (as presented at Planning Commission) to 504 square feet of intrusion now (Exhibit E).

The project is subject to mitigation as discussed in the Mitigated Negative Declaration (Exhibit E of the Planning Commission staff report) and the Applicant has agreed to mitigation and monitoring as discussed in the January 5, 2016, Planning Commission staff report.

CONCLUSION

The proposed project, although under the PD Overlay requirements, where modification of standards is permitted, is not seeking a waiver or exemption of standards. The proposed project includes construction of new floating docks, provision of improved public bayside lateral access, expansion of outdoor dining and a second floor dining deck expansion consistent with the approved visitor-serving uses. Those amenities have been designed to provide for maximum public benefit at a visitor-serving development consistent with the City's General Plan/LCP/Zoning Ordinance and Waterfront Master Plan and the California Coastal Act. In addition, the project provides additional private monthly lease slips, a dedicated slip for City use, as well as appropriately mitigates environmental impacts to the greatest extent feasible, as discussed in the Mitigated Negative Declaration and also in the January 5, 2016, Planning Commission staff report.

The WF District is intended to "provide for the continued mixture of visitor-serving commercial and recreational and harbor-dependent land uses in appropriate waterfront areas" and the proposed project advances that goal. The project provides for new dock slips, improved outdoor dining, interior improvements to an existing visitor-serving use, as well as improved lateral access, all of which is consistent with the Waterfront Master Plan. As conditioned, the proposed project will be consistent with all applicable development standards of the Zoning Ordinance, the Waterfront Master Plan, and applicable provisions of the General Plan, Local Coastal Plan, and Zoning Ordinance. Staff, therefore, recommends conditional approval of the project consistent with favorable recommendation of the

Planning Commission and adoption of the attached Council Resolution No. 09-16.

EXHIBITS

- A. City Council Resolution No. 09-16
- B. Planning Commission Resolution 04-16
- C. Planning Commission Staff Report, January 5, 2016 meeting
- D. Mitigated Negative Declaration
- E. Revised Plans/ Plan Reductions dated February 4, 2016

ON-LINE RESOURCES

Complete 1-5-2016 Planning Commission staff report with all attachments is available on-line at the following link:

<http://www.morro-bay.ca.us/DocumentCenter/View/9349>

RESOLUTION NO. 09-16

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
TO APPROVE CONCEPT PLAN APPROVAL OF CONDITIONAL USE PERMIT
(UP0-359) FOR CONSTRUCTION OF NEW GANGWAY, FLOATING DOCK,
SEVEN BOAT SLIPS, AND 487 SQUARE FOOT SECOND FLOOR DINING DECK
EXPANSION AS WELL AS IMPROVEMENTS TO BAYSIDE LATERAL ACCESS ON
BOTH NORTH, WEST AND SOUTH SIDES OF LEASE SITE 82-85/82W-85W,
LOCATED AT 725 EMBARCADERO**

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

WHEREAS, the Planning Commission of the City of Morro Bay conducted a public hearing at the Morro Bay Veteran’s Hall, 209 Surf Street, Morro Bay, California, on January 5, 2016, for the purpose of considering Concept Plan approval of Conditional Use Permit #UP0-359 (the “Proposed Project”) and adopted PC Resolution 04-16 to forward a favorable recommendation with conditions to the City Council for Concept Plan approval; and

WHEREAS, the City Council conducted a public hearing at the Morro Bay Veteran’s Hall, 209 Surf Street, Morro Bay, California, on February 23, 2016, pursuant to the Planned Development regulations (Morro Bay Municipal Code (MBMC) section 17.40.030), for the purpose of considering the Proposed Project for 725 Embarcadero Road, also known as Lease Site 82-85 / 82W-85W (APN #066-351-012, 013, 014, 015) in an area within the original jurisdiction of the California Coastal Commission; and

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

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

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

Section 1: Findings. Based upon all the written and oral testimony and evidence presented to the Council at and for the above public hearing, the City Council makes the following findings:

California Environmental Quality Act (CEQA)

1. The City Council adopts the Mitigated Negative Declaration that was attached as Exhibit D to the staff report presented at the Council Meeting at which this Resolution was adopted. For purposes of the California Environmental Quality Act, Case No. UP0-359 is subject to the MND, based upon potentially significant impacts to Biological Resources, Cultural Resources, Greenhouse Gas Emissions, and Hydrology/Water Quality. Any impacts associated with the proposed development will be brought to a less than significant level through the MND. Additional mitigation has been added as a result of review during the comment period by the California Coastal Commission and has been highlighted in red in the mitigation and monitoring plan. The revised plans did not result in any additional impacts that would require re-circulation and all impacts have been reduced to a level less than significant.
2. The City Council finds Applicant has revised the dock plans to the greatest extent feasible in order to avoid impact to eelgrass habitat pursuant to the California Eelgrass Mitigation Policy.

Conditional Use Permit Findings

1. The project will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood in that the construction of new gangway, dock, seven (7) boat slips, dining deck expansion, observation deck, and improved public lateral access at 725 Embarcadero are permitted uses within the zoning district and said structures comply with all applicable project conditions and City regulations and is consistent with the City's Local Coastal Program.
2. The project will not be injurious or detrimental to property and improvements in the neighborhood and the general welfare of the City in that the proposed floating dock and new slips will provide a water-oriented, visitor-serving recreational opportunity. The dining deck expansion provides additional benefit and improvement to a visitor-serving commercial use and is consistent with the character of the existing development.

Waterfront Master Plan Findings

- A. The proposed project makes a positive contribution to the visual and public accessibility to the bay while increasing and maintaining commercial fishing industry, in that it:
 1. Meets the Waterfront plan height limit and maximum building coverage, bulk, and scale requirements in that the proposed project does not exceed development standards.

2. Provides the amenities identified in the WF Plan, facilitates pedestrian visual and physical access to the waterfront, and takes advantage of outward views and characteristics of the topography in that the bayside lateral access is improved to allow for easier pedestrian access, enjoyment and better bay views.
3. Makes a positive contribution to the working fishing village character and quality of the Embarcadero area in that the new project will add to the availability of boat slips in the bay for recreational or commercial boat rental. The creation of an observation deck and deck expansion will also maintain and enhance views of the bay.
4. Recognizes the pedestrian orientation of the Embarcadero and provides an interesting and enhanced pedestrian experience in that the project will provide improved lateral public access to the water and docks while assisting in the Harborwalk plan to continue public access along the waterfront as well as create a second floor observation deck open to the public and the deck expansion design is consistent with the character of the existing development.
5. Gives its occupants and the public some variety in materials and/or application in that the deck expansion and dock construction will be of wood or aluminum material.
6. Contains the elements of harmony, continuity, proportion, simplicity, and balance, and its appearance matches its function and the uses proposed in that the new docks and public lateral access will be accessible to the public and also in that the dining deck expansion provides articulation that is consistent with the character of the existing development.
7. Does not diminish, either directly or by cumulative impact of several similar projects, the use, enjoyment, or attractiveness of adjacent buildings and provides a visual and pedestrian transition to its immediate neighbor in that the bayside lateral access is existing and will be enhanced by creating a bridge connection point, which further opens up the northerly entrance, removes the wood and glass wall and adds roof skylights along the west semi-enclosed lateral access to make it more inviting to pedestrians along with widening the lateral access at the southwest corner to go around existing outdoor dining rather than through the dining area; and new construction of floating dock and slips and dining deck expansion is in keeping with the architectural style, massing, materials, scale, and use of its surroundings.

Architectural Consideration Finding

The City Council finds the architectural treatment and general appearance of all buildings, structures and open areas of the Proposed Project are in keeping with the character of the surrounding waterfront area, are compatible with the Waterfront Master Plan design theme adopted by the City, and are not detrimental to the orderly and

harmonious development;of the City or to the desirability of investment of occupation in the area.

Section 2. Action. The City Council does hereby approve Conditional Use Permit #UP0-359 subject to the following conditions:

STANDARD CONDITIONS

1. This permit is granted for the land described in the staff report dated February 10, 2016, for the project at 725 Embarcadero depicted on plans dated February 4, 2016, on file with the Community Development Department, as modified by these conditions of approval, and more specifically described as follows: Site development, including all buildings and other features, shall be located and designed substantially as shown on City Council approved plans submitted for UP0-359, unless otherwise specified herein.
2. Inaugurate Within Two Years: Unless the construction or operation of the structure, facility, or use is commenced not later than two (2) years after the effective date of this Resolution and is diligently pursued, thereafter, this approval will automatically become null and void; provided, however, that upon the written request of Applicant, prior to the expiration of this approval, Applicant may request up to two extensions for not more than one (1) additional year each. Any such extension may be granted by the City's Community Development Manager (the "CDM") upon finding the project complies with all applicable provisions of the MBMC, General Plan and certified Local Coastal Program Land Use Plan (LCP) in effect at the time of the extension request.
3. Changes: Minor changes to the project description and conditions of approval shall be subject to review and approval by the CDM. Any changes to this approved permit determined, by the CDM, not to be minor shall require the filing of an application for a permit amendment subject to Planning Commission review.
4. Compliance with the Law: (a) All requirements of any law, ordinance or regulation of the State of California, the City, and any other governmental entity shall be complied with in the exercise of this approval; (b) This project shall meet all applicable requirements under the MBMC, and shall be consistent with all programs and policies contained in the LCP and General Plan for the City.
5. Hold Harmless: Applicant, as a condition of approval, hereby agrees to defend, indemnify, and hold harmless the City, its agents, officers, and employees, from any claim, action, or proceeding against the City as a result of the action or inaction by the City, or from any claim to attack, set aside, void, or annul this approval by the City of the Applicant's project or Applicant's failure to comply with conditions of approval. Applicant understands and acknowledges the City is under no obligation to defend any legal actions challenging the City's actions with respect to the project. This condition and agreement shall be binding on all successors and assigns.

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

Building Conditions:

Prior to construction, Applicant shall submit a complete building permit application and obtain all required building permits.

Fire Conditions:

1. Standpipe Plan Submittal. Marinas and boatyards shall be equipped throughout with standpipe systems in accordance with NFPA 303. Systems shall be located such that no point on the pier or float system exceeds 150 feet from the standpipe hose connection. (CFC 3604.2, 905, and MBMC 14.52.060).
 - a. Applicant shall submit plans for a Class 1 Standpipe System, for protection of the floating dock system and boat slips, in accordance with MBMC 14.52.060 CFC 904 and NFPA 303, to Moro Bay Community Development Department for review.
2. Portable fire extinguishers. One portable fire extinguisher of ordinary (moderate) hazard type shall be provided at each required standpipe hose connection. Additional portable fire extinguishers, suitable for the hazards involved, shall be provided and maintained in accordance with CFC 906. (CFC 4504.4).
 - a. Applicant shall provide one (2A-10BC) fire extinguisher and cabinet on the floating dock and depicted on Sheet 1.
3. Construction and operations of marinas, boatyards, yacht clubs, boat condominiums, docking facilities, multiple-docking facilities and all associated piers, docks, and floats shall be in accordance with NFPA 303.

4. Installation and Acceptance Testing. Fire detection and alarm systems, fire-extinguishing systems, fire hydrant systems, fire standpipe systems, fire pump systems, private fire service mains and all other fire protection systems and appurtenances thereto shall be subject to acceptance tests as contained in the installation standards and as approved by the fire code official. The fire code official shall be notified before required acceptance testing. (CFC 901.5).
5. Occupancy. It shall be unlawful to occupy any portion of a building or structure until the required fire detection, alarm and suppression systems have been tested and approved. (CFC 901.5.1).
6. Fire sprinklers. Fire protection systems shall be maintained in accordance with the original installation standards for that system. Required systems shall be extended, altered or augmented as necessary to maintain and continue protection whenever the building is altered, remodeled or added to. Alterations to fire protection systems shall be done in accordance with applicable standards. (CFC 901.4).
7. Applicant shall submit sprinkler plans for upstairs dining room bar modifications and the new dining deck expansion, to Morro Bay Community Development Department for review.

Public Works Conditions:

The following Public Works conditions shall be satisfied prior to Building Plan submittal:

1. If water service to the dock is planned, then an appropriate backflow prevention device is required to installed, routinely inspected and maintained per MBMC Chapter 13.08 Water Cross-Connections.
2. Erosion and Sediment Control Plan: Provide a standard erosion and sediment control plan per MBMC Chapter 14.48: The Plan shall show control measures to provide protection against erosion of adjacent property and prevent sediment or debris from entering the City right-of-way, adjacent properties, any harbor, waterway, or ecologically sensitive area.
3. Encroachment Permits: A standard encroachment permit may be required if utility connections are required within the City Right of Way. When utility connections require pavement cuts a traffic control plan indicating appropriate signing, marking, barricades and flaggers must be submitted with the Encroachment Permit application.

Add the following Items/Notes to the Plans:

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

- a. Any damage to City facilities, i.e. curb/berm, street, sewer line, water line, or any public improvements shall be repaired at no cost to the City of Morro Bay.

Harbor Department Conditions:

1. Applicant shall request in writing to the City to adjust the lease lines as applicable at the appropriate time.
2. The bridge material shall be submitted for review and approval to the Harbor Director and the Community Development Manager prior to issuance of a building permit. Applicant shall retain responsibility for maintenance and legal responsibility if the bridge is made of wood or other highly perishable material.

Planning Conditions:

1. Coastal Development Permit. A Coastal Development Permit shall be submitted to the Community Development Department prior to issuance of a building permit.
2. Inspection. Applicant shall comply with all City conditions of approval and conditions imposed by the California Coastal Commission and obtain final inspection clearance from the Planning Division at the necessary time in order to ensure all conditions have been met.
3. Bayside Lateral Public Accessway. The existing semi-enclosed public accessway along west side of building shall maintain a minimum 8-foot wide coastal access with open unobstructed access in order to maximize public use and enjoyment. Any uses that obstruct the accessway, such as private uses or barriers, such as furniture, planters, ropes, or restaurant seating and specifically table seating within the 8-foot coastal accessway, shall be prohibited.
4. Floating dock. The floating dock shall be publicly available for general public pedestrian access and either short-term or long-term use by recreational or commercial boats. Signs discouraging the public from walking on the docks during daylight hours are prohibited. The docks shall be open to the general public during at least daylight hours (*i.e.* from one hour before sunrise through one hour after sunset).
5. Final precise plans. Final precise plans shall be revised to include coastal public access signs on the northeast and southeast face of the building on Embarcadero Road (street entrance). Signs announcing public coastal access shall be placed at both north and south entry points to the semi-enclosed public access way or as consistent with a Public Access Management Plan as approved by the California Coastal Commission.
6. Shading of eelgrass. No part of any floating dock, boat structure or other portion thereof shall be located vertically above any existing eelgrass bed as identified on the approved

site plan. Nothing shall be allowed to dock, for any length of time, above any existing eelgrass bed. Translucent grating shall be used to the greatest extent feasible on the floating dock area over the unvegetated 5 meter eelgrass buffer.

7. Observation Deck. Signage shall be added to entrance of observation deck and at street level announcing public access and no purchase required. Form and design of signage shall be consistent with the approved public coastal access signs as approved by the California Coastal Commission. Precise plans submitted for approval to the City shall denote all signage locations.
8. Courtyard. The open courtyard area to the south of the Rose's Landing building shall maintain a minimum of 8-foot wide lateral access to provide public access from Embarcadero Road west to the bay. Any existing public tables and benches which impinge on the 8-foot requirement shall be moved to allow for open pedestrian access. Any existing outdoor dining tables on the lease site shall have table signs permanently affixed informing the public that no purchase is required.
9. Mitigation Plan. The Mitigation and Monitoring Plan, attached to this City Council resolution as Attachment A shall be incorporated as conditions of approval (red font indicates added mitigation since MND circulation).
10. Lateral access improvements. Improve connections between lateral access on north side of building and existing public view deck seaward of the Front Street street terminus. Improvements to include a bridge from the viewing deck to the existing lateral access way.
11. Public access designation. Public access space and private dining shall be clearly delineated and enclosed with railing as required by Waterfront Master Plan.
12. Removal of Windows. Glass windscreen and roof of the bayside lateral access walkway shall be removed along its length north of the outdoor first floor dining facilities located at southwest end of building.
13. Precise Plan. The Precise Plan shall include a specific sign plan with both commercial tenant and public access signs shown, including but not limited to, plans denoting size and material of sign, location of signs and method of attachment.
14. Plan revisions for access. Plans shall be revised to the greatest extent feasible, to ensure lateral access at the south end of the lease site is able to accommodate a connection point to future lateral access to Lease Site 18.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on this 23rd day of February, 2016 on the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

JAMIE L. IRONS, Mayor

ATTEST:

DANA SWANSON, City Clerk

Attachment A

SUMMARY OF REQUIRED MITIGATION MEASURES & MONITORING PLAN

BIOLOGICAL RESOURCES

Mitigation Measure BIO 1 An eelgrass restoration plan shall be prepared in accordance with ~~Southern~~ the California Eelgrass Mitigation Policy and submitted for approval to the Planning and Building Manager. The eelgrass restoration plan shall be submitted for review and approval within three months of completion of construction. The report shall at a minimum include a site plan and written description of the status of eelgrass beds in the project area. If the report identifies a reduction in eelgrass coverage as compared to the existing eelgrass coverage at the time of the pre-construction survey, then the report shall identify remedial measure to offset such reduction within the eelgrass beds in the project area at a 1.2:1 basis. In such case, reporting shall continue on an annual basis for at least three years or until all such eelgrass beds are supporting eelgrass as documented in two consecutive annual reports, whichever is later. In addition, a pre-and post-construction survey shall be completed to determine the final areas of impact and submitted to the Planning and Building Manager. The pre-construction survey shall be submitted for review prior to issuance of a building permit.

➤ **Monitoring Plan, BIO 1:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. Public Service Department planning staff will responsible for reviewing the pre-construction survey prior to issuance of any building permits. The post-construction survey shall be submitted to the City Planning and Building Manager for review and approval within three months of completion of construction. The report shall at a minimum include a site plan and written description of the status of eelgrass beds in the project area. If the report identifies a reduction in eelgrass coverage as compared to the existing eelgrass coverage at the time of the pre-construction survey, then the report shall identify remedial measure to offset such reduction within the eelgrass beds in the project area at a 1.2:1 basis. In such case, reporting shall continue on an annual basis for at least three years or until all such eelgrass beds are supporting eelgrass as documented in two consecutive annual reports, whichever is later.

Mitigation Measure BIO 2 To reduce potential turbidity-associated impacts, silt screens should be used when and where they will be effective. The relatively high tidal currents within Morro Bay could reduce the effectiveness of silt screens and should be considered prior to lacing of these screens. All in-water, bottom-disturbing activities should occur within the pre-determined project footprint.

➤ **Monitoring Plan, BIO 2:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. Details pertaining to the type, location, and method of securing the silt screens shall be provided on construction documents. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

Mitigation Measure BIO 3: A Marine Wildlife Contingency Plan shall be developed and approved by the NMFS, USFWS, and CDFG prior to the initiation of pile driving activities. This plan shall describe specific methods that will be used to reduce pile-driving noise. Power to the pile driver shall be ramped up to allow marine wildlife to detect a lower sound level and depart the area before full-power noise levels are produced. The plan shall identify a USFWS-approved biologist to monitor all construction within the water-lease area who shall be retained by the applicant. The plan shall describe on-site marine wildlife monitoring and reporting requirements as well as identify specific conditions when the biological monitor shall be allowed to stop work, such as observance of a marine mammal within 100 feet of the project area. The biologist shall be responsible to monitor for compliance with all environmental mitigation measures, and regulatory permit conditions (as applicable). The approved biological monitor shall be present onsite during construction and shall have the authority to stop construction if any individuals of southern sea

otter are seen within 100 feet of the project area. Construction will be allowed to resume after sighted otters have left the 100-foot radius of the project area. The species shall not be disturbed or forced from the project site by equipment, noise, or other disruptive activity. The monitor will have discretionary authority to temporarily halt the project if it is determined that the otter, or other marine mammal, could be affected by the project, even if the animal is beyond the 100-foot boundary. All construction crew employees shall be informed on the requirements of this condition.

- **Monitoring Plan, BIO 3:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. The Marine Wildlife Contingency Plan and documentation that it has been approved by the NMFS, USFWS, and CDFW shall be submitted along with the applications for construction permits. The biological monitor shall submit a weekly monitoring report to the City, including a summary of each day's activities, summary of any violations or inconsistencies with the mitigation measures/conditions of approval, any remediation actions undertaken by the applicant/construction manager, any verbal or written correspondence with regulatory agencies, and photo-documentation. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

Mitigation Measure BIO 4 A project-specific Oil Spill Response and Recovery Plan that includes specifics on reporting and response procedures, available on-site equipment and contracted services, and responsibilities shall be completed and approved prior to the initiation of construction activities. Specifically, the project shall include the following Best Management Practices (BMPs):

1. No refueling of equipment without adequate containment and spill response equipment. The barge shall have only double contained fuel storage below decks, with the spill containment and clean up kits on-site and easily accessible. Spill containment and clean up kits shall include the following:
 - a. 150 feet Absorbent Boom 200 square feet Absorbent Tarp (for use during pile driving operations)
 - b. Barrel Absorbent Pads
 - c. Container Absorbent Granules
2. Rainwater runoff pollution from equipment stored on deck shall be prevented through ongoing equipment maintenance and appropriate double containment.
3. The work area shall be contained within a boom to prevent debris from falling into the water.
4. All equipment fueling shall take place on the barge, with containment in-place. No refueling between vessels shall occur.
5. An Absorption Tarp shall be placed underneath any portable equipment while in use.
6. No equipment shall be permitted to enter the water with any petroleum products.
7. All equipment used during pile driving operations shall be in good condition without fuel or oil leakage.
8. Should any equipment begin to leak, that equipment shall be removed immediately from the barge and repaired or replaced.
9. All vessels shall have portable, regularly serviced sanitation equipment. No overboard discharge is permitted

- **Monitoring Plan, BIO 4:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. The Oil Spill Response and Recovery Plan shall be submitted along with the applications for building permits and reviewed by the Public Service Department planning staff and Fire Department for adequacy. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

Mitigation Measure BIO 5 Prior to issuance of building permits, the applicant shall either acquire all required regulatory permits and authorizations (i.e. U.S. Army Corps of Engineers, Regional Water Quality Control Board, California Department of Fish and Game), or submit documentation that such permits are not required.

- **Monitoring Plan, BIO 5:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. Submittal of all required outside agencies regulatory permits shall be reviewed by the Public Service Department planning staff.

Mitigation Measure BIO 6. Pre- and Post-construction surveys. A survey identifying areas of eelgrass within the lease areas shall be completed no earlier than 90 days and no later than 30 days prior to issuance of a building permit. The survey shall be submitted to the Community Development Manager for review as part of the final plans. If additional eelgrass is identified that would be directly shaded by the proposed project, then the report shall identify remedial measures to offset such reduction within the eelgrass beds at a ratio of 1.2:1 in line with the specifications for mitigation of eelgrass habitat as provided for in the California Eelgrass Mitigation Policy. A post construction survey identifying areas of eelgrass shall be completed on an annual basis with the first report due within 90 days of completion of construction and subsequent reports due at one year increments after that. All annual reports shall at a minimum include a site plan and written description of the status of eelgrass beds in the project area. Annual reporting shall continue for at least three years or until all eelgrass beds to be protected are supporting eelgrass as documented in two consecutive annual reports, whichever is later. Any change in eelgrass extent shall be documented and reported to the Community Development Manager. If the report identifies a reduction in eelgrass coverage as compared to the existing eelgrass coverage as identified in the Applicant's Site Plan, then the report shall identify remedial measures to offset such reduction within the eelgrass beds in the project area at a 1.2:1 ratio in line with the specifications for mitigation of eelgrass habitat as provided for in the California Eelgrass Mitigation Policy.

- **Monitoring Plan, BIO 6:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. Submittal of all required outside agencies regulatory permits shall be reviewed by the Community Development Manager.

Mitigation Measure BIO 7 Prior to issuance of a building permit, a pile driving plan and hydroacoustical monitoring plan shall be submitted to the Community Development Manager to ensure that underwater noise generated by pile driving activities is minimized to the maximum extent feasible and does not exceed: (1) an accumulated 187 dB SEL as measured 5 meters from the source; and (2) peak dB above 208 dB as measured 10 meters from the source as determined by the Fisheries Hydroacoustic Working Group. In the instance anything other than a vibratory hammer is to be used for pile driving activities, the plan shall provide for a hydro-acoustical monitor to ensure that underwater noise generated by pile driving activities does not exceed such limits. The plan shall identify the type of method used to install pilings. Vibratory hammers shall be used where feasible; if another method is used, a bubble curtain shall be employed to contain both noise and sediment. The plan shall also provide for additional acoustical BMPs to be applied if monitoring shows underwater noise above such limits (including, but not limited to, alternative pile driving methods (press-in pile placement, drilling, dewatered isolation casings, etc.) and additional noise dampening measures (sound shielding and other noise attenuation devices).

- **Monitoring Plan, BIO 7:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. The Community Development Department shall verify for required compliance in the field..

CULTURAL RESOURCES

Mitigation Measure CULT 1 If materials (including but not limited to bedrock mortars, historical trash deposits, and paleontological or geological resources) are encountered during excavation, work shall cease until a qualified archaeologist makes determinations on possible significance, recommends appropriate measures to minimize impacts, and provides information on how to proceed in light of the discoveries. All specialist recommendations shall be communicated to the City of Morro Bay Public Services Department prior to resuming work to ensure the project continues within procedural parameters accepted by the City of Morro Bay and the State of California.

- **Monitoring Plan, CULT 1:** Construction plans shall clearly note the above mitigation measure on Sheet 1 of project plans and be clearly visible to contractors and City staff. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

Mitigation Measure CULT 2 The following actions must be taken immediately upon the discovery of human remains:

Stop immediately and contact the County Coroner. The coroner has two working days to examine human remains after being notified by the responsible person. If the remains are Native American, the Coroner has 24 hours to notify the Native American Heritage Commission. The Native American Heritage Commission will immediately notify the person it believes to be the most likely descendent of the deceased Native American. The most likely descendent has 48 hours to make recommendations to the owner, or representative, for the treatment or disposition, with proper dignity, of the human remains and grave goods. If the descendent does not make recommendations within 48 hours the owner shall reinter the remains in an area of the property secure from further disturbance, or; If the owner does not accept the descendant's recommendations, the owner or the descendent may request mediation by the Native American Heritage Commission Discuss and confer means the meaningful and timely discussion careful consideration of the views of each party.

- **Monitoring Plan, CULT 2:** Construction plans shall clearly note the above mitigation measure on Sheet 1 of project plans and be clearly visible to contractors and City staff. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

GREENHOUSE GAS EMISSIONS

Mitigation Measure GHG 1 Requirements to limit Greenhouse Gas emissions shall apply to this project which includes to the greatest extent feasible: 1) a minimum of six percent of construction vehicles and equipment shall be electrically-powered or use alternative fuels such as compressed natural gas, and 2) The contractor shall limit idling of construction equipment to three signs and post signs to the effect.

- **Monitoring Plan, GHG 1:** Construction plans shall clearly note the above mitigation measure on Sheet 1 of project plans and be clearly visible to contractors and City staff. Details pertaining to the type of construction vehicles to be used shall be provided on construction documents. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

HYDROLOGY AND WATER QUALITY

Mitigation Measure HYDRO 1 Netting or fencing around and underneath the project site shall be installed to catch and remove debris released during and after construction.

- **Monitoring Plan, HYDRO 1:** Construction plans shall clearly note the above mitigation measure on Sheet 1 of project plans and be clearly visible to contractors and City staff. Details pertaining to the type, location, and method of securing the catchment netting or fencing shall be provided on construction documents. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

Mitigation Measure HYDRO 2 To reduce potential turbidity-associated impacts, silt screens should be used when and where they will be effective. The relatively high tidal currents within Morro Bay could reduce the effectiveness of silt screens and should be considered prior to placing of these screens.

- **Monitoring Plan, HYDRO 2:** Construction plans shall clearly note the above mitigation measure on Sheet 1 of project plans and be clearly visible to contractors and City staff. Details pertaining to the type, location, and method of securing the silt screens shall be provided on construction documents. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

Acceptance of Mitigation Measures by Project Applicant:

Applicant

Date

RESOLUTION NO. PC 04-16
Revised By Planning Commission on 1-5-16

A RESOLUTION OF THE MORRO BAY PLANNING COMMISSION FORWARDING A FAVORABLE RECOMMENDATION TO THE MORRO BAY CITY COUNCIL FOR CONCEPT PLAN APPROVAL OF CONDITIONAL USE PERMIT (UP0-359) FOR CONSTRUCTION OF NEW GANGWAY, DOCK, AND SEVEN (7) BOAT SLIPS (6 PRIVATE RENTALS AND 1 PUBLIC SLIP) AND 487SF DINING DECK EXPANSION AND ADOPTING A MITIGATED NEGATIVE DECLARATION (SCH#2014111065) AT 725 EMBARCADERO, ROSE'S LANDING

WHEREAS, the Planning Commission of the City of Morro Bay conducted a public hearing at the Morro Bay Veteran's Hall, 209 Surf Street, Morro Bay, California, on January 5, 2016, for the purpose of considering Concept Plan approval of Conditional Use Permit #UP0-359; and

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

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

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

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

California Environmental Quality Act (CEQA)

- A. That for purposes of the California Environmental Quality Act, Case No. UP0-359 is subject to a Mitigated Negative Declaration based upon potentially significant impacts to Biological Resources, Cultural Resources, Greenhouse Gas Emissions, and Hydrology/Water Quality. Any impacts associated with the proposed development will be brought to a less than significant level through the Mitigated Negative Declaration (MND). Additional mitigation has been added as a result of review during the comment period by the California Coastal Commission and has been highlighted in red in the mitigation and monitoring plan. The revised plans did not result in any additional impacts that would require re-circulation and all impacts have been reduced to a level less than significant.
- B. The Planning Commission finds that the Applicant has revised the dock plans to the greatest extent feasible in order to avoid impact to eelgrass habitat pursuant to the California Eelgrass Mitigation Policy.

Conditional Use Permit Findings

- A. The project will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood in that the construction of new gangway, dock, seven (7) boat slips, dining deck expansion and improved public lateral access at 725 Embarcadero are permitted uses within the zoning district and said structures comply with all applicable project conditions and City regulations and is consistent with the City's Local Coastal Program.
- B. The project will not be injurious or detrimental to property and improvements in the neighborhood and the general welfare of the City in that the proposed floating dock and new slips will provide a water-oriented visitor-serving recreational opportunity as well as the dining deck expansion will provide additional benefit and improvement to a visitor-serving commercial use and is consistent with the character of the existing development.

Waterfront Master Plan Findings

- A. The proposed project makes a positive contribution to the visual and public accessibility to the bay while increasing and maintaining commercial fishing industry:
 - a. Meets the Waterfront plan height limit and maximum building coverage, bulk, and scale requirements in that the proposed project does not exceed development standards.
 - b. The proposed project provides the amenities identified in the WF Plan, facilitates pedestrian visual and physical access to the waterfront, and takes advantage of outward views and characteristics of the topography in that the bayside lateral access is improved to allow for easier pedestrian access, enjoyment and better bay views.
 - c. The proposed project makes a positive contribution to the working fishing village character and quality of the Embarcadero area in that the new project will add to the availability of boat slips in the bay for recreational or commercial boat rental and also with the creation of an observation deck and deck expansion will maintain and enhance views of the bay.
 - d. The design recognizes the pedestrian orientation of the Embarcadero and provides an interesting and enhanced pedestrian experience in that the project will provide improved lateral public access to the water and docks while assisting in the Harborwalk plan to continue public access along the waterfront as well as create a second floor observation deck open to the public and the deck expansion design is consistent with the character of the existing development.
 - e. The project gives its occupants and the public some variety in materials and/or application in that the deck expansion and dock construction will be of wood or aluminum material.

- f. The project contains the elements of harmony, continuity, proportion, simplicity, and balance, and its appearance matches its function and the uses proposed in that the new docks and public lateral access will be accessible to the public and also in that the dining deck expansion provides articulation that is consistent with the character of the existing development.
- g. The proposed project does not diminish, either directly or by cumulative impact of several similar projects, the use, enjoyment, or attractiveness of adjacent buildings and provides a visual and pedestrian transition to its immediate neighbor in that the bayside lateral access is existing and will be enhanced by opening up the northerly entrance and adding skylight to make the lateral access more inviting to pedestrians. and new construction of floating dock and slips and dining deck expansion is in keeping with the architectural style, massing, materials, scale, and use of its surroundings.

Architectural Consideration

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

Section 2. Action. The Planning Commission does hereby approve Conditional Use Permit #UP0-359 subject to the following conditions:

STANDARD CONDITIONS

1. This permit is granted for the land described in the staff report dated December 30, 2015, for the project at 725 Embarcadero depicted on plans attached to the staff report, on file with the Community Development Department, as modified by these conditions of approval, and more specifically described as follows: Site development, including all buildings and other features, shall be located and designed substantially as shown on Planning Commission approved plans submitted for UP0-359, unless otherwise specified herein.
2. Inaugurate Within Two Years: Unless the construction or operation of the structure, facility, or use is commenced not later than two (2) years after the effective date of this Resolution and is diligently pursued, thereafter, this approval will automatically become null and void; provided, however, that upon the written request of the applicant, prior to the expiration of this approval, the applicant may request up to two extensions for not more than one (1) additional year each. Any extension may be granted by the City's Community Development Manager (the "Director"), upon finding the project complies with all applicable provisions of the Morro Bay Municipal Code (the "MBMC"), General

Plan and certified Local Coastal Program Land Use Plan (LCP) in effect at the time of the extension request.

3. Changes: Minor changes to the project description and/or conditions of approval shall be subject to review and approval by the Community Development Manager. Any changes to this approved permit determined, by the Director, not to be minor shall require the filing of an application for a permit amendment subject to Planning Commission review.
4. Compliance with the Law: (a) All requirements of any law, ordinance or regulation of the State of California, the City, and any other governmental entity shall be complied with in the exercise of this approval, (b) This project shall meet all applicable requirements under the MBMC, and shall be consistent with all programs and policies contained in the LCP and General Plan for the City.
5. Hold Harmless: The applicant, as a condition of approval, hereby agrees to defend, indemnify, and hold harmless the City, its agents, officers, and employees, from any claim, action, or proceeding against the City as a result of the action or inaction by the City, or from any claim to attack, set aside, void, or annul this approval by the City of the applicant's project; or applicants failure to comply with conditions of approval. Applicant understands and acknowledges the City is under no obligation to defend any legal actions challenging the City's actions with respect to the project. This condition and agreement shall be binding on all successors and assigns.
6. Compliance with Conditions: The applicant's establishment of the use or development of the subject property constitutes acknowledgement and acceptance of all Conditions of Approval. Compliance with and execution of all conditions listed hereon shall be required prior to obtaining final building inspection clearance. Deviation from this requirement shall be permitted only by written consent of the Director or as authorized by the Planning Commission. Failure to comply with any of these conditions shall render this entitlement, at the discretion of the Director, null and void. Continuation of the use without a valid entitlement will constitute a violation of the MBMC and is a misdemeanor.
7. Compliance with Morro Bay Standards: This project shall meet all applicable requirements under the MBMC, and shall be consistent with all programs and policies contained in the LCP and General Plan of the City.
8. Conditions of Approval: The Findings and Conditions of Approval shall be included as a full-size sheet in the Building Plans.

Building Conditions:

1. Prior to construction, the applicant shall submit a complete building permit application and obtain the required building permit.

Fire Conditions:

1. Standpipe Plan Submittal. Marinas and boatyards shall be equipped throughout with standpipe systems in accordance with NFPA 303. Systems shall be located such that no point on the pier or float system exceeds 150 feet from the standpipe hose connection. (CFC 3604.2, 905, and MBMC 14.52.060).
 - a. Applicant shall submit plans for a Class 1 Standpipe System, for protection of the floating dock system and boat slips, in accordance with MBMC 14.52.060 CFC 904 and NFPA 303, to Moro Bay Community Development Department for review.
2. Portable fire extinguishers. One portable fire extinguisher of ordinary (moderate) hazard type shall be provided at each required standpipe hose connection. Additional portable fire extinguishers, suitable for the hazards involved, shall be provided and maintained in accordance with CFC 906. (CFC 4504.4).
 - a. Applicant shall provide one (2A-10BC) fire extinguisher and cabinet on the floating dock and depicted on Sheet 1.
3. Construction and operations of marinas, boatyards, yacht clubs, boat condominiums, docking facilities, multiple-docking facilities and all associated piers, docks, and floats shall be in accordance with NFPA 303.
4. Installation and Acceptance Testing. Fire detection and alarm systems, fire-extinguishing systems, fire hydrant systems, fire standpipe systems, fire pump systems, private fire service mains and all other fire protection systems and appurtenances thereto shall be subject to acceptance tests as contained in the installation standards and as approved by the fire code official. The fire code official shall be notified before required acceptance testing. (CFC 901.5).
5. Occupancy. It shall be unlawful to occupy any portion of a building or structure until the required fire detection, alarm and suppression systems have been tested and approved. (CFC 901.5.1).
6. Fire sprinklers. Fire protection systems shall be maintained in accordance with the original installation standards for that system. Required systems shall be extended, altered or augmented as necessary to maintain and continue protection whenever the building is altered, remodeled or added to. Alterations to fire protection systems shall be done in accordance with applicable standards. (CFC 901.4).
 - a. Applicant shall submit sprinkler plans for upstairs dining room bar modifications and the new dining deck expansion, to Moro Bay Community Development Department for review.

Public Works Conditions:

The following Public Works conditions shall be satisfied prior to Building Plan submittal:

1. If water service to the dock is planned, an appropriate backflow prevention device is required to installed, routinely inspected and maintained per MBMC Chapter 13.08 Water Cross-Connections.
2. Erosion and Sediment Control Plan: Provide a standard erosion and sediment control plan per MBMC Chapter 14.48: The Plan shall show control measures to provide protection against erosion of adjacent property and prevent sediment or debris from entering the City right of way, adjacent properties, any harbor, waterway, or ecologically sensitive area.
3. Encroachment Permits: A standard encroachment permit may be required if utility connections are required within the City Right of Way. When utility connections require pavement cuts a traffic control plan indicating appropriate signing, marking, barricades and flaggers must be submitted with the Encroachment Permit application.

Add the following Items/Notes to the Plans:

4. No work shall occur within (or use of) the City's Right of Way without an encroachment permit. Encroachment permits are available at the City of Morro Bay Public Works Department located at 955 Shasta Ave. The Encroachment permit shall be issued concurrently with the building permit.
5. Any damage to City facilities, i.e. curb/berm , street, sewer line, water line, or any public improvements shall be repaired at no cost to the City of Morro Bay.

Harbor Department Conditions:

1. Applicant shall request in writing to the City to adjust the lease lines as applicable at the appropriate time.

Planning Conditions:

1. A Coastal Development Permit shall be submitted to the Community Development Department prior to issuance of a building permit.
2. Inspection: The applicant shall comply with all City conditions of approval and conditions imposed by the California Coastal Commission and obtain final inspection clearance from the Planning Division at the necessary time in order to ensure all conditions have been met.
3. Bayside Lateral Public Accessway. The existing semi-enclosed public accessway along west side of building shall maintain a minimum 8 foot wide coastal access with open unobstructed access in order to maximize public use and enjoyment. Any uses that obstruct the accessway such as private uses or barriers such as furniture, planters, ropes, or restaurant seating and specifically table seating within the 8 foot coastal accessway

shall be prohibited.

4. Floating dock. The floating dock shall be publicly available for general public pedestrian access and either short-term or long-term use by recreational or commercial boats. Signs discouraging the public from walking on the docks during daylight hours are prohibited. The docks shall be open to the general public during at least daylight hours (i.e. one hour before sunrise to one hour after sunset).
5. Final precise plans shall be revised to include coastal public access signs on the northeast and southeast face of the building on Embarcadero Road (street entrance). Signs announcing public coastal access shall be placed at both north and south entry points to the semi-enclosed public access way or as consistent with a Public Access Management Plan as approved by the California Coastal Commission.
6. Shading of eelgrass – No part of any floating dock, boat structure or other portion thereof shall be located vertically above any existing eelgrass bed as identified on the approved site plan. Nothing shall be allowed to dock, for any length of time, above any existing eelgrass bed. Translucent grating shall be used to the greatest extent feasible on the floating dock area over the unvegetated 5 meter eelgrass buffer.
7. Observation Deck. Signage shall be added to entrance of observation deck and at street level announcing public access and no purchase required. Form and design of signage shall be consistent with the approved public coastal access signs as approved by the California Coastal Commission. Precise plans submitted for approval to the City shall denote all signage locations.
8. The open courtyard area to the south of the Rose's Landing building shall maintain a minimum of 8 foot wide lateral access to provide public access from Embarcadero Road west to the bay. Any existing public tables and benches which impinge on the 8 foot requirement shall be moved to allow for open pedestrian access. Any existing outdoor dining tables on the lease site shall have table signs permanently affixed informing the public that no purchase is required.
9. The Mitigation and Monitoring Plan, attached to the staff report within Exhibit D and listed below shall be incorporated as conditions of approval (**red** font indicates added mitigation since MND circulation).

Conditions 10-14 added by Planning Commission on 1/5/2016

10. Improve connections between lateral access on north side of building and existing public view deck seaward of the Front Street street terminus. Improvements to include a bridge from the viewing deck to the existing lateral access way.

11. Public access space and private dining shall be clearly delineated and enclosed with railing as required by Waterfront Master Plan.
12. Glass windscreen and/or roof of the bayside lateral access walkway shall be removed along its length north of the outdoor first floor dining facilities located at southwest end of building.
13. Precise Plan shall include a specific sign plan with both commercial tenant and public access signs shown, including but not limited to, plans denoting size and material of sign, location of signs and method of attachment.
14. Plans shall be revised to the greatest extent feasible, to ensure lateral access at the south end of the lease site is able to accommodate a connection point to future lateral access to Lease Site 18.

Mitigation and Monitoring Plan

BIOLOGICAL RESOURCES

Mitigation Measure BIO 1 An eelgrass restoration plan shall be prepared in accordance with the [Southern California Eelgrass Mitigation Policy](#) and submitted for approval to the Planning and Building Manager. The eelgrass restoration plan shall be submitted for review and approval within three months of completion of construction. The report shall at a minimum include a site plan and written description of the status of eelgrass beds in the project area. If the report identifies a reduction in eelgrass coverage as compared to the existing eelgrass coverage at the time of the pre-construction survey, then the report shall identify remedial measure to offset such reduction within the eelgrass beds in the project area at a 1.2:1 basis. In such case, reporting shall continue on an annual basis for at least three years or until all such eelgrass beds are supporting eelgrass as documented in two consecutive annual reports, whichever is later. In addition, a pre-and post-construction survey shall be completed to determine the final areas of impact and submitted to the Planning and Building Manager. The pre-construction survey shall be submitted for review prior to issuance of a building permit.

- **Monitoring Plan, BIO 1:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. Public Service Department planning staff will responsible for reviewing the pre-construction survey prior to issuance of any building permits. The post-construction survey shall be submitted to the City Planning and Building Manager for review and approval within three months of completion of construction. The report shall at a minimum include a site plan and written description of the status of eelgrass beds in the project area. If the report identifies a reduction in eelgrass coverage as compared to the existing eelgrass coverage at the time of the pre-construction survey, then the report shall identify remedial measure to offset such reduction within the eelgrass beds in the project area at a 1.2:1 basis. In such case, reporting shall continue on an annual basis for at least three years or until all such eelgrass beds are supporting eelgrass as documented in two consecutive annual reports, whichever is later.

Mitigation Measure BIO 2 To reduce potential turbidity-associated impacts, silt screens should be used when and where they will be effective. The relatively high tidal currents within Morro Bay could reduce the effectiveness of silt screens and should be considered prior to lacing of these screens. All in-water, bottom-disturbing activities should occur within the pre-determined project footprint.

- **Monitoring Plan, BIO 2:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. Details pertaining to the type, location, and method of securing the silt screens shall be provided on construction documents. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

Mitigation Measure BIO 3: A Marine Wildlife Contingency Plan shall be developed and approved by the

NMFS, USFWS, and CDFG prior to the initiation of pile driving activities. This plan shall describe specific methods that will be used to reduce pile-driving noise. Power to the pile driver shall be ramped up to allow marine wildlife to detect a lower sound level and depart the area before full-power noise levels are produced. The plan shall identify a USFWS-approved biologist to monitor all construction within the water-lease area who shall be retained by the applicant. The plan shall describe on-site marine wildlife monitoring and reporting requirements as well as identify specific conditions when the biological monitor shall be allowed to stop work, such as observance of a marine mammal within 100 feet of the project area. The biologist shall be responsible to monitor for compliance with all environmental mitigation measures, and regulatory permit conditions (as applicable). The approved biological monitor shall be present onsite during construction and shall have the authority to stop construction if any individuals of southern sea otter are seen within 100 feet of the project area. Construction will be allowed to resume after sighted otters have left the 100-foot radius of the project area. The species shall not be disturbed or forced from the project site by equipment, noise, or other disruptive activity. The monitor will have discretionary authority to temporarily halt the project if it is determined that the otter, or other marine mammal, could be affected by the project, even if the animal is beyond the 100-foot boundary. All construction crew employees shall be informed on the requirements of this condition.

- **Monitoring Plan, BIO 3:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. The Marine Wildlife Contingency Plan and documentation that it has been approved by the NMFS, USFWS, and CDFW shall be submitted along with the applications for construction permits. The biological monitor shall submit a weekly monitoring report to the City, including a summary of each day's activities, summary of any violations or inconsistencies with the mitigation measures/conditions of approval, any remediation actions undertaken by the applicant/construction manager, any verbal or written correspondence with regulatory agencies, and photo-documentation. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

Mitigation Measure BIO 4 A project-specific Oil Spill Response and Recovery Plan that includes specifics on reporting and response procedures, available on-site equipment and contracted services, and responsibilities shall be completed and approved prior to the initiation of construction activities. Specifically, the project shall include the following Best Management Practices (BMPs):

1. No refueling of equipment without adequate containment and spill response equipment. The barge shall have only double contained fuel storage below decks, with the spill containment and clean up kits on-site and easily accessible. Spill containment and clean up kits shall include the following:
 - a. 150 feet Absorbent Boom 200 square feet Absorbent Tarp (for use during pile driving operations)
 - b. Barrel Absorbent Pads
 - c. Container Absorbent Granules
2. Rainwater runoff pollution from equipment stored on deck shall be prevented through ongoing equipment maintenance and appropriate double containment.

3. The work area shall be contained within a boom to prevent debris from falling into the water.
4. All equipment fueling shall take place on the barge, with containment in-place. No refueling between vessels shall occur.
5. An Absorption Tarp shall be placed underneath any portable equipment while in use.
6. No equipment shall be permitted to enter the water with any petroleum products.
7. All equipment used during pile driving operations shall be in good condition without fuel or oil leakage.
8. Should any equipment begin to leak, that equipment shall be removed immediately from the barge and repaired or replaced.
9. All vessels shall have portable, regularly serviced sanitation equipment. No overboard discharge is permitted.

- **Monitoring Plan, BIO 4:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. The Oil Spill Response and Recovery Plan shall be submitted along with the applications for building permits and reviewed by the Public Service Department planning staff and Fire Department for adequacy. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

Mitigation Measure BIO 5: Prior to issuance of building permits, the applicant shall either acquire all required regulatory permits and authorizations (i.e. U.S. Army Corps of Engineers, Regional Water Quality Control Board, California Department of Fish and Game), or submit documentation that such permits are not required.

- **Monitoring Plan, BIO 5:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. Submittal of all required outside agencies regulatory permits shall be reviewed by the Public Service Department planning staff.

Mitigation Measure BIO 6. Pre- and Post-construction surveys. A survey identifying areas of eelgrass within the lease areas shall be completed no earlier than 90 days and no later than 30 days prior to issuance of a building permit. The survey shall be submitted to the Community Development Manager for review as part of the final plans. If additional eelgrass is identified that would be directly shaded by the proposed project, then the report shall identify remedial measures to offset such reduction within the eelgrass beds at a ratio of 1.2:1 in line with the specifications for mitigation of eelgrass habitat as provided for in the California Eelgrass Mitigation Policy. A post construction survey identifying areas of eelgrass shall be completed on an annual basis with the first report due within 90 days of completion of construction and subsequent reports due at one year increments after that. All annual reports shall at a minimum include a site plan and written description of the status of eelgrass beds in the project area. Annual reporting shall continue for at least three years or until all eelgrass beds to be protected are supporting eelgrass as documented in two consecutive annual reports, whichever is later. Any change in eelgrass extent shall be documented and reported to the Community Development Manager. If the report identifies a reduction in eelgrass coverage as compared to the existing eelgrass coverage as identified in

the Applicant's Site Plan, then the report shall identify remedial measures to offset such reduction within the eelgrass beds in the project area at a 1.2:1 ratio in line with the specifications for mitigation of eelgrass habitat as provided for in the California Eelgrass Mitigation Policy.

- Monitoring Plan, BIO 6: Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. Submittal of all required outside agencies regulatory permits shall be reviewed by the Community Development Manager.

Mitigation Measure BIO 7 Prior to issuance of a building permit, a pile driving plan and hydroacoustical monitoring plan shall be submitted to the Community Development Manager to ensure that underwater noise generated by pile driving activities is minimized to the maximum extent feasible and does not exceed: (1) an accumulated 187 dB SEL as measured 5 meters from the source; and (2) peak dB above 208 dB as measured 10 meters from the source as determined by the Fisheries Hydroacoustic Working Group. In the instance anything other than a vibratory hammer is to be used for pile driving activities, the plan shall provide for a hydro-acoustical monitor to ensure that underwater noise generated by pile driving activities does not exceed such limits. The plan shall identify the type of method used to install pilings. Vibratory hammers shall be used where feasible; if another method is used, a bubble curtain shall be employed to contain both noise and sediment. The plan shall also provide for additional acoustical BMPs to be applied if monitoring shows underwater noise above such limits (including, but not limited to, alternative pile driving methods (press-in pile placement, drilling, dewatered isolation casings, etc.) and additional noise dampening measures (sound shielding and other noise attenuation devices).

- Monitoring Plan, BIO 7: Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. The Community Development Department shall verify for required compliance in the field.

CULTURAL RESOURCES

Mitigation Measure CULT 1: If materials (including but not limited to bedrock mortars, historical trash deposits, and paleontological or geological resources) are encountered during excavation, work shall cease until a qualified archaeologist makes determinations on possible significance, recommends appropriate measures to minimize impacts, and provides information on how to proceed in light of the discoveries. All specialist recommendations shall be communicated to the City of Morro Bay Public Services Department prior to resuming work to ensure the project continues within procedural parameters accepted by the City of Morro Bay and the State of California.

- **Monitoring Plan, CULT 1:** Construction plans shall clearly note the above mitigation measure on Sheet 1 of project plans and be clearly visible to contractors and City staff. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

Mitigation Measure, CULT 2: The following actions must be taken immediately upon the discovery of human remains:

Stop immediately and contact the County Coroner. The coroner has two working days to examine human remains after being notified by the responsible person. If the remains are Native American, the Coroner has 24 hours to notify the Native American Heritage Commission. The Native American Heritage Commission will immediately notify the person it believes to be the most likely descendent of the deceased Native American. The most likely descendent has 48 hours to make recommendations to the owner, or representative, for the treatment or disposition, with proper dignity, of the human remains and grave goods. If the descendent does not make recommendations within 48 hours the owner shall reinter the remains in an area of the property secure from further disturbance, or; If the owner does not accept the descendant's recommendations, the owner or the descendent may request mediation by the Native American Heritage Commission Discuss and confer means the meaningful and timely discussion careful consideration of the views of each party.

- **Monitoring Plan, CULT 2:** Construction plans shall clearly note the above mitigation measure on Sheet 1 of project plans and be clearly visible to contractors and City staff. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

GREENHOUSE GAS EMISSIONS

Mitigation Measure GHG 1 Requirements to limit Greenhouse Gas emissions shall apply to this project which includes to the greatest extent feasible: 1) a minimum of six percent of construction vehicles and equipment shall be electrically-powered or use alternative fuels such as compressed natural gas, and 2) The contractor shall limit idling of construction equipment to three signs and post signs to the effect.

- **Monitoring Plan, GHG 1:** Construction plans shall clearly note the above mitigation measure on Sheet 1 of project plans and be clearly visible to contractors and City staff. Details pertaining to the type of construction vehicles to be used shall be provided on construction documents. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

HYDROLOGY AND WATER QUALITY

Mitigation Measure HYDRO 1 Netting or fencing around and underneath the project site shall be installed to catch and remove debris released during and after construction.

- **Monitoring Plan, HYDRO 1:** Construction plans shall clearly note the above mitigation measure on Sheet 1 of project plans and be clearly visible to contractors and City staff. Details pertaining to the type, location, and method of securing the catchment netting or fencing shall be provided on construction documents. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

Mitigation Measure HYDRO 2 To reduce potential turbidity-associated impacts, silt screens should be used when and where they will be effective. The relatively high tidal currents within Morro Bay could

reduce the effectiveness of silt screens and should be considered prior to placing of these screens.

- **Monitoring Plan, HYDRO 2:** Construction plans shall clearly note the above mitigation measure on Sheet 1 of project plans and be clearly visible to contractors and City staff. Details pertaining to the type, location, and method of securing the silt screens shall be provided on construction documents. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

PASSED AND ADOPTED by the Morro Bay Planning Commission at a regular meeting thereof held on this 5th day of January, 2016 on the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:



Robert Tefft, Chairperson

ATTEST



Scot Graham, Planning Secretary

The foregoing resolution was passed and adopted this 5th day of January, 2016.



AGENDA NO: B-1

MEETING DATE: January 5, 2016

Staff Report

TO: Planning Commissioners

DATE: December 30, 2015

FROM: Cindy Jacinth, Associate Planner

SUBJECT: Concept Plan approval for Conditional Use Permit (UP0-359) for construction of new gangway, dock, and seven (7) boat slips (6 private rentals and 1 public slip) at 725 Embarcadero, Rose's Landing. In addition, the project proposes a second story dining deck expansion along the west side of the building (*continued from the December 15, 2015 hearing*).

RECOMMENDATION:

FORWARD A FAVORABLE RECOMMENDATION TO THE CITY COUNCIL TO CONDITIONALLY APPROVE THE PROJECT by adopting a motion including the following action(s):

Adopt Planning Commission Resolution 04-16 which includes the Findings and Conditions of Approval and Adopt the Mitigated Negative Declaration, SCH# 2014111065 with Mitigation and Monitoring Plan (Exhibit D) for the project depicted on site development plans (Exhibit E).

APPLICANT/AGENT: Doug Redican, 725 Embarcadero LLC/ Steve Puglisi Architects

LEGAL DESCRIPTION/APN: City lease sites 82W-85W / 066-352-047

PROJECT DESCRIPTION: The Applicant is seeking concept plan approval for a conditional use permit for construction of new gangway, floating dock, seven (7) boat slips and a second floor dining deck expansion at 725 Embarcadero which is the location of Rose's Landing, a visitor-serving commercial use. The project located at the western extent of 725 Embarcadero consists of Water Lease Site 82-85W which will increase



Prepared By: ___CJ___

Department Review: _____

from approximately 50-feet to 93.71-feet in lease site size in order to accommodate the dock project. Ten new pilings would be installed to support the dock. The project also proposes enhancements to existing bayside lateral access in the form of expansion of the northerly entrance of the existing 8 foot accessway, new coastal access signage, and 4 new skylights spaced throughout the covered portion of the semi-enclosed coastal accessway. Of the seven new boat slips, slip number one (1), will be controlled by the Morro Bay Harbor Department, with the remaining six (6) slips proposed for non-commercial purposes and available as private month-to-month rentals. In addition, the project proposes a 487sf second story dining deck expansion along the west side of the restaurant building with creation of an observation deck along the south side of the building second floor.

Project Description Details:

Pilings

The docks and slips would be supported by ten new guide piles consisting of 35-55foot by 16-inch diameter 0.375 wall steel. The exposed upper 25 feet of the piles will be coated with a marine grade epoxy/polyurethane coating. All on-site work will occur from a barge stocked and prepared at the Associated Pacific Constructor (APC) dock in Morro Bay, and tugged into position for pile installation. Four of the guide piles are proposed at the end of each finger slip and the remaining six piles are proposed along the eastern dock edge.

Dock and Lighting

Plans show an eight foot wide dock, also known as a head-float, aligned at an approximate 100 degree angle from the gangway. Pedestal bollard lighting units three feet tall by eight inches in diameter designed for marina environments are spaced at four intervals along the dock length. Project lighting will be required to conform with City lighting standards which prohibit light spill off-site and which requires light to be directed down towards the ground. Because of the cutoff light configuration there will be limited light pollution into the nighttime sky. The lights are for directional and safety purposes and will not adversely affect the scenic views at any time of the day.

Gangway

Access to the proposed gangway is along the southern boundary of the Rose's Landing building. The gangway will connect to the dock near the location of slips 5 and 6. The gangway is proposed to be of aluminum material approximately 50 feet in length.

Slips

Slip length varies from 14 feet 1 inch for Slip 1 to 34 feet 3 inches in length for Slips 6 and 7. Plans show an angled eight foot wide dock proposed as wood or aluminum dock with gator

grating where possible.

Dining deck expansion

Revised plans show interior changes to the existing 2nd floor of the building which is currently occupied by a restaurant. Along the south side of the building is a 1,744 sf outdoor dining area currently used for restaurant seating with interior bar and additional restaurant service inside. The applicant proposes to remove the outdoor dining area and maintain the outdoor space as an observation deck. In exchange, the applicant proposes a 487 sf outdoor dining deck expansion with glass windbreak wall to be used for customer seating as well as incorporate a new bar and bar seating. Sheet 3 of the plans depict the upper floor plan as well as revised elevations and section detail. The proposed addition would be semi-enclosed along the west side of the building facing the bay. Revised simulations to illustrate this are included on plan sheet 2 (Exhibit E).

Public coastal access

The project also proposes improvements to an existing semi-enclosed 8 foot wide coastal lateral accessway along the west side of the building. Proposed improvements include widening the northerly entry point to the lateral access way, installation of four 24” square skylights and 4 new coastal access signs. Plans denote the location of the 4 signs along the north side of the building at the terminus of Morro Bay Boulevard; at the northwest corner of the coastal accessway; at the southwest corner of the coastal accessway; and the last sign in the existing plaza on the south of the building where the ramps begins the coastal accessway.

Because there is existing coastal access signs which front on Embarcadero Road on the northeast corner of the building, staff is proposing Planning condition 5 which would require replacement of that sign to update the sign to be consistent with the standard blue and white Coastal Commission sign standard or as approved with the public access management plan within the coastal development permit. Existing dining tables located within the public accessway have been previously used for restaurant service and encroach upon the minimum 8 foot bayside lateral access requirement. Planning condition 8 has been proposed which would require that no dining tables be located within the lateral accessway along the west and southwest corner of the lease site; or in the open courtyard area to the south of the building if they encroach into the 8 foot lateral access. In addition, Planning condition 4 would require general public pedestrian access to the floating docks in order to be consistent with the City’s Shoreline Access and Recreation chapter of the LCP and Coastal Act section 30210 which requires that docks can only be approved if it provides for maximized boating and public access opportunities.

PROJECT SETTING:

The lease site is occupied with a two-story visitor-serving facility which includes various visitor-serving retail uses and Rose’s Landing restaurant, a well-known restaurant in existence since the

late 1960's. Because the property is a City lease site, managed through the Tidelands trust, the Applicant's lease requirements with the Harbor Department require improvements to the lease site. Though the scope of work proposed was originally limited to the water lease site only, namely the construction of new floating dock, gangway and 7 slips, a small portion of the project includes improvements to existing public access on the semi-enclosed bayside lateral access and the second floor dining deck expansion.

<u>Adjacent Zoning/Land Use</u>			
North:	Waterfront (WF/PD, S.4) Vacant water lease	South	Waterfront (WF/PD, S.4) Vacant water lease
East:	Commercial Visitor-Serving(C-VS, PD/S.4), Commercial	West:	Harbor

<u>Site Characteristics</u>	
Overall Site Area	15,906sf
Existing Use	City water lease – no water use
Terrain	water
Vegetation/Wildlife	Sensitive eelgrass within project area. Project designed to avoid eelgrass disturbance.
Access	Embarcadero
Archaeological Resources	No known resources.

<u>General Plan, Zoning Ordinance & Local Coastal Plan Designations</u>	
General Plan/Coastal Plan Land Use Designation	Coastal dependent
Base Zone District	WF, Waterfront Zoning district
Coastal Land Use Plan	Planning Area 6 - Bayfront
Zoning Overlay District	PD, Planned Development overlay (required to also obtain City Council approval of Concept Plan)
Special Treatment Area	S.4
Combining District	N/A
Specific Plan Area	N/A
Coastal Zone	Coastal Commission original jurisdiction. Applicant required to obtain Coastal Development permit from Coastal Commission prior to issuance of any building permit.

Parking Requirements for Docks and Restaurants	Zoning Ordinance 17.44.020 – 1 space per 35 lineal feet - see discussion below. Parking requirement for restaurants is 1 space per 60 square feet of customer seating.
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Parking:

City records show a total of 87 memorialized historical parking credits plus a total of 20 paid in-lieu parking credits for a total of parking count of 107 parking spaces. A parking analysis shown on the site plan page of existing building uses among the various tenants indicates a total parking count for the building of 99 spaces. With the new dock proposal, the City’s parking requirements are 1 parking space for each 35 lineal feet of boat tie-down area. Plans show a total of 95 lineal feet which would be parked at 3 parking spaces.

With plans revised to remove outdoor dining and add an outdoor dining deck expansion with glass windscreen, the parking requirements for outdoor dining are 1 space per 90sf (or half the requirement of indoor dining which is 1 space per 60 sf of floor area to be occupied by customers). In addition, the first 125 square feet of outdoor seating requires zero spaces. Removal of the existing dining creates a parking credit of 18 parking spaces and addition of the new dining deck expansion requires 4 parking spaces for a net credit of 14 spaces.

Altogether, the proposed project with existing and proposed creates a requirement of 88 parking spaces where there is a total of 107 spaces and therefore compliant with parking requirements.

REGULATIONS:

The property is zoned WF/PD/S.4 as a waterfront zone and land use designation. The Planned Development (PD) zone is an overlay zone which applies special standards to primary zoning districts. The S.4 is a special treatment overlay zone which requires any project to undergo architectural review.

Planned Development Overlay

The proposed project is location in a Planned Development overlay district. Section 17.40.030 of the Municipal Code requires both a Concept and Precise plan for projects on publicly owned land. The Planned Development overlay zone requirement found in section 17.40.030 provides for detailed and substantial analysis of development on parcels which, because of location, size or public ownership, warrant special review. This overlay zone is also intended to allow for the modification of or exemption from the development standards of the primary zone which would otherwise apply if such action would result in better design or other public benefit.

The Planned Development overlay requires that a Concept Plan include a general development

plan with the following information: plot plan, streets, use of adjoining properties; topography, utilities, structures and existing trees, phased development (as applicable); architectural concepts, open space proposals (such as coastal access) and any other information as deemed necessary by the Planning Commission and City Council.

Should the Planning Commission move to approve the Concept Plan, the approval would then be forwarded as a favorable recommendation to the City Council for approval. The applicant would be required to apply to the California Coastal Commission for their Coastal Development Permit. Once they receive entitlements from the California Coastal Commission, the Applicant will be required to submit for Precise Plan approval to the Planning Commission either within one year of their concept plan approval or coastal development permit approval.

Waterfront Master Plan

The proposal is within the Waterfront Master Plan and is within Planning Area 3: Embarcadero Visitor Area. This area encompasses the Embarcadero from Beach Street to South Street between the bluff and the waterfront. This portion of the Embarcadero contains the majority of the shopping and eating establishments as well as the most intense mix of pedestrian and automotive activity. It has what most visitors and residents consider a positive mix of shops, waterfront and pedestrian activity, combined with direct views of the bay, sand spit and Morro Rock. The Waterfront Master Plan includes guidance for development of Area 3, including observation and information areas explaining the natural wonders of the bay, lateral access along the bay front of commercial retail buildings that connect to lateral access components of adjacent buildings and or the stub street adjacent to the building site, preservation of scenic vistas at street ends, with pedestrian amenities, lighting, haul-out improvements to existing facilities, bluff stabilization and beautification plans.

PROJECT ANALYSIS:

Background:

This hearing item was continued from the March 3, 2015, October 6, 2015 and December 15, 2015 Planning Commission hearings. The first continuance was at staff request based on correspondence dated February 2, 2015 received from the California Coastal Commission (CCC) in regards to the circulated Mitigated Negative Declaration (Exhibit B). CCC staff identified issues regarding sensitive biological resources within the project vicinity as well as underwater acoustical impacts, and public access. Since that time, the Applicant in coordination with City staff have worked with CCC staff to address these concerns in regards to the MND to ensure that all impacts have been mitigated to a less than significant level. The second and third continuance request was from the Applicant in order to propose plan changes for interior tenant improvements, creation of a western dining deck and southern observation deck.

After the staff report was released for the December 15, 2015 Planning Commission meeting, staff received correspondence from Chairperson Tefft (Exhibit F) with questions related to project details. These issues centered on concerns related to compliance with the Waterfront Master Plan in the form of required roof pitch on the dining deck expansion proposed on a non-conforming building as well as the required minimum 8 foot public lateral access requirement in an area where there are numerous dining tables encroaching on this minimum 8 foot requirement. (Note: Coastal Commission requires 10 foot wide lateral access). As a result, staff contacted the Applicant to clarify plan details and revised plans were submitted which denote all existing features of the site plan, specifically the public access courtyard immediately south of the Rose's Landing building as well as the roof pitch of the dining deck expansion. (see Planning condition 3, 7 and 8). The Applicant has also indicated that a revised visual simulation will be provided prior to the January 5, 2016 public hearing.

In addition, Dr. Tefft's letter also stated the California Eelgrass Mitigation Policy (CEMP) requires that impacts to eelgrass habitat be avoided to the greatest extent feasible. Staff review did include an analysis of eelgrass impacts and CEMP requirements as discussed further in the staff report on the following page. Attached as Exhibit C is a letter submitted to the City by the Applicant regarding the economic infeasibility of further modifying the dock configuration.

Environmental Determination

An Initial Study/ Draft Mitigated Negative Declaration (IS/MND) was circulated on January 2, 2015 with a review period that ended on February 2, 2015. Mitigation was recommended for biological resources, cultural resources, greenhouse gas emissions, and hydrology/water quality. With the incorporated mitigation measures that the applicant has agreed to (page 35 of Exhibit D), the project will have a less than significant impact on the environment, and Planning Commission can make the findings to approve the proposed project. The mitigations contained in this document have been incorporated into the conditions of approval in the form of a Mitigation and Monitoring Plan (See Exhibit D and also Planning condition 7).

During the required 30 day routing of the IS/MND, the City received a comment letter dated February 2, 2015 from the Coastal Commission (CCC) regarding its review of the environmental document. In the letter (Exhibit B), the CCC expressed concerns regarding biological resources and public access. The applicant has revised their plans (Exhibit E) to address the concerns of the CCC who responded via email communication dated August 31, 2015 with their concurrence of the revised plans. Additional mitigation has been added as a result of the Coastal Commission review and has been highlighted in red in the mitigation and monitoring plan. The revised plans did not result in any additional impacts that would require re-circulation and all impacts have been reduced to a level less than significant. The details of the specific CCC concerns are itemized below:

Biological Resources

Eelgrass

As discussed in both the IS/MND and in the February, 2015 CCC response letter, Morro Bay includes eelgrass beds of State significance within the Bay. Eelgrass provides a complex and highly productive ecosystem, serving as a spawning and nursery ground for many species of fish and larger invertebrates. Eelgrass beds can be adversely impacted by shading from sunlight, siltation and direct disturbance. Since 2007, there have been significant reductions of eelgrass beds in the Bay from 344 acres in 2007 to less than 20 acres in 2013. As required, an eelgrass survey was performed by Tenera Environmental on April 2, 2014, updating results of earlier eelgrass surveys performed in 2008 and 2011. The results of that survey confirmed presence of patches of eelgrass habitat within the area proposed for dock construction including approximately an area of 33 square meters of impact. The plans as submitted were designed to be consistent with the National Marine Fisheries Service (NMFS)'s Southern California Eelgrass Mitigation Policy (SCEMP) which for many past waterfront projects was the standard protocol for addressing eelgrass impacts. Past practices including allowing shading subject to mitigation that required replacement replanting of eelgrass along with the use of translucent grating, sometimes known as "gator grating", and only if there was a minimum 50% light penetration which was previously deemed suitable for re-colonization of impacted species per NMFS. However, during the review period of the MND, CCC staff informed the City that the National Marine Fisheries Service (NMFS) released new protocols known as the California Eelgrass Mitigation Policy (CEMP), which replace the previous SCEMP protocols. These new protocols were discussed via conference call with City staff, NMFS and various stakeholders, such as CCC, US Fish & Wildlife Service, National Estuary Program, Calif Fish & Wildlife, State Parks, NOAA, State Water Resources Control Board and local biologist, Tenera Environmental.

A key change reflected in the CEMP protocols significantly increases the amount of required mitigation. The CEMP now requires that both mapped eelgrass habitat be completely avoided as well as a unvegetated five-meter buffer area surrounding the mapped eelgrass habitat. The direction is that avoidance of this entire area must be accomplished, if feasible. If avoidance is not feasible, impacts can take place, but all impacts to the habitat, including the unvegetated area, would have to be mitigated at a ratio of 1.2:1 as required by CEMP. (See revised mitigation measure BIO-1 to change SCEMP to CEMP which is highlighted in red).

In working with CCC staff to meet the new CEMP protocols, the applicant submitted revised plans which reflect both the vegetated and the unvegetated eelgrass habitat with an attempt at complete avoidance. The applicant significantly reduced the proposed slips from 43 feet in length to as short as 14 feet in an attempt to completely avoid eelgrass. However, as shown on the plans, a portion of the gangway and floating dock still encroaches into the 5 meter buffer

area, though does not directly impact actual vegetated eelgrass habitat.

The plan shows an eelgrass 5 meter buffer habitat encroachment of 145 square feet on the north end of the slips and 374 square feet of habitat area intrusion on the south end of the slips for a total of 519 square feet. The docks as currently designed show direct avoidance of the vegetated eelgrass habitat and will be required through mitigation to provide an updated eelgrass survey prior to issuance of a building permit. (See mitigation measure BIO-6 which is highlighted in red).

In addition to the revised dock plans submitted, the Applicant also submitted a letter dated May 4, 2015 (Exhibit C) regarding the infeasibility of modifying the docks further, based on economic viability. Staff reviewed the letter, the revised plans and consulted with Coastal Commission staff and as a result, staff analysis determined that complete avoidance of the 5 meter buffer area would not be feasible. The existing eelgrass combined with the 5 meter unvegetated buffer covers almost the whole width of the lease site, with the proposed gangway in the buffer area, and in order to achieve complete avoidance would render the project with no viable economic use as rentable lease slips. This feasibility analysis on why reconfiguring the docks further to avoid the buffer area was not possible was presented to CCC staff who concurred via email on August 31, 2015. Because CEMP protocols do allow for a project to move forward where avoidance is infeasible, the Applicant will be subject to mitigation at a ratio of 1.2:1 as required by CEMP and reflected in the Mitigation and Monitoring Plan. (See mitigation measure BIO-6 highlighted in red and Planning condition 6). With the reduction in dock design, the revised plan will not cause any additional impact beyond that which was studied and identified in the MND. With the proposed mitigation, impacts will be reduced to a level less than significant.

Pile driving /underwater acoustic impacts

Another comment identified by CCC staff in their February 2, 2015 comment letter was the issue of underwater acoustic impacts caused by pile driving. These impacts have the potential to disturb marine mammals and to adversely alter the behavior of fish in the immediate vicinity or cause them to avoid the construction area. Appropriate thresholds for minimizing impacts is to limit underwater noise levels to no more than 187 decibels sound exposure level accumulated and 208 peak Db. CCC response was that in order to appropriately minimize adverse acoustical impacts to wildlife, the proposed project must limit underwater noise generated by pile driving activities to the maximum extent feasible and not exceed established noise thresholds. In addition, the comments included that a pile driving plan and hydro-acoustical monitoring plan be developed to ensure that underwater noise is minimized. Mitigation Measure BIO 3 requires that a Marine Wildlife Contingency Plan shall be developed and approved by NMFS, USFWS and CDFG prior to the initiation of pile driving activities to include description of specific methods to be used to reduce pile-driving noise. With the addition of the comments by the CCC, staff has

added this mitigation accordingly (See mitigation measure BIO-7 highlighted in red). With the proposed additional mitigation, impacts will be reduced to a level less than significant.

Public access

The last comment identified by CCC staff was in regards to public access. It was noted that projects that extend over public tidelands are only allowed where they provide for maximum public access and recreational opportunities. In this case, new docks and slips are proposed which would provide for boating recreational opportunities. The CCC typically requires general pedestrian public access to such docks during daylight hours as is consistent with past City approved project (See Planning condition 4).

In addition to the public access requirement for the new dock project, the project currently provides existing 8 foot wide bayside lateral access that is semi-enclosed and runs the length of the Rose's Landing restaurant. In communicating with CCC staff, suggestions were offered by staff for improvement of the existing public accessway. Suggested improvements offered by CCC staff (via email 8/6/2015) include in summary:

1. *Open up accessway by taking the roof off or put in skylights. Is it possible to daylight this area? Currently seems dark and uninviting and CCC is supportive of enhancing this accessway in any way possible.*
2. *Southwest corner could potentially have some private seating for the restaurant, but it should be set up where there is a clear indication that the accessway (approx. 8-10 feet wide) is 100% public (in this area there should be no seating since it will likely take up most of this area). The site plan shows a "patio" and an accessway in this southwest area, and these should be visually separate (e.g. including through signage, rope and post fencing, planters, etc.) where currently there is wait service to tables within the accessway area.*
3. *"Public viewing and dining deck" signs existing should eventually be replaced by some sort of "public access" and "coastal accessway" sign especially on the north side with logos, and be located on both sides of the restaurant. If the applicant wants a "dining deck" sign, it should be located within the dining deck or patio area only. When project applies for CDP review, a sign plan condition will be added.*
4. *More gradual open inviting entrance on the north. Instead of a hard right angle, CCC staff is encouraging a slight cantilever to allow an angled approach to the accessway (which seems possible without covering existing mapped eelgrass habitat).*

The Applicant has considered the suggestions on public access and submitted revised plans which incorporate most of these suggestion: 1.) opened up accessway with new skylights proposed; 2.) new signage proposed; and 3.) angling the northern entrance instead of the current hard right angle, all with the goal to make it more inviting and apparent to visitors.

Visual Simulations:

The Applicant has submitted visual simulations illustrating the proposed docks, the dining deck expansion and the angled lateral accessway (Sheet 2 of plans). Five simulation viewpoints are included. These images depicted simulations from the public view deck north of the lease site looking southwest toward the proposed docks and also southeast looking toward the building. Also included are a simulation looking east at the face of the building and its proposed dining deck expansion. Lastly a simulation is included that looks directly at proposed docks. Staff's review of the visual simulations determined that public views will not be detracted as shown in the simulation. The docks will be visible from within the semi-enclosed coastal accessway looking due west at the slips, though the slips are off-set from the building by a distance of 15 to 40 feet. Also the proposed dining deck expansion will afford views of the bay for the visitor-serving uses in that establishment as well as create a sizeable observation deck of 1,744 sf with no proposed tables or restaurant service.

ANALYSIS:

The project meets the goals of the Waterfront Master Plan by maximizing public access, both through the existing lateral accessway and provision of new floating dock and slips. It is consistent with the City's General Plan and Local Coastal Program (LCP) because it provides for a visitor-serving water-oriented recreational facility. The dock project does not inappropriately degrade the bay through either dock placement or pile driving because it has been sited and designed to avoid direct eelgrass habitat and a 5 meter surrounding unvegetated buffer to the greatest extent feasible. A pre-construction survey will be required prior to issuance of a building permit to determine current eelgrass conditions and a post-construction survey to determine any impact with an eelgrass restoration plan developed consistent with CEMP protocols.

The project is consistent with the LCP which requires bayside lateral access of a minimum width of eight feet. The proposed enhancements serve to improve enjoyment of the lateral access along the Bay therefore consistent with public access and recreation policies. The proposed pilings are necessary to support the floating dock and slips which is intended as a public access and recreational visitor-serving facility and therefore consistent with the Recreation and Access Policies of the LCP.

In addition, the proposed deck expansion and observation deck create improvements to a long-standing existing visitor-serving use that was constructed decades ago. The improvements will create a more attractive and inviting commercial use that does not block views but rather enhances direct views of the bay. To ensure the observation deck retains its proposed function for observation by visitors, staff has added a condition of approval which requires signage informing the public of this space as a observation deck with no purchase required (Planning condition 7).

PUBLIC NOTICE:

Notice of a public hearing on this item was posted at the site and published in the Tribune newspaper on December 4, 2015, and mailed directly to all property owners and occupants of record within 500 feet of the subject site. The notices invited the public to attend the hearing and express any concerns they may have regarding the proposed project.

CONCLUSION:

The proposed project of new floating dock, gangway and slips will fill a need for increased slip rentals in the Bay, provide a dedicated public slip for City use as well as increase coastal access. The project proposes to enhance the existing semi-enclosed lateral accessway increasing pedestrian amenities through widening the northerly entrance, adding skylights within the semi-enclosed area, and adding new Coastal Commission public access signs and removal of restaurant seating tables that currently encroach on the bayside lateral access consistent with past waterfront projects. In addition, the dining deck expansion will provide an additional benefit to an existing visitor-serving commercial use as well as provide a new 1744sf observation deck space previously occupied by the restaurant.

As conditioned, the proposed project would be consistent with applicable development standards of the zoning ordinance and all applicable provisions of the General Plan and Local Coastal Plan with the incorporation of recommended conditions. Staff recommends that the Planning Commission forward a favorable recommendation to the City Council for Concept Plan approval of Conditional Use Permit #UP0-359.

EXHIBITS:

- Exhibit A – Planning Commission Resolution 04-16
- Exhibit B – California Coastal Commission letter dated February 2, 2015
- Exhibit C – Applicant Correspondence Regarding Eelgrass Infeasibility, dated May 4, 2015
- Exhibit D – Mitigated Negative Declaration, (SCH #2014111065)
- Exhibit E – Revised Plans/ Reductions dated December, 2015
- Exhibit F – Letter from Chairperson Dr. Robert Tefft dated December 15, 2015

EXHIBIT D

City of Morro Bay
PUBLIC SERVICES DEPARTMENT
955 SHASTA AVENUE ♦ MORRO BAY, CA 93442
805-772-6261

DRAFT MITIGATED NEGATIVE DECLARATION

CEQA: CALIFORNIA ENVIRONMENTAL QUALITY ACT

CITY OF MORRO BAY
955 Shasta Avenue
Morro Bay, California 93442
805-772-6261

December 2014

The State of California and the City of Morro Bay require, prior to the approval of any project, which is not exempt under CEQA that a determination be made whether or not that project may have any significant effects on the environment. In the case of the project described below, the City has determined that the proposal qualifies for a Mitigated Negative Declaration.

CASE NO.: UP0-359

PROJECT TITLE: 725 Embarcadero Road, Rose's Landing Docks

APPLICANT / PROJECT SPONSOR:

Owner: _____ Applicant/Agent:

Doug Redican, 725 Embarcadero, LLC
1427 Doral Ct.
San Luis Obispo, CA 93401
T 805.704.7771

Kim Prater, Steve Puglisi Architects
583 Dana Street
San Luis Obispo, CA 93401
T 805.595.1962

PROJECT DESCRIPTION: The project located at the western extent of 725 Embarcadero (Rose's Landing) consists of expansion of Water Lease Site 82-85W from approximately 50-feet to 93.71-feet, and construction of a new gangway, dock, and seven (7) boat slips. With the exception of slip number one (1), which will be controlled by the Morro Bay Harbor Department, the remaining six (6) slips will be for non-commercial purposes and available as month-to-month rentals. The dock and slips would be supported by eleven (11) new guide piles consisting of 35 – 55-foot by 16-in diameter 0.375 wall steel. The upper 25 feet of the exterior surface that would be exposed will be coated with a marine grade epoxy/polyurethane coating. All on-site work would occur from a barge stocked and prepared at the APC dock in Morro Bay,

EXHIBIT D

and tugged into position for pile installation. No land-based activities are associated with this project.

PROJECT LOCATION: The project site is located in the near marine environment at west of 725 Embarcadero Road, in Water Lease Site 82-85W, between Front and Pacific Streets within the City of Morro Bay. The ground portion of the site is within the Waterfront/Planned Development Overlay/Design Criteria zone (WF/PD/S.4). The portion over the water is zoned Harbor (H). The project is located in the Coastal Commission's Original Jurisdiction, therefore while the project is in the City's permitting jurisdiction for the required Use Permit, the Coastal Commission will take action on the Coastal Development Permit.

FINDINGS OF THE: Environmental Coordinator

It has been found that the project described above will not have a significant effect on the environment. The Initial Study includes the reasons in support of this finding. Mitigation measures are required to assure that there will not be a significant effect in the environment; these are described in the attached Initial Study and Checklist and have been added to the permit conditions of approval.

EXHIBIT D



City of Morro Bay
PUBLIC SERVICES DEPARTMENT
955 SHASTA AVENUE ♦ MORRO BAY, CA 93442
805-772-6261

INITIAL STUDY AND CHECKLIST

I. PROJECT INFORMATION

Project Title: Rose's Landing Dock and Gangway

Project Location: 725 Embarcadero Road (APN 066-352-047; Lease Site 82-85) & Water Lease Site 82-85W

Case Number: Use Permit #UP0-359

Lead Agency: City of Morro Bay Phone: (805) 772-6577
955 Shasta Ave. Fax: (805) 772-6268
Morro Bay, CA 93442
Contact: Cindy Jacinth

Project Applicant: Doug Redican, 775 Embarcadero, LLC Phone: (805) 704-7771
1427 Doral Ct. Fax: _____
San Luis Obispo, CA 93401

Project Agent: Kimberly Prater, Puglisi Architects Phone: (805) 595-1962
583 Dana Street Fax: _____
San Luis Obispo, CA 93401

Project Land Owner: City of Morro Bay Phone: (805) 772-6200
595 Harbor Street Fax: _____
Morro Bay, CA 93443

General Plan Designation: Mixed Uses Harbor

Zoning Designation: Waterfront Planned Development Overlay (WF-PD) and Harbor (H)

Project Description: The project located at the western extent of 725 Embarcadero (Rose's Landing) consists of expansion of Water Lease Site 82-85W from approximately 50-feet to 93.71-feet, and construction of a new gangway, dock, and seven (7) boat slips. With the exception of slip number one (1), which will be controlled by the Morro Bay Harbor Department, the remaining six (6) slips will be for non-commercial purposes and available as month-to-month rentals. The dock and slips would be supported by eleven (11) new guide piles consisting of 35 – 55-foot by 16-in diameter 0.375 wall steel. The upper 25 feet of the exterior surface that would be exposed will be coated with a marine grade epoxy/polyurethane coating. All on-site work would occur from a barge stocked and prepared at the APC dock in Morro Bay, and tugged into position for pile installation. No land-based activities are associated with this project.

Project Location and Environmental Setting: The project site is located in the near marine environment at west of 725 Embarcadero Road, in Water Lease Site 82-85W, between Front and Pacific Streets within the City of Morro Bay. The ground portion of the site is within the Waterfront/Planned Development Overlay Design Criteria zone (WF/PD/S.4). The portion over the water is zoned Harbor (H). The project is located in the Coastal Commission's Original Jurisdiction,

EXHIBIT D

therefore while the project is in the City's permitting jurisdiction for the required Use Permit, the Coastal Commission will take action on the Coastal Development Permit.

Surrounding Land Use			
North:	The ground portion of the site is within the Waterfront/Planned Development Overlay Design Criteria zone (WF/PD/S.4). The portion over the water is zoned Harbor (H) ; developed with commercial and harbor uses.	East:	Visitor Serving Commercial, Planned Development Overlay Design Criteria zone (C-VS/PD/S.4); developed with commercial uses.
South:	The ground portion of the site is within the Waterfront/Planned Development Overlay Design Criteria zone (WF/PD/S.4). The portion over the water is zoned Harbor (H).	West:	Harbor (H) and Open Area 1(OA-1).

Project Entitlements Requested: The City of Morro Bay will take action on the request for a Conditional Use Permit (CUP). Because the site is within the Coastal Commission Original Jurisdiction, the Coastal Commission will take action on the Coastal Development Permit (CDP).

Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement):

The City of Morro Bay is the lead agency for the proposed project. Responsible and trustee agencies may include, but are not limited to:

- Army Corps of Engineers
- Central Coast Regional Water Quality Control Board (RWQCB)
- San Luis Obispo Air Pollution Control District (SLOAPCD)

EXHIBIT D

VICINITY MAP

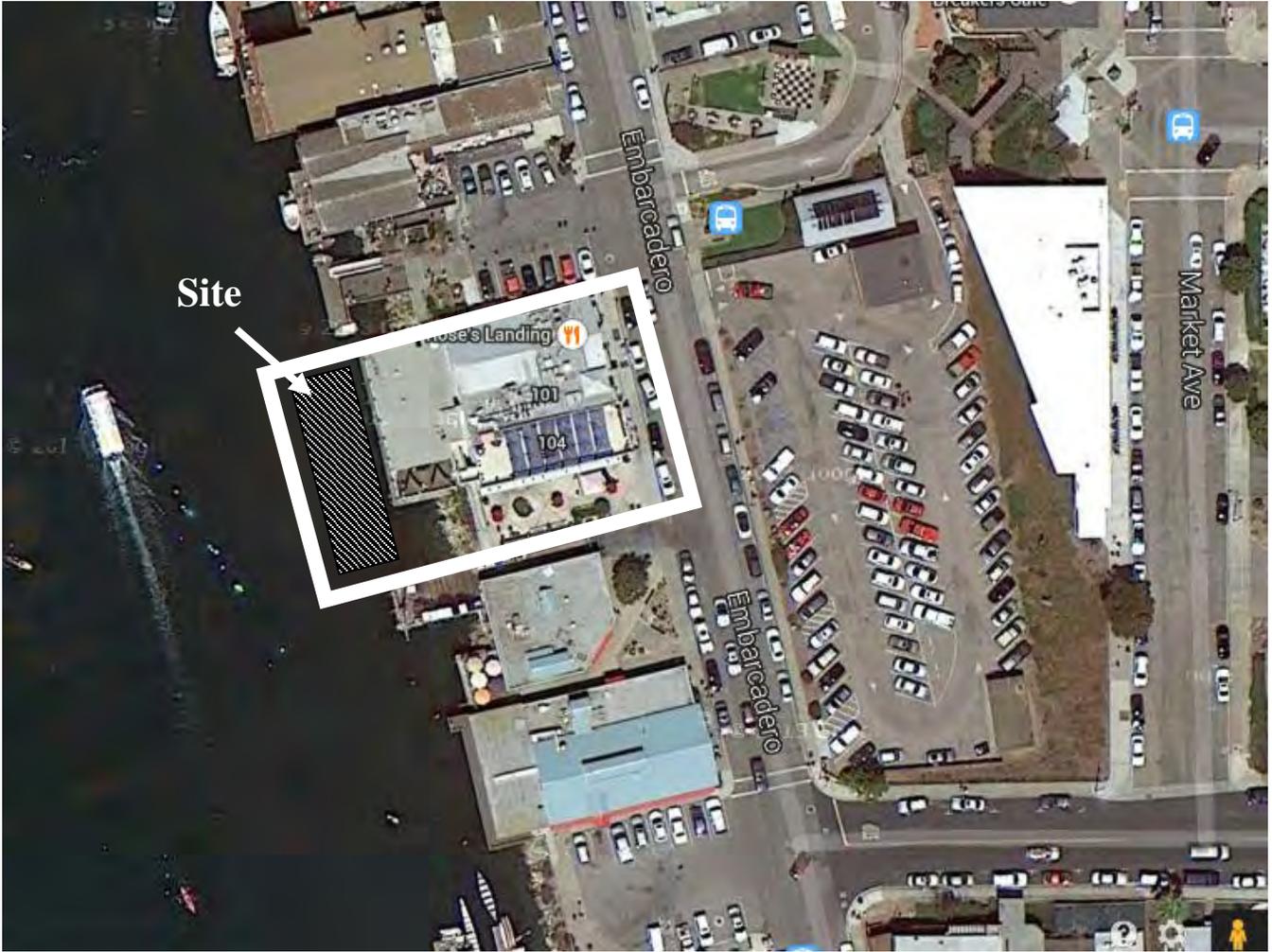


EXHIBIT D

VISUAL SIMULATION PLAN



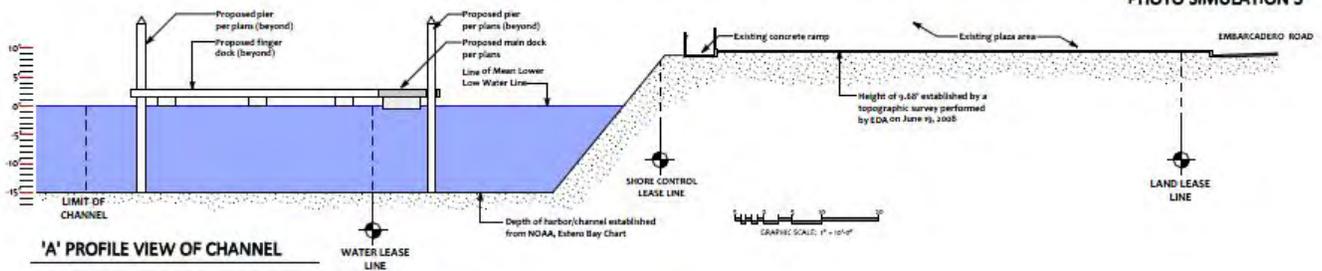
PHOTO SIMULATION 2



PHOTO SIMULATION 1



PHOTO SIMULATION 3



'A' PROFILE VIEW OF CHANNEL

EXHIBIT D

II. ENVIRONMENTAL SETTING AND IMPACTS

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the Environmental Checklist on the following pages.

	1. Aesthetics		10. Land Use/Planning
	2. Agricultural Resources		11. Mineral Resources
	3. Air Quality		12. Noise
X	4. Biological Resources		13. Population/Housing
X	5. Cultural Resources		14. Public Services
	6. Geology/Soils		15. Recreation
X	7. Greenhouse Gas Emissions		16. Transportation/Circulation
	8. Hazards/Hazardous Materials		17. Utility/Service Systems
X	9. Hydrology/Water Quality		18. Mandatory Findings of Significance

FISH AND GAME FEES

	The Department of Fish and Wildlife has reviewed the CEQA document and written no effect determination request and has determined that the project will not have a potential effect on fish, wildlife, or habitat (see attached determination).
X	The project has potential to impact fish and wildlife resources and shall be subject to the payment of Fish and Game fees pursuant to Section 711.4 of the California Fish and Game Code. This initial study has been circulated to the California Department of Fish and Wildlife for review and comment.

STATE CLEARINGHOUSE

X	This environmental document must be submitted to the State Clearinghouse for review by one or more State agencies (e.g. Cal Trans, California Department of Fish and Wildlife, Department of Housing and Community Development). The public review period shall not be less than 30 days (CEQA Guidelines 15073(a)).
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EXHIBIT D

III. DETERMINATION (To be completed by the Lead Agency):

On the basis of this initial evaluation:

I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.	
I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made, by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.	X
I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.	
I find that the proposed project MAY have a “potentially significant” impact(s) or “potentially significant unless mitigated” impact(s) on the environment, but at least one effect (1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and (2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed	
I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (1) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (2) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.	

Signature

Date

Cindy Jacinth, Associate Planner

For: Rob Livick, Public Services Director

Previous Document: N/A

EXHIBIT D

EVALUATION OF ENVIRONMENTAL IMPACTS:

1. A brief explanation is required for all answers except “No Impact” answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A “No Impact” answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g. the project falls outside a fault rupture zone). A “No Impact” answer should be explained where it is based on project-specific factors as well as general standards (e.g. the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
2. All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
3. Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.
4. “Negative Declaration: Less Than Significant With Mitigation Incorporated” applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from Section 19, "Earlier Analysis," as described in (5) below, may be cross-referenced).
5. Earlier analysis may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration (Section 15063 (c) (3) (D)). In this case, a brief discussion should identify the following:
 - a) Earlier Analysis Used. Identify and state where they are available for review.
 - b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
 - c) Mitigation Measures. For effects that are “Less than Significant with Mitigation Measures Incorporated,” describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they addressed site-specific conditions for the project.
6. Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g. general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
7. Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
8. The explanation of each issue should identify:
 - a) The significance criteria or threshold, if any, used to evaluate each question; and
 - b) The mitigation measure identified, if any, to reduce the impact to less than significance

EXHIBIT D

IV. ENVIRONMENTAL CHECKLIST

1. AESTHETICS: Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a. Have a substantial adverse effect on a scenic vista?			X	
b. Substantially damage scenic resources, including but not limited to, trees, rock outcroppings, and historic buildings within view of a state scenic highway?			X	
c. Substantially degrade the existing visual character or quality of the site and its surroundings?				X
d. Create a new source of substantial light or glare, which would adversely affect day or nighttime views in the area?			X	

Environmental Setting:

The General Plan and the Local Coastal Plan contain policies that protect the City’s visual resources. The waterfront and Embarcadero are designated as scenic view areas in the City’s Visual Resources and Scenic Highway Element. The Morro Rock, sand spit, harbor and navigable waterways are all considered significant scenic resources. To the west of the project site is Highway 1 which is identified as a “scenic highway”. This site and the neighboring properties are all developed with restaurant and retail structures, docks and viewing areas.

Impact Discussion:

a. The proposed docks and gangway are located to the west of the existing structures and public plaza, extending into and over the harbor. Similar to numerous similar structures in the vicinity, the proposed improvements can be considered as part of the vista in the working harbor. The public viewing space immediately adjacent to the site would remain and the scenic views to and from the site would not be substantially changed.

b. The project is within the Morro Bay harbor, which is not within the view shed of any state scenic highway.

c. Potential impacts to scenic vistas and the visual character and quality of the area would be less than significant. See impact discussion a, above.

d. The project is located in an already urbanized area with light sources from neighboring commercial uses, and light from vehicular circulation along neighboring streets. The proposed project includes 5 down-lights affixed to the 42-inch high railings along the gangway, and four free-standing 36-inch high bollard lights along the dock fingers to illuminate the passenger loading areas, as required by Municipal Code Section 14.52.060. The proposed light standards, as shown on page 2 of the project plans, are designed specifically for marina environments and are similar to those on existing docks in the vicinity, and will not create a substantial new source of light or glare or affect nighttime views in the area. The project will be required to conform with property development standards for lighting installations and operational standards, which prohibit light from being directed or allowed to spill off-site.

Conclusion: *Less than significant impact to aesthetic resources.*

EXHIBIT D

2. AGRICULTURAL RESOURCES: In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocol adopted by the California Air Resources Board. Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a. Convert prime farmland, unique farmland, or farmland of statewide importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				X
b. Conflict with existing zoning for agricultural use, or a Williamson Act contract?				X
c. Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?				X
d. Result in the loss of forest land or conversion of forest land to non-forest use?				X
e. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or conversion of forest land to non-forest use?				X

Environmental Setting:

The existing commercial uses on the site are consistent with the zoning designation of WF/PD/S.4 and H (Waterfront Planned Development and Harbor). The property and surrounding areas are not zoned for agricultural uses. The site has not historically been used for farming nor has it been designated as prime farmland. The site is identified as urban and built up development on the San Luis Obispo County Conservation and Open Space Element (2010)..

Impact Discussion:

a-e. The site and surrounding land uses are not zoned for or suitable for agricultural uses. Also, the site does not contain agricultural soils of any importance. Therefore the project will not impact farmland and have no impacts on agricultural resources.

Conclusion: *No impacts to agricultural resources have been identified.*

EXHIBIT D

3. AIR QUALITY	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:				
a. Conflict with or obstruct implementation of the applicable air quality plan?			X	
b. Violate any air quality standard or contribute substantially to an existing or projected air quality violation?			X	
c. Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is in non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions, which exceed quantitative thresholds for ozone precursors)?			X	
d. Expose sensitive receptors to substantial pollutant concentrations?			X	
e. Create objectionable odors affecting a substantial number of people?				X

Environmental Setting: The project area is located in the South Central Coast Air Basin (SCCAB). The SCCAB consists of San Luis Obispo County and a portion of Santa Barbara County north of the Santa Ynez Mountain ridgeline. Atmospheric pollutant concentrations in the SCCAB are generally moderate, due to persistent west-to-northwesterly winds that blow off the Pacific Ocean and enhance atmospheric mixing. Although meteorological conditions in the project area are usually conducive to pollutant dispersal, pollution can sometimes accumulate during the fall and summer months when the Eastern Pacific High can combine with high pressure over the continent to produce light winds and extended inversion conditions in the region. As a result, Morro Bay is considered a non-attainment area for particulate matter less than 10 microns in diameter (PM10) and ozone (O₃). State law requires that emissions of non-attainment pollutants and their precursors be reduced by at least 5% per year until the standards are attained. The Clean Air Plan (CAP) for San Luis Obispo County was developed and adopted by the Air Pollution Control District (APCD) to meet that requirement. The CAP is a comprehensive planning document designed to reduce emissions from traditional industrial and commercial sources, as well as from motor vehicle use. According to the APCD “CEQA Air Quality Handbook” (2012), both construction activities and ongoing activities of land uses can generate air quality impacts. The APCD has established the threshold of significance as project construction activities lasting more than one quarter and land uses that generate 1.25 or more pounds per day (PPD) of diesel particulate matter, .25 PPD of reactive organic gases, oxides or nitrogen, sulfur dioxide, or fine particulate matter, or more than 550 PPD of carbon monoxide, as having the potential to affect air quality significantly.

The proposed project area is located in a candidate area for Naturally Occurring Asbestos (NOA), which has been identified as a toxic air contaminant by the California Air Resources Board (ARB). Serpentine is a very common rock and has been identified by the ARB as having the potential to contain naturally occurring asbestos. Projects that would potentially disturb serpentine rocks are subject to the ARB Asbestos Airborne Toxics Control Measure (ATCM) for construction, Grading, Quarrying, and Surface Mining Operations.

Impact Discussion:

Operational Screening Criteria for Project Impacts:

a-c. The project includes construction of a gangway, dock, and seven (7) new boat slips, six (6) recreational and one (1) reserved for the Morro Bay Harbor Department. Only a minimal number of new vehicle trips associated with use

EXHIBIT D

of the boat slips will be generated, and no production of odors is expected. The CEQA Air Quality Handbook, Table 1-1, provides both thresholds of significance for the APCD Annual Bright Line threshold (MT CO₂e) and reactive organic gases (ROG) and oxides of nitrogen (NO_x) for a variety of project types. Because nothing similar to boat docks is listed, the project was referred to APCD planning staff. In absence of any demolition activities or discharge of air contaminants which would be considered a nuisance, it was determined that the project emission and health risk is estimated to be is well below their CEQA.

Construction Screening Criteria for Project Impacts:

a-c) Temporary impacts from the project, including but not limited to excavation and construction activities, vehicle emissions from heavy duty equipment and naturally occurring asbestos, has the potential to create dust and emissions that exceed air quality standards for temporary and intermediate periods. Truck and equipment traffic would utilize major roadways and the number of daily vehicle trips that would be generated during construction would not add substantially to local traffic volumes.

d) Sensitive receptors within 1,000 feet of the project site include the public plaza immediately adjacent to the proposed docks. The types of construction projects that typically require a more comprehensive evaluation include large-scale, long-term projects within 1,000 feet of a sensitive receptor location. A small dock and gangway falls below the threshold required for mitigation and is considered less than significant.

e) No objectionable odors would be produced from the project during or following construction.

Conclusion: *Less than significant impacts on air quality resources. The project is subject to standard construction practices, including dust control measures required by the Municipal Code and review by the APCD to address short-term air quality impacts related to construction. All permit conditions are required as notes on the plans and Public Services Department staff will monitor compliance in the normal course of reviewing plans.*

4. BIOLOGICAL RESOURCES	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?		X		
b. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife service?		X		
c. Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc) through direct removal, filling, hydrological interruption, or other means?		X		
d. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?			X	

EXHIBIT D

e.	Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?			X	
f.	Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional or state habitat conservation plan?		X		

Environmental Setting: The project area is the marine portion of the site, northwest of, and adjacent to the Embarcadero Waterfront in the City of Morro Bay, east of Morro Rock. The proposed project includes extending the Water Lease Area an additional 43.71-feet into channel. The total lease area over the water would increase from approximately 50 feet to 93.71-feet. At this new, expanded reach the lease area would remain approximately 8-foot 11-inches from the channel at its closet point. The following description of the marine resources is based on a review of literature, previous evaluations of similar projects in the vicinity, and data collected during a reconnaissance-level biological field survey.

Morro Bay is located within the central portion of Estero Bay in San Luis Obispo County. Morro Bay is a north-south oriented, semi-enclosed, shallow, estuarine lagoon, that is approximately 4.0 miles long and 0.75 miles wide; the open water area totals approximately 2,300 acres (Morro Bay National Estuary Program 2000). Morro Bay is an area where closely inter-related habitats are linked by physical and biological processes that supports several special status terrestrial and marine plant and animal species, as well as several sensitive habitats.

Morro Bay Estuary is designated as a National and State Estuary. It is the largest semi-enclosed bay on California's central coast and supports a diverse estuarine system (US Army Corps of Engineers, 2003). The Morro Bay National Estuary has been divided into sub-habitats, the project site is located in two primary marine habitats: subtidal and eelgrass (US Army Corps of Engineers, 2003). These habitats serve varying functions and support a variety of migratory and resident fish and wildlife species.

Available data sources have reported over 250 invertebrate species and 80 fish species within Morro Bay (Chambers Group, Inc., 201). Invertebrates recorded in the Morro Bay Estuary include oligochaete and polychaete worms, mollusks, crustaceans, and echinoderms. Nineteen species of clams have been recorded in Morro Bay, with the most common bivalves including the gaper clam (*Tresus nuttallii*), deoduck (*Panope generosa*), and Washington clam (*Saxidomus nuttalli*). Fish species reported from samples taken within Morro Bay include the English sole (*Parophrys vetulus*), speckled sanddab (*Citharichthys stigmaeus*), and staghorn sculpin (*Leptocottus armatus*). Two special status fish species that are known to occur within Morro Bay include the tidewater goby and south-central California coast steelhead DPS.

Morro Bay is also a major wintering ground for migratory waterfowl and shorebirds, with over seventy-five species, including three special status species: black brant (*Branta bernicla*), brown pelican, and western snowy plover (Chambers Group, Inc., 2001). Marine mammals that have been reported in Morro Bay include the California sea lion (*Zalophus californicus*), harbor seal (*Phoca vitulina*), and southern sea otter (*Enhydra lutris*). California sea lions are common in the coastal waters of California and are frequently sighted in and around Morro Bay (Morro Bay National Estuary Program, 2000).

Eelgrass bed

Eelgrass (*Zostera marina*), is a flowering plant that forms beds at low intertidal and shallow-subtidal depths; eelgrass within the Morro Bay estuary can be found between zero and -3.3 feet (MLLW) tide levels (US Army Corps of Engineers, 2003). Eelgrass beds are considered to be an important habitat in the estuary (Morro Bay National Estuary Program, 2000), and Morro Bay has the largest remaining eelgrass meadow between the San Francisco Bay and Los Angeles. Because of the regional importance of the eelgrass meadows and the role that eelgrass plays in supporting life in the bay, The Morro Bay National Estuary Program has monitored eelgrass in the bay for over a decade. A recent peak in 2007 at 344 acres was followed by a steady decline. Although eelgrass

EXHIBIT D

naturally oscillates over time, the recent decline to less than 20 acres in 2013 has already resulted in notable declines in reliant animal species (Morro Bay National Estuary Program, 2014).

Eelgrass provides shelter for invertebrates and juvenile fish, contributes to the detrital food chain, and is considered an essential habitat for some vertebrate and invertebrate species, including topsmelt, Pacific staghorn sculpin, shiner surfperch, arrow goby (*Clevelandia ios*), and the NMFS included unidentified young-of-year rockfish (*Sebastes* spp.) and cabezon (*Scorpaenichthys marmoratus*) (Morro Bay National Estuary Program, 2000).

A reconnaissance-level eelgrass survey was conducted by Tenera Environmental on April 2, 2014. The preliminary results of that survey confirmed the presence of eelgrass within the footprint of the proposed dock. The survey found five eelgrass patches in the immediate vicinity, the largest patch being 2.5 m² (27 ft²). Together with two earlier reconnaissance-level eelgrass surveys, conducted in 2008 and 2011, the collective observations indicate the project area supports eelgrass with abundance levels and distribution that can change over time and space, and that the open areas between the eelgrass are areas that could potentially support eelgrass.

Waters of the United States

Waters of the United States occur on-site in the form of open water habitat (i.e. Morro Bay) and are partially defined in the CFR as: “All waters that are currently used, or were used in the past, or may be susceptible to use in interstate or foreign commerce, including all waters subject to the ebb and flow of the tide” (33 CFR 328.3(a)). Waters of the United States are subject to Section 404 of the federal Clean Water Act (CWA), as administered by the USEPA and USACE. Furthermore, waters of the United States are also subject to Section 10 of the federal Rivers and Harbors Act of 1899 where building of any obstruction in a navigable waterway is proposed. The USACE is responsible to approve the use of Department of the Army permits for the discharge of dredged or fill material into all waters of the United States and construction within navigable waters of the United States. Furthermore, the Regional Water Quality Control Board (RWQCB) is responsible for the issuance of water quality certifications for impacts to waters of the United States pursuant to Section 401 of the CWA.

Impact Discussion:

a. *Eelgrass*. Eelgrass, a special status plant species, occurs within the area that is proposed to be disturbed during construction of the gangway and docks. Based on the preliminary eelgrass survey, approximately 33.06 m² (355.85 ft²) of eelgrass would be impacted, as would the approximately 715.35 m² (7,700 ft²) project area, all of which is considered sedimentary habitat with water depths that could support eelgrass. Due to the special status of eelgrass and consistent with existing protocols, this is considered a potentially significant impact to existing eelgrass bed habitat and the essential habitat for some managed fish species.

Sediment Re-suspension. Sediment re-suspension during in-water construction activities could result in an increase in water column turbidity and an associated decrease in dissolved oxygen concentration from re-suspended sediments. Disturbed water column conditions may contribute to: a decrease in light penetration and cause a general decline in aquatic primary productivity; clogging the respiratory and feeding apparatuses of fish and filter-feeding invertebrates; altering fish distribution and behavior; and/or avoid the turbid water areas, reducing foraging opportunities of special status bird species. Although some fish may avoid the immediate area due to an increase in suspended sediments, other fish and bird species could be attracted to the area to feed on floating organisms that are removed during these operations.

Eelgrass, a plant species of concern is present within the area proposed for the dock construction. The settling of re-suspended sediment onto eelgrass could result in a potentially significant impact to the overall population within Morro Bay. Populations of the south-central California coast steelhead DPS are known to occur in Chorro Creek and Los Osos Creek and their larger tributaries. The migration route for steelhead into spawning and nursery habitats within these creeks includes the area west of the main channel. The proposed dock is unlikely to result in the direct take of steelhead, due to the species being highly mobile. However, if not controlled, increased turbidity has the potential to affect migratory behavior in the adjacent waters. Due to the availability of nearby suitable habitat, harbor seals, sea lions, birds (including special status bird species), and other mobile species are expected to avoid the immediate area during construction activities; however, some animals may be attracted to the disturbed area in search of food items that are introduced into the water column during construction activities.

EXHIBIT D

With implementation of Mitigation Measures BIO 1 and 2, the introduction of additional suspended sediments and the associated increase in turbidity are not expected to result in significant impacts to marine mammal, bird, or fish species.

Marina Wildlife and Construction Noise. Driving sheet and guide piles would generate noise that could impact marine wildlife. In-water noise studies by Vagle (2003) suggest that the size and operating energy level of the impact or vibratory hammer, the size and length of the piles, soil conditions, water depth, and water characteristics (salinity and temperature) will all affect the sound levels produced during pile driving. Typical noise effects on marine mammals include: physical (damage of body tissues or organs); perceptual (masking of other important noises); behavioral (interruption or modification of movements or habits); chronic stress (decreased ability of individual sensitization to noise); and indirect (reduction in availability of prey, displacement). Hastings and Popper (2005) present a similar summary on the effects of human-generated noise on fish. This study suggests that while the effects of blasting have been relatively well-documented to cause physical damage to the internal and external organs of fish, the effects of noise generated by pile driving on fish are not as well-known or documented. The proposed pilings would be installed using a vibratory hammer, followed if needed by a dynamic hammer to obtain specific load requirements. Typically for guide piles in Morro Bay this has not been necessary. The vibratory hammer would be a HPSI 150, which is one of the smallest vibratory installation tools available, and has been used in the nearby marine environment on similar projects without any noticeable effects on marine mammals. Installation using a vibratory hammer employs an oscillator, with strikes taking approximately 5 minutes per pile. Because of the other construction activities occurring simultaneously, such as bolting together of the docks, driving of the 11 piles would occur over approximately 4 days. With the implementation of Mitigation Measure BIO 3, which requires development of a Marine Wildlife Contingency Plan including specific construction techniques and wildlife monitoring and reporting requirements, the mobility of fish and the relatively low in-water noise levels expected from the proposed vibratory tools would result in this impact being less than significant.

Marine Biota and Hazardous Materials. Hazardous materials could be released as a result of project activities. The potential exists for leakage/spills from in-water and onshore construction equipment or from improper fueling or hazardous materials storage practices. A petroleum spill could result in potentially significant impacts to water quality and to the marine biota within the project site and region. . Because this project does not include any land-based activities, there are no rainwater pollution impacts from disturbed soils or stockpiles. With the implementation of Best Management Practices (BMPs) and a project-specific Oil Spill Response and Recovery Plan as recommended in Mitigation Measure BIO 4, the potential for these impacts would be less than significant.

Marine Habitats and Biological Resources. Potential impacts to marine habitats and biological resources could result from in-water construction activities. The intertidal habitat along the east shoreline of Morro Bay is mostly covered with existing rip-rap and, as the rocks are covered with sediment, this solid substrate provides little attachment habitat as is of limited value to intertidal biota.

The subtidal habitat consists of natural sedimentary bay-bottom areas. Installation of the 11 proposed 16-inch diameter 0.375 wall steel pipe pier pilings would result in a nominal reduction in benthic surface area. Infauna and epibiota at the base of the proposed pilings would be displaced. However, the loss of the deeper-water sedimentary habitat and associated benthic organisms is not considered significant due to the abundance of similar bay-bottom habitat and associated biota throughout Morro Bay, except for eelgrass which was previously addressed. Re-colonization of the newly-exposed sediments is expected to occur from surrounding populations. Docks and gangways will utilize “gator grating” or a similar material which allows 50% light penetration, which is suitable for re-colonization of impacted species. Furthermore, an increased number of solid structures in the form of pilings and floating docks would provide increased habitat for epibiota and is considered a beneficial effect of the proposed project.

- b. Potential impacts to eelgrass could result from in-water construction activities. See impact discussion in a, above.
- c. Potential impacts to waters of the U.S. could likely occur during construction of the dock and pilings in Morro Bay. See impact discussion in a, above. No preliminary jurisdictional delineation of wetland and non-wetland

EXHIBIT D

waters of the United States has been prepared. However, the applicant will be required to obtain a permit from the U.S. Army Corps of Engineers prior to construction of dock and piling work.

d-e. No impacts were identified.

f. The proposed project would not conflict with local, regional or state plans. No known habitat conservation plans exist that would be impacted by the project. The project, through the implementation of the recommended mitigation measures, would either avoid impacts to sensitive species and habitats completely, or reduce all identified impacts to levels that would be less than significant.

Conclusion: *There are potentially significant impacts to Biological Resources unless mitigation is incorporated.*

Mitigation Measures:

BIO 1 An eelgrass restoration plan shall be prepared in accordance with Southern California Eelgrass Mitigation Policy and submitted for approval to the Planning and Building Manager. The eelgrass restoration plan shall be submitted for review and approval within three months of completion of construction. The report shall at a minimum include a site plan and written description of the status of eelgrass beds in the project area. If the report identifies a reduction in eelgrass coverage as compared to the existing eelgrass coverage at the time of the pre-construction survey, then the report shall identify remedial measure to offset such reduction within the eelgrass beds in the project area at a 1.2:1 basis. In such case, reporting shall continue on an annual basis for at least three years or until all such eelgrass beds are supporting eelgrass as documented in two consecutive annual reports, whichever is later. In addition, a pre-and post-construction survey shall be completed to determine the final areas of impact and submitted to the Planning and Building Manager. The pre-construction survey shall be submitted for review prior to issuance of a building permit.

BIO 2 To reduce potential turbidity-associated impacts, silt screens should be used when and where they will be effective. The relatively high tidal currents within Morro Bay could reduce the effectiveness of silt screens and should be considered prior to lacing of these screens. All in-water, bottom-disturbing activities should occur within the pre-determined project footprint.

BIO 3 A Marine Wildlife Contingency Plan shall be developed and approved by the NMFS, USFWS, and CDFG prior to the initiation of pile driving activities. This plan shall describe specific methods that will be used to reduce pile-driving noise. Power to the pile driver shall be ramped up to allow marine wildlife to detect a lower sound level and depart the area before full-power noise levels are produced. The plan shall identify a USFWS-approved biologist to monitor all construction within the water-lease area who shall be retained by the applicant. The plan shall describe on-site marine wildlife monitoring and reporting requirements as well as identify specific conditions when the biological monitor shall be allowed to stop work, such as observance of a marine mammal within 100 feet of the project area. The biologist shall be responsible to monitor for compliance with all environmental mitigation measures, and regulatory permit conditions (as applicable). The approved biological monitor shall be present onsite during construction and shall have the authority to stop construction if any individuals of southern sea otter are seen within 100 feet of the project area. Construction will be allowed to resume after sighted otters have left the 100-foot radius of the project area. The species shall not be disturbed or forced from the project site by equipment, noise, or other disruptive activity. The monitor will have discretionary authority to temporarily halt the project if it is determined that the otter, or other marine mammal, could be affected by the project, even if the animal is beyond the 100-foot boundary. All construction crew employees shall be informed on the requirements of this condition.

BIO 4 A project-specific Oil Spill Response and Recovery Plan that includes specifics on reporting and response procedures, available on-site equipment and contracted services, and responsibilities shall be completed and approved prior to the initiation of construction activities. Specifically, the project shall include the following Best Management Practices (BMPs):

1. No refueling of equipment without adequate containment and spill response equipment. The barge shall have only double contained fuel storage below decks, with the spill containment and clean up kits on-site and easily accessible. Spill containment and clean up kits shall include the following:

EXHIBIT D

- a. 150 feet Absorbent Boom 200 square feet Absorbent Tarp (for use during pile driving operations)
 - b. Barrel Absorbent Pads
 - c. Container Absorbent Granules
2. Rainwater runoff pollution from equipment stored on deck shall be prevented through ongoing equipment maintenance and appropriate double containment.
 3. The work area shall be contained within a boom to prevent debris from falling into the water.
 4. All equipment fueling shall take place on the barge, with containment in-place. No refueling between vessels shall occur.
 5. An Absorption Tarp shall be placed underneath any portable equipment while in use.
 6. No equipment shall be permitted to enter the water with any petroleum products.
 7. All equipment used during pile driving operations shall be in good condition without fuel or oil leakage.
 8. Should any equipment begin to leak, that equipment shall be removed immediately from the barge and repaired or replaced.
 9. All vessels shall have portable, regularly serviced sanitation equipment. No overboard discharge is permitted.

BIO 5 Prior to issuance of building permits, the applicant shall either acquire all required regulatory permits and authorizations (i.e. U.S. Army Corps of Engineers, Regional Water Quality Control Board, California Department of Fish and Game), or submit documentation that such permits are not required.

5. CULTURAL RESOURCES	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a. Cause a substantial adverse change in the significance of a historical resource as defined in CEQA Guidelines Section 15064.5?		X		
b. Cause a substantial adverse change in the significance of an archaeological resource pursuant to CEQA Guidelines Section 15064.5?		X		
c. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?		X		
d. Disturb any human remains, including those interred outside of formal cemeteries?		X		

Environmental Setting: There are over 30 surveyed archaeological sites in the incorporated boundaries of the City. At least two of these known sites are documented as the sites of prehistoric villages with significant resources including one with a cemetery. As a result of these discoveries, cultural resource surveys are frequently required for new development sites within the city and it is not unusual that mitigation measures are required. However, unlike other known resource sites, the proposed project is located on an area characterized by fill materials and areas submerged in the bay. The Embarcadero and the portions of the bay immediately adjacent were created in the 1940s, when the U.S. Navy oversaw the dredging of the navigational channel and deposited spoils behind the inner harbor bulkhead; creating the fill areas we see today. It is highly unlikely that any cultural resources would be discovered in the fill that was placed on the site or in the shifting sand on the ocean floor.

Impact Discussion:

a-d. The property does not contain any known historic or prehistoric archaeological resources identified on city maintained resource maps, and no known archaeological resources exist within the project site. Though the site is not within an archaeologically sensitive area and additional study to determine the presence of archaeological historical resources is not required, there is the limited potential that materials (including but not limited to bedrock mortars, historical trash deposits, human burials or unique paleontological or geologic resources) could be

EXHIBIT D

encountered given the proximity to the riparian corridor. Mitigation measures are recommended to ensure proper treatment of any cultural resources, should they be discovered during construction activities.

Conclusion: *There are potentially significant impacts to Cultural Resources unless mitigation is incorporated.*

Mitigation Measures:

CULT-1: If materials (including but not limited to bedrock mortars, historical trash deposits, and paleontological or geological resources) are encountered during excavation, work shall cease until a qualified archaeologist makes determinations on possible significance, recommends appropriate measures to minimize impacts, and provides information on how to proceed in light of the discoveries. All specialist recommendations shall be communicated to the City of Morro Bay Public Services Department prior to resuming work to ensure the project continues within procedural parameters accepted by the City of Morro Bay and the State of California.

CULT-2: The following actions must be taken immediately upon the discovery of human remains: Stop immediately and contact the County Coroner. The coroner has two working days to examine human remains after being notified by the responsible person. If the remains are Native American, the Coroner has 24 hours to notify the Native American Heritage Commission. The Native American Heritage Commission will immediately notify the person it believes to be the most likely descendent of the deceased Native American. The most likely descendent has 48 hours to make recommendations to the owner, or representative, for the treatment or disposition, with proper dignity, of the human remains and grave goods. If the descendent does not make recommendations within 48 hours the owner shall reinter the remains in an area of the property secure from further disturbance, or; If the owner does not accept the descendant’s recommendations, the owner or the descendent may request mediation by the Native American Heritage Commission Discuss and confer means the meaningful and timely discussion careful consideration of the views of each party.

6. GEOLOGY /SOILS	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a. Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:			X	
i Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? (Refer to Division of Mines and Geology Publication 42)			X	
ii Strong Seismic ground shaking?			X	
iii Seismic-related ground failure, including liquefaction?			X	
iv Landslides?				X
b. Result in substantial erosion or the loss of topsoil?				X
c. Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				X
d. Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				X

EXHIBIT D

e. Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				X
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Environmental Setting: San Luis Obispo County, including the City of Morro Bay is located within the Coast Range Geomorphic Province, which extends along the coastline from central California to Oregon. This region is characterized by extensive folding, faulting, and fracturing of variable intensity. In general, the folds and faults of this province comprise the pronounced northwest trending ridge-valley system of the central and northern coast of California. Although the area is seismically active, there are no known active faults within or adjacent to the City of Morro Bay. Morro Bay has suffered from tsunami damage several times in the past century, triggered by earthquakes or undersea landslides.

The site is located within the Tidelands area of the Morro Bay Estuary, on the coastal edge of the Santa Lucia Range, within the Coast Range Geomorphic Province of California. Areas immediately surrounding the site are developed with similar boat dock facilities. The General Plan Safety Element depicts landslide prone areas, flood prone areas, areas of high liquefaction potential, and areas of potential ground shaking. The proposed site is under laid by the coarse-grained, saturated soils that lose structure do to ground shaking; resulting in a high liquefaction potential.

Impact Discussion:

a i-iv. The project consists of a new gangway and recreational dock, similar to existing uses on adjacent sites. Under the Alquist-Priolo Special Studies Zone Act, the State Geologist is required to delineate appropriately wide special studies zones to encompass all potentially and recently-active fault traces deemed sufficiently active and well-defined as to constitute a potential hazard to structures from surface faulting or fault creep. In San Luis Obispo County, the special Studies Zone includes the San Andreas and Los Osos faults. To minimize this potential impact, the California Building Code and City Codes require new structures be built to resist such shaking or to remain standing in an earthquake, ensuring that the new construction will not expose a substantial amount of new structures or people to the risk of ground shaking, liquefaction potential or landslide.

b. This project is limited to construction of a gangway and dock, which will be affixed to dry land at the southern extent of an existing developed plaza. Additional ground disturbance will be limited to construction of pilings in the water lease area. Neither of these activities has the potential to cause a significant loss of topsoil.

c-d. The project is located on an urban site that is surrounded by similar development. Construction will be required to comply with all City Codes, including Building Codes, which require proper documentation of soil characteristics for designing structurally sound facilities to ensure new structures are built to resist such shaking or to remain standing in an earthquake. The Building Division of the Public Services Department routinely reviews project plans for compliance with recommendations of the soils engineering reports.

e. No wastewater disposal facilities are proposed with this project.

Conclusion: *Impacts related to Geology and Soils will have less than significant impact.*

7. GREENHOUSE GAS EMISSIONS	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a. Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?			X	

EXHIBIT D

b. Conflict with an applicable plan, policy of regulation adopted for the purpose of reducing the emissions of greenhouse gases?		x		
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Environmental Setting: In January of 2014 the City of Morro Bay adopted Climate Action Plan, which provides a qualitative threshold consistent with AB 32 Scoping Plan measures and goals. As identified in the APCD’s CEQA Handbook (April 2012), if a project is consistent with an adopted Qualified GHG Reduction Strategy (i.e. a CAP) that addresses the project’s GHG emissions, it can be presumed that the project will not have significant GHG emission impacts and the project would be considered less than significant. This approach is consistent with CEQA Guidelines Sections 15064(h) 11 and 15183.5(b). The City’s CAP was developed to be consistent with State CEQA Guidelines Section 15183.5 and APCD’s CEQA Handbook to mitigate emissions and climate change impacts, and serves as a Qualified GHG Reduction Strategy for the City of Morro Bay. Appendix C of the CAP contains a CAP Compliance Worksheet, which has been used to demonstrate project-level compliance.

Impact Discussion:

a - b. In the short-term, the proposed project could result in minor increases in emission of greenhouse gases during the construction process. Such an increase would not individually contribute to global climate change; however, it would contribute incrementally to the cumulative or global emission of GHGs. Standard City Construction Regulations will apply to this project, which include requirements that 1) a minimum six percent of construction vehicles and equipment be electrically-powered or use alternative fuels such as compressed natural gas, and 2) The contractor will limit idling of construction equipment to three minutes and post signs to that effect. These are measures O-1 from the City’s adopted Climate Action Plan.

The proposed project is consistent with the land use diagram and policy provisions of the City’s General Plan, and will result coastal-dependent recreational facilities located in close proximity to transit, services and employment centers. City policies recognize that infill development allows for more efficient use of existing infrastructure and Citywide efforts to reduce greenhouse gas emissions.

Conclusion: *There are potentially significant impacts to Greenhouse Gas Emissions unless mitigation is incorporated.*

Mitigation Measures:

GHG 1 Requirements to limit Greenhouse Gas emissions shall apply to this project which include to the greatest extent feasible: 1) a minimum of six percent of construction vehicles and equipment shall be electrically-powered or use alternative fuels such as compressed natural gas, and 2) The contractor shall limit idling of construction equipment to three signs and post signs to the effect.

8. HAZARDS/HAZARDOUS MATERIALS	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a. Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			X	
b. Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?			X	
c. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X

EXHIBIT D

d.	Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would create a significant hazard to the public or the environment?				X
e.	For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?				X
f.	For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?				X
g.	Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
h.	Expose people or structures to a significant risk of loss, injury or death involving wild land fires, including where wild lands are adjacent to urbanized areas or where residences are intermixed with wildlands?				X

Environmental Setting: The residents of Morro Bay are subject to a variety of natural and human-caused hazards. Natural hazards are processes such as earthquakes, landslides, and flooding, and have been occurring for thousands, even millions of years. These natural processes have played an essential role in shaping the topography and landscape of Morro Bay, and become “hazards” when they disrupt or otherwise affect the lives and property of people. Human caused hazards often occur as a result of modern activities and technologies. These potential hazards can include the use of hazardous materials which may be released into the environment due to accident during both the construction or operation phase.

Impact Discussion:

a-b. The proposed project includes a new gangway, dock, and recreational boat slips, and associated site improvements, and will not create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials, or create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment. Hazardous materials from petroleum-fueled construction equipment used to complete the proposed activities or utilized by boats occupying the proposed slips could be released as a result of project activities. Please see the impact discussion in Biological Resources 4 (a) and recommended Mitigation Measure BIO 4, and impact discussion in Section 9: Hydrology and recommended Mitigation Measure 1, below.

c. There are no existing or proposed schools within one-quarter mile of the site.

d. The project site is not located in the vicinity of any known hazardous material sites and is not listed as having been a hazardous site.

e-f. The project is not located in the vicinity of an airport.

g-h. The project does not involve any interference with emergency response plans, creation of any potential public health or safety hazard, or exposure to hazards from oil or gas wells and pipeline facilities. The project does not include any activities which could result in contamination of a public water supply. No hazardous materials or other such hazardous conditions exist on-site nor are any proposed.

EXHIBIT D

Conclusion: *With the implementation of Mitigation Measures BIO 4 HYDRO 1, impacts related to Hazards and Hazardous Materials will have less than significant impact.*

9. HYDROLOGY/WATER QUALITY	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a. Violate any water quality standards or waste discharge requirements?		X		
b. Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				X
c. Substantially alter the existing drainage pattern on the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on or off-site?				X
d. Substantially alter the existing drainage pattern on the site or area, including through the alteration of the course of a stream or substantially increase the rate or amount of surface runoff in a manner, which would result in flooding on- or off-site?				X
e. Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?		X		
f. Otherwise substantially degrade water quality?		X		
g. Place housing within a 100-year flood hazard area as mapped on a federal flood hazard boundary or flood insurance rate map or other flood hazard delineation map?			X	
h. Place within a 100-year flood hazard area structures which would impede or redirect flood flows?			X	
i. Expose people or structures to a significant risk or loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				X
j. Inundation by seiche, tsunami, or mudflow?			X	

Environmental Setting:

The site is located in the southwestern portion of the Morro Hydrologic Subarea (Morro Basin) of San Luis Obispo County. The Morro Basin is an 810-acre area, extending from the coastline to the convergence of the Morro and Little Morro Valleys. Morro Creek, an ephemeral stream with headwaters in the Santa Lucia Range, is the primary stream draining Morro Basin. Basin recharge is infiltration of precipitation and from tributary watersheds upstream on the Morro and Little Morro Creeks. Morro Bay contains approximately 2,100 acres of water surface at low tide and approximately 6,500 acres at high tide, leaving approximately 980 acres of tidal mud flat and approximately 470 acres of salt marsh. The water quality of Morro Bay is affected by presence of nutrients, toxic substances, hydrocarbons, bacteria, heavy metals, suspended sediment, and turbidity. Studies by various authors also suggest that Morro Bay is subjected to a relatively rapid increase in sedimentation. Morro Bay, Los Osos and Chorro Creek

EXHIBIT D

are listed as “impaired waters” under the federal Clean Water Act, Section 303(d). These water areas, and the Morro Bay Estuary, are also listed as waters impaired by sedimentation/siltation, and are the subject of a Total Maximum Daily Load (TMDL), which is a calculation of the maximum amount of a pollutant that a water body can receive and still meet water quality standards.

Impact Discussion:

a, e, f. In-water activities including construction of the 11 pilings could result in construction debris accumulation and an increase in water turbidity and an anticipated decrease in dissolved oxygen concentration. However, substantial turbidity occurs naturally in the Bay, particularly following surface water runoff from Chorro Creek and Los Osos Creek during winter storms. Tidal scour also contributes to the natural turbidity and is a major contributor during the spring tide periods when the change in tidal levels, rate of tidal exchange, and current speed are highest. Turbidity generated from project activities will likely contribute a relatively minor increase to the naturally turbid waters, however the material being re-suspended may have a higher chemical or biological oxygen demand and therefore result in a short-term, potentially significant decrease in dissolved oxygen levels. These effects are, however, expected to be localized around the project activities. Also see the impact discussion in Section 4: Biological Resources, above. Mitigation Measures HYDRO 1 and 2 have been recommended to reduce the potential of turbidity-associated impacts.

Petroleum-fueled construction equipment will be utilized to complete the proposed activities. The potential exists for leakage/spills from in-water and onshore equipment or from improper fueling or hazardous materials storage practices. A petroleum spill could result in potentially significant impacts to water quality and to the marine biota within the project site and region. Please refer to the impact discussion in Section 4: Biological Resources, and Mitigation Measure BIO 4, above, implementation of which will be satisfactory to reduce the potential of petroleum leakage/spills impacts. No further mitigation is required.

The proposed docks would provide slips for six recreational boats and one Harbor Department vessel. The potential for hazardous materials associated with these uses include diesel fuel, oil, lubricants and other cleaning supplies for vessel maintenance. These hazardous materials have the potential to create a significant impact on the public or the environment, however, the Harbor department regularly enforces existing best practices and standards meant to reduce the risk of accident from the routine transport, use, or disposal of hazardous materials in marine environments. With enforcement of these existing standards no additional mitigation is required.

b. No water use would result with the project.

c, d, g, h. This is an underwater site within the Tidelands area, which will not introduce any housing or other populated uses to the site. Therefore, the potential for flooding impacts is less than significant.

Conclusion: *There are potentially significant impacts to Hydrology and Water Quality unless mitigation is incorporated.*

Mitigation Measures:

HYDRO 1: Netting or fencing around and underneath the project site shall be installed to catch and remove debris released during and after construction.

HYDRO 2: To reduce potential turbidity-associated impacts, silt screens should be used when and where they will be effective. The relatively high tidal currents within Morro Bay could reduce the effectiveness of silt screens and should be considered prior to placing of these screens.

<p>10. LAND USE AND PLANNING</p> <p>Would the project:</p>	<p>Potentially Significant Impact</p>	<p>Less Than Significant with Mitigation Incorporated</p>	<p>Less Than Significant Impact</p>	<p>No Impact</p>
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EXHIBIT D

a.	Physically divide an established community?				X
b.	Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to, the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				X
c.	Conflict with any applicable habitat conservation plan or natural community conservation plan?				X

Environmental Setting: The project site is within the Waterfront/Planned Development Overlay Design Criteria zone (WF/PD/S.4) and the Harbor (H) zone, areas which are defined by the City's Local Coastal Program as being reserved for harbor-dependent uses, or those uses that must be located on the water in order to function, including recreational boat dock usage. The project is located in the Coastal Commission's original jurisdiction.

Impact Discussion:

a. The project is limited to a new gangway, docks, and boat slips located within City land and water lease area in the Tidelands area. The project will not result in any loss of access or otherwise physically divide the community.

b. The proposed boating facilities at this site can be found consistent with the General Plan, Zoning Ordinance, California Coastal Act, Local Coastal Program and Municipal Code. The WF/PD and H designated areas of the City's Local Coastal Program allow for boating facilities with the approval of Conditional Use and Coastal Development Permits. Because the site is within the Coastal Commissions' original jurisdiction area, following City or Morro Bay Planning Commission approval of the Use Permit, the project will be forwarded to Coastal Commission for processing of the Coastal Development Permit.

c. The proposed project would not conflict with any known habitat conservation plan or natural community conservation plan. Please see the impact discussion in Section 4: Biological Resources.

Conclusion: *No impacts to Land Use and Planning have been identified.*

11. MINERAL RESOURCES		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
a.	Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				X
b.	Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				X

Environmental Setting: The General Plan and the Division of Oil, Gas, and Geothermal Resources do not delineate any resources in the area. Further, the State Mining and Geology Board has not designated or formally recognized the statewide or regional significance of any classified mineral resources in the County of San Luis Obispo.

Impact Discussion:

a-b. The project is not proposed where significant sand and gravel mining has occurred or will occur and there are no oil wells within the area where the project is located. In addition, the area is not delineated as a mineral resource recovery site in the general plan, any specific plan or other land use plan. This area of the City is fully built up and

EXHIBIT D

the general plan does not provide for mining. Therefore the project will not result in the loss of a known mineral resource of value to the region and impacts would be less than significant.

Conclusion: *No impacts to Mineral Resources have been identified.*

12. NOISE	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a. Expose people to, or generate, noise levels exceeding established standards in the local general plan, coastal plan, noise ordinance or other applicable standards of other agencies?			X	
b. Expose persons to or generation of excessive groundborne vibration or groundborne noise levels?			X	
c. Cause a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?			X	
d. Cause a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?		X		
e. For a project located within an airport land use plan, or where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				X
f. For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?				X

Environmental Setting: The City of Morro Bay may be considered a relatively quiet environment, the most significant sources of noise being related to traffic and transportation. The City's General Plan Noise Element threshold for noise exposure is 60dB for most land uses. The City's Zoning Ordinance also contains noise limitations and specifies operational hours, review criteria, noise mitigation, and requirements for noise analyses. The propagation of noise underwater can vary greatly in consideration of water depth, temperature, salinity, and other factors, including attenuation effect caused by existing in-water noise-generating activities that are common in an active harbor, such as that found in Morro Bay.

Impact Discussion:

a - d. The proposed project involves the installation of eleven (11) new guide piles consisting of 35 – 55-foot by 16-in diameter 0.375 wall steel piles to support a new dock and gangway. Installation of these piles would occur over approximately 4-days, with each pile taking approximately 5 minutes to install. During this time noise and ground-borne vibration generated by the pile driver and other construction equipment would be generated. As discussed in Section 4: Biological Resources, a vibratory hammer would be the primary tool used for installation, followed if needed by a dynamic hammer to obtain specific load requirements. The particular vibratory hammer selected would be a HPSI 150, which is one of the smallest vibratory installation tools available, which has been used in the nearby marine environment on similar projects without any noticeable effects on marine mammals.

EXHIBIT D

Pursuant to the Noise Element of the City's Local Coastal Program, all construction work must be confined to daylight hours, between 7:00 am and 7:00 pm. Customary construction standards will be imposed on the project, including limited hours of activity and reduce other measures to reduce the noise levels of equipment during construction.

As discussed in Section 4: Biological Resources, and above, with implementation of Mitigation Measure BIO 3, the potential for construction-related noise to impact marine mammals has been reduced to less than significant. Operational phase uses are limited to the seven proposed boat slips, which would not introduce any significant new source of noise to the vicinity. Therefore, no impacts to people in the vicinity will occur. Title 17 Table 17.52.030(1) provides performance standards as it relates to noise levels allowed to occur at the site.

e.f. The project is not within the boundaries of an adopted airport land use plan, within two miles of a public airport, or a private airstrip.

Conclusion: *With the implementation of Mitigation Measure BIO 3, impacts related to Noise will be less than significant.*

13. POPULATION AND HOUSING	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a. Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				X
b. Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				X
c. Induce substantial growth in an area either directly (for example, by proposing new homes and businesses) or indirectly (e.g. through extension of roads or other infrastructure)?				X

Environmental Setting: The project site is within the Waterfront/Planned Development Overlay Design Criteria zone (WF/PD/S.4) and the Harbor (H) zone, areas which are defined by the City's Local Coastal Program as being reserved for harbor-dependent uses, or those uses that must be located on the water in order to function, including recreational boat dock usage.

Impact Discussion:

a - c. The project involves the expansion of the Water Lease Area and construction of a gangway, dock and seven boat slips (six for recreational boats and one for Harbor Department use). There is no existing housing on the site or the immediate vicinity which would be affected; therefore the project would not displace a people or housing units. The proposed facilities would be served by existing improvements along the Embarcadero, and therefore would not be considered growth-inducing.

Conclusion: *No impacts related to Population and Housing has been identified.*

EXHIBIT D

14. PUBLIC SERVICES	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project result in a substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the following public services:				
a. Fire protection?				X
b. Police protection?				X
c. Schools?				X
d. Parks or other recreational facilities?				X
e. Roads and other transportation infrastructure?				
f. Other public facilities?				X

Environmental Setting: The project site lies within the sphere of influence of the City of Morro Bay; therefore the City of Morro Bay provides most of the public services; The Morro Bay Fire Department provides fire response and prevention services as well as responding to chemical spills, injuries, and vehicle accidents for the City of Morro Bay, and Police protection services are provided by the Morro Bay Police Department. The San Luis Coastal Unified School District operates an elementary school and a high school within the City.

Impact Discussion:

a. Fire protection services for the site are provided by the Morro Bay Fire Department (MBFD). The proposed dock and boat slips would not include any unusual fire protection concerns, such as storage of significant quantities of flammable materials or toxic chemicals. The structure will be constructed to meet current fire code requirements, including provision of an automatic Wet-Class III Standpipe System, and is not expected to result in adverse physical impact that would change or increase fire protection needs. In the event of an emergency at the site the MBFD would be required to provide fire protection or other emergency services.

b. Police protection services for the site would be similar to those currently provided by the Morro Bay Police Department in the immediate vicinity. Vandalism, theft of materials and equipment and burglary would be of potential concern.

c. The project is limited to the expansion of the water lease area and construction of a new dock and recreational/Harbor District boat slips, which will not involve the construction of residences that will generate demand for schools. The school districts in the state have the authority to collect fees at the time of issuance of building permits to offset the costs to finance school site acquisition and school construction, and are deemed by State law to be adequate mitigation for all school facility requirements. Any increases in demand on school facilities caused by the project are considered to be mitigated by the district's collection of adopted fees at the time of building permit issuance.

d. The Waterfront (WF) and Harbor (H) zone area is reserved for those uses that must be located on the water in order to function, or as accessory uses to a land based/shore facilities, such as docking facilities for recreational fishing and excursion boats. The proposed dock and boat slips would be consistent with all City General Plan and Coastal policies and programs, as it would provide these services adjacent to existing visitor serving and coastal dependent uses.

e, f. The scope of the project is limited to the provision of a new gangway, dock and boat slips, which would provide access from an existing public plaza into the harbor, which would not affect any transportation infrastructure or other governmental services.

Conclusion: *No impacts related to Public Services have been identified.*

EXHIBIT D

15. RECREATION	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a. Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?			X	
b. Include recreational facilities or require the construction or expansion of recreational facilities, which might have an adverse physical effect on the environment?			X	

Environmental Setting: A variety of recreational activities including hiking, sightseeing, birdwatching, fishing, kayaking, etc. are available within the City of Morro Bay. Within the boundary of Morro Bay City limits, there are over 10 miles of ocean and bay front shoreline. Approximately 95% of the shoreline has public lateral access. These walkways provide active recreational activities for visitors and residents. There are also multiple improved recreational docks and buoys, parks and playgrounds throughout the City. Man-made shoreline structures make up approximately 20% of the shoreline area. The project site is on a City lease-site, and includes approximately 113-feet of bay frontage.

Impact Discussion:

a-b. Expansion of the water lease area and construction of the new gangway, dock and boat slips will provide six leasable boat slips for recreational users (and one slip for the Harbor Department). Any increase in demand on parks and other recreational facilities attributable to visitors utilizing these slips will be negligible, and no additional recreational facilities will be required to serve these users.

Conclusion: *No impacts related to Recreation facilities have been identified.*

16. TRANSPORTATION/CIRCULATION	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a. Cause an increase in traffic, which is substantial in relation to the existing traffic load and capacity of the street system (i.e. result in a substantial increase in either the number of vehicle trips, the volume to capacity ration on roads, or congestion at intersections)?				X
b. Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways				X
c. Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				X
d. Substantially increase hazards due to a design feature (e.g. limited sight visibility, sharp curves or dangerous intersections) or incompatible uses (e.g. farm equipment)?				X
e. Result in inadequate emergency access?				X
f. Result in inadequate parking capacity?				X
g. Conflicts with adopted policies supporting alternative transportation (e.g. bus turnouts, bicycle racks)?				

EXHIBIT D

Environmental Setting: The City of Morro Bay is primarily a residential and commercial community that is bisected by Highway 1, a major regional roadway. Another major roadway is Highway 41, which carries travelers east of the City. The two most used roadways are Highway 1 and Main Street. Most traffic generated in the city is on the local streets. The project is located in the Tidelands area, and is accessed either by boat or via the Embarcadero.

Impact Discussion:

a-b. The project does not conflict with any applicable circulation system plans, nor will it add substantial demand on the circulation system or conflict with any congestion management programs or any other agency's plans for congestion management. Expansion of the water lease area and construction of six recreational boat slips and one Harbor Department boat slip will not significantly increase the traffic trips to and from the site, and existing streets have sufficient unused capacity to accommodate any added vehicular traffic without reducing existing levels of service. The proposed project would not result in a significant impact with regard to increased vehicular trips and does not conflict with performance standards provided in City adopted plans or policies. The project will also contribute to overall impact mitigation for transportation infrastructure by participating in the Citywide Transportation Impact Fee program. The largest impact on traffic levels and circulation effectiveness would be affected in large part due to the construction activity and equipment associated with the project, which will temporarily result in minor increases in traffic to and from the site. All construction staging and work itself would occur from a barge, which is loaded and prepared at the APC dock in Morro Bay. Once construction is complete, traffic volumes and impacts will return to substantially the same level as exist currently.

c. The project includes expansion of the water lease area and construction of a new gangway, dock and seven new boat slips, and will not result in any changes to air traffic patterns.

d. The project has been designed to meet City Engineering Standards and will not result in safety risks. The project will ADA compliant access per City Engineering Standards, and connect directly to the existing public plaza adjacent to the Embarcadero.

e. The project has been reviewed by the City Fire Marshal to ensure adequate emergency access has been provided, and that the required Standpipe is appropriately located.

f. Parking for the proposed boat slips is required in addition to the other existing visitor-serving uses within the land-lease portion of the site. Existing uses, which include a mix of retail, restaurant, entertainment businesses, generate a parking requirement of 96 spaces. The proposed use generates an additional requirement of eight (8) spaces, for a total site requirement of 104 parking spaces. This total requirement is three (3) less than the 107 existing parking credits for the site, which are composed of 87 historical parking credits and 20 paid in-lieu parking spaces.

g. The proposed project site is located in the water lease area of Morro Bay, adjacent to the Embarcadero. The Embarcadero provides sidewalks and vehicular lanes for cars, busses and trolleys. The project will not decrease performance or safety in the area, as the traffic patterns will remain unchanged. The project is consistent with policies supporting alternative transportation due to the site's location within the City's urban center, and its proximity to shopping, parks and services.

Conclusion: *No impacts related to Transportation and Circulation has been identified.*

17. UTILITIES & SERVICE SYSTEMS	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a. Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				X

EXHIBIT D

b.	Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?					X
c.	Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?					X
d.	Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?					X
e.	Result in a determination by the wastewater treatment provider, which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?					X
f.	Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?					X
g.	Comply with federal, state, and local statutes and regulations related to solid waste?					X

Environmental Setting: The project involves expansion of the water lease area and construction of a new gangway, dock and boat Water connection will be limited to that of the required Automatic Wet-Class III Standpipe System, and six (6) dock cabinets to serve the slip tenants, located at the base of each dock finger. Construction activities would result in minimal solid waste generation involving framing and scrap materials. To the extent feasible, materials would be diverted to recycling facilities to minimize the disposal of solid waste. The project would comply with federal, state, and local statutes and regulations related to solid waste. Local waste collection services dispose of waste at Cold Canyon Landfill, which has been expanded to take increased waste anticipated within its services area. The project will comply with federal, state, and local statutes and regulations related to solid waste disposal, diverting materials from the demolition activities to recycling facilities as feasible.

Impact Discussion:

a, b, c, e. The proposed project would result in a minor increase in demand on City infrastructure, including water and wastewater facilities, from those utilizing the proposed boat slips. Users of the slips would most likely take advantage of existing restrooms within the land lease portion of the site, which have adequate capacity to serve the expanded use. Storm water facilities exist in the vicinity of the project site, and it is not anticipated the proposed project will result in the need for new facilities or expansion of existing facilities which could have significant environmental effects. This project has been reviewed by the City's Utilities Department and no resource/infrastructure deficiencies have been identified.

d. The land lease portion of the project site is currently serviced by the Morro Bay/Cayucos Wastewater Treatment Facility and the resulting project will not cause a substantial increase in the amount of water that is required to be treated. The treatment facilities can accommodate the current and proposed water and wastewater volumes, and new construction or expansion of treatment facilities not necessary as a result of this project.

f-g. The current production of solid waste is unlikely to increase with the addition of seven new boat slips to the existing visitor-serving uses. To help reduce the waste stream generated during the construction phase of this project, the City requires that pursuant to Assembly Bill (AB) 939, at least 50% of all waste going to the landfill be recycled. The incremental additional waste stream generated by this project is not anticipated to create significant impacts to solid waste disposal.

Conclusion: *Impacts related to Utilities and Service Systems will have less than significant impact.*

EXHIBIT D

IV. MANDATORY FINDINGS OF SIGNIFICANCE (Section 15065)

A project may have a significant effect on the environment and thereby require a focused or full environmental impact report to be prepared for the project where any of the following conditions occur (CEQA Sec. 15065):

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
<i>a) Potential to degrade:</i> Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?		X		
<i>b) Cumulative:</i> Does the project have impacts that are individually limited but cumulatively considerable? (Cumulatively considerable means that incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?			X	
<i>c) Substantial adverse:</i> Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?		X		

Environmental Setting: The project is consistent with the Local Coastal Program (which includes the General Plan, Local Coastal Plan and Zoning Regulations) and with the implementation of the recommended mitigation measures does not have the potential to substantially degrade the quality of the environment, as evidenced in the preceding discussions.

Impact Discussion:

a) The project includes expansion of a water lease space and construction of a new gangway, dock, and seven boat slips in an area of the city identified as appropriate for coastal-dependent and visitor-serving uses. Without mitigation, the project could have the potential to have adverse impacts on all of the issue areas checked in the Table on Page 6. As discussed above, potential impacts to biological and cultural resources will be less than significant with incorporation of recommended mitigation measures.

b) The project is consistent with the Local Coastal Program, including the General Plan, Local Coastal Plan and Zoning Ordinance, which identifies this site as appropriate for residential uses, and which supports infill development utilizing existing infrastructure. The proposed project will not result in cumulatively considerable impacts.

c) With the incorporation of a mitigation measures, the project will not result in substantial adverse impacts on humans.

EXHIBIT D

V. INFORMATION SOURCES:

A. County/City/Federal Departments Consulted:

City of Morro Bay Public Services Department (Planning, Building, and Public Works Divisions), Fire Department.
San Luis Obispo Air Pollution Control District

B. City Documents

x	Land Use Element	x	Conservation Element
x	Circulation Element	x	Noise Element
x	Seismic Safety/Safety Element	x	Local Coastal Plan and Maps
x	Zoning Ordinance	x	Climate Action Plan
x	Municipal Code		

C. Other Sources of Information

x	Field work/Site Visit	x	County of San Luis Obispo Conservation and Open Space Element, 2010
x	Staff knowledge/ calculations	x	Flood Control Maps
x	Project Plans	x	Eelgrass Reconnaissance survey, prepared by Tenera Environmental, April 2, 2014
x	Applicant project statement/description	x	Zoning Maps
x	APCD email from Gary Arcemont, Air Quality Specialist, November 5, 2014	x	Morro Bay National Estuary Program, State of the Bay, 2014
x	Elevations/architectural renderings	x	Archaeological maps and reports
x	Published geological maps	x	Morro Bay Low Impact Development Boat Haul-Out and Large Vessel Service Yard Mitigated Negative Declaration, dated July 2009.
x	Topographic maps		
x	DOT Technical Guidance for Assessment and Mitigation of the Hydroacoustic Effects of Pile Driving on Fish, February 2009.	x	County of San Luis Obispo Air Pollution Control District, CEQA Air Quality Handbook, April 2012

VI. ATTACHMENTS

A – Summary of Mitigation Measures and Applicant’s Consent to Incorporate Mitigation into the project.

EXHIBIT D

Attachment A SUMMARY OF REQUIRED MITIGATION MEASURES & MONITORING PLAN

BIOLOGICAL RESOURCES

Mitigation Measure BIO 1 An eelgrass restoration plan shall be prepared in accordance with ~~Southern~~the California Eelgrass Mitigation Policy and submitted for approval to the Planning and Building Manager. The eelgrass restoration plan shall be submitted for review and approval within three months of completion of construction. The report shall at a minimum include a site plan and written description of the status of eelgrass beds in the project area. If the report identifies a reduction in eelgrass coverage as compared to the existing eelgrass coverage at the time of the pre-construction survey, then the report shall identify remedial measure to offset such reduction within the eelgrass beds in the project area at a 1.2:1 basis. In such case, reporting shall continue on an annual basis for at least three years or until all such eelgrass beds are supporting eelgrass as documented in two consecutive annual reports, whichever is later. In addition, a pre-and post-construction survey shall be completed to determine the final areas of impact and submitted to the Planning and Building Manager. The pre-construction survey shall be submitted for review prior to issuance of a building permit.

➤ **Monitoring Plan, BIO 1:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. Public Service Department planning staff will responsible for reviewing the pre-construction survey prior to issuance of any building permits. The post-construction survey shall be submitted to the City Planning and Building Manager for review and approval within three months of completion of construction. The report shall at a minimum include a site plan and written description of the status of eelgrass beds in the project area. If the report identifies a reduction in eelgrass coverage as compared to the existing eelgrass coverage at the time of the pre-construction survey, then the report shall identify remedial measure to offset such reduction within the eelgrass beds in the project area at a 1.2:1 basis. In such case, reporting shall continue on an annual basis for at least three years or until all such eelgrass beds are supporting eelgrass as documented in two consecutive annual reports, whichever is later.

Mitigation Measure BIO 2 To reduce potential turbidity-associated impacts, silt screens should be used when and where they will be effective. The relatively high tidal currents within Morro Bay could reduce the effectiveness of silt screens and should be considered prior to lacing of these screens. All in-water, bottom-disturbing activities should occur within the pre-determined project footprint.

➤ **Monitoring Plan, BIO 2:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. Details pertaining to the type, location, and method of securing the silt screens shall be provided on construction documents. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

Mitigation Measure BIO 3: A Marine Wildlife Contingency Plan shall be developed and approved by the NMFS, USFWS, and CDFG prior to the initiation of pile driving activities. This plan shall describe specific methods that will be used to reduce pile-driving noise. Power to the pile driver shall be ramped up to allow marine wildlife to detect a lower sound level and depart the area before full-power noise levels are produced. The plan shall identify a USFWS-approved biologist to monitor all construction within the water-lease area who shall be retained by the applicant. The plan shall describe on-site marine wildlife monitoring and reporting requirements as well as identify specific conditions when the biological monitor shall be allowed to stop work, such as observance of a marine mammal within 100 feet of the project area. The biologist shall be responsible to monitor for compliance with all environmental mitigation measures, and regulatory permit conditions (as applicable). The approved biological monitor shall be present onsite during construction and shall have the authority to stop construction if any individuals of southern sea

EXHIBIT D

otter are seen within 100 feet of the project area. Construction will be allowed to resume after sighted otters have left the 100-foot radius of the project area. The species shall not be disturbed or forced from the project site by equipment, noise, or other disruptive activity. The monitor will have discretionary authority to temporarily halt the project if it is determined that the otter, or other marine mammal, could be affected by the project, even if the animal is beyond the 100-foot boundary. All construction crew employees shall be informed on the requirements of this condition.

- **Monitoring Plan, BIO 3:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. The Marine Wildlife Contingency Plan and documentation that it has been approved by the NMFS, USFWS, and CDFW shall be submitted along with the applications for construction permits. The biological monitor shall submit a weekly monitoring report to the City, including a summary of each day's activities, summary of any violations or inconsistencies with the mitigation measures/conditions of approval, any remediation actions undertaken by the applicant/construction manager, any verbal or written correspondence with regulatory agencies, and photo-documentation. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

Mitigation Measure BIO 4 A project-specific Oil Spill Response and Recovery Plan that includes specifics on reporting and response procedures, available on-site equipment and contracted services, and responsibilities shall be completed and approved prior to the initiation of construction activities. Specifically, the project shall include the following Best Management Practices (BMPs):

1. No refueling of equipment without adequate containment and spill response equipment. The barge shall have only double contained fuel storage below decks, with the spill containment and clean up kits on-site and easily accessible. Spill containment and clean up kits shall include the following:
 - a. 150 feet Absorbent Boom 200 square feet Absorbent Tarp (for use during pile driving operations)
 - b. Barrel Absorbent Pads
 - c. Container Absorbent Granules
2. Rainwater runoff pollution from equipment stored on deck shall be prevented through ongoing equipment maintenance and appropriate double containment.
3. The work area shall be contained within a boom to prevent debris from falling into the water.
4. All equipment fueling shall take place on the barge, with containment in-place. No refueling between vessels shall occur.
5. An Absorption Tarp shall be placed underneath any portable equipment while in use.
6. No equipment shall be permitted to enter the water with any petroleum products.
7. All equipment used during pile driving operations shall be in good condition without fuel or oil leakage.
8. Should any equipment begin to leak, that equipment shall be removed immediately from the barge and repaired or replaced.
9. All vessels shall have portable, regularly serviced sanitation equipment. No overboard discharge is permitted

- **Monitoring Plan, BIO 4:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. The Oil Spill Response and Recovery Plan shall be submitted along with the applications for building permits and reviewed by the Public Service Department planning staff and Fire Department for adequacy. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

Mitigation Measure BIO 5 Prior to issuance of building permits, the applicant shall either acquire all required regulatory permits and authorizations (i.e. U.S. Army Corps of Engineers, Regional Water Quality Control Board, California Department of Fish and Game), or submit documentation that such permits are not required.

- **Monitoring Plan, BIO 5:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. Submittal of all required outside agencies regulatory permits shall be reviewed by the Public Service Department planning staff.

EXHIBIT D

Mitigation Measure BIO 6. Pre- and Post-construction surveys. A survey identifying areas of eelgrass within the lease areas shall be completed no earlier than 90 days and no later than 30 days prior to issuance of a building permit. The survey shall be submitted to the Community Development Manager for review as part of the final plans. If additional eelgrass is identified that would be directly shaded by the proposed project, then the report shall identify remedial measures to offset such reduction within the eelgrass beds at a ratio of 1.2:1 in line with the specifications for mitigation of eelgrass habitat as provided for in the California Eelgrass Mitigation Policy. A post construction survey identifying areas of eelgrass shall be completed on an annual basis with the first report due within 90 days of completion of construction and subsequent reports due at one year increments after that. All annual reports shall at a minimum include a site plan and written description of the status of eelgrass beds in the project area. Annual reporting shall continue for at least three years or until all eelgrass beds to be protected are supporting eelgrass as documented in two consecutive annual reports, whichever is later. Any change in eelgrass extent shall be documented and reported to the Community Development Manager. If the report identifies a reduction in eelgrass coverage as compared to the existing eelgrass coverage as identified in the Applicant's Site Plan, then the report shall identify remedial measures to offset such reduction within the eelgrass beds in the project area at a 1.2:1 ratio in line with the specifications for mitigation of eelgrass habitat as provided for in the California Eelgrass Mitigation Policy.

- **Monitoring Plan, BIO 6:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. Submittal of all required outside agencies regulatory permits shall be reviewed by the Community Development Manager.

Mitigation Measure BIO 7 Prior to issuance of a building permit, a pile driving plan and hydroacoustical monitoring plan shall be submitted to the Community Development Manager to ensure that underwater noise generated by pile driving activities is minimized to the maximum extent feasible and does not exceed: (1) an accumulated 187 dB SEL as measured 5 meters from the source; and (2) peak dB above 208 dB as measured 10 meters from the source as determined by the Fisheries Hydroacoustic Working Group. In the instance anything other than a vibratory hammer is to be used for pile driving activities, the plan shall provide for a hydro-acoustical monitor to ensure that underwater noise generated by pile driving activities does not exceed such limits. The plan shall identify the type of method used to install pilings. Vibratory hammers shall be used where feasible; if another method is used, a bubble curtain shall be employed to contain both noise and sediment. The plan shall also provide for additional acoustical BMPs to be applied if monitoring shows underwater noise above such limits (including, but not limited to, alternative pile driving methods (press-in pile placement, drilling, dewatered isolation casings, etc.) and additional noise dampening measures (sound shielding and other noise attenuation devices).

- **Monitoring Plan, BIO 7:** Construction plans shall clearly note the above mitigation measure on project plans and be clearly visible to contractors and City staff. The Community Development Department shall verify for required compliance in the field..

CULTURAL RESOURCES

Mitigation Measure CULT 1 If materials (including but not limited to bedrock mortars, historical trash deposits, and paleontological or geological resources) are encountered during excavation, work shall cease until a qualified archaeologist makes determinations on possible significance, recommends appropriate measures to minimize impacts, and provides information on how to proceed in light of the discoveries. All specialist recommendations shall be communicated to the City of Morro Bay Public Services Department prior to resuming work to ensure the project continues within procedural parameters accepted by the City of Morro Bay and the State of California.

- **Monitoring Plan, CULT 1:** Construction plans shall clearly note the above mitigation measure on Sheet 1 of project plans and be clearly visible to contractors and City staff. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

Mitigation Measure CULT 2 The following actions must be taken immediately upon the discovery of human remains:

EXHIBIT D

Stop immediately and contact the County Coroner. The coroner has two working days to examine human remains after being notified by the responsible person. If the remains are Native American, the Coroner has 24 hours to notify the Native American Heritage Commission. The Native American Heritage Commission will immediately notify the person it believes to be the most likely descendent of the deceased Native American. The most likely descendent has 48 hours to make recommendations to the owner, or representative, for the treatment or disposition, with proper dignity, of the human remains and grave goods. If the descendent does not make recommendations within 48 hours the owner shall reinter the remains in an area of the property secure from further disturbance, or; If the owner does not accept the descendant's recommendations, the owner or the descendent may request mediation by the Native American Heritage Commission Discuss and confer means the meaningful and timely discussion careful consideration of the views of each party.

- **Monitoring Plan, CULT 2:** Construction plans shall clearly note the above mitigation measure on Sheet 1 of project plans and be clearly visible to contractors and City staff. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

GREENHOUSE GAS EMISSIONS

Mitigation Measure GHG 1 Requirements to limit Greenhouse Gas emissions shall apply to this project which includes to the greatest extent feasible: 1) a minimum of six percent of construction vehicles and equipment shall be electrically-powered or use alternative fuels such as compressed natural gas, and 2) The contractor shall limit idling of construction equipment to three signs and post signs to the effect.

- **Monitoring Plan, GHG 1:** Construction plans shall clearly note the above mitigation measure on Sheet 1 of project plans and be clearly visible to contractors and City staff. Details pertaining to the type of construction vehicles to be used shall be provided on construction documents. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

HYDROLOGY AND WATER QUALITY

Mitigation Measure HYDRO 1 Netting or fencing around and underneath the project site shall be installed to catch and remove debris released during and after construction.

- **Monitoring Plan, HYDRO 1:** Construction plans shall clearly note the above mitigation measure on Sheet 1 of project plans and be clearly visible to contractors and City staff. Details pertaining to the type, location, and method of securing the catchment netting or fencing shall be provided on construction documents. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

Mitigation Measure HYDRO 2 To reduce potential turbidity-associated impacts, silt screens should be used when and where they will be effective. The relatively high tidal currents within Morro Bay could reduce the effectiveness of silt screens and should be considered prior to placing of these screens.

- **Monitoring Plan, HYDRO 2:** Construction plans shall clearly note the above mitigation measure on Sheet 1 of project plans and be clearly visible to contractors and City staff. Details pertaining to the type, location, and method of securing the silt screens shall be provided on construction documents. Public Service Department staff will periodically inspect the site for continued compliance with the above mitigation measure.

Acceptance of Mitigation Measures by Project Applicant:

EXHIBIT D

Applicant

Date

Rose's Landing

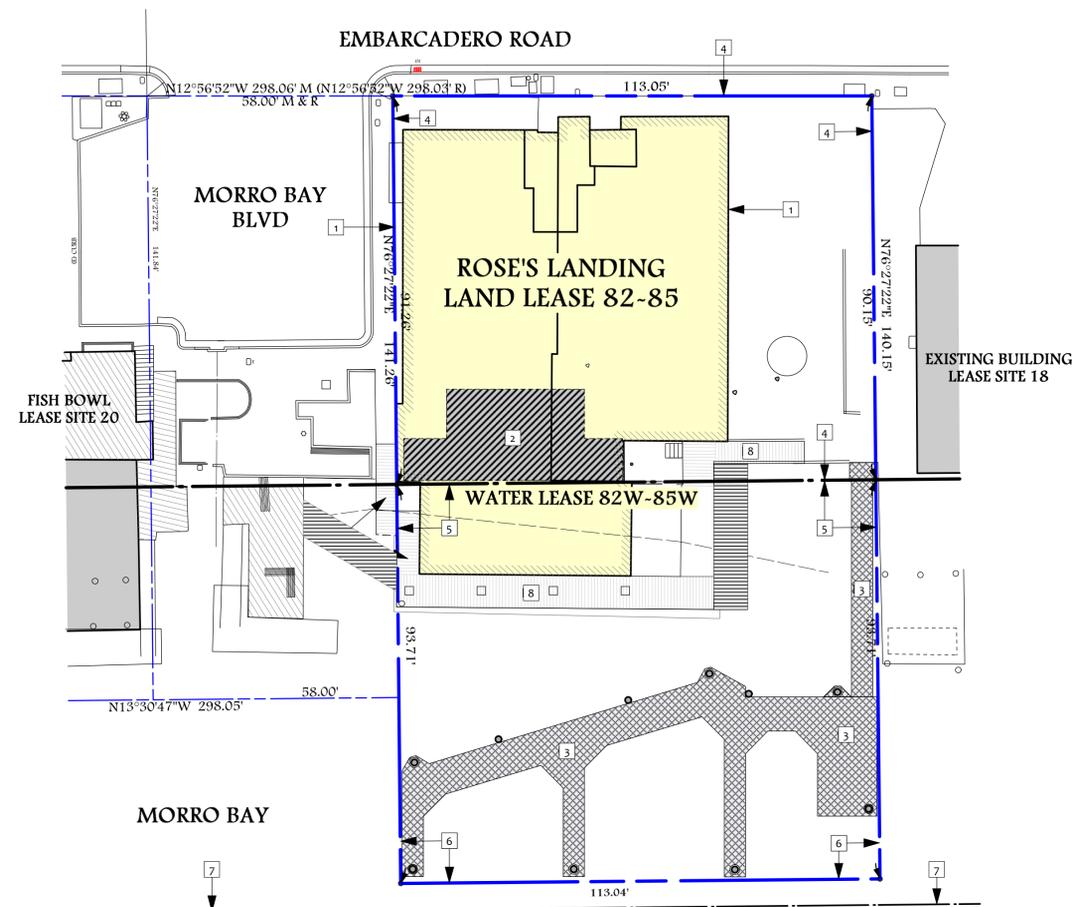
Boat Slips & Dining Deck Expansion



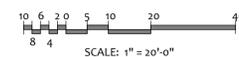
Steven Puglisi
ARCHITECTS, INC.
569 Higuera Street Ste. A
San Luis Obispo
Ca. 93401
805.595.1962
805.595.1980 Fax.



Rose's Landing
Boat Slips & Dining Deck Expansion
for Doug Redican
at 725 Embarcadero Road, Morro Bay, CA



- SITE KEY REFERENCE NOTES**
- 1 (E) ROSE'S LANDING BUILDING FOOTPRINT
 - 2 HATCH INDICATES PROPOSED DINING DECK EXPANSION
 - 3 HATCH INDICATES PROPOSED BOAT SLIPS
 - 4 (E) LEASE LEASE LINE
 - 5 (E) WATER LEASE LINE
 - 6 (N) WATER LEASE LINE
 - 7 LINE INDICATES LIMIT OF CHANNEL
 - 8 HATCH INDICATES (E) 8'0" COASTAL ACCESS TO REMAIN



DIRECTORY

LEASEES: DOUG REDICAN
725 EMBARCADERO ROAD
MORRO BAY, CA 93442
PH: (805) 704-7771

ARCHITECT: STEVE PUGLISI ARCHITECTURE
583 DANA STREET
SAN LUIS OBISPO, CA 93401
PH: (805) 595-1962
FAX: (805) 595-1980

LAND SURVEYOR: MBS LAND SURVEYS
3563 SUELDO STREET, SUITE Q
SAN LUIS OBISPO, CA 93401
(805) 594-1960

EELGRASS CONSULTANT: TENERA ENVIRONMENTAL
141 SUBURBAN ROAD, SUITE A2
SAN LUIS OBISPO, CA 93401
(805) 541-0310

PROJECT DESCRIPTION

A PROPOSAL FOR 7 BOAT SLIPS AND NEW GANGWAY FOR NON-COMMERCIAL PURPOSES AND A 487 S.F. DINING DECK EXPANSION.

A PORTION OF THE EXISTING DINING AREA USE ON THE UPPER FLOOR OBSERVATION DECK IS PROPOSED TO REMAIN AND A PORTION IS TO BE DEDICATED TO OBSERVATION AREA.

DOCKS WILL BE AVAILABLE FOR MONTH-TO-MONTH RENTING. SLIP 1 WILL BE CONTROLLED BY THE MORRO BAY HARBOR DEPARTMENT.

THE PROJECT INCLUDES:
 *EXPANSION OF WATER LEASE SITE 82-85W
 *THE EXPANSION OF THE NORTHERLY COASTAL ACCESS BOARDWALK
 *NEW COASTAL ACCESS SIGNAGE
 *4 SKYLIGHTS AT THE COVERED PORTION OF THE COASTAL ACCESS PATH.

GENERAL SITE INFORMATION

PROJECT: 725 EMBARCADERO ROAD
ADDRESS: MORRO BAY, CALIFORNIA

LEASE SITE A.P.N.:
 LAND LEASE 82-85
 WATER LEASE 82W-85W 066-352-047

ZONING: WATERFRONT (WF)
 PLANNED DEVELOPMENT OVERLAY DISTRICT (PD)
 AREA 3: EMBARCADERO VISITOR AREA - PER WMP

LOT SIZE: 15,906 S.F.

SHEET INDEX

- 0 TITLE SHEET
- 1 DOCK SLIPS SITE PLAN
- 2 DOCK SLIPS PHOT SIMULATIONS AND DOCK SECTION
- 3 DINING DECK EXPANSION, EXTERIOR ELEVATIONS and BUILDING SECTION

SUPPORTING DOCUMENTS

1. EELGRASS STUDY PREPARED BY TENARA DATED APRIL 2, 2014
2. EXHIBIT 'A' REVISION TO LEASE SITE MAP SITE 19W

PARKING CREDITS and REQUIREMENTS

CURRENT PARKING CREDITS

Historical Parking Credits	87
Paid In-Lieu Parking Spaces	20
Total Parking Credits	107

EXISTING BUILDING PARKING CALCULATION

Building Use/Lease Space	Square Footage	Zoning Ordinance Space per s.f.	Required Parking
Arcade	638 s.f.	100 s.f. gross	6
Kelly's Kandies	780 s.f.	300 s.f. gross	3
Retail Shop	1605 s.f.	300 s.f. gross	5
Psychic	707 s.f.	300 s.f. gross	2
Lower Floor Restaurant & Bar	1135 s.f.	60 s.f. customer use area	19
Lower Outdoor Patio	563 s.f.	60 s.f. customer use area	5
Upper Floor Restaurant	1547 s.f.	60 s.f. customer use area	26
*Observation Deck/Outdoor Dining	1744 s.f.	60 s.f. customer use area / 2	18
Removed Street Parking	-	-	15
Total Parking Required for Building			99

*Note Outdoor Dining Area at Observation Deck to be removed. See Calculation below

OUTDOOR DINING AT OBSERVATION DECK REMOVAL

Outdoor Dining	829 s.f. (-125 sf)	60 s.f. customer use area / 2	-8.0
Total Parking For Deck Removal			-8

PROPOSED BOAT SLIP PARKING CALCULATION

Boat Slips	95 lineal feet	1 space per 35 lf	2.7
Total Parking Required for Proposed Boat Slips			3

PROPOSED UPPER DINING DECK EXPANSION PARKING CALCULATION

Outdoor Dining Area	487 s.f. (-125 sf)	60 s.f. customer use area / 2	4.0
Parking Required for Proposed Dining Deck Expansion			4

TOTAL PARKING REQ'D FOR (E) BUILDING, PROPOSED BOAT SLIPS & DINING DECK EXPANSION 98

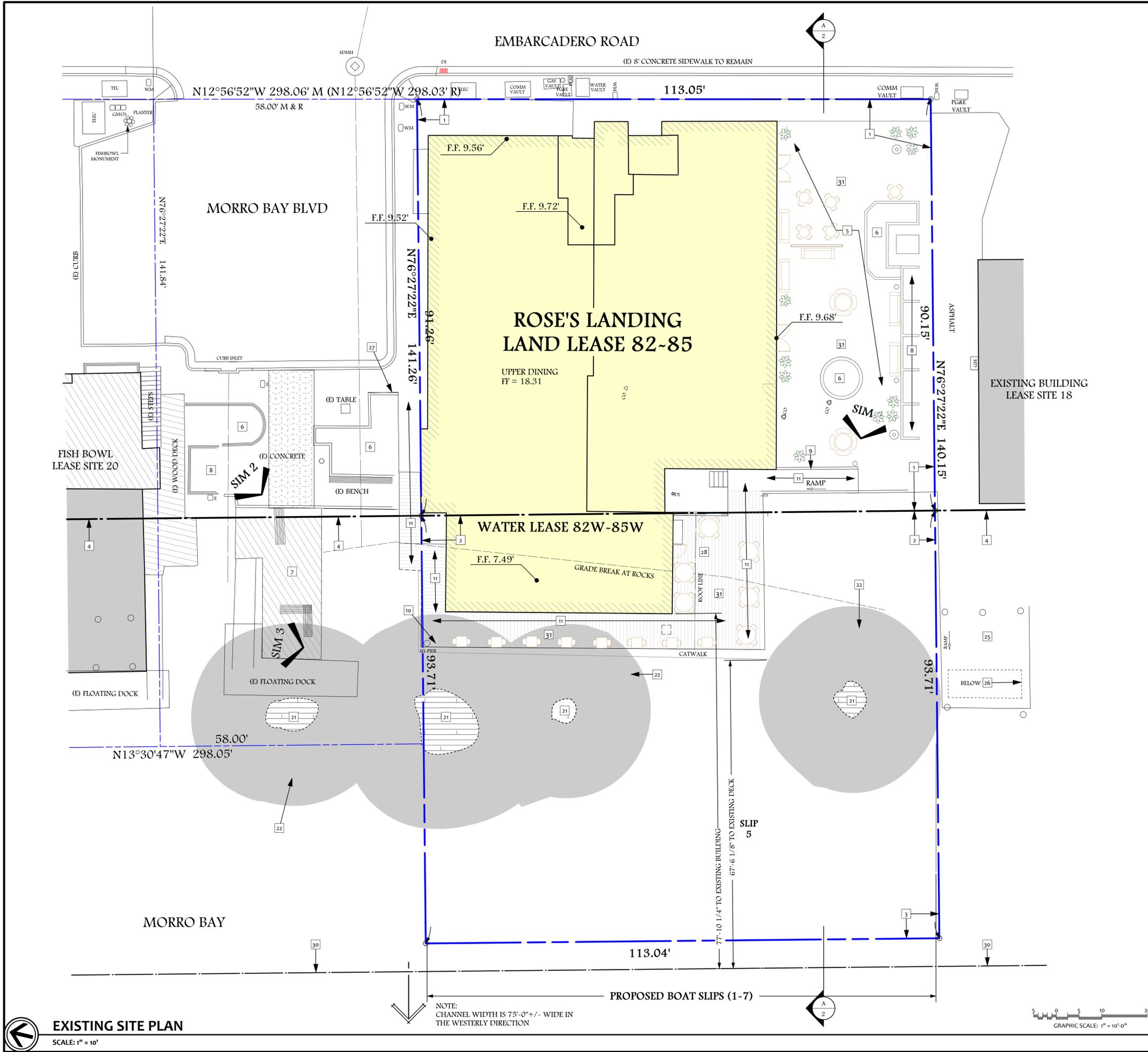
VICINITY MAP



All ideas, designs, arrangements and plans indicated or represented by the drawings are owned by, and the property of, Steven Puglisi, A.I.A. Architect, and were created and developed for use, and in conjunction with, the specific project described herein. None of these ideas, designs and arrangements or plans shall be used by, or disclosed to any person, firm, or corporation for any purpose without the written permission of Steven Puglisi, A.I.A. Architect. Filing these drawings with a public agency is not a publication of same, and no copying, reproduction or use thereof is permissible without the consent of Steven Puglisi, A.I.A. Architect.

DATE: 4 February 2016
 SCALE: As noted
 JOB: 11-017
 DRAWN: m. dammeyer
 REVISIONS: XXX

SHEET #
1.0



- BOAT SLIPS SITE PLAN REFERENCE NOTES**
- 1 (E) LAND LEASE LINE
 - 2 (E) WATER LEASE LINE
 - 3 (N) WATER LEASE LINE PER EXHIBIT 'A' LEASE SITE MAP FOR LEASE SITE 19W PREPARED BY MBS LAND SURVEYS SHORE CONTROL EASEMENT
 - 4 (E) PLAZA TO REMAIN
 - 5 (E) PLANTER TO REMAIN
 - 6 (E) WOOD PIER AND BENCHES TO REMAIN
 - 7 (E) TRASH ENCLOSURE TO REMAIN
 - 8 (N) COASTAL ACCESSWAY SIGN
 - 9 (E) 8'-0" COASTAL ACCESS TO REMAIN
 - 10 HATCH INDICATES THE WIDENING OF THE COASTAL ACCESS PATHWAY
 - 11 DASHED LINE INDICATES (N) 24" SQ. SKYLIGHT. TOTAL OF FOUR (4).
 - 12 (N) PILING AT MAIN DOCK. TOTAL OF SIX (6).
 - 13 (N) PILING AT DOCK FINGERS. TOTAL OF FOUR (4).
 - 14 (N) WOOD OR ALUMINUM DOCK w/ GATOR GRATING (WHERE POSSIBLE)
 - 15 (N) WOOD OR ALUMINUM DOCK
 - 16 (N) AUTOMATIC WET-CLASS III STANDPIPE SYSTEM HOSE CABINET. 31" X 6" X 48"H
 - 17 (N) 8" DIA. X 36" H PEDESTAL LIGHT. HATCH INDICATES APPROX. LIGHTING PATTERN.
 - 18 (N) DOCK CABINET w/ WATER, POWER & TELEPHONE. 48" X 28" X 31"H. TOTAL OF SIX (6).
 - 19 HATCH INDICATES EXISTING EELGRASS LOCATION PER EELGRASS SURVEY DATED APRIL 2, 2014. TYPICAL
 - 20 SHADED AREA INDICATES THE 5 METER SURROUNDING AREA OF THE EELGRASS HABITAT AREA
 - 21 145 S.F. 5M HABITAT AREA INTRUSION
 - 22 374 S.F. 5M HABITAT AREA INTRUSION
 - 23 (E) OBSERVATION DECK TO REMAIN
 - 24 (E) FLOATING DOCK TO REMAIN
 - 25 (N) COASTAL ACCESS SIGN TO INDICATE THROUGH ACCESS. (E) PUBLIC ACCESS AND DINING DECK TO BE REMOVED
 - 26 (E) RESTAURANT DINING PATIO TO REMAIN
 - 27 (N) ALUMINUM GANGWAY
 - 28 LIMIT OF CHANNEL
 - 29 EXISTING SITE FURNITURE LAYOUT (AS OF 12/30/15)

- BOAT SLIP NOTES:**
1. ALL FINGERS ARE 5' WIDE, EXCEPT AS NOTED
 2. 11 PILES PROPOSED
 3. SLIP 1 FOR PUBLIC USE AND CONTROLLED BY MORRO BAY HARBOR DEPT.
 4. SLIPS 2 THRU 7 FOR PRIVATE USE

FIRE PROTECTION FOR WHARVES AND DOCKS
 FIREFIGHTING APPLIANCES AND EQUIPMENT SHALL BE PROVIDED AND MAINTAINED IN AN OPERABLE MANNER FOR ALL COMMERCIALY OPERATED MARINAS AND DOCK FACILITIES, AS SPECIFIED BY ORDINANCES OF THE CITY, AND ALL INSTALLATIONS SHALL BE SUBJECT TO THE APPROVAL OF THE CHIEF OF THE FIRE DEPARTMENT. (MBMC SECTIONS 14.08.090 (K) AND 14.52.060)

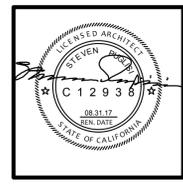
FIRE PROTECTION EQUIPMENT-STANDPIPES. MARINAS AND BOATYARDS SHALL BE EQUIPPED THROUGHOUT WITH STANDPIPE SYSTEMS, IN ACCORDANCE WITH NFPA 303. SYSTEMS SHALL BE PROVIDED WITH HOSE CONNECTIONS LOCATED SUCH THAT NO POINT ON THE MARINA PIER OR FLOAT SYSTEM EXCEEDS 150 FEET FROM A STANDPIPE HOSE CONNECTION. (CFC 4504.2)

APPLICANT MUST SUBMIT PLANS FOR THE STANDPIPE SYSTEM AND HOSE CABINET, IN ACCORDANCE WITH NFPA 13, PER THE SUBMITTAL REQUIREMENTS FOR BUILDING PERMIT ISSUANCE

FIRE SAFETY DURING CONSTRUCTION AND DEMOLITION
 MINIMUM SAFEGUARDS FOR CONSTRUCTION, ALTERATION AND DEMOLITION SHALL BE PROVIDED FOR REASONABLE SAFETY TO LIFE AND PROPERTY FROM FIRE DURING SUCH OPERATIONS PER CFC CHAPTER 14. COMPLIANCE WITH NFPA 241 IS REQUIRED FOR ALL ITEMS NOT SPECIFICALLY ADDRESSED HEREIN.



Steven Puglisi ARCHITECTS, INC.
 569 Higuera Street Ste. A
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 805.595.1962
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 for Doug Redican
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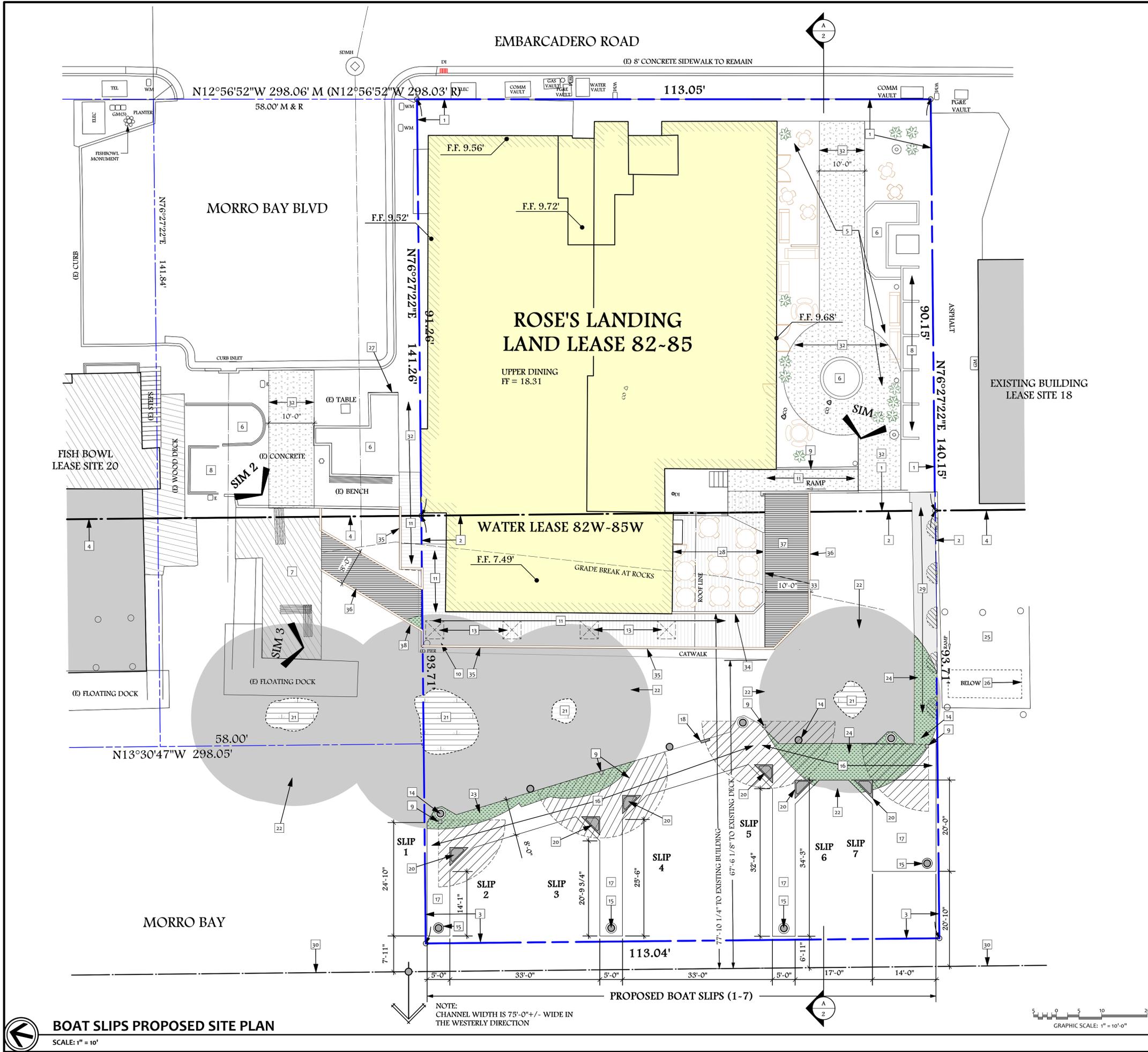
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DATE: 4 February 2016
 SCALE: As noted
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 DRAWN: m. dammeyer
 REVISIONS: XXX

SHEET #
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NOTE: CHANNEL WIDTH IS 75'-0" +/- WIDE IN THE WESTERLY DIRECTION

GRAPHIC SCALE: 1" = 10'-0"



- BOAT SLIPS SITE PLAN REFERENCE NOTES**
- 1 (E) LAND LEASE LINE
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 - 24 (E) OBSERVATION DECK TO REMAIN
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 - 26 (N) COASTAL ACCESS SIGN TO INDICATE THROUGH ACCESS. (E) PUBLIC ACCESS AND DINING DECK TO BE REMOVED
 - 27 (E) RESTAURANT DINING PATIO TO REMAIN
 - 28 (N) ALUMINUM GANGWAY
 - 29 LIMIT OF CHANNEL
 - 30 EXISTING SITE FURNITURE LAYOUT (AS OF 12/30/15)
 - 31 STAINED CONCRETE PATH INDICATING COASTAL ACCESS
 - 32 (E) GLASS AND WOOD WALL TO REMAIN
 - 33 (N) GLASS AND WOOD WALL ALONG (E) RESTAURANT PATIO
 - 34 (N) 42" TALL METAL RAILING TO REPLACE (E) WOOD AND GLASS WALL
 - 35 (N) 42" TALL METAL RAILING ALONG (N) COASTAL ACCESS
 - 36 (N) COASTAL ACCESS WALKWAY. REFER TO PLAN FOR WIDTHS
 - 37 5 S.F. 5M HABITAT AREA INTRUSION

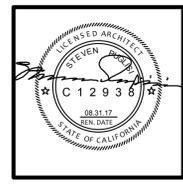
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- FIRE PROTECTION FOR WHARVES AND DOCKS**
- FIREFIGHTING APPLIANCES AND EQUIPMENT SHALL BE PROVIDED AND MAINTAINED IN AN OPERABLE MANNER FOR ALL COMMERCIALY OPERATED MARINAS AND DOCK FACILITIES, AS SPECIFIED BY ORDINANCES OF THE CITY, AND ALL INSTALLATIONS SHALL BE SUBJECT TO THE APPROVAL OF THE CHIEF OF THE FIRE DEPARTMENT. (MBMC SECTIONS 14.08.090 (K) AND 14.52.060)
- FIRE PROTECTION EQUIPMENT-STANDPIPES. MARINAS AND BOATYARDS SHALL BE EQUIPPED THROUGHOUT WITH STANDPIPE SYSTEMS, IN ACCORDANCE WITH NFPA 303. SYSTEMS SHALL BE PROVIDED WITH HOSE CONNECTIONS LOCATED SUCH THAT NO POINT ON THE MARINA PIER OR FLOAT SYSTEM EXCEEDS 150 FEET FROM A STANDPIPE HOSE CONNECTION. (CFC 4504.2)
- APPLICANT MUST SUBMIT PLANS FOR THE STANDPIPE SYSTEM AND HOSE CABINET, IN ACCORDANCE WITH NFPA 13, PER THE SUBMITTAL REQUIREMENTS FOR BUILDING PERMIT ISSUANCE

FIRE SAFETY DURING CONSTRUCTION AND DEMOLITION

MINIMUM SAFEGUARDS FOR CONSTRUCTION, ALTERATION AND DEMOLITION SHALL BE PROVIDED FOR REASONABLE SAFETY TO LIFE AND PROPERTY FROM FIRE DURING SUCH OPERATIONS PER CFC CHAPTER 14. COMPLIANCE WITH NFPA 241 IS REQUIRED FOR ALL ITEMS NOT SPECIFICALLY ADDRESSED HEREIN.



Steven Puglisi ARCHITECTS, INC.
 569 Higuera Street Ste. A
 San Luis Obispo
 Ca. 93401
 805.595.1962
 805.595.1980 Fax.



Rose's Landing Boat Slips & Dining Deck Expansion
 for Doug Redican
 at 725 Embarcadero Road, Morro Bay, CA

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DATE: 4 February 2016
 SCALE: As noted
 JOB: 11-017
 DRAWN: m. dammeyer
 REVISIONS: XXX

SHEET #
2.1

BOAT SLIPS PROPOSED SITE PLAN
 SCALE: 1" = 10'

NOTE: CHANNEL WIDTH IS 75'-0" +/- WIDE IN THE WESTERLY DIRECTION

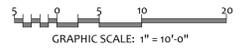




PHOTO SIMULATION 1



PHOTO SIMULATION 2



PHOTO SIMULATION 3



DOCK BOX



STANDPIPE HOSE CABINET



PHOTO SIMULATION 4



PHOTO SIMULATION 5
Outdoor Dining Deck Expansion

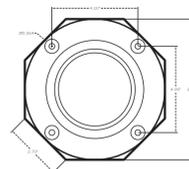
Mariner Lighting Bollard
Product Focus



The Mariner lighting bollard is available from 18 to 36 inches tall and can be used in various applications from marina docks, to landscaped areas, golf courses, and beyond. The Mariner is designed to withstand the harsh marine environments from Alaska to the tropics.

Product Specifications	Dimensions		
	HEAD ASSEMBLY HEIGHT	IN.	MM
• Can Be Configured with a T-9, or 13 Watt Compact Fluorescent Light or LED Lighting	7 Watt	7.0	177.8
• Mounting Base and Painted Pole Supplied for Desired Height	9 Watt/13 Watt	8.0	203.2
• Custom Colors Available	LED	9.0	228.6
• 18, 24 or 36 Inch Total Height	MOUNTING BASE AND POLE		
	18" - 36"		

Base Diagram

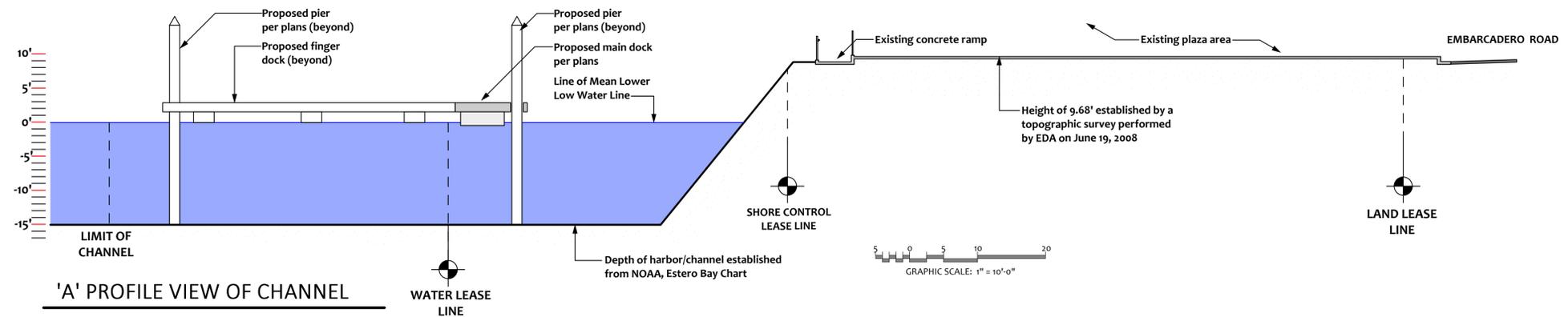


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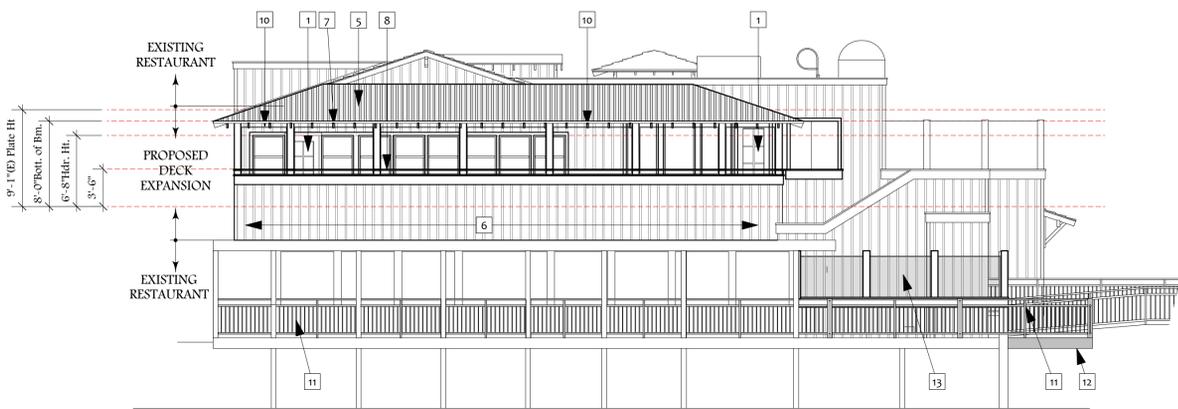


**Rose's Landing
Boat Slips & Dining Deck Expansion**
for Doug Redican
at 725 Embarcadero Road, Morro Bay, CA

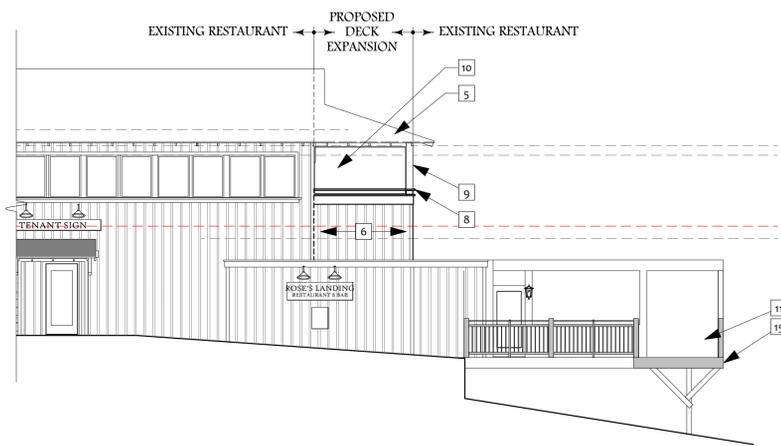
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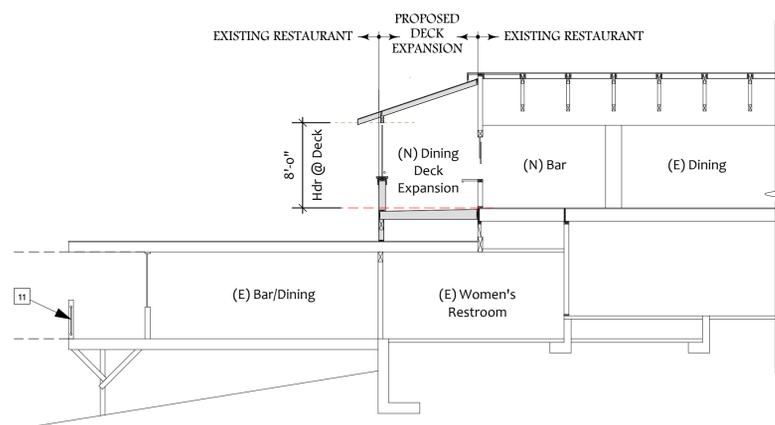
SHEET #
2.2



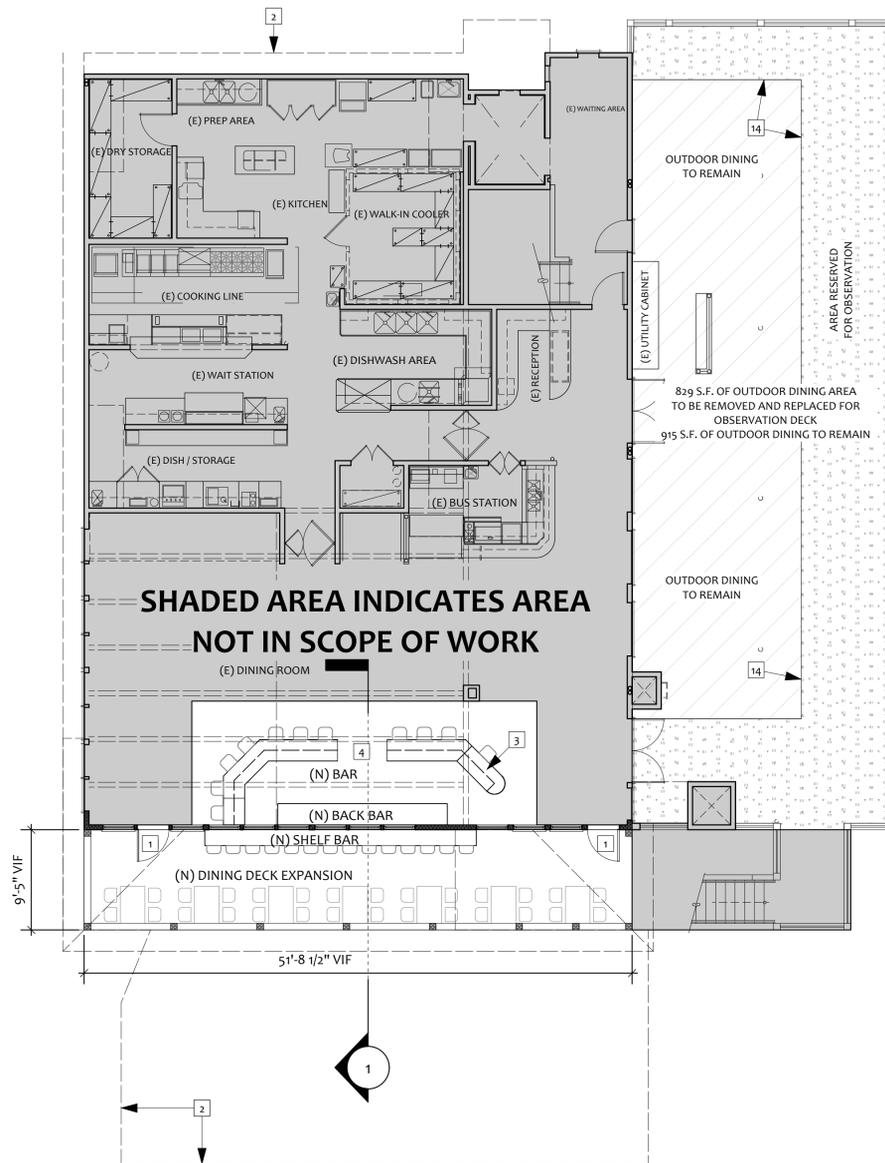
WEST / REAR ELEVATION



PARTIAL NORTH / RIGHT ELEVATION



SECTION



UPPER FLOOR PLAN

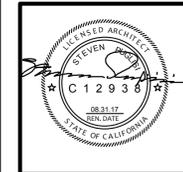
SCALE: 1/8" = 1' - 0"

RESTAURANT FLOOR PLAN, EXTERIOR ELEVATIONS AND SECTION REFERENCE NOTES

- 1 New door to replace existing window
- 2 Dashed line indicates lower floor
- 3 Accessible Counter
- 4 Server Access
- 5 New Built-up roof to match existing
- 6 New siding and paint color to match existing
- 7 Exposed beam and 2x roof rafters. Paint to match existing.
- 8 2x guardrail. Paint to match existing.
- 9 Exposed 8x post. Paint to match existing.
- 10 Glass Wind Break Wall.
- 11 (N) METAL GUARDRAIL AT COASTAL ACCESS
- 12 (N) 8'-0" DECK EXTENSION COASTAL ACCESS
- 13 (N) GLASS WIND BREAK WALL AT (E) PATIO DINING
- 14 (N) LINE OF RAIL OR ROPE TO DELINEATE OBSERVATION VIEWING AREA FROM DINING AREA SERVED BY EXISTING RESTAURANT
- 15 (N) COASTAL LATERAL ACCESS RAMP



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DATE: 4 February 2016
SCALE: As noted
JOB: 11-017
DRAWN: m. dammeyer
REVISIONS: XXX

SHEET #
3.0



AGENDA NO: C-1

MEETING DATE: February 23, 2016

Staff Report

TO: Honorable Mayor and City Council

DATE: February 16, 2016

FROM: Sam Taylor, Deputy City Manager

SUBJECT: Recreation Programs Update

RECOMMENDATION

Staff recommends the Council review information provided by staff and provide comment.

ALTERNATIVES

None

FISCAL IMPACT

None

BACKGROUND & DISCUSSION

The City has undergone numerous changes over the last several years, partly to seek improved efficiency and also provide for new, innovative ways to deliver services to the community.

As part of the City's reorganization of the Recreation & Parks Department into the Recreation Services Division (with parks and facility maintenance now being undertaken by the Public Works Department), the City Manager delegated responsibility for this Division to the Deputy City Manager.

The Division has focused its efforts on several major changes over the last six months, and looks forward to additional opportunities to enhance this crucial part of our residents' quality of life in the future. Those major efforts include:

Marketing Enhancement

- The City has ramped up its use of social media in all facets, particularly with Recreation programming. The City's Facebook page has climbed in "likes" from 500 in June 2015 to nearly 3,600 today. This has amplified our ability to better market our programming to the

Prepared by: ST

City Manager Review: DWB

City Attorney Review: _____

community.

- Recreation Services uses a software program known as Active to manage its programs and facility rentals. Part of that system includes an email newsletter function that has not necessarily been used to its fullest extent in the past. We are now beginning to take more advantage of this (while being mindful not to inundate our participants who have provided email addresses with too much) in order to ensure more community members are aware of programs.
- Recreation Services will utilize the citywide newsletter, which comes out monthly with utility bills, in order to spread the word on programming.
- As part of the City Council's FY 16-17 Goals & Objectives, a recreational programming guide was added as an objective. This was a past endeavor lost due to a lack of funding that we are looking forward to taking advantage of once again.
- City staff traveled to Walnut Creek for a major running race in that area to advertise the Rock to Pier Run. The Rock to Pier is one of the few revenue-generating events the Division puts itself, having netted \$9,116 in 2015 – or a cost recovery of 123% per our adopted cost recovery pyramid. This was a wonderful opportunity to also cross promote Morro Bay in general as we brought Morro Bay Visitor Guides to the event as well.

Marketing the programming our community can partake in is a crucial aspect of the services we provide. Recreation Services is about promoting quality of life and community health. We need to ensure that residents – and even visitors – are aware of these offerings.

Program Cost Reductions

For the 2015-2016 youth basketball season, the City worked hard to encourage local businesses to sponsor T-shirts for participants. For just \$90 an entire team's shirts could be purchased and the business would receive their logo on the shirt. Recreation Services also created a banner showcasing all sponsors that was placed at the gym during games. This amounted to a savings about 10 percent for each child who played this year.

We also worked to purchase basketballs in bulk that we loaned out to children rather than having them buy a ball themselves. This, again, reduced the cost of participation.

The City has done similar ball-lending with soccer to help reduce costs, too. This allows the City to spread the cost of balls out over numerous years, keeping prices lower.

We will continue to be thoughtful and seek innovative ways to reduce costs for participants of our programs.

Partnerships

The City constantly seeks ways to increase programming and find partnerships to make that happen. Sometimes, we are able to find a local instruction that can provide a class directly for the City. In other cases, programs are enhanced with outside businesses or programs.

Such a partnership is occurring for Junior Lifeguards in 2016 as we partner with a local paddleboard company to provide equipment and expand the diversity of the guards program.

The City has also had an initial discussion with the San Luis Obispo County YMCA for potential partnerships in the future. We look forward to seeing where the City and YMCA can work together to enhance our program offerings for the community in the long-term.

The City also hopes to better ensure recreational opportunities communitywide are known by residents and visitors. The pending recreation guide should allow us the chance to sell advertisements to private recreation businesses to be included in the guide. This will help us both pay for the guide but also ensure that community members know the entire breadth of recreational opportunities throughout Morro Bay.

Staffing Modifications

As part of the overall reorganization of the Recreation Services Division, the Deputy City Manager has made some changes to staffing in order to enhance customer service.

Following the departure of the Division's full-time Administrative Assistant, the decision was made to convert that to a part-time position to allow for some of the budget to go toward having park reservation and facility permit work to be undertaken by another employee. This change has been absolutely essential as the City has seen a large uptick in facility rentals this year. For comparison, facility rentals alone brought in about \$10,000 in fees in the first half of FY 2014-2015, and has nearly doubled that figure to about \$17,000 this fiscal year. We have been busy.

The new part-time Administrative Assistant helps with front desk coverage, and we adjusted the receptionist's hours so that we have full-time desk coverage with these two employees. The goal is to ensure the community has a friendly face to see when they come in and the phone is routinely answered. While phone directories can be functional, we find that a lot of residents would prefer to speak to a human and have worked to accommodate this as much as possible.

CONCLUSION

The Recreation Services Division continues to seek creative, innovative ways to enhance customer service and ensure residents receive the type of recreational programming they both expect and deserve. Recreation programming is often looked at as the easiest thing to do away with in tight times. It's clear, however, that the Morro Bay community greatly supports the work of this Division. We will continue to create community through people, parks, and programs.



AGENDA NO: C-2

MEETING DATE: February 23, 2016

Staff Report

TO: Honorable Mayor and City Council

DATE: February 16, 2016

FROM: Sam Taylor, Deputy City Manager

SUBJECT: Consideration of Conversion of the Del Mar Park Hockey Rink into Permanent Pickleball Courts

RECOMMENDATION

Staff recommends the City Council consider whether to permanently convert the Del Mar Park Hockey Rink ("Rink") into pickleball courts and direct staff accordingly.

ALTERNATIVES

City Council members can recommend leaving the Rink as is, or recommend additional options.

FISCAL IMPACT

A budgetary estimate for the project is \$37,800, including sales tax and a 10% project contingency. The Morro Bay Pickleball Club ("Club") initially committed to securing \$20,000 of that funding. Morro Bay Senior Citizens, Inc. ("Seniors") has also pledged an additional \$10,000, for a total of \$30,000 provided by those partner organizations.

BACKGROUND

As part of the City's major Local Economic Action Plan process, pickleball was identified as a potential economic improvement project, as well as a major boost to recreational opportunities for the local senior population.

More than half of the City's population is aged 55 years and older. That population is seeking additional outdoor recreational opportunities above and beyond low-impact options such as walking paths, classes, or even fixed exercise stations (another project being investigated by staff).

The Seniors currently manage a pickleball program for the City's Recreation Services Division. That program operates Monday through Friday at the Rink.

Based on historical documents staff has found, the Rink, which finished construction in December 1995, was initially popular with local roller hockey groups; leagues were created and given time on the rink.

Prepared By: ST Dept Review: _____
City Manager Review: DWB
City Attorney Review: JWP

However, it appears, over time, the children participating in those organizations have grown up and no longer participate at the same level. Roller hockey leagues are no longer part of the City's directly provided recreational opportunities and no group has a current permit (nor have they for any recent years we can find) for a reservation of the rink.

The local pickleball group has increased substantially over the last few years, with about 150 members actively participating. There is a large opportunity to continue to grow the sport in Morro Bay considering the overall population, specifically of those over the age of 55. To that end, the group has been passionate in its advocacy of permanent pickleball courts.

There is an opportunity to retrofit the Rink into a permanent pickleball facility. That would involve renovating the surface into appropriate courts, including with certified pickleball court paint and permanent posts and nets, along with windscreens and new fencing around the court. The Club has requested the hockey rink boards be removed, along with the existing fencing, and to have it replaced with new fencing. That is largely due to experience in other communities where rinks were retrofitted, but the boards gave the appearance it was still a rink and skaters caused damage by still trying to skate on a surface not appropriate for that use and damaging the permanent netting.

This staff report outlines the opportunity to convert the Rink into a set of four permanent pickleball courts and provides information examining the pros and cons of such a conversion.

The Recreation & Parks Commission ("Commission") voted 4-2 in favor of conversion of the Rink into permanent courts, and also requested staff work toward fundraising to pay for the master plan of the Teen Center, which would provide for a renovation to the rear of the facility, including a new skate park, basketball court, as well as a flat surface that could service as rink space (though not a full rink). The Commission requested staff continue to investigate all potential options for a rink elsewhere in the community.

DISCUSSION

City Council Members approved the overall Local Economic Action Plan initiatives at their March 24, 2015, meeting. LEAP Program Initiative #4 called for the following:

"Promote environmental assets of the area for residents and visitors to enjoy and to expand business and tourism results."

Key Step #2 of this initiative called for expanding "community inventory of recreational activities to promote tourism" and specifically identified pickleball development as a community resource to improvement community health and attract tourists.

To that end, staff, pickleball enthusiasts and a City Council Liaison worked directly on reviewing those potential opportunities. To be frank, not much occurred for some time specifically related to the potential to create permanent courts. That largely occurred due to the lack of available funding for a new facility and viable places where the courts could be placed.

That lack of funding still exists today. It is likely a brand new, non-retrofitted facility would cost several hundred thousand dollars. The City simply has nowhere close to that much funding, nor does it have available adequate matching funds to seek State grant assistance to make such a project happen.

Finding a viable place for new courts has also been a challenge for some time, with options investigated both at San Luis Obispo Coastal Unified School District space (they have declined interest in such a project at Morro Bay Elementary School, whether it be a retrofit of blacktop space or adding courts to the fields near the Community Center), as well as Coleman Park (the Club has indicated that area is too windy to work well).

The Club is very active – with 158 active players on their email list based on a year-end report reflect October 1, 2014, to September 30, 2015. That is likely one of the largest coordinated groups of recreational enthusiasts the community has at this time. It seems appropriate for the Recreation Services Division to seek the fullest opportunity to encourage even more participation for one of the most popular local adult sports in our community (as well as visitors from other local cities and areas).

The Club currently places temporary nets on the Rink to play, and also utilizes the basketball courts – a total of six courts – each weekday with hours either 10 a.m. to noon or noon to 2 p.m., depending on the day.

The Rink has unfortunately deteriorated over time, with cracks in the pavement and the Rink’s sideboards rotting in several places. That facility is in need of significant maintenance efforts. The current need is likely due to unavailability of adequate funding, a challenge for any community after the initial capital project is completed.

The Rink serves as the best immediate opportunity for permanent pickleball courts in the community, which could encourage increased participation as well as the opportunity for more visitor-serving events, such as tournaments or showcases of the sport.

The ballpark cost of the renovation, based on initial written quotes is outlined below. It should be made clear those are basic quotes for the cost of the project, and could change after official bids are sought and the project becomes managed by Public Works. The project could also change in scope to include additional amenities based on requests from the Seniors and any additional funding commitment the organization is willing to make:

Repair & resurfacing:	\$15,000
Permanent posts & nets (including installation):	\$2,000
Windscreen	\$4,400
Removal of old fence/wooden boards & installation of new fence	<u>\$10,418</u>
Total – rounded (before taxes):	\$31,818
Total – rounded (w/ tax & 10% contingency)	\$37,800

Funding for this project is available from two primary sources. Initially, Seniors pledged \$10,000 plus

indicated the intent to fundraise an additional \$10,000 by January 30, 2016. That figure has since been modified, as the Seniors pledged \$10,000 and the Club has raised an additional \$20,000. They have also indicated a willingness to provide additional funding for various court amenities, should that be necessary. The remaining \$17,800 is available in City park impact fees.

The Club and Seniors have raised the question as to whether their \$30,000 should all go toward the project or if some funding should be set aside for maintenance of the facility – and have the City’s contribution go toward the construction project. That appears to be an appropriate coordination of funds, as the City’s revenue source is for growth-related projects and not necessarily maintenance. If the project comes under budget (and hopefully not have to tap the contingency, either), then staff believes it would be appropriate to set aside remaining funding from the Seniors and Club in a separate City fund for both maintenance or potentially future court construction projects that may be done.

Losing Multi-Use

It is clear the Club is very large and the most active user group of the Rink at this time. What is not as clear is how many others use the Rink throughout the year. To help collect information about the users of the Rink, staff placed a sign at the Rink announcing the potential change of use and encouraging input to staff prior to the Commission’s consideration of the issue.

Overall, staff received very little feedback from this explicit signage. However, local roller derby enthusiasts were also made aware of the potential change and have provided feedback. The roller derby group, while much smaller than the pickleball group, has indicated it is an active user of the Rink during the summer months in the evenings. The group is a countywide organization, and it appears most of the members are not residents. While that is not necessarily a negative, as it is a goal of the City to bring in more visitors for recreational activities, staff did not disclose that fact to the Commission at its meeting and that caused some confusion. The City doesn’t have specific information on the activity of the group because it has never reserved the Rink (likely unnecessary in the summer evenings because the Rink does not appear to be used by many groups or even individuals) through the Recreation Services Divisions’ facility reservation system. It did begin the process, but it does not appear they ever finalized a specific time for reservation. During the November 19, 2015, Commission meeting, the group indicated they did not finalize a reservation of the space due to funding, whereby they work to fundraise for local County charities and Morro Bay was the one place where they could come practice for free and save money for that charitable work.

Leaders of the organization have stated losing this Rink would be a major blow to their sport in the area.

They have indicated there are only two such rinks in the County for use. The group has said they would practice during the winter months too, but it’s very dark and there is no lighting on the Rink. During the Commission meeting, staff provided historical background the City made a previous decision not to light the Rink, due to it being in a neighborhood park very close to residential properties.

We also know there may be pick-up games of roller hockey, futsal or other activities on the Rink. Staff does not know how much use occurs because those activities are not generally permitted. It appears the Rink is not used enough for people to seek a reservation for using it. That isn’t unique – the same goes for many of the City’s facilities, including tennis courts, basketball courts, etc. – it’s rare they are

directly reserved – but it does impact statistical analysis of use.

Staff recognizes the impact of losing a multi-use facility. The Council should have a healthy community conversation about that fact – removing a facility from multi-use to a single-use will reduce opportunity for other, smaller groups and individuals who may be utilizing the facility.

That is the most difficult part of the conversation. At the same time, it is appropriate to consider whether maximizing use of the facility could be appropriate. Right now, the Club is somewhat limited in that the City has not allowed it to have more extended hours of usage because it is a multi-use facility. The Club would very much support longer hours of use, which would encourage even more people to utilize this facility, including those who would like a structured program time after work hours. Such an expansion could also further increase membership in this City program managed on our behalf by the Seniors.

And that is staff's biggest interest in the potential retrofit of this facility: Maximizing a community facility's use is a huge opportunity.

Were the courts to be made permanent, staff would also like to review the potential for monetizing pickleball at the facility in some minor way – and very specifically to ensure the facility is maintained, well into the future. As noted above, the Rink has become somewhat dilapidated due to a lack of specific funding for its maintenance. Based on the existing Club membership, it is not outrageous to project potential revenue of \$3,000 to \$6,000 annually to help maintain the facility. That would be just \$5 per month for a membership to participate in the Club's scheduled activities (to reiterate, the Seniors runs that club on the City's behalf at scheduled times). It could also provide for additional revenue to build additional courts in the future (not necessarily at this specific site), depending on how popular the sport becomes.

To reiterate, staff has reviewed other locations across the City that could also potentially be retrofitted. Those have included the Coleman Park basketball court and seeking a partnership with the San Luis Coastal Unified School District for use of space at Morro Elementary. In the case of Coleman, pickleball players have expressed concerns with the higher winds in the area. The School District has generally declined the use of space at the school for any permanent facility. The Rink is currently the best space and opportunity for permanent courts both in terms of timing to project completion as well as cost.

While that would remove a multi-use facility from community use, it also could maximize a space that is not necessarily used as much as it could be.

CONCLUSION

Staff recommends the City Council consider whether to permanently convert the Del Mar Park Hockey Rink into pickleball courts and direct staff accordingly.

Since 2011, HERO has helped more than 50,000 property owners make more than \$1.02 Billion in improvements to their homes, which reduce energy and water consumption, saving homeowners over \$1.9 Billion in estimated future utility costs and more than 1.9 billion gallons of water. Adopted in 360 California communities, more than 8,600 local jobs have been created as a result of HERO.

Because of its success, HERO was developed as a turnkey program to save other California jurisdictions time and resources in developing a standalone program. Jurisdictions only need to adopt the form of resolution accompanying this staff report and approve an amendment to the joint exercise of powers agreement related to the California HERO Program attached to such resolution to begin the process.

DISCUSSION

The California HERO Program will allow property owners in Morro Bay to finance renewable energy, energy water efficiency improvements and electric vehicle charging infrastructure on their property. If a property owner chooses to participate, then the improvements to be installed on the owner's property will be financed by the issuance of bonds by a joint power authority, Western Riverside Council of Governments ("WRCOG"), secured by a voluntary contractual assessment levied on such owner's property. Participation in the program is 100% voluntary. Property owners who wish to participate in the program agree to repay the money through the voluntary contractual assessment collected together with their property taxes.

The benefits to the property owner include:

- **Eligibility:** In today's economic environment, alternatives for property owners to finance renewable energy/energy efficiency/water efficiency improvements or electric vehicle charging infrastructure may not be available. As such, many property owners do not have options available to them to lower their utility bills.
- **Savings:** Energy prices continue to rise and selecting an energy efficient, water efficient and renewable energy models lower utility bills.
- **100% voluntary:** Property owners can choose to participate in the program at their discretion.
- **Payment obligation stays with the property:** Under Chapter 29, a voluntary contractual assessment stays with the property upon transfer of ownership. Even if there were private enterprise alternatives, most private loans are due on sale of the benefited property, which makes it difficult for property owners to match the life of the repayment obligation with the useful life of the financed improvements. However, some mortgage providers may require the assessment be paid off at the time the property is refinanced or sold.
- **Prepayment option:** The property owner can choose to pay off the assessments at any time, without incurring prepayment penalties.
- **Customer oriented program:** Part of the success of the program is the prompt customer service.

The benefits to Morro Bay can include:

- Increase in local jobs.
- An increase in housing prices that results in an increase of property tax revenue.

- A potential increase in sales payroll.
- As in conventional assessment financing, the City is not obligated to repay the bonds or to pay the assessments levied on the participating properties.
- All California HERO Program and assessment administration, bond issuance and bond administration functions are handled by California HERO. Little, if any, City staff time is needed to participate in the California HERO Program.
- The City can provide access for its residents to the California HERO Program without the higher staff costs that an independent program established by the City would require.

The proposed Resolution enables the California HERO Program to be available to owners of property within the City to finance renewable energy, energy efficiency and water efficiency improvements and electric vehicle charging infrastructure. The Resolution approves an amendment to the WRCOG Joint Powers Agreement to add the City of Morro Bay as an Associate Member in order for HERO to be offered to property owners within Morro Bay who may wish to participate.

CONCLUSION

By adopting Resolution No. 12-16, the City Council is authorizing the City's participation in the California HERO Program, which will enable property owners to finance permanently fixed renewable energy, energy and water efficiency improvements, and electric vehicle charging infrastructure on their properties.

RESOLUTION NO. 12-16

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S JURISDICTION
IN THE CALIFORNIA HERO PROGRAM TO FINANCE DISTRIBUTED GENERATION
RENEWABLE ENERGY SOURCES, ENERGY AND WATER EFFICIENCY IMPROVEMENTS,
AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND APPROVING THE
AMENDMENT TO A CERTAIN JOINT POWERS AGREEMENT RELATED THERETO**

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

WHEREAS, the Western Riverside Council of Governments (“Authority”) is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the “Act”) and the Joint Power Agreement entered into on April 1, 1991, as amended from time to time (the “Authority JPA”); and

WHEREAS, Authority has established the California HERO Program to provide for the financing of renewable energy distributed generation sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the “Improvements”) pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code (“Chapter 29”) within counties and cities throughout the State of California that elect to participate in such program; and

WHEREAS, the City of Morro Bay (the “City”) is committed to development of renewable energy sources and energy efficiency improvements, reduction of greenhouse gases, protection of our environment, and reversal of climate change; and

WHEREAS, in Chapter 29, the Legislature has authorized cities and counties to assist property owners in financing the cost of installing Improvements through a voluntary contractual assessment program; and

WHEREAS, installation of the Improvements by property owners within the jurisdictional boundaries of the City would promote the purposes cited above; and

WHEREAS, the City wishes to provide innovative solutions to its property owners to achieve energy and water efficiency and independence, and in doing so cooperate with Authority in order to efficiently and economically assist property owners the City in financing such Improvements; and

WHEREAS, Authority has established the California HERO Program, which is such a voluntary contractual assessment program, as permitted by the Act, the Authority JPA, originally made and entered into April 1, 1991, as amended to date, and the Amendment to Joint Powers Agreement Adding the City of Morro Bay as an Associate Member of the Western Riverside Council of Governments to Permit the Provision of Property Assessed Clean Energy (PACE) Program Services within the City (the “JPA Amendment”), by and between Authority and the City, a copy of which is attached as Exhibit “A” hereto, to assist property owners within the jurisdiction of the City in financing the cost of installing Improvements; and

WHEREAS, the City will not be responsible for the conduct of any assessment proceedings; the levy and collection of assessments or any required remedial action in the case of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the California HERO Program.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. This City Council of Morro Bay (“City Council”) finds and declares properties in the City’s incorporated area will be benefited by the availability of the California HERO Program to finance the installation of the Improvements.
2. The City Council consents to inclusion in the California HERO Program of all of the properties in the jurisdictional boundaries of the City and to the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to such program and to the assumption of jurisdiction thereover by Authority for the purposes thereof.
3. The consent of the City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the California HERO Program and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance and enforcement of bonds to represent such contractual assessments.
4. The City Council hereby approves the JPA Amendment and authorizes the execution thereof by the City Manager.
5. The City staff is authorized and directed to coordinate with Authority staff to facilitate operation of the California HERO Program within the City, and report back periodically to the City Council on the success of such program.
6. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority Executive Committee.

AYES:
NOES:
ABSENT:

JAMIE L. IRONS, Mayor

ATTEST:

DANA SWANSON, City Clerk

EXHIBIT A
AMENDMENT TO THE JOINT POWERS AGREEMENT
ADDING CITY OF MORRO BAY, CALIFORNIA AS
AN ASSOCIATE MEMBER OF THE
WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
TO PERMIT THE PROVISION OF PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM
SERVICES WITHIN SUCH CITY

This Amendment to the Joint Powers Agreement (“this JPA Amendment”) is made and entered into on the 23rd day of February, 2016, by City of Morro Bay (“City”) and the Western Riverside Council of Governments (“Authority”) (collectively the “Parties”).

RECITALS

WHEREAS, Authority is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the “Joint Exercise of Powers Act”) and the Joint Power Agreement entered into on April 1, 1991, as amended from time to time (the “Authority JPA”); and

WHEREAS, as of October 1, 2012, Authority had 18 member entities (the “Regular Members”).

WHEREAS, Chapter 29 of the Improvement Act of 1911, being Division 7 of the California Streets and Highways Code (“Chapter 29”) authorizes cities, counties, and cities and counties to establish voluntary contractual assessment programs, commonly referred to as a Property Assessed Clean Energy (“PACE”) program, to fund certain renewable energy sources, energy and water efficiency improvements, and electric vehicle charging infrastructure (the “Improvements”) that are permanently fixed to residential, commercial, industrial, agricultural or other real property; and

WHEREAS, Authority has established a PACE program designated as the “California HERO Program” pursuant to Chapter 29 which authorizes the implementation of such PACE financing program for cities and counties throughout the state; and

WHEREAS, City desires to allow owners of property within its jurisdiction to participate in the California HERO Program and to allow Authority under Chapter 29, as it is now enacted or may be amended hereafter, to finance Improvements to be installed on such properties; and

WHEREAS, this JPA Amendment will permit City to become an Associate Member of Authority and to participate in California HERO Program for the purpose of facilitating the implementation of such program within the jurisdiction of City; and

WHEREAS, pursuant to the Joint Exercise of Powers Act, the Parties are approving this JPA Amendment to allow for the provision of PACE services through the California HERO Program, including the operation of such PACE financing program, within the incorporated territory of City; and

WHEREAS, this JPA Amendment sets forth the rights, obligations and duties of City and Authority with respect to the implementation of the California HERO Program within the incorporated territory of City.

MUTUAL UNDERSTANDINGS

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter stated, the Parties hereto agree as follows:

1. JPA Amendment.

The Authority JPA. City agrees to the terms and conditions of the Authority JPA, attached.

Associate Membership. By adoption of this JPA Amendment, City shall become an Associate Member of Authority on the terms and conditions set forth herein and the Authority JPA and consistent with the requirements of the Joint Exercise of Powers Act. The rights and obligations of City as an Associate Member are limited solely to those terms and conditions expressly set forth in this JPA Amendment for the purposes of implementing the California HERO Program within the incorporated territory of City. Except as expressly provided for by the this JPA Amendment, City shall not have any rights otherwise granted to Authority's Regular Members by the Authority JPA, including, but not limited to, the right to vote on matters before the Executive Committee or the General Assembly, the right to amend or vote on amendments to the Authority JPA, and the right to sit on committees or boards established under the Authority JPA or by action of the Executive Committee or the General Assembly, including, without limitation, the General Assembly and the Executive Committee. City shall not be considered a member for purposes of Section 9.1 of the Authority JPA.

Rights of Authority. This JPA Amendment shall not be interpreted as limiting or restricting the rights of Authority under the Authority JPA. Nothing in this JPA Amendment is intended to alter or modify Authority Transportation Uniform Mitigation Fee (TUMF) Program, the PACE Program administered by Authority within the jurisdictions of its Regular Members, or any other programs administered now or in the future by Authority, all as currently structured or subsequently amended.

Implementation of California HERO Program within City Jurisdiction.

Boundaries of the California HERO Program within City Jurisdiction. The boundaries within which contractual assessments may be entered into under the California HERO Program (the "Program Boundaries") shall include the entire incorporated territory of City.

Determination of Eligible Improvements. Authority shall determine the types of distributed generation renewable energy sources, energy efficiency or water conservation improvements, electric vehicle charging infrastructure or such other improvements as may be authorized pursuant to Chapter 29 (the "Eligible Improvements") that will be eligible to be financed under the California HERO Program.

Implementation of California HERO Program Within the Program Boundaries. Authority will undertake such proceedings pursuant to Chapter 29 as shall be legally necessary to enable Authority to make contractual financing of Eligible Improvements available to eligible property owners within the Program Boundaries.

Financing the Installation of Eligible Improvements. Authority shall implement its plan for the financing of the purchase and installation of the Eligible Improvements under the California HERO Program within the Program Boundaries.

Ongoing Administration. Authority shall be responsible for the ongoing administration of the California HERO Program, including, but not limited to, producing education plans to raise public awareness of the California HERO Program, soliciting, reviewing and approving applications from residential and commercial

property owners participating in the California HERO Program, establishing contracts for residential, commercial and other property owners participating in such program, levying and collecting assessments due under the California HERO Program, taking any required remedial action in the case of delinquencies in such assessment payments, adopting and implementing any rules or regulations for the California HERO Program, and providing reports as required by Chapter 29.

City will not be responsible for the conduct of any proceedings required to be taken under Chapter 29, the levy or collection of assessments or any required remedial action in the case of delinquencies in such assessment payments or the issuance, sale or administration of any bonds issued in connection with the California HERO Program.

Phased Implementation. The Parties recognize and agree implementation of the California HERO Program as a whole can and may be phased as additional other cities and counties execute similar agreements. City entering into this JPA Amendment will obtain the benefits of and incur the obligations imposed by this JPA Amendment in its jurisdictional area, irrespective of whether cities or counties enter into similar agreements.

Miscellaneous Provisions.

Withdrawal. Authority may withdraw from this JPA Amendment upon six-months' written notice to the other party; provided, however, there is no outstanding indebtedness of Authority within City. The provisions of Section 6.2 of the Authority JPA shall not apply to City under this JPA Amendment. Notwithstanding the foregoing, City may withdraw, either temporarily or permanently, from its participation in the California HERO Program or either the residential or commercial component of the California HERO Program upon thirty-days' written notice to WRCOG without liability to the Authority or any affiliated entity. City withdrawal from such participation shall not affect the validity of any voluntary assessment contracts (a) entered prior to the date of such withdrawal or (b) entered into after the date of such withdrawal, so long as the applications for such voluntary assessment contracts were submitted to and approved by WRCOG prior to the date of City's notice of withdrawal.

Mutual Indemnification and Liability. Authority and City shall mutually defend, indemnify and hold the other party and its directors, officials, officers, employees and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries of any kind, in law or equity, to property or persons, including wrongful death, to the extent arising out of the willful misconduct or negligent acts, errors or omissions of the indemnifying party or its directors, officials, officers, employees and agents in connection with the California HERO Program administered under this JPA Amendment, including without limitation the payment of expert witness fees and attorney's fees and other related costs and expenses, but excluding payment of consequential damages. Without limiting the foregoing, Section 5.2 of the Authority JPA shall not apply to this JPA Amendment. In no event shall any of Authority's Regular Members or their officials, officers or employees be held directly liable for any damages or liability resulting out of this JPA Amendment.

Environmental Review. Authority shall be the lead agency under the California Environmental Quality Act for any environmental review that may be required in implementing or administering the California HERO Program under this JPA Amendment.

Cooperative Effort. City shall cooperate with Authority by providing information and other assistance in order for Authority to meet its obligations hereunder. City recognizes one of its responsibilities related to the California HERO Program will include any permitting or inspection requirements as established by City.

Notice. Any and all communications and notices in connection with this JPA Amendment shall be either

hand-delivered or sent by United States first class mail, postage prepaid, and addressed as follows:
Authority:

Western Riverside Council of Governments
4080 Lemon Street, 3rd Floor. MS1032
Riverside, CA 92501-3609
Attention: Executive Director

City of Morro Bay:

City of Morro Bay
595 Harbor Street
Morro Bay, CA 93442
Attention: City Clerk

Entire Agreement. This JPA Amendment, together with the Authority JPA, constitutes the entire agreement among the Parties pertaining to the subject matter hereof. This JPA Amendment supersedes any and all other agreements, either oral or in writing, among the Parties with respect to the subject matter hereof and contains all of the covenants and agreements among them with respect to said matters, and each Party acknowledges that no representation, inducement, promise of agreement, oral or otherwise, has been made by the other Party or anyone acting on behalf of the other Party that is not embodied herein.

Successors and Assigns. This JPA Amendment and each of its covenants and conditions shall be binding on and shall inure to the benefit of the Parties and their respective successors and assigns. A Party may only assign or transfer its rights and obligations under this JPA Amendment with prior written approval of the other Party, which approval shall not be unreasonably withheld.

Attorney's Fees. If any action at law or equity, including any action for declaratory relief is brought to enforce or interpret the provisions of this Agreement, then each Party to the litigation shall bear its own attorney's fees and costs.

Governing Law. This JPA Amendment shall be governed by and construed in accordance with the laws of the State of California, as applicable.

No Third Party Beneficiaries. This JPA Amendment shall not create any right or interest in the public, or any member thereof, as a third party beneficiary hereof, nor shall it authorize anyone not a Party to this JPA Amendment to maintain a suit for personal injuries or property damages under the provisions of this JPA Amendment. The duties, obligations, and responsibilities of the Parties to this JPA Amendment with respect to third party beneficiaries shall remain as imposed under existing state and federal law.

Severability. In the event one or more of the provisions contained in this JPA Amendment is held invalid, illegal or unenforceable by any court of competent jurisdiction, such portion shall be deemed severed from this JPA Amendment and the remaining parts of this JPA Amendment shall remain in full force and effect as though such invalid, illegal, or unenforceable portion had never been a part of this JPA Amendment.

Headings. The paragraph headings used in this JPA Amendment are for the convenience of the Parties and are not intended to be used as an aid to interpretation.

Amendment. This JPA Amendment may be modified or amended by the Parties at any time. Such modifications or amendments must be mutually agreed upon and executed in writing by both Parties. Verbal modifications or amendments to this JPA Amendment shall be of no effect.

Effective Date. This JPA Amendment shall become effective upon the execution thereof by the Parties hereto. IN WITNESS WHEREOF, the Parties hereto have caused this JPA Amendment to be executed and attested by their officers thereunto duly authorized as of the date first above written.

WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS

By: _____
Name: _____
Title: _____

Date: _____

CITY OF MORRO BAY

By: _____
Name: David Buckingham
Title: City Manager

Date: _____

Plan Review Timeframes

The Building Division has been busy over the last eight months and initial plan review times have been running approximately three weeks. Plan reviews for the more complicated projects typically require review by Planning, Building, Engineering, and Fire.

Typically rechecks or second plan review timeframes run a week to week and a half.

We do an expedited plan review process for smaller projects, with a value under \$25,000. Typically, the expedited plan review process runs less than five business days.

Building Division Improvements

The January 2015 Building Division update report to Council identified several improvements that were under consideration for improvement of overall service. Each of the previously identified improvements are noted below followed by a status update.

1. Acquisition and implementation of new project tracking application to include:
 - o Email routing to departments
 - o Electronic alerts for overdue reviews
 - o Public facing portal
 - o Electronic submittal capabilities
 - o GIS mapping function

Status update: *The City has entered into a contract with the Timmons Group for implementation of Cityworks, a project tracking and Asset management system. Complete implementation is anticipated in June 2016.*

2. Reduce building permit review times to 10 working days on first submittals and 5 working days for second and future resubmittals.

Status Update: *The goal is still to reduce initial review times to 10 working days and 5 working days for resubmittals. Once Cityworks is implemented, it is anticipated review times will be reduced as it will be much easier to monitor review timeframes. Cityworks includes functionality that will allow the implementation of review timeframes and alerts when reviews are taking longer than prescribed.*

3. Reconfiguration of front counter area to better serve the public, remove empty file cabinets, construct shelving structure to house full size plans.

Status Update: Empty filing cabinets have been removed and plan racks have been installed for full size plans.

4. Cross-train administrative staff on permit intake and issuance

Status Update: *Cross training of frontline staff is ongoing and at this time there are at least three other staff members who can take in applications and issue permits, when necessary.*

5. Alter Building Inspector and Permit Technician Job Descriptions to include requirement for applicable ICC (International Code Council) certifications.

Status Update: Job descriptions have been updated to require a Plans Examiner certification for the Building Inspector/Plans Examiner and the Permit Technician job description has been updated to require building permit technician certification.

6. Update building fees to better reflect the cost of providing the service.

Status Update: Building Permit fees have been raised to more accurately reflect permit costs.

Planning Division

The Planning Division oversees current, long-range and special project planning functions including the following:

- Implementation, administration and maintenance of long range plans including the Local Coastal Plan, General Plan, Zoning Code, Specific Plans and various other planning studies.
- Provides information to the public, developers, architects and other interested parties
- Review of project applications for compliance with City, State and Federal Land Use Law/policies, including California Environmental Quality Act (CEQA) compliance
- Serves as staff to the City Council and Planning Commission
- Community Development Block Grant (CDBG) administration
- Management of special project including grant writing and administration

Staffing

The Division is overseen by the Community Development Manager and currently includes:

- One full-time Associate Planner
- One contract full-time Assistant Planner
- One contract part-time Senior Level Planner
- One contract part-time Grant Writer

Division Workload

The majority of the work performed by the Planning Division is categorized into Long Range and Current Planning functions.

Current Planning involves the permitting process followed by development applications for the issuance of permits like Coastal Development Permits and Conditional Use Permits. A majority of the applications reviewed by the Planning Division involve single-family homes and additions to single-family homes with review times running about four weeks. The review process typically involves routing plans for comment to Building, Planning, Public Works, and Fire and then gathering responses and forwarding them to the applicant. That practice is often referred to as a completeness review and comes with a State mandated timeframe of 30-days. During the completeness review, staff not only reviews the application for completeness, but also for compliance with City development standards. A list of all active Planning applications is attached as Exhibit A and a Planning Division flowchart depicting the path followed by development applications is attached as Exhibit C.

Long Range Planning involves maintenance and implementation of the General Plan, Local Coastal

Plan, Zoning Ordinance, Specific Plans and other specialized planning documents including the Climate Action Plan, Parking Management Plan and Waterfront Master Plan. The current work program for Long Range Planning includes the following:

1. Update of General Plan/Local Coastal Plan. **Status:** It is anticipated that contract execution will be complete with Michael Baker International by the Council meeting on February 23rd.
2. Revision of Secondary Unit Ordinance. **Status:** Second review by the Planning Commission is scheduled for February 16th with Council anticipated to review the ordinance on March 8th.
3. Revision of Wireless Ordinance for compliance with State Law (currently on hold for CCC certification). **Status:** Has been added to the 2016/2017 goals
4. Climate Action Plan Implementation. **Status:** ongoing, staff attends regular meeting with the Countywide Greenhouse gas stakeholders group.
5. Coastal Commission Certification of Density Change to LCP and General Plan for density bonus. **Status:** Awaiting Coastal Certification
6. Coastal Commission Certification of City's Affordable Housing Ordinance. **Status:** Pending Coastal Certification of Density Bonus change.
7. Continued implementation of City Housing Element. **Status:** ongoing, see items 5 & 6 above.
8. Initiation of Amendment to the Parking Standards for the commercial area of the Beach Street Specific Plan Area. **Status:** Change will be included in the General Plan/Local Coastal Program update.
9. Creation of Residential Design Guidelines. **Status:** Interim Design Guidelines have been completed and are in use.

Special Projects/Grant Administration

Planning staff is currently working on the Community Development Block Grant (CDBG) program as well as various grant applications.

The City has identified a multiyear pedestrian improvement and sidewalk gap closure project for the application of CDBG funds. Planning Staff is currently working on years 2013 – 2015 of the program.

As for other grant programs, staff completed the grant agreements for the Ocean Protection Council (OPC) Sea Level Rise Grant and the Coastal Commission Local Coastal Plan (LCP) update grant. Both grants will help support the City's General Plan/Local Coastal Plan update efforts. Administration of these grants will be ongoing for the next two years. Amendment of the Ocean Protection Council Grant to reflect timeframes consistent with the General Plan/LCP update will be necessary.

The Council recently authorized submittal of a grant application for the Caltrans Sustainable Communities planning grant. The grant is for update of the City's Bike and Pedestrian Master Plan and was submitted in late 2015; we are awaiting the grant award announcement, anticipated during the Spring/Summer of 2016.

Potential Improvements to Planning Division Function

The January 2015 Planning Division update report to Council identified several improvements that were under consideration for improvement of overall service. Each of the previously identified improvements are noted below followed by a status update.

1. Acquisition and implementation of new project tracking application to include:
 - Email routing to departments
 - Electronic alerts for overdue reviews
 - Public facing portal
 - Electronic submittal capabilities
 - GIS mapping function

Status: *The City has entered into a contract with the Timmons Group for implementation of Cityworks, a project tracking and Asset management system. Complete implementation is anticipated in June 2016.*

2. Reduce planning permit review times to 10 working days on first submittals and 5 working days for second and future resubmittals.

Status: *The goal is still to reduce initial review times to 10 working days and 5 working days for resubmittals. Once Cityworks is implemented, is anticipated that review times will be reduced as it will be much easier to monitor review timeframes. Cityworks includes functionality that will allow the implementation of review timeframes and alerts when reviews are taking longer than prescribed.*

3. Reconfiguration of front counter area to better serve the public, remove empty file cabinets and add additional workstation space for interns.

Status: *Front counter area has been reconfigured and accommodates current staffing levels. The building does not have sufficient area available for additional interns.*

4. Cross-train administrative staff on permit intake and issuance

Status: *Cross training of frontline staff is ongoing and at this time there are at least three other staff members that can take in applications and issue permits when necessary.*

5. Move Planning Commission follow up tasks, including permit creation and Coastal Commission notification of final action, from Planners to administrative staff.

Status: *Planning Commission follow up tasks are being moved to administrative staff as part of the workflows in the new Cityworks project tracking application.*

6. Revise and update the General Plan/LCP and Zoning Code to have documents that are clear, concise and easy to understand.

Status: *The General Plan/LCP update is underway.*

Code Enforcement

The City Council set implementation of a proactive code enforcement program as objective d. of Goal

#4 of the 2015/2016 adopted goals and objectives. To that end, in October/November of 2015, staff hired two part-time Code Enforcement Officers. Staff also started an information campaign related to the roll out of a proactive code enforcement program in October 2015, through the preparation of news articles, Facebook posts and eventually distribution of the top ten code enforcement topics in the December utility bill mailer (see Attachment D - December 2015 Utility Bill mailer).

Currently the Code Enforcement Officers are preparing handouts for each of the top ten code enforcement topics. The handouts will be distributed over the next three months as Code Enforcement Officers canvas neighborhoods and identify code violations. The Code Enforcement Officers are currently canvassing neighborhoods for violations related to Recreational Vehicle storage and to date 47 potential violations have been identified throughout most of the southern half of the City. Starting in April, the Code Enforcement Officers will revisit those neighborhoods to determine compliance or need for further actions. That process will be repeated for each of the top ten code enforcement violations.

How to File a Complaint

Day-to-day code enforcement complaints can be filed online through the “Service Request” link on the front page of the City’s website: <http://www.morro-bay.ca.us/>. Initial response times are typically within 24 to 48 hours.

CONCLUSION

The Community Development Department was formed approximately one year ago and included the Planning and Building Divisions. In October 2015, Code Enforcement was added to the Department and proactive code enforcement efforts are underway. Implementation of the new Cityworks project tracking application should help improve productivity, functionality and transparency as the system will have a robust public facing component that will allow the public to follow projects through the building and planning processes.

Lastly, the long awaited General Plan/Local Coastal Program Update is underway with an anticipated two year completion time frame. This update is much needed and will provide a clear vision for the City moving forward over the next 20 years.

ATTACHMENTS

- A – Project Tracking Log
- B – Building Division Flow Chart
- C – Planning Division Flow Chart
- D – December 2015 Utility Bill mailer for Top 10 Code Enforcement Topics



City of Morro Bay
 Community Development Department
 Current & Advanced Project Tracking Sheet
 This tracking sheet shows the status of the work being processed by the Planning & Building Divisions
 New Planning items or items recently updated are highlighted in yellow. Building items highlighted in green are pending action from the applicant.
 Approved projects are deleted on next version of log.

Agenda No: A-1
 Meeting Date: February 16, 2016

#	Applicant/ Property Owner	Project Address	Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments and Notations	Project Planner
Hearing or Action Ready Projects:										
1	AT&T	590 Morro Street	4/10/15	UP0-411 & CP0-465	Conditional Use Permit & Coastal Development permit to modify 2006 Planning permit approval for unmanned cell site	WM.Tentatively scheduled for 3-1-16 PC hearing.				wm
2	Moore	379 Orton St.	11/17/15	CP0-494	New SFR (Manufactured home) on vacant lot. 1493sf living, 528sf garage	Project review complete. To be noticed for admin approval 1-28-16.		Conditionally Approved per memo dated 11/25/15		wm
3	Moore	225 Kern	1/14/15	UP0-438 & AD0-105	Addition to an existing nonconforming structure. 122 sq. ft. addition of habitable area and 133 sq. ft. deck addition	Project review complete. Noticed 2/6/2016. PC 2/16/2016				jg
30 -Day Review, Incomplete or Additional Submittal Review Projects:										
4	Robson	160 Mindoro	1/29/16	CP0-497	Admin CDP for new 1,804 sq. ft. SFR with a 455 sq. ft. garage	JG. Under initial review. Waiting on comments				jg
5	James	1230 Clarabelle	1/11/16	CP0-496	Admin CDP for new SFR - 1853sf home with 563sf garage.	JG Under initial review. Correction Letter sent 1/21. Corrections rec'd 1/26. Noticed 1/29.				jg
6	Mazzacane	270 Kern	1/7/16	CP0-495	Admin CDP for demo/reconstruct. Demo 848sf SFR and construct new 2763sf SFR w/ 532 sf garage	JG Under initial review. Waiting on PW comments...				jg
7	May / Ingraffia	636 Fresno	12/21/15	UP0-436	Conditional Use Permit for an 830 sq. ft. addition to a nonconforming structure	JG. Under initial review. Incomplete letter sent 1/21				jg
8	Adamson	2629 Koa	12/14/15	UP0-435	An existing flag pole that exceeds the 25' height limit the the R-1/S.2 zone	JG. Noticed 12/23/15 waiting on structural calcs from applicant				jg
9	Smith	1556 Main	12/14/15	UP0-434	An existing flag pole that exceeds the 25' height limit in the light industrial zoning district	JG. Noticed 12/23/16. Waiting on proof of pole age from applicant				jg

#	Applicant/ Property Owner	Project Address	Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments and Notations	Project Planner
10	Najarian	325 Sicily	10/30/15	CP0-491	Administrative Coastal Development Permit for New SFR - 1686 sf living plus 507sf garage	JG. Under Initial Review. Sent back to Agent for Lot Coverage correction on 12/4. Awaiting resubmittal. Recv'd 1/11/16 under review. Waiting on PW comments				jg
11	Eisemann	535 Atascadero	10/12/15	CP0-490 & S00-125	Parcel map application & CDP to split 1 R-4 zoned lot in to two lots.	Incomplete letter sent 11-5-15. Received revised plans and communicated via email to applicant regarding plan corrections. Resubmittal under review.				cj
12	Elliott/ Bernal	2620 Laurel Ave	9/30/15	CP0-489	Admin CDP for new 2,461sf Single family home w/ 710 sf garage and 1495sf of balcony	JG. Under Initial Review. Correction letter sent 10/27		PN- Conditionally approved per memo dated 10/22/15		jg
13	Black Hill Villas	485 South Bay Blvd	8/7/15	A00-027	Precise Plan CUP modification to reflect Coastal Commission approved changes to CDP	Precise Plan requires modification for City approvals to be consistent with Coastal Commission approvals. Under review. Traffic Study update received and under review by Public Works Dept.				cj
14	SLCUSD	235 Atascadero	7/20/15	CP0-485 / UP0-427	CDP & CUP for new pool and student services building at Morro Bay High School	Under initial review. Incomplete letter sent. Resubmitted 9-10-15. Incomplete letter sent 10-9-15. C.J.. Resubmittal received 10-27-15. Project review complete. Initial study/ environmental review in process.				cj
15	DeGarimore	1001 Front St.	7/14/15	A00-026	Amendment to CUP to modify project description to remove proposed new awning.	Letter sent to applicant 9-9-15 regarding public access requirements. In process.				cj
16	Gambril	405 Atascadero Rd.	5/13/15	CP0-475 / UP0-417	New construction of 10,000sf commercial retail on vacant lot	WM. Under review. Will need Arch and Traffic reports. Incomplete letter sent 9/4/15.		PN-Plans Disapproved. Req. Stormwater determination form & plan update-8/25/15		wm
17	T-Mobile	1478 Quintana	1/30/15	UP0-403	Minor Use Permit to Modify existing wireless telecommunication site at church	JG - Under initial review. Correction letter sent 3/5/2015. JG. Partial resubmittal rcv'd via email 9/18		JW approved		jg
18	Verizon / Knight	184 Main	11/19/14	UP0-394	Conditional Use Permit for installation of new Wireless Facility/Verizon antennas on existing pole.	Under Review. JG. Incomplete. Waiting on response from Tricia Knight. Wants to keep project open and figure out the parking situation or move location. 1/26. JG. Applicant looking to move location to pole across the street		RPS disapproved on 12/15/14 since proposed pole site will be removed during undergrounding project		jg
19	Leage	833 Embarcadero	9/15/14	UP0-389	Demolish existing building. Reconstruct new 1 story 19 foot building (retail/restaurant use) & outdoor improvements	Under review. Deemed incomplete. Letter sent 10-13-14. CJ Resubmittal received 2/17/15. Incomplete letter sent . Resubmittal received. Not compliant with view corridors requirements. Resubmitta received 1-20-16.	BC- incomplete	RPS - Disapproved for plan corrections noted in memo of 10/14/14		cj

#	Applicant/ Property Owner	Project Address	Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments and Notations	Project Planner
20	Wordeman	2900 Alder	7/28/14	CP0-447	Admin Coastal Dev. Permit for new construction of duplex in R-4 zone. Unit A: 1965 sf w/605 sf garage. Unit B: 1714 sf w/605 sf garage.	Under Review. Correction letter sent 8-27-14. Resubmittal received 1-26-15. JG. Correction letter sent. Partial resubmittal rcv'd 2/23. Under Review. JG. Correction letter sent 1/30 JG. Resubmittal received 6/8/15. Under review. Correction letter sent. Resubmittal rcv'd 9/22/15. corrections required, letter sent 10/15/15. Resubmittal Rcv'd 1/27/2016	BC- conditionally approved.	PN-Disapproved for plan corrections per memo dated 10/5/15		jg
21	Sonic	1840 Main St.	8/14/13	UP0-364 & CP0-404	Conditional Use Permit and Coastal Development Permit to develop Sonic restaurant.	Under initial review. Comment letter sent 9/10/13. CJ. Spoke w/ applicant 10/3 re: traffic study. CJ. Public Works & Fire comments received & forwarded 10/8/13 to applicant. Comments from Cal Trans received 10/31 and forwarded to Applicant. Applicant requested meeting w/ City staff & Cal Trans to review project requirements. Had project meeting-discussed traffic study requirements on 11-21-13. Requested fee estimate from environmental consultant for CEQA purposes. CJ. Resubmitted 5/27. Environmental Review in process. Correction letter based on environmental review sent 8-6-14. Resubmittal received 1-23-15 and correction sent 2-23-15. Resubmittal received 5/8/15. Reviewing initial study for pending route to State Clearinghouse. Stormwater Control Plan also being reviewed. Reviewing outstanding cultural resources concerns. Reviewed project with archaeologist 1-27-16.	Bldg -- Review complete, applicant to obtain building permit prior to construction.FD-Disapprove UPO 364/CPO 404 9/11/13.9/9/14 FD App TP. 2/10/15 FD Not App TP.	PN- on hold until Sonic submits Preliminary Stormwater Requirements. RPS: Intial conditions provide by memos of 9/10/13 and 10/14. Met with Caltrans on 10/17.		cj
22	Perry	3202 Beachcomber	9/8/2011 & 10/25/2012	AD0-067 / CP0-381	Variance. Demo/Reconstruct. New home with basement in S2.A overlay. Variance approved for deck only; the issue of stories was resolved due to inconsistencies in Zoning Ordinance.	Variance approved at 8/15/12 PC meeting. Appealed by 3 parties to City Council. Appeal to be heard. City Attorney reviewing.Appeal in abeyance until coastal application complete. Incomplete letter for CDP sent 12/13/12. No response since 2012. Sent Intent to Deem Withdrawn Letter 9-2-14. JG. Applicant responded with Request for Meeting to keep CDP application open. SG. No recent contact.	Review complete, applicant to obtain building permit prior to construction.	No review since conditional approval of 6/11/12		
Planning Commission Continued projects:										

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23	LaPlante	3093 Beachcomber	11/3/11	CP0-365	Coastal Development Permit for New SFR in appeals jurisdiction. Proposed SFR of 3,495sf w/ 500 sf garage on vacant land.	SD-- Incomplete Letter 12/12/11. Letter sent 4/11/2012 requesting environmental study. MR-Met with Applicant and discussed potential impacts of project and CEQA information requested to complete MND. Project referred to env. consultant and Coastal. MND in process. Applicant revising bio report and snail study. Spoke w/ Applicant Representative 3-13-14. Snail study complete and sent to Dept of Fish and Wildlife for concurrence review. Spoke w/ env. consultant re environmental 4/7 CJ. Met with application 7-18-14 to request addendum to bio report in order to complete CEQA. Bluff determination and snowy plover report submitted 8-14-14. CJ. MND complete. Anticipate routing to State Clearinghouse on 9/18/14. Coastal Commission comment letter received 10-20-14. City responded to Coastal on 10-27. Applicant working to address comments. Discussed project with Coastal staff in meeting 11-18-14 and met with applicant 12/4/14 and 1/20/15. Received plans revisions and sent request for Coastal concurrence 9-2-15. CJ. Continued to a date uncertain to redraw ESH buffer setback.	Review complete, applicant to obtain building permit prior to construction.	No review since conditional approval of 11/20/12	Conditionally approved, per memo 9/22/15	cj
24	Seashell Estates, LLC	361 Sea Shell Cove	1/26/15	CP0-459/ UP0-401	Coastal Development Permit/Conditional Use Permit for new SFR. Lot 4 of 1305 Teresa Subdivision	Reviewing CC&R Design Guidelines. Deemed complete 3-2-15. Anticipate 4/21 PC hearing. Project continued to a date uncertain. CJ.	2/23/15 FD Cond App TP	BCR has for review 2/3/15		cj
25	City of Morro Bay	End of Nutmeg	1/18/12	UP0-344	Environmental documents for Nutmeg Tanks. Permit number for tracking purposes only County issuing permit. Demo existing and replace with two larger reservoirs. City handling environmental review	KW--Environmental contracted out to SWCA estimated to be complete on 4/27/2012. SWCA submitted draft I.S. to City on May 1, 2012. MR-Reviewed MND and met with SWCA to make corrections. In contact with County Environmental Division for their review. MND received by SWCA on 10/7/12. MND out for public notice and 30 day review as of 11/19/12. 30 day review ends on 12/25/12. No comments received. Scheduled for 1/16/13 Planning Commission meeting and then to be referred back to SLO County. Planning Commission continued this item to address concerns regarding traffic generated from the removal of soil. In applicant's court, they are addressing issues brought up by neighbors during initial P.C. meeting. Project has been redesigned and will be going forward with concrete tanks. Modifications to the MND are in process. Neighborhood meeting conducted with Engineering on 9/27/2013. Revising project description and MND.	No review performed.	BCR- New design concept completed. Needs new MND for concrete tank, less truck trips. Neighborhood mtg held 9/27. Neighbors generally support new design that reduces truck trips by 80%. Concrete batch plant set up on site will further reduce impact. 5/5/14 - Cannon contract signed to finish permit phase. Construction will be delayed to FY15/16		wm

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Projects Appealed or Forwarded to City Council:										
26	Redican	725 Embarcadero Rd.	6/26/13	UP0-359	Use Permit for seven boat slips and gangway	Under review. Incomplete letter sent 7-23-13. Resubmittal received on October 1, 2013. Additional info requested and resubmittal received 12-2-13. Incomplete letter sent 12-30. Meeting with Applicant on 2-13-14. Emailed Applicant 2-26-14 to clarify eelgrass study requirements for environmental review. Info hold letter sent 9-2-14. Resubmitted 10-28-14. Initial Study/MND complete & routed to State Clearinghouse 1-2-15. Anticipate 2-17-15 PC hearing. Comments received from Coastal Commission regarding eelgrass mitigation. Dock revision in progress. Project continued to 3-17-15 mtg to ensure legal noticing. Applicant submitted revised dock plans based on Coastal Commission feedback re: MND. Supplemental info sent to Coastal on 5/12/15. Applicant consulting with Coastal staff regarding MND environmental 7-2015. CJ. Requested continuance at 10-6-15 PC meeting to modify project description. Continued to a date uncertain upon applicant request. Plans revised to include Interior tenant improvements of new 2nd floor deck area. Revised visual sims in progress. Reviewed by PC on 1-5-16. Forwarded to City Council	Bldg -- Review complete, applicant to obtain building permit prior to construction. Disapproved 4/21/14TP-Disapprove 11/19/13.	Conditionally Approved, PW requirements will be addressed with Building Permit review	Harbor conditions: 1. one slip to be reserved for public use; 2. southern-most end tie to remain vacant in order to not encroach on neighboring lease site. Note-water lease line will need to be extended out to accommodate slips. EE 12/16/13	cj
27	Knight / Verizon	485 Piney Way	1/29/15	CP0-460 & UP0-402	CDP /CUP for Verizon wireless telecommunications facility (panel antennas & equipment cabinet)	CJ - RF Compliance Report under review. Incomplete letter sent 3-2-15. Revised RF report submitted 6-5-15. Requested RF clarification via email 7-9-15. Received revised RF report. (continued from 11-24-15 meeting. Denied at 12-1-15 mtg/ Reso for Denial to be considered at 12-15 mtg. Appealed by Applicant on 12/21/15		ME conditionally approved per memo 2/3/15		cj
28	Hough	289 Main	10/16/13	CP0-410 & UP0-369	CDP and CUP to construct a 2,578sf single family home on vacant lot	CJ- under review. Met with Applicant's representative 11-21-13. Met w/ Applicant representative 3-3-14 regarding bluff determination per LCP maps. Letter sent 4-1-14 re completeness and bluff standards. CJ. Visited site to review project 10-24-14. Concurrent request sent re bluff to Coastal Commission 10-27-14. Discussed project with Coastal staff 11-18-14 with referral to CCC Geologist 1-2015. Met w/ Coastal geologist 2-12-15 on site. Resubmittal received and review complete for PC hearing. Denied at 10-6-15 hearing. Resolution for denial on 10-20-15 agenda. DENIED 10-20-15. Appealed granted and project remanded back to PC for review of revised plans. Scheduled for Council hearing on 3-22-16.	BC- conditionally approved. TP-Disapprove 12/6/13.	BCR: Conditionally approved: ECP and sewer video required per memo of 10/28/13. Began resubmittal review 3/18/15		cj

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29	City of Morro Bay	Citywide	6/19/13	A00-015	Sign Ordinance Update. Text Amendment Modifying Section 17.68 "Signs"	Text Amendment Modifying Section 17.68 "Signs". Planning Commission placed the ordinance on hold pending additional work on definitions and temporary signs. 5/17/2010. PC made recommendations and forwarded to Council. Item heard at 5/24/11 City Council Meeting. Interim Urgency Ordinance approved to allow projecting signs. A report brought to PC on 2/7/2011. Workshops scheduled 9/29/11 & 10/6/11. -Workshop results going to City Council 12/13/11. Continued to 1/10/12 CC meeting. Staff Report to PC. Project went to 5/2/2012. Update due to City Council in June 2013. Draft Sign Ordinance reviewed by PC on 6/19/13. Continued to 7/3/13 PC meeting for further review. PC has reviewed Downtown, Embarcadero, and Quintana Districts as well as the Tourist-Oriented Directional Sign Plan. 8/21/13 Final Draft of Sign Ordinance approved at 9/4/13 PC meeting with recommendation to forward to City Council. Council directed staff to do further research with local businesses. First workshop held 11/14 with approx. 12 Quintana area businesses. Downtown workshop held March 2014, North Main business workshop held 4/28/14 and Embarcadero business workshop held 5/19/14. Result of sign workshops discussed at 11-3-15 PC mtg.	No review performed.	N/R		sg
Environmental Review										
30	City of Morro Bay	N/A		UP0-423	MND for Chorro Creek Stream Gauges	Applicant requesting meeting for week of 9/9/13. SWCA performing the environmental review. Received completed MND from Water Systems Consulting (WSC) on 4/1/15. Routed to State Clearinghouse for required 30 day review period. Tentative hearing 8/4/15.	No review performed.	MND complete. Cut permit checks to RWQCB and CDFW on 2/27/15		cj
Final Map Under Review Projects:										
31	Tract 2670	1899 -1911 Sunset	11/17/15	Map	Final Map. - Tract 2670 6 lot subdivision and 1 common lot	Under review. Correction letter sent on 12-17-15				cj

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32	Medina	3390 Main	10/7/11	Map	Final Map. Issues with ESH restoration. Applicant placed processing of final map on hold by proposing an amendment to the approved tentative map and coastal development permit. Applicant proposed administrative amendment. Elevated to PC, approved 1/4/12. Appealed, scheduled for 2/14/12 CC Meeting. Appeal upheld by City Council, and project with denied 2/14/12. map check returning for corrections on 3/9/12	SD-Meeting with applicant regarding ESH Area and Biological Study. MR- Received letters from biologist regarding revegetation on 9/2/12. Letter sent to biologist. Recent Submittal reviewed and memo sent to PW regarding deficiencies. Initial review shows resubmitted map does not meet the 50 foot ESH buffer setback requirement. Creek restoration required per Planning condition #4 prior to recordation of the final map.	No review performed.	DH - resubmitted map and Biological study on Dec 19th 2012. PW has completed their review. Received a letter from Medina's lawyer and preparing response. PW comments sent to RS to be included with his response letter. RS said to process map for CC. Letter being prepared to send to applicant to submit mylars for CC meeting.		sg/cj
Projects requiring coordination with another jurisdiction:										
33	City of Morro Bay	Outfall			Original jurisdiction CDP for the outfall and for the associated wells	Coastal staff is working with staff. Coastal letter received 4/29/2013. Discussed project with Coastal staff in meeting 11-18-14.	No review performed.	City provided response to CCC on 7/12/13. Per Qtrly Conference Call CCC will take 30days to respond		
34	City of Morro Bay Desal Plant	170 Atascadero			Project requires a Coastal Development Permit for upgrades at the Plant. Final action taken Sent to CCC but pursuant to their request the City has rescinded the action.	Waiting for outcome from the CDP application for the outfall. Discussed project with Coastal staff in meeting 11-18-14.	No review performed.	BCR- Phase 1 Maint and Repair project is underway. Desal plant start-up scheduled for 10/15/13. Phase 1 complete and finalized. Phase 2 on hold as of 7/22/14.		
Projects going forward to Coastal Commission for review (Pending LCP Amendments) / State Department of Housing:										

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35	City of Morro Bay	Citywide	10/16/13	A00-013	Zoning Text Amendment - Second Unit	Secondary Unit Ordinance Amendment. Ordinance 576 passed by City Council in 2012. 6-11-13 City Council direction to staff to bring back to Planning Commission for review of ordinance. At 10-16-13 PC meeting, Commission recommended changes to maximum unit size and tandem parking design where units over 900 sf and/or tandem parking design of second unit triggers a CUP process. Council accepted PC recommendation at 2-11-14 meeting and directed staff to bring back revised ordinance for a first reading and introduction. Item continued to 4/22/14 Council meeting to allow time for Coastal staff comment regarding proposed changes. Council approved Into and First Reading on 4/22/14. Final Adoption of Ord. 585 at 5/13/14 Council meeting. Ordinance to be sent as an LCP Amendment for certification by Coastal Commission. New language for PC and Council review.	No review performed.				wm
36	City of Morro Bay	Citywide	2/1/13	Ordinance 556	Wireless Amendment - LCP Amendment CHAPTER 17.27 Amendment for "Antennas and Wireless Telecommunications Facilities" AND MODIFYING CHAPTER 17.12 TO INCORPORATE NEW DEFINITIONS, 17.24 to MODIFY primary district matrices to incorporate the text changes , 17.30 to eliminate section 17.30.030.F "antennas", 17.48 modify to eliminate section 17.48.340 "Satellite dish antennas".	Application for Wireless Amendment submitted to Coastal Commission 9-11-13. Received comments back from CCC 11-27-13, working on addressing issues.	No review performed.	N/A		sg	
Projects Continued Indefinitely, No Response to Date on Incomplete Letter or inactive:											

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37	Maritime Museum Association (Larry Newland)	Embarcadero	11/21/05	UP0-092 & CP0-139	Embarcadero-Maritime Museum (Larry Newland). Submitted 11/21/05. Resubmitted 10/5/06, tentative CC for landowner consent 1/22/07 Landowner consent granted. Resubmitted 5/25/07. Resubmitted additional material on 9/30/09. Applicant working with City Staff regarding lease for subject site. Applicants enter into agreement with City Council on project. Applicant to provide revised site plan. Staff processing a "Summary Vacation (abandonment)" for a portion of Surf Street. Staff waiting on applicant's resubmittal. Meeting held with applicant 2/23/2011. Staff met with applicant 1/27/11 and reviewed new drawings, left meeting with applicant indicating they would be resubmitting new plans based on our discussions.	KW--Incomplete 12/15/05. Incomplete 3/7/07. Incomplete Letter sent 6/27/07. Met to discuss status 10/4/07 Incomplete 2/4/08. Met with applicants on 3/3/09 regarding inc. later. Met with applicants on 2/19/2010. Environmental documents being prepared. Meeting held with city staff and applicants on 2/3/2011. Sent Intent to Deem Withdrawn letter 9-2-14. JG.	Please route project to Building upon resubmittal.	An abandonment of Front street necessary. To be scheduled for CC mtg.		
38	James Maul	530, 532, 534 Morro Ave	3/12/10	SP0-323 & UP0-282	Parcel Map. CDP & CUP for 3 townhomes. Resubmittal 11/8/10. Resubmittal did not address all issues identified in correction letter.	KW-Incomplete letter sent 4/20/10. Met with applicant 5/25/10. Letter sent to applicant/agent indicating the City's intent to terminate the application based on inactivity. City advised there will be a new applicant and to keep the application viable.MR: Received letter from applicant's rep 11/15/12 requesting project remain open. Called B. Elster for further information. Six month extension granted. Sent Intent to Deem Withdrawn Letter 8-28-14. Applicant requested to keep project open 9-25-14.	Please route project to Building upon resubmittal.	N/A		
Grants										
39	Coastal Conservancy, California Coastal Commission, California Ocean Protection Council	City-wide			\$250,000 Grant Opportunity for funding for LCP update to address sea-level rise and climate change impacts.	Application submitted July 15, 2013. Awaiting results. Agency requested additional information and submitted 10-7-13. Notice received application was successful for amount requested. City funded \$250,000. Staff in contact with CA Ocean Protection Council staff to commence grant contract.	<i>No review performed.</i>	<i>N/A</i>		

cj

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40	City of Morro Bay	City-wide				Community Development Block Grant/HOME Program - Urban County Consortium	Staff has ongoing responsibilities for contract management. 2012 contracts in progress. 2013 contracts in progress. City Council approval 6/10/14 for City participation in Urban County consortium for Fiscal Years 2015-2017. Needs Assessment Workshop scheduled for 9/11/14 in tandem with Cities of Atascadero and Paso Robles at Atascadero City Hall 5pm. Draft 2015 CDBG funding recommendation approved by Council 12/9/14. 2016 Program year applications due 10/23/15. Final 2016 funding recommendations to be reviewed by Council on 3-8-16.	No review performed.	N/R		
41	City of Morro Bay	City-wide				Climate Action Plan - Implementation	Staff has ongoing responsibilities for implementation of Climate Action Plan as adopted by City Council January 2014. Staff coordinating activities with other Cities and County of SLO via APCD.				

Projects in Building Plan Check:

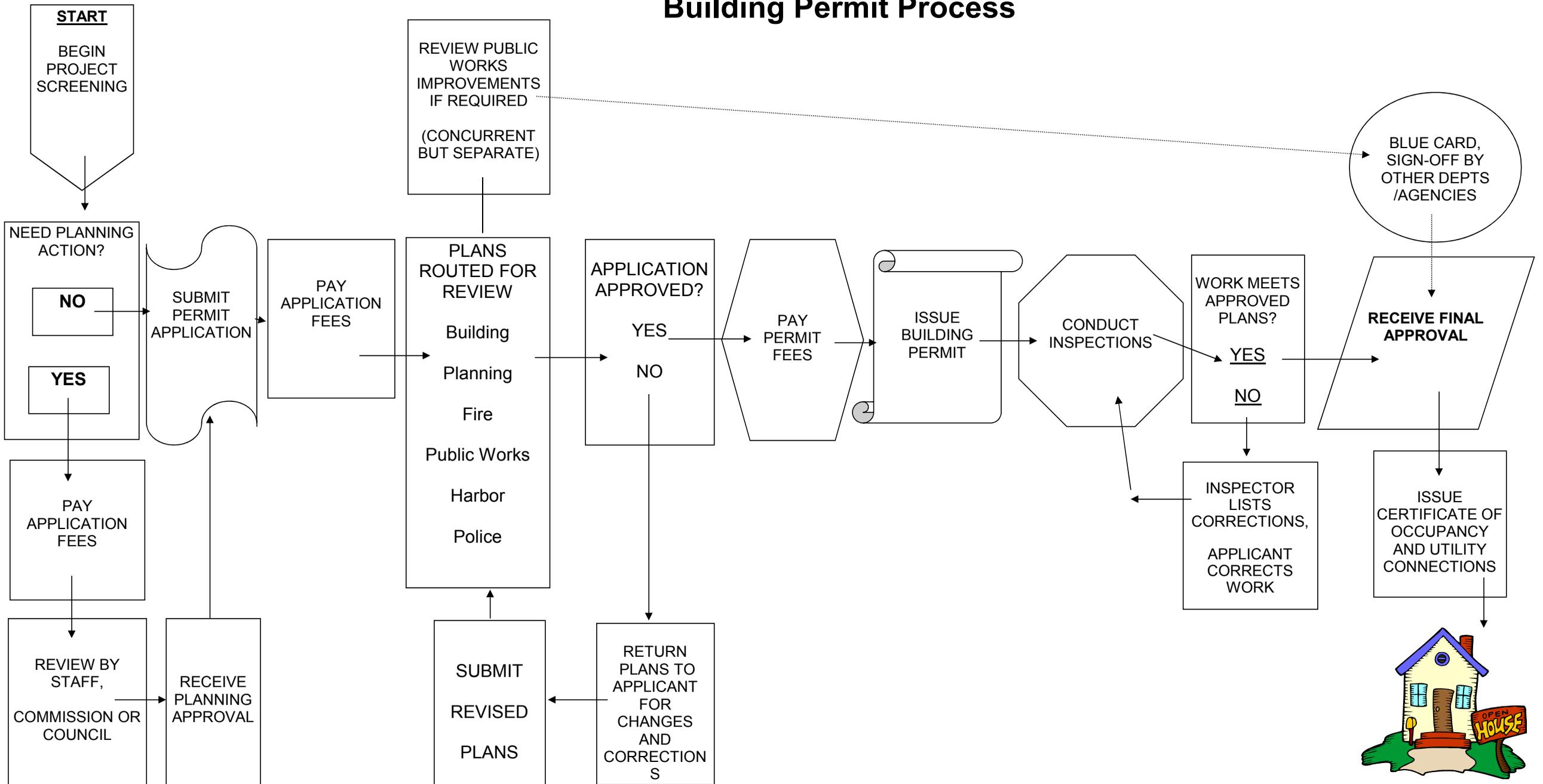
1	Abel	765	Alta	12/21/15	B-30796	SFR Addition			JL/PN-Not Approved per Memo dated 12/21/15		
2	Sangren	675	Anchor	11/28/12	B-29813	SFR Addition	Requested corrections 1/9/13. C.J. Resubmittal received and under review (November 14, 2013). Denial letter sent 4/24/14 GN	BC- Returned for corrections 1/9/13.	N/A		
3	LaPlante	3093	Beachcomber	11/3/11	B-29586	New SFR: 3,495sf w/ 500 sf garage on vacant land.	SD--Incomplete Letter 12/12/11. Phase 1 Arch Report required and Environmental Document. Incomplete letter sent 2/2012. Building Permit on hold until Planning process complete. C.J.	BC- Application on hold during planning process as of 4-2-2012	DH- Provide SW mgmt, drainage rpt, EC per memo of 1/18/12.		
4	Tays	982	Carmel	10/1/15	B-30684	SFR Alteration and 65sf addition (includes new bathroom)	Disapproved 11-17-15. SG.	Plans denied 10-05-2015 cdl	PN- Approved per memo dated 11/23/15		
5	Diaz	365	Driftwood	8/14/15	B-30601	SFR Addition of 328sf upstairs to create Master bedroom and bathroom.	JG. Plans disapproved, incomplete.	Approved 10-13-2015 cdl	PN- Approved 10/5/15		
6	Ocean View Manor	456	Elena	9/10/15	B-30651	Remodel of existing senior rental 40 apts. with common building and site improvements			PN-Disapproved 11/30/15		
7	Parks	2810	Elm	12/7/15	B-30775	New 480sf detached garage with new driveway & walkway			PN-Approved 12/16/15		
8	Leage	1205	Embarcadero	9/10/15	B-30651	686sf second story addition	Correction letter sent. Not compliant w/ Planning conditions. C.J	Plans Denied 09-24-2015 cdk	PN- Approved 10/1/15, no memo.		

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9	PG&E	1290 Embarcadero	10/2/13	G-040	Soil Removal	CJ- Monitoring Well location partially in Coastal original jurisdiction. Coastal Commission processing consolidated permit. Waiver granted by Coastal 9-14-1491-W	BC- on hold pending planning process. Plans have been denied.	Memo of 11/29/13. CDP application should address soil revegetation		
10	Appleby	381 Fresno	7/31/14	B-30227	Carport& Storage Shed	Correction sent 8-7-14. WM. Will require a CUP prior to building. JG. Corrections sent 2/23 JG	Building approved 08-04-15 cdl	RPS - No PW comments if street access is not required for storage bldg		
11	Decker	430 Fresno	6/8/15	B-30491	Convert existing laundry room into bathroom.	Approved. SG 6/15/15	Plans approved. 07-02-15 cdl	PN- Disapproved, needs sewer video & bww 6/12/15		
12	Nico	2431 Greenwood	12/14/15	B-30783	74 sqft addition to existing 604 sqft deck			JL/PN-Approved 12/21/15		
13	Monie	2577 Greenwood	6/8/15	B-30483	600sf addition (1st & 2nd floor) to front of existing SFR			PN-Disapproved, needs Erosion control plan 11/23/15		
14	Jackson, Addis	2860 Greenwood	9/2/15	B-30639	Detached 160sf Guest cottage	Disapproved 9-28-15. JG	Perit Denied 9-9-15 cdl	PN-Disapproved, needs Erosion control plan 11/23/15		
15	Hurless	2265 Hemlock	8/27/15	B-30477	SFR Garage converted to 492sf apartment with new bedroom and bathroom.	Disapproved 8-28-15. JG	05-15-15 Plans denied. Cdl	PN- Disapproved needs sewer lateral video-		
16	Gonzalez	481 Java	10/6/13	B-30029	SFR Addition/ Remodel: add 578 sf living and 112 sf decking	WM. Expecting Admin Use Permit application for minor revision to approved design.	Plans approved 9-18-15 cdl	PN-Disapproved, needs swr video & plan corrections. 9/24/15		
17	Nisbet	225 Kern	11/30/15	B30761	Remodel & Addition of 123sf to 1,107sf of existing SFR	JG. Requires a Conditional Use Permit		PN-Disapprovedper memo dated 12/2/15		
18	Nisbet	500 Kings	10/20/15	B30710	New 2,434 sf SFR with 672 sf garage and 228 sf of decking & shared driveway with adjacent lot		Plans under review. 10-21-15 cdl	PN-Disapprovedper memo dated 10/27/15		
19	Nisbet	570 Kings		B30600	New 2,317sf SFR w/ 583sf garage and separate detached 735sf 3-car garage.	Disapproved 8-31-15. CJ.	Plans denied 08-19-15 cdl	PN-Disapproved for plan corrections per memo dated 8/31/15		
20	Banuelos	350 Las Vegas	8/19/15	B-30613	Demo 832sf SFR & 384sf non-conforming detached garage. Build new 1,600sf SRF & 484sf garage.	Approved 11-12-15. JG.	Plans denied 10-16-15 cdl	PN-Approved 11/12/15		
21	Ryan	1125 Las Tunas	10/8/15	B-30695	New SFR with 2185sf & 580sf garage	Disapproved 10-27-15. JG	Plans denied 10-19-15 cdl	JL/PN-Disapproved per memo dated 12/21/15		
22	Douglas	2587 Laurel	7/27/15	B-30352	Addendum to B-30074. Add 24 sq. ft., converting 1,020 sq. ft. to habitable space, add 120 sq. ft. porch, and 191 sq.ft. deck	Under Review. JG. Denial	Plans Denied 08-05-15 cdl	PN 9/30/15 Approved as submitted. No memo		
23	Peter	890 Main	10/15/15	B-30702	76sf concrete accessible ramp at building entrance	Approved 10-21-15. SG	Plans Approved 10/19/15 cdl	PN-Approved 11/25/15		
24	Candy Fish Sushi	898 Main	2/23/15	B-30380	Demise wall to add inside seating in restaurant	Approved 2/26/15 JG	Plans denied 3-2-15 cdl			
25	Dyson	117 Main	8/18/14	B-30248	Covered Patio	Corrections. 9-5-14. WM.	BC-Returned for corrections 9/8/14.	NRR		
26	Boisclair	900 Main	8/5/15	B-30587	Commerical Interior Remodel, with new restrooms, removing existing driveway & street trees	Approved 10-8-15. JG	Building plans Approved 10-13-2015 cdl	PN- Disapproved, need update to Arborist Report, 10/12/15		

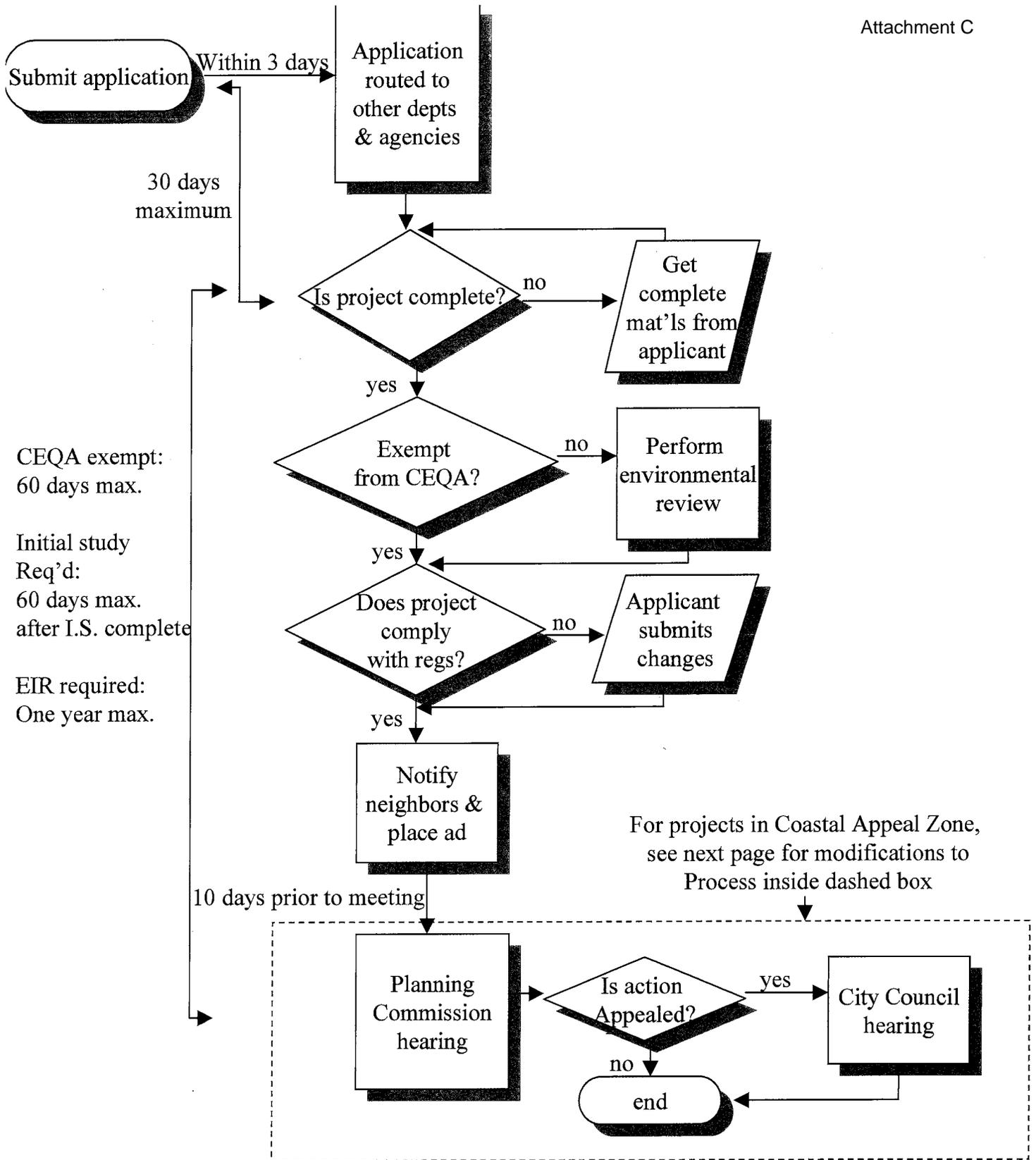
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27	Zanovich	380 Marina	10/2/15	B-30685	Enclose existing deck on SFR	Disapproved 10-23-15. JG. Approved 12/10	Bldg. Plans approved. 10-19-2015 cdl	PN- Conditionally Approved, 10/16/15		
28	Meisterlin	315 Morro Bay Blvd.	9/12/14	B30275	Commercial Alteration-Handicap restroom	Approved 9/25/14. CJ.	Plansw approved 9-30-2014 bc	RPS returned for corrections per memo of		
29	Bunker	491 Panay	12/8/15	B30777	203sf interior remodel to existing 1144sf two story SFR			PN- Approved 12/16/15		
30	Sciortino	966 Pecho	10/26/15	B30715	575sf addition to single level SFR & 77sf deck addition	Approved 10-27-15. JG	Permit issued 8-6-15 cdl	PN- Approved 10/30/15		
31	Dennis	290 Piney	2/13/15	B-30382	New SFR	Under review 2/26 JG. Waiting for conditions of approval to be included in plan set. 3/5 JG Approved 3/17 JG	Permit Issued 8-24-2015 cdl	ME approved 4/16/2015		
32	Humarian	781 Quintana	9/2/15	B-30631	Remodel exterior & interior w/ADA restrooms & parking lot upgrades.	Approved 11-13-15. JG.	Permit Issued 10-16-2015 cdl	PN- Approved 10/10/15		
33	Frye	244 Shasta	5/7/13	B-29910	Garage to Second Unit conversion	KM - Needs to comply with or amend existing CDP. 2006 Planning permit modified to allow non-conforming structure. No activity since 2014 on this building permit.	BC- on hold pending planning process.	BCR-approved 5/13/13		
34	Dow	670 Shasta	10/12/15	B-30699	Addition to SFR of 238sf living space and Demo & reconstruct of 276sf garage	Disapproved 10-27-15. JG	Permit issued 10-27-2015 cdl	PN- Disapproved per memo 10/23/15		
35	Dolezal	1885 Sunset	10/30/15	B-30758	Lot 6: New SFR with 1140sf and 480 garage	Under review		PN- Disapproved per memo 12/17/15		
36	Dolezal	1889 Sunset	10/30/15	B-30757	Lot 5: New SFR with 1140sf with 480 garage	Under review		PN- Disapproved per memo 12/17/15		
37	Dolezal	1893 Sunset	10/30/15	B-30756	Lot 4: New SFR with 1140sf living and 480sf garage	Under review		PN- Disapproved per memo 12/17/15		
38	Dolezal	1897 Sunset	10/30/15	B-30753	Lot 1: New SFR with 1140sf living and 480sf garage	Under review		PN- Disapproved per memo 12/17/15		
39	Dolezal	1901 Sunset	10/30/15	B-30754	Lot 2: New SFR with 1541sf living and 483sf garage	Under review		PN- Disapproved per memo 12/17/15		
40	Dolezal	1905 Sunset	10/30/15	B-30755	Lot 3: New SFR with 1457sf living and 480sf garage	Under review		PN- Disapproved per memo 12/17/15		
41	Reddell	310 Trinidad	6/1/15	B-30508	New 1763sf SFR w/427sf garage & 150sf storage/deck.	JG. waiting on planning permit approval. CP0479 / UP0431 approved 10/12/15		PN- Plans disapproved. Need lateral sewer video & plans update -11/24/15		
42	Barbis	166 Vashon	8/27/15	B-30623	186sf Addition to front exterior of SFR	Approved 10-2-15. WM	Building plans approved 10-09-2015 cdl	PN- Plans disapproved for plan corrections - 9/30/15		
Planning Projects & Permits with Final Action:										
1	Crafton	430 Olive Street	11/13/15	UP0-433	Conditional Use Permit for a 500 sq. ft. addition to a nonconforming structure	JG. Under Review. Spoke with Applicant, will make small corrections. Scheduled for 1/5/15 PC meeting. Continued to a date uncertain. Photosimulation received, scheduled for 2/2 PC meeting. Permit Issued		Conditionally Approved per memo dated 11/25/15		jg
2	Merrifield	1147 West St.	4/24/15	CP0- 469 & UP0-414	Coastal Development and Conditional Use Permits to construct new SFR subject to bluff development stds.	WM Phase 1 arch report req'd. Continued to a date uncertain. Approved by PC on 1-19-16. Permit issued.		PN - Conditionally approved with comments-6/1/15		wm

#	Applicant/ Property Owner	Project Address	Date	Permit Numbers	Project Description/Status	Planning Comments and Notations	Building/Fire Comments and Notations	Engineering Comments and Notations	Harbor/Admin Comments/Notations	Project Planner
3	Wright	1149 West St.	4/24/15	CP0-470 & UP0-415	Coastal Development and Conditional Use Permits to construct new SFR subject to bluff development stds.	WM Phase 1 arch report req'd. Continued to a date uncertain. Approved by PC on 1-19-16. Permit issued.		PN - Conditionally approved with comments-6/1/15		wm

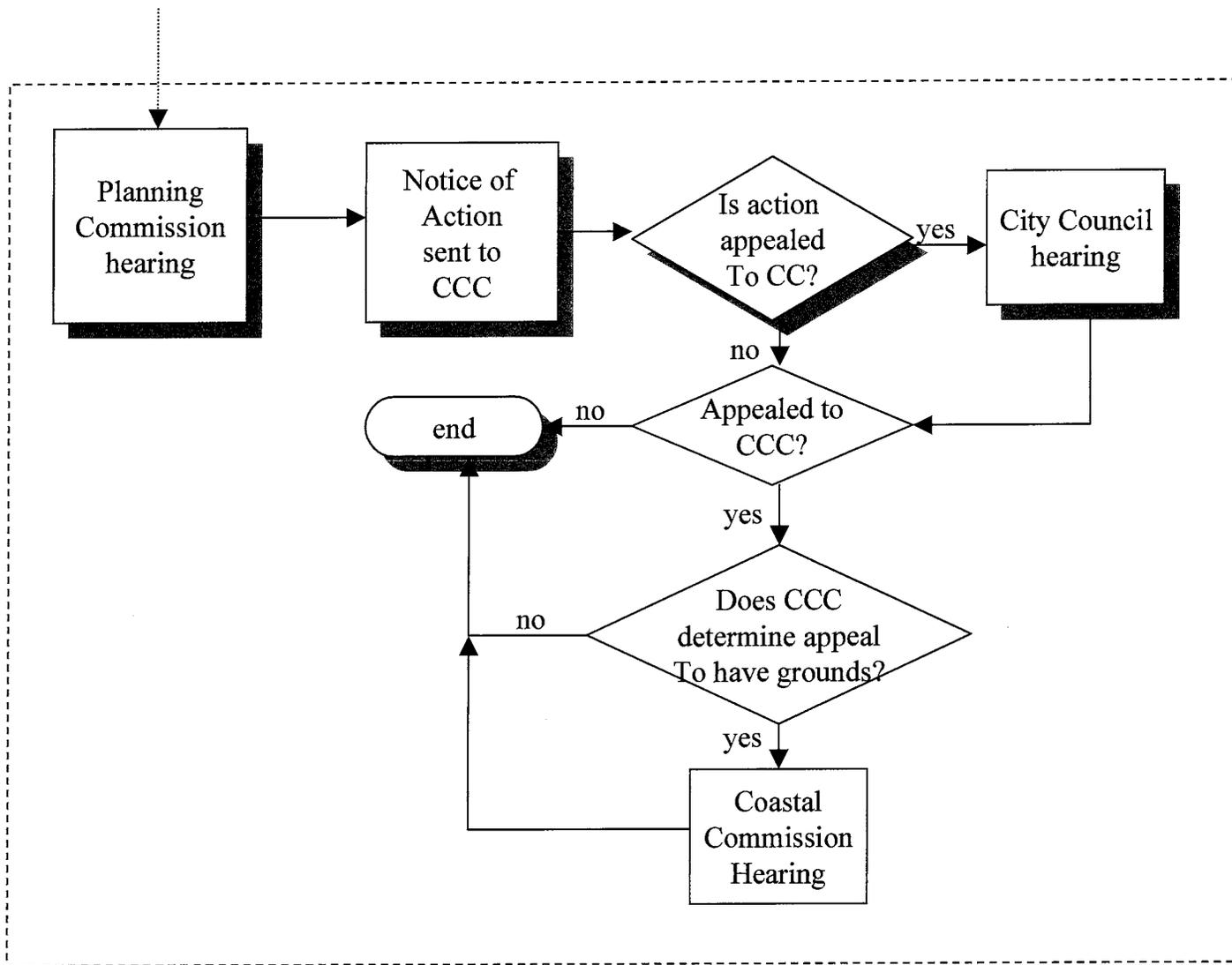
CITY OF MORRO BAY Building Permit Process



* Applicant is responsible for submitting plans to Health Dept



Planning Commission Permits



Addendum: Projects in Coastal Appeal Zone



City of Morro Bay

December Information

Community Enhancement

Learn more at morrobayca.gov/codeenforcement

The City of Morro Bay Community Enhancement Staff (Code Enforcement Officers) are part of the Community Development Department. The Code Enforcement Officers investigate community complaints on issues such as excessive water use, parking, fencing, storage of garbage cans, illegal signs, accumulation of junk, trash, debris and inoperable vehicles, illegal camping, shrubbery and sight distance issues, and non-permitted improvements in the right of way. These items are regulated by the City of Morro Bay Municipal Code and violations can lead to fines and in extreme circumstances, liens on homes. These items also affect the appearance and safety of our community. The City is enhancing its code enforcement to be proactive and is beginning a three-month educational campaign where the code enforcement officers will visit and provide information on issues. After this three-month period, code enforcement officers will be more likely to issue citations for violations of the code. It is important to be familiar with City codes and ordinances that impact private property. To this end the Community Enhancement Staff has put together information regarding the 10 most common violations.

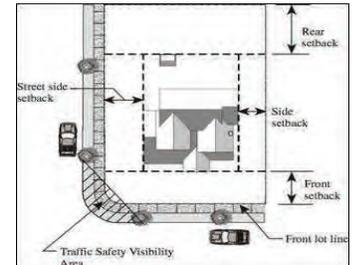
#1 Water Use

The City has implemented mandatory water conservation requirements for severely restricted water supply conditions. Sprinkler irrigation of private landscaping is prohibited between 10 a.m. and 4 p.m. Sprinkler irrigation is permitted on Wednesdays and Sundays for even numbered addresses and on Tuesday and Saturdays for odd numbered addresses. Use of water for cleaning driveways, patios and other hardscape is prohibited.



#2 Improper Parking of RVs and Boats

Recreational Vehicles (RVs) including boats are permitted on private property, but must be located outside of any required front or side yard setbacks. RVs cannot be utilized for sleeping quarters, sanitary or cooking facilities. Also, RVs may not be connected to utilities, including, but not limited to, electricity, gas, water or sewer. RVs and boats cannot be parked in the street for more than 72 hours.



#3 Fences

Fences, walls and hedges, that are open to the passage of air and light over 50 percent or more of the surface area may not exceed a height of four feet in the front or street side yard. Solid fences, walls and hedges not exceeding three feet in height may be located in any street or front yard. Fences, walls and hedges occupying the interior or side or rear yard may not exceed six feet six inches in height.

#4 Garbage Cans—Visible from Street

Refuse containers should be stored in a location that is not visible from the street. Containers should be placed at the curb for collection no earlier than 8 a.m. on the day preceding collection and removed no later than 8 p.m. on the day of collection.





City of Morro Bay

November Information

Community Enhancement

#5 Signs

All permanent commercial signs require approval of a sign permit issued by the Planning Division and may require approval of building permits as well. Temporary signs may be permitted for a limited period of time for special sale or business announcements. Prohibited signs include, but are not limited to, roof-mounted signs, signs that flash or move, tire stacks, signs affixed to utility poles, A-frame signs and non-permanent banner-type signs.

#’s 6 & 7 Junk, Trash, Debris and Inoperable Vehicles on Private Property

The City’s Municipal Code con-

siders it a public nuisance for any owner or occupant to allow the accumulation, abandonment or storage of trash, rubbish, junk, automobiles and other vehicles, dismantled, in whole or in part, that are situated on private property, in public view or in view of abutting properties. These conditions can negatively impact public health and result in dangerous and unsanitary conditions.



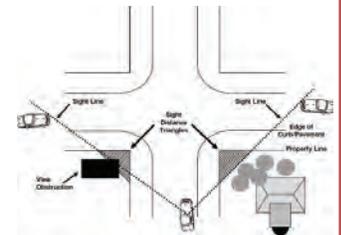
#8 Illegal Camping

Camping is only allowed in City-approved campgrounds, and Recreational Vehicle parks. It is unlawful for any person to erect, occupy or maintain a tent, tent camp, tent trailer, the living quarters of any camper, house car, bus, camp trailer or trailer coach, in any area where such activity is not specifically permitted between the hours of 10 p.m. and 6 a.m. of the following day.



#9 Shrubbery—Sight Distance

Landscaping or other solid objects located in and around local street intersections should be maintained such that they do not exceed a height of three feet in order to avoid creating sight distance safety issues. The sight distance area to be kept clear of visual obstruction is a triangular area measuring a minimum of 10 feet along each street.



#10 Improvements in the right of way/Encroachments

Any improvements or alterations proposed within the right-of-way require acquisition of either an encroachment permit or encroachment agreement, which can be obtained through the City’s Public Works Department.

Community Enhancement staff includes two code enforcement officers, Tim Kristofek and David Crockett, and is overseen by Community Development Manager Scot Graham. Over the coming weeks staff will be developing individual handouts for the Top 10 items noted above. The handouts will be posted on the City’s website at morrobayca.gov/codeenforcement.

The Community Development Department can also be reached by calling (805) 772-6261.





AGENDA NO: C-5

MEETING DATE: February 23, 2016

Staff Report

TO: Honorable Mayor and City Council

DATE: February 10, 2016

FROM: Sam Taylor, Deputy City Manager

SUBJECT: Consideration and Discussion of City Signature Community Events

RECOMMENDATION

Staff recommends Council approve Resolution No. 11-16, adopting the City's sponsored/partnered events.

ALTERNATIVES

The Council could choose to not adopt the resolution. The Council could modify the resolution with alternate events as being signature events.

FISCAL IMPACT

The level of fiscal impact could be minimal to budgeted funds, depending on staff recommendations to City Council. At a minimum, staff believes it's appropriate to waive permit fees and provide Police and Public Works support to sponsored and partnered events.

BACKGROUND

Morro Bay, like many jurisdictions, has numerous events that occur throughout the year, some focused on visitors and some focused on the community.

The City is lucky in the amount of events it has for visitors, which help with building a balanced destination full of diverse activity opportunities. But it's also important to ensure there are local events for residents as well. To that end, staff is proposing to create "signature" City events that are either directly managed by the City or in partnership with other local organizations.

It became clear this endeavor was feasible thanks to the Fourth of July celebration in 2015, largely managed by City staff and two Council Members, who put in major effort to make that important community event occur. Staff would like to continue the July 4th event each year.

Cities, such as Pismo Beach, have adopted certain events, like Pumpkins on the Pier, as signature events that city hosts or partners on.

Prepared By: ST Dept Review: _____
City Manager Review: DWB
City Attorney Review: JWP

To that end, staff is recommending adoption of a resolution providing for signature community events that are more resident focused, including: The Dixon Spaghetti Dinner, Fourth of July, Rock to Pier Run, Downtown Trick-or-Treat (in partnership with the Chamber of Commerce), Lighted Boat Parade/Christmas Tree Lighting (in partnership with the Rotary Club).

The Recreation & Parks Commission unanimously recommended approval of the proposed resolution.

DISCUSSION

Morro Bay has a unique opportunity to help provide for various community events. In most cases, those events are very resident focused and may not necessarily have many visitors attending. That is not the case for the Rock to Pier Run (largely a regional event), as well as the Lighted Boat Parade, which can also attract visitors. Largely, though, those signature events promote community togetherness and enjoyment.

Some would be directly managed by the City, in particular the Dixon Spaghetti Dinner, Rock to Pier Run and the Fourth of July. Other events would be directly managed by partners, but would have City support – the Trick or Treat and the Lighted Boat Parade. The City is extremely appreciative of both the Chamber of Commerce and the Rotary Club managing those events, but have thought providing partnership could enhance the events and also reduce burnout that can occur with volunteers over time. We have heard from community members how difficult it can be to “keep going,” and those community events are crucial to the quality of life in Morro Bay.

For those two partnered- events, at a minimum staff believes it’s appropriate to waive any permit fees or charges as well as providing direct staff support as needed/necessary. It may be that in future years the City Council believes it’s appropriate to provide monetary support within the budget, but staff is not recommending any specific funding at this time. In addition, staff has had initial conversations with both organizations about those partnerships and it does appear there is interest for that financial support. We believe an official declaration of those events as signature community events can assist in fuller planning and assistance.

It should be noted, in 2015, the City did have a budget of \$5,000 for the Fourth of July; and it’s likely there will continue to be costs for that event. The City Recreation Services Division (RSD) does also already budget for the Rock to Pier run and did so at about \$39,000 in 2015. That event actually generated revenue back to the Recreation Services Division in the amount of \$9,116 (the Rock to Pier run is a 100% cost-recovery tier endeavor for the RSD).

Each of the events discussed above provide a wonderful opportunity for community gathering in Morro Bay. It is appropriate for the City to focus its efforts on specific, signature events for residents.

CONCLUSION

Staff recommends Council approve Resolution No. 11-16 adopting the City’s sponsored/partnered events.

RESOLUTION NO. 11-16

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
ADOPTING THE CITY'S SIGNATURE EVENTS**

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

WHEREAS, the community of Morro Bay is an amazing place to live, work and play;
and

WHEREAS, Morro Bay has many local events that serve both visitors and residents; and

WHEREAS, it is appropriate for the City of Morro Bay to recognize signature events that focus on activities that benefit and provide additional opportunities of enjoyment to local residents; and

WHEREAS, signature events are those activities the City will provide direct support to, as determined by the City Council as part of its budgetary decisions; and

WHEREAS, it is appropriate for those events to be both City managed, as well as partnered events with local organizations.

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

The City of Morro Bay's Signature Events are:

- Dixon Spaghetti Dinner
- Fourth of July at Tidelands Park
- Brian Waterbury Memorial Rock to Pier Fun Run
- Halloween Trick-or-Treat
- Lighted Boat Parade and Tree Lighting

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on this 23rd day of February, 2016 on the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

JAMIE L. IRONS, Mayor

ATTEST:

DANA SWANSON, City Clerk



AGENDA NO: C-6

MEETING DATE: February 23, 2016

Staff Report

TO: Honorable Mayor and City Council

DATE: February 10, 2016

FROM: Sam Taylor, Deputy City Manager

SUBJECT: Consideration of and Recommendation to City Council regarding the City Co-Sponsorship Policy and Guidance on Community Facility Use by Various Groups at Free or Reduced Cost

RECOMMENDATION

City Council members should provide guidance to staff regarding co-sponsorship and partnership standards for events and waiver of fees for rental of City facilities.

ALTERNATIVES

None recommended.

FISCAL IMPACT

The City could generate additional revenue by requiring groups that (i) now pay no fees for use of City facilities or (ii) hold permitted events on public property to pay fees based on the adopted City Municipal Fee Schedule. However, requiring the payment of fees for those events could also have the effect of sending those groups to other locations that aren't City facilities or public property.

BACKGROUND

During my employment as Deputy City Manager, it has become clear there have been both City Council-directed and administrative decisions by the Recreation Services Division regarding groups not having to pay fees, or paying lower fees (called "direct costs"), for use of City facilities or holding events on public property outside of a specific rentable facility.

Those groups for many years, often, have been able to spend nothing, or a low amount, for use of facilities and have likely come to expect that practice would continue.

The concern from staff is in most of those instances there is no specific policy in place from the City Council, nor has the Council made any specific public decision to allow for those groups to utilize facilities at no, or low, cost. Please see the attached document that reflects all groups and how they

Prepared By: ST Dept Review: _____
City Manager Review: DWB
City Attorney Review: JWP

utilize facilities and the existing payment structure.

The Council has, in one specific decision, granted a direct costs fee structure to the Winter Bird Festival. That decision was based on a 2009 motion by the City Council creating “co-sponsored” events that pay direct costs, if they meet three requirements intended to support shoulder season (the time of year when fewer visitors come to Morro Bay) tourism.

Co-Sponsoring events may occur if:

1. The event is held off-season (11/1 – 4/30);
2. The event is a multi-day event, or a one-day event with financial return to the City;
3. The requesting party is a non-profit organization.

It appears, initially, an annual application to qualify for that co-sponsorship was required, though that has not been occurring.

The only two events that have been co-sponsored and approved by council have been the Winter Bird Festival (a four-day event) and Dahlia Daze, which no longer occurs.

To be clear, staff is not arguing any of the other groups or events are any less worthy of being supported than any other. The issue is staff believes it is crucial for decisions it makes to be based on adopted policy and decisions of the City Council. Staff is uncomfortable administratively picking which organizations should pay or not, when it comes to the rental of facilities or use of property.

Instead, staff sought direction from the Recreation & Parks Commission, and now is seeking direction from the City Council, as to how to approach the charging of fees for those various groups in the future.

Staff is also seeking affirmation on whether groups that appear to be holding events or meetings in coordination with City staff who are making requests for facility or property use directly to the City without necessarily having the department affirm the partnership or joint event.

Staff recommends any official policy adopted (via resolution) should include a directive joint meetings or events with City departments must be requested by the department, and not the external partner.

The Recreation & Parks Commission unanimously recommended the following parameters to City Council as part of this discussion:

- Every organization should have some type of written agreement if they are going to receive some type of reduction in fees (or fee use).
- Definitive qualification guidelines should be outlined to determine when the City will partner.

- There should be a five-year limitation on an agreement so any co-sponsorship or partnership agreement can be reviewed as still appropriate or relevant.
- The co-sponsorship policy should be reconsidered, in particular as to with whether it should only be for groups that have events during the shoulder season (and it should probably be adopted by resolution).

DISCUSSION

The City finds itself in a situation of having seemingly set a certain level of expectation among many groups about receiving free or low-cost use of facilities. In many cases, staff support or set up is also expected – and has occurred – in the past. Much of that seems to have taken place when maintenance was within the management of the former Parks & Recreation Department, where decisions about both the permitting and the maintenance worker support came from one manager.

Staff knows that will not be an easy discussion, because there are many worthwhile community groups, many of which cannot necessarily afford to pay fees for use of City facilities. In other cases, they simply may not want to pay in order to maximum their budgets in other areas.

A good example of this is the Morro Bay Community Foundation, which has partnered with the City of Morro Bay for many years to provide awards for low-income children in order to participate in City Recreational programming. The initial intent of that group has always been to support the City’s programming. The City has provided free use of the Community Center, as well as staff setting up for the organization’s Morro Bay Sings event, a major fundraiser for their endeavors. The City has also paid for some of the costs of the event, most recently the audio set up.

However, the City does not have any explicit partnership agreement with the Community Foundation that would provide for that free use. It has simply occurred. The concern is those types of relationships, without being spelled out in agreements that identify public benefits, could be considered a gift of public funds or create a perception of favoritism.

The Foundation also would likely not want to utilize City facilities if they have to pay costs for use, as their goal is to keep costs low in order to maximize their fundraising in order to preserve the award funding for low-income children to participate in programming.

City staff believes that relationship has been extremely beneficial for the community as a whole, and a partnership is worthwhile. The question before the RPC and Council is whether the City should enter into partnership agreements for events like that or if it should charge for facilities.

Other groups that receive free or reduced-cost use include:

- ECO Rotary – Using Community Center space for meetings at no charge. ECO Rotary is an Adopt-A-Park participant and we appreciate that partnership. They believed they had a “handshake” deal with the previous Recreation Services Director regarding use due to that participation. The now-expired Adopt-A-Park document does not indicate free use of the

facility.

- Friends of the Library – Receiving reduced costs for set up time and no charges overnight (the first day, setup day is not charged to the group except for the several hours of setting up, though the room is then not available for rental to the rest of the community – and we don't charge for the overnight use) for its book sales.
- Cap'n Jimmy – No permit fees for Embarcadero music
- Project Surf Camp – considered a partner, but with no existing written agreement, no fees, City staff often involved or supporting
- White Caps Band – No fees, no insurance for community band practice
- SLO Chess Club – considered a partner, but with no existing written agreement, fees waived for annual chess tournament; they also manage Chess board in summer
- Estero Bay Youth Football – no fee, used park as sign-up location, waived fee for recreational partnership purposes (no agreement)
- Morro Bay Lions Club – free use of Vets Hall for meetings, no specific partnership agreement though they provide numerous hours to the City in volunteer on projects, including fixing or constructing public facilities, etc.
- Morro Bay Community Dinner – City Council did waive fees through June 2016, but this will expire
- Citizens Beautification & Heritage Committee – Not an official City advisory body but receives no fees and no insurance required (also of note, that request is not made by staff but instead a City Council member – Council should provide direction on this practice so that staff can understand its responsibility)

This list is not necessarily all-inclusive. The Recreation Services Division continues to be introduced to more of those reductions over time as groups come back to remind us of past allowances or we are able to find those reductions in our files.

As of now, staff is seeking direction regarding use of community facilities and whether or not these groups should officially receive fee waivers or reductions.

CONCLUSION

City Council members should provide guidance to staff regarding co-sponsorship and partnership standards for events and waiver of fees for rental of City facilities.

ATTACHMENTS

1. List of current reduced, or free-use organizations
2. City Partnership Policy
3. Staff Report from Co-Sponsorship Policy Decision (adopted by motion)

ECO Rotary of Morro Bay Dahlia Daze (Floral Design Study Club) Morro Bay Friends of Library - Book Sale Morro Bay Winter Bird Festival Morro Bay Community Foundation - MB Sings	NO Fees, more than 4 meetings within calendar year @mbcc Direct Costs Direct Costs, No insurance, no charge for building use after set-up Direct Costs - Per MBC Council Resolution (?) No fees, staff support and use, City paid audio costs in 2015 and year's past	Outside Community Group - Adopt-A-Park volunteers Community Event/Festival Community Event/Festival Community Event/Festival Community Event/Festival/Fundraiser
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Del Mar Elementary	No Fees, No Insurance - Class parties @ the park per SLCUSD Joint Use Agreement (?)	class parties @ the Park
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The following appear to be Department/City joint event or initiative events or uses:

<u>Recreation</u> Cap'n Jimmy Project Surf Camp White Caps Band SLO Chess Club Estero Bay Youth Football	No Fees, No insurance NO Fees - Partnership with City, unknown if official NO Fees, NO insurance - there is a long history here that we need to research No Fees No Fee - used the park as a sign-up location, waived fee for recreational purposes	Embarcadero Music Partnership Community Band Practice (possible veterans group) Community Event/Partnership (unofficial) Outside Recreation Program
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<u>Harbor</u> USCG Auxillary USCG Station NOAA Coastal Cleanup Annual Underwater Clean-Up CC Maritime Museum Association	NO Fees, NO insurance, more than 4 meetings within calendar year @mbcc NO Fees, NO insurance No Fees, No insurance No Fees, No insurance No Fees (insurance provided) NO Fees, NO insurance, more than 4 meetings within calendar year @mbcc	Outside Community Group Change of Command Ceremony Various meetings Coastal Clean-Up Underwater Bay Clean-Up Various meetings
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<u>Fire</u> Estero Radio	NO Fees, No insurance, more than 4 meetings within calendar year @mbcc	monthly HAM Radio checks and various meetings
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<u>Public Works</u> Citizens Beautification & Heritage Committee Morro Bay Pups	NO Fees, No insurance No Fees, No Insurance	Outside Community Group Community Event/Festival
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City Manager's Office (?) Morro Bay Community Dinner	NO Fees - MBCCouncil waived fees through June 2016	St. Peter's Episcopal Church
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RESOLUTION NO. 18-14

**RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF MORRO BAY, CALIFORNIA
APPROVING THE MORRO BAY PARTNERSHIP POLICY**

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

WHEREAS, the City of Morro Bay desires to partner with private, non-profit, or other governmental entities for the development, design, construction and operation of possibly partnered recreational facilities and/or programs that may occur on City property; and

WHEREAS, partnerships can accomplish tasks with limited resources, respond to compelling issues, encourage cooperative interaction and conflict resolution, involve outside interests, and serve as an education and outreach tool; and

WHEREAS, said policy will facilitate a mutually beneficial collaboration for all proposing partners including the City, and particularly for the citizens of Morro Bay; and

WHEREAS, the Morro Bay Recreation and Parks Department is interested in promoting partnerships which involve cooperation among many partners, bringing resources together to accomplish goals in a synergistic manner; and

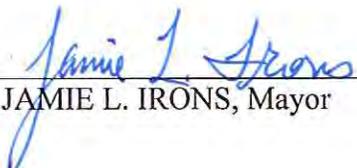
WHEREAS, said partnering procedures established by the City would provide essential background information regarding the needs and contributions of potential partners; and

WHEREAS, at their regular meeting on September 19, 2013 the Recreation and Parks Commission voted unanimously to support the Partnership Policy and recommended City Council's approval.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Morro Bay, California, hereby approves and adopts the Partnership Policy and the implementing procedures.

PASSED AND ADOPTED by the City Council of the City of Morro Bay, at a regular meeting thereof held on the 11th day of March 2014, on the following vote:

AYES: Irons, C. Johnson, N. Johnson, Leage, Smukler
NOES: None
ABSENT: None



JAMIE L. IRONS, Mayor

ATTEST:



JAMIE BOUCHER, City Clerk

**City of Morro Bay
Recreation and Parks Department**

**Partnership Policy
And
Proposal Format**

City of Morro Bay Recreation and Parks Department Partnership Policy and Proposal Format

Table of Contents

<i>Part One</i>	<u>Page</u>
I. The Morro Bay Recreation and Parks Department Partnership Policy	
A. Purpose	3
B. Background and Assumptions	4
C. Partnership Definition	5
D. Possible Types of Partners	6
E. Sponsorships	7
F. Limited Decision-Making Partnerships	7
G. Benefits of Partnerships	8
II. The Partnering Process	9
III. The Partnership Evaluation Process	
A. Mission and Goals	11
B. Other Considerations	11
C. Selection Criteria	13
D. Additional Assistance	14
 <i>Part Two</i>	
The "Proposed Partnership Outline Format"	15
Guiding Questions	16

I. Morro Bay Recreation and Parks Department Partnership Policy

A. Purpose

This policy is designed to guide the process for Morro Bay Recreation and Parks Department in their desire to partner with private, non-profit, or other governmental entities for the development, design, construction and operation of possibly partnered recreational facilities and/or programs that may occur on City property.

Morro Bay Recreation and Parks Department would like to identify private, non-profit, and governmental entities that are interested in proposing to partner with the City to develop recreational facilities and/or programs. A major component in exploring any potential partnership will be to identify additional collaborating partners that may help provide a synergistic working relationship in terms of resources, community contributions, knowledge, and political sensitivity. These partnerships should be mutually beneficial for all proposing partners including the City, and particularly beneficial for the citizens of the community.

This policy document is designed to:

- Provide essential background information,
- Provide parameters for gathering information regarding the needs and contributions of potential partners, and
- Identify how the partnerships will benefit the Morro Bay Recreation and Parks Department and the community.

Part Two: The “Proposed Partnership Outline Format”, provides a format that is intended to help guide Proposing Partners in creating a proposal for review by Morro Bay Recreation and Parks Department staff.

B. Background and Assumptions

Partnerships are being used across the nation by governmental agencies in order to utilize additional resources for their community's benefit. Examples of partnerships abound, and encompass a broad spectrum of agreements and implementation. The most commonly described partnership is between a public and a private entity, but partnerships also occur between public entities and non-profit organizations and/or other governmental agencies.

In order for partnerships to be successful, research has shown that the following elements should be in place prior to partnership procurement:

- There must be support for the concept and process of partnering from the very highest organizational level – i.e.: the City Council, Recreation and Parks Commission, and/or department head.
- The most successful agencies have high-ranking officials that believe that they owe it to their citizens to explore partnering opportunities whenever presented, those communities both solicit partners and consider partnering requests brought to them.
- It is very important to have a Partnership Policy in place before partner procurement begins. This allows the agency to be proactive rather than reactive when presented with a partnership opportunity. It also sets a “level playing field” for all potential partners, so that they can know and understand in advance the parameters and selection criteria for a proposed partnership.
- A partnership policy and process should set development priorities and incorporate multiple points for go/no-go decisions.
- The partnership creation process should be a public process, with both Partners and the Partnering Agency well aware in advance of the upcoming steps.

C. Partnership Definition

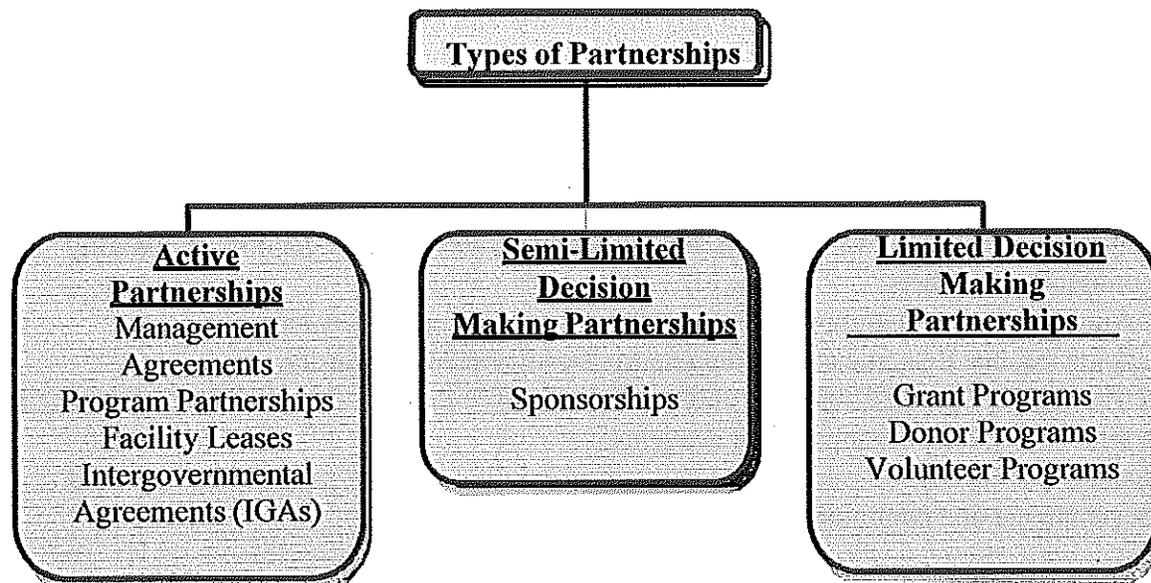
For purposes of this document and policy, a Proposed Partnership is defined as:

"An identified idea or concept involving Morro Bay Recreation and Parks Department and for- profit, non-profit, and/or governmental entities, outlining the application of combined resources to develop facilities, programs, and/or amenities for the City and its citizens."

A partnership is a cooperative venture between two or more parties with a common goal, who combine complementary resources to establish a mutual direction or complete a mutually beneficial project. Partnerships can be facility-based or program-specific. The main goal for Morro Bay Recreation and Parks Department partnerships is enhancing public offerings to meet the mission and goals of the City. Morro Bay Recreation and Parks Department is interested in promoting partnerships which involve cooperation among many partners, bringing resources together to accomplish goals in a synergistic manner. Proposals that incorporate such collaborative efforts will receive priority status.

Partnerships can accomplish tasks with limited resources, respond to compelling issues, encourage cooperative interaction and conflict resolution, involve outside interests, and serve as an education and outreach tool. Partnerships broaden ownership in various projects and increase public support for community recreation goals. Partners often have flexibility to obtain and invest resources/dollars on products or activities where municipal government may be limited.

Partnerships can take the form of (1) cash gifts and donor programs, (2) improved access to alternative funding, (3) property investments, (4) charitable trust funds, (5) labor, (6) materials, (7) equipment, (8) sponsorships, (9) technical skills and/or management skills, and other forms of value. The effective use of volunteers also can figure significantly into developing partnerships. Some partnerships involve active decision making, while in others, certain partners take a more passive role. The following schematic shows the types of possible partnerships discussed in this policy:



D. Possible Types of Active Partnerships

Morro Bay Recreation and Parks Department is interested in promoting collaborative partnerships among multiple community organizations. Types of agreements for Proposed "Active" Partnerships may include leases, contracts, sponsorship agreements, marketing agreements, management agreements, joint-use agreements, inter-governmental agreements, or a combination of these. An innovative and mutually beneficial partnership that does not fit into any of the following categories may also be considered.

Proposed partnerships will be considered for facility, service, operations, and/or program development including associated needs, such as parking, paving, fencing, drainage systems, signage, outdoor restrooms, lighting, utility infrastructure, etc.

E. Sponsorships

Morro Bay Recreation and Parks Department is interested in actively procuring sponsorships for facilities and programs as one type of beneficial partnership. Please see *the Morro Bay Recreation and Parks Department Sponsorship Policy* for more information.

F. Limited-Decision Making Partnerships: Donor, Volunteer, and Granting Programs

While this policy document focuses on the parameters for more active types of partnerships, the City is interested in, and willing to discuss, a proposal for any of these types of partnerships, and may create specific plans for such in the future.

G. Benefits of Partnerships with Morro Bay Recreation and Parks Department

The City expects that any Proposed Partnership will have benefits for all involved parties. Some general expected benefits are:

Benefits for the City and the Community:

- Merging of resources to create a higher level of service and facility availability for community members.
- Making alternative funding sources available for public community amenities.
- Tapping into the dynamic and entrepreneurial traits of private industry.
- Delivering services and facilities more efficiently by allowing for collaborative business solutions to public organizational challenges.
- Meeting the needs of specific groups of users through the availability of land for development and community use.

Benefits for the Partners:

- Land and/or facility availability at a subsidized level for specific facility and/or program needs.
- Sharing of the risk with an established stable governmental entity.
- Becoming part of a larger network of support for management and promotion of facilities and programs.
- Availability of professional City recreation and planning experts to maximize the facilities and programs that may result
- Availability of City staff facilitation to help streamline the planning and operational efforts.

II. The Partnering Process (Checklist)

The steps for the creation of a partnership with the Morro Bay Recreation and Parks Department are as follows:

- A. Morro Bay Recreation and Parks Department will create a public notification process that will help inform any and all interested partners of the availability of partnerships with the City. This will be done through notification in area newspapers, City's website, Department's distribution list, listing marketing efforts, or through any other notification method that is applicable and feasible.
- B. The proposing partner takes the first step to propose partnering with the City. To help in reviewing both the partnerships proposed, and the project to be developed in partnership, the City asks for a Preliminary Proposal according to a specific format as outlined in Part Two □ Proposed Partnership Outline Format.
- C. If initial review of a Preliminary Proposal yields interest and appears to be mutually beneficial based on the City Mission and Goals, and the Selection Criteria, a City staff or appointed representative will be assigned to work with potential partners.
- D. The City representative is available to answer questions related to the creation of an initial proposal, and after initial interest has been indicated, will work with the proposing partner to create a checklist of what actions need to take place next. Each project will have distinctive planning, design, review and support issues. The City representative will facilitate the process of determining how the partnership will address these issues. This representative can also facilitate approvals and input from any involved City departments, providing guidance for the partners as to necessary steps.
- E. An additional focus at this point will be determining whether this project is appropriate for additional collaborative partnering, and whether this project should prompt the City to seek a **Request for Proposal (RFP)** from competing/ collaborating organizations.

Request for Proposal (RFP) Trigger: In order to reduce concerns of unfair private competition, if a proposed project involves partnering with a private "for-profit" entity and a dollar amount greater than \$5,000, and the City has not already undergone a public process for solicitation of that particular type of partnership, the City will request Partnership Proposals from other interested private entities for identical and/or complementary facilities, programs or services. A selection of appropriate partners will be part of the process.

- F. For some projects, a Formal Proposal from the partners for their desired development project will need to be presented for the City's official development review processes and approvals. The project may require approval by the Legal, Planning, Fire and Safety, Finance and/or other City Departments, Recreation and Parks Commission, Planning Commission, The City Council, and/or the City Manager's Office, depending on project

complexity and applicable City Charter provisions, ordinances or regulations. If these reviews are necessary, provision to reimburse the City for its costs incurred in having a representative facilitate the partnered project's passage through Development Review should be included in the partnership proposal.

- G. Depending on project complexity and anticipated benefits, responsibilities for all action points are negotiable, within the framework established by law, to assure the most efficient and mutually beneficial outcome. Some projects may require that all technical and professional expertise and staff resources come from outside the City's staff, while some projects may proceed most efficiently if the City contributes staff resources to the partnership.
- H. The partnership must cover the costs the partnership incurs, regardless of how the partnered project is staffed, and reflect those costs in its project proposal and budget. The proposal for the partnered project should also discuss how staffing and expertise will be provided, and what documents will be produced. If City staff resources are to be used by the partnership, those costs should be allocated to the partnered project and charged to it.
- I. Specific **Partnership Agreements** appropriate to the project will be drafted jointly. There is no specifically prescribed format for **Partnership Agreements**, which may take any of several forms depending on what will accomplish the desired relationships among partners. The agreements may be in the form of:
 - Lease Agreements
 - Management and/or Operating Agreements
 - Maintenance Agreements
 - Intergovernmental Agreements (IGAs)
 - Or a combination of these and/or other appropriate agreements

Proposed partnership agreement might include oversight of the development of the partnership, concept plans and project master plans, environmental assessments, architectural designs, development and design review, project management, and construction documents, inspections contracting, monitoring, etc. Provision to fund the costs and for reimbursing the City for its costs incurred in creating the partnership, facilitating the project's passage through the Development Review Process, and completing the required documents should be considered.

- J. If all is approved, the Partnership begins. The City is committed to upholding its responsibilities to Partners from the initiation through the continuation of a partnership. Evaluation will be an integral component of all Partnerships. The agreements should outline who is responsible for evaluation; the types of measures used, and detail what will occur should the evaluations reveal Partners are not meeting their Partnership obligations.

III. The Partnership Evaluation Process

A. Mission Statements and Goals

All partnerships with Morro Bay Recreation and Parks Department should be in accord with the City's and the Recreation and Parks Department's Mission and Goals to indicate how a proposed partnership for that Department would be preliminarily evaluated:

**Morro Bay Recreation &
Parks Department
MISSION STATEMENT**

We are committed to providing quality recreational services, facilities, and parks necessary to live a healthy and enriched life. We provide these services to our customers in a responsive courteous manner. Our programs strive to build wellness in people, families, and the community.

“Creating Community through People, Parks and Programs”

GOALS

- Help to build strong communities and neighborhoods
- Promote environmental stewardship through recycling and education
- Provide beautiful, safe, and functional parks and facilities that improve the lives of all citizens
- Preserve cultural and historic features within the City's parks and recreation systems
- Provide a work environment for the Recreation & Parks Department staff that encourages initiative, professional development, high morale, productivity, teamwork, innovation, and excellence in management

B. Other Considerations

1. Costs for the Proposal Approval Process

For most proposed partnerships, there will be considerable staff time spent on the review and approval process once a project passes the initial review stage. This time includes discussions with Proposing Partners, exploration of synergistic partnering opportunities, possible RFP processes, facilitation of the approval process, and assistance in writing and negotiating agreements, contracting, etc. There may also be costs for construction and planning documents, design work, and related needs and development review processes mandated by City ordinances.

Successful Partnerships will take these costs into account and may plan for City Recovery of some or all of these costs within the proposal framework. Some of these costs could be considered as construction expenses, reimbursed through a negotiated agreement once operations begin, or covered through some other creative means.

2. Land Use and/or Site Improvements

Some proposed partnerships may include facility and/or land use. Necessary site improvements cannot be automatically assumed. Costs and responsibility for these improvements should be considered in any Proposal. Some of the general and usual needs for public facilities that may not be included as City contributions and may need to be negotiated for a project include:

- Any facilities or non-existent infrastructure construction
- Roads or street improvements
- Maintenance to specified standards
- Staffing
- Parking
- Lighting
- Outdoor restrooms
- Water fountains
- Complementary uses of the site
- Utility improvements
- Custodial
- Trash removal

3. Need

The nature of provision of public services determines that certain activities will have a higher need than others. Some activities serve a relatively small number of users and have a high facility cost. Others serve a large number of users and are widely available from the private sector because they are profitable. The determination of need for facilities and programs is an ongoing discussion in public provision of programs and amenities. The project will be evaluated based on how the project fulfills a public need.

4. Funding

Only when a Partnership Proposal demonstrates high unmet needs and high benefits for City citizens, will the City consider contributing resources to a project. The City recommends that Proposing Partners consider sources of potential funding. The more successful partnerships will have funding secured in advance. In most cases, Proposing Partners should consider funding and cash flow for initial capital development, staffing, and ongoing operation and maintenance.

The details of approved and pending funding sources should be clearly identified in a proposal.

For many partners, especially small private user groups, non-profit groups, and governmental agencies, cash resources may be a limiting factor in the proposal. It may be a necessity for partners to utilize alternative funding sources for resources to complete a proposed project. Obtaining alternative funding often demands creativity, ingenuity, and persistence, but many forms of funding are available.

Alternative funding can come from many sources, e.g. Sponsorships, Grants, Donor Programs, and internet searches can help with foundation and grant resources. Developing a solid leadership team for a partnering organization will help find funding sources. In-kind contributions can, in some cases, add additional funding.

All plans for using alternative funding should be clearly identified. The City's Sponsorship Policy, and partnered projects will be expected to adhere to this Policy. This includes the necessity of having an Approved Sponsorship Plan in place prior to procurement of sponsorships for a Partnered Project.

C. Selection Criteria

In assessing a partnership opportunity to provide facilities and services, the City will consider (as appropriate) the following criteria. The Proposed Partnership Outline Format in Part Two provides a structure to use in creating a proposal. City staff and representatives will make an evaluation by attempting to answer each of the following Guiding Questions:

- How does the project align with the City and affected Department's Mission Statement and Goals?
- How does the proposed facility fit into the current City and the affected Department's Master Plan?
- How does the facility/program meet the needs of City residents?
- How will the project generate more revenue and/or less cost per participant than the City can provide with its own staff or facilities?
- What are the alternatives that currently exist, or have been considered, to serve the users identified in this project?
- How much of the existing need is now being met within the City borders and within adjacent cities?
- What is the number and demographic profile of participants who will be served?
- How can the proposing partner assure the City of the long-term stability of the proposed partnership, both for operations and for maintenance standards?
- How will the partnered project meet Americans with Disabilities Act and EEOC requirements?
- How will the organization offer programs at reasonable and competitive costs for participants
- What are the overall benefits for both the City and the Proposing Partners?

Part Two

Morro Bay Recreation and Parks Proposed Partnership Outline Format

Please provide as much information as possible in the following outline form.

I. Description of Proposing Organization:

- | | |
|---|--|
| <ul style="list-style-type: none"> • Name of Organization • Years in Existence • Contact Name, Mailing Address,
Physical Address, Phone, Fax,
E-mail | <ul style="list-style-type: none"> • Purpose of Organization • Services Provided • Member/User/Customer Profiles • Accomplishments • Legal Status |
|---|--|

II. Decision Making Authority

Who is authorized to negotiate on behalf of the organization? Who or what group (i.e. Council/Commission/Board) is the final decision maker and can authorize the funding commitment? What is the timeframe for decision making?

Summary of Proposal (100 words or less)

What is being proposed in terms of capital development, and program needs?

III. Benefits to the Partnering Organization

Why is your organization interested in partnering with the Morro Bay Recreation and Parks Department? Please individually list and discuss the benefits (monetary and non-monetary) for your organization

IV. Benefits to the Morro Bay Recreation and Parks Department

Please individually list and discuss the benefits (monetary and non-monetary) for the Morro Bay Recreation and Parks Department and residents of the City.

V. Details (as currently known)

The following page lists a series of *Guiding Questions* to help you address details that can help outline the benefits of a possible partnership. Please try to answer as many as possible with currently known information. Please include what your organization proposes to provide and what is requested of Morro Bay Recreation and Parks Department. Please include (as known) initial plans for your concept, operations, projected costs and revenues, staffing, and/or any scheduling or maintenance needs, etc.

Guiding Questions

Meeting the Needs of our Community:

- In your experience, how does the project align with Recreation & Parks Department goals?
- How does the proposed program or facility meet a need for City residents?
- Who will be the users? What is the projected number and profile of participants who will be served?
- What alternatives currently exist to serve the users identified in this project?
- How much of the existing need is now being met? What is the availability of similar programs elsewhere in the community?
- Do the programs provide opportunities for entry-level, intermediate, and/or expert skill levels?
- How does this project incorporate environmentally sustainable practices?

The Financial Aspect:

- Can the project generate more revenue and/or less cost per participant than the City can provide with its own staff or facilities? If not, why should the City partner on this project?
- Will your organization offer programs at reasonable and competitive costs for all participants? What are the anticipated prices for participants?
- What resources are expected to come from the Recreation & Parks Department?
- Will there be a monetary benefit for the City, and if so, how and how much?

Logistics:

- How much space do you need? What type of space?
- What is critical related to location?
- What is your proposed timeline?
- What are your projected hours of operations?
- What are your initial staffing projections?
- Are there any mutually-beneficial cooperative marketing benefits?
- What types of insurance will be needed and who will be responsible for acquiring and paying premiums on the policies?
- What is your organization's experience in providing this type of facility/program?
- How will your organization meet Americans with Disabilities Act and EEOC requirements?

Agreements and Evaluation:

- How, by whom, and at what intervals should the project be evaluated?
- How can you assure the City of long-term stability of your organization?
- What types and length of agreements should be used for this project?
- What types of "exit strategies" should we include?



AGENDA NO:

D-4

MEETING DATE:

4/12/10

Staff Report

TO: Honorable Mayor and City Council **DATE:** 04/12/2010
FROM: Joe Woods, Recreation and Parks Director
SUBJECT: Review of Co-sponsorship Request from Morro Bay Garden Club for Dahlia Daze Event

RECOMMENDATION:

Staff recommends City Council reviews and discusses the possibility of co-sponsoring the Morro Bay Garden Club's annual Dahlia Daze event and direct staff appropriately.

This agenda item is in reference to the Council's established goal to foster proactive action and communication between staff, Council and the community.

MOTION: I move that the City Council (*support or not support*) the co-sponsorship of the City and the Morro Bay Garden Club with their annual Dahlia Daze event on August 27-28, 2010 at the Morro Bay Community Center.

FISCAL IMPACT:

The financial impact to the City would be the difference of the non-profit rate schedule and direct cost rate schedule. However, indirect revenues may be realized by an increase of participation at this year's event. Rental of the Community Center as requested by the Garden Club at the current non-profit rate would be \$772.50. If Co-sponsorship is granted, staff would apply only direct costs for facility use, reducing the invoiced amount to \$353.25. The difference between co-sponsored or not is \$419.25.

Prepared By: F. WoodsDept Review: F. WoodsCity Manager Review: [Signature]

City Attorney Review: _____

BACKGROUND:

The Morro Bay Garden Club requested co-sponsorship in May 2009, for the fourth annual Dahlia Daze celebration, that request was denied by City Council. Furthermore, City Council requested staff review the guidelines for co-sponsorship with RPC and present the item at their October 12th, 2009 regular meeting. Attached are the staff reports and minutes related to the review of the City's co-sponsorship policy. Results are summarized in the motion by City Council:

Councilmember Borchard moved the City Council continue the co-sponsorship of events; with the following conditions:

- 1) event is off-season (November 1 through April 30);
- 2) event multi-day, or one day with financial return to the City;
- 3) requesting party is a nonprofit organization.

DISCUSSION:

The Morro Bay Garden Club has recently requested co-sponsorship from the City of Morro Bay to support their annual Dahlia Daze event scheduled for August 27-28, 2010. Staff has reviewed the request and has presented the application to the Recreation and Parks Commission at their regular meeting on March 23, 2010.

After discussion, the Recreation and Parks Commission was in favor of co-sponsorship. The RPC found that the request for co-sponsorship met two of the three co-sponsorship conditions, and is recommending City Council waive the time of year condition based on the nature of the event. The RPC unanimously voted to pass the following motion:

The Recreation and Parks Commission supports the co-sponsorship of the City and the Morro Bay Garden Club with their annual Dahlia Daze event on August 27-28, 2010 at the Morro Bay Community Center and ask staff to present the request to City Council to waive condition number one based on the uniqueness of the event.

Staff agrees with RPC, the Morro Bay Garden Club's request for co-sponsorship does meet two of the three conditions, therefore Staff cannot approve the request based on current policy. Policy protocol warrants further review by City Council for final decision.

REQUEST INFORMATION:

The Morro Bay Garden club has requested co-sponsorship from the City of Morro Bay. The purpose of the Morro Bay Garden Club is to promote gardening and civic beautification. Co-sponsorship is desired because the Dalia has been the City flower for over 40 years and the Morro Bay Garden Club is too small of a group to provide the type of celebrations that the City flower and community deserves.

Dahlia Daze is entering its fifth year as an annual event, and the Garden Club seeks support for the City flower as well as club exposure to entice new members with hopes of more gardeners growing dahlias within the City.

The Garden Club feels the City would benefit from the Dalia Daze great positive publicity. Dahlia Daze is a two day event, estimating 200-300 participants and is scheduled in August due to the blooming Dahlias. Any other time of year would not be feasible based on the nature of this event.

The event is advertised outside both San Luis Obispo County as well as the State of California. The Morro Bay Garden Club plans on advertising at the State Dahlia Show in San Francisco, with other California Garden clubs, several magazines and locally on TV and radio as well as advertising at the Mid-State fair.

Attachments:

- Recreation and Parks Commission minutes of March 23, 2010
- City Council regular meeting minutes August 10, 2009
- Recreation and Parks Commission staff report October 1, 2009
- City Council staff report October 12, 2009
- City Council regular meeting minutes October 12, 2009

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AGENDA NO:

MEETING DATE: 10/12/2009

Staff Report

TO: Honorable Mayor and City Council **DATE:** October 12, 2009
FROM: Joseph M. Woods, Recreation and Parks Director
SUBJECT: Continued Consideration of the City's Co-sponsorship of Events

RECOMMENDATION:

Staff recommends the City Council consider one of the three options in regard to the future co-sponsorship of events as well as the continuation of the existing co-sponsorship agreements.

Option 1 - MOTION: I move that the City Council continue with the existing co-sponsorship program without amendments.

Option 2 - MOTION: I move that the City Council approve the City's co-sponsorship of events with the following conditions (include conditions).

Option 3 - MOTION: I move that the City Council no longer support the City's co-sponsorship of events.

FISCAL IMPACT:

The financial impact would vary depending on the availability of a Co-Sponsorship program and the conditions stated within each agreement. Specific details on the financial impact, related to current co-sponsored events, are stated in the attached August 10, 2009 Staff Report addressed to City Council. The City does receive some marketing benefits from the events as well as indirect revenues via sales tax and possibly transient occupancy tax.

SUMMARY:

The City's co-sponsorship currently includes two special events: the Morro Bay Winter Bird Festival and the Teach Foundation Telethon Fundraiser. Both events were approved by the City Administrator and are well beyond 10 years in existence. The City Council has requested the Recreation and Parks Commission (RPC) to review the current policy and recommend any improvements such as guidelines for qualifications, application review procedures, and event logistics.

Through discussion, the RPC has agreed on the desire to continue with a co-sponsorship program, and the need to qualify requesting agencies based on various criteria. Information received from the requesting agency's application for co-sponsorship should be reviewed and approved by the RPC and Recreation and Parks Director.

BACKGROUND/ DISCUSSION:

After reviewing the staff report on August 10, 2009, Council directed staff to review the co-sponsorship program with the RPC, and return with recommendations. The RPC met on September 3, 2009, as well as October 1, 2009 to review and discuss the current co-sponsorship program. Minutes from the September 3, 2009 meeting are attached for your review.

The RPC agreed on the desire to continue with a co-sponsorship program and have formulated the attached application for Council's review and consideration. Staff feels that groups requesting co-sponsorship must meet the minimum of criteria consisting of the following:

- (1) Event is off-season, meaning between November 1 through April 30;
- (2) Event is multi-day, or one day with financial return to the City.
- (3) Requesting party is a nonprofit organization.

Furthermore, Staff feels co-sponsored events should be reviewed on an annual basis along with their re-submittal of a Facility Use Application. Additionally, current co-sponsored events would need to reapply under any new policies or procedures which may be adopted.

CONCLUSION

The City of Morro Bay has had some long term co-sponsorship arrangements that at this point would benefit from being reviewed and an overriding policy established by the City Council. This will enable City staff to equally and consistently relay the policy to requesting user groups.



AGENDA NO: C-1
MEETING DATE: 10/1/2009

Staff Report

TO: Recreation and Parks Commission DATE: 10/1/2009
FROM: Joe Woods, Recreation and Parks Director
SUBJECT: Continued Discussion and Recommendation of the City Co-Sponsorship Program for Special Events.

RECOMMENDATION:

The RPC discuss and forward to City Council recommended policies and/or procedures for future co- sponsorship of events as well as the continuation of the existing co-sponsorship agreements.

FISCAL IMPACT:

The financial impact would vary depending on the availability of a co-sponsorship program and the conditions stated within each agreement. Specific details on the financial impact, related to current co-sponsored events, are stated in the attached August 10, 2009 Staff Report addressed to City Council, titled "Consideration of the City's Co-Sponsorship of Events".

SUMMARY:

The City's co-sponsorship currently includes two special events: the Morro Bay Winter Bird Festival and the Teach Foundation Telethon Fundraiser. Both events were approved by the City Administrator. The City Council is requesting the RPC review the current policy and recommend any improvements such as guidelines for qualifications, application review procedures, and event logistics. Through discussion the RPC may find other elements worthy of inclusion in a co-sponsorship program.

Prepared By: _____	Dept Review: _____
City Manager Review: _____	
City Attorney Review: _____	

BACKGROUND:

From time to time Staff has been requested by outside organizations to waive fees for special events they intend to host. Staff has routinely directed those requesting organizations to City Council, who have the sole authority to waive fees. At their regular meeting of August 10, 2009 Council reviewed the current co-sponsored special events and a new request from the Morro Bay Photo Expo. The staff report and minutes of that meeting are attached for your review. Council has directed Staff to present the co-sponsorship program to the RPC for review, with the expectations of returning to Council with recommendations on proceeding with co-sponsoring special events.

On September 3, 2009, the RPC reviewed and discussed the current co-sponsorship program as directed by City Council. During the discussion, there was consensus among the commission that all were in favor of continuing a co-sponsorship program to some degree. The minutes of the September 3, 2009 RPC meeting are in tonight's packet for review and approval.

Commissioner Mahan made a motion which outlined three criteria to be included in the review process. The criteria to be included would be:

- (1) Is the event off-season? November 1 through April 30;
- (2) Is the event multi-day, or one day with financial return to the City?
- (3) Is the requesting party a nonprofit organization?

These recommendations are included in the attached draft version of a possible co-sponsorship request form.

DISCUSSION:

Co-sponsorship of events is of interest to the RPC, and guidelines and procedures must be established to ensure consistent application of the policy. The information regarding a specific special event would be captured in the facility use application, but may require more specific questions and the creation of a co-sponsorship request form may be most efficient. Staff has included a draft request form which includes the three desired criteria from the RPC, as well as additional questions/criteria for discussion.

**REQUEST CONSIDERATION FOR
CITY CO-SPONSORSHIP**

**PLEASE COMPLETE THIS FORM AND SUBMIT WITH YOUR EVENT
APPLICATION**

(To be attached to Permit Application – Retain in City files)

Name and Address of requesting Organization:

Non-Profit ___ Resident ___ Non-Resident ___ Profit ___

If Non-Profit, please provide tax exempt # _____

Contact Person: _____ Daytime Phone: _____
(Authorized to sign all documents)

Event Date(s): _____ Time: (include setup and take down) _____

Location(s): _____

Detailed Description of Event: _____

Why is your group requesting City Co-Sponsorship? _____

What are your group's expectations of a City Co-Sponsorship? _____

How does the City benefit from Co-Sponsoring your event? _____

Describe the type of Vendors/Exhibitors/Concessionaires? _____

Describe any food service to be provided at the event: _____

Caterer? ___ Alcohol Beverages Served? ___ Sold? ___



AGENDA NO:

MEETING DATE: 09/03/2009

List Entertainment Activities?

On Site: _____

Off Site: _____

Is the event schedule between November 1 thru April 30? _____

Will the event be offered more than one day?

Total Attendance (per day) including all participants, spectators, guests, exhibitors, performers, entertainers, volunteers and employees:

Day 1 _____ Day 2 _____ Day 3 _____ Day 4 _____ Day 5 _____

Who is the target audience for the event? _____

Will the event be advertising for participants from outside the San Luis Obispo County? __

Will the event be advertising for participants from outside the State of California? __

----- City Review -----

Possible Checklist of required submittal:

Department Head review: _____

City Manager review: _____

RPC/Council review: _____

And/or

Department Head approval: _____

City Manager approval: _____

RPC/Council approval: _____

Staff Report

TO: Recreation and Parks Commission **DATE:** 09/03/2009
FROM: Joe Woods, Recreation and Parks Director
SUBJECT: Discussion and Recommendation of the City Co-Sponsorship Program for Special Events.

RECOMMENDATION:

Staff recommends the Recreation and Parks Commission discuss and recommend to City Council policies or procedures for future co- sponsorship of events as well as the continuation of the existing co-sponsorship agreements.

FISCAL IMPACT:

The financial impact would vary with each co-sponsorship agreement. Some events require less city services therefore the impact is less. Some events require more time, or days, which increases the invoiced amount based on quantity of usage. Factors such as time, space, and available resources have direct and indirect financial impacts on the general fund. The most direct impact would be reducing the invoiced amount based on direct fees and not nonprofit rates. All current agreements use direct cost rates.

SUMMARY:

The City's co-sponsorship currently includes two special events: the Morro Bay Winter Bird Festival and the Teach Foundation Telethon Fundraiser. Both events were approved by the City Administrator and are well beyond 10 years in existence. The City Council is requesting the RPC review the current policy and recommend any improvements such as guidelines for qualifications, application review procedures, and event logistics. Through discussion the RPC may find other elements worthy of inclusion in a co-sponsorship program.

BACKGROUND:

Approval of co-sponsoring a special event has been and still is the authority of the City Manager. Staff is aware of three specific events that have been included in co-sponsorship: The Morro Bay Winter Bird Festival, the Morro Bay Jazz Festival, and the Teach Foundation Telethon Fundraiser. Each special event had an

agreement with the City and conditions varied.

From time to time staff has been requested by outside organizations to waive fees for special events they intend to host. Staff has routinely directed those requesting organizations to City Council, who have the sole authority to waive fees. At their regular meeting of August 10, 2009 Council reviewed the current co-sponsored special events and a new request from the Morro Bay Photo Expo. The staff report and minutes of that meeting are attached for your review.

DISCUSSION:

A co-sponsorship program could be beneficial to the City of Morro Bay, local residents and businesses, and visitors, if the conditions of the program created opportunity for parties to meet their expectations of the special event. Having special events co-sponsored by the City allows groups to allocate more of the generated funds back into the special event budget for future events.

The City of Morro Bay could realize a benefit by direct payments and through indirect revenue streams. Direct payments would come from invoiced fees based on the master fee schedule. Those indirect revenue accounts could be the Transient Occupancy Tax and or Sales Tax. When special events occur in the city of Morro Bay certain economical factors could be used to calculate the estimated revenues generated in relationship to the planned special event. When special events occur over multiple days, requiring lodging and meals for participants, the indirect revenue streams benefit proportionally.

When organizations are not co-sponsored, they are required to submit a Facility Use Application. The rental of City facilities is regulated by Department policy and the City's Master Fee Schedule, both of which were recently reviewed by the Commission.

If the co-sponsorship of events is of interest, then guidelines and procedures must be established. The information regarding a specific special event would be captured in the facility use application, but may require more specific questions and the creation of a co-sponsorship request form may be most efficient. The request form could have a series of questions which funnel potential co-sponsored events through the eligibility criteria into either an agreement or a denial.



AGENDA NO:

MEETING DATE:

Staff Report

TO: Honorable Mayor and City Council **DATE:** August 10, 2009
FROM: Joseph M. Woods, Recreation and Parks Director
SUBJECT: Consideration of the City's Co-sponsorship of Events

RECOMMENDATION:

Staff recommends the City Council consider one of the three options in regard to the future co- sponsorship of events as well as the continuation of the existing co-sponsorship agreements.

Option 1 - MOTION: I move that the City Council send this issue to the Recreation and Parks Commission for review and a recommendation returning it to the City Council by September.

Option 2 - MOTION: I move that the City Council approve the City's co-sponsorship of events with the following conditions (include conditions).

Option 3 - MOTION: I move that the City Council no longer support the City's co-sponsorship of events.

FISCAL IMPACT:

There is a fiscal impact to the City with the co-sponsorship of events as the rental fees received are reduced down to direct costs for services. In turn, the City does receive some marketing benefits from the events as well as indirect revenues via sales tax and possibly transient occupancy tax.

SUMMARY:

In the mid-1990's the City Administrator approved the co-sponsorship of three events held in City Facilities. Those events included the Morro Bay Winter Bird Festival, the Morro Bay Jazz Festival and the Teach Foundation Telethon Fundraiser. The co-sponsorship "conditions" varied from event to event. At one time, the City had the ability to extend their liability coverage to other non-City events which was a significant contribution to new and sometimes fledgling events. It is important to note this practice was changed in mid-2000 with the City no longer able to

extend their liability coverage to other events. The initial thought with co-sponsorship was to help start annual events and attract visitors to Morro Bay during the slower months of the year. There has been success with the Morro Bay Winter Bird Festival as the event attracts visitors from out of the area, during the winter months, and for multiple night stays.

Currently, the Winter Bird Festival and the Teach Foundation Telethon Fundraiser are the only two events that continue to be co-sponsored by the City. The City also co-sponsored the Morro Bay Jazz Festival for one or two years, but the event did not continue. In recent months the City has received two additional requests for co-sponsorship of events including the Dahlia Daze event, which was not approved by the City Council and the Morro Bay Photo Expo (request attached). It is important to note these co-sponsorship arrangements pertain to outside agencies holding events in City of Morro Bay facilities versus an event such as the Rock to Pier Run which is a City event run by City staff.

In consideration of the May 2008 Management Partners Report, the February 2009 Goal Setting Workshop and based on the current economic conditions, City staff felt it important to bring forward the existing co-sponsorships for discussion. Staff is asking City Council to make a determination on the continuation and the possibility of co-sponsoring additional events, which will include a subsidy (direct revenue lost) from the City.

DISCUSSION:

When co-sponsorship agreements initially began, the City provided:

1. Liability coverage for the events
2. Decreased facility rental fee – charging only direct room rental rates
3. Staffing for set-up, tear-down

The City in turn received:

1. Listing as a co-sponsor for the event on all promotional items, press releases, posters, radio and TV spots, etc.
2. Advertising banners at the events

Over the years, the co-sponsorship benefits diminished with the groups now required to provide their own liability insurance, rental fees charged include the direct cost of all the facilities used and full costs for any staffing assigned to the event including set-up and tear down. As a point of discussion, with the following events, if the City were to continue with the current practice in the co-sponsorship, the cost difference for the event would be as follows:

Morro Bay Photo Expo-2009

Normal costs for the event (non-profit rate):	\$1,359.00
Costs for the event with co-sponsorship:	\$ 513.50
Difference	\$ 845.50

Morro Bay Winter Bird Festival-2009

Normal costs for the event (non-profit rate):	\$3,530.00
Costs for the event with co-sponsorship:	\$1,025.25
Difference	\$2,504.75

Morro Bay Dahlia Daze-2009

Normal costs for the event (non-profit rate):	\$228.00
Costs for the event with co-sponsorship:	\$100.50
Difference	\$127.50

In their consideration, the City Council may want to consider co-sponsorship of newly established events/first time events that are multi-day and likely to encourage an overnight stay in Morro Bay and thus positively affecting the transient occupancy tax and sales tax revenues.

CONCLUSION

The City of Morro Bay has had some long term co-sponsorship arrangements that at this point would benefit from being reviewed and an overriding policy established by the City Council. This will enable City staff to equally and consistently relay the policy to requesting user groups.