



CITY OF MORRO BAY PLANNING COMMISSION AGENDA

*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, May 17, 2016
Veteran's Memorial Building – 6:00 P.M.
209 Surf Street, Morro Bay, CA**

Chairperson Robert Tefft

Commissioner Gerald Luhr
Commissioner Michael Lucas

Commissioner Richard Sadowski
Commissioner Joseph Ingrassia

ESTABLISH QUORUM AND CALL TO ORDER
MOMENT OF SILENCE / PLEDGE OF ALLEGIANCE
PLANNING COMMISSIONER ANNOUNCEMENTS

PUBLIC COMMENT PERIOD

Members of the audience wishing to address the Commission on matters not on the agenda may do so at this time. In a continual attempt to make the public process open to members of the public, the City also invites public comment before each agenda item. Commission hearings often involve highly emotional issues. It is important that all participants conduct themselves with courtesy, dignity and respect. All persons who wish to present comments must observe the following rules to increase the effectiveness of the Public Comment Period:

- When recognized by the Chair, please come forward to the podium and state your name and address for the record. Commission meetings are audio and video recorded and this information is voluntary and desired for the preparation of minutes.
- Comments are to be limited to three minutes so keep your comments brief and to the point.
- All remarks shall be addressed to the Commission, as a whole, and not to any individual member thereof. Conversation or debate between a speaker at the podium and a member of the audience is not permitted.
- The Commission 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 Commission to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.
- Your participation in Commission meetings is welcome and your courtesy will be appreciated.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Community Development at (805) 772-6264. Notification 24 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. There are devices for the hearing impaired available upon request at the staff's table.

PRESENTATIONS

Informational presentations are made to the Commission by individuals, groups or organizations, which are of a civic nature and relate to public planning issues that warrant a longer time than Public Comment will provide. Based on the presentation received, any Planning Commissioner may declare the matter as a future agenda item in accordance with the General Rules and Procedures. Presentations should normally be limited to 15-20 minutes.

A. CONSENT CALENDAR

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

A-2 Approval of minutes from the Planning Commission meeting of February 16, 2016.
Staff Recommendation: Approve minutes as submitted.

A-3 Approval of minutes from the Planning Commission meeting of March 1, 2016.
Staff Recommendation: Approve minutes as submitted.

B. PUBLIC HEARINGS

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

B-1 Case No.: CP0-404 and UP0-364

Site Location: 1840 Main Street

Proposal: Coastal Development Permit and Conditional Use Permit for new construction of an approximate 1,400 sf restaurant with outdoor seating only, canopied parking for drive-up service, drive-thru service, and associated site improvements including ground work, retaining walls, frontage improvements, and landscaping. The project includes removal of existing flatwork, landscaping and major vegetation on a vacant lot from previous development. The project also include a master sign program including total signage area exceeding City standards. In addition, the project will include utility trenching of 4-6 feet across Main Street to the west of the property as well as trenching across Caltrans right of way which fronts on Atascadero Road. This project is located outside the Coastal Commission appeals jurisdiction.

CEQA Determination: Mitigated Negative Declaration

Staff Recommendation: Adopt Mitigated Negative Declaration and Conditionally approve

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

C. NEW BUSINESS

C-1 Planning Commissioner Vacation Schedule Discussion – no staff report

D. UNFINISHED BUSINESS

E. PLANNING COMMISSIONER COMMENTS

F. COMMUNITY DEVELOPMENT MANAGER COMMENTS

G. ADJOURNMENT

Adjourn to the regular Planning Commission meeting at the Veteran's Memorial Building, 209 Surf Street, on June 7, 2016 at 6:00 p.m.

PLANNING COMMISSION MEETING PROCEDURES

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

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

Materials related to an item on this Agenda are available for public inspection during normal business hours in the Community Development Department, at Mill's/ASAP, 495 Morro Bay Boulevard, or the Morro Bay Library, 695 Harbor, Morro Bay, CA 93442. Materials related to an item on this Agenda submitted to the Planning Commission after publication of the Agenda packet are available for inspection at the Community Development Department during normal business hours or at the scheduled meeting.

This Agenda may be found on the Internet at: www.morro-bay.ca.us/planningcommission or you can subscribe to Notify Me for email notification when the Agenda is posted on the City's website. To subscribe, go to www.morro-bay.ca.us/notifyme and follow the instructions.

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

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

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

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

APPEALS

If you are dissatisfied with an approval or denial of a project, you have the right to appeal this decision to the City Council up to 10 calendar days after the date of action. Pursuant to Government Code §65009, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Commission, at, or prior to, the public hearing. The appeal form is available at the Community Development Department and on the City's web site. If legitimate coastal resource issues related to our Local Coastal Program are raised in the appeal, there is no fee if the subject property is located within the Coastal Appeal Area. If the property is located outside the Coastal Appeal Area, the fee is \$263 flat fee. If a fee is required, the appeal will not be considered complete if the fee is not paid. If the City decides in the appellant's favor then the fee will be refunded.

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



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: May 17, 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	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. Second reading going to council on April 12, 2016.	No review performed.				wm

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2	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. Archaeological consultation in progress. MND routed to State Clearinghouse. Comment letter received from APCD re MND. cj. Noticing error necessitates continuance from 5/3/16 to 5/17/16 PC hearing.	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: Initial conditions provide by memos of 9/10/13 and 10/14. Met with Caltrans on 10/17.		cj
3	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.Was tentatively scheduled for 3-1-16 PC hearing. Awaiting additional info from applicant. Tentatively scheduled for 5-17-16 hearing.				wm
30 -Day Review, Incomplete or Additional Submittal Review Projects:										
4	Romero	3036 Ironwood	4/28/16	CP0-506	Admin CDP for new SFR. 2,396 sq.ft. with 598 sq.ft. garage	Under initial review				jg
5	James Maul	530 Morro Ave	3/12/2010-4/20/2016	SP0-323 & UP0-282 & CP0-323	Parcel Map, CDP & CUP for 3 townhomes. Resubmittal 11/8/10. Resubmittal did not address all issues identified in correction letter. New 2,978 sq. ft. SFR with 1,516 sq. ft. garage, 1,191 sq. ft. of decking, and a 560 s. ft. secondary dwelling unit.	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. Applicant has decided against the parcel map and development of three townhomes and now proposes to build one SFR and a secondary dwelling unit. Under initial review. Waiting on PW comments	Please route project to Building upon resubmittal.		ej jg	
6	McNamara	2720 Dogwood	3/1/16	UP0-441	Garage and 2nd story addition to existing SFR	Under Initial Review. Waiting on comments. Project redesign to eliminate nonconformity. Waiting on resubmittal				jg

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7	Borges / RPM Consulting	1998 Main Street	3/1/16	CP0-503	Coastal Dev. Permit for addition of 2nd story office/laundry room remodel to commercial building in Mobile Home Park	Waiting on full project submittal. (Applicant rcv'd HCD building permit and started construction before getting CDP). Rcv'd 3/17. Correction letter sent				jg
8	Hair	1078 Monterey St	2/26/16	S00-126	Lot Line Adjustment/ Voluntary Lot Merger	Minor adjustment to reconcile historical lot line discrepancies. Received legal descriptions 5-10-16 and under review.				cj
9	McClary	434 Kern Ave	2/25/16	CP0-501	Admin Coastal Dev Permit for Demo 918sf SFR and construct new 2607sf SFR					wm
10	Rhine LP & Morro 94, LLC	3300 Panorama	2/24/16	CP0-500 & UP0-440	Coastal Development Permit & Conditional Use Permit for Demolition of 3 existing tanks, related pumps and concrete	Under review				wm
11	Barry	2234 Emerald Circle	2/4/16	CP0-498 & UP0-439	Coastal Development & Conditional Use Permit for SFR in Cloisters neighborhood	Under initial review. Waiting on comments. Cloisters arch review committee approval req'd before City can take action				jg
12	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...Incomplete letter sent 2/16/2016. Historical evaluation required and resubmittal received 5-10-16. Waiting on PW comments				jg
13	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. Correction letter sent 2/18/16 with Public Works comments. Received revised info from Applicant 3-3-16. Correction sent and resubmitted 4-8-16. Met w/ Architect to discuss intent to include development of 4-plex apartments. Resubmittal rcv'd 5/10				jg
14	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. Spoke with Applicant and letter rcv'd 2/16- indicated desire to keep project open, updated plans to be submitted		PN- Conditionally approved per memo dated 10/22/15		jg
15	DeGarimore	1001 Front St.	7/14/15	A00-026 and UP0-442	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. Applicant wishes to include a kiosk for Virg's Landing with the awning amendment. Reviewed prelim site plan of kiosk and provided email comment corrections on 2/24/16. Met with Virg's Landing owner to discuss kiosk plan 2-29-16. TUP application submitted for kiosk proposal adjacent to parking lot on 4-19-16. Correction letter sent 5-12-16.				cj
16	Gambriel	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

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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. Email corrections provided to Applicant on 2/10. Reviewed revised plans received from architect via email on 3/7/16.	BC- incomplete	RPS - Disapproved for plan corrections noted in memo of 10/14/14		cj
Planning Commission Continued projects:										
20	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. Received phone call from Coastal Commission 3-2016 with request for project status & Discussed project's updated biological evaluation with Coastal staff on 5-11-16.	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
21	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

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22	City of Morro Bay	End of Nutmeg	1/18/12	UPO-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
Projects Appealed or Forwarded to City Council:										
23	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										

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24	City of Morro Bay	N/A		UPO-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 RWOCB and CDFW on 2/27/15		cj
Final Map Under Review Projects:										
25	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. Met with Applicant on 3-8-16 to review outstanding items. Received revised CC&R's 3-8-16 for review. CC&R documents reviewed and determined deficient - corrections sent 4-21-16				cj
26	Medina	3390	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. Unresolved Planning conditions. Sent correction letter to Engineering 4-14-16. cj.	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		sg/cj
Projects requiring coordination with another jurisdiction:										
27	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		
28	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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29	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. Amendments withdrawn from Coastal Commission as they are no longer consistent with state law. Item has been included in the FY 16/17 goals and objectives.	No review performed.	N/A		sg
Projects Continued Indefinitely, No Response to Date on Incomplete Letter or inactive:										
30	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.		
Grants										
31	California Coastal Commission, California Ocean Protection Council	City-wide	4/6/16		\$400,000 Grant Opportunity for funding for LCP update to address sea-level rise and climate change impacts.	Grant agreements for both the grants are in place and grant administration has been turned over to Michael Baker International, per terms of the GP/LCP update contract.	No review performed.	N/A		sg

#	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
32	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		
33	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	4/27/16	B-30796	SFR Addition Foundation approved.			JL/PN-Not Approved per Memo dated 12/21/15		
2	Sangren	675	Anchor	04/27/216	B-29813	SFR Addition No activity on this project. Remains in plan check.	Requested corrections 1/9/13. CJ. 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	4/27/16	B-29586	New SFR: 3,495sf w/ 500 sf garage on vacant land. No activity on this project. Remains in plan check.	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. CJ.	BC- Application on hold during planning process of 4-2-2012	DH- Provide SW mgmt, drainage rpt, EC per memo of 1/18/12.		
4	Ocean View Manor	456	Elena	4/27/16	B30746	Remodel of existing senior rental 40 apts. with common building and site improvements. First phase drywalled.	Planning approved. CJ		PN-Disapproved 11/30/15		
5	Parks	2810	Elm	4/24/16	B-30775	New 480sf detached garage with new driveway & walkway. Framing completed 4/22/2016.			PN-Approved 12/16/15		
6	Leage	1205	Embarcadero	4/24/16	B-30651	686sf second story addition. Remains in Plan check status.	Correction letter sent. Not compliant w/ Planning conditions. CJ	Plans Denied 09-24-2015 cdk	PN- Approved 10/1/15, no memo.		
7	PG&E	1290	Embarcadero	4/27/16	G-040	Soil Removal. Remains in plan check status.	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		
8	Appleby	381	Fresno	4/27/16	B-30227	Carport& Storage Shed. Remians in plan check status.	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		
9	Decker	430	Fresno	4/27/16	B-30491	Convert existing laundry room into bathroom. Remains in plan check status.	Approved. SG 6/15/15	Plans approved. 07-02-15 cdl	PN- Disapproved, needs sewer video & bwv 6/12/15		
10	Nico	2431	Greenwood	4/27/16	B-30783	74 sqft addition to existing 604 sqft deck. Foundations approved 4/26/2016			JL/PN-Approved 12/21/15		

#	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
11	Monie	2577 Greenwood	4/27/16	B-30483	600sf addition (1st & 2nd floor) to front of existing SFR. Drywall and Shower pan approved.			PN-Disapproved, needs Erosion control plan 11/23/15		
12	Jackson, Addis	2860 Greenwood	4/27/16	B-30639	Detached 160sf Guest cottage. Remains in plan Check Status.	Approved 11-19-15. JG	Approved 1-12-16. cdl	PN-Disapproved, needs Erosion control plan 11/23/15		
13	Hurless	2265 Hemlock	4/27/16	B-30477	SFR Garage converted to 492sf apartment with new bedroom and bathroom. Remains in plan check status.	Disapproved 8-28-15. JG	05-15-15 Plans denied. Cdl	PN- Disapproved needs sewer lateral video-		
14	Gonzalez	481 Java	4/27/16	B-30029	SFR Addition/ Remodel: add 578 sf living and 112 sf decking. Remains in plan check Status.	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		
15	Nisbet	225 Kern	4/27/16	B30761	Remodel & Addition of 123sf to 1,107sf of existing SFR. Foundations inspection approved.	JG. Requires a Conditional Use Permit		PN-Disapprovedper memo dated 12/2/15		
16	Nisbet	500 Kings	4/27/16	B30710	New 2,434 sf SFR with 672 sf garage and 228 sf of decking & shared driveway with adjacent lot foundation, ufer, and underground plumbing ok.		Plans under review. 10-21-15 cdl	PN-Disapprovedper memo dated 10/27/15		
17	Banuelos	350 Las Vegas	4/27/16	B-30613	Demo 832sf SFR & 384sf non-conforming detached garage. Build new 1,600sf SRF & 484sf garage. No request for inspections, yet.	Approved 11-12-15. JG.	Plans denied 10-16-15 cdl	PN-Approved 11/12/15		
18	Douglas	2587 Laurel	4/27/16	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. Remains in plan check.	Under Review. JG. Denial	Plans Denied 08-05-15 cdl	PN 9/30/15 Approved as submitted. No memo		
19	Dyson	117 Main	4/27/16	B-30248	Covered Patio Remains in plan check Status.	Corrections. 9-5-14. WM.	BC-Returned for corrections 9/8/14.	NRR		
20	Meisterlin	315 Morro Bay Blvd.	4/27/16	B30275	Commercial Alteration-Handicap restroom. Remains in plan check Status.	Approved 9/25/14. CJ.	Plansw approved 9-30-2014 bc	RPS returned for corrections per memo of		
21	Bunker	491 Panay	4/27/16	B30777	203sf interior remodel to existing 1144sf two story SFR. Remains in plan check Status.			PN- Approved 12/16/15		
22	Dennis	290 Piney	4/27/16	B-30382	New SFR. Remains in plan check Status.	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		
23	Frye	244 Shasta	4/27/16	B-29910	Garage to Second Unit conversion. Remains in plan check Status.	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		
24	Dolezal	1885 Sunset	4/27/16	B-30758	Lot 6: New SFR with 1140sf and 480 garage. Remains in plan check Status.	Disapproved 2-4-16. Corrections needed. CJ.		PN- Disapproved per memo 12/17/15		
25	Dolezal	1889 Sunset	4/27/16	B-30757	Lot 5: New SFR with 1140sf with 480 garage. Remains in plan check Status.	Disapproved 2-4-16. Corrections needed. CJ.		PN- Disapproved per memo 12/17/15		
26	Dolezal	1893 Sunset	4/27/16	B-30756	Lot 4: New SFR with 1140sf living and 480sf garage. Remains in plan check Status.	Disapproved 2-4-16. Corrections needed. CJ.		PN- Disapproved per memo 12/17/15		
27	Dolezal	1897 Sunset	4/27/16	B-30753	Lot 1: New SFR with 1140sf living and 480sf garage. Remains in plan check Status.	Disapproved 2-4-16. Corrections needed. CJ.		PN- Disapproved per memo 12/17/15		
28	Dolezal	1901 Sunset	4/27/16	B-30754	Lot 2: New SFR with 1541sf living and 483sf garage. Remains in plan check Status.	Disapproved 2-4-16. Corrections needed. CJ.		PN- Disapproved per memo 12/17/15		
29	Dolezal	1905 Sunset	4/27/16	B-30755	Lot 3: New SFR with 1457sf living and 480sf garage. Remains in plan check Status.	Disapproved 2-4-16. Corrections needed. CJ.		PN- Disapproved per memo 12/17/15		

Planning Projects & Permits with Final Action:

#	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
1	Regan	3030 Beachcomber Dr	3/7/16	CP0-504	Admin Coastal Permit for 496 sf guesthouse addition	Under initial review. Waiting on comments. Noticed 4/25. Permit issued 5-9-16				ig

PRESENTATIONS – NONE

A. CONSENT CALENDAR

https://youtu.be/X2NuZHgY2_U?t=13m29s

A-1 Current and Advanced Planning Processing List

Staff Recommendation: Receive and file.

A-2 Approval of minutes from the Planning Commission meeting of January 5, 2016.

Staff Recommendation: Approve minutes as submitted.

There was a discussion between the Commissioners on some of the items on the Planning Processing List.

MOTION: Commissioner Sadowski moved to approve Consent Calendar A-1 and A-2. Commissioner Lucas seconded and the motion passed unanimously (5-0).

https://youtu.be/X2NuZHgY2_U?t=19m55s

B. PUBLIC HEARINGS

(continued from the January 5, 2016 Planning Commission meeting)

B-1 Case No.: A00-029 (Local Coastal Program and Zoning Text Amendment)

Site Location: Citywide

Applicant/Project Sponsor City of Morro Bay

Request: Local Coastal Program and Zoning Text Amendment proposing to amend Section 17.48.320 (Secondary Units) modifying the section to be consistent with State law and other related sections in the Morro Bay Municipal Code for internal consistency, as well as Section 17.48.315 (Guesthouses/Quarters and Accessory Areas).

CEQA Determination: Negative Declaration.

Staff Recommendation: Forward a favorable recommendation to the City Council to approve the proposed Amendment and adopt the Negative Declaration.

Staff Contact: Whitney McIlvaine, Contract Planner (805) 772-6211

https://youtu.be/X2NuZHgY2_U?t=20m26s

COMMISSIONERS DISCLOSURE OF EX PARTE COMMUNICATIONS – NONE

McIlvaine presented staff report.

Chairperson Tefft opened the Public Comment period.

https://youtu.be/X2NuZHgY2_U?t=42m24s

Betty Winholtz, Morro Bay resident, asked if she could hear other suggestions the Planning Commission had for staff before she made her comment.

Chairperson Tefft responded he only had his personal notes and they were going to speak about language.

Winholtz stated her concerns on vacation rentals and opposes rental of guest homes and noted she feels they should be separated. Winholtz stated secondary dwelling units and

guest-homes should not be on the same lot because it would change the character of the neighborhood.

Roger Ewing, Morro Bay resident, stated his concerns on allowing secondary units and guest homes on one lot.

Dorothy Cutter, Morro Bay resident, stated the State had mandated secondary units as affordable housing, but somehow they are now becoming income properties. She suggested the Commission incorporate this enforcement in Morro Bay.

Erica Crawford, Morro Bay Chamber of Commerce, reviewed the “Total Occupancy Rates” in Morro Bay with the Commissioners.

Chairperson Tefft closed the Public Comment period.

https://youtu.be/X2NuZHgY2_U?t=49m12s

MOTION: Vice-Chairperson Luhr moved to adopt PC Resolution PC 01-16 with Attachment A, and recommend it to the City Council with changes as discussed. Commissioner Lucas seconded, and motion passes (5-0).

B-2 Case No: UP0-438 and AD0-105

Site Location: 225 Kern Avenue

Proposal: A request for Conditional Use Permit and Parking Exception approval at 225 Kern for an addition to a residential structure with a nonconforming garage. Specifically, the Applicant proposes to add 122 sq. ft. of habitable floor area and 133 sq. ft. of additional decking. The project is located within the R-1 Single-Family Residential Zoning District and outside of the Coastal Commission Appeal Jurisdiction.

CEQA Determination: Categorically Exempt, Section 15301, Class 1

Staff Recommendation: Conditionally Approve

Staff Contact: Joan Gargiulo, Assistant Planner

https://youtu.be/X2NuZHgY2_U?t=2h22m33s

COMMISSIONERS DISCLOSURE OF EX PARTE COMMUNICATIONS – NONE

Gargiulo presented staff report.

Chairperson Tefft invited the applicant to address the Commission.

https://youtu.be/X2NuZHgY2_U?t=2h27m54s

Bob Crizer, agent/builder, stated he understands the conditions, accepts them and asks for the Commissioners approval.

Chairperson Tefft opened the Public Comment period.

https://youtu.be/X2NuZHgY2_U?t=2h27m54s

Lisa Curtis, applicant, stated this was her mother’s home and has been living in the home for 23 years. She noted she does not plan on adding a second story and is unable to afford the proposed changes for the garage. She is hoping to have the permit approved.

Chairperson Tefft closed the Public Comment period.

https://youtu.be/X2NuZHgY2_U?t=2h34m15s

MOTION: Commissioner Sadowski moved to approve PC Resolution PC 06-16 as amended. Commissioner Lucas seconded, and motion passes (5-0).

https://youtu.be/X2NuZHgY2_U?t=2h37m9s

C. NEW BUSINESS

C-1 Review of City of Morro Bay Manufactured Home requirements related to placement of units on Single-Family lots.

Staff Recommendation: Review staff report and provide comment

Staff Contact: Scot Graham, Community Development Manager

https://youtu.be/X2NuZHgY2_U?t=2h38m12s

Chairperson Tefft opened the Public Comment period.

https://youtu.be/X2NuZHgY2_U?t=2h47m49s

Bob Crizer, agent/builder, stated what goes into construction of a manufactured home and noted he would be building the home for this project.

Chairperson Tefft closed the Public Comment period.

https://youtu.be/X2NuZHgY2_U?t=2h52m2s

D. UNFINISHED BUSINESS - NONE

E. PLANNING COMMISSIONER COMMENTS

https://youtu.be/X2NuZHgY2_U?t=3h37m35s

Commissioner Lucas discussed the Toro Lane project with staff.

Commissioner Sadowski discussed the algae bloom issue and eel grass with staff. Sadowski would like to have more dialogue and noted it should be discussed in the General Plan.

F. COMMUNITY DEVELOPMENT MANAGER COMMENTS

https://youtu.be/X2NuZHgY2_U?t=3h48m41s

Graham announced there will be a Special Joint Meeting for City Council on February 23rd, from 4 p.m. – 5:30 p.m.

G. ADJOURNMENT

The meeting adjourned at 9:50 p.m. to the regular Planning Commission meeting at the Veteran’s Memorial Building, 209 Surf Street, on March 1, 2016, at 6:00 p.m.

ACTION MINUTES – MORRO BAY PLANNING COMMISSION
REGULAR MEETING –FEBRUARY 16, 2016

Robert Tefft, Chairperson

ATTEST:

Scot Graham, Secretary

Staff Recommendation: Conditionally approve
Staff Contact: Cindy Jacinth, Associate Planner, (805) 772-6577
<https://youtu.be/HHeyZz28Tq4>

Chairperson Tefft recused himself due to living in the 500 feet proximity of the project. Vice-chairperson Luhr took over the public hearing.

COMMISSIONERS DISCLOSURE OF EX PARTE COMMUNICATIONS –

Commissioner Ingraffia met with Mrs. Hough when he visited the site.

Commissioner Sadowski also met with Mrs. Hough.

Jacinth presented staff report.

Chairperson Tefft opened the Public Comment period.
<https://youtu.be/HHeyZz28Tq4?t=23m8s>

John Hough, owner, presented the details to his project and thanked the staff for working with him to understand what the Planning Commission was looking for.

Betty Winholz, Morro Bay resident, stated the home next door to the north was built as a duplex with two families, so in fact the Hough's proposed home would be the biggest home in the neighborhood. She noted the map showed by staff does not show the other completed homes on the Applicant's adjacent properties. Winholz feels the owner piecemealed the property because he didn't come forward with a plan for the whole area. She disagrees with the City Council regarding reduction of bulk and scale.

Dorothy Cutter, Morro Bay resident, stated there was no master plan and feels there should've been because it falls under their subdivision code. Cutter noted if there was a master plan the home would have been more compatible to the neighborhood and instead is too large. The home is a three story home and is the largest in the neighborhood. Cutter would like to know if the lot is 6000 square feet, not counting the road, with the correct setbacks.

Tom Martin, architect, answered questions regarding the roof height and deck reduction.

John Hough, commented on Cutter's statement. Hough stated this was never a subdivision. Hough noted the land was purchased as three landlocked properties.

Chairperson Tefft closed the Public Comment period.
<https://youtu.be/HHeyZz28Tq4?t=36m59s>

Chairperson Tefft opened the Public Comment period.
<https://youtu.be/HHeyZz28Tq4?t=45m36s>

Alaire Hough, owner, clarified what the square footage was for 289, 281 and 279 Main Street. Hough stated she would like to screen the area near the parking lot and park so the neighbors would not have to see the house.

Chairperson Tefft closed the Public Comment period.
<https://youtu.be/HHeyZz28Tq4?t=47m24s>

MOTION: Commissioner Sadowski moved to approve PC Resolution PC 07-16 with the additional change to maintain the landscape. Commissioner Ingrassia seconded, and motion passes (4-0).

C. NEW BUSINESS - NONE

D. UNFINISHED BUSINESS – NONE

E. PLANNING COMMISSIONER COMMENTS

<https://youtu.be/HHeyZz28Tq4?t=56m>

Commissioner Sadowski commented on a book presentation which was held at the Coalesce Book Store. Sadowski recommended the book to everyone who is concerned about the environment.

F. COMMUNITY DEVELOPMENT MANAGER COMMENTS

<https://youtu.be/HHeyZz28Tq4?t=57m32s>

Graham discussed the policy for cargo containers in Morro Bay with the Commissioners.

G. ADJOURNMENT

The meeting adjourned at 7:20 p.m. to the regular Planning Commission meeting at the Veteran’s Memorial Building, 209 Surf Street, on March 15, 2016, at 6:00 p.m.

Robert Tefft, Chairperson

ATTEST:

Scot Graham, Secretary



AGENDA NO: B-1

MEETING DATE: May 17, 2016

Staff Report

TO: Planning Commissioners

DATE: May 11, 2016

FROM: Cindy Jacinth, Associate Planner

SUBJECT: Coastal Development Permit (#CP0-404) and Conditional Use Permit (#UP0-364) at 1840 Main Street for new construction of an approximate 1,400 sf drive-thru, drive-up restaurant with canopied parking and associated site improvements and removal of major vegetation. The project also includes a master sign program including total signage area exceeding City standards. In addition, the project will include utility trenching of 4-6 feet across Main Street to the west of the property as well as trenching across Caltrans right of way, which fronts on Atascadero Road. This project is located outside the Coastal Commission appeals jurisdiction

RECOMMENDATION:

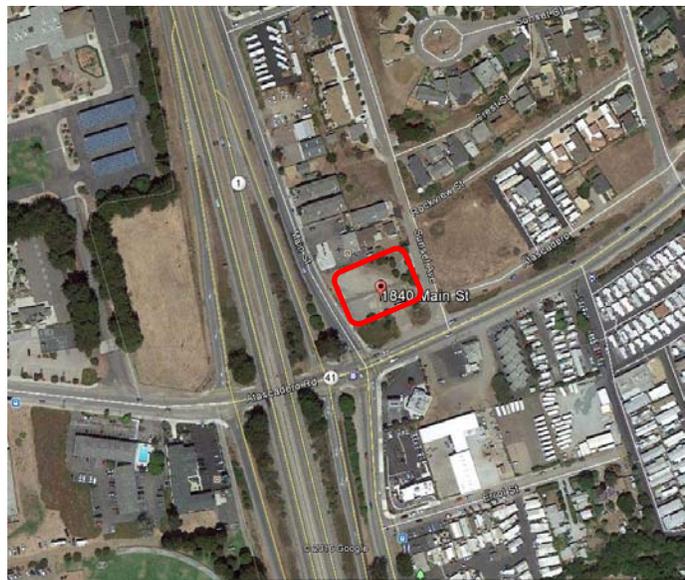
Adopt the Mitigated Negative Declaration (SCH#2016031064) with Mitigation and Monitoring Program (MMP) and Conditionally Approve the project by adopting Planning Commission Resolution 15-16 which includes the Findings and Conditions of Approval for the project depicted on plans received April 20, 2016.

APPLICANT/AGENT: Scott McMillan,
Consumer Science, Inc.

ADDRESS/ APN: 068-324-019 / 1840
Main Street

PROJECT DESCRIPTION:

The Applicant is requesting coastal development permit and conditional use permit approval to construct an approximate 1,400 sf restaurant with outdoor seating only, canopied parking for drive-up service, drive-thru service, and associated site improvements including ground work, retaining walls, frontage



Prepared By: CJ Department Review: SG

improvements, and landscaping. The project includes removal of existing flatwork, landscaping and major vegetation left over from previous development. The project also include a master sign program including total signage area exceeding City standards. In addition, as part of public improvement conditions, the project will include utility trenching of 4-6 feet across Main Street to the west of the property as well as trenching across Caltrans right of way fronting on Atascadero Road.

BACKGROUND: The vacant lot at 1840 Main Street was previously the location of a Shell Service Station until 2005, when the Shell Station was demolished and removed. The Shell station included three 12,000-gallon underground gasoline storage tanks, which were the source of an MTbE leak. The underground storage tanks and gasoline-impacted soil beneath the USTs were removed from the location in January 2002. The site was remediated and 68 groundwater monitoring wells were installed.

In 2008, the Regional Water Quality Control Board (RWQCB) issued a report confirming that the site has been remediated and the need for further investigation or cleanup action has been eliminated with direction to destroy all monitoring wells. The City then issued a coastal development permit (CDP) for removal of the wells. The City's approval of the CDP well-removal project was appealed to the Coastal Commission in 2008 and the Coastal Commission found no substantial issue and denied the appeal.

Though there were previous approvals granted in 2006 for new construction of a multi-tenant retail building, the retail project never went forward, and the site has been vacant since the removal of the Shell gas station.

At the May 3, 2016 Planning Commission meeting, Commissioner Sadowski voiced concerns and provided a report regarding (Exhibit G) sewage contamination of Morro Bay Municipal Wells and that the primary source of Morro Valley aquifer Nitrate contamination is due to the leaking sewer main located in Main Street and Atascadero Road. The City's Public Works Director/ City Engineer, Rob Livick, has provided a response dated May 11, 2016 which is attached as Exhibit F. He states that both the City and the Regional Water Quality Control Board disagree with Commissioner Sadowski's report. The Water Board has reviewed this issue in detail at their May 2014 and May 2015 meetings where Mr. Livick also provided testimony. The Water Board concurs with City's findings that the predominant source of nitrate contamination is upstream irrigated agriculture. Mr. Livick's letter concludes by recommending that the proposed project at 1840 Main Street not be delayed for the following reasons:

- There is no nascent Public Health risk associated with the sewer line in Main Street or Atascadero Road.
- The City has CIP for the repair or replacement of Main Street and Atascadero Road sewer lines.
- The most cost effective time to perform the work is with the collection system modifications required to serve the new WRF.

- The proposed project has recommended conditions to pay their fair share of the sewer CIP improvements.

Mr. Livick's letter was also sent to the City Attorney's office for review. The City Attorney reviewed the letter and recommends that the Planning Commission not delay a decision on this permit request based on the issues raised in the April 2016 report provided to the Commission by Mr. Sadowski.

ZONING / LAND USE: The property is located in the MCR/R-4 zoning district and within the North Main Specific Plan.

Adjacent Zoning/Land Use			
North:	MCR/R4, gas station (Lucky 7)	South	C-VS, gas station (Chevron)
East:	MCR/R-4 (PD), vacant lot	West:	Main St. and Highway 1

Site Characteristics	
Overall Site Area	Approximately 2/3 acre
Existing Use	Vacant site
Terrain	Gently sloping
Vegetation/Wildlife	Ruderal to none with major vegetation present
Access	Hwy 41 (Atascadero Rd.) and Main St.
Archaeological Resources	Known resources within 300 feet

General Plan, Zoning Ordinance & Local Coastal Plan Designations	
General Plan/Coastal Plan Land Use Designation	Mixed Use Area "F"
Base Zone District	MCR/R-4
Zoning Overlay District	N/A
Special Treatment Area	None
Combining District	N/A
Specific Plan Area	North Main Specific Plan
Coastal Zone	Yes, Located outside the Coastal appeals jurisdiction

ZONING ORDINANCE COMPLIANCE FOR MCR/R-4/SP DISTRICT

Development Standards	Proposed Plan	Ordinance Requirement	Complies?

Setbacks:			
Main Street	34'6" canopy setback 65'10" building setback	5 Feet	Yes
Highway 41 Rear (East) Side (North)	6' canopy setback 74' 6" building setback 7'10" canopy setback	5 Feet 5 Feet 5 Feet	
Lot Coverage	17%	60% Maximum Coverage	Yes
Maximum Height:	17'6" parapet height 23'6" feature tower height	25 feet, or 30 feet with architectural variation under North Main Specific Plan	Yes
Lighting, Illumination & Glare	Photometric plan submitted, which shows lighting foot-candle reduced to zero at property line.	Not directed toward adjacent residential uses and onto streets. Lighting glare shall be screened. No direct or reflected glare visible boundary of property. Sky-reflected glare shall be controlled so as not to inconvenience or annoy persons or interfere with use and enjoyment of surrounding property.	Yes
Landscaping	Landscape plan submitted. Approx. 27% of lot dedicated to landscaped areas.	Plan Required. Setbacks shall be landscaped. A minimum of 5 feet of landscaped area shall be provided in front of any building or parking lot facing a public street.	Yes
Parking	No indoor seating. Restaurant interior is kitchen only. Restaurant model is drive-up or drive-thru service with outdoor seating only. 15 covered stalls 5 uncovered stalls 11 cars for drive up stack space	1 space for each 60sf of customer floor area. Outdoor seating up to 125sf requires zero spaces. Above 125sf requires one-half the parking ratio for indoor seating.	Yes
Bike Parking	4 space bike rack	1 space per 5 parking spaces	Yes
Signs	See discussion below.	Sign program required. Can exceed standards with approval of Planning Commission through conditional use permit process.	Exceeds base sign allowance

PROJECT DISCUSSION:

The project proposed would be new construction of a Sonic Drive-In restaurant. The Sonic brand is a fast-food style drive-up, drive-through restaurant with canopied parking and menu boards/intercom system for direct ordering, in-car eating with carhop service, and covered patio for outdoor seating. The business model of the proposed commercial restaurant relies entirely on outdoor seating or drive up parking canopy stalls each with an individual menu board (in-car dining). There is no indoor customer access other than a restaurant bathroom. The entire 1,400 square foot building is the kitchen for the restaurant with mechanical equipment mounted in the roof area. The building will be clad in a mixture of materials, including stone veneer and plaster in varying earth tones. The Sonic brand's trademark yellow, red, green and blue design elements identify the restaurant.

North Main Street Specific Plan

The project is located within the North Main Street Specific Plan (NMSP) area at the southern end of Area C. This area is characterized as an underutilized visitor serving commercial area that would benefit from a reduced height limit, landscaping, and continuous frontage improvements as well as control of the effects of light, glare, odor and noise from commercial businesses on neighboring residents. The immediate neighboring properties are developed with a mixture of commercial and residential uses of various architectural themes, tenure, and quality. The property is also located on a highly visible corner at one of the key gateways to the City.

The NMSP regulates some design aspect of building in the area. Section 17.40.110.D.2 regulates the Roofline Variation and View Corridors. It states the maximum height shall be generally two stories and not to exceed twenty-five feet; except that the Planning Commission may allow up to thirty feet to encourage roofline variations and sloping roof treatments provided that the additional height is necessary for such roof treatment and that corridors protecting significant views are provided. The NMSP also discourages flat roofs wherever possible.

The Applicant's proposal does not seek increased height as it is single story. However, the proposed architecture of the building is a mostly flat parapet roof that is designed to hide the rooftop mechanical equipment. Although a flat roof is proposed and the North Main Street Specific Plan states that they should be discouraged, the Applicant has proposed architectural elements such as towers and arches that attempt to break up the flat roof look of the building. The highest point of the building is the towers on the building at a height of 23'4". There are also architectural arches that extend from the towers to a height of 26'3½" designed with the characteristic Sonic-yellow color. The mostly flat roof design is typical of the corporate branding for Sonic restaurants as a franchise. Though the NMSP discourages flat roof design, it does not outright prohibit the design.

The height is taken into consideration in order to preserve the view corridor that is visible from Highway 1. The new restaurant building will be single story similar to the previous single story development located on this lot. The site is surrounded by commercial and residential uses and construction, as a single story building in the center of the lot will not substantially change the scenic views to and from the site. The scenic view from Highway 1 to the surrounding hills will not be substantially affected by the new construction of the building at a height of approximately 17 ½ feet, which is comparable to other buildings in the area.

Major Vegetation Removal

The NMSP also requires that mature trees be shown on plans submitted for development. Landscape plan submitted shows removal of 10 trees primarily in the northeast corner of the lot. Removal of major vegetation is necessary for development of the lot. Consistent with the City's Major Vegetation Guidelines, the project is required to provide for a 2 to 1 replacement where new trees are 5 gallon in size, and a 1 to 1 replacement where new trees are proposed at 15-gallon size. The applicant is proposing 12 replacement trees; all to be a minimum of 15-gallon size. New trees proposed are a mix of Monterey Cypress, African Sumac and Arbutus Marina. In addition, the

City's Major Vegetation Guidelines prohibit tree removal during bird nesting season and this has been added as a condition of approval. (Planning condition 8).

Parking

The parking lot would surround the building in the form of 15 covered stalls each with its own menu board and intercom speaker system with which to place orders. In addition, outdoor seating will be available at an covered patio on the west side of the building, which adds a requirement for five additional uncovered standard parking spaces for a total of 20 parking spaces provided. The drive-up window wraps around the building with queuing space to accommodate 11 cars. Orders are taken on the south side of the building with order pickup given at a second window located on the north side of the building.

The trademark of the Sonic franchise business model is the carhop service and the customer ordering experience with menu board and intercom system mounted at each parking space. Typically, parking for restaurants is parked at 1 space per 60 sf of customer dining area. In this sense, the City's parking standards do not fully address parking impact to the restaurant use due to the in-car dining experience. Therefore, for those customers who are dining at the outdoor patio, an additional 5 standard parking spaces are provided.

The parking chapter of the Municipal Code requires bicycle facilities for non-residential parking lots that have 10 or more parking spaces, which is 1bike space/5 parking spaces. At a total of 20 parking spaces, the requirement is therefore 4 bike spaces, which a bike rack is shown on plans.

Visual simulation Plans submitted show visual simulation of views of the proposed project from Main Street looking southeast toward Atascadero Road with existing Monterey cypress trees in the background.



ENVIRONMENTAL DETERMINATION:

Pursuant to the California Environmental Quality Act (CEQA), an initial study was prepared which resulted in a Mitigated Negative Declaration (MND). (SCH# 2016031064). Impacts related to aesthetics, cultural resources, noise, transportation/circulation were identified and mitigation is proposed to reduce these impacts to a level less than significant. Mitigations have been incorporated as conditions of approval on the project and are summarized in the Mitigation and Monitoring Program (MMP), which is attached to the MND. (Exhibit B). The MND was routed to the State Clearinghouse for the required 30 days and the comment period ended on April 19, 2016.

During the 30-day comment period, the City received one comment letter from the San Luis Obispo County Air Pollution Control District (APCD) dated April 18, 2016 (Exhibit C). The APCD comment letter noted that although the project did not exceed their thresholds, construction activities could generate fugitive dust (also discussed in the Air Quality section of the MND). To ensure fugitive dust emissions are managed to avoid nuisance violations per APCD, a condition of approval has been added (Planning condition 9). In addition, in order to address construction phase idling limitations, the APCD is requesting implementation of diesel idling regulations during construction and this has also been added as a condition of approval (Planning condition 10).

Aesthetic Resources – Signage

Plan sheet CUP-8 denotes the proposed sign program. Pursuant to the City’s sign ordinance found at 17.68.110, which states where surface signs are used in conjunction with other types of signs on the same site, the aggregate area allowed for all signs shall not exceed one square foot for each one linear foot of building frontage on the site. The frontage for this property is 155 square feet and the proposed combination of monument sign, wall signs, directional signs and menu board signs equals 286.2square feet of signage as summarized below:

Sign Program for 1840 Main Street	
Monument Sign, up to 8’ in height permitted with additional landscaping (17.68.110.C.2)	One 4 x 8’ = 32 sf
Wall Signs (images shown on exterior elevations sheet CUP-3) (2 “Sonic”, 1 “Drive-thru open”, 1 “Full Menu All Day”, 1 “Fresh Every Time”, and 4 changeable wall poster graphic	9 signs combined area of 99.9sf
Directional Signs (3 “enter”, 2 “exit”, 2 “drive-thru”)	7 signs combined area of 34.3 sf
Menu Board Signs (1 drive thru menu board, 15 covered parking menu boards, 1 patio menu board)	17 signs combined area of 120 sf
Total Sign Area	286.2 square feet

The Applicant's proposed sign program exceeds the maximum allowed signage by 131.2 square feet and possibly more if the Applicant's max sign allowance is strictly limited to the building frontage versus property frontage. However, the business model of this type of fast-food restaurant with the drive-up menu board in each parking stall along with building signage and outdoor patio menu board lend itself to more signage than what would be seen at a typical fast food restaurant. Applicant's justification notes that the menu boards at the drive thru are an integral part of the Sonic concept and are necessary for the function of the Sonic Drive-In. The menu boards are sized for direct reading by a customer and are not intended to be seen from the public right of way.

The City's sign ordinance allows a sign program to be approved pursuant to the conditional use permit or coastal development permit process with Planning Commission approval. In addition, given that the signage is intrinsic to the business model of the Sonic franchise, and the sign ordinance regulations recognize the importance of the business activity to encourage communications and aid orientation, staff is supportive of the proposed sign program. Of the signs that are easily viewable from the public right of way – the monument sign and the two Sonic wall signs, this portion represents a total area of 63.4 square feet (of the total proposed 286 square feet). Therefore, with the majority of proposed signs designed for direct customer use while on the property, Planning Commission can make the necessary findings that that signs proposed are not excessive or distracting to motorists and pedestrians and do not detract from the City's appearance and visual environment.

Archaeological

The property has been surveyed for archaeological significance numerous times previously and as a result, a mitigation and monitoring strategy was prepared and submitted by Cogstone, Inc. The recommendations of that report, which would require both qualified archaeological and Native American monitors present during ground disturbing activities, have been incorporated as mitigation measure CR-1. (Attachment A to Exhibit A).

Noise

Several noise-sensitive uses are located within the vicinity of the project, specifically the residential uses to the north and east of the project site. It is anticipated that noise from the proposed restaurant would not be significantly louder than the existing surrounding traffic and commercial uses present. The City's Noise Element contains noise limitations and specifies operational hours and requirements. The Applicant submitted a noise analysis, which details the noise level that will be generated by the standard intercom systems at each parking stall's menu board. Mitigation is proposed to ensure installation and testing as recommended in the noise analysis is performed. (Attachment A to Exhibit A).

Traffic

As part of the review of the project, the Applicant prepared and submitted a Traffic Impact Study by Ruettgers & Schuler Civil Engineers dated April 2014 to assess potential traffic impacts from the proposed Sonic restaurant. Eight intersections were studied with the general conclusion that

level of service is acceptable and that development of the site would not significantly increase traffic trips to and from the site. Trip generation is greatest during Saturday peak period and also noted that three intersections are impacted but not significantly. The report concluded that the impacts can be mitigated by payment of fair share costs for improvements to these impacted intersections. The project is required to contribute to overall impact mitigation for transportation infrastructure as required by City code.

In addition, staff consulted with Cal-Trans staff regarding future intersection improvements at the corner of Highway 41 and Highway 1. Preliminary analysis indicated that should a roundabout be constructed at this intersection, the minimum required radius would necessitate a dedication of a small area of the southwest corner of this property and the acknowledgement of the dedication requirement is noted on the site plan. (Public Works condition #3).

GENERAL PLAN / LOCAL COASTAL PROGRAM (LCP) CONSISTENCY

The General Plan identifies this property as a Mixed Use and Overlay designated parcel, which is Mixed Use Area F. Land Use Element Policy LU-74 states that Mixed Use Area F shall encourage a mixture of all uses as appropriate and that an evaluation of appropriate uses shall be done on a parcel-by-parcel basis. The LCP identifies this area as being within Planning Area 3 – Del Mar, which is for those parcels east of Highway 1 and north of Highway 41. Additional policies not already discussed which apply include:

Plan Policies	Consistency Analysis
<p>Safety Element & Hazards Policies (LUP Chapter X, Policy 9.05)</p> <p>SE Program S-6.2: "...minimize cut and fill operations." "...excessive cutting and filling shall be modified or denied if it is determined that the development could be carried out with less alteration of the natural terrain</p>	<p>Consistent with Conditions:</p> <p>The project site is essentially flat sloping up slightly towards the northeast corner. The property was previously developed with commercial uses and grading cut and fill is limited to the amount necessary to implement the proposed project.</p> <p>The project development is not located within a 100 year flood hazard area as delineated on FEMA maps.</p>
<p>Visual Resource & Scenic Highway Element & Coastal Land Use Plan Visual Resource Policies (LUP Chapter XIII)</p> <p>Policy 12.01: The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted</p>	<p>Consistent with Conditions.</p> <p>The proposed development would not exceed the maximum height allowed of 25 feet above average natural grade. Project is proposed as a single story commercial use well under maximum lot coverage allowed.</p>

Plan Policies	Consistency Analysis
development shall be sited and designed to protect views to and along the ocean and scenic and coastal areas, to minimize the alteration of natural landforms, to be visually compatible with the character of surrounding areas.	Visual simulation submitted. Public views of scenic resources will not be altered as a result of this project.

PUBLIC NOTICE:

Notice of a public hearing on this item was posted at the site and published in the Tribune newspaper on May 6, 2016, and mailed directly to all property owners of record within 500 feet of the subject site and occupants within 500 feet of the site. Previous noticing was published in the Tribune on April 22, 2016, which due to administrative error required new newspaper noticing. Previous postcard notices, which were mailed on April 22, 2016, did contain correct hearing information. In both cases, the notices invited the public to attend the hearing and express any concerns they may have regarding the proposed project.

CONCLUSION:

Staff recommends that the Planning Commission adopt the Mitigated Negative Declaration, Mitigation, and Monitoring Program and conditionally approve the project for the Sonic Drive-In commercial restaurant proposal at 1840 Main Street by adoption of Planning Commission Resolution 15-16 attached herein.

EXHIBITS:

- Exhibit A – Planning Commission Resolution 15-16
- Exhibit B – Mitigated Negative Declaration, SCH #2016031064 & Mitigation and Monitoring Program
- Exhibit C – APCD comment letter, dated 4/4/16
- Exhibit D – State Clearinghouse letter dated 4/6/16
- Exhibit E -- Plan Reductions and Visual Simulations date received 4/20/16
- Exhibit F – 5/3/16 response letter from Public Works Director/City Engineer Rob Livick
- Exhibit G – Correspondence received 5/3/16 from Commissioner Richard Sadowski

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RESOLUTION NO. PC 15-16

A RESOLUTION OF THE MORRO BAY PLANNING COMMISSION ADOPTING A MITIGATED NEGATIVE DECLARATION (SCH #2016031064) WITH MITIGATION AND MONITORING PROGRAM (MMP) AND APPROVING COASTAL DEVELOPMENT PERMIT (CP0-404) AND CONDITIONAL USE PERMIT (UP0-364) FOR NEW CONSTRUCTION OF AN APPROXIMATE 1,400 SQUARE FOOT DRIVE UP RESTAURANT WITH CANOPIED PARKING AND ASSOCIATE SITE IMPROVEMENTS AND REMOVAL OF MAJOR VEGETATION. THE PROJECT ALSO INCLUDES A MASTER SIGN PROGRAM AND UTILITY TRENCHING ACROSS MAIN STREET TO THE WEST OF THE PROPERTY AS WELL AS TRENCHING ACROSS CALTRANS RIGHT OF WAY WHICH FRONTS ON ATASCADERO ROAD. THE PROPERTY IS LOCATED OUTSIDE THE COASTAL COMMISSION APPEALS JURISDICTION, AT 1840 MAIN STREET.

WHEREAS, the Planning Commission of the City of Morro Bay (the “City”) conducted a public hearing at the Morro Bay Veteran’s Hall, 209 Surf Street, Morro Bay, California, on May 17, 2016, for the purpose of considering Coastal Development Permit (CP0-404) and Conditional Use Permit (UP0-364) for a new commercial drive-up restaurant with master sign program and removal of major vegetation located at 1840 Main Street, in an area located outside the Coastal Commission appeals jurisdiction; and

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

WHEREAS, the Planning Commission has duly considered all evidence, including the 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) FINDINGS

- A. That for purposes of the California Environmental Quality Act, Case No. CP0-404 and UP0-364 is subject to a Mitigated Negative Declaration based upon potentially significant impacts to Aesthetics, Cultural Resources, Noise, and Traffic/Circulation Impacts. Any impacts associated with the proposed development will be brought to a less than significant level through the Mitigated Negative Declaration (MND) and Mitigation and Monitoring Program.

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- B. That the Mitigation and Monitoring program attached to the Mitigated Negative Declaration has been reviewed and determined to be adequate in mitigating or avoiding potentially significant environmental effects.

COASTAL DEVELOPMENT PERMIT FINDINGS

- A. The project as proposed is consistent with the applicable provisions of the certified Local Coastal Plan. The Local Coastal Plan is consistent with the General Plan and the project is an allowable use in its zoning district.

MAJOR VEGETATION FINDINGS

- A. That the major vegetation removal, of 10 trees to be removed, as mitigated, will not significantly impact any threatened or endangered plant or animal habitat areas, because the removal will be consistent with the City's replacement policy for tree removal, and will avoid vegetation removal and site disturbance during bird nesting season.
- B. That reasonably calculated mitigation measures are in place to avoid dangerous soil erosion or instability resulting from the removal;
- C. That the Major Vegetation removal will not adversely affect the character of the surrounding neighborhood because the project is conditioned to provide for tree replacement consistent with the City's major vegetation guidelines.

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 proposed new construction of a commercial restaurant with drive-up service are permitted uses within the zoning district applicable to the project site and the project complies with all applicable project conditions, City regulations.
- B. The project will not be injurious or detrimental to property and improvements in the neighborhood because the use is designed to be consistent with the City regulations applicable to this development.
- C. The project will not be injurious or detrimental to the general welfare of the City because the new construction of a commercial restaurant is a permitted use within the zone district and plan designation applicable to the site and said use is designed to be accordance with all applicable project conditions and City regulations.

North Main Specific Plan Findings

- A. As required by Ordinance Section 17.40.110, the Planning Commission finds that the project is consistent with the goals of the North Main Specific Plan and development

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standards have been met as evaluated in the staff report dated May 11, 2016 and with the adoption of the conditions of approval.

Architectural Consideration

- A. As required by Ordinance Section 17.48.200 the Planning Commission find that the architectural treatment and general appearance of all proposed buildings, 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.

SIGN PROGRAM FINDINGS

- A. Due to the size and colors of the signs and the necessity of the signs for the business model of the drive-in, carhop service which requires menu board at each parking stall, it has been determined that they will not be distracting to motorists because the majority of signs are intended for direct customer viewing and not viewable from the public right of way. The signs are of comparable color, shape, and size as those of other nearby fast food restaurant, and, therefore the sign will not negatively affect the safety of traveling motorists.
- B. The signs are not excessive or poorly designed, and do not have a negative impact on residents and visitors.
- C. The signs clearly represent the type of business and services being offered by Sonic, and provides important information to the public regarding the business.
- D. The signs are consistent with both the City's General Plan and certified Local Coastal program. The visual environment is important to the property values and pleasant, enjoyable quality of life for residents. The sign maintains aesthetics comparable to commercial signs in the area while balancing the need for appropriate publicity for the business, therefore, the proposed signs will not degrade the environment or affect the welfare of the public.

Section 2. Action. The Planning Commission does hereby approve Coastal Development Permit CP0-404 and Conditional Use Permit UP0-364 for property located at 1840 Main Street subject to the following conditions:

STANDARD CONDITIONS

1. This permit is granted for the land described in the staff reports dated May 11, 2016 for the project at 1840 Main Street depicted on plans date stamped received by the City on April 20, 2016, on file with the Community Development Department, as modified by

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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 plans, 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 "CDM"), 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 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: 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.

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7. Compliance with Morro Bay Standards: This project shall meet all applicable requirements under the MBMC, and shall be consistent with all programs and policies contained in the LCP and General Plan of the City.

BUILDING DIVISION CONDITIONS:

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

FIRE DEPARTMENT CONDITIONS:

1. Fire sprinklers. An approved automatic fire sprinkler system shall be installed throughout in all new buildings exceeding 1000 square feet of floor area. (Morro Bay Municipal Code, Section 14.08.090 (L) (1))

Applicant shall install an automatic fire sprinkler system, in accordance with MBMC 14.08.090(L) (1) and NFPA 13.

2. Fire alarm system. Waterflow alarm devices shall be listed for the service and so constructed and installed that any flow of water from a sprinkler system equal to or greater than that from a single automatic sprinkler of the smallest K-factor installed on the system will result in an audible alarm. (NFPA 13-6.9)

Applicant shall provide a supervised fire alarm system, in accordance with NFPA 13, 72, and CFC 907).

3. Hood fire suppression system alarm. The extinguishing system shall be connected to the fire alarm system, if provided, in accordance with the requirements of NFPA 72, so that the actuation of the extinguishing system will sound the fire alarm as well as provide the function of the extinguishing system. (NFPA 17-A, 5.2.1.9)

Applicant shall provide connection to the supervised fire alarm connection, by way of a micro switch, to hood fire suppression system. (CFC 904.3.5, NFPA 17-A, and NFPA 72).

PUBLIC WORKS DEPARTMENT CONDITIONS:

1. Caltrans: Since the proposed project will increase the queue lengths at the western approach to the Main Street / State Route 41 intersection, the City requires as a condition of approval a refresh of the "Keep Clear" zone striping and stencil. This work should be completed prior to occupancy of the project and through an encroachment permit from Caltrans.
2. Traffic Improvements: A prorated fair share Traffic Impact Fee will be assessed for future improvements at the three impacted intersections which are further degraded based on the results of the Traffic Study noted above.

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3. Right of Way Dedication: A small right of way dedication will be required along the southwest corner of your parcel prior to beneficial occupancy in order to allow for smoother flow of future traffic at this intersection. The applicant shall work closely with the City to determine the actual extent of the easement as the design of the SR1/SR41 Interchange Improvement project progresses’.
4. Water Assessment: The “Water System Study for Sonic Restaurant, Morro Bay” (dated April 28, 2014) determined that the developer shall install an 8” PVC water main along the south side of the project site, connecting the 8” Sunset Main with the 8” Main Street Main as recommended by the 1997 Water Master Plan Update. In addition, the developer will install a PRV connection to the Lower King Zone on the south side of Highway 41/ The developer will install these improvements and bear 1/8th of the final project cost. The City will reimburse the developer for 7/8th of the cost for the other commercial properties which will benefit from this improvement. These improvements must be completed prior to beneficial occupancy.
5. Water Main Extension: In order to ensure adequate fire flow (1500 gpm at 20 psi) for the proposed development the applicant will need to extend the existing 8” water main approximately 100’ from the Upper Kings Zone across Highway 41 and tie into the Elena Zone at Sunset Avenue. An atmospherically controlled pressure reducing value set at 208’ above mean sea level will also need to be installed at the point of tie-in on Sunset Avenue.
6. Sewer Assessment: The Cornerstone Engineering letter report (dated December 9, 2104) addressing impacts to the sewage collection line from point of lateral tie-in to the Waste Water Treatment Plant found a negligible impact. A \$166.36 impact fee will be assessed upon project approval by the Planning Commission and concurrent with issuance of the building permit.
7. Sewer Lateral: If an existing lateral is to be used, perform a video inspection of the lateral and submit to Public Works. Lateral shall be repaired if necessary. A sewer backwater valve and downstream cleanout, extended to grade, shall be installed on the sewer lateral to prevent a blockage or maintenance of the municipal sewer main from causing damage to the proposed project.
8. Sewer Backwater Valve: A sewer backwater valve shall be installed on site to prevent a blockage or maintenance of the municipal sewer main from causing damage to the proposed project. Please indicate location on the plans.
9. Frontage Improvements: The installation of frontage improvement with sidewalks is required. Show the installation of a City standard driveway approach (B-6), curb and street tree and installation of City standard sidewalk (B-5). An encroachment permit is required for any work within the Right of Way.
10. Erosion and Sediment Control Plan: Provide a Detailed Erosion and Sediment Control Plan: The Plan shall show control measures to provide protection against erosion of adjacent property and prevent sediment or debris from entering the City right of way,

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adjacent properties, any harbor, waterway, or ecologically sensitive area.

11. Stormwater Management: Site design shall comply with planning permit requirements set forth in the Stormwater Management Guidance Manual for Low Impact Development and Post-Construction Requirements (Main Manual). We have reviewed the Preliminary Stormwater Control Plan for Sonic Drive-in Restaurant (dated 12/12/14). The final Stormwater Control Plan along with the following issues need to be addressed and submitted prior to issuance of a Building Permit:
 - a. Submit a stamped and signed copy of the PR.2 Certification.
 - b. To comply with Performance Requirement No.3, identify WMZ and treatment requirements, complete and submit the LID Site Assessment Check List.
 - c. The request to utilize the Ten Percent Adjustment to the Retention Requirements based on “Technical Infeasibility” was not sufficiently demonstrated. Excavation on site is already purposed and the Archaeological study (Cogstone: “Mitigation and Monitoring Strategy for Proposed Sonic Restaurant at 1840 Main Street, Morro Bay, CA”) states “All grading and other open excavation deeper than 40 centimeters (16 inches) requires an Archaeological monitor and a Native American monitor”. Since the purposed excavation is already over 16 inches, no technical infeasibilities would occur due to the installation of an underground storage facility. Additionally, the Archaeological study site description states “The project was previously a gas station and more extensive disturbance is known as it included installation and later removal of the underground gas storage tanks.” We strongly recommend the Stormwater control plan and design be updated prior to the building permit submittal phase.
 - d. Submit a stamped and signed Final Stormwater Control Plan.
 - e. Complete both sheets of Appendix K “Preliminary SWCP for Planning Permit application” and “Final SWCP for Building Permit application”.
12. Encroachment Permits: A standard encroachment permit shall be required for the proposed driveway; the driveway shall comply with B-6 (Driveway Ramps: Size & Location). A sewer encroachment permit shall be required for the installation of the sewer lateral. 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.

PLANNING CONDITIONS:

1. Archaeology: In the event of the unforeseen encounter of subsurface materials suspected to be of an archaeological or paleontological nature, all grading or excavation shall immediately cease in the immediate area, and the find should be left untouched until a qualified professional archaeologist or paleontologist, whichever is appropriate, is contacted and called in to evaluate and make recommendations as to disposition, mitigation and/or salvage. The developer shall be liable for costs associated with the professional investigation.

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2. Construction Hours: Pursuant to MBMC subsection 9.28.030.I, Construction or Repairing of Buildings, the erection (including excavating), demolition, alteration or repair of any building or general land grading and contour activity using equipment in such a manner as to be plainly audible at a distance of fifty feet from the building other than between the hours of seven a.m. and seven p.m. on weekdays and eight a.m. and seven p.m. on weekends except in case of urgent necessity in the interest of public health and safety, and then only with a permit from the Community Development Department, which permit may be granted for a period not to exceed three days or less while the emergency continues and which permit may be renewed for a period of three days or less while the emergency continues.
3. Dust Control: That prior to issuance of a grading permit, a method of control to prevent dust and wind blow earth problems shall be submitted for review and approval by the Building Official.
4. Architecture: Building color and materials shall be as shown on plans approved by the Planning Commission and specifically called out on the plans submitted for a Building Permit to the satisfaction of the Community Development Manager.
5. Boundaries and Setbacks: The property owner is responsible for verification of lot boundaries. Prior to requesting foundation inspection, a licensed land surveyor shall verify lot boundaries and building setbacks to the satisfaction of the Community Development Manager. A copy of the surveyor's *Form Certification* based on a boundary survey shall be submitted with the request for foundation inspection.
6. Building Height Verification: Prior to foundation inspection, a licensed land surveyor shall measure and inspect the forms and submit a letter to the Community Development Manager certifying that the tops of the forms are in compliance with the finish floor elevations as shown on approved plans. Prior to either roof nail or framing inspection, a licensed surveyor shall submit a letter to the building inspector certifying that the height of the structures is in accordance with the approved plans and complies with the maximum height requirements allowed for this zone district.
7. Inspection: The applicant shall comply with all Planning conditions listed above and obtain a final inspection from the Planning Division at the necessary time in order to ensure all conditions have been met.
8. Tree removal shall be conducted outside of bird nesting season as specified in the City's Major Vegetation Guidelines via City Council Resolution 39-07.
9. Upon application for grading and building permits, the applicant shall submit plans including the following notes, and shall comply with the following standard mitigation measures for reducing fugitive dust emissions such that they do not exceed the APCD's 20 percent opacity limit (APCD Rule 401) and do not impact off-site areas prompting nuisance violations (APCD Rule 402) as follows:
 - a. Reduce the amount of the disturbed area where possible;

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- b. Use water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site and from exceeding the APCD's limit of 20% opacity for greater than 3 minutes in any 60 minute period. Increased watering frequency would be required whenever wind speeds exceed 15 mph. Reclaimed (non-potable) water should be used whenever possible. Please note that since water use is a concern due to drought conditions, the contractor or builder shall consider the use of an APCD-approved dust suppressant where feasible to reduce the amount of water used for dust control. For a list of suppressants, see Section 4.3 of the CEQA Air Quality Handbook;
- c. All dirt stock-pile areas should be sprayed daily as needed;
- d. Permanent dust control measures identified in the approved project revegetation and landscape plans should be implemented as soon as possible, following completion of any soil disturbing activities;
- d. All roadways, driveways, sidewalks, etc. to be paved should be completed as soon as possible, and building pads should be laid as soon as possible after grading unless seeding or soil binders are used;
- e. Exposed ground areas that are planned to be reworked at dates greater than one month after initial grading should be sown with a fast germinating, non-invasive grass seed and watered until vegetation is established;
- f. All disturbed soil areas not subject to revegetation should be stabilized using approved chemical soil binders, jute netting, or other methods approved in advance by the APCD;
- g. All roadways, driveways, sidewalks, etc. to be paved should be completed as soon as possible. In addition, building pads should be laid as soon as possible after grading unless seeding or soil binders are used;
- h. Vehicle speed for all construction vehicles shall not exceed 15 mph on any unpaved surface at the construction site;
- i. All trucks hauling dirt, sand, soil, or other loose materials are to be covered or should maintain at least two feet of freeboard (minimum vertical distance between top of load and top of trailer) in accordance with CVC Section 23114;
- j. Install wheel washers where vehicles enter and exit unpaved roads onto streets, or wash off trucks and equipment leaving the site;
- k. Sweep streets at the end of each day if visible soil material is carried onto adjacent paved roads. Water sweepers with reclaimed water should be used where feasible;
- l. All of these fugitive dust mitigation measures shall be shown on grading and building plans; and
- m. The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust

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complaints, reduce visible emissions below 20% opacity, and to prevent transport of dust offsite. Their duties shall include holidays and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the APCD Compliance Division prior to the start of any grading, earthwork or demolition.

10. Upon application for grading and building permits, the applicant shall submit plans including the following notes, and shall comply with the following standard mitigation measures to help reduce sensitive receptor emissions impact of diesel vehicles and equipment used to construct the project:
 - a. On-road diesel vehicles shall comply with Section 2485 of Title 13 of the California Code of Regulations. This regulation limits idling from diesel-fueled commercial motor vehicles with gross vehicular weight ratings of more than 10,000 pounds and licensed for operation on highways. It applies to California and non-California based vehicles. In general, the regulation specifies that drivers of said vehicles:
 - i. Shall not idle the vehicle's primary diesel engine for greater than 5 minutes at any location, except as noted in Subsection (d) of the regulation; and,
 - ii. Shall not operate a diesel-fueled auxiliary power system (APS) to power a heater, air conditioner, or any ancillary equipment on that vehicle during sleeping or resting in a sleeper berth for greater than 5.0 minutes at any location when within 1,000 feet of a restricted area, except as noted in Subsection (d) of the regulation.
 - b. Off-road diesel equipment shall comply with the 5 minute idling restriction identified in Section 2449(d)(2) of the California Air Resources Board's In-Use off-Road Diesel regulation; and
 - c. Signs must be posted in the designated queuing areas and job sites to remind drivers and operators of the state's 5 minute idling limit.
 - d. In addition to the State required diesel idling requirements, during construction phase of the project diesel idling within 1,000 feet of sensitive receptors shall not be permitted; use of alternative fueled equipment is recommended; and signs that specify the no idling areas must be posted and enforced at the site.

11. The Mitigation and Monitoring Program included in the Mitigated Negative Declaration and attached to this Resolution 15-16 as Attachment A are hereby incorporated as conditions of approval.

PASSED AND ADOPTED by the Morro Bay Planning Commission at a regular meeting thereof held on this 17th day of May, 2016 on the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Chairperson Robert Tefft

EXHIBIT A

ATTEST:

Scot Graham, Community Development Manager

The foregoing resolution was passed and adopted this 17th day of May, 2016.

EXHIBIT B

City of Morro Bay

COMMUNITY DEVELOPMENT DEPARTMENT
955 SHASTA AVENUE ♦ MORRO BAY, CA 93442
805-772-6261

Public Notice of Availability
Document Type: Mitigated Negative Declaration

CEQA: CALIFORNIA ENVIRONMENTAL QUALITY ACT

CITY OF MORRO BAY

March 2016

The City has determined that the following proposal qualifies for a Mitigated Negative Declaration of Environmental Impact in accordance with the California Environmental Quality Act.

PROJECT TITLE: 1840 Main Street, Sonic Drive-Thru Restaurant

PROJECT LOCATION: 1840 Main Street, APN: (APN 068 – 324 – 019)

PROJECT DESCRIPTION: The project located at 1840 Main Street is at the intersection of Highway 41 and Main Street. The project includes removal of existing flatwork and landscaping, and construction of an approximately 1,400 square foot restaurant with outdoor seating, canopied parking for drive-up service, drive-thru service, and associated site improvements including ground work, retaining walls, frontage improvements, and landscaping. The project also includes a master sign program including total signage area exceeding City standards. In addition the project will include utility trenching of four to six feet across Main Street to the west of the property as well as trenching of the same depth south of the property across Caltrans Right of Way which fronts on Atascadero Road also known as Highway 41.

APPLICANT: Scott McMillan, Consumer Science, Inc.

LEAD AGENCY: City of Morro Bay

CONTACT PERSON: Cindy Jacinth, Associate Planner

TELEPHONE: (805) 772-6577

ADDRESS WHERE DOCUMENT MAY BE OBTAINED:

Community Development Department
955 Shasta Avenue
Morro Bay, California 93442
(805) 772-6261

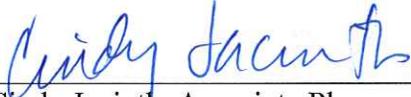
PUBLIC REVIEW PERIOD: March 21, 2016 through April 19, 2016

A 30-day public review period for the Mitigated Negative Declaration (MND) will begin on March 21, 2016 and end on April 19, 2016 for interested and concerned individuals and public agencies to submit written comments on the document. Copies of the MND are available for

EXHIBIT B

review at the Community Development Department and on the City of Morro Bay's website. Comments should be submitted to the Community Development Department at the above address within the public review time period.

A public hearing to consider adoption of the Mitigated Negative Declaration is tentatively scheduled for May 3, 2016 at 6:00 p.m. at the Morro Bay Planning Commission meeting held at the Veteran's Memorial Building at 209 Surf Street, Morro Bay, California.



Cindy Jacinth, Associate Planner
Signature

Notice of Completion & Environmental Document Transmittal

Mail to: State Clearinghouse, P.O. Box 3044, Sacramento, CA 95812-3044 (916) 445-0613
For Hand Delivery/Street Address: 1400 Tenth Street, Sacramento, CA 95814

SCH #

Project Title: 1840 Main St., Sonic Drive-Thru Restaurant

Lead Agency: City of Morro Bay Contact Person: Cindy Jacinth
Mailing Address: 955 Shasta Avenue Phone: (805) 772-6577
City: Morro Bay Zip: 93442 County: San Luis Obispo

Project Location: County: San Luis Obispo City/Nearest Community: Morro Bay
Cross Streets: Atascadero Road (northeast intersection of Highway 1 and Highway 41) Zip Code: 93442
Longitude/Latitude (degrees, minutes and seconds): 35 ° 22 ' 50.59" N / 120 ° 51 ' 16.82" W Total Acres: 0.63 acre
Assessor's Parcel No.: 068-324-019 Section: Twp.: Range: Base:
Within 2 Miles: State Hwy #: 1 and 41 Waterways: Alva Paul Creek
Airports: N/A Railways: Schools: Del Mar Elem. School

Document Type:

- CEQA: [] NOP [] Draft EIR NEPA: [] NOI Other: [] Joint Document
[] Early Cons [] Supplement/Subsequent EIR [] EA [] Final Document
[] Neg Dec (Prior SCH No.) [] Draft EIS [] Other:
[X] Mit Neg Dec Other: [] FONSI

Local Action Type:

- [] General Plan Update [] Specific Plan [] Rezone [] Annexation
[] General Plan Amendment [] Master Plan [] Prezone [] Redevelopment
[] General Plan Element [] Planned Unit Development [X] Use Permit [X] Coastal Permit
[] Community Plan [] Site Plan [] Land Division (Subdivision, etc.) [] Other:

Development Type:

- [] Residential: Units Acres
[] Office: Sq.ft. Acres Employees [] Transportation: Type
[] Commercial: Sq.ft. Acres Employees [] Mining: Mineral
[] Industrial: Sq.ft. Acres Employees [] Power: Type MW
[X] Educational: Morro Bay High School [] Waste Treatment: Type MGD
[] Recreational: [] Hazardous Waste: Type
[] Water Facilities: Type MGD [] Other:

Project Issues Discussed in Document:

- [X] Aesthetic/Visual [] Fiscal [X] Recreation/Parks [] Vegetation
[] Agricultural Land [X] Flood Plain/Flooding [X] Schools/Universities [X] Water Quality
[X] Air Quality [] Forest Land/Fire Hazard [] Septic Systems [X] Water Supply/Groundwater
[X] Archeological/Historical [X] Geologic/Seismic [X] Sewer Capacity [] Wetland/Riparian
[X] Biological Resources [] Minerals [X] Soil Erosion/Compaction/Grading [] Growth Inducement
[X] Coastal Zone [X] Noise [X] Solid Waste [X] Land Use
[] Drainage/Absorption [] Population/Housing Balance [X] Toxic/Hazardous [X] Cumulative Effects
[] Economic/Jobs [X] Public Services/Facilities [X] Traffic/Circulation [] Other:

Present Land Use/Zoning/General Plan Designation:

MCR / R4 SP : Mixed Use Residential / High Density Residential

Project Description: (please use a separate page if necessary)
The project located at 1840 Main Street is at the intersection of Highway 41 and Main Street. The project includes removal of existing flatwork and landscaping, and construction of an approximately 1,400 square foot restaurant with outdoor seating, canopied parking for drive-up service, drive-thru service, and associated site improvements including ground work, retaining walls, frontage improvements, and landscaping. The project also includes a master sign program including total signage area exceeding City standards. In addition the project will include utility trenching of four to six feet across Main Street to the west of the property as well as trenching of the same depth south of the property across Caltrans Right of Way which fronts on Atascadero Road also known as Highway 41.

Note: The State Clearinghouse will assign identification numbers for all new projects. If a SCH number already exists for a project (e.g. Notice of Preparation or previous draft document) please fill in.

EXHIBIT B

Reviewing Agencies Checklist

Lead Agencies may recommend State Clearinghouse distribution by marking agencies below with and "X".
If you have already sent your document to the agency please denote that with an "S".

<input type="checkbox"/> Air Resources Board	<input type="checkbox"/> Office of Historic Preservation
<input type="checkbox"/> Boating & Waterways, Department of	<input type="checkbox"/> Office of Public School Construction
<input type="checkbox"/> California Emergency Management Agency	<input type="checkbox"/> Parks & Recreation, Department of
<input type="checkbox"/> California Highway Patrol	<input type="checkbox"/> Pesticide Regulation, Department of
<input type="checkbox"/> Caltrans District #5	<input type="checkbox"/> Public Utilities Commission
<input type="checkbox"/> Caltrans Division of Aeronautics	<input checked="" type="checkbox"/> Regional WQCB #3
<input type="checkbox"/> Caltrans Planning	<input type="checkbox"/> Resources Agency
<input type="checkbox"/> Central Valley Flood Protection Board	<input type="checkbox"/> Resources Recycling and Recovery, Department of
<input type="checkbox"/> Coachella Valley Mtns. Conservancy	<input type="checkbox"/> S.F. Bay Conservation & Development Comm.
<input checked="" type="checkbox"/> Coastal Commission	<input type="checkbox"/> San Gabriel & Lower L.A. Rivers & Mtns. Conservancy
<input type="checkbox"/> Colorado River Board	<input type="checkbox"/> San Joaquin River Conservancy
<input type="checkbox"/> Conservation, Department of	<input type="checkbox"/> Santa Monica Mtns. Conservancy
<input type="checkbox"/> Corrections, Department of	<input type="checkbox"/> State Lands Commission
<input type="checkbox"/> Delta Protection Commission	<input type="checkbox"/> SWRCB: Clean Water Grants
<input type="checkbox"/> Education, Department of	<input type="checkbox"/> SWRCB: Water Quality
<input type="checkbox"/> Energy Commission	<input type="checkbox"/> SWRCB: Water Rights
<input checked="" type="checkbox"/> Fish & Game Region # 4	<input type="checkbox"/> Tahoe Regional Planning Agency
<input type="checkbox"/> Food & Agriculture, Department of	<input type="checkbox"/> Toxic Substances Control, Department of
<input type="checkbox"/> Forestry and Fire Protection, Department of	<input type="checkbox"/> Water Resources, Department of
<input type="checkbox"/> General Services, Department of	<input type="checkbox"/> Other: _____
<input type="checkbox"/> Health Services, Department of	<input type="checkbox"/> Other: _____
<input type="checkbox"/> Housing & Community Development	
<input checked="" type="checkbox"/> Native American Heritage Commission	

Local Public Review Period (to be filled in by lead agency)

Starting Date March 21, 2016 Ending Date April 19, 2016

Lead Agency (Complete if applicable):

Consulting Firm: _____	Applicant: <u>City of Morro Bay</u>
Address: _____	Address: <u>955 Shasta Avenue</u>
City/State/Zip: _____	City/State/Zip: <u>Morro Bay, CA 93442</u>
Contact: _____	Phone: <u>(805) 772-6577</u>
Phone: _____	

Signature of Lead Agency Representative: *Cindy Jacinto* Date: 3/17/16

Authority cited: Section 21083, Public Resources Code. Reference: Section 21161, Public Resources Code.

EXHIBIT B



City of Morro Bay
COMMUNITY DEVELOPMENT 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

March 2016

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.: CP0-404 and UP0-364

PROJECT TITLE: 1840 Main Street, Sonic Drive-Thru Restaurant

APPLICANT / PROJECT SPONSOR:

Owner:

Scott McMillan
Consumer Science, Inc.
28596 Prospect Ave.
Wasco, CA 93280
T 661.203.4808

Applicant/Agent:

Frederick E. Scott
Scott & Associates
1009 N. Demaree Street
Visalia, CA 93291
T 559.627.1851

PROJECT DESCRIPTION: The project located at 1840 Main Street is at the intersection of Highway 41 and Main Street. The project includes removal of existing flatwork and landscaping, and construction of an approximately 1,400 square foot restaurant with outdoor seating, canopied parking for drive-up service, drive-thru service, and associated site improvements including ground work, retaining walls, frontage improvements, and landscaping. The project also includes a master sign program including total signage area exceeding City standards. In addition the project will include utility trenching of four to six feet across Main Street to the west of the

EXHIBIT B

1840 Main Street
CASE NO. CP0-404 and UP0- 364
DATE: March 2016

property as well as trenching of the same depth south of the property across Caltrans Right of Way which fronts on Atascadero Road also known as Highway 41.

PROJECT LOCATION: The project site is located at 1840 Main Street, at the northeast corner of the intersection of Highway 41 and Main Street, within the City of Morro Bay. The site is within the MCP/R-4/SP overlay, (Mixed Commercial Residential/Multifamily Residential-Hotel-Professional, in the North Main Street Specific Plan Area) zoning district and designated by the General Plan and Coastal Land Use Plan (CLUP) as Mixed Use (Mixed Commercial-Residential). The project is not located in the Coastal Commission's Jurisdiction or Appeals Jurisdiction, therefore the project is in the City's permitting jurisdiction for Coastal Development Permits.

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 B



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

INITIAL STUDY AND CHECKLIST

I. PROJECT INFORMATION

Project Title: Sonic Drive-Thru Restaurant

Project Location: 1840 Main Street (APN 068 – 324 – 019)

Case Number: Coastal Development Permit #CP0-404 and Conditional Use Permit #UP0-364

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: Frederick E. Scott, Scott & Associates Phone: (805) 772-5700
1009 N. Demaree Street Fax: _____
Visalia, CA 93291

Project Landowner: Scott McMillan, Consumer Science, Inc. Phone: (559) 627-1851
28596 Prospect Ave Fax: _____
Wasco, CA 93280

General Plan Designation: Mixed Use

Zoning Designation: MCP/R-4/SP overlay, (Mixed Commercial Residential/Multifamily Residential-Hotel-Professional, in the North Main Street Specific Plan Area)

PROJECT DESCRIPTION: The project located at 1840 Main Street is at the intersection of Highway 41 and Main Street. The project includes removal of existing flatwork and landscaping, and construction of an approximately 1,400 square foot restaurant with outdoor seating, canopied parking for drive-up service, drive-thru service, and associated site improvements including ground work, retaining walls, frontage improvements, and landscaping. The project also includes a master sign program including exceptions to City sign area standards. In addition the project will include utility trenching of four to six feet across Main Street to the west of the property as well as trenching of the same depth south of the property across Caltrans Right of Way (Figure 4).

PROJECT LOCATION: The project site is located at 1840 Main Street, at the northeast corner of the intersection of Highway 41 and Main Street, within the City of Morro Bay. The site is within the MCP/R-4/SP overlay, (Mixed Commercial Residential/Multifamily Residential-Hotel-Professional, in the North Main Street Specific Plan Area) zoning district and designated by the General Plan and Coastal Land Use Plan (CLUP) as Mixed Use. The project is not located in the Coastal Commission’s Jurisdiction or Appeals Jurisdiction, therefore the project is in the City’s permitting jurisdiction for Coastal Development Permits.

EXHIBIT B

Surrounding Land Use			
North:	Gas station and residence; Mixed Commercial-Residential /Multiple Residential Hotel Professional/ North Main Street Specific Plan (MCR/R-4 /SP)	East:	Vacant; Mixed Commercial-Residential/Multiple Residential Hotel Professional/Planned Development/North Main Street Specific Plan (MCR/R-4/PD/SP)
South:	Gas station & mini-mart; Visitor Serving Commercial (C-VS)	West:	Highway 1

Project Entitlements Requested: Coastal Development Permit (CDP) and Conditional Use Permit (CUP) approvals are required for development of a site with a drive-in and/or drive-thru restaurant use and for the proposed master sign program.

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:

- California Department of Transportation (CalTrans)
- San Luis Obispo Air Pollution Control District (SLOAPCD)

EXHIBIT B

Figure 1: VICINITY MAP

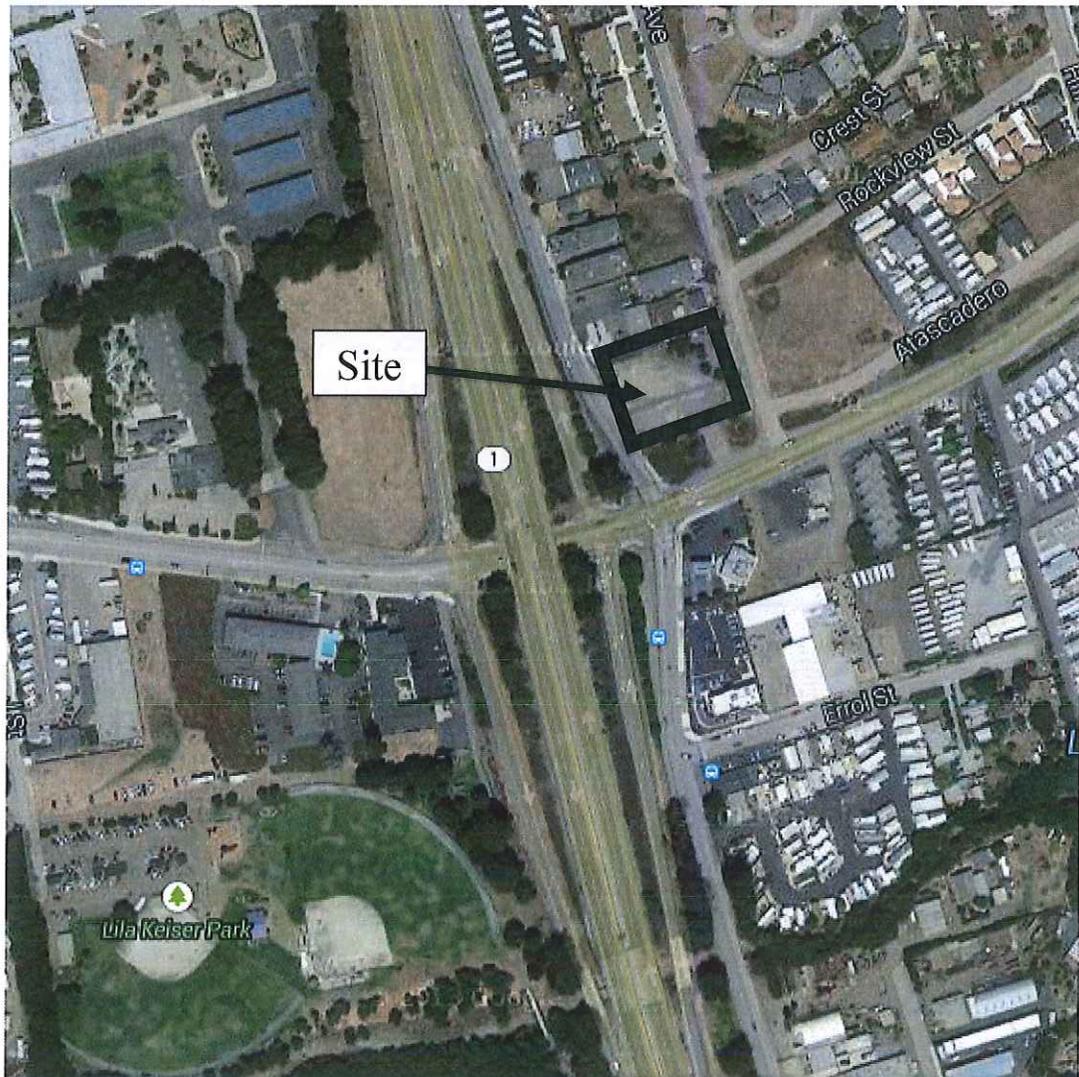


EXHIBIT B

Figure 2: SITE PLAN

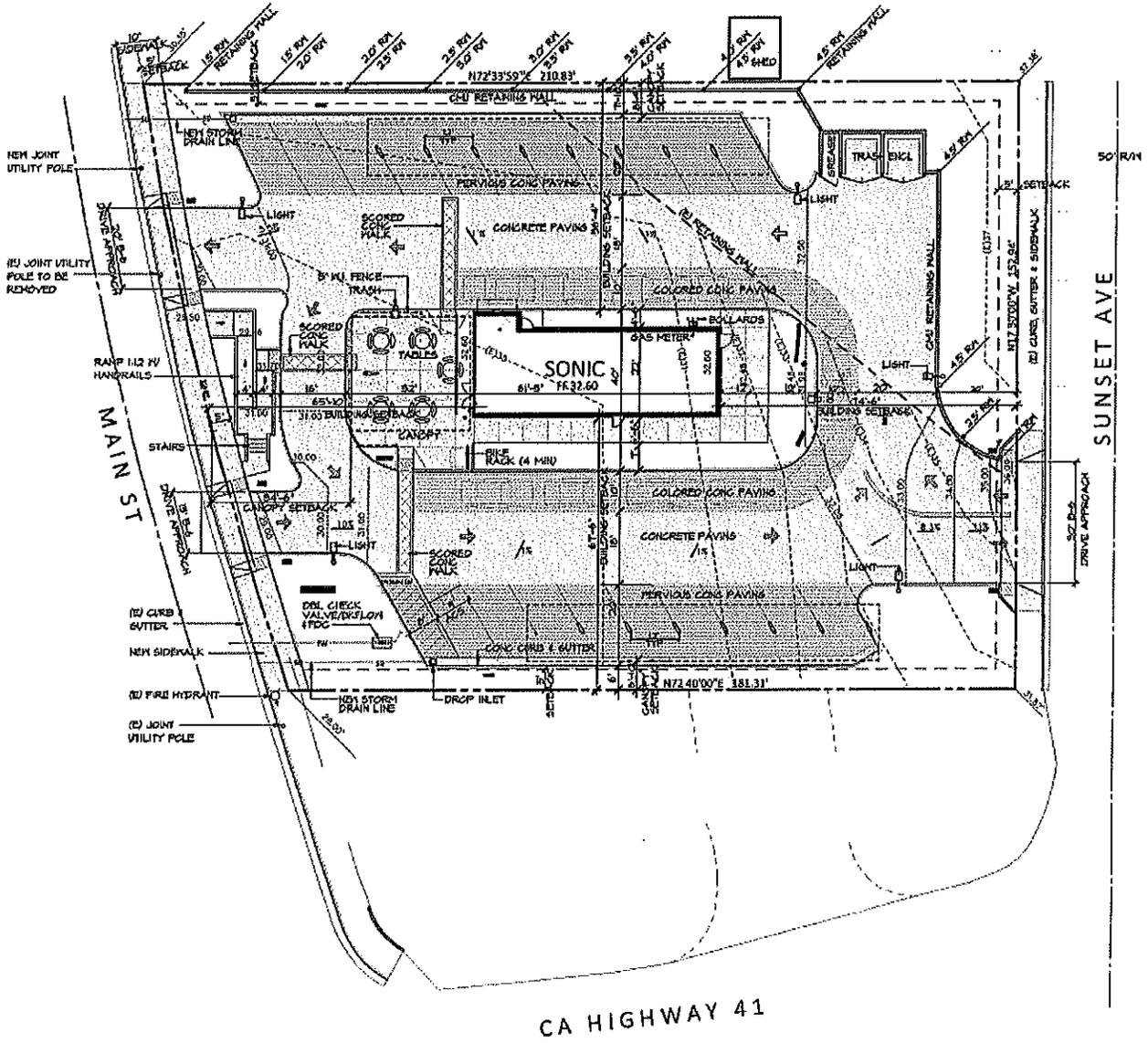
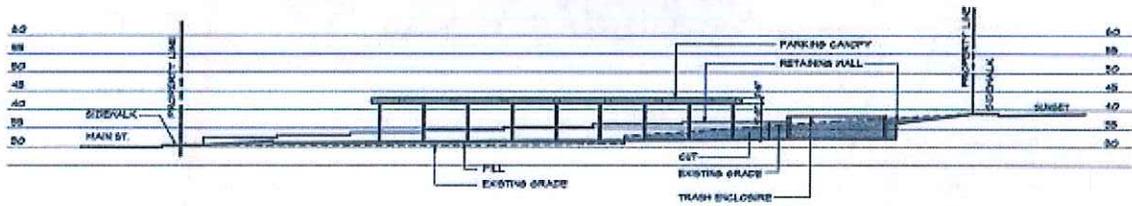


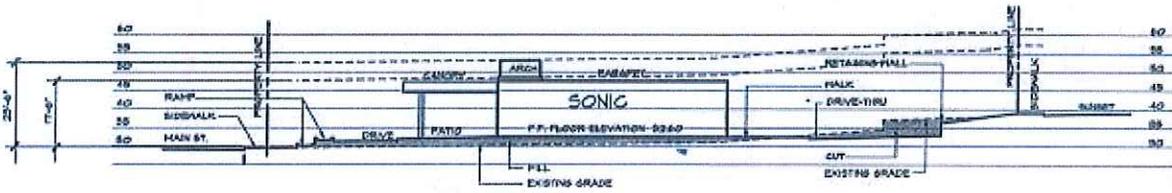
EXHIBIT B

Figure 3: PHOTO SIMULATION AND SECTION DETAILS



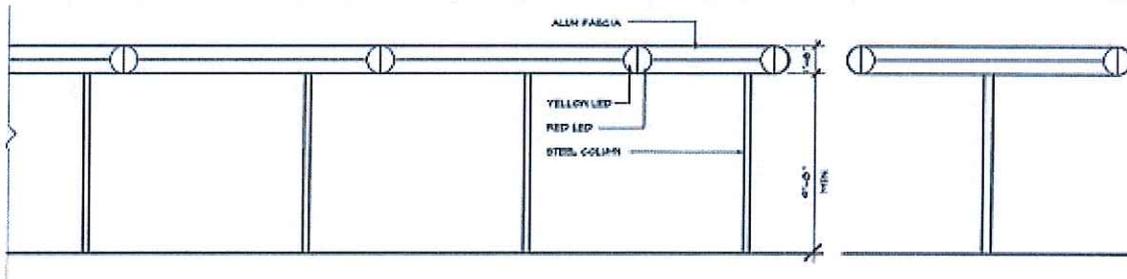
SECTION THRU SITE AT PARKING CANOPY

SCALE: 1" = 20'-0"



SECTION THRU SITE & BUILDING

SCALE: 1" = 20'-0"



ELEVATION OF PARKING CANOPY

SCALE: 1/4" = 1'-0"

EXHIBIT B

Figure 4: TRENCHING EXHIBIT

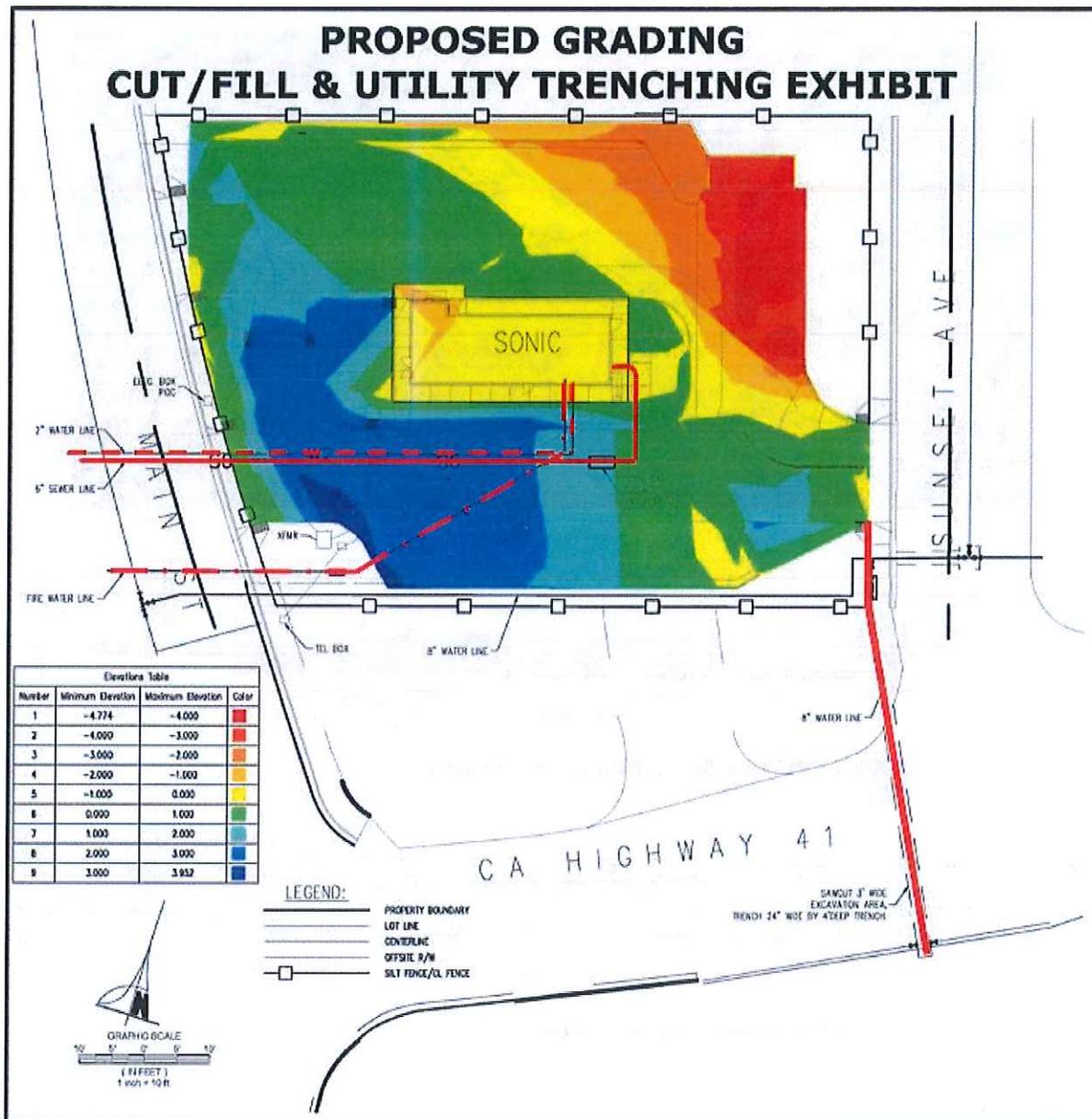


EXHIBIT B

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.

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

EXHIBIT B

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.
X	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.
	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.

Cindy Jacinth
Signature

3-17-10
Date

Cindy Jacinth
Associate Planner

For: Scot Graham
Community Development Manager

With Public Hearing Without Public Hearing

Previous Document: N/A

EXHIBIT B

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 B

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EXHIBIT B

1840 Main Street
CASE NO. CP0-404 and UP0-364
DATE: March 2016

IV. ENVIRONMENTAL CHECKLIST

1. AESTHETICS:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
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 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 is located at the intersection of Highway 1 and Highway 41, which is considered a principal entryway to the City. The City's entryways are important with regard to preserving and enhancing visual amenities. The General Plan identifies this entry as being seriously impaired by the lack of landscaping, excessive signs, vacant and unkempt properties, and overhead utilities. The project site is also at the southern extent of Area C of the North Main Street Specific Plan. Adopted in 1989, this plan characterizes the area as an underutilized visitor serving commercial area that would benefit from a reduced height limit, landscaping, and continuous frontage improvements, as well as control of the effects of light, glare, odor and noise from commercial businesses on neighboring residents. Previously developed with a gas and service station, the site is now vacant except for miscellaneous flatwork, fencing, and landscaping remnants. The immediate neighboring properties are developed with a mixture of commercial and residential uses of various architectural themes, tenure, and quality.

Impact Discussion:

a. The proposed development would not block a publicly recognized scenic vista, nor are there scenic resources on the site itself that would be impacted by development. The scenic views in the vicinity include Morro Rock and the Pacific Coastline, both of which are west of the site, across Highway 1, and the grassy hills to the northwest and west, neither of which would not be effected.

b. Previously developed with a gas and service station, the project site is now vacant except for miscellaneous flatwork, fencing, and landscaping remnants. Located at the intersection of Highway 1 and Highway 41, the site is considered a principal entryway to the City. Proposed improvements are similar in scale and massing to surrounding structures. The scenic view from Highway 1 to the surrounding hills will not be substantially affected by the new construction. The proposed height of the new structure is under the maximum building height of 25 feet allowed for in this zoning district. The North Main Street Specific Plan would allow buildings to exceed the 25 foot height limit if approved by Planning Commission; however this is not required of this project as it is under the allowable height limit. Proposed site development includes the removal of small shrubs and plantings, which would not be considered major vegetation due to their size. A planting plan has been provided, which would include a mixture of small ornamental trees, shrubs and ground cover along external property lines and adjacent to the structure, in excess of minimum standards.

c) The project includes the development of a drive in/drive thru restaurant, with covered patio seating and covered parking for in-car dining. The building will be clad in a mixture of materials, including stone veneer and plaster in varying earth tones. Trademark bright yellow, red, green and blue design elements identify the restaurant. The

EXHIBIT B

1840 Main Street
CASE NO. CP0-404 and UP0-364
DATE: March 2016

proposed architecture of the structure diverges from the governing North Main Specific Plan in one respect: a predominantly flat roof design. The business model of the proposed commercial restaurant relies on entirely outdoor seating or drive up parking canopy stalls each with an individual menu board (in-car dining). There is no indoor customer access other than a restaurant bathroom. The entire 1,400sq building is the kitchen for the restaurant with mechanical equipment mounted in the roof area. The mostly flat roof design is typical of the corporate branding for Sonic restaurants as a franchise. The North Main Specific Plan discourages flat roof design. Review and approval of final architectural design, including appropriateness of these features will be made by the Planning Commission.

Approximately 27% of the site, particularly along the property lines, would be landscaped with a mixture of small trees, shrubs and groundcovers. Selected plant materials include a mixture of California natives and other draught tolerant varieties that will offer screening of the parking areas and seasonal color. The remainder of the site would be covered by the structure, vehicle drive aisles, and covered and uncovered parking.

The project includes a sign program with exceptions to allowed sign area. The proposed sign plan includes 293 square feet of signage, including a freestanding monument sign at the southwest corner of the sight, nine wall signs (including four changeable copy wall signs), seven directional signs, and eighteen menu board signs. Directional sign must be included in the total sign area, as they exceed the three-square foot maximum exempted from sign permit requirements. This proposal exceeds the 115 square feet of signage allowed based on Main Street frontage by 138 square feet. To reduce the visual impacts associated with excessive signage related to public safety and impacts on the visual environment, the number and dimensions of signage shall be reviewed by the Planning Commission, who shall make findings on the proposed sign program as required by the City's Sign Ordinance through the sign exception process and as enumerated in Morro Bay Municipal Code (MBMC) Section 17.68.060.E. Mitigation Measure AES - 1 has been recommended to ensure that no signage in excess of that allowed by the Code is erected unless specifically approved by the Planning Commission. All signage, except for the changeable copy walls signs, will be internally lit can signs. Consistent with MBMC Section 17.68.050, no sign will be permitted to emit or reflect light exceeding ten foot-candle power at ten feet from the face of the sign. (Please see Section 12: Noise, for further discussion regarding proposed signage).

d) The project is located in an already urbanized area with light sources from neighboring commercial uses and vehicular circulation along adjacent roadways. The project will be required to conform to property development standards for lighting installations and operational standards, which prohibit light from exceeding 10-foot candles or being directed to, or allowed to spill off-site. Conformance with these standards will ensure that the proposed project will not create a new source of substantial light or glare or affect nighttime views in the area.

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

Mitigation Measure AES - 1: The Planning Commission shall review the number of signs and total area of signs, consider the sign program's relationship to the overall appearance of the subject property and make required findings that the proposed sign program is consistent with the City's sign ordinance as enumerated in MBMC 17.68.060.

Monitoring AES - 1: Construction and sign permit applications shall clearly note the above mitigation measure and subsequent Conditions of Approval on applicable sheets. Community Development Department staff will review all permit applications for compliance with the above mitigation measures and Conditions.

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2. AGRICULTURAL RESOURCES:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
<p>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.</p> <p>Would the project:</p>				
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 project site is designated MCP/R-4/SP (Mixed Commercial Residential/Multifamily Residential-Hotel-Professional, in the North Main Street Specific Plan Area), and was previously developed with a gas and service station. The project site is now vacant except for miscellaneous flatwork, fencing, and landscaping remnants. The property and surrounding areas are not zoned for agricultural uses, nor has the site historically been used for farming or designated as prime farmland. The site is identified as urban and built up development on the San Luis Obispo County Map of Important Farmland 2006.

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.*

Mitigation and Monitoring: Not Applicable.

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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 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 clearing the site and construction of a drive-thru restaurant with drive-in service. Customer areas serving the 1,400 square foot restaurant/kitchen structure include a 1,020 square foot covered patio and 15 covered carports for in-car dining. Based on reference of Table 1-1 of the SLO County APCD CEQA Air Quality Handbook, both thresholds of significance for the APCD Annual Bright Line threshold (MT CO₂e) and reactive

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organic gases (ROG) and oxides of nitrogen (NOx) would not be exceeded by the proposed project. Due to the small size of the restaurant and service area, the project is well below operational thresholds of significance.

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. Areas of cut are limited primarily to the north and east portions of the site, where 570 cubic yard of cut material will be removed to allow for vehicle circulation. The remainder of the site will be padded up above existing grade, (with a total of 730 cubic yards of fill) to come closer to what was at one time natural grade. 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 residential uses to the north and Morro Bay High School to the west. 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. The construction of a small restaurant and associated site improvements falls below the threshold required for mitigation and is considered less than significant.

e) Restaurant operations will likely add incrementally to the overall presence of food odors in the area, created by the numerous restaurants along Main Street. Given the relatively small scale of the restaurant and distance to residential uses, these new cooking odors would be considered less than significant.

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 Community Development Department staff will monitor compliance in the normal course of reviewing plans.*

Mitigation and Monitoring: Not Applicable.

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

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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
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 site is designated MCP/R-4/SP (Mixed Commercial Residential/Multifamily Residential-Hotel-Professional, in the North Main Street Specific Plan Area), and was previously developed with a gas and service station. The project site is now vacant except for miscellaneous flatwork, fencing, and landscaping remnants. The site is at the intersection of several major roadways, including Main Street, Highway 41, and Highway 1.

Impact Discussion:

a-c) The project site is a previously disturbed infill site that does not contain any known habitat, special status species or wetlands; therefore, no impacts on biological resources would result.

d-f) No policies or ordinances protecting biological resources, or adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan govern the project site; therefore, no impacts on biological resources would result.

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

Mitigation and Monitoring: Not Applicable.

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 eleven (11) of which are within one-quarter mile radius of the project area. The project site is within the boundaries archaeological site CA-SLO-165 (Farrell 2007:12). The site has been included in multiple earlier cultural resource studies. CA-SLO-165 was formally recorded by Fritz Riddell in 1960, but well before major portions of the site were damaged by a variety of twentieth century developments, including roads, housing, military housing, and a service station. All this occurred well before any scientific investigations were undertaken (CRMS, 2007).

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The results of numerous archaeological investigations and excavations in the immediate vicinity of the project area indicate there is a very high likelihood that significant cultural resources will be encountered during the course of construction. The construction proposed includes development of the site as a restaurant use along with excavation of approximately four to six feet to occur in the northeast corner of the site with utility trenching of the same depth west across City property (Main Street) and south across the CalTrans Right of Way. The property was previously occupied with a gas station, and underground monitoring wells which have both been removed, and as such much of the area has been previously graded.

Impact Discussion:

a) The existing property was previously developed as a service station with underground tanks, which were all removed and remediated in the 1990s. The site does not contain any known historic resources as defined in the CEQA Guidelines Section 15064.5.

b) The project site is within the boundaries of CA-SLO-165 (Farrell 2007:12). The project has been surveyed multiple times, been subjected to prior grading, building demolition, gas tank removal and other activities. Prior phase I archaeological surveys have observed no surface materials (Clark 1990, Singer 1997, Farrell 2007a).

The results of numerous archaeological investigations and excavations in the immediate vicinity of the project area indicate there is a very high likelihood that significant cultural resources will be encountered during the course of construction. The results of past archaeological studies and the Mitigation and Monitoring Strategy prepared by Cogstone have all referenced materials found during past prior archaeological excavations/monitoring on this site. In the Caltrans right of way, prior subsurface work has demonstrated widespread disturbance of the upper vertical levels also with sensitive resources (Mikkelsen et al. 2000). The State Route 41 widening excavations also found sensitive deposits. (Mikkelsen et al. 2000). To the east of the project site, in 2004, past excavation within the CalTrans ROW in association with a sewer line encountered previously disturbed deposits. The report concludes noting that CA-SLO-165 has previously been demonstrated to meet Criterion D/4 and have the potential to contribute new information to prehistory. Proposed excavations in the northeast corner which has no documented prior disturbance and for utility trenching will cause unavoidable adverse effects/impacts to a National Register eligible historic property. The proposed monitoring strategy prepared by Cogstone in April 2015 and updated in July 2015 and February 2016 reviewed these past studies, previous results, compared to the proposed project area and as proposed will mitigate these effects/impacts to a level less than significant.

An Archeological Mitigation and Monitoring Plan (Cogstone, April & July 2015, February 2016) included a summary of prior project archeological investigations, excavations/monitoring and previous excavations in CalTrans right of way. The mitigation and monitoring strategy recommended monitoring and reporting as the most appropriate method of finding any features that may be present and recovering diagnostic artifacts that may contribute information for the site. As outlined in the report, both a qualified archaeological monitor and culturally-affiliated Native American monitor would be on-site any time excavations exceed 40 centimeters (16 inches) in depth, where previously undisturbed soils may be contacted, and be responsible for maintaining both daily documentation of activities and a final monitoring compliance report. In addition Mitigation Measure CR – 1 has been recommended to ensure that that the recommended monitoring and reporting as specified in the Cogstone Report (February 2016) is completed.

In addition new legislation, Assembly Bill 52, became effective July 1, 2015 which requires formal consultation with Native American tribes in order to protect tribal cultural resources. Consultation initiation letters were sent to five local tribes with connection to Morro Bay. Of these two tribes responded by phone with general comment and one tribe responded in writing which requested that recognition be noted for their Salinan tribe. The area is recognized by the State as having both Chumash and Salinan cultural affiliation. In response to this request, the project will be required to have culturally-affiliated monitors on site that ensures both groups are represented.

c-d) The existing property does not contain any known unique paleontological resources or geologic features identified on city maintained maps, or known human remains. However, the site is within an archaeologically sensitive area and there is the potential that materials (including but not limited to unique paleontological or geologic resources or human burials) could be encountered given the known historic use of the site. Please refer to

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above paragraph CR-b, for further discussion and recommended mitigation measure CR-1, which will 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 Measure CR-1: The monitoring, reporting, discovery and treatment program outlined in the revised February 2016 Cogstone Mitigation and Monitoring Strategy Report shall be followed during all work on site and within the Caltrans right-of-way.

Monitoring CR - 1: Construction and grading plans shall clearly note the above mitigation measure on applicable sheets and be clearly visible to contractors and City inspectors. Community Development Department staff will periodically inspect the site for continued compliance with the above mitigation measures.

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
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

Environmental Setting: 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. The site is currently covered with an asphalt cap, but was most recently developed as a service station with underground tanks, which were removed in the late 1990s. 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 located within an area of potential ground shaking and has moderate to high liquefaction potential.

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

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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.

Impact Discussion:

a i-iv) The project consists of minor grading and land alteration to allow development of a small restaurant, parking and circulation areas. 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. The San Andreas Fault is located approximately 41 miles at its closest point from the City. The site is located in an area that has the potential for ground shaking and a moderate to high liquefaction potential. Similar customer service uses are currently located on adjacent sites and the new construction will not expose a substantial amount of new structures or people to the risk of ground shaking, liquefaction potential or landslide.

No mitigation measures are necessary.

b) This project consists of new construction of a fast food restaurant on a vacant, previously disturbed site, and is on an infill site located in an urbanized area. There is a limited potential for top soil erosion since the area to be disturbed will be limited to building footings and flatwork.

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

e) The proposed project will be required to connect to the City’s sewer system. Septic tanks or alternative wastewater systems are not proposed and will not be used on the site.

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

Mitigation Monitoring: Not applicable.

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	
b.	Conflict with an applicable plan, policy of regulation adopted for the purpose of reducing the emissions of greenhouse gases?			x	

Impact Discussion: 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

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Compliance Worksheet, which has been used to demonstrate project-level compliance. The project is in compliance with all mandatory measures including: provision of bicycle parking, pedestrian linkages and interconnectivity, traffic calming, construction techniques, and landscaping.

a-b) In the short-term, the proposed project could result in minor increases in emission of greenhouse gases during the site demolition and construction process. Such an increase would not individually contribute to global climate change; however, it would contribute considerably 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.

Long-term impacts would be primarily associated with vehicle trips to and from the restaurant. However, the proposed project is consistent with the land use diagram and policy provisions of the City's General Plan, and will result in infill development, located in close proximity to transit, services and employment centers. City policies recognize that compact, infill development allow for more efficient use of existing infrastructure and Citywide efforts to reduce greenhouse gas emissions. The City's Climate Action Plan (CAP) also recognizes that energy efficient design will result in significant energy savings, which result in emissions reductions.

Conclusion: *Impacts to Greenhouse Gas Emissions unless mitigation is incorporated.*

Mitigation Monitoring: *Not applicable*

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
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

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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
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Environmental Setting: Human-caused hazards often occur as a result of modern activities and technologies. These potential hazards can include the use of hazardous materials and buildings that may be unsafe during a strong earthquake. The proposed project includes construction of a new drive-in/drive-thru restaurant, covered parking, and associated site improvements.

Impact Discussion:

a-b) The proposed project includes construction of a new drive-thru/drive-in restaurant 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. Handling and disposal of used cooking oils is regularly overseen by the County Health Department.

c) Morro Bay High School, which is located west of Highway 1, is within 1,000 feet of the project site and is the nearest existing or proposed school in the area. However, the proposed restaurant use will not be considered a nuisance or have the potential to create significant impacts, as operations will not entail handling or emission of hazardous materials, substances or waste.

d) Within 300 feet of the project site there are three known Leaking Underground Tank (LUST) Cleanup Sites. Review of the State Cal EPA Cortese List Database indicates that these sites are all closed.

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

g-h) The project is located on private property near the intersection of Main Street and Highway 41. Although Main Street is a main thoroughfare through the City for emergency response vehicles, the project will be staging all construction on site or be required to get an encroachment permit for construction staging areas on the public right of way. At no time will staging be allowed at a location that will impair the flow of traffic or create traffic hazards. Plans have been reviewed by the Fire Marshal and Public Works staff, who determined that as designed the project will not conflict with any emergency response plan, evacuation plan, or future plans for improvements at Main Street and Highway 41. The site is not directly adjacent to any wild lands.

Conclusion: *Impacts related to Hazards and Hazardous Materials will have less than significant impact.*

Mitigation Monitoring: Not applicable.

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

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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 project site is an urban infill site, at the northeast corner of Main Street and Highway 41. The watershed of Morro Bay is approximately 48,450 acres and is bounded by the Santa Lucia Range on the north, Cerro Romauldo to the east and the San Luis Range to the south. Eventually draining to Morro Bay, the watershed has two significant creek systems: Los Osos and Chorro Creeks. The Chorro Creek watershed drains approximately 27,670 acres, while Los Osos Creek drains 16,933 acres, the remaining area drains directly into the bay through small local tributaries or urban runoff facilities. Sixty percent of the Chorro Creek watershed is classified as rangeland, while twenty percent is brushland. Hydro-geologically, the site is located in the southwest portion of the Morro Hydrologic Sub-area (Morro Basin) of San Luis Obispo County. Basin recharge is by 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 are listed as “impaired waters” under the federal Clean Water Act, Section 303(d) 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.

Specifically, the project area is the site of a former Shell Service station which included three 12,000 gallon underground gasoline storage tanks. It also the location of a former MtBE leak which has since been remediated. 68 groundwater monitoring wells were installed that were used to monitor and assess MtBE contaminated soil and groundwater originating from the defunct gasoline service station. In 2008, the Regional Water Quality Control Board (RWQCB) ordered the wells to be destroyed, because the RWQCB determined that the MtBE contamination had been abated at the site, and directed the wells be destroyed. The State Water Board website’s identifies this site as cleanup status completed and case closed (RB Case #3261).

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Impact Discussion:

a) The project includes removal of existing flatwork and landscaping, and construction of an approximately 1,400 square foot restaurant with outdoor seating, canopied parking for drive-up service, drive-thru service, and associated site improvements including ground work, retaining walls, frontage improvements, and landscaping. All development will be required to comply with adopted water quality standards and waste discharge requirements, and will likely result in an improvement to existing conditions for water quality and waste discharge collected and disposed of in the City's sewage system.

b) The Municipal Code states that if the project requires a building permit, which it does, the Building Division shall be responsible for checking availability of water equivalency units. In addition, the City's predominant source of water to serve commercial uses is obtained from the State Water Project and will not substantially deplete ground water.

c-e) All development and redevelopment projects which create or replace more than 2,500 SF (5,000sf for commercial projects) of impervious area must incorporate Stormwater Management controls as described in the Stormwater Management Guidance Manual for Low Impact Development & Post-Construction Requirements. This plan was adopted for the purpose of insuring water quality and proper drainage within the City's watershed. Staff reviews development applications for compliance with the Stormwater Management Plan and to ensure that designs are environmentally conscious, enhance water quality, and preserve and protect coastal waters and resources. Compliance with the Stormwater Management Plan is sufficient to mitigate any potentially significant impacts of the project in the areas of water quality and hydrology. Gross impervious area, project type, and project locations are evaluated by City staff to determine and quantify post-construction performance requirements. Public Works staff has determined that the project will complete and submit Performance Requirements 1,2,3, and 5.

For commercial projects more than one-half acre or on slopes greater than 15%, the Public Works Department standardly requires a detailed erosion and sediment control plan. The plan is required to 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. In addition, the Public Works Department has determined that the proposed improvements, which will be required to include installation of standard curb, gutter, sidewalk, and driveway approaches, are sufficient to avoid drainage impacts, such as flooding, on-site or downstream.

f) The proposed project includes construction of a small structure and flat work, and with the implementation of adopted drainage standards will not result in increased runoff. Since the project site is less than one acre and less than 15% slope, a Construction Activities Storm Water General Permit is not required, per the Federal Clean Water Act. However, pursuant to the City's demolition process, an erosion control plan will be required. The plan must demonstrate 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. This component of the permit process can be relied upon to ensure that water quality issues associated with erosion will be suitably addressed.

The proposed project is on a site that was the location of a previous MtBE contamination due to the presence of a former gasoline service station. The site was remediated and 68 groundwater monitoring wells were installed in order to monitor and assess MtBE contaminated soil and groundwater originating from the defunct gasoline service station. The RWQCB determined that the site has been remediated and is listed on their website as case closed as of 9/26/2008. Determined by the RWQCB to be a clean site, the proposed project of a new construction of a new drive-in/drive-thru restaurant, covered parking, and associated site improvements would therefore not substantially degrade water quality and would have less than significant impact.

g-i) The project site is not located within a 100 year flood hazard area as delineated on FEMA's Flood Insurance Rate Map #06079C0813G, Panel 813 of 2050. No structures would impede or redirect flood flow nor would there be exposure to significant risk or loss of injury or death as a result of the project.

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j) Because the project site is located relatively near the coast, a potential hazard from tsunamis exists. However there is no established methodology to predict recurrence intervals of tsunamis. The last known tsunami warning occurred in the mid-1960's. Although the sand dunes offer some protection from tsunamis, past history suggests that the project site is still vulnerable to large tsunamis. As discussed in the Safety Element of the General Plan, the most feasible protection in the event of a tsunami is a warning system and evacuation plan. The warning is handled by the United States Weather Service and the Safety Element outlines safety preparedness measures. Therefore, the hazard presented by tsunamis is less than significant when approved safety measures are adhered.

Conclusion: *Impacts related to Hydrology and Water Quality will have less than significant impact.*

Mitigation Monitoring: Not applicable.

10. LAND USE AND PLANNING	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
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 is located at the intersection of Main Street and Highway 41, and is zoned for a mix of commercial, visitor-serving, and high-density residential uses. The area has a mixture of these allowed uses, with nearby development including an eclectic mix of gas stations and convenience stores, restaurants, retail, motels, and residential uses.

Impact Discussion:

a) The proposed restaurant will occupy a vacant in-fill site at a prominent gateway location to the city, where visitors traveling west on Highway 41 enter the City. The site is also immediately adjacent to Highway 1, and the existing on/off ramps. All site work will be on the site itself or in the adjacent right-of-way for required frontage improvements.

b) The project cannot be approved unless found consistent with the General Plan, Zoning Ordinance, California Coastal Act, Local Coastal Program and Municipal Code. The site is within the MCP/R-4/SP overlay, (Mixed Commercial Residential/Multifamily Residential-Hotel-Professional, in the North Main Street Specific Plan Area) zoning district and adjacent to CalTrans right-of-way (Highway 41). With the approval of the CDP and CUP the use can be found consistent with City regulations. Additionally, the proposed design has been reviewed by Community Development staff, who has found the project can be developed consistently with City standards. Additionally, the site design recognizes and accommodates preliminary designs for a planned round-about at the intersection of Main Street and Highway 41, which is being prepared to alleviate area traffic congestion originating at the existing four-way stop at this location.

c) The City of Morro Bay does not have an adopted habitat conservation plan; therefore, the project would not conflict with applicable habitat conservation plan or a natural community conservation plan.

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

Mitigation Monitoring: Not applicable.

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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 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.*

Mitigation Monitoring: Not applicable.

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: Several noise sensitive uses are located within the vicinity of the project site; specifically single-family and multi-family residential units to the north and northeast of the proposed project. The City's General Plan Noise Element threshold for noise exposure is 60dB for most land uses. The City's Zoning Ordinance

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also contains noise limitations and specifies operational hours, review criteria, noise mitigation, and requirements for noise analyses.

Impact Discussion:

a, c) The proposed new restaurant, particularly the interactive ordering boards for the in-car dining, will result in a new noise source for the area. As part of the application submittal, the applicant provided a Drive-Thru Sound Pressure Level Analysis (HM Electronics) received May 7, 2015, which details the noise levels that will be generated by the standard intercom systems. The report also includes instructions to contractors on the proper installation and sound measurement techniques to ensure compliance with these tested target volumes. As documented in this report, that anticipated noise levels are consistent with the surrounding uses and are not in conflict with standards in the General Plan, Local Coastal Plan or Zoning Ordinance. **Mitigation Measure NOI – 3** has been recommended to ensure that the recommended installation and testing occurs.

b, d) Site development will result in short-term increases in ambient noise levels related to the use of construction equipment including trucks, loaders, bulldozers, and backhoes. The potential noise levels are dependent on the location of the equipment on the site as well as the actual number and types of equipment used during construction. Construction activities may also result in temporary ground borne vibration. Construction noise and ground borne vibration is regulated by the City’s Municipal Code, which regulates time of construction and maximum noise levels that may be generated. Standard construction standards imposed on the project include limited hours of activity and reduce other measures to reduce the noise levels of equipment during construction. Therefore, no impacts to surrounding residences 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 or within two miles of a public airport or private airstrip.

Conclusion: *There are potentially significant impacts to Noise levels unless mitigation is incorporated.*

Mitigation Measure NOI - 1: All menu board and speakerposts shall be installed per the requirements of the HM Electronics Memo., received May 7, 2015 and final volume levels shall be tested prior to certificate of occupancy demonstrating compliance with standards in the City’s General Plan/Local Coastal Plan.

Monitoring NOI - 1: Project plans shall clearly note the above mitigation measure on applicable sheets and be clearly visible to contractors and City inspectors. The contractor shall provide Community Development Department staff with documentation of the final volume of all menu boards and speakerposts tested on-site prior to the issuance of building occupancy.

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

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Environmental Setting: The site and vicinity surrounding the project are designated in the General Plan for a mixture of commercial and high-density residential uses, and is characterized by an eclectic mix of development. Currently vacant, this site occupies a prominent entry point to the City, and a major intersection of east-west and north-south traffic.

Impact Discussion:

a-c) The project involves development of a vacant, in-fill site with a small restaurant, which will not displace a people or housing units, nor induce substantial growth.

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

Mitigation Monitoring: Not applicable.

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?			X	
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, including Fire and Police protection. The San Luis Coastal Unified School District operates an elementary school and a high school within the City.

Impact Discussion:

a, b, d-f) Because of the scale of the project and its location within a developed portion of the city, no changes to governmental service levels or the need for new facilities or equipment to maintain existing service levels have been identified. The project is consistent with the anticipated uses and intensity of development planned for at this location, and all existing services are considered adequate to serve the project. New structure will be constructed to meet current fire code requirements and is not expected to result in adverse physical impact that would change or increase fire protection needs. Police protection services are not impacted or expected to change beyond existing service levels. The project will be required to pay its pro-rata fair share for water and waste water line improvements that are necessary for this area, but which would be required to be completed with or without this incremental increase in demand. Patrons of the restaurant will largely be displaced from other nearby eateries, and no additional population will be served which could have effect on area parks and recreation facilities. Given the sites prominent location at a major City entryway and crossroads, it is anticipated that the project will add only minimally to the use of local roads and transportation options.

c) 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.

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

Mitigation Monitoring: Not applicable.

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, etc. are available within 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 parks and playgrounds throughout the City.

Impact Discussion:

a-b) The project is limited to the development of a vacant in-fill site with a small restaurant use, and no increase in demand on parks and other recreational facilities is anticipated. No additional recreational facilities are proposed.

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

Mitigation Monitoring: Not applicable.

16. TRANSPORTATION/CIRCULATION	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a. Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, street, highway and freeways, pedestrian and bicycle path, and mass transit?		X		
b. Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the country 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

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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.	Conflicts with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities or otherwise decrease the performance or safety of such facilities?				X

Environmental Setting: The project site sits at the intersection of the three major roadways in the City of Morro Bay; Highway 1, which bisects the community north-south, Highway 41, which is the major east-west regional connector, and Main Street, which is a 2-lane local roadway which includes a Class II Bikeway.

Impact Discussion:

a-b) A Traffic Impact Study was prepared by Ruetters & Schuler Civil Engineers dated April 2014. The study assessed the potential traffic impacts resulting from the construction of a new Sonic Drive-In restaurant. Eight intersections were studied with analysis performed for AM, PM, midday and Saturday traffic scenarios. The report conclusions stated that the project is located in an area where the level of service is generally acceptable, with a few minor exceptions. The project trip generation is greatest during the Saturday peak period, which disperses rapidly on the street system and is anticipated to be below significant levels (generally below 50 peak hour trips) at all study intersections with the exception of the immediate project intersection of Sunset Avenue and Atascadero Road (State Route 41). With the exception of a single intersection (Main and State Route 41), there are no other locations where project traffic causes a significant deterioration in levels of service. The report discusses that construction of a future proposed roundabout at Main Street and State Route 1 will improve level of service.

The project does not conflict with any applicable circulation system plans and does not add significantly to demand on the circulation system or conflict with any congestion management programs or any other agency's plans for congestion management. Development of the site 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 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 with City code requirement to pay its Traffic Impact Fee for Citywide impacts. As the Traffic Impact Study dated April 2014 note, there will be three impacted intersections which are further degraded as a result of the project and the study notes that impacts can be mitigated by payment of fair share costs for improvements to these impacted intersections. Public Works staff will be responsible for reviewing and calculating traffic fair share costs.

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. Once construction is complete, traffic volumes and impacts will return to substantially the same level as the existing site. The City's Public Works staff will be responsible for reviewing final project design for compatibility with the future round-about that is currently being evaluated.

c) The project 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 include curb, gutter, and sidewalk per City Engineering Standards, which will incrementally improve pedestrian and vehicle safety along Main Street.

e) The project has been reviewed by the City Fire Marshal to ensure adequate emergency access has been provided.

f.) The proposed project site is located immediately east of Highway 1, at the northeast corner of Main Street and Highway 41. Main Street provides sidewalks, bicycle lanes, and vehicular lanes for cars, busses and trolleys. The

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project will not decrease performance or safety in the area, as the traffic patterns will remain unchanged at this time. Final site design will be reviewed by Public Works and Cal Trans to ensure that right-of-way dedication for the future roundabout is provided, and that driveway design accommodates necessary pedestrian and bicycle improvements and separations. 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: *There are potentially significant impacts to Transportation/Circulation unless mitigation is incorporated.*

Mitigation Measure TR/CIR - 1 The Applicant shall be required to pay its fair share for improvements to the intersection of Main and State Route 1 as identified in the Traffic Impact Study dated April 2014 prior to issuance of a building permit.

Monitoring TR/CIR - 2: The Public Works Department shall calculate the required fair share improvement costs.

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	
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 proposed project is a small restaurant facility, which will result in nominal increased demand related to water, wastewater and solid waste systems. The establishment will be served by the Morro Bay Wastewater Treatment Plant and local waste collection services that 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:

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a, b, d, e) The proposed project would result in a minor increase in demand on City infrastructure, including water and wastewater facilities. The project will not cause a substantial increase in the amount of water that is required to be treated, and the treatment facilities can accommodate the current and proposed water and wastewater. New construction or expansion of treatment facilities not necessary as a result of this project.

The estimated peak flow of 1200 gpd from the Sonic Restaurant is considered negligible. However, as part of the site development the applicant will be required to participate in their prorated share of the water line improvement of the collection system along Highway 1, which will upgrade the deficient section of waste water trunk line from 18" to 27". This prorated share is estimated to be approximately 0.0273%. In addition, the Applicant will be required to comply with the City's Water Equivalency Unit (WEU) allocation program. The WEU program requires new development to offset water use on a 2 to 1 basis in order to receive new water allocations, therefore compliance with the WEU program would effectively reduce the estimated peak flow of 1200 gpd to zero, which therefore creates no impact.

If the existing connections are damaged or substandard, the developer will be required to re-construct private sewer facilities to convey wastewater to the nearest public sewer. The on-site sewer facilities will be required to be constructed according to the standards in the Uniform Plumbing Code and City standards.

c) The proposed project would result in a minor increase in demand on City stormwater infrastructure. 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 Public Works Department for utilities and no resource/infrastructure deficiencies have been identified.

f-g) The incremental additional waste stream generated by this project is not anticipated to create significant impacts to solid waste disposal. To help reduce the waste stream generated during the construction phase of this project, the City's Municipal Code requires that a solid waste reduction plan for recycling discarded construction materials be submitted with the building permit application.

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

Mitigation Monitoring: Not applicable.

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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		

Impact Discussion:

a) The project is a commercial development of a fast food restaurant in an urbanized area of the city on a vacant lot where there was previous commercial development. 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 aesthetic, cultural resources, greenhouse gas emissions, and noise 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 visitor serving uses, and which supports infill development utilizing existing infrastructure. The proposed project will not result in cumulatively considerable impacts.

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

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V. INFORMATION SOURCES:

A. County/City/Federal Departments Consulted:

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

B. General Plan

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 & Map	x	Climate Action Plan

C. Other Sources of Information

x	Field work/Site Visit	x	Ag. Preserve Maps
x	Staff knowledge/ calculations	x	Flood Control Maps
x	Project Plans dated May 11, 2015	X	Archaeological maps and reports
x	Applicant project statement/description and submittal/resubmittal letters	x	Soils Maps/Reports
x	Archaeological Survey of a Portion of 1840 Main Street (Caltrans Right-of-Way); CRMS, April 2007	x	Published geological maps
x	Archaeological Monitoring Plan for MB Project No. UP0-071/CPO-108, Northeast corner Main Street and Highway 41, a Portion of Site CA-SLO-165, Morro Bay, CA; CRMS, May 2006	x	Topographic maps
x	Archaeological Monitoring and Monitoring Strategy (Cogstone, April 2015 and revised July 2015, February 2016)	x	County of San Luis Obispo Air Pollution Control District, CEQA Air Quality Handbook, April 2012
x	Traffic Impact Study; Ruetters & Schuler Civil Engineers, April 2014	x	Drive-Thru Sound Pressure Levels Report; HM Electronics, Inc. received May 7, 2015
x	Stormwater Control Plan, revised October 2015		California State Water Resources Control Board website, Geotracker, viewed 3/15/16.
x	Cal Trans District 5, correspondence dated 10/31/2013 and 6/13/2014		

VI. ATTACHMENTS

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

EXHIBIT C



Air Pollution Control District
San Luis Obispo County

RECEIVED

APR 18 2016

City of Morro Bay
Community Development Dept.

April 12, 2016

Cindy Jacinth
City of Morro Bay Community Development Dept.
955 Shasta Avenue
Morro Bay, CA 93442

SUBJECT: APCD Comments Regarding the Sonic Drive-Thru Restaurant Initial Study /
Mitigated Negative Declaration

Dear Ms. Jacinth:

Thank you for including the San Luis Obispo County Air Pollution Control District (APCD) in the environmental review process. We have completed our review of the proposed project located at 1840 Main Street at the intersection of Highway 41 in Morro Bay. The project includes removal of existing flatwork and landscaping and construction of an approximate 1,400 square foot restaurant with outdoor seating, canopied parking for drive-up service, drive-thru service, and associated site improvements.

The following are APCD comments that are pertinent to this project.

GENERAL COMMENTS

As a commenting agency in the California Environmental Quality Act (CEQA) review process for a project, the APCD assesses air pollution impacts from both the construction and operational phases of a project, with separate significant thresholds for each. **Please address the action items contained in this letter that are highlighted by bold and underlined text.**

CONSTRUCTION PHASE IMPACTS - Below Threshold

The APCD evaluated the construction impacts of this project using the most recent CalEEMod computer model for estimating construction emissions related to the development of land uses. The modeling results indicate that the construction phase impacts will likely be less than the APCD's significance threshold values identified in Table 2-1 of the CEQA Air Quality Handbook (available at the APCD web site: www.slocleanair.org). **Therefore, with the exception of the requirements below, the APCD is not requiring other construction phase mitigation measures for this project.**

Hydrocarbon Contaminated Soil

Should hydrocarbon contaminated soil be encountered during construction activities, the APCD must be notified as soon as possible and no later than 48 hours after affected material is discovered to determine if an APCD Permit will be required. In addition, the

EXHIBIT C

Initial Study / Mitigated Negative Declaration for Sonic Drive-Thru Restaurant

April 12, 2016

Page 2 of 4

following measures shall be implemented immediately after contaminated soil is discovered:

- a. Covers on storage piles shall be maintained in place at all times in areas not actively involved in soil addition or removal;
- b. Contaminated soil shall be covered with at least six inches of packed uncontaminated soil or other TPH-non-permeable barrier such as plastic tarp. No headspace shall be allowed where vapors could accumulate;
- c. Covered piles shall be designed in such a way to eliminate erosion due to wind or water. No openings in the covers are permitted;
- d. The air quality impacts from the excavation and haul trips associated with removing the contaminated soil must be evaluated and mitigated if total emissions exceed the APCD's construction phase thresholds;
- e. During soil excavation, odors shall not be evident to such a degree as to cause a public nuisance; and,
- f. Clean soil must be segregated from contaminated soil.

The notification and permitting determination requirements shall be directed to the APCD Engineering Division at (805) 781-5912.

Dust Control Measures

Construction activities can generate fugitive dust, which could be a nuisance to local residents and businesses in close proximity to the proposed construction site. **Projects with grading areas that are within 1,000 feet of any sensitive receptor (Morro Bay High School, Lila Keiser Park, residences to the north, south and east) shall implement the following mitigation measures to manage fugitive dust emissions such that they do not exceed the APCD's 20% opacity limit (APCD Rule 401) or prompt nuisance violations (APCD Rule 402).**

- a. Reduce the amount of the disturbed area where possible;
- b. Use of water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site and from exceeding the APCD's limit of 20% opacity for greater than 3 minutes in any 60 minute period. Increased watering frequency would be required whenever wind speeds exceed 15 mph. Reclaimed (non-potable) water should be used whenever possible. **Please note that since water use is a concern due to drought conditions, the contractor or builder shall consider the use of an APCD-approved dust suppressant where feasible to reduce the amount of water used for dust control.** For a list of suppressants, see Section 4.3 of the CEQA Air Quality Handbook;
- c. All dirt stock pile areas should be sprayed daily and covered with tarps or other dust barriers as needed;
- d. Permanent dust control measures identified in the approved project revegetation and landscape plans should be implemented as soon as possible, following completion of any soil disturbing activities;
- e. Exposed ground areas that are planned to be reworked at dates greater than one month after initial grading should be sown with a fast germinating, non-invasive grass seed and watered until vegetation is established;
- f. All disturbed soil areas not subject to revegetation should be stabilized using approved chemical soil binders, jute netting, or other methods approved in advance by the APCD;
- g. All roadways, driveways, sidewalks, etc. to be paved should be completed as soon as

EXHIBIT C

Initial Study / Mitigated Negative Declaration for Sonic Drive-Thru Restaurant

April 12, 2016

Page 3 of 4

- possible. In addition, building pads should be laid as soon as possible after grading unless seeding or soil binders are used;
- h. Vehicle speed for all construction vehicles shall not exceed 15 mph on any unpaved surface at the construction site;
 - i. All trucks hauling dirt, sand, soil, or other loose materials are to be covered or should maintain at least two feet of freeboard (minimum vertical distance between top of load and top of trailer) in accordance with CVC Section 23114;
 - j. Install wheel washers where vehicles enter and exit unpaved roads onto streets, or wash off trucks and equipment leaving the site;
 - k. Sweep streets at the end of each day if visible soil material is carried onto adjacent paved roads. Water sweepers shall be used with reclaimed water used where feasible. Roads shall be pre-wetted prior to sweeping when feasible;
 - l. All PM₁₀ mitigation measures required should be shown on grading and building plans; and,
 - m. The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust complaints and reduce visible emissions below the APCD's limit of 20% opacity for greater than 3 minutes in any 60 minute period. Their duties shall include holidays and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the APCD Compliance Division prior to the start of any grading, earthwork or demolition.

Construction Phase Idling Limitations

This project is in close proximity to nearby sensitive receptors (Morro Bay High School, Lila Keiser Park, residences to the north, south and east). Projects that will have diesel powered construction activity in close proximity to any sensitive receptor shall implement the following mitigation measures to ensure that public health benefits are realized by reducing toxic risk from diesel emissions:

To help reduce sensitive receptor emissions impact of diesel vehicles and equipment used to construct the project, the applicant shall implement the following idling control techniques:

California Diesel Idling Regulations

- a. **On-road diesel vehicles** shall comply with Section 2485 of Title 13 of the California Code of Regulations. This regulation limits idling from diesel-fueled commercial motor vehicles with gross vehicular weight ratings of more than 10,000 pounds and licensed for operation on highways. It applies to California and non-California based vehicles. In general, the regulation specifies that drivers of said vehicles:
 - 1. Shall not idle the vehicle's primary diesel engine for greater than 5 minutes at any location, except as noted in Subsection (d) of the regulation; and,
 - 2. Shall not operate a diesel-fueled auxiliary power system (APS) to power a heater, air conditioner, or any ancillary equipment on that vehicle during sleeping or resting in a sleeper berth for greater than 5.0 minutes at any location when within 1,000 feet of a restricted area, except as noted in Subsection (d) of the regulation.

EXHIBIT C

Initial Study / Mitigated Negative Declaration for Sonic Drive-Thru Restaurant

April 12, 2016

Page 4 of 4

- b. **Off-road diesel equipment** shall comply with the 5 minute idling restriction identified in Section 2449(d)(2) of the California Air Resources Board's In-Use off-Road Diesel regulation; and
- c. Signs must be posted in the designated queuing areas and job sites to remind drivers and operators of the state's 5 minute idling limit.

The specific requirements and exceptions in the regulations can be reviewed at the following web sites: www.arb.ca.gov/msprog/truck-idling/2485.pdf and www.arb.ca.gov/msprog/ordiesel/documents/finalregorder-dec2011.pdf.

AND

Diesel Idling Restrictions Near Sensitive Receptors

In addition to the State required diesel idling requirements, the project applicant shall comply with these more restrictive requirements to minimize impacts to nearby sensitive receptors (Morro Bay High School, Lila Keiser Park, residences to the north, south and east):

- a. Diesel idling within 1,000 feet of sensitive receptors shall not be permitted;
- b. Use of alternative fueled equipment is recommended; and
- c. Signs that specify the no idling areas must be posted and enforced at the site.

OPERATIONAL PHASE IMPACTS - Below Threshold

Based on the APCD operational phase emission estimates using the most recent CalEEMod computer model for estimating operational emissions related to the development of land uses and Table 1-1 in the APCD's 2012 CEQA Handbook, the operational phase would likely be less than the APCD's significance threshold values identified in Table 3-2 of the CEQA Air Quality Handbook.

Therefore, APCD is not requiring any operational phase mitigation measures for this project.

Again, thank you for the opportunity to comment on this proposal. If you have any questions or comments, feel free to contact me at (805) 781-5912.

Sincerely,



Vince Kirkhuff
Air Quality Specialist

cc: Scott McMillan
Dora Drexler, Enforcement Division, APCD

EXHIBIT D



EDMUND G. BROWN JR.
GOVERNOR

STATE OF CALIFORNIA
GOVERNOR'S OFFICE *of* PLANNING AND RESEARCH
STATE CLEARINGHOUSE AND PLANNING UNIT



KEN ALEX
DIRECTOR

April 20, 2016

RECEIVED

APR 25 2016

City of Morro Bay
Community Development Dept.

Cindy Jacinth
City of Morro Bay
955 Shasta Avenue
Morro Bay, CA 93442

Subject: 1840 Main St., Sonic Drive-Thru Restaurant
SCH#: 2016031064

Dear Cindy Jacinth:

The State Clearinghouse submitted the above named Mitigated Negative Declaration to selected state agencies for review. The review period closed on April 19, 2016, and no state agencies submitted comments by that date. This letter acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act.

Please call the State Clearinghouse at (916) 445-0613 if you have any questions regarding the environmental review process. If you have a question about the above-named project, please refer to the ten-digit State Clearinghouse number when contacting this office.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Morgan".

Scott Morgan
Director, State Clearinghouse

EXHIBIT D
Document Details Report
State Clearinghouse Data Base

SCH# 2016031064
Project Title 1840 Main St., Sonic Drive-Thru Restaurant
Lead Agency Morro Bay, City of

Type MND Mitigated Negative Declaration

Description The project located at 1840 Main Street is at the intersection of Hwy 41 and Main St. The project includes removal of existing flatwork and landscaping and construction of an approx. 1,400 sq. ft. restaurant with outdoor seating, canopied parking for drive-up service, drive thru service, and associated site improvements including ground work, retaining walls, frontage improvements, and landscaping. The project also includes a master sign program including total signage area exceeding City standards. In addition the project will include utility trenching of four to six feet across Main Street to the west of the property as well as trenching of the same depth south of the property across Caltrans Right of Way which fronts on Atascadero Road also known as Hwy 41.

Lead Agency Contact

Name Cindy Jacinth
Agency City of Morro Bay
Phone 805-772-6577 **Fax**
email
Address 955 Shasta Avenue
City Morro Bay **State** CA **Zip** 93442

Project Location

County San Luis Obispo
City Morro Bay
Region
Lat / Long 35° 22' 50.5" N / 120° 51' 16.82" W
Cross Streets Atascadero Road (northeast intersection of Hwy 1 and Hwy 41)
Parcel No. 068-324-019
Township **Range** **Section** **Base**

Proximity to:

Highways 1 and 41
Airports
Railways
Waterways Alva Paul Creek
Schools Del Mar ES
Land Use MCR / R4 SP; Mixed Use Residential/ High Density Residential

Project Issues Aesthetic/Visual; Air Quality; Archaeologic-Historic; Biological Resources; Coastal Zone; Flood Plain/Flooding; Geologic/Seismic; Noise; Public Services; Recreation/Parks; Schools/Universities; Sewer Capacity; Soil Erosion/Compaction/Grading; Solid Waste; Toxic/Hazardous; Traffic/Circulation; Water Quality; Water Supply; Landuse; Cumulative Effects

Reviewing Agencies Resources Agency; Department of Fish and Wildlife, Region 4; California Coastal Commission; Department of Parks and Recreation; Department of Water Resources; California Highway Patrol; Caltrans, District 5; Air Resources Board; Regional Water Quality Control Board, Region 3; Native American Heritage Commission

Date Received 03/21/2016 **Start of Review** 03/21/2016 **End of Review** 04/19/2016

EXHIBIT E

SHEET INDEX

- CUP-1.....SITE PLAN
- CUP-2.....FLOOR PLAN
- CUP-3.....EXTERIOR ELEVATIONS
- CUP-4.....PARKING CANOPY & SITE SECTION
- CUP-5.....KITCHEN EQUIPMENT PLAN
- CUP-6.....SIGNAGE
- CUP-7.....SIGNAGE & CANOPY
- CUP-8.....SITE PLAN W/ SIGNAGE
- CUP-9.....RETAINING WALL & TRASH ENCLOSURE
- L-1.....CONCEPTUAL LANDSCAPE PLAN
- ES-1.....PHOTOMETRIC PLAN
- SURVEY.....TOPOGRAPHIC MAP

PROJECT INFORMATION

ADDRESS.....1840 MAIN ST, MORRO BAY CA 93442
 ASSESSOR'S PARCEL NUMBER.....APN 068-324-019
 A PORTION OF LOT 15 AND 16 OF THE SUBDIVISION OF THE RANCHO MORO Y CAYUCOS
 ZONE.....MCR / R-4 / SP
 CITY OF MORRO BAY ZONING ORDINANCE SECTION 17.24.110

MAXIMUM HEIGHT (17.24.110).....25 FEET
 PROPOSED PARAPET HEIGHT.....17'-6"
 PROPOSED FEATURE TOWER.....23'-6"

MINIMUM FRONT YARD SETBACK.....5 FEET
 PROPOSED MINIMUM.....5'-0"

MINIMUM SIDE YARD SETBACK.....5 FEET
 PROPOSED AT NORTH.....7'-10"
 PROPOSED AT SOUTH.....6'-0"

MINIMUM REAR YARD SETBACK.....5 FEET
 PROPOSED AT EAST.....20'-0"

MAXIMUM LOT COVERAGE.....6.0%
 ACTUAL BUILDING AREA.....1345 S.F.4.6%
 COVERED PATIO.....1020 S.F.3.3%
 COVERED PARKING.....2646 S.F.8.1%
 TOTAL LOT COVERED BY STRUCTURES.....16.6%

MINIMUM SIDE YARD BUILDING SETBACK.....5 FEET (LESS THAN 15' HEIGHT)
 SONIC BUILDING.....56'-4" & 67'-6"
 PARKING CANOPY.....6'-10" & 8'-9"

PARKING REQUIRED (17.44.020-C.4.B) OUTDOOR.....1020/125=845/60=14.9/2= 7.4 STALLS
 PARKING PROVIDED.....20 STALLS

PARKING LOT LANDSCAPE AREA (17.44.20-D.5).....5% PAVED SURFACE
 TOTAL PAVED AREA.....17435 S.F.
 LANDSCAPE AREA.....8271 S.F.(8271/17435= 47%)

ADDITIONAL INFORMATION

PARKING PROVIDED.....15 COVERED STALLS
 5 UNCOVERED STALLS

DRIVE UP STACK SPACE.....11 CARS

SITE AREA.....30,448 SQ. FT.

BUILDING AREA.....1,345 SQ. FT. - 4.6% COVERAGE

COVERED PATIO.....1,020 SQ. FT. - 3.3% COVERAGE

TOTAL PAVED AREA.....17,435 SQ. FT. - 55% COVERAGE

PERVIOUS CONCRETE.....4,430 SQ. FT. - 14.4%

IMPERVIOUS CONCRETE.....13,005 SQ. FT. - 42.7%

LANDSCAPE AREA.....8,271 SQ. FT. - 27.2% COVERAGE

OTHER HARD SURFACES (WALKS, TRASH, ETC)..... - 1.1% COVERAGE

CODE ANALYSIS

OCCUPANCY CLASSIFICATION (CBC 902.1)
 SONIC BUILDING.....A-2
 DINING CANOPY.....A-2
 PARKING CANOPY.....S-2

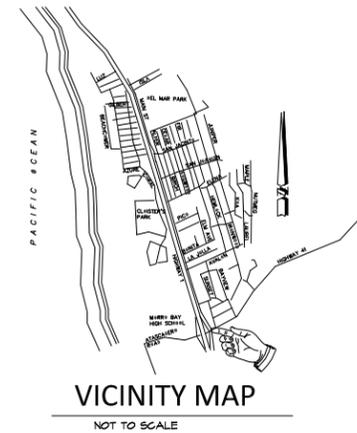
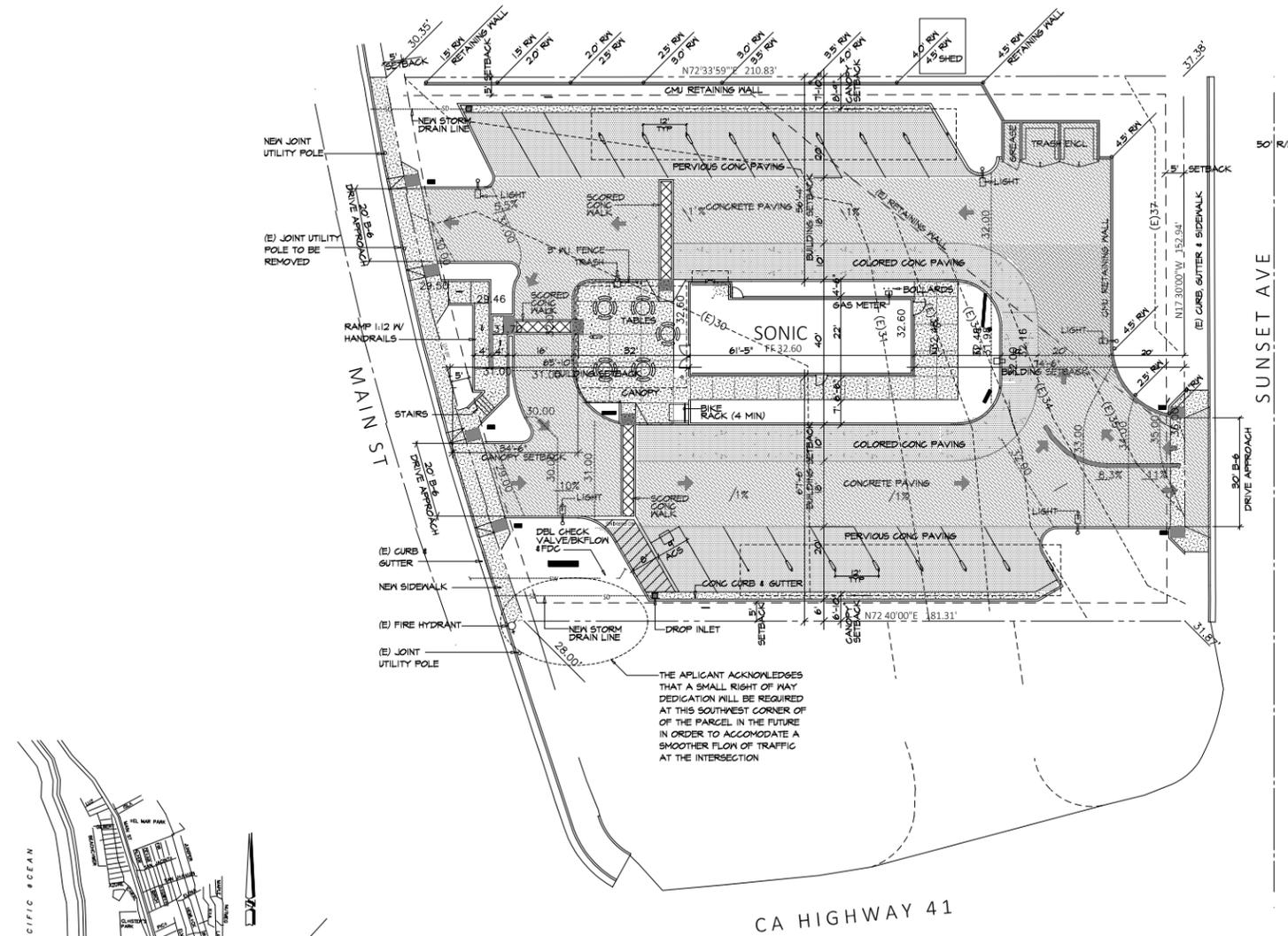
CONSTRUCTION TYPE (CBC 602.1)
 SONIC BUILDING.....VB
 DINING CANOPY.....VB
 PARKING CANOPY.....IB

BUILDING HEIGHT (CBC 509.1)
 SONIC BUILDING.....17'-6".....40' ALLOWABLE
 DINING CANOPY.....17'-0".....40' ALLOWABLE
 PARKING CANOPY.....11'-0".....55' ALLOWABLE

OCCUPANT LOAD (CBC 1004)
 SONIC BUILDING (KITCHEN) @ 1:200.....1345/200= 7 OCCUPANTS
 DINING CANOPY @ 1:15.....1020/15= 68 OCCUPANTS
 PARKING CANOPIES @ 1:200.....2646/200= 14 OCCUPANTS

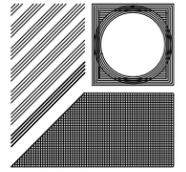
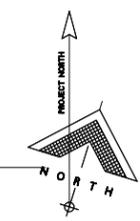
FIRE SPRINKLERS (909.2)
 SONIC BUILDING & DINING CANOPY.....?LESS THAN 5000 S.F. NOT REQUIRED
LESS THAN 100 OCCUPANTS. NOT REQUIRED
 PARKING CANOPIES.....NOT REQUIRED
 SONIC BUILDING (CBC 904.2.1).....KITCHEN TO HAVE A TYPE I HOOD

FIRE ALARM (907.2)
 SONIC BUILDING & DINING CANOPY.....LESS THAN 300 OCCUPANTS. NOT REQUIRED
 PARKING CANOPY.....NOT REQUIRED



SITE PLAN

SCALE: 1" = 20'-0"



SCOTT & ASSOCIATES
 ARCHITECT

1808 North Damaras
 Visalia - California - 93291
 Tel: 559/827-1851
 Fax: 559/827-1878



C.U.P. REVISIONS 04/20/2016
 REVISED 1-8-2015

SONIC DRIVE-IN

1840 MAIN STREET
 MORRO BAY
 CALIFORNIA

DEVELOPED BY
 CONSUMER
 SCIENCE, INC.
 28596 PROSPECT AVE.
 MASCO
 CALIFORNIA

PROJECT No : 1304
 DATE : 8/6/13

SITE PLAN
 FOR
 CONDITIONAL USE PERMIT &
 COASTAL DEVELOPMENT PERMIT

SHEET No :

CUP-1



SONIC CORP.
300 JOHNNY BENCH DR
OKLAHOMA CITY, OK 73104
OFFICES: 405-225-5000
FAX: 405-225-5991

1840 MAIN STREET
MORRO BAY, CA



PROJECT NO: 1304
DRAWN BY:
CHECKED BY:

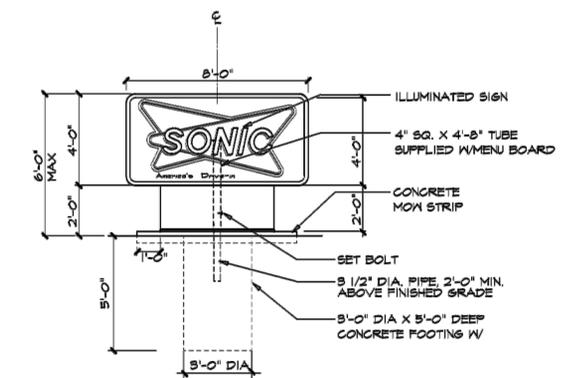
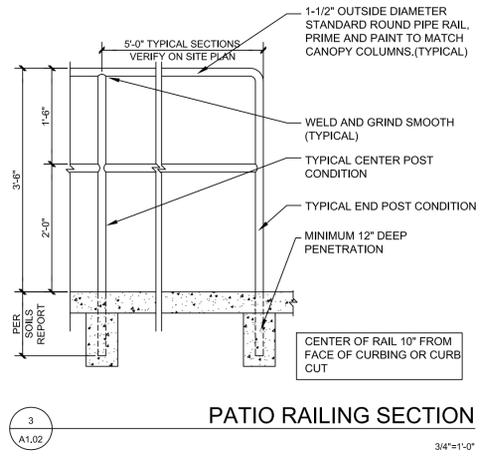
ISSUE:	DATE:
FIRST SUBMITTAL	05-15-13

REVISION:	DATE:

PROJECT LOCATION:
MORRO BAY, CA

SHEET NUMBER / TITLE
CUP-6
SITE DETAILS

EXHIBIT E



SITE SIGNAGE

DIRECTIONAL SIGNS

MODEL	PART #	SIZE	SQ. FT.	O.A.H.
2'x3'	SON1300H	1'-7" X 3'-1"	4.9	3'
2'x3'	SON1300K	1'-7" X 3'-1"	4.9	3'
2'x3'	SON1300L	1'-7" X 3'-1"	4.9	3'
2'x3'	SON1300M	1'-7" X 3'-1"	4.9	3'
2'x3'	SON1300N	1'-7" X 3'-1"	4.9	3'
2'x3'	SON1300H	1'-7" X 3'-1"	4.9	3'

SONIC 2' X 3' DIRECTIONALS @ 3'

MONUMENT SIGNS

MODEL	PART #	SIZE	SQ. FT.	O.A.H.
30	SON300F	4'-0" X 8'-0"	32	10'

SONIC 30 @ 10'

FORMED FACE DELTA SIGN

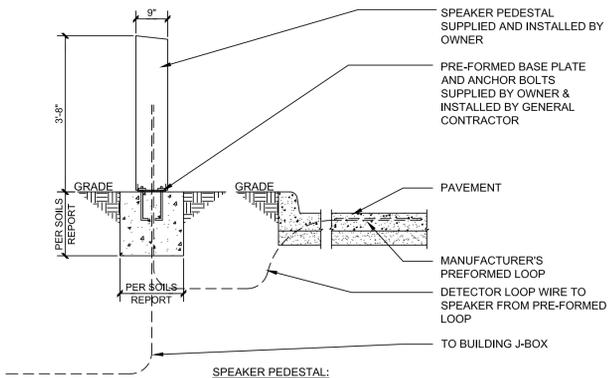
MODEL	PART #	SIZE	SQ. FT.	O.A.H.
3'6"	SON3645F	2'-9 3/8" X 5'-9 7/8"	15.7	N/A

SITE SIGNAGE

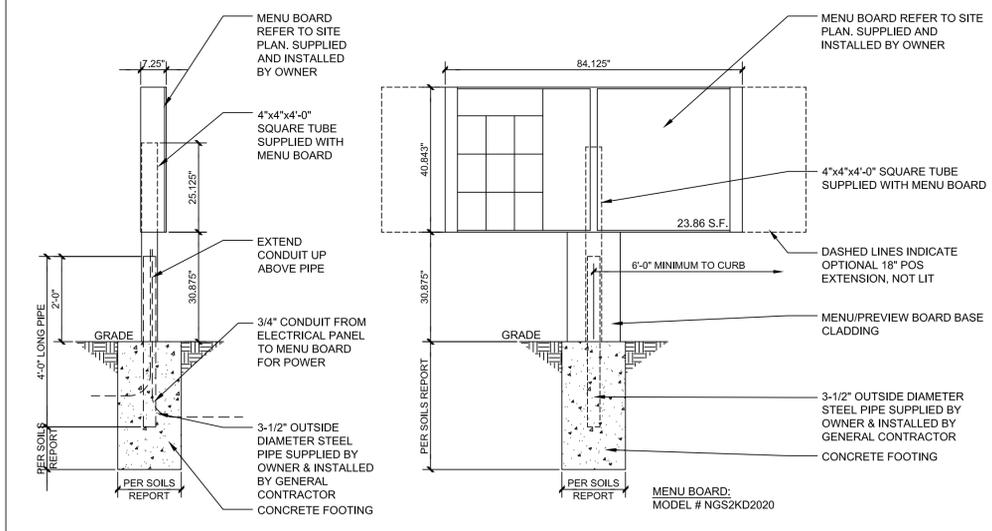
INSTRUCTIONS:

- POSITION PREFORMED LOOP APPROXIMATELY 1'-6" TO 2'-0" FROM CURB CENTERED IN FRONT OF MENUBOARD OR SPEAKER POST
- LOOP SHOULD BE INSTALLED 2" TO 3" BELOW THE SURFACE OF THE PAVEMENT (5" MAX. DEPTH) DO NOT USE METALLIC HARDWARE AS SUPPORT IF INSTALLED IN ASPHALT. COVER LOOP WITH A MIN. OF 1" SOIL OR SAND TO PROTECT FROM HOT ASPHALT
- CONNECT LOOP TO 1/2" CONDUIT STUBBING UP IN SPEAKER POST
- WIRE MESH OR REINFORCEMENT IN CONCRETE SHOULD BE CUT AWAY FROM PERIMETER OF LOOP A MIN. OF 6"
- ALL CONNECTIONS AND SPLICES TO LOOP WIRES MUST BE SOLDERED.
- SEE ELECTRICAL PLANS FOR CONDUIT AND WIRING LAYOUT AND DETAILS.

NOTE: LOOP AND CABLE FURNISHED BY OWNER AND INSTALLED BY GENERAL CONTRACTOR, FINAL HOOK UP BY P.O.S. VENDOR

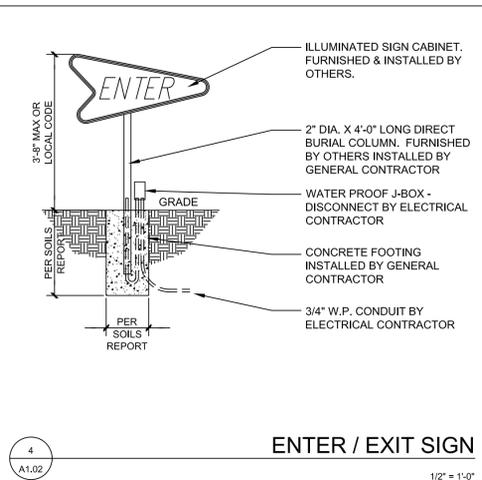


SPEAKER PEDESTAL

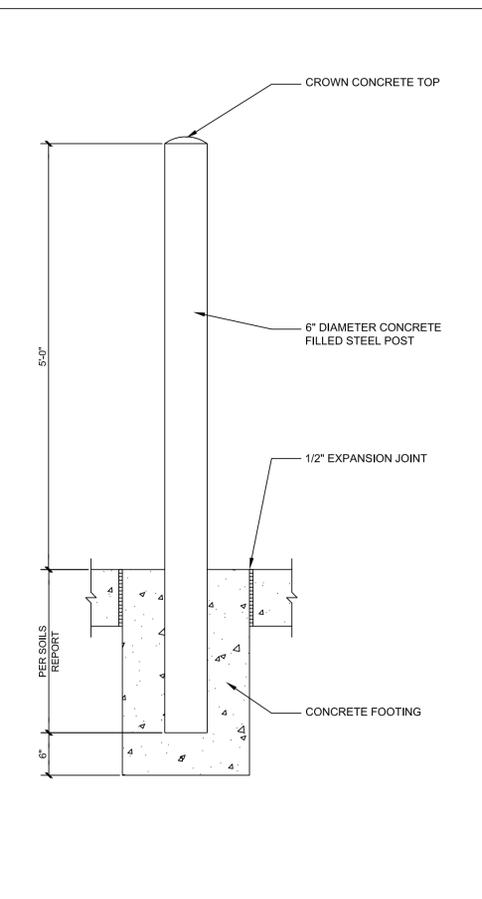


DRIVE-THRU MENU BOARD

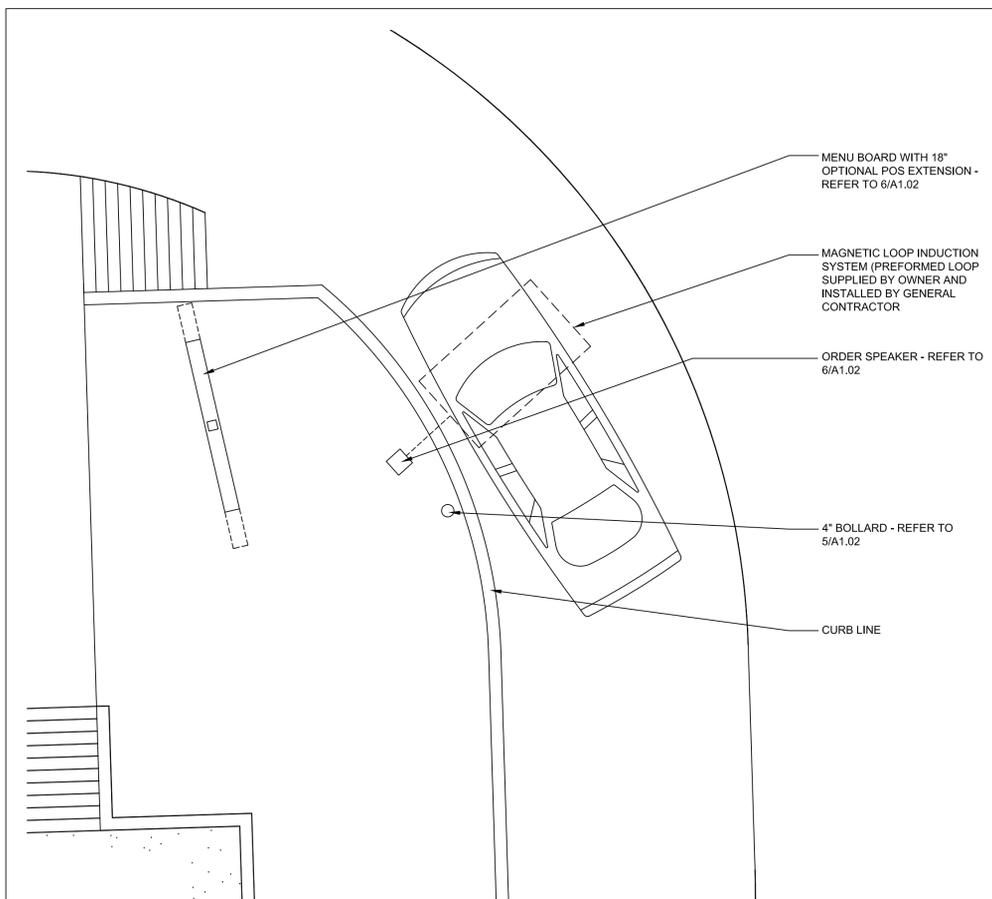
DRIVE-THRU ACCESSORIES



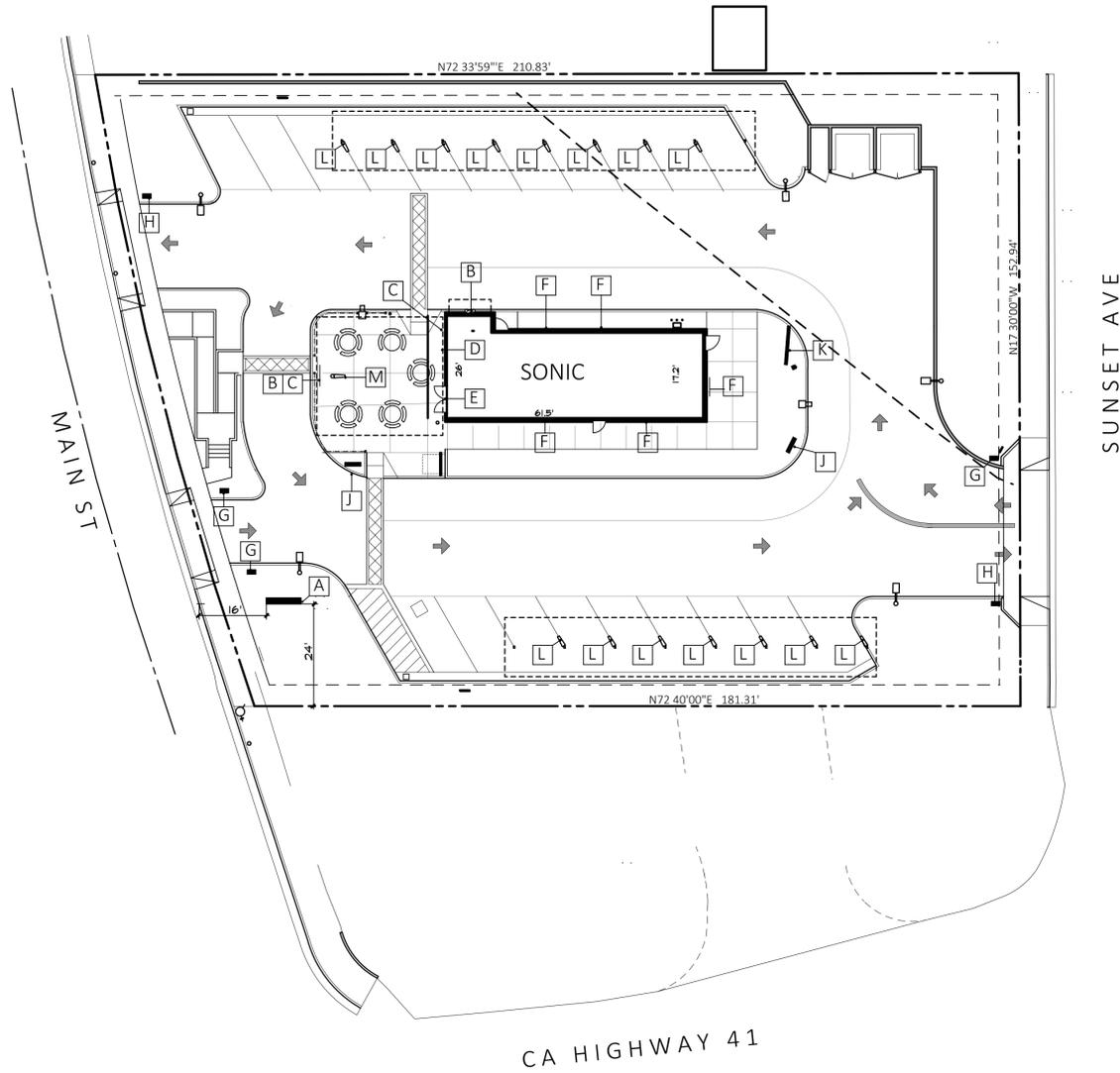
ENTER / EXIT SIGN



BOLLARD SECTION

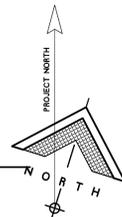


MENU BOARD LAYOUT



SITE PLAN W/ SIGNS

SCALE: 1" = 20'-0"



SITE SIGNS

MAIN STREET FRONTAGE = 154.89' (17.68.110.C.1.B ALLOWABLE AREA) = 154.89'X1' = 155 S.F.

MONUMENT SIGN (17.68.110.C.2 ALLOWED)

- A** 1 - "SONIC" MONUMENT SIGN (4'X8').....32 S.F.

WALL SIGNS (SEE EXTERIOR ELEVATIONS ON CUP-3) (17.68.110.C.1.B)

- B** 2 - "SONIC" WALL SIGN (2.7'X3.9').....15.7 S.F.
 - C** 1 - "DRIVE THRU OPEN" SIGN (2' DIA.).....3.2 S.F.
 - D** 1 - "FULL MENU ALL DAY" SIGN (0.75'X6').....4.5 S.F.
 - E** 1 - "FRESH EVERY TIME" SIGN (0.75'X6').....4.5 S.F.
 - F** 4 - CHANGEABLE WALL POSTER GRAPHIC (2'X3').....40 S.F.
- TOTAL AREA.....99.9 S.F.

DIRECTIONAL SIGNS

- G** 3 - "ENTER" SIGN (1.6'X3.1').....4.9 S.F. EACH14.7 S.F.
 - H** 2 - "EXIT" SIGN (1.6'X3.1').....4.9 S.F. EACH9.8 S.F.
 - J** 2 - "DRIVE THRU" SIGN (1.6'X3.1').....4.9 S.F. EACH9.8 S.F.
- TOTAL AREA.....34.3 S.F.

MENU BOARD SIGNS (17.68.110.C.6)

- K** 1 - DRIVE THRU MENU BOARD (3.4'X7').....24 S.F.
 - L** 16 - COVERED PARKING MENU BOARD, PROJECTED FROM CANOPY POLE (2'X3').....96 S.F.
 - M** 1 - PATIO MENU BOARD, PROJECTED FROM CANOPY POLE (2'X3').....6 S.F.
- TOTAL AREA.....126 S.F.

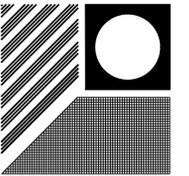
THE MENU BOARDS AT THE DRIVE THRU ARE AN INTEGRAL PART OF A RESTUARANT W/ A DRIVE THRU WINDOW. THE MENU BOARDS AT THE COVERED PARKING AREAS AND AT THE DINING PATIO ARE AN INTEGRAL PART OF THE SONIC CONCEPT AND ARE NECESSARY FOR THE FUNCTION OF THE SONIC DRIVE-IN. THE GRAPHICS AND TEXT ON THE MENU BOARDS ARE NOT LARGE AND ARE NOT INTENDED TO BE SEEN FROM THE PUBLIC RIGHT-OF-WAY.

THE DIRECTIONAL SIGNS ARE 1.6' X 3.1' RECTANGULAR. THE SIGNS NOT RECTANGULAR AND IS SHAPED LIKE AN ARROW WITH AN ACTUAL SURFACE AREA OF LESS THAN 3 S.F. SEE SHEET CUP-6. THIS SHAPE & COLOR IS BRANDED TO THE SONIC CONCEPT. WE REQUEST THAT THESE DIRECTIONAL ARROWS BE ALLOWED ON THIS PROJECT.

WE REQUEST THAT ALL SIGNS BE PERMITTED AS A PART OF THE CONDITIONAL USE PERMIT PURSUANT TO THE CITY OF MORRO BAY ZONING ORDINANCE, SECTION 17.68.100.

SEE EXTERIOR ELEVATIONS FOR SIGNS ON THE BUILDING ON SHEET CUP-3

ALL SIGNS ARE INTERNALLY ILLUMINATED.



SCOTT & ASSOCIATES
ARCHITECT

1008 North Demaree
Visalia - California - 93291
Tel: 559/827-1851
Fax: 559/827-1878



REVISIED 4-23-2015
REVISIED 1-8-2015

SONIC DRIVE-IN

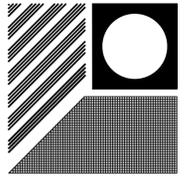
1840 MAIN STREET
MORRO BAY
CALIFORNIA

DEVELOPED BY
CONSUMER SCIENCE, INC.
28546 PROSPECT AVE.
MASCOCALIFORNIA

PROJECT No : 1804
DATE : 8/6/13

SHEET No :

CUP-8



SCOTT & ASSOCIATES
ARCHITECT

1009 North Demaree
Visalia - California - 93291
Tel: 559/627-1851
Fax: 559/627-1876



SONIC DRIVE-IN

1840 MAIN STREET
MORRO BAY
CALIFORNIA

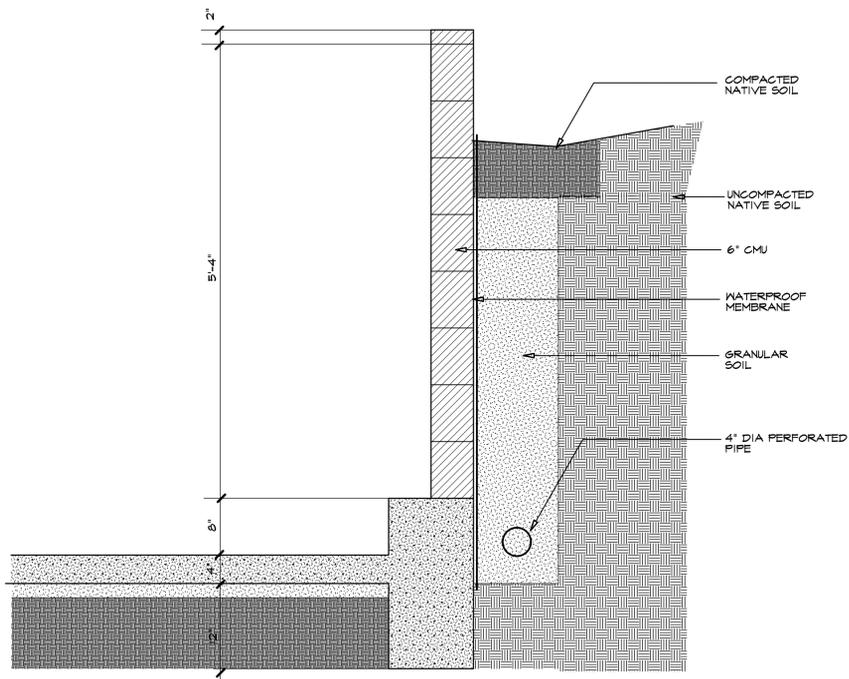
DEVELOPED BY
CONSUMER SCIENCE, INC.
28546 PROSPECT AVE.
MASCOCALIFORNIA

PROJECT No: 1304

DATE: 8/6/13

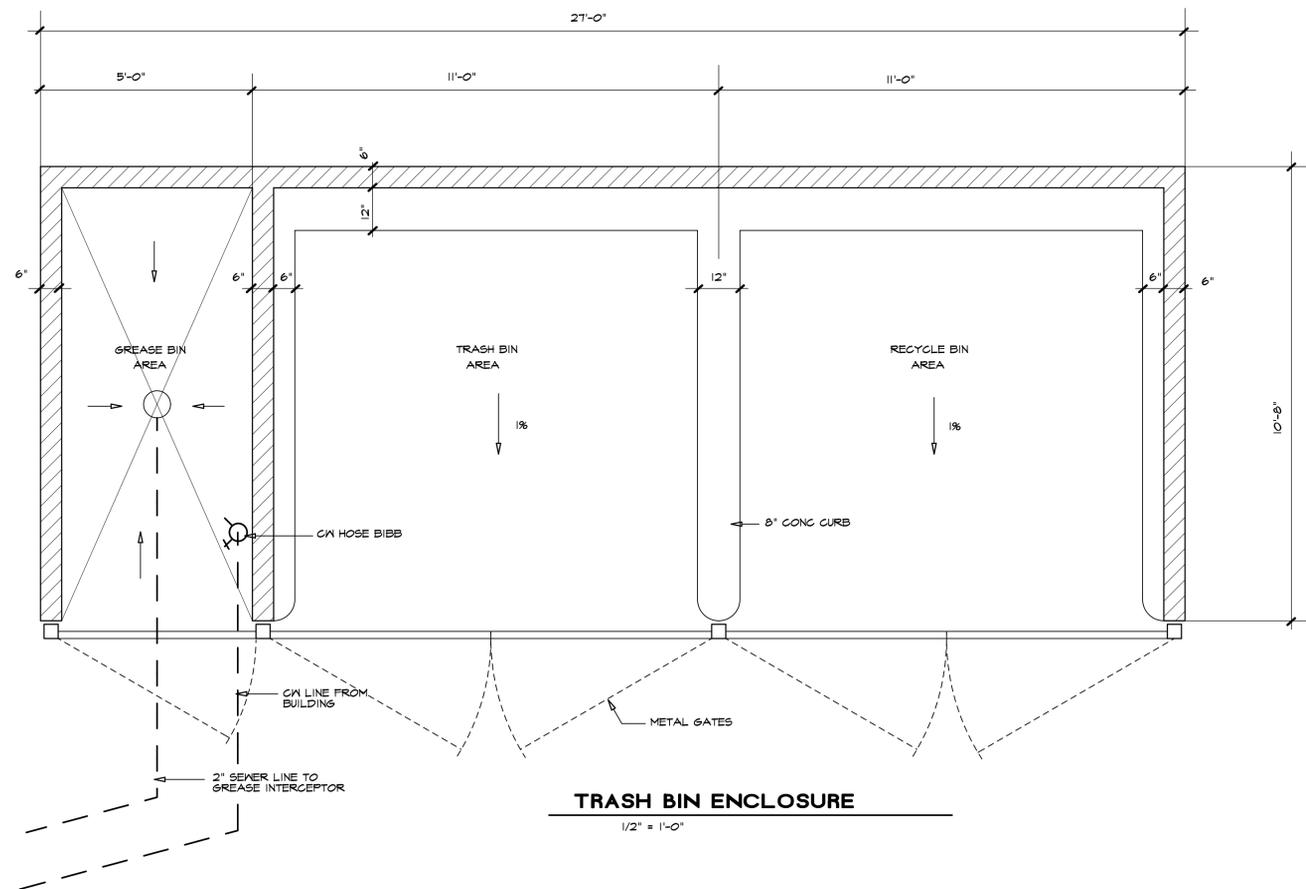
SHEET No:

CUP-9



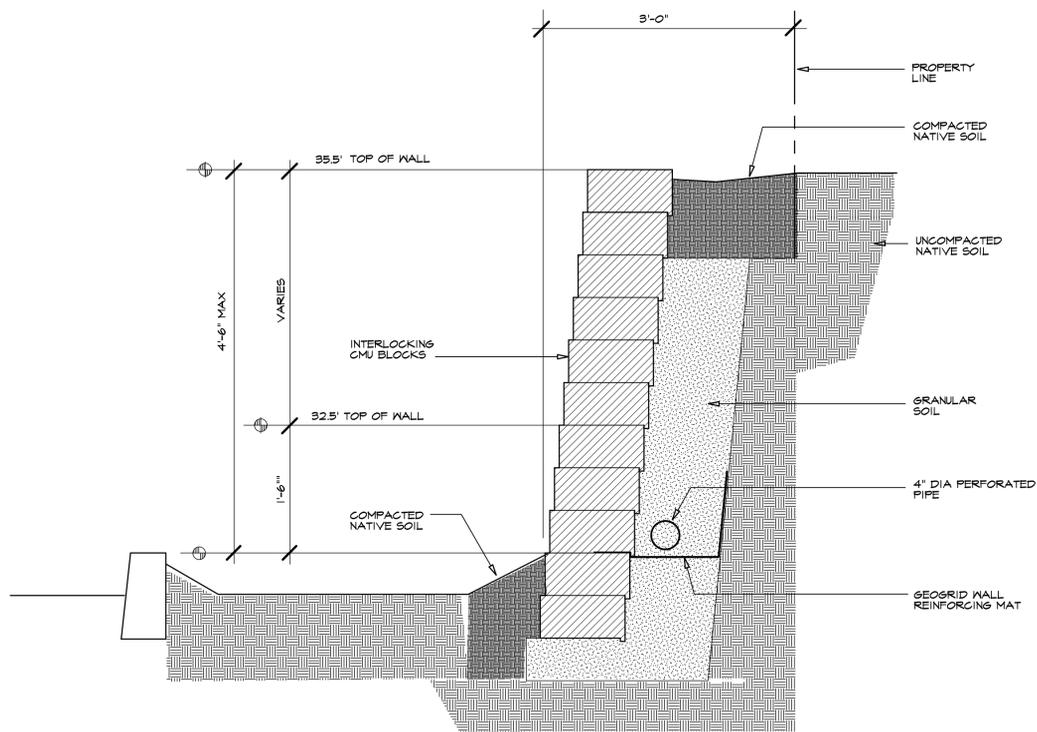
TRASH BIN ENCLOSURE WALL

1" = 1'-0"



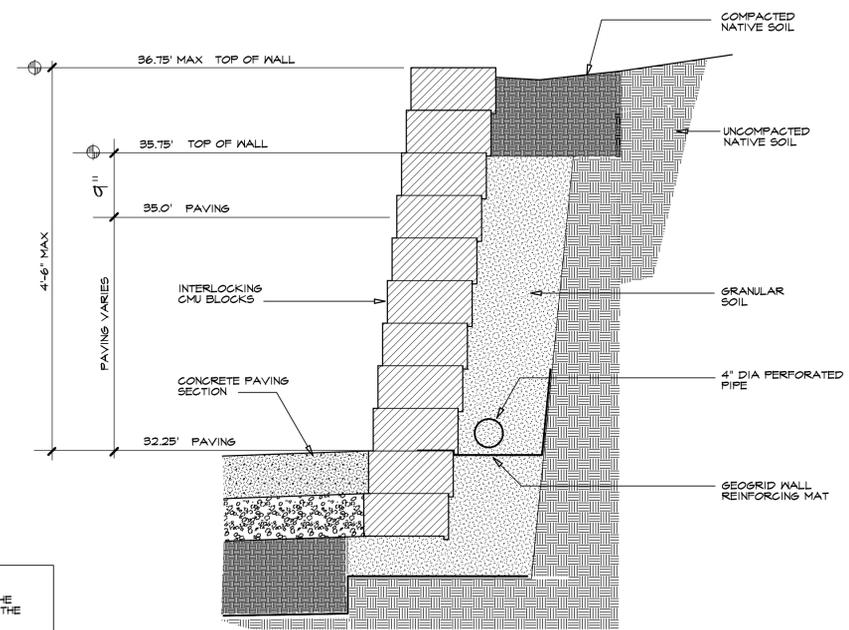
TRASH BIN ENCLOSURE

1/2" = 1'-0"



RETAINING WALL ALONG NORTH PROPERTY LINE

1" = 1'-0"

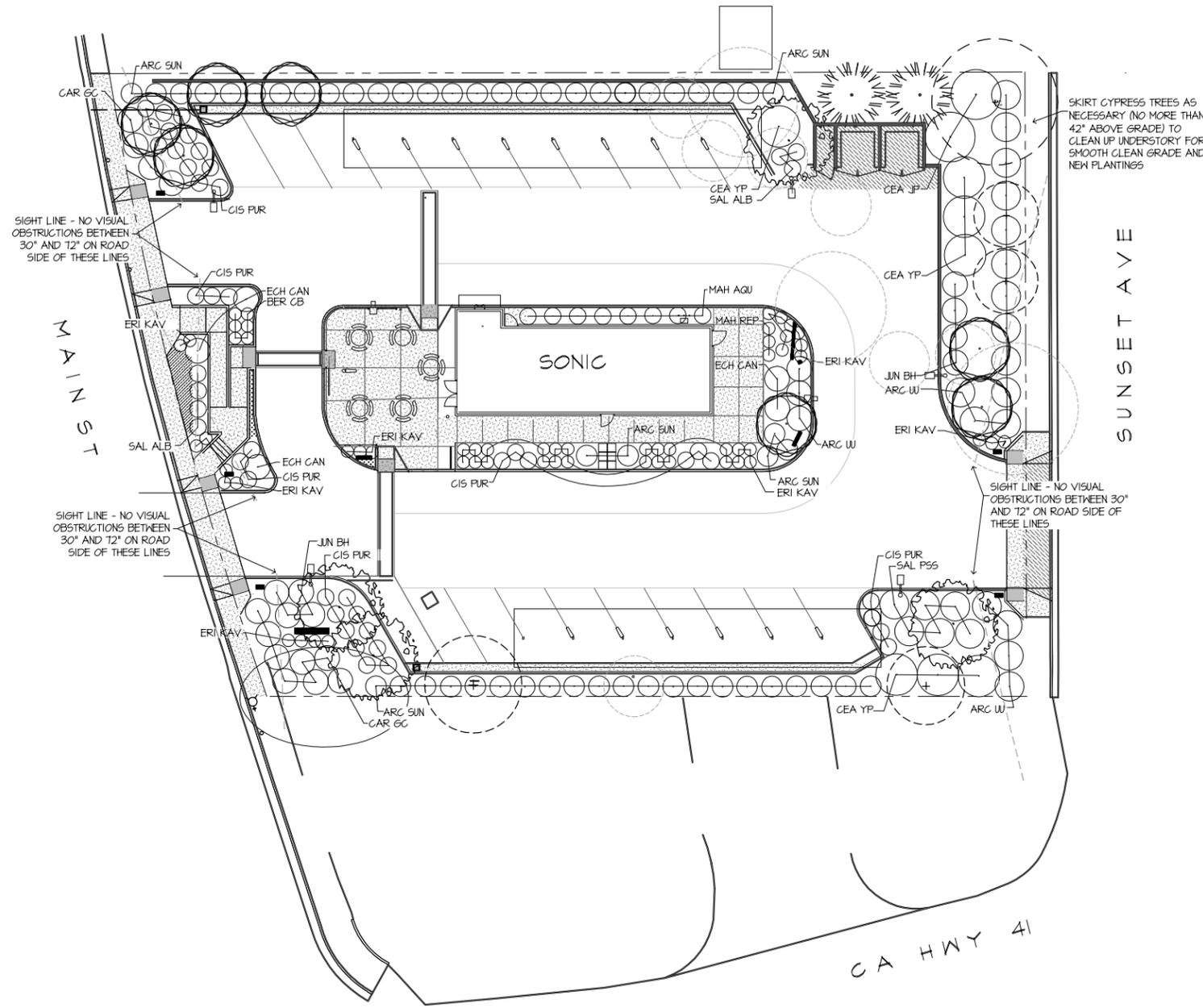


RETAINING WALL ALONG EAST END OF SITE

1" = 1'-0"

NOTE: GRADES ARE BASED ON THE PRELIMINARY GRADES ON THE CUP-1 SITE PLAN

EXHIBIT E



PLANT LEGEND

SYMB	BOTANICAL NAME	COMMON NAME	SIZE	COMMENTS	WIGGOLS RATING
TREES					
(Symbol)	ARBUTUS 'MARINA'	MARINA STRAWBERRY TREE	24" BOX	NATURAL MULTI	L
(Symbol)	CUPRESSUS MACROCARPA	MONTEREY CYPRESS	15 G.		M
(Symbol)	RHUS LANCEA	AFRICAN SUMAC	15 G.		L
SHRUBS					
ARC SUN	ARCTOSTAPHYLOS 'SUNSET'	SUNSET MANZANITA	5 G		L
ARC W	ARCTOSTAPHYLOS 'IVA URSI'	BEARBERRY	1 G		L
BER CB	BERBERIS 'CHERRY BOMB'	CHERRY BOMB BARBERRY	5 G		L
CAR GC	CARISSA 'GREEN CARPET'	GREEN CARPET NATAL PLUM	1 G		L
CEA JP	CEANOTHUS 'JULIA PHELPS'	JULIA PHELPS CEANOTHUS	5 G		L
CEA YP	CEANOTHUS 'YANKEE POINT'	YANKEE POINT CEANOTHUS	5 G		L
CIS PUR	CISTUS x PURPUREUS	ORCHID ROCKROSE	5 G		L
ECH CAN	EGHIUM CANDICANS	PRIDE OF MADEIRA	5 G		L
ERI KAR	ERIGERON KARVINKIANUS	MEXICAN DAISY	1 G		L
JUN BH	JUNIPERUS 'BAR HARBOR'	BAR HARBOR JUNIPER	1 G		L
MAH AGU	MAHONIA AQUIFOLIUM	OREGON GRAPE	5 G		M
MAH REP	MAHONIA REPENS	COMPACT OREGON GRAPE	1 G		M
SAL ALB	SALVIA GREGGII 'ALBA'	WHITE AUTUMN SAGE	1 G		L
SAL PSS	SALVIA L. PT SAL SPREADER'	POINT SAL SPREADER	1 G		L

GROUND COVERS

- (Symbol) CISTUS SALVIIFOLIUS, SAGE LEAF ROCKROSE, 4" OC FROM 1 GAL, WIGGOLS 1'
- (Symbol) SEASONAL ANNUALS, 8" OC MAX.

NOTES:

- SEE ARCHITECTURAL DRAWINGS FOR DETAILS REGARDING PAVING, RETAINING WALLS AND LIGHTING
- (Symbol) EXISTING MONTEREY CYPRESS TO REMAIN
- (Symbol) EXISTING TREE TO BE REMOVED

MAINTENANCE TO BE CONTRACTED BY OWNER. IRRIGATION TO BE SUB-SURFACE DRIP WITH BUBBLERS TO TREES. IRRIGATION WILL MEET ARE REQUIREMENTS OF WATER EFFICIENT LANDSCAPE ORDINANCE (WELO). ALL BEDS TO RECEIVE MIN 2" ORGANIC MULCH (WALK-ON BARK) AFTER PLANTING.

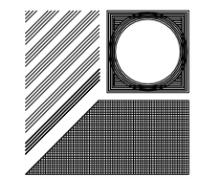
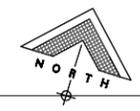
PLANNING NOTE:

- NUMBER OF TREES ('MAJOR VEGETATION') TO BE REMOVED: 10
- NUMBER OF 15 GAL TREES REQUIRED TO MITIGATE TREES REMOVED: 10
- NUMBER OF 15 GAL OR LARGER TREES TO BE PROVIDED: 12

THIS PLAN MEETS THE CRITERIA OF THE 'MAJOR VEGETATION REMOVAL, REPLACEMENT AND PROTECTION GUIDELINES'

CONCEPTUAL PLANTING PLAN

SCALE: 1" = 16'-0"



SCOTT & ASSOCIATES
ARCHITECT

1009 North Demaree
Visalia California 93291
Tel: 559/627-1851
Fax: 559/627-1876



SONIC DRIVE-IN

1840 MAIN STREET
MORRO BAY
CALIFORNIA

DEVELOPED BY
CONSUMER
SCIENCE, INC.
28546 PROSPECT AVE.
MASCOCALIFORNIA

CALL BEFORE YOU DIG
48 HOURS
CALL "USA" TOLL FREE
1-800-221-2600



UNDERGROUND SERVICE ALERT

Sierra Designs, Inc
113 N. Church Street, Suite 310
Visalia, California 93291
Tele: 559.733.3690 Fax: 559.733.3694
SDI Job No. 14-039

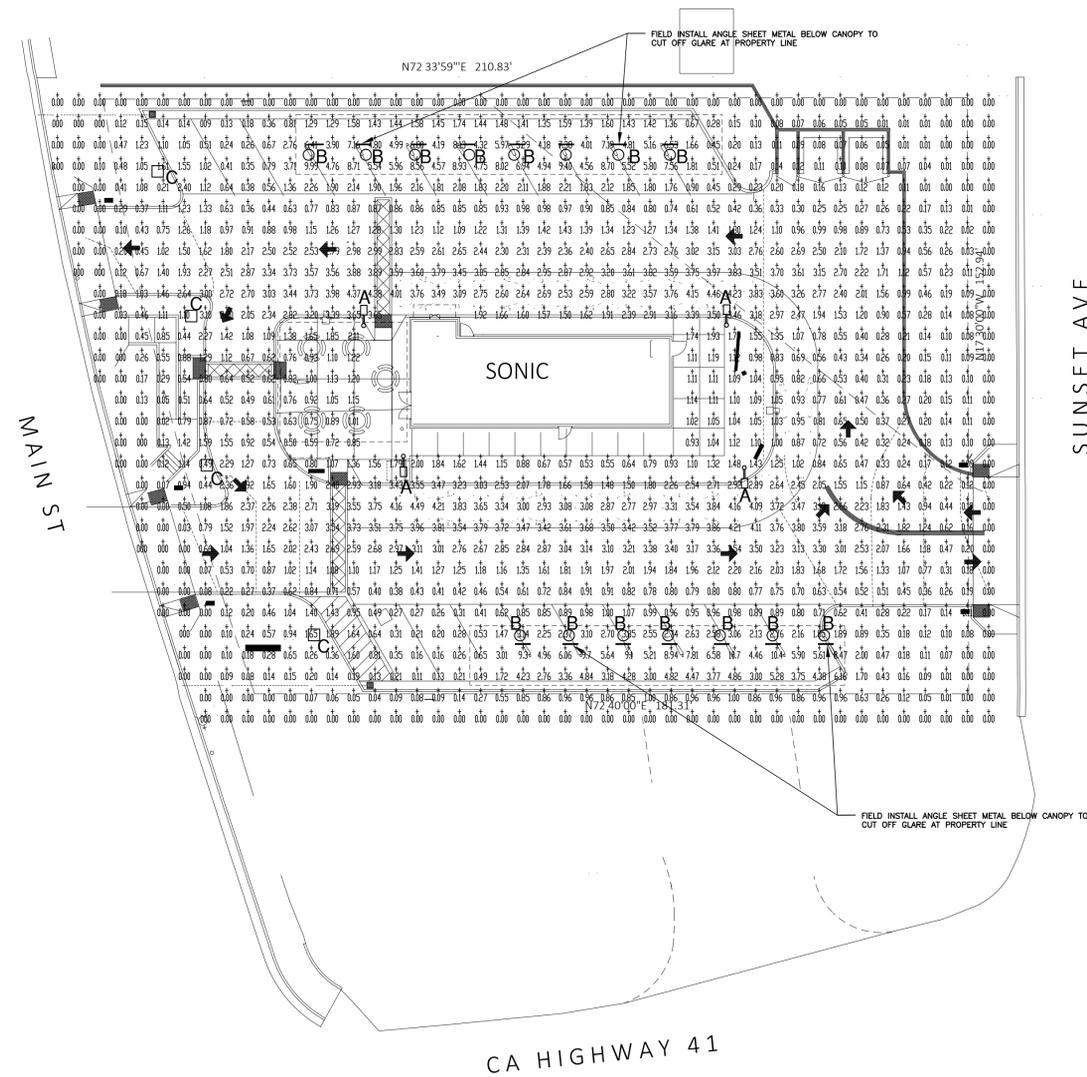


PROJECT No.: 1304
DATE: 8/6/13

CONCEPTUAL LANDSCAPE PLAN

SHEET No. 1

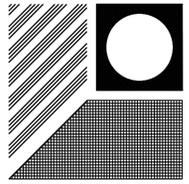
L1



PHOTOMETRIC PLAN

SCALE: 1" = 20'-0"

LIGHTING FIXTURE SCHEDULE							
TYPE	SYMBOL	DESCRIPTION	LAMP	MTD	VOLT	WATTS	REMARK
A	□	LED 18 FT POLE LIGHT CUT OFF AT PROPERTY LINE	1-68W LED	POLE BASE	120	68	LITHONIA LIGHTING D-SERIES SIZE 1 DSK1 LED 30C 530 40K T3M
B	○	ROUND CANOPY DOWN LIGHT FIELD INSTALL ANGLE SHEET METAL BELOW CANOPY TO CUT OFF GLARE AT PROPERTY LINE	1-17W LED	SURF	120	17	LITHONIA LIGHTING OLCFM 15 WH
C	□	BOLLARD LED LIGHT CUT OFF AT PROPERTY LINE	1-16W LED	WALL	120	16	LITHONIA LIGHTING KBR8 LED



**SCOTT
&
ASSOCIATES**

ARCHITECT

1009 North Demaree
Visalia • California • 93291
Tel 559/627-1851
Fax 559/627-1876



SONIC DRIVE-IN

1840 Main street
morro bay
california

DEVELOPED BY
**CONSUMER
SCIENCE, INC.**
28596 Prospect ave.
wasco
CALIFORNIA

PROJECT No : 1304

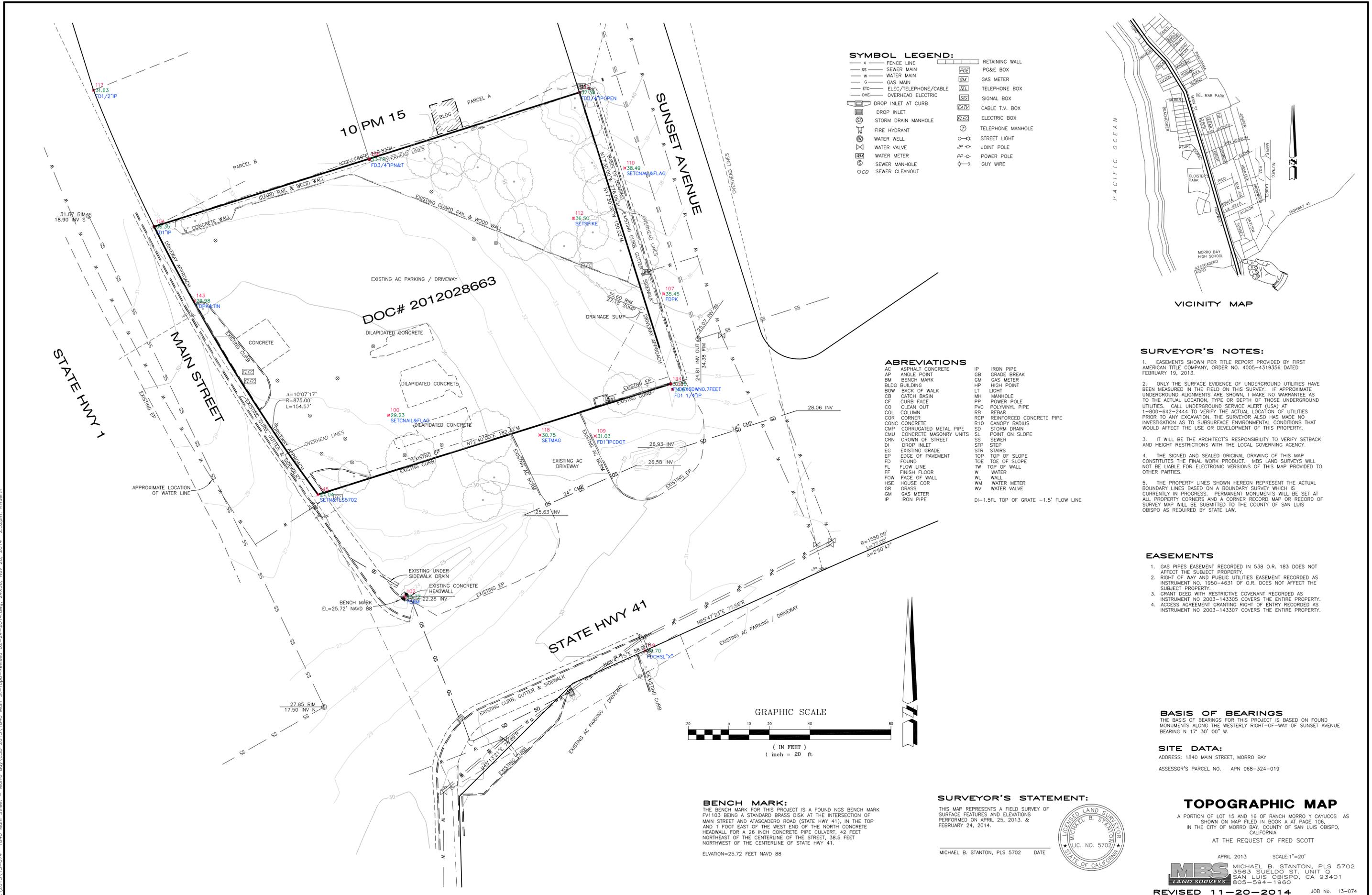
DATE : 1/9/2015

SHEET TITLE :

PHOTOMETRIC PLAN

SHEET No :

ES-1



SYMBOL LEGEND:

— x —	FENCE LINE	▬	RETAINING WALL
— SS —	SEWER MAIN	PG	PG&E BOX
— W —	WATER MAIN	GM	GAS METER
— G —	GAS MAIN	TL	TELEPHONE BOX
— ETC —	ELEC/TELEPHONE/CABLE	SB	SIGNAL BOX
— OHE —	OVERHEAD ELECTRIC	CTV	CABLE T.V. BOX
⊖	DROP INLET AT CURB	EB	ELECTRIC BOX
⊖	DROP INLET	⊖	TELEPHONE MANHOLE
⊖	STORM DRAIN MANHOLE	⊖	STREET LIGHT
⊖	FIRE HYDRANT	⊖	JOINT POLE
⊖	WATER WELL	⊖	POWER POLE
⊖	WATER VALVE	⊖	GUY WIRE
⊖	WATER METER		
⊖	SEWER MANHOLE		
⊖	SEWER CLEANOUT		

ABBREVIATIONS

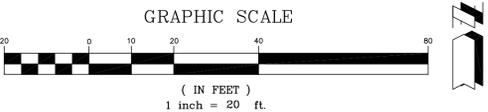
AC	ASPHALT CONCRETE	IP	IRON PIPE
AP	ANGLE POINT	GB	GRADE BREAK
BM	BENCH MARK	GM	GAS METER
BLDG	BUILDING	HP	HIGH POINT
BOW	BACK OF WALK	LT	LIGHT
CB	CATCH BASIN	MH	MANHOLE
CF	CURB FACE	PP	POWER POLE
CO	CLEAN OUT	PVC	POLYVINYL PIPE
COL	COLUMN	RB	REBAR
CCR	CORNER	RCP	REINFORCED CONCRETE PIPE
CONC	CONCRETE	R10	CANOPY RADIUS
CMP	CORRUGATED METAL PIPE	SD	STORM DRAIN
CMU	CONCRETE MASONRY UNITS	SL	POINT ON SLOPE
CRN	CROWN OF STREET	SS	SEWER
DI	DROP INLET	STR	STAIRS
EG	EXISTING GRADE	TOP	TOP OF SLOPE
EP	EDGE OF PAVEMENT	TOE	TOE OF SLOPE
FD	FOUND	TW	TOP OF WALL
FL	FLOW LINE	W	WATER
FF	FINISH FLOOR	WL	WALL
FW	FACE OF WALL	WM	WATER METER
HSE	HOUSE COR	WV	WATER VALVE
GR	GRASS		
GM	GAS METER		
IP	IRON PIPE		

- SURVEYOR'S NOTES:**
- EASEMENTS SHOWN PER TITLE REPORT PROVIDED BY FIRST AMERICAN TITLE COMPANY, ORDER NO. 4005-4319356 DATED FEBRUARY 19, 2013.
 - ONLY THE SURFACE EVIDENCE OF UNDERGROUND UTILITIES HAVE BEEN MEASURED IN THE FIELD ON THIS SURVEY. IF APPROXIMATE UNDERGROUND ALIGNMENTS ARE SHOWN, I MAKE NO WARRANTY AS TO THE ACTUAL LOCATION, TYPE OR DEPTH OF THOSE UNDERGROUND UTILITIES. CALL UNDERGROUND SERVICE ALERT (USA) AT 1-800-642-2444 TO VERIFY THE ACTUAL LOCATION OF UTILITIES PRIOR TO ANY EXCAVATION. THE SURVEYOR ALSO HAS MADE NO INVESTIGATION AS TO SUBSURFACE ENVIRONMENTAL CONDITIONS THAT WOULD AFFECT THE USE OR DEVELOPMENT OF THIS PROPERTY.
 - IT WILL BE THE ARCHITECT'S RESPONSIBILITY TO VERIFY SETBACK AND HEIGHT RESTRICTIONS WITH THE LOCAL GOVERNING AGENCY.
 - THE SIGNED AND SEALED ORIGINAL DRAWING OF THIS MAP CONSTITUTES THE FINAL WORK PRODUCT. MBS LAND SURVEYS WILL NOT BE LIABLE FOR ELECTRONIC VERSIONS OF THIS MAP PROVIDED TO OTHER PARTIES.
 - THE PROPERTY LINES SHOWN HEREON REPRESENT THE ACTUAL BOUNDARY LINES BASED ON A BOUNDARY SURVEY WHICH IS CURRENTLY IN PROGRESS. PERMANENT MONUMENTS WILL BE SET AT ALL PROPERTY CORNERS AND A CORNER RECORD MAP OR RECORD OF SURVEY MAP WILL BE SUBMITTED TO THE COUNTY OF SAN LUIS OBISPO AS REQUIRED BY STATE LAW.

- EASEMENTS**
- GAS PIPES EASEMENT RECORDED IN 538 O.R. 183 DOES NOT AFFECT THE SUBJECT PROPERTY.
 - RIGHT OF WAY AND PUBLIC UTILITIES EASEMENT RECORDED AS INSTRUMENT NO. 1950-4631 OF O.R. DOES NOT AFFECT THE SUBJECT PROPERTY.
 - GRANT DEED WITH RESTRICTIVE COVENANT RECORDED AS INSTRUMENT NO 2003-143305 COVERS THE ENTIRE PROPERTY.
 - ACCESS AGREEMENT GRANTING RIGHT OF ENTRY RECORDED AS INSTRUMENT NO 2003-143307 COVERS THE ENTIRE PROPERTY.

BASIS OF BEARINGS
 THE BASIS OF BEARINGS FOR THIS PROJECT IS BASED ON FOUND MONUMENTS ALONG THE WESTERLY RIGHT-OF-WAY OF SUNSET AVENUE BEARING N 17° 30' 00" W.

SITE DATA:
 ADDRESS: 1840 MAIN STREET, MORRO BAY
 ASSESSOR'S PARCEL NO. APN 088-324-019



BENCH MARK:
 THE BENCH MARK FOR THIS PROJECT IS A FOUND NGS BENCH MARK FV1103 BEING A STANDARD BRASS DISK AT THE INTERSECTION OF MAIN STREET AND ATASCADERO ROAD (STATE HWY 41), IN THE TOP AND 1 FOOT EAST OF THE WEST END OF THE NORTH CONCRETE HEADWALL FOR A 26 INCH CONCRETE PIPE CULVERT, 42 FEET NORTHWEST OF THE CENTERLINE OF THE STREET, 38.5 FEET ELEVATION=25.72 FEET NAVD 88

SURVEYOR'S STATEMENT:

THIS MAP REPRESENTS A FIELD SURVEY OF SURFACE FEATURES AND ELEVATIONS PERFORMED ON APRIL 25, 2013, & FEBRUARY 24, 2014.

MICHAEL B. STANTON, PLS 5702 DATE



TOPOGRAPHIC MAP

A PORTION OF LOT 15 AND 16 OF RANCH MORRO Y CAYUCOS AS SHOWN ON MAP FILED IN BOOK A AT PAGE 106, IN THE CITY OF MORRO BAY, COUNTY OF SAN LUIS OBISPO, CALIFORNIA
 AT THE REQUEST OF FRED SCOTT

APRIL 2013 SCALE: 1"=20'

MBS LAND SURVEYS MICHAEL B. STANTON, PLS 5702
 3563 SUELDO ST. UNIT C
 SAN LUIS OBISPO, CA 93401
 805-594-1960



EXHIBIT F

Public Works Department
955 Shasta Avenue
Morro Bay, CA 93442
805-772-6261

MEMORANDUM

May 11, 2016

To: Morro Bay Planning Commission

Copy: Dave Buckingham City Manager
Scot Graham, Planning Manager
Joe Pannone, City Attorney

From: Rob Livick, PE/PLS – Public Works Director/City Engineer

Subject: Response to Commissioner Sadowski's correspondence to the Planning Commission in reference to the project proposed for 1840 Main Street

On May 4, 2016 Mr. Graham provided Public Works staff a copy of of an unsigned and uncertified report transmitted by Commissioner Sadowski entitled "A History of Sewage Contamination of Morro Bay Municipal Wells, 2002 to the Present", April 2016. The report purports the primary source of Morro Valley aquifer Nitrate contamination is due to the leaking sewer main located in Main Street and Atascadero Road. The Central Coast Regional Water Quality Control Board (Water Board) and their staff along with City staff disagree with the conclusions of this well intentioned report.

The Water Board and their staff reviewed this issue at their May 2014 and May 2015 public Board meetings. The Water Board May 2014 staff report states: "Staff, including registered geologists and engineers, has reviewed all the information submitted to the Central Coast Water Board on this topic. Staff concludes that there are multiple lines of evidence indicating that the primary source of nitrate in the City's wells is agricultural fertilizers."

On May 28, 2015 I had the opportunity to testify at the Water Board meeting. I testified regarding the City's water quality sampling procedures specifically regarding the sampling for caffeine and sucralose. Additionally, I informed the Board about the City's proactive collection system maintenance and the CIP program that does include replacement of the lines in question. Due to the new Water Reclamation Facility (WRF) project it makes sense to perform that work in conjunction with the new lift station that will serve the new WRF. Water Board staff then presented their report regarding the analysis of the data the City collected and stated that the Caffeine and Sucralose concentrations and distribution confirmed the previous conclusions that the vast majority of nitrate contamination in the City's well field is due to upstream agriculture. And, if there is a component from the City's collection system it is insignificant and not causing a nuisance.

Again in May 2015 the Water Board's staff report states: Residents of the City of Morro Bay presented their case at the May 2014 Central Coast Water Board meeting that leaking sewers are the cause of elevated nitrate concentrations in City's supply wells near Morro Creek. Staff maintained its concurrence with the City's findings that the predominant source of nitrate is upstream irrigated agriculture. At the May 2014 meeting, the Board requested that the City collect

EXHIBIT F

May 11, 2016

Page 2 of 2

caffeine samples (a wastewater indicator) from the City's supply wells to further investigate the possibility that leaking sewers are the cause of the elevated nitrate concentrations. The City subsequently sampled water from its supply wells, State supply water, and wastewater for caffeine and sucralose, an artificial sweetener and another wastewater indicator. According to preliminary results, caffeine was not detected in the supply wells, but sucralose was detected at very low but essentially identical concentrations in both the supply wells and the State water supply. These results, in conjunction with recent nitrate sampling, further corroborate staff's determination that sewage is not the predominant source of nitrate in the City's wells.

Three Morro Bay citizens spoke giving passionate testimony regarding the source on groundwater contamination was from leaking sewer lines.

The Board requested that I return to the podium and they asked if the City is providing safe drinking water to its citizens. I assured them that the City is supplying its residents and visitors safe clean drinking water. RWQCB staff clarified a few technical details regarding sucralose, that were included in their staff report

Finally, at the May 2015 meeting, the Water Board then provided direction to Water Board staff: Take no action and directed staff not to spend additional resources on this issue. They then thanked the three Morro Bay citizens and the item ended.

City and Water Board staff have never stated that no amount of the Nitrate contamination in the Morro Valley groundwater was from the sewer collection system, only that the majority of the contamination and public nuisance is due to high nitrogen fertilizer application in the valley. There may very well be molecules of Nitrate that come from the sewer collection system, but it does not raise to the nuisance level and the Water Board ruled that no additional action is necessary.

It is the recommendation of the professional staff in the Public Works Department to not delay the subject project proposed for 1840 Main street for the following reasons:

- There is no nascent Public Health risk associated with the sewer line in Main Street or Atascadero Road.
- The City has a CIP for the repair or replacement of Main Street and Atascadero Road sewer lines.
- The most cost effective time to perform the work is with the collection system modifications required to serve the new WRF.
- The proposed project has recommended conditions to pay their fair share of the sewer CIP improvements.

Attachments

1. Water Board Staff Report dated April 21, 2014
2. Water Board Staff Report dated April 16, 2015

EXHIBIT F

STATE OF CALIFORNIA
REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL COAST REGION

STAFF REPORT FOR REGULAR MEETING OF MAY 22-23, 2014
Prepared April 21, 2014

ITEM NUMBER: 13

SUBJECT: Morro Bay Groundwater Degradation

STAFF CONTACT: Harvey Packard 805/542-4770
Harvey.packard@waterboards.ca.gov

This Action: Information/Discussion

SUMMARY

A resident of Morro Bay, Linda Stedjee, has requested that the Central Coast Water Board review staff's conclusions regarding the sources of nitrate in groundwater in the Morro Creek area near Morro Bay's well field. Staff concludes that the predominant source is upstream irrigated agriculture. Ms. Stedjee maintains that leaking sewers are the source of the nitrate.

DISCUSSION

Background

The City of Morro Bay maintains a well field adjacent to Morro Creek, just west of Highway 1. Historically, this well field is one of two that supply most drinking water to Morro Bay. In recent years, the city has used the wells in this area only when imported water from the State Water Project is not available. The wells draw groundwater from a shallow alluvial aquifer. The wells have contained concentrations of nitrate above the state's maximum contaminant level of 10 mg/L as nitrogen for several years.

In 2007 the City commissioned a report by Cleath and Associates, entitled *Morro Bay Nitrate Study*. The Cleath report concluded that agricultural fertilizer sources were the primary source of nitrate in the City's wells. In April 2008, Richard Sadowski and Marla Jo Bruton submitted information questioning the Cleath report's conclusions. Central Coast Water Board staff reviewed both the Cleath report and the information submitted by Mr. Sadowski and Ms. Bruton and concurred with the Cleath report. Attachment 1 is a letter describing staff's conclusions.

In 2013, Linda Stedjee submitted additional information and asked staff to reevaluate the situation. Attachment 2 is staff's letter dated September 25, 2013, in which staff again concludes that fertilizer is the main source of the nitrate degradation.

On November 1, 2013, Ms. Stedjee submitted a response to staff's letter; this is included as Attachment 3. In her letter, Ms. Stedjee asked the Central Coast Water Board to intervene in the disagreement between her and staff. Attachment 4 is a copy of some emails regarding Ms. Stedjee's request for a Board hearing.

Technical Analysis

Staff reviewed the November 1, 2013 submittal from Ms. Stedjee. Attachment 5 is a staff memo analyzing the information.

Staff, including registered geologists and engineers, has reviewed all the information submitted to the Central Coast Water Board on this topic. Staff concludes that there are multiple lines of evidence indicating that the primary source of nitrate in the City's wells is agricultural fertilizers.

City of Morro Bay Actions

On April 16, 2014, staff received information from the City regarding its actions. This information is Attachment 6. The City indicates that its capital improvement program includes elements to maintain and replace collection system infrastructure. Some work in the area will not be done until planning for the new wastewater treatment facility is completed.

RECOMMENDATION

Staff recommends that the Board take no action at this time and direct staff to not spend additional resources on this issue.

ATTACHMENTS

1. Central Coast Water Board letter dated July 1, 2008
2. Central Coast Water Board letter dated September 25, 2013
3. Information from Linda Stedjee, dated November 1, 2013
4. Email between Linda Stedjee and Central Coast Water Board staff
5. Memo from Dean Thomas to Harvey Packard, responding to November 1, 2013 submittal
6. City of Morro Bay information

EXHIBIT F

**STATE OF CALIFORNIA
REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL COAST REGION**

STAFF REPORT FOR REGULAR MEETING OF MAY 28-29, 2015

Prepared April 16, 2015

ITEM NUMBER: 16

SUBJECT: Morro Bay Groundwater Degradation

STAFF CONTACT: Dean Thomas, 805/549-3690
dean.thomas@waterboards.ca.gov

This Action: Information/Discussion

SUMMARY

Linda Stedjee and other residents of the City of Morro Bay presented their case at the May 2014 Central Coast Water Board meeting that leaking sewers are the cause of elevated nitrate concentrations in City's supply wells near Morro Creek. Staff maintained its concurrence with the City's findings that the predominant source of nitrate is upstream irrigated agriculture. At the May 2014 meeting, the Board requested that the City collect caffeine samples (a wastewater indicator) from the City's supply wells to further investigate the possibility that leaking sewers are the cause of the elevated nitrate concentrations. The City subsequently sampled water from its supply wells, State supply water, and wastewater for caffeine and sucralose, an artificial sweetener and another wastewater indicator. According to preliminary results, caffeine was not detected in the supply wells, but sucralose was detected at very low but essentially identical concentrations in both the supply wells and the State water supply. These results, in conjunction with recent nitrate sampling, further corroborate staff's determination that sewage is not the predominant source of nitrate in the City's wells.

DISCUSSION

Background

The City of Morro Bay maintains a well field adjacent to Morro Creek, just west of Highway 1. Historically, this well field is one of two that supply most drinking water to Morro Bay. In recent years, the city has used the wells in this area only when imported water from the State Water Project is not available. The wells draw groundwater from a shallow alluvial aquifer. The wells have contained concentrations of nitrate above the state's maximum contaminant level of 45 mg/L as nitrate for several years, and as of July 2014, the northern-most supply well (MB-3) had a nitrate concentration of 142 mg/L as nitrate, and other wells have nitrate above or near the MCL. Potential sources of nitrate include irrigated agriculture, animal manure, septic systems, leaky sewer laterals, and leaky sewer mains.

In 2007 the City commissioned a report by Cleath and Associates, entitled *Morro Bay Nitrate Study*. The Cleath report concluded that agricultural fertilizer sources were the primary source of nitrate in the City's wells. In April 2008, Richard Sadowski and Marla Jo Bruton submitted information questioning the Cleath report's conclusions. Central Coast Water Board staff

EXHIBIT F

Item No. 16

-2-

May 28-29, 2015

reviewed both the Cleath report and the information submitted by Mr. Sadowski and Ms. Bruton and concurred with the Cleath report.

In 2013, Linda Stedjee submitted additional information and asked staff to reevaluate the situation. Staff again concluded that fertilizer is the main source of the nitrate degradation.

On November 1, 2013, Ms. Stedjee submitted a response to staff's letter. In her letter, Ms. Stedjee asked the Central Coast Water Board to intervene in the disagreement between her and staff. Ms. Stedjee presented her case that nitrate was from the City's leaky sewer system at the May 2014 Board Meeting. The City and Water Board staff maintained their position that nitrate was from agriculture fertilizers. However, the Board requested that the City collect caffeine samples from the City's supply wells to further investigate the possibility that leaking sewers are the cause of the elevated nitrate concentrations.

The City retained the services of Cleath-Harris Geologists to perform the caffeine sampling and reporting. However, because of objections to using Cleath-Harris from Ms. Stedjee, they did not complete the work according to their August 2014 work plan. The City attempted to retain Fugro Consultants to conduct the work in October 2014; however, Ms. Stedjee also had objections to using Fugro Consultants. The City then opted to collect the samples using their own staff.

Ms. Stedjee submitted an April 8, 2015 letter to the Central Coast Water Board responding to the results of the City's testing of wells for caffeine and sucralose (see Attachment 1). In her letter, Ms. Stedjee urged the Central Coast Water Board to take action over the levels of sucralose found in the City's groundwater.

Technical Analysis

The City provided preliminary results of the caffeine study on January 15, 2015. Based on the recommendation of Cleath-Harris, the City also collected samples for sucralose. Sucralose, a compound in some artificial sweeteners such as Splenda®, has a very low chemical/biological degradation rate and passes readily through groundwater aquifers without adsorbing to the aquifer materials (Eaton, 2014). These properties make it a good tracer in groundwater.

As shown in Table 1 below, the City collected samples from nine water supply wells (including four wells with historically high nitrate concentrations), wastewater, and the State water supply. The wastewater had concentrations of caffeine and sucralose of 280,000 and 3,300 nanograms per liter, respectively. Caffeine was not detected in any of the supply wells but was detected in State water at 2 nanograms per liter (ng/L). Sucralose was detected in 8 of 9 supply wells at concentrations between 64 and 170 ng/L, and in State water at 120 ng/L (Table 1). The northern-most supply well (Well No. 3) had a sucralose concentration of 100 nanograms per liter. Well No. 13 had a sucralose concentration of 110 ng/L. Note that this well is not used as a supply well and is located hydraulically upgradient of the City's sewer lines in the "narrows" of Morro Valley (Figure 1). It is the well located closest to irrigated agriculture in the east-west groundwater flow path. Also note that the nitrate concentration in this well was 146 mg/L as nitrate according to a December 2014 analysis, which was higher than concentrations measured in downgradient wells during the same month.

Table 1

Sample Location	Analyte	Results Parts per trillion (ng/L)
Flippos Well	Caffeine	ND
	Sucralose	91
High School Well 1	Caffeine	ND
	Sucralose	140
High School Well 2	Caffeine	ND
	Sucralose	170
Well 3	Caffeine	ND
	Sucralose	100
Well 4	Caffeine	ND
	Sucralose	64
Well 14	Caffeine	ND
	Sucralose	120
Well 15	Caffeine	ND
	Sucralose	90
Well 13	Caffeine	ND
	Sucralose	110
Manhole 13.36 (Wastewater)	Caffeine	280,000
	Sucralose	3,300
State Water	Caffeine	2
	Sucralose	120
1301 Little Morro Creek Rd	Caffeine	ND
	Sucralose	ND

Source: City of Morro Bay

Because caffeine was detected in raw sewage at 280,000 ng/L, the lack of caffeine detections in the sampled wells indicates that no significant component of wastewater reaches the City's supply wells. Because the laboratory method reporting limit for caffeine was 1 ng/L, it would require over a hundred-thousand-fold dilution factor between a hypothetical leak and well to reduce caffeine to non-detect levels.

Caffeine is commonly used as an indicator of the presence of wastewater in surface water and groundwater because of its prevalence in wastewater; however, it is subject to biodegradation (Lawrence Livermore National Laboratory, 2006), so it cannot be used as a conservative tracer. Because sucralose is a conservative tracer, the City also had the samples analyzed for sucralose. Detections in lower Morro Valley groundwater are widespread; however, it was also detected in State supply water and in an upgradient well (Well No. 13) at similar concentrations. This suggests that the source of sucralose in groundwater is not from sewage from Morro Bay's collection system, but possibly from 1) septic systems in unincorporated areas located upgradient of Well No. 13 and/or 2) percolation of landscape irrigation water from the City's

EXHIBIT F

Item No. 16

-4-

May 28-29, 2015

water supply (that mostly comes from State-supplied water). The sucralose concentration in raw sewage was a factor of between 20 to 50 times higher than the sucralose concentrations in the sampled wells. This compares with a nitrate concentration in raw sewage having a factor of between five times lower to three times higher than nitrate in sampled wells¹. This indicates that the source of elevated nitrate is from discharges located east of City well No. 13 and upgradient of the City's sewer lines.

Staff searched the State Water Board's Compilation of Water Quality Goals and found no listing for sucralose; therefore, sucralose is not recognized as an ecological or human health risk.

CONCLUSION

Based on the above facts, staff concludes that the results from the tracer study add to the existing multiple lines of evidence indicating that the primary source of nitrate in the City's wells is not the City's sewer system.

ATTACHMENTS

1. April 8, 2015 letter from Linda Stedjee
2. City of Morro Bay Caffeine & Sucralose Sampling Locations

RECOMMENDATION

Staff recommends that the Board take no action at this time and direct staff to not spend additional resources on this issue.

References

Eaton, A, 2014. "You Won't Find What You Don't Look For- Emerging Contaminants and Recycled Water Testing." Groundwater Resources Association Annual Conference, October 2014.

Lawrence Livermore National Laboratory, 2006. California GAMA Program: Fate and Transport of Wastewater Indicators: Results from Ambient Groundwater and From Groundwater Directly Influenced by Wastewater.

Cleath & Associates, 2007. Morro Basin Nitrate Study, prepared for the City of Morro Bay.

¹ Concentrations in wells from December 2014 sampling event (City of Morro Bay); nitrate concentration in raw sewage from Cleath & Associates (2007)

EXHIBIT G

A History of Sewage Contamination of Morro Bay Municipal Wells, 2002 to the Present

April, 2016

Sewage from a dilapidated sewage collection system has been contaminating Morro Bay groundwater for years. However, the City of Morro Bay and the Regional Water Quality Control Board (RWQCB) have long denied that any significant problem exists. In 2015, when publicly presented with irrefutable evidence of sewage in the Morro Basin aquifer, RWQCB members stated that this kind of problem exists all over the State, and that as long as the City has an adequate potable water supply, the Board will take no action.

It has long been suspected that the reason for the reluctance of the City to acknowledge the problem is that doing so would also require acknowledgement of the facts that the City has failed to maintain the sewage collection system, which has fallen into a disastrous state of disrepair, and that promised repairs have not been made. The suspected reason for the RWQCB's unwillingness to acknowledge the problem is that fact that it appears likely that a project overseen by that agency breached the Morro Basin aquifer boundary, allowing exfiltrated sewage to enter the aquifer and thus contaminate municipal wells.

2002: The first known evidence of sewage contamination of groundwater appears

The first known evidence of sewage contamination of Morro Bay groundwater appeared in 2002. In November of that year, there was a dramatic spike in the nitrate concentrations in the Morro Basin municipal wells, which draw water from the Morro Basin aquifer. That aquifer consists of underground rivers and streams that move slowly, in a westerly direction, toward the sea.

Prior to 2002, nitrate levels in the wells had never exceeded the maximum contaminant level. However, in the fall of that year, nitrate levels began to spike suddenly and dramatically whenever the wells were used, dropping back to normal when well use stopped.

Morro Bay began using State water in 1997, and thereafter, used the municipal wells only during the annual State water maintenance shutdown, which ordinarily occurs in November. The following chart shows the sudden dramatic pattern shift in nitrate levels every November from the years 2002 through 2006:

EXHIBIT G

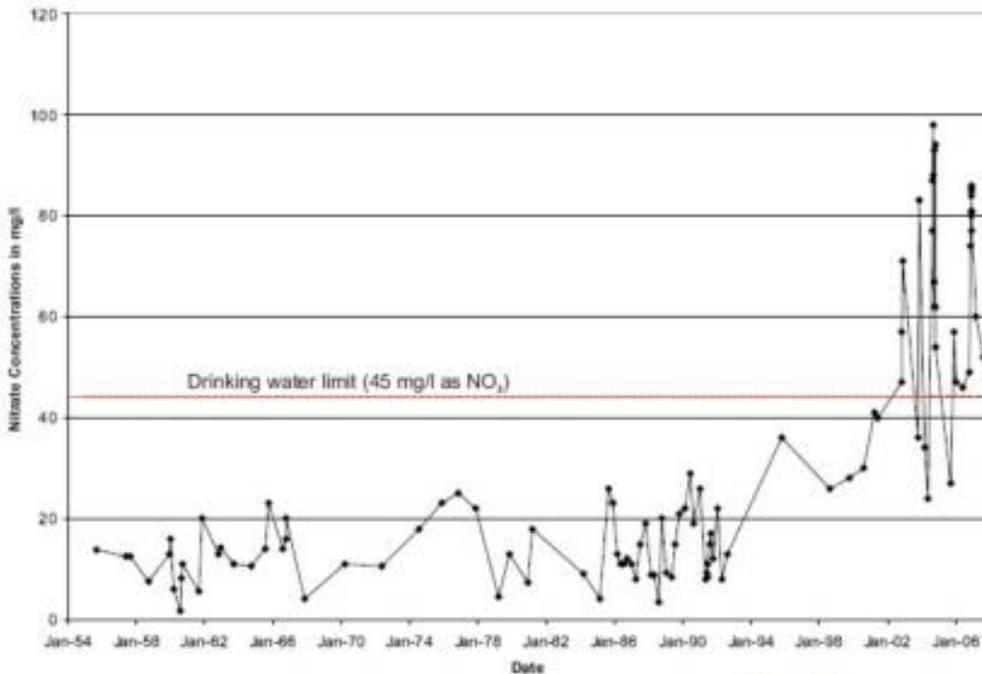


Figure 4
Well MB-3
Nitrate Concentrations
Morro Basin Nitrate Study
City of Morro Bay
Cleath & Associates

2002 – 2005: City staff appears to purposely conceal well contamination

Data obtained from the California Department of Public Health shows that City staff first became aware of the nitrate spikes in 2002, and that they had data showing the nitrate spikes in the ensuing years. However, City staff failed to report the alarming trend to the Council and the public. In addition, it appears that the problem may have been deliberately concealed. False, artificially-low values for nitrate levels in the municipal wells were reported in annual water quality reports to City water customers.

The nitrate levels reported in the years 2002 through 2005 differed radically from the actual levels recorded in the well test data sent to the CDPH. The following table gives the specific nitrate data included in the 2002-2005 “Consumer Confidence Reports”:

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SUBSTANCE (UNITS)	YEAR SAMPLED	MCL	PHG (MCLG)	State Water		Well Water		VIOLATION	TYPICAL SOURCE
				AMOUNT DETECTED	RANGE LOW HIGH	AMOUNT DETECTED	RANGE LOW HIGH		
Nitrate (as nitrate, NO ₃) (ppm)	2002	45	45	2.86	-	18.8(a)	7.3-41(a)	No	Runoff and leaching from fertilizer use; leaching from septic tanks, sewage; erosion of natural deposits
	2003	45	45	3.21	NA	19	13-25	No	
	2004	45	45	2.8	1.2-4.8	19	2-34	No	
	2005	45	45	4.44	1.8-7.6	22.0	8.5-32	No	

(a) Measured at the Kings Street tanks after blending with State Water and/or Desal Water

Yet, as City staff was reporting artificially-low nitrate levels in these reports, actual well test results showed nitrates levels in the wells soaring high above the MCL of 45. For example, in 2002, the reported “high” nitrate figure was 41, while the CDPH well test results showed an actual level of 71 in Morro Basin well 03, and 56 in Morro Basin well 04.

Was this deliberate concealment of a sudden and serious nitrate contamination problem? Why did City staff not state the true nitrate levels in the wells in these important, legally-required water quality reports? Did they believe they might be held responsible for the problem?

2006: The public becomes aware of the nitrate contamination of City well water

In November, 2006, the nitrate problem became known to the public when the City notified its water customers that water with nitrate levels over the maximum contaminant level had been delivered to their homes. This water delivery occurred during the annual State Water maintenance shutdown when the City was relying on well water. High nitrate levels in drinking water can cause serious health problems, and this is considered a significant health threat.

The November 15, 2006 minutes of the Morro Bay Public Works Advisory Board state that senior City staff member Bill Boucher had an announcement. The minutes say that, *“Boucher explained the City was having a problem with its drinking water. Tests done today show the Nitrate level at 48 mg/liter and the State and Federal limit for Nitrates is 45 mg/liter.”* Water customers were subsequently notified of the problem.

Subsequently, there were complaints from the public that the City failed to notify water customers and the County health department of the problem in a timely manner.

EXHIBIT G

- 2007:**
- **Morro Bay residents investigate the condition of the sewer**
 - **City admits sewer condition problems**
 - **City denies responsibility for sewer system degradation**
 - **City staff appears to attempt to influence the results of a City-funded nitrate study**
 - **City –funded nitrate study claims nitrates are from fertilizer**

Morro Bay residents investigate the condition of the sewer

Morro Bay residents Richard Sadowski, a Grade 4 CWEA collection system expert, and Marla Jo Bruton, a local clean water activist, reviewed numerous video inspections of Morro Bay sewer lines and prepared a report which was distributed to the City Council and the RWQCB in October, 2007.

Viewing a sample of video inspections obtained from the City, Sadowski and Bruton identified and logged defects that appeared in inspections of approximately 8,065 feet (about 1.52 miles) of sewer lines around the City. They found that, on average, every 11.4 feet, there were sewer line defects with potential for inflow and infiltration (I&I) and/or sewage exfiltration into the soil.

The following table summarizes some of the findings of this study:

Type of Defect/Problem	Total # of Occurrences
Offset Joints	589
Separated Joints	163
Dislocated joints	16
Cracked areas	59
Major breaks	2
Root Intrusion in joints	About 369 feet of pipe affected
Significant structural damage*	2
Bellies/Dips (sagging pipes)	45
Areas of debris	8
Areas of grease buildup	11 (7 are in sewer main connections)
Areas of significant H ₂ S gas	6
Bad lateral connections	5
Areas where lateral connections are too close together	1
Manholes with missing pan	2

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City admits sewer condition problems

Shortly before the Sadowski/Bruton study was published, the City admitted the sewer lines were in poor condition. Whether or not this was a reaction to the fact that residents were conducting a study of the sewer system condition is unknown. In a document titled "Water and Wastewater News", mailed to Morro Bay residents in September, 2007, the City admitted the system needed repair. On page 2 of the document are the following statements:

"Most of our collection system is now over 50 years old and is showing its age ... A number of pipeline segments are now too small and have cracks, offsets and similar problems ..."

and,

"The Master Plan's computer model identified a number of sewer pipeline segments as being currently over capacity during highest wet weather flow conditions. The major pipe segment identified in this condition is along Main Street from Vashon to Atascadero Road and on Atascadero Road for Main Street to Park Avenue.

We have started design on the upgrade of this pipeline and plan to construct in in fall 2008"

The referenced lines along Main Street and Atascadero Road are major trunk lines that carry very high volumes of sewage. Unfortunately, despite the promise made in the 2007 document, the City has NOT, as of this writing, repaired the line along Main Street from Vashon to Atascadero Road. The City's Public Works Director recently stated that the repairs will not be done for four more years.

City denies responsibility for sewer system degradation

Immediately after the sewer line condition study by Sadowski and Bruton was distributed, City staff disputed it. They did so despite having recently issued their own statement, in the City's "Water and Wastewater News", that, *"Most of our collection system is now over 50 years old and is showing its age ... A number of pipeline segments are now too small and have cracks, offsets and similar problems."*

A letter attacking Sadowski and Bruton and denying any wrongdoing by the City was sent to the RWQCB. The letter is undated, but given its content, it appears to have been written in late November, or early December, 2007.

The letter included a denial that the sewer line problems had been caused by lack of maintenance. Apparently unaware that system maintenance includes repairs; not just cleaning, City staff member Dylan Wade stated that,

"The report authors also put forth the claim that the damage observed in our system was largely caused by deferred maintenance. While there is damage to portions of some of the clay pipe in the collections system, the damage observed was not caused by deferred maintenance. "Because vitrified clay pipe is chemically inert, it is not vulnerable to damage due to domestic sewage, sulfide attack, most industrial wastes and solvents or aggressive soils " (Clay Pipe Engineering Manual). Furthermore the City has a long

EXHIBIT G

history with an aggressive cleaning schedule that exceeds industry norms. Our cleaning intervals range from less than monthly to a maximum of biannual cleanings depending on the condition of the pipes. The type of damage observed to some of the pipes in the collections system would appear to be mostly from earth movement, with cracks at bells or displaced joints, and damage from faulty lateral installations."

Mr. Wade did not explain why, despite their knowledge of the major damage done to the lines by "earth movement" and "faulty lateral installations", responsible City staff members had not alerted the City Council to the problems, or made repairs to the system.

City staff appears to attempt to influence the results of a City-funded nitrate study

In early 2007, the City commissioned a study to determine the source of the nitrates in the wells, but before that study even began, City staff began telling residents that the problem was fertilizer from farming operations east of town in the Morro Valley. The earliest such statement known is one made by City staff member Bill Boucher to a group of mothers concerned about the impacts of the nitrates on their children.

This position was later reflected in a communication between City Staff member Bill Boucher and the consultants who were conducting the nitrate study. In a December 7, 2007 email from consultant Spencer Harris to City staff member Bill Boucher is this statement:

"On the bright side, FYI here's a new paragraph that I put in the report to incorporate Dylan's reference. I think it's pertinent.

Despite a hydraulic potential for exfiltration along Main Street when the city well field is pumping, gravity sewer leaks quickly become plugged by sewer film and settleable solids in the sewage, theoretically reaching steady-state leakage rates in approximately one hour. A research study conducted at several locations in Germany, where sewer systems are generally older and in poor condition, showed that when system pressure heads are below the sewer pipe crown (typical for gravity sewers) exfiltration rates were minimal (Amick and Burgess, 2000)."

Thus, it appears that City staff member Dylan Wade asked or told the consultants to include the cited quote in the nitrate study report. The quote appears to indicate that sewage exfiltration is not a serious problem, and may have steered the consultants away from seriously or extensively studying sewage as a potential source of the nitrates. The quote would also influence nitrate study report readers to draw the conclusion that exfiltration is a minor issue, and hence the nitrates in the wells could not be from sewage.

However, the quote that Wade provided to the consultants was taken completely out of context. The Amick and Burgess study, which was done for the EPA, was in fact about the seriousness of the problem of sewer exfiltration, and the actual statement from the Amick and Burgess study is this:

"At a pressure head below the sewer crown, which is typically the case in gravity flow sewer lines, exfiltration rates were minimal. At a pressure head of one pipe diameter, the exfiltration rate increased dramatically, to more than 26 gal/hour (gph) per joint in some segments. This high leakage rate can, in part, be attributed to the generally poor condition of the old sewer systems. A linear correlation between pressure head and

EXHIBIT G

*exfiltration rate for several types of sewer defects was noted for pressure heads greater than 500 mm (20 inches). It was also noted that at lower flows and pressure heads, the exfiltration rate decreases exponentially, most likely from self-sealing from sewer film and settleable solids in the sewage. **If the flow and pressure head increases, however, this self-sealing property is broken and the exfiltration rate increases rapidly.***

The text that has been emphasized here with bold font was left out of the quote provided by Wade. Its omission completely changes the meaning of the passage, in that the missing text clearly indicates that the sealing property discussed is, in many cases, only temporary.

In fact, the Amick and Burgess study demonstrates that, in many locations, sewage exfiltration rates are shockingly high. For example, Amick and Burgess cite an annual exfiltration rate of 1.65 million gallons per day for Munich, Germany, and a rate of 5 mgd, as the best estimate of the average daily wastewater exfiltration rate from Albuquerque’s sewer system.

Two cities closer to Morro Bay were also discussed. The following table from the Amick and Burgess study gives estimates, determined using two different methodologies, of rates of exfiltration from sewer lines in Berkeley and Santa Cruz.

Location	Pipe Information	Exfiltration Rate Cont. Flow Monitoring (gpimd) ^a	Exfiltration Rate Hydrostatic Testing (gpimd)
Berkeley, CA Pardee Street	320 linear feet (lf) of 8-in. - diameter VCP	5,649 (34% of flow)	6,327
Berkeley, CA 7 th Street	298 lf of 6-in. - diameter VCP	5,283 (56% of flow)	5,649
Santa Cruz, CA Beach Street	260 lf of 8-in. - diameter VCP	6,557	2,417
Santa Cruz, CA Riverside Parking Lot	124 lf of 6-in. - diameter VCP	77,745	8,324

^a gallons per inch diameter per mile length per day

In summary, it seems reasonable to state that the out-of-context quote that City staff member Dylan Wade told or asked the consultants to use in the City-funded nitrate study was clearly and seriously misleading.

At approximately the same time the above-cited email was sent, shortly before the consultants’ nitrate study was completed, City staff member Dylan Wade also told the RWQCB that sewage was not the cause of the nitrate problem. In an undated letter that appears to have been written in late November or early December, referring to the then-in-progress City-funded nitrate study, Wade stated,

“Since the primary groundwater contaminant of local concern is nitrates. We are nearing completion of a study regarding the source of this contamination of Morro valley wells and have ruled out sewage exfiltration as a probable source.”

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City-funded nitrate study claims nitrates are from fertilizer

The City-funded nitrate study, which has been substantially discredited, was published in December, 2007. It stated that the source of the nitrates was fertilizer; not sewage. However, in addition to the apparent influence of City staff on study results, critics of the study state that essential testing was not done, that evidence was incorrectly interpreted, and that some evidence was simply ignored.

For example, no change in farming activities could account for the sudden change in nitrate level patterns, and the isotopic signatures of nitrates in the wells were completely inconsistent with those for fertilizer.

Isotopic signatures ($^{15}\text{N}/^{14}\text{N}$) of the nitrogen component of nitrates in the wells were, however, strikingly consistent with those of sewage as demonstrated by the table below.

Source	Nitrate signature
Septic systems:	7.6 to 12.1
Sewage treatment plant:	7.2 to 12.1
Morro Basin wells:	7.1 to 10.0
Commercial Fertilizer	- 4 to + 4

(standard nitrate signatures from a study by wastewater contamination expert Dennis McQuillan)

The following table provides additional detail, including standard values from another source, Nitrate Forensics:

Table A

Expected Values for Various Sources		Actual Values found in Morro Bay Wells				Actual Value for the Fertilizer Sample Tested
$\delta^{15}\text{N}$ (‰) value ranges defined in "Nitrate Forensics"		$\delta^{15}\text{N}$ (‰) in well MB-3	$\delta^{15}\text{N}$ (‰) in well MB-4	$\delta^{15}\text{N}$ (‰) in well MB-14	$\delta^{15}\text{N}$ (‰) in well MB-15	$\delta^{15}\text{N}$ (‰) in fertilizer sample tested
Commercial fertilizer	-4 to +4	10.0	8.8	7.1	7.9	0.7
Animal or human waste	> +10					
Precipitation	-3					
Organic nitrogen in soil	+4 to +9					

Note that both sources state a range of -4 to +4 for fertilizer. The range found in Morro Bay wells was +7.1 to +10.

EXHIBIT G

2008: Morro Bay Residents discover the cause of the nitrate spikes

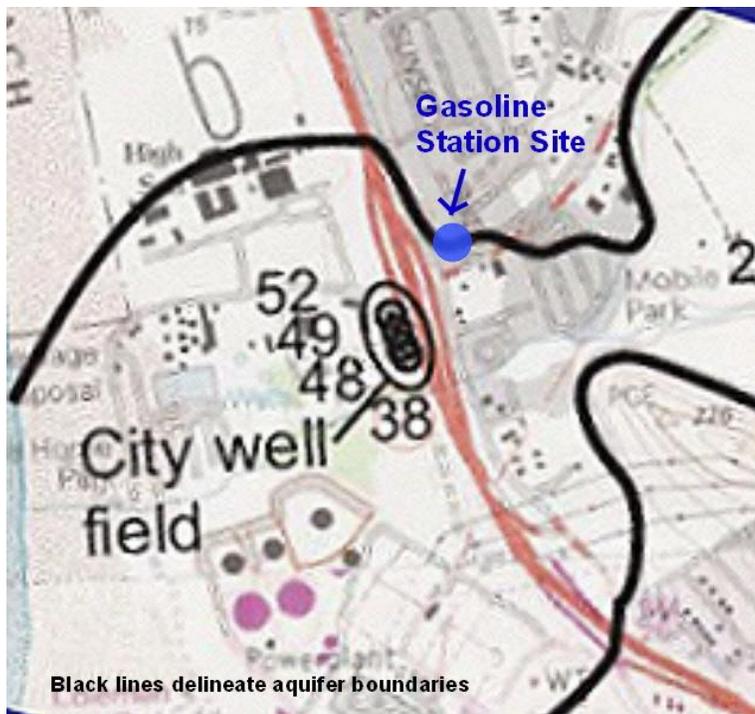
In 2008, having identified significant weaknesses in the City-funded nitrate study, Sadowski and Bruton began investigating to determine what had really caused the sudden change in nitrate levels in the Morro Basin aquifer that had occurred in 2002.

They identified the likely trigger event as an MTBE remediation project, overseen by the RWQCB, that commenced in 2001 and ended in 2002.

The project was done at and in the vicinity of the site of an old gasoline station that had been located over the boundary of the Morro Basin aquifer. This is the aquifer from which several of Morro Bay's municipal wells, those where the nitrate spikes occur, draw their water.

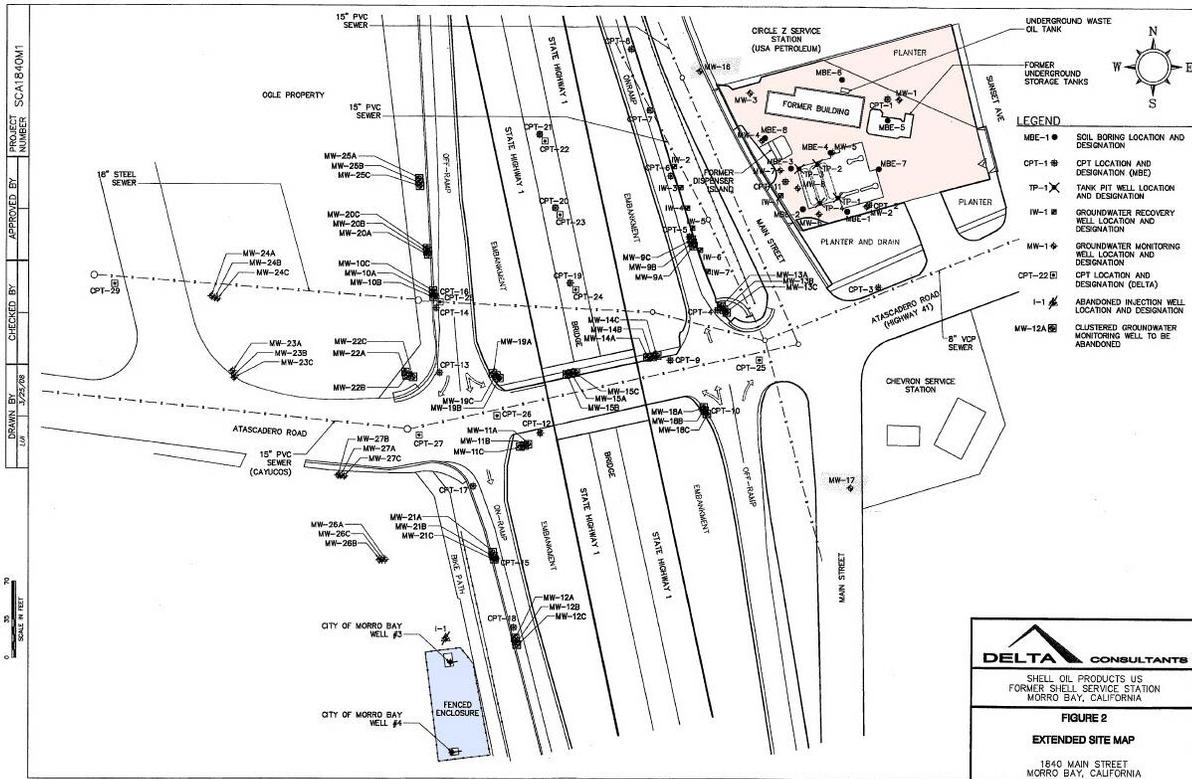
Directly to the west of the gasoline station site lies the Main Street sewer trunk line, and an area where Sadowski and Bruton believe that exfiltrated sewage from the line pools underground.

The following diagram shows the location of the station and the nearby wells.



The diagram below, the original of which was produced by the MTBE remediation company, shows the extent of the work done.

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The former location of the gasoline station that was the source of the MTBE is shown by the beige-shaded rectangle at the upper right. Extensive excavations were done in that area, directly over the Morro Basin aquifer boundary. The numerous black dots show the locations of the 63 monitoring and extraction wells that were drilled into the aquifer.

The blue-shaded rectangle near the bottom of the diagram shows the location of Morro Bay municipal wells 03 and 04. Wells 14 and 15 lie a very short distance to the south.

Sadowski and Bruton considered a number of factors, including:

- Timing of the onset of spikes in nitrate levels in the municipal wells
- Excavations at the gasoline station site
- Locations of the MTBE monitoring and extraction wells
- Location of the Main Street trunk line
- Condition of the trunk line and the likelihood of significant sewage exfiltration
- Potential for pooling of exfiltrated sewage at the southern end of this gravity line
- A consultant's documented statement that movement of the MTBE plume underground was directly tied to pumping at the well field

They concluded that the MTBE remediation work likely breached the aquifer boundaries, potentially both horizontal and vertical, allowing exfiltrated sewage to be drawn into the aquifer when the wells were pumping.

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If MTBE could be pulled into the aquifer when the wells were operating then so, surmised Sadowski and Bruton, could exfiltrated sewage. This hypothesis was presented in a paper published and distributed to the Council and the RWQCB in April, 2008.

2009: New evidence supporting the Sadowski-Bruton hypothesis is discovered

Fellow researcher Linda Stedjee, working with Sadowski and Bruton, discovered that the closer a municipal well was to the suspected source of sewage contamination, the higher the nitrate levels in the well water.

If the nitrates were from fertilizer from the Morro Valley then, since all the wells draw their water from the same aquifer, they should have similar nitrate levels. They did not. Well 03 consistently had the highest nitrate levels followed, in order, by wells 04, 14, and 15. This order corresponds exactly to the wells' relative distances from the sewage source, with 03 being the closest, and 15 the most distant.

This correspondence between nitrate level in a well and its distance from the sewage source was further supported by the discovery that Morro Bay Mutual Water wells, about a quarter mile south of the municipal wells, never had high nitrate levels. Yet, these wells, like the municipal wells, draw their water from the Morro basin aquifer.

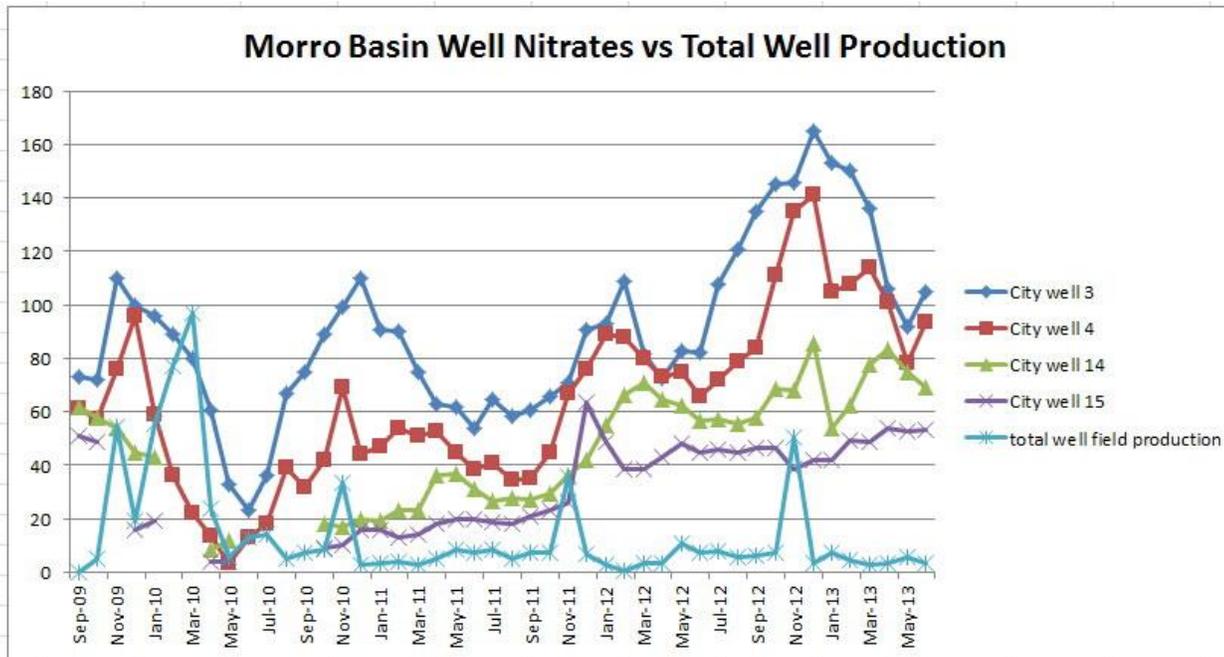
The following image shows the locations of the municipal wells and the Morro Bay Mutual Water wells:



EXHIBIT G

2009 to 2014: Established patterns of nitrate levels in the wells continue

In the ensuing years, the pattern of nitrate spikes was consistently linked to well production, as demonstrated by the following table, which tracks the correspondence from 2009 through the year 2013. Note also that the correspondence between well nitrate levels and distance from the sewage source continued, with well 03 having the highest levels, followed by 04, 14, and 15, with 15 having the lowest.



However, despite mounting evidence that sewage was contaminating the aquifer, denials by the City and the RWQCB continued. These agencies continued to offer up questionable theories and excuses. For example, it was claimed that the differences in nitrate levels in the different wells had nothing to do with proximity to exfiltrated sewage, but instead were a result of proximity to Morro Creek. It was claimed that the creek diluted the nitrates in the wells closest to it.

This claim was quickly discredited with the observation that for much of the year, the creek is completely dry; yet, the pattern of nitrate levels in the wells holds through all seasons.

Claims were made from time to time that exfiltration could not occur because the sewer lines lie below the water table. This is completely false. Except in the wettest weather, nearly all lines lie above the water table. This includes all of the Main Street trunk line except for one very short segment at its southern end.

RWQCB staff claimed that the portion of the aquifer beneath the City's wells was likely hydraulically disconnected from the former Shell station area due to geologic formations in the area. This claim was discredited by documented evidence that, during the MTBE remediation, the movement of the plume, from the area of the service station toward the wells, was tied directly to well usage.

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2014: Morro Bay residents convince the RWQCB to conduct tests for components of sewage in the wells

After trying for years to get the RWQCB to publicly hear their concerns, Morro Bay residents were able to get a hearing, which was held on May 22, 2014. Marla Jo Bruton and Linda Stedjee gave a 20-minute presentation on the issues. The Board subsequently ordered simple tests conducted.

A few months later, City Water Department staff drew well water samples to be tested for sucralose, which is considered a highly-reliable indicator of the presence of sewage contamination. Sucralose is considered far more reliable than caffeine, as sucralose does not break down, while caffeine does. Samples were drawn at various wells, as shown in this image, and at the State Water vault:



Every well downgradient from Morro Bay sewer lines had significant levels of sucralose. The only well that did not was the one at 1301 Little Morro Creek Road, which is east of town, upgradient of Morro Bay sewer lines, and thus not subject to contamination by sewage leaking from those lines. This evidence demonstrated that there was no detectable sewage contamination coming into Morro Bay from Morro Valley to the east – not surprising as that area is agricultural land, and sparsely populated.

EXHIBIT G

This table shows the sucralose test findings:

Sample Location	Analyte	Results Parts per trillion (ng/l)
Flippos Well	Caffeine	ND
	Sucralose	91
High School Well 1	Caffeine	ND
	Sucralose	140
High School Well 2	Caffeine	ND
	Sucralose	170
Well 3	Caffeine	ND
	Sucralose	100
Well 4	Caffeine	ND
	Sucralose	64
Well 14	Caffeine	ND
	Sucralose	120
Well 15	Caffeine	ND
	Sucralose	90
Well 13	Caffeine	ND
	Sucralose	110
Manhole 13.36 (Wastewater)	Caffeine	280,000
	Sucralose	3,300
State Water	Caffeine	2
	Sucralose	120
1301 Little Morro Creek Rd	Caffeine	ND
	Sucralose	ND

2015: Despite proof of sewage in municipal wells, RWQCB refuses to act

At its May, 2015 meeting, the RWQCB reviewed the sucralose test results and, despite this definitive proof that sewage is contaminating municipal wells, refused to take any action. Board members stated that there were leaky sewer systems all over the State. They said that so long as Morro Bay has access to sufficient potable water to serve its population, the Board will take no action, as they have more important issues to deal with.

EXHIBIT G

2015 to present: City of Morro Bay continues to refuse to acknowledge the problem and repair the sewer lines

City staff members continue to claim that sewage contamination of the wells is insignificant. One senior staff member has said that the sucralose must be coming from State Water, and therefore there is no sewage contamination of the aquifer. This argument ignores two key facts;

1. Even if the sucralose were all from State water, most of the State water used in the City ends up in the sewer, so to get into the groundwater, it would have to leak out of the sewer lines.
2. Testing of the private well at 1301 Little Morro Creek Road, to the east of town and upgradient of Morro Bay sewer lines, shows that water in the aquifer is free of detectable sucralose contamination before reaching Morro Bay. When this sucralose-free water mixes with groundwater in Morro Bay, it should dilute the sucralose-contaminated water coming from sources within the City.

This would mean that, if the sucralose in the wells is only from State water, then sucralose levels in those wells should be much lower than levels in State water. However, several of the tested wells in Morro Bay had sucralose levels higher than the level in State water. This clearly indicates that State water cannot be the only source of sucralose in the tested wells. Other components of sewage must be present.

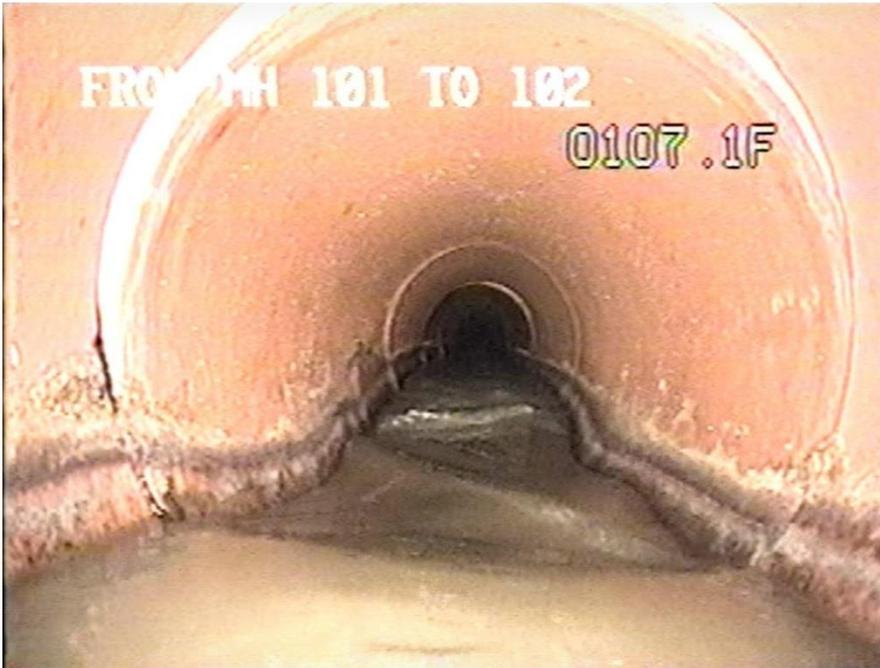
The discovery of clear evidence of the presence of sucralose, and thus sewage in the municipal wells is not surprising. The following images, from video inspections of the Main Street trunk line, show damage that is the rule, not the exception, for that segment of the collection system – considered by resident researchers to be the source of most, or perhaps all of the sewage contaminating the Morro Basin municipal wells.

1. Section of line south of San Jacinto Street. Note the badly-misaligned pipe joints.



EXHIBIT G

2. Very badly-misaligned pipe joints between la Jolla and Avalon

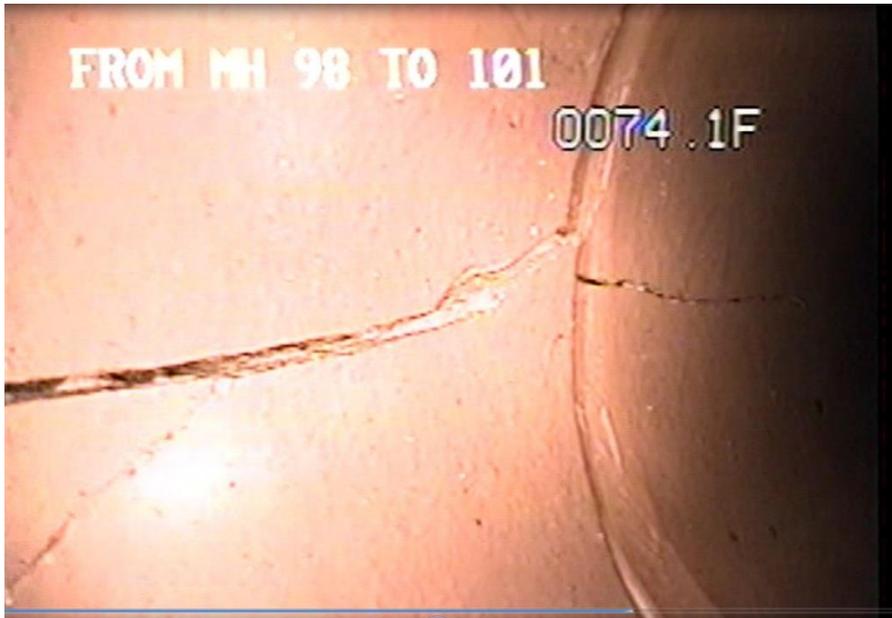


3. Serious root intrusion north of Mindoro. This indicates an open pipe joint.



EXHIBIT G

4. Major cracking in two adjacent pipe sections between Bonita and La Jolla



Despite all of the evidence that major sewage contamination is going on, local agencies have refused to act. The City has indicated that the Main Street trunk line, site of the damage shown in the photos above, will not be repaired for four more years. Why it was not repaired in the fall of 2008, as City staff stated it would be in their 2007 "Water and Wastewater News" publication, is unknown.