

**CALIFORNIA COASTAL COMMISSION**

CENTRAL COAST DISTRICT OFFICE  
725 FRONT STREET, SUITE 300  
SANTA CRUZ, CA 95060  
(408) 427-4863

**Th14a**



**RECORD PACKET COPY**

Filed: 04/19/00  
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Staff: RB  
Staff report: 04/14/00  
Hearing Date: 05/11/00

**COASTAL DEVELOPMENT PERMIT  
EXTENSION APPLICATION**

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**Application number** .....4-89-134-E7  
**Applicant**.....Tri-W Enterprises  
**Project location**.....Southeast side of Highway One at southern end of Morro Bay Boulevard,  
Morro Bay, San Luis Obispo County  
**Project description**.....126,235 square foot commercial retail shopping center; approx. 135,000  
cubic yards of cut and 100,000 cubic yards of fill; enhancement of a  
portion of an intermittent coastal stream (Willow Camp Creek); and  
construction of approx. 728 parking spaces; a frontage road extension,  
three bridges, crib walls to a height of 28 feet; on-site drainage and  
utilities.  
**Approvals Received** .....City Permits (CUP and CDP): CUP 03-88 for commercial development  
(City approved CDP 05-88R having been appealed to the Commission)  
and CDP 43-92 (Subdivision Map). Coastal Commission Permit  
(CDP): A-4-MRB-89-134, approved July 17, 1991, for commercial  
development (result of appeal of City CDP 05-88R to the Commission)  
**File documents**.....Morro Bay Certified LCP; City of Morro Bay Administrative Record for  
PM 04-92/CDP 43-92.  
**Staff recommendation** ...Denial

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**Summary**

This project has a history dating back to at least 1988 when the Commission approved the City's submitted LCP Amendment 1-88, which redesignated and rezoned 30 net acres of the site from agriculture to commercial uses. The 30 acres were to be split evenly, with 15 acres designated for "district commercial" uses and 15 acres for "visitor-serving" uses.



Permit A-4-MRB-89-134 for the commercial project, originally approved by the Commission on July 17, 1991, has been extended seven times. The applicant has indicated that he does not intend to proceed with the approved development, but wants to return to the City with an application for a coastal development permit for a different project, in the same location. To that end, upon the applicant's request, the City has accepted a withdrawal of the City's conditional use permit for the commercial development. This was accompanied by an additional request to the City for a time extension of an associated land division that would separate the commercially zoned area from a larger agricultural parcel. The City action extending the time limit for the land division has been appealed to the Commission and is being heard as a separate item on the same agenda as this permit extension request for the commercial development. According to the City, the applicant's withdrawal of the City's conditional use permit is predicated on the Coastal Commission finding that no substantial issue exists regarding the appeal of the City's action to extend the land division permit. The letter from the City to the applicant, notifying him of the action, states:

*[a]pproval of this time extension [PM 04-92/CDP 43-92] includes the acceptance of a withdrawal of the time extension request for CUP 03-88 (Precise Plan). . . . As a condition of approval of the time extension for the parcel map the time extension request for CUP 03-88 (Precise Plan) is to be deemed withdrawn (see Condition B.1. attached)<sup>1</sup>. Any further processing of this project must be initiated by the applicant....*

Apart from the applicant's intention to pursue a different project, there are at least three circumstances pertaining to this project and its consistency with the Morro Bay LCP that have changed since the approval in 1991 of the coastal development permit for commercial development: the designation of Highway One through the City of Morro Bay as a State Scenic Highway; redevelopment and expansion of existing commercial development nearby in the City, and proposed improvements to the circulation system. Therefore, staff is recommending that the Commission find that changed circumstances exist with respect to the approved commercial development and, thereby deny the extension request.

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<sup>1</sup> Condition B.1 of PM 04-92/CDP 43-92 states that "[a]ll discretionary permit previously approved by the City and the California Coastal Commission related to development of the site have expired."



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## I. STAFF RECOMMENDATION

**MOTION:** *I move that the Commission grant a one-year extension to Coastal Development Permit 4-89-134 because there are no changed circumstances that affect the project's consistency with the Coastal Act.*

### **STAFF RECOMMENDATION OF DENIAL:**

Staff recommends a **NO** vote. Pursuant to Section 13169 of Title 14 of the California Code of Regulations, three Commissioners must object to the extension of the permit in order to deny the extension request and require rescheduling of the application as if it were a new application.

### **RESOLUTION TO DENY THE PERMIT EXTENSION:**

The Commission hereby denies the extension of a coastal development permit for the proposed development and adopts the findings set forth below on grounds that the development will not conform with the policies of Chapter 3 of the Coastal Act and will prejudice the ability of the local government having jurisdiction over the area to maintain a Local Coastal Program conforming to the provisions of Chapter 3. Approval of the extension would not comply with the California



Environmental Quality Act because there are feasible mitigation measures or alternatives that would substantially lessen the significant adverse impacts of the development on the environment.

## II. RECOMMENDED FINDINGS

### A. PROJECT LOCATION, DESCRIPTION, AND BACKGROUND

The approved commercial development site is part of a 175-acre parcel and is located at the southeast end of Morro Bay Boulevard just inland from Highway One (see Exhibit 1). The site is characterized by open, rolling hillsides vegetated with non-native grasses, and a degraded creek running through the center of the 13-acre parcel. A dairy was located on the site many years ago; however, the site has been recently used as grazing for cattle.

On July 17, 1991, on appeal, the Commission approved a permit for a commercial development consisting of a 126,235 square foot commercial retail shopping center, approximately 135,000 cubic yards of cut and 100,000 cubic yards of fill, enhancement of a portion of an intermittent coastal stream (Willow Camp Creek), construction of approximately 728 parking spaces, a frontage road extension, three bridges, crib walls to a height of 28 feet, and on-site drainage and utilities.

According to the Commission staff report (adopted July 17, 1991) for the appealed project,

"The project as approved by the City and appealed to the Commission has seen extensive design revision. Since the City's certified LCP allows the City to require a "Precise Plan" after the approval of the Coastal Development Permit (which, in this case the City calls a "Concept Plan" (Section 17.36.060)), the project was already being modified and changing somewhat before the Commission hearing in April 1991 [at which the Commission found that a substantial issue existed]. Subsequent to the Commission's decision at that meeting to hear the project de novo at a future hearing, the applicant has undertaken a series of significant, even radical changes to the proposed project so that this project bears little resemblance to the project appealed to the Commission over a year ago. Although remaining within the original ±38 [gross] acre area designated for commercial or visitor serving uses pursuant to Amendment #1-88, the size, scope and concept of this project is significantly different than the appealed project.

The City of Morro Bay has yet to determine if this project remains within the parameters of their approval of the Concept Plan in March of 1990, but has expressed a desire for the Commission to make its determination on A-4-MRB-89-134 before 90-49 [the City-approved land division map]. The Commission has the ability to choose if it wishes to grant a coastal development permit for this project (or a conditioned project or a denial), since the local approval (City coastal development permit 05-88R) has not expired and the City has not revoked its approval. The Commission's power to grant or deny a coastal development permit remains unchanged.



The project as originally approved in March of 1990 consisted of:

- 237,000 sq. ft. of commercial retail space
- Approx., 605,000 cubic yards of grading covering slightly more than the ±38 [gross] acres designated commercial/visitor serving
- Filling approx. 1200 linear feet of Willow Camp Creek, an intermittent coastal stream
- Parking for 977 cars
- Construction of an extension of Morro Bay Blvd., a frontage road parallel to Highway One, a new off-ramp, and an emergency access road to the northwest through the hills designated Agriculture in the LCP.

The project, as amended as of June 24, 1991 consists of:

- 126,235 square feet of commercial retail space.
- Approx. 135,000 cubic yards of cut and 100,000 cubic yards of fill
- No filling of Willow Camp Creek
- Parking for 726 cars
- Construction of a new off-ramp and extension of Morro Bay Blvd. into the project, plus a new frontage road and an emergency access road to the northwest

Staff has been receiving weekly, sometimes daily, updates and project revisions from the project's consultants and attorneys. . . .

In a related action, the City on November 11, 1990 approved a vesting Tentative Parcel Map which establishes a 38A parcel equivalent that area designated for commercial and visitor-serving, and leaves the remaining ±139 acres designated Agriculture as a "Remainder." That coastal development permit was appealed to the Commission by the Voters Initiative Committee and Commissioners Gwynn and Franco (Appeal No. A-4-MRB-90-49). The Commission found substantial issue on April 8, 1991.

Finally, on November 6, 1990, Measure H, a citizens initiative was passed by the voters and certified by the City Council on December 4, 1990. Measure H revises the land use and zoning maps to limit any development on the Williams Bros. property to 13 gross acres, all of which are to be district commercial uses, located generally adjacent to Highway 1 and Morro Bay Blvd. This LCP amendment has been submitted and filed as of June 24, 1991 as LCP Amendment #2-91, and was scheduled for Commission hearing at its July meeting. However, limited staff resources resulted in a staff report not being able to be prepared. Measure H as submitted would have allowed a commercial development of 13 gross acres, located generally in the same area proposed by the project described in this appeal/amended submittal. Approval of Measure H would allow a similar commercial project, but



only on 13 gross acres, not the approx. 18¼ acres covered by the amended project. In all likelihood, proposed buildings A and G (plus their associated parking) would be eliminated, a total loss of 17,600 square feet from the amended proposed project of 126, 235 square feet. Measure H has not been analyzed for consistency with the Coastal Act, and the amount of commercial square footage that would fit on the 13 acres has also not been completely analyzed. " (end of excerpt from A-4-MRB-89-134 staff report)

## B. MEASURE H

On November 6, 1990, the electorate of Morro Bay passed Measure H. That initiative proposed to reduce the total acreage allowed for commercial development on the subject site from 30 net acres to 13 gross acres and to allow only "district commercial" uses, and not visitor-serving uses. Although not explicitly stated, it was implied that the remaining acres not included within the 13 gross acres (but within the original 30 net acres) would be rezoned back to Agriculture; however, the text of the initiative did not discuss the designation of property outside of the district-commercial zone.

Measure H has essentially three parts (see Exhibit 2). The first part directs the City to amend its land use regulations to designate a portion of the Williams' property for "District Commercial" use, including a new shopping center. The second part sets the size of the development ("13 gross acres") and its location ("generally located adjacent to Highway 1 and Morro Bay Boulevard"). The third part says that "[t]he citing (sic) of such use shall be in accordance with a precise development plan. . . ." referring to the second step of the City's two-step development permit process (approval of a Concept Plan followed by the Precise Plan, which constitutes final approval).

Measure H was originally submitted to the Commission in June 1991, as LCP Amendment 2-91. As mentioned in the quote above, there were insufficient staff resources to prepare a staff report on the Measure H LCP amendment submittal in time for it to be heard at the same meeting at which this permit was originally heard. LCP Amendment 2-91 was approved with suggested modifications at the Commission's November 1991 meeting. Subsequently, before the certification review of the City's acceptance of the Commission's action, the City was sued by the Voters Initiative Committee (the Measure H proponents). The suit was brought to force the City to remove all language in the City's submittal that allowed for visitor-serving uses. In an order dated May 18, 1992, the court found for the Voters Initiative Committee and ordered the City to rescind its decision designating nine and one half acres of the site as visitor-serving. A second court order dated November 19, 1992 (see Exhibit 3), clarified the earlier order by requiring the City to inform the Commission in writing that visitor-serving uses were impermissible as a provision of LCP Amendment 2-91, to rescind the ordinance and resolution that were adopted by the City and submitted to the Commission as part of the Measure H amendment request allowing visitor-serving uses on the subject parcel, and to immediately submit to the Commission a revision of LCP Amendment 2-91 that would remove all provisions allowing for visitor-serving uses.



Complying with the court orders, the City rescinded its previous ordinance and resolution and submitted a new amendment, LCP Amendment 1-93. This amendment was approved, as submitted, by the Commission on June 9, 1993. LCP Amendment 1-93 revised both the LUP and the zoning maps by reducing the commercially zoned area to 13 gross acres and designated the remainder of the 30 net acres (from LCP Amendment 1-88) as Open Area (see Exhibit 4 for this map).

## C. CHANGED CIRCUMSTANCES

### 1. Standard of Review

Section 13169(a)(1) of the Commission's regulations provide that permit extension requests shall be reported to the Commission if:

- 1) The Executive Director determines that due to changed circumstances the proposed development may not be consistent with the Coastal Act, or
- 2) Objection is made to the Executive Director's determination of consistency with the Coastal Act.

In this case, the extension request is being reported to the Commission because the Executive Director has determined that there are changed circumstances affecting the project's consistency with the Coastal Act. Section 13169(a)(2) of the Commission's regulations provide that if three (3) Commissioners object to an extension request on the grounds that the proposed development may not be consistent with the Coastal Act, the application shall be set for a full hearing as though it were a new application. If three objections are not received, the permit will be extended for an additional one-year period.

There are at least three circumstances pertaining to this project that have changed since the time of approval of a coastal development permit in 1991 for commercial development of the site. These are 1) the designation of Highway One through the City of Morro Bay as a State Scenic Highway; 2) redevelopment and expansion of existing commercial development nearby in the City; and 3) proposed improvements to the circulation system.

### 2. Scenic Highway Designation

LUP Policy 12.01 states:

*The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic and coastal areas, to minimize the alteration on natural land forms, to be visually compatible with the character of surrounding areas, and where feasible, to restore and enhance visual quality in visually degraded areas. New development in highly scenic areas such as those designated on Figure 31, shall be subordinate to the character of its setting.*



On August 19, 1999, the section of Highway One from the San Luis Obispo City limit to the Monterey County Line was designated a State Scenic Highway. This section of the highway passes through Morro Bay within 150 yards of the project site, and travelers find the site's hillside area as a part of the view to and along the coast. The scenic and visual qualities of the site serve to provide identity, character, and value to the community, and are recognized in the text and policies within the Land Use Plan. LUP Visual Resources Section XIII (p. 218) states the following in regard to the adjacent hillsides of the Morro Highlands area:

*The backdrop of the community, the hills climbing up from the coastal bench and the agricultural flatlands of the Morro and Chorro Valleys are a significant visual resource.... The undeveloped hillsides and ridgelines, left open for grazing, add an important visual dimension to the City. Their color, texture and shape contrast sharply with the urban areas and coastline, and reinforce Morro Bay's image and character as a rural, small scale waterfront community.*

While the highway is lower than the project site, the site is visible from the highway and development in this area would significantly change the character of the hillside and views from the highway (see Exhibit 1 – Site Photos). The impacts of proposed grading activities (135,000 cubic yards of cut and 100,000 cubic yards of fill) and the associated crib wall, extending to heights of 28 feet, have the potential to significantly alter the natural landform of the hillsides and degrade the scenic qualities of the area. This is in direct conflict with the basis for which this portion of Highway One was designated a Scenic Highway.

Clearly, the designation of this section of Highway One as a State Scenic Highway is a changed circumstance since the time of the approval of the development in 1991. All of the ramifications of the State Scenic Highway designation with regard to development on the subject site are not fully known at this time. It could be, for example, that views of the hillsides at the subject site should be included on LUP Figure 31 as a highly scenic area. Therefore, the extension should be denied and the project heard anew so that the implications of the State Scenic Highway designation can be fully analyzed.

### **3. Commercial Redevelopment**

LUP Section I – Planning Area Characteristics (p. 15) states:

#### *4. Area 4 – Morro Highlands*

##### *b. Potential Development*

*Approximately 200 acres are vacant and available for development. Much of Morro Bay's future growth may occur within this area. It is desirable to designate a nominal amount (approximately 30 acres) of District Commercial use in this area near the freeway intersection. Prior to approval of any use of this land use designation the City shall require a detailed market analysis to demonstrate the need for such use.*



In 1993, the City approved the razing of an older supermarket and small shopping center and allowed redevelopment of the site with a larger, modern supermarket, and additional retail commercial space. This completed project is located less than one-quarter mile from the Tri-W site and contains very similar uses as those projected in the current proposal. It is not clear now, seven years later, that the additional commercial development provided by the Tri-W site is needed or that it would make economic sense to invest in the various infrastructure improvements necessary to facilitate commercial development of the Tri-W site (e.g., widening Morro Bay Blvd. overpass over Highway One, extension of water and sewer lines, intersection signalization, etc.). In accordance with the relevant Planning Area Characteristic, stated above, the need and economic feasibility of commercial development on the Tri-W site need to be re-evaluated. This is clearly a changed circumstance since the approval of the project in 1991, and therefore, this extension request should be denied and the project set for hearing with updated information.

#### 4. Traffic

The project site is adjacent to the Highway One/Morro Bay Boulevard off-ramp; however, no public vehicular access exists to the proposed development site. According to a traffic analysis conducted for the original commercial development proposal, in 1988 (Weston Pringle & Associates, September 19, 1988), the Highway One/northbound Morro Bay Boulevard off-ramp was operating at a Level of Service C and the Morro Bay Boulevard/Quintana Road intersection was operating at a Level of Service B, both of which are acceptable levels of traffic flow.<sup>2</sup> However, given the length of time that has elapsed since this study was conducted and because it does not consider changed circumstances since the approval of the tentative map in 1993, this analysis is no longer valid. In fact, in a letter to Marshall E. Ochylski, dated July 12, 1999, Greg Fuz, Morro Bay Public Services Director, states that, "the key intersection affected by the project, Morro Bay Boulevard/Quintana [Road], is now operating at an unacceptable level of service...." Future development on the eastern side of Highway One will only serve to exacerbate this problem, unless necessary improvements to the circulation system in this area are completed.

Original approval of the commercial development in 1991 included conditions requiring specific circulation improvements. These include the construction of two new intersections of Morro Bay Boulevard/Highway One northbound ramps and Morro Bay Boulevard/"Ocean View Drive," signalization of existing intersections, and other related roadway improvements and redesign. Future development proposals may require a different parcel configuration (e.g. location, size, number of parcels), which may or may not place a different demand on the existing circulation system and thus, require alternative improvements. Secondly, given the length of time that has elapsed since these circulation improvements were proposed, it is possible that additional, or alternative, requirements may be deemed more appropriate for existing development and the current level of service in this area. Therefore, staff recommends that the Commission find that changed circumstances exist in regard to the project's impacts on traffic patterns in the and deny the request

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<sup>2</sup> Level of Service (LOS) A to C are described as operating quite well, Level of Service D is typically the LOS for which an urban street is designed, LOS E is the maximum volume a facility can accommodate, and LOS F occurs when a facility is overloaded and is characterized by stop-and-go traffic with stoppages of long duration.



for permit extension, and suggests that this issue be addressed through an updated traffic analysis for any future proposals for subdivision of this parcel.

#### **D. DENIAL OF REQUESTED EXTENSION**

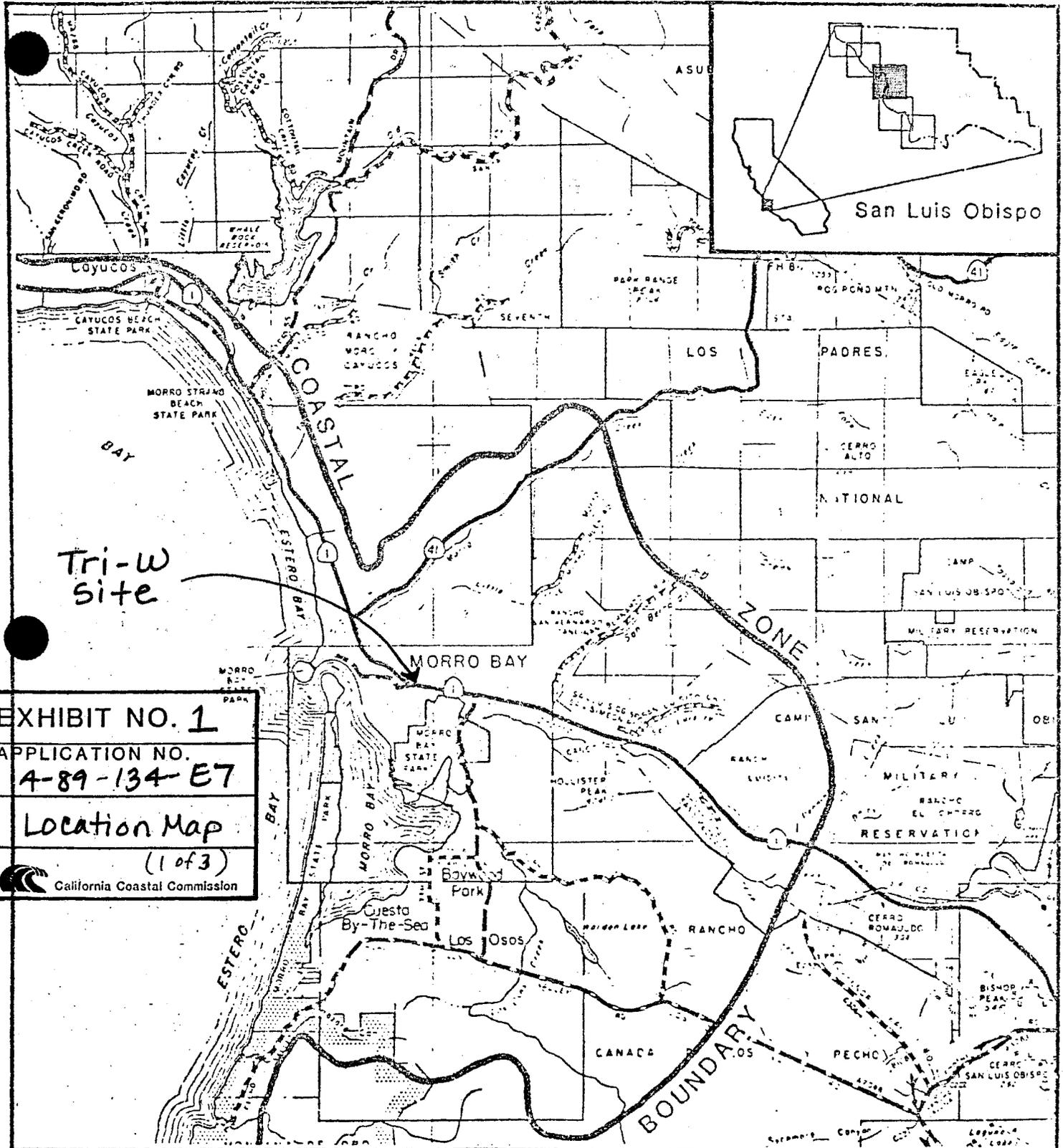
There are at least three circumstances pertaining to this project and its consistency with the Morro Bay LCP that have changed since the approval in 1991 of the coastal development permit for commercial development: the designation of Highway One through the City of Morro Bay as a State Scenic Highway; redevelopment and expansion of existing commercial development nearby in the City, and proposed improvements to the circulation system.. These changed circumstances should be recognized and incorporated when evaluating the proposed project's consistency with the certified LCP, and therefore, it is not appropriate to approve the extension request.

Secondly, given the history of the site, as detailed in the background discussion above, it is clear that commercial development has been contemplated to occur in the area zoned for commercial uses since at least 1988. However, the City allowed the precise plan to be withdrawn so there is no local approval for the project approved by the Coastal Commission under this permit, or for any other project on the site. The applicant will have to return to the City with a new application for a new project, which may or may not require amendment or abandonment of this Coastal Commission permit and which may or may not be appealed to the Commission. There is no logical reason to further extend this Coastal Commission permit, given the City's action accepting withdrawal of the applicant's conditional use permit and the applicant's stated desire to create a new project on the site. Therefore, the Commission denies the requested extension of permit A-4-MRB-89-134.

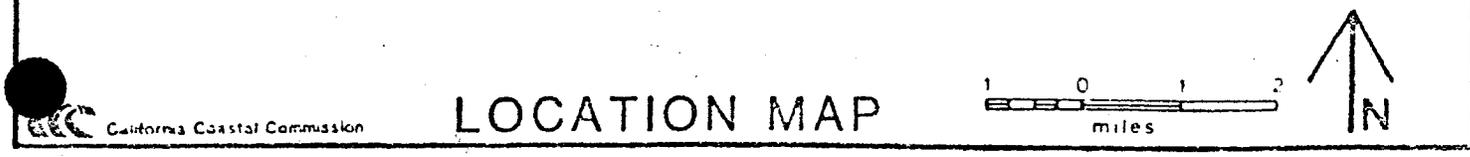
#### **E. CALIFORNIA ENVIRONMENTAL QUALITY ACT**

Section 13096 of the California Code of Regulations requires that a specific finding be made in conjunction with coastal development permit applications showing the application to be consistent with any applicable requirements of CEQA. Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect which the activity may have on the environment. The Coastal Commission's review and analysis of land use proposals has been certified by the Secretary of Resources as being the functional equivalent of environmental review under CEQA. As discussed herein, the extension of the coastal development permit for the Tri-W coastal development permit cannot be approved because there may be feasible, less environmentally-damaging alternatives.





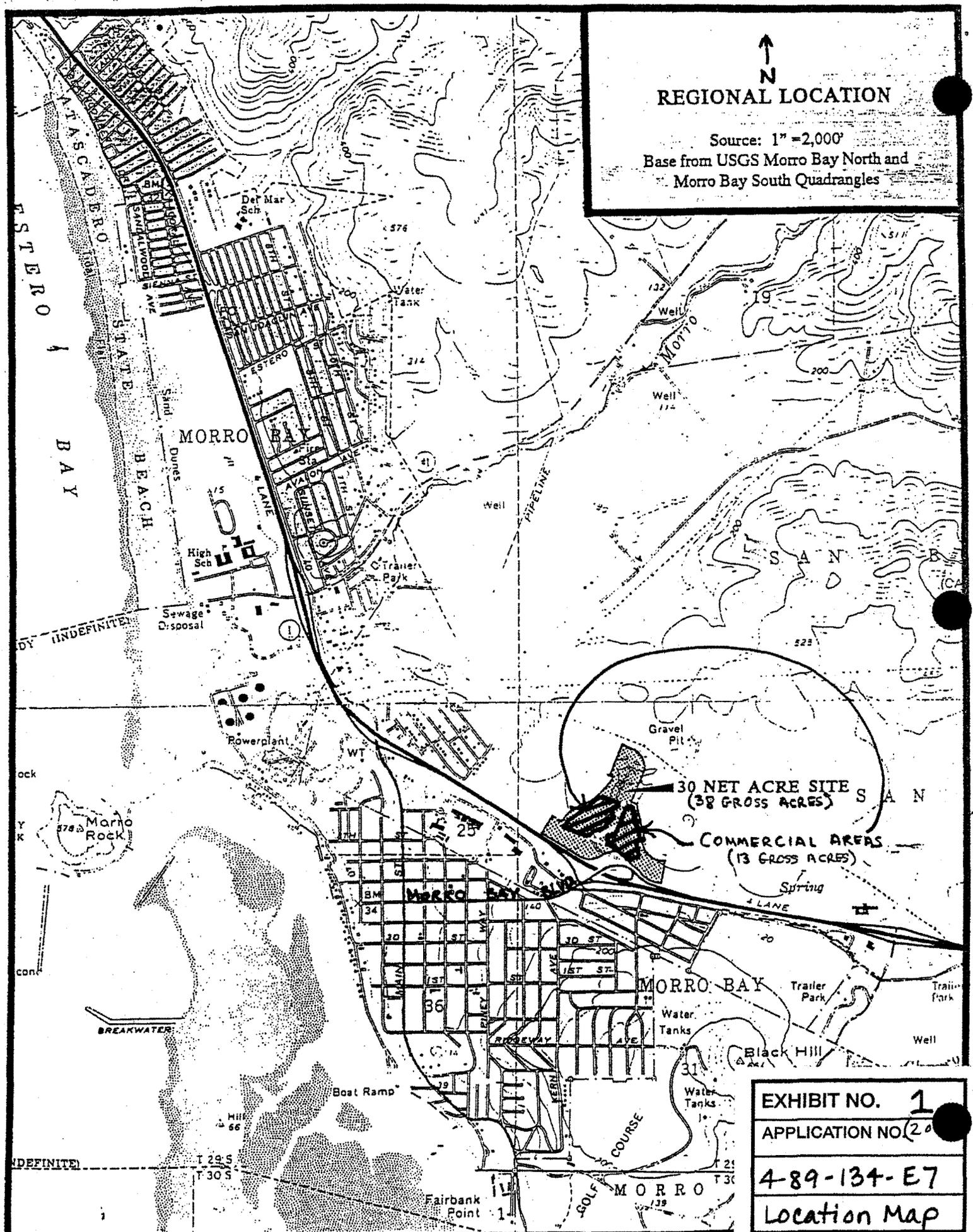
**EXHIBIT NO. 1**  
 APPLICATION NO.  
**4-89-134-E7**  
**Location Map**  
 (1 of 3)  
 California Coastal Commission



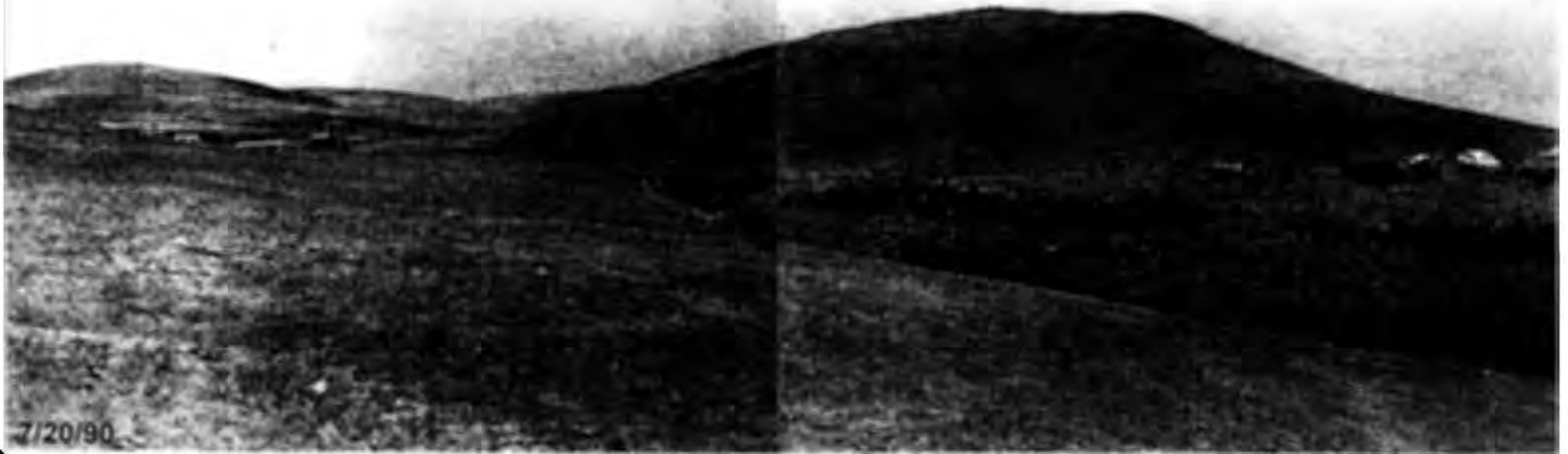
**LOCATION MAP**

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**REGIONAL LOCATION**

Source: 1" = 2,000'  
Base from USGS Morro Bay North and  
Morro Bay South Quadrangles



**EXHIBIT NO. 1**  
**APPLICATION NO. (20)**  
**4-89-134-E7**  
**Location Map**



Tri W Site – looking east (structures have since been removed)

Exhibit I  
Site Photos  
(3 of 3)



Tri W Site – looking northeast at Camp Willow Creek  
(structures have since been removed)



Tri W Site – looking northeast  
(structures have since been removed)

7  
ORDINANCE NO. 389  
(Measure H)

INITIATIVE MEASURE TO REZONE A PORTION OF WILLIAMS BROTHERS PROPERTY TO REDUCE THE ACREAGE ALLOWED FOR COMMERCIAL AND TO PROHIBIT VISITOR SERVING COMMERCIAL

THE PEOPLE OF THE CITY OF MORRO BAY DO ORDAIN:

SECTION 1: Morro Bay General Plan policy LU-48, Section 2 shall be repealed.

SECTION 2: Morro Bay General Plan policy LU-49 shall be amended to read as follows:

The City shall amend its General Plan Land Use Element LU-49 and all applicable ordinances, policies and maps to designate a portion of the Williams' property within the city limits for "district commercial" use, including a new shopping center. The total area to be designated for such use shall be thirteen (13) gross acres generally located adjacent to Highway 1 and Morro Bay Boulevard. The citing of such use shall be in accordance with a precise development plan consistent with the General Plan Land Use Element and relevant Coastal Act Chapter 3 policies.

Nothing contained herein shall be construed to permit any residential development on the Williams property.

SECTION 3: Upon adoption, this ordinance shall be immediately submitted to the California Coastal Commission for certification as an amendment to the General Plan for the City of Morro Bay.

SECTION 4: If any provision of this ordinance is adjudged invalid by a court of competent jurisdiction, such provision shall be deemed separate, distinct and severable and such adjudication shall not affect the remaining provisions of the ordinance.

SECTION 5: This ordinance shall supersede all other ordinance and General Plan Policies in conflict therewith.

CERTIFICATION

I Ardith Davis, City Clerk of the City of Morro Bay, do hereby certify that the foregoing is a true and correct copy of an ordinance adopted by a majority vote of the electors voting in a general municipal election held in the City of Morro Bay on the 6th day of November, 1990.

Dated: January 14, 1991

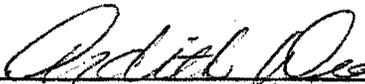
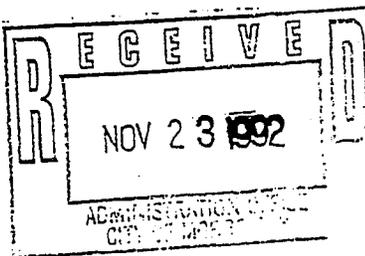
  
ARDITH DAVIS, City Clerk  
City of Morro Bay, California

Exhibit 2  
Measure H

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Shane Kramer No. 131242  
Attorney at Law  
P.O. Box 14259  
San Luis Obispo, CA 93406  
(805) 544-5609



C-1

(ENDORSED)  
**FILED**  
NOV 19 1992

Attorney for Petitioners  
VOTERS INITIATIVE COMMITTEE  
RANDALL A. RUFF

FRANCIS M. COONEY, COUNTY CLERK  
By F.M. COONEY  
COUNTY CLERK

SUPERIOR COURT FOR THE STATE OF CALIFORNIA  
COUNTY OF SAN LUIS OBISPO

VOTERS INITIATIVE COMMITTEE, )  
a Non-profit California Corporation )  
and RANDALL A. RUFF, an individual )

Case No. 71138

Petitioners, )

vs. )

CITY OF MORRO BAY, a )  
Political Subdivision of the )  
State of California; and WILLIAMS )  
BROS., a California Corporation )

AMENDED ORDER TO COMPLY WITH  
PEREMPTORY WRIT OF MANDATE

Respondents. )

Petitioners' motion for an Order to Comply with Peremptory Writ of Mandate issued May 18, 1992 came on regularly before me, Judge Paul H. Coffee, at 9:00 a.m. on September 25, 1992 in Department III of the above-entitled court. Judy Skousen, Morro Bay City Attorney, appeared for Respondent CITY OF MORRO BAY; Judy Davidoff appeared as counsel for TRI-W ENTERPRISES (formerly known as WILLIAMS BROS. INC.); and Shane Kramer appeared as the attorney for Petitioners. The matter was duly argued by counsel for the parties. Having considered the arguments of counsel, reviewed the pleadings and points and authorities submitted by

Exhibit 3 (1 of 2)  
Court order

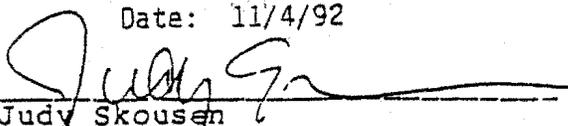
1 the parties, the papers, records and files herein, and the  
2 evidence presented at hearing on this matter and good cause  
3 appearing, the court hereby amends its order of May 18, 1992 so  
4 as to include the following:

5 1. The court orders Respondent CITY OF MORRO BAY to comply  
6 with the above-mentioned Peremptory Writ of Mandate by  
7 immediately informing the California Coastal Commission, in  
8 writing, that "visitor-serving commercial" uses are impermissible  
9 as a provision of LCP Amendment 2-91 under the provisions of  
10 Measure H and are in violation of Election Code section 4013. The  
11 court orders Respondent CITY OF MORRO BAY to rescind Ordinance  
12 No. 415 and Resolution No. 20-92, which were adopted by its City  
13 Council on February 24, 1992, and to immediately inform the  
14 California Coastal Commission in writing that it has done so.

15 2. The court further orders Respondent CITY OF MORRO BAY to  
16 comply with the above-mentioned Peremptory Writ of Mandate by  
17 immediately amending its LCP Amendment 2-91 submission to the  
18 California Coastal Commission in such a manner as to eliminate  
19 any provision whatsoever from LCP Amendment 2-91 which allows or  
20 otherwise provides zoning for "visitor-serving" uses.

21  
22 Dated: NOV 19 1992

22 /s/ PAUL H. COFFEE  
23 Paul H. Coffee  
24 Judge of the Superior Court

24 APPROVED AS TO FORM:  
25 Date: 11/4/92  
26   
27 Judy Skousen  
28 Attorney for Respondent  
CITY OF MORRO BAY

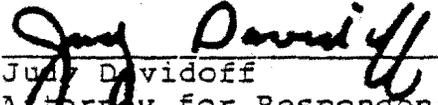
26   
27 Judy Davidoff  
28 Attorney for Respondent  
TRI-W ENTERPRISES

Exhibit 3 (2 of 2)  
Court Order

# PROPOSED REZONING MEASURE H COMPLIANCE

Δ = 0007.131  
R = 1585.00"  
L = 212.56'

30' WIDE P.C.B.C. CASEMENT  
PER 743-00-43

Δ = 3001.31  
R = 1815.00"  
L = 417.23'

City/Limit

AG (existing)

AG (existing)

AG (existing)

AG (existing)

AG (existing)

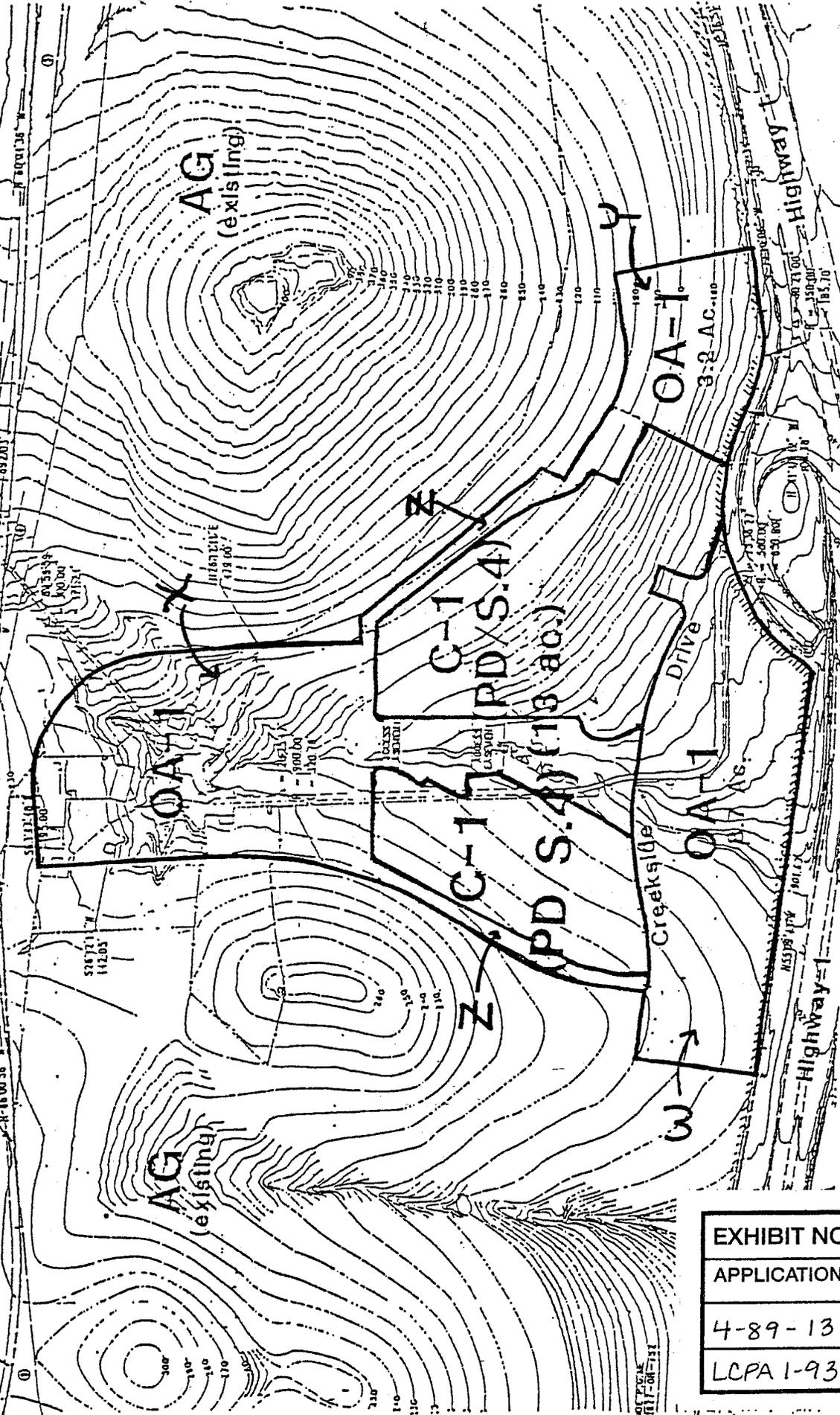


EXHIBIT NO. 4 (1 of 2)
APPLICATION NO.
4-89-134-E7
LCPA 1-93 Map

# PROPOSED GENERAL PLAN/LOCAL COASTAL PLAN MEASURE H COMPLIANCE

Δ = 300' (31)  
 1" = 400' (40)  
 L = 417.75'

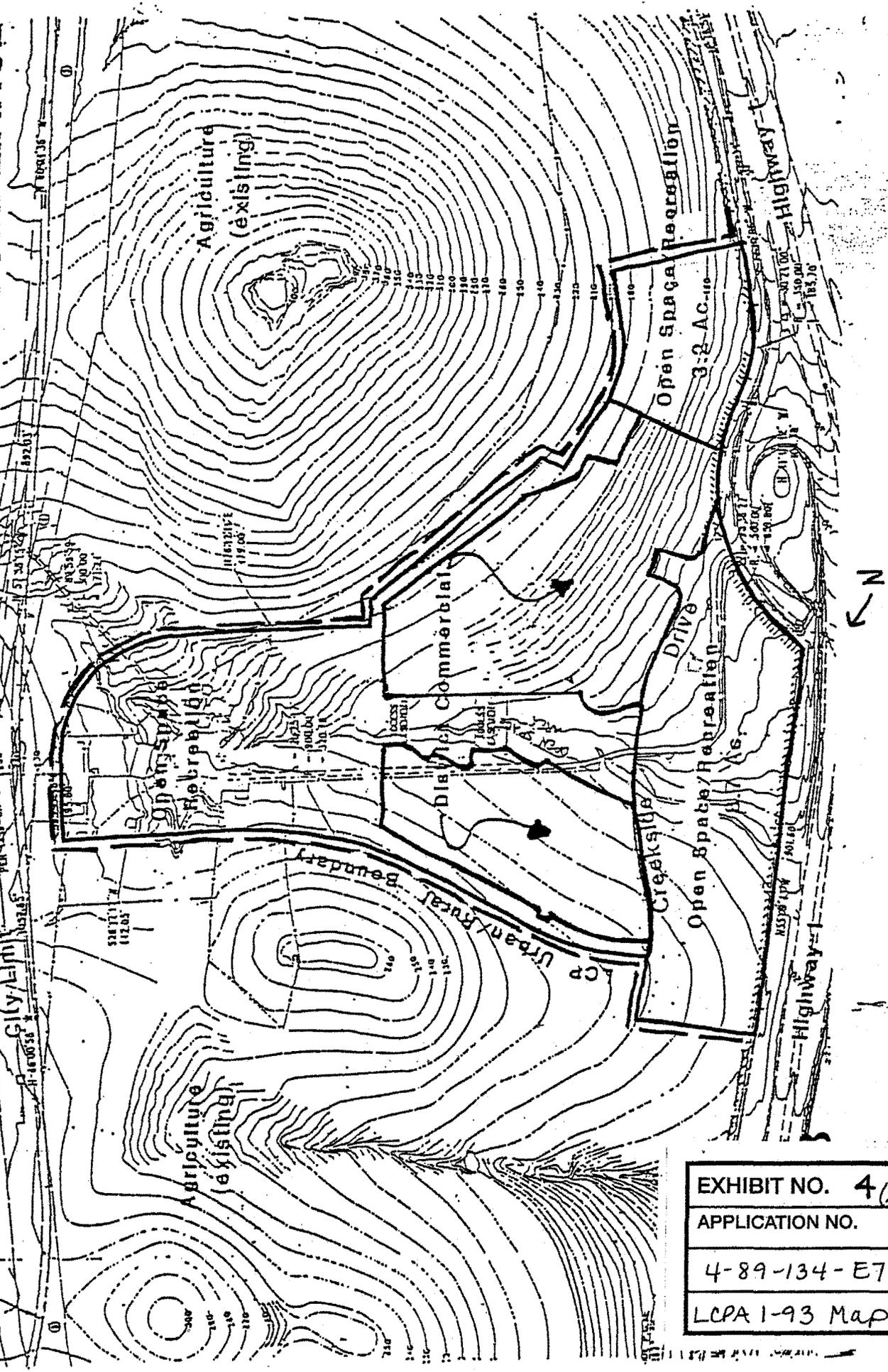


EXHIBIT NO. 4 (2 of 2)
APPLICATION NO.
4-89-134-E7
LCPA 1-93 Map