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COASTAL DEVELOPMENT PERMIT APPLICATION

Application number3-08-052, Morro Bay Conference Center			
Applicant	Burt Caldwell and Doug Redican		
Project location	Along the Morro Bay Embarcadero at 801 and 833 Embarcadero Road (lease sites 86-88 and 82W-88W; APNs 066-352-044, 066-352-045, 066-352-046, 066-352-047, and 066-352-024) and on the Morro Bay Boulevard street end adjacent to and over Morro Bay in the City of Morro Bay, San Luis Obispo County.		
Project description	Demolish portions of two existing commercial buildings and related development and construct a single 19,149 square foot commercial retail and conference center structure (with approximately 6,500 square feet of commercial retail space, 6,300 square feet of conference room space, 2,800 square foot restaurant, office space, restrooms, kitchen, service area, and related development) and related development, including 17 new boat slips, two enhanced public plazas, and public access decks along the Embarcadero.		
Local approvals	Concept Plan Approval of Conditional Use Permit UP0-212, City of Morro Bay City Council (September 22, 2008).		
File documents	City of Morro Bay Certified Local Coastal Program (LCP).		
Staff recommendation Approval with Conditions			

A.Staff Recommendation

1. Summary of Staff Recommendation

The Applicants propose to demolish two existing commercial retail structures and construct a new mixed-use development consisting of commercial retail space, restaurant, conference center, boat slips and related development (docks, gangways, etc. supported by 32 concrete and steel pilings), public access improvements (including publicly available floating dock, view deck, lateral access boardwalk, restrooms, and two public plazas). The proposed new development includes roughly 6,529 square feet of commercial retail space, 6,324 square feet of conference room space, a 2,840 square foot restaurant, 17 boat slips, office space, restrooms, and service area. The new mixed use structure will be a single,



roughly 88-foot by 128-foot rectangular structure that will be two stories tall and approximately 25 feet in height. The project is located on ten land and water lease sites in the central Embarcadero, and also includes public plaza development on the un-leased Morro Bay Boulevard street end adjacent to the existing lease sites. As proposed, the project will expand existing boating facilities in Morro Bay by increasing the capacity of the existing side-tie docks from approximately 6 boats (existing, depending upon size) to a maximum of 17 boats.

The proposed project raises Coastal Act conformance issues primarily with respect to public views/character and public recreational access. In terms of public views and character, the project site is located along the very popular Embarcadero area and Morro Bay itself, with Morro Rock prominent in the view across the site and towards the Pacific Ocean. The Commission has long been considerate of the spectacular natural setting as well as the aesthetics of the built environment as the Morro Bay Embarcadero has redeveloped over time. This project is no different in that sense. As proposed, the project would result in an overly large and boxy structure lacking significant design interest and articulation in relation to surrounding public view areas, and would lead to inappropriate public viewshed impacts as a result. Although the existing development at the site shares some of these same viewshed issues, redevelopment of the site, as proposed, must be cognizant of the vision for this area, including in terms of public viewshed enhancement.

In terms of public recreational access, the proposed project will provide new public recreational access opportunities by expanding the existing network of floating docks and allowing the public to access 30 linear feet of Bay waters between slips 9 and 10 during daylight hours. Public access will be further enhanced by improvements to two significant public plaza areas located on either side of the main building, the 8-foot lateral access decks proposed around the perimeter of the main building, as well as public restrooms, landscaping, and related improvements. The utility of these improvements will be, however, somewhat diminished by the massing and design issue described above, and the improvements also do not completely meet the 'greater public benefit' criteria for allowing second stories and the building height proposed as required by the LCP and as typically required by the Commission in Embarcadero CDPs (e.g., expanded viewing areas, 10-foot public access walkways, public dock use criteria, etc.).

In addition, the project requires significant parking for the range of uses proposed, including, in particular, the conference center use. Total parking demand for the proposed project would be 197 spaces, all of which is proposed to be satisfied offsite (via a combination of measures including parking agreements with adjacent businesses, making use of under-utilized parking lots in the area, and shuttle/valet service for large events). It is possible, if not probable, that prime public access parking in the immediate shoreline Embarcadero area would be taken up by users of the site, and such parking use would decrease the amount of generally available public parking. The impact on general public parking access would be exacerbated in this sense due to the fact that there would be no on-site parking.

Finally, marine resources found in the area include marine mammals and birds, which are located in or nearby areas proposed for construction activity. Such wildlife, including otters and pelicans, can be impacted by noise and construction activity. Thus, mitigation measures are proposed that include hiring



a monitor to be present on the jobsite at all times during construction with the authority to issue an immediate stop work order should these species be detected within in the project area. Additionally, eelgrass was detected on the lease sites seaward of the existing development. The City's approval requires all activities that disturb the ocean floor (i.e., installation of pilings) to be monitored by a project biologist to ensure that impacts to eelgrass are avoided or minimized.

Thus, as proposed, and notwithstanding the public recreational and visitor-serving value of these improvements, the proposed project raises Coastal Act consistency issues primarily related to ensuring that the public recreational access components of the project are adequate, that parking demand does not significantly affect general public access, and that the mass and scale of the proposed development does not disrupt scenic views or overwhelm important public access features. The project also raises concerns with respect to protecting the marine environment appropriately at this bayside location, including during construction, and including avoiding eelgrass beds as much as possible consistent with the Commission's long practice in terms of permitting projects in Morro Bay.

Staff has worked closely with the Applicants to identify mutually agreeable modifications to the project that can address these Coastal Act inconsistencies appropriately in this case. Specifically, the adjustments necessary to bring the project into conformance with the Coastal Act include: reducing the mass and scale of the mixed use structure so that it is mostly single-story and so that it is decreased in overall size by nearly 40%; redesigning the mixed use structure to enhance public views, to add architectural interest and articulation, and to better compliment the public recreational access improvements; widening the lateral access boardwalk to 10 feet along the entire bay frontage; expanding the mix of uses; providing protections for eelgrass and marine mammals; implementing construction management and material containment measures; ensuring that the new floating dock and boat slips are available for general public use; and providing detail on both public access and parking management over time.

As proposed and conditioned by this permit, the project will expand visitor-serving uses on the Morro Bay Embarcadero with the establishment of a conference center, restaurant, and commercial retail businesses. The proposed project will also provide new public recreational access opportunities by expanding lateral public access along 185 linear feet of bay frontage, a significant link in both the central Embarcadero shoreline access trail and the California Coastal Trail. The existing public access view deck at the Morro Bay Boulevard street end will be enlarged to approximately 26 feet by 30 feet, twice the size of the existing deck. A new 58-foot wide public plaza within the Morro Bay Boulevard street end and a second plaza 35 feet in width at the north side of the proposed building will be constructed as part of the proposed project, along with new floating dock/boat slips that are proposed for enhanced access and recreational opportunities. Permit conditions refine and secure these public access and visitor-serving elements, and address public use issues.

In sum, and as conditioned, the project represents a truly exceptional public recreational/visitor-serving access project, with components that will be sited and designed in such a way as to provide maximum public benefit at this important public site along Morro Bay and the Embarcadero. **Staff recommends**



that the Commission approve a CDP with conditions. The necessary motion is found directly below.

2. Staff Recommendation on Coastal Development Permit

Staff recommends that the Commission, after public hearing, **approve** the proposed project subject to the standard and special conditions below.

Motion: I move that the Commission approve coastal development permit number 3-08-052 pursuant to the staff recommendation.

Staff Recommendation of Approval: Staff recommends a **YES** vote. Passage of this motion will result in approval of the permit as conditioned and adoption of the following resolution and findings. The motion passes only by affirmative vote of a majority of the Commissioners present.

Resolution to Approve the Permit: The Commission hereby approves a coastal development permit for the proposed development and adopts the findings set forth below on grounds that the development as conditioned will be in conformity with the policies of Chapter 3 of the Coastal Act. Approval of the permit complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or 2) there are no further feasible mitigation measures or alternatives that would substantially lessen any significant adverse impacts of the development on the environment.

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- Exhibit A: Location Map
- Exhibit B: Proposed Site Plans and Elevations
- Exhibit C: Site Photographs



Exhibit D: Computer Simulation of Proposed Development Exhibit E: Waterfront Master Plan Policies Exhibit F: Correspondence Exhibit G: Modified Building Parameters Submitted November 3, 2009

B.Findings and Declarations

The Commission finds and declares as follows:

1. Project Background, Location, and Description

Embarcadero History

Until the mid-1940's, most of the small community of Morro Bay was built on the bluff tops above the tidal flats. Between 1942 and 1945, the north and south breakwaters at the entrance to the Morro Bay harbor, two "T"-piers, and the inner harbor bulkhead were constructed for a Navy amphibious base. A navigational channel was dredged and the spoils deposited behind the inner harbor bulkhead to create a fill area along the bay that became known as the Embarcadero. In the late 1940's the Navy base, including all waterfront facilities, was sold to San Luis Obispo County. Buildings began to be constructed on the Embarcadero, and various docks and piers were occupied by a growing fleet of commercial fishing boats. In 1964, the City of Morro Bay incorporated and assumed jurisdiction over the County's waterfront land and facilities, including the Embarcadero. Trusteeship of state tidelands was also transferred to the City at that time.

Pursuant to the terms of the state tidelands grant, the underlying tidelands are only to be used for harbor development and for construction of facilities related to fisheries commerce and navigation, as well as for recreational uses, public parks, parking, highway, playgrounds, and businesses incidental to these uses. The City may lease said lands for stipulated purposes for periods of up to 50 years, though convenient access across said lands to the water and the absolute right to fish must always be reserved.

Morro Bay and the Embarcadero in particular, are major tourist attractions and prime coastal visitorserving destinations with an estimated 1.5 million visitors annually. The Embarcadero is now largely developed with a variety of visitor-serving (overnight units, restaurants, gift shops, etc.) and coastalrelated land uses (i.e., kayak rental, commercial and recreational fishing services, etc.). Parcels on the bayside of Embarcadero are leased to individual lessees by the City through the City's proxy relationship to the State Lands Commission and the state tidelands underlying the Embarcadero. The Coastal Commission retains permitting jurisdiction on all such tideland properties, including the fill areas along the Embarcadero, and including the property that is the subject of this permit application. As a result, the standard of review for the proposed project is the Coastal Act, although the certified Morro Bay LCP can provide non-binding guidance.



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Project Location

The proposed project is located on the bayside of the Embarcadero in Morro Bay at 801 and 833 Embarcadero Road (see Exhibit A). Embarcadero Road is the first public through road and it parallels the Morro Bay estuary and the City's commercial and recreational harbor. The Embarcadero's character is still strongly focused on commercial fishing, although more recent developments have put a more finished facade to this style over time. The project site is located in the central Embarcadero north of Morro Bay Boulevard and is comprised of ten lease sites (86-88, 82W-88W), seven of which extend out into the bay (82W-88W), and the area at the end of Morro Bay Boulevard (i.e., the street end, not currently the subject of a lease). The subject site gently slopes down from an elevation of roughly 11.5 feet above mean sea level at Embarcadero Road to approximately 10 feet above mean sea level at the top of the bulkhead at Morro Bay proper. The land portion of the project site currently under lease from the City (lease sites 86, 87, and 88; approximately 11,743 square feet), is occupied by 2 two-story commercial retail structures totaling 14,441 square feet, with walkways, public plaza (north side), and parking for five vehicles. The Morro Bay Boulevard street end (approximately 5,310 square feet) provides mainly vehicle access and parking but also pedestrian access to adjacent businesses and a public observation/view deck. Together, the land components of the project site (i.e., the three lease sites and the street end) equal 17,053 square feet. There are also currently three side-tie floating dock structures, one each at water lease sites 86W, 87W, and 88W, that are used to moor both commercial and recreational boats, and an aforementioned 390 square foot public view deck (13-foot by 30-foot) on pilings over the water at the Morro Bay Boulevard street end. Currently, there is no lateral shorefront access across the lease portions of the property with the existing buildings, however vertical access at Morro Bay Boulevard and the public plaza (at the north end of the development site) is easily gained from Embarcadero Road. See Exhibit A for location maps and Exhibit C for site photos.

Project Description

As approved by the City of Morro Bay, the proposed project includes the demolition of all side-tie floating docks, interior walls of the two structures, planters, asphalt, exterior stairs, and decking, and construction of a single two-story structure totaling 19,149 square feet and approximately 25 feet in height, with a 35-foot wide public plaza (approximately 3,780 square feet) on the north side of the main structure, a 58-foot wide public plaza (approximately 5,310 square feet) on the south side of the structure, retention of the existing public view deck, a bayside lateral public access boardwalk 8 feet in width across the entire width of the project site, and related improvements such as public restrooms, benches, sidewalks, planters, and lighting. Vertical access to the lateral boardwalk and new view deck would be gained via the public plazas. The proposed mixed-use development includes ground floor development made up of commercial retail space totaling 6,529 square feet, public restrooms, kitchen (923 square feet), dining area (1,917 square feet), stairs, storage, elevators, and utility room, and second floor development consisting of conference room space (totaling 6,324 square feet), restrooms, kitchen (716 square feet), office space (245 square feet), roof deck (1,142 square feet), stairs, storage, and elevators. A basement level is also proposed including storage room (approximately 862 square feet), stairs, and elevator landing. The proposed project also includes installation of 32 steel/concrete pilings necessary to support construction of 17 new recreational boating finger slips on the water lease sites, accessible from both plaza areas and Rose's Landing water lease space to the south (i.e., lease sites



82W-85W). Thirty square feet of dock will be reserved for public boating access use between slips 9 and 10, near the center of the new floating dock. The dock will be sited to avoid and enhance nearshore habitat values for eelgrass, where possible. Parking requirements will be addressed via a combination of measures including by securing parking agreements with adjacent businesses, making use of underutilized parking lots, and shuttle/valet service provided by the conference center during large events. Finally, the project also includes extending the new boat slips beyond the boundaries of the water lease sites by 40 feet, and includes a new lease site over (and use of) the Morro Bay Boulevard street end as part of the public plaza development for the project. See Exhibit B for project plans.

2. Coastal Development Permit Determination

A. Marine Resources

The project involves construction, demolition, and fill activities in the Morro Bay estuary that may result in adverse environmental impacts to marine resources, as well as adversely affect water quality. The project involves the demolition of existing structures in and over open coastal waters. It also includes construction of new structures and expanded boating facilities including new finger slips and floating dock for joint recreational boating and public access uses which involves installation of 32 steel/concrete pilings directly in the Morro Bay estuary.

1. Coastal Act Policies

Coastal Act Section 30230 requires that marine resources be maintained, enhanced and restored. New development must not interfere with the biological productivity of coastal waters or the continuance of healthy populations of marine species. Coastal Act Section 30230 states:

Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.

Additionally, Coastal Act Section 30233 allows fill of open coastal waters and estuaries for the placement of structural pilings for expanded harbor and marina facilities as well as public recreational piers that provide public access and recreational opportunities. The Coastal Act allows such activities where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects. It states in relevant part:

(a) The diking, filling, or dredging of open coastal waters, wetlands, estuaries, and lakes shall be permitted in accordance with other applicable provisions of this division, where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects, and shall be limited to the following:



(1) New or expanded port, energy, and coastal-dependent industrial facilities, including commercial fishing facilities. ...

(3) In open coastal waters, other than wetlands, including streams, estuaries, and lakes, new or expanded boating facilities and the placement of structural pilings for public recreational piers that provide public access and recreational opportunities.

Coastal Act Section 30231 requires that the productivity of coastal waters necessary for the continuance of healthy populations of marine species be maintained and restored by minimizing waste water discharges and entrainment and controlling runoff. Coastal Act Section 30231 states:

The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.

Coastal Act Sections 30220, 30224, 30234, and 30234.5 protect recreational and commercial boating facilities and encourages new development to upgrade these facilities in the following manner:

30220. Coastal areas suited for water-oriented recreational activities that cannot readily be provided at inland water areas shall be protected for such uses.

30224. Increased recreational boating use of coastal waters shall be encouraged, in accordance with this division, by developing dry storage areas, increasing public launching facilities, providing additional berthing space in existing harbors, limiting non-water-dependent land uses that congest access corridors and preclude boating support facilities, providing harbors of refuge, and by providing for new boating facilities in natural harbors, new protected water areas, and in areas dredged from dry land.

30234. Facilities serving the commercial fishing and recreational boating industries shall be protected and, where feasible, upgraded. Existing commercial fishing and recreational boating harbor space shall not be reduced unless the demand for those facilities no longer exists or adequate substitute space has been provided. Proposed recreational boating facilities shall, where feasible, be designed and located in such a fashion as not to interfere with the needs of the commercial fishing industry.

30234.5. The economic, commercial, and recreational importance of fishing activities shall be recognized and protected.

Finally, Coastal Act Section 30250 states:



(a) New residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources. In addition, land divisions, other than leases for agricultural uses, outside existing developed areas shall be permitted only where 50 percent of the usable parcels in the area have been developed and the created parcels would be no smaller than the average size of surrounding parcels. ...

2. Analysis of Impacts on Marine Resources and Essential Fish Habitats

Morro Bay is an estuary of 2,300 acres fed by Chorro and Los Osos Creeks. It is protected from the Pacific Ocean by a lengthy sand spit extending along the Pacific Ocean some 5.5 miles. The estuary is a nursery for many species of invertebrates and fish, including some that live as adults in the ocean. The shallow water, eelgrass beds and wetlands provide protected habitat and rich food sources for birds, larvae, and fry. Marine mammals, invertebrates, fish, and seabirds make use of both the aquatic and terrestrial environments provided within the bay.

Birds and Marine Mammals. Marine mammals that have been found in the project area include the Pacific harbor seal (*Phoco vitulina*) and the threatened California sea otter (*Enhydra lutris*). California brown pelicans (*Pelecanus occidentalis* californicus) have also been observed in and around Morro Bay, the harbor, and the project site. Seals and otters feed on fish, clams, worms and other larger invertebrates throughout the estuary.

Typically, short-term noise impacts associated with construction activities are restricted to daylight hours and are not viewed as significantly impacting the physical environment. However, pile driving has the potential to adversely impact marine life, including fish and marine mammals. The noise and activity of construction may alter the behavior of fish in the immediate vicinity of the project or cause them to avoid the construction area temporarily. In addition, noise associated with pile driving may also disturb marine mammals. The NOAA National Marine Fisheries Service (NOAA Fisheries) has adopted 160 dB as an acceptable level of impulsive underwater sound. In reviewing recent past pile driving activities with the potential for marine mammal effects, the Commission has generally relied on 160 dB as a reasonable threshold for avoidance measures to be implemented for marine mammals (for example, CDPs 3-08-025 (Virg's Harbor Hut Docks) and 1-07-013 (Mad River Bridge)). Marine mammals typically avoid noisy project areas and can be easily monitored during construction activities to ensure that they are not harmed. The City of Morro Bay conditioned its permit to require an environmental monitor to be on the job site at all times during which the pile driver is in operation. The environmental monitor will have the authority to halt any action that might result in injury or mortality of such wildlife, and will have the authority to employ non-invasive methods to discourage such animals from entering the construction area using methods approved by the California Department of Fish and Game (CDFG) and USFWS (such as use of hand waving, hand clapping, herding boards, or water hoses). The monitor will determine when it is safe to resume work after the mammal has left the area. The City's conditions of approval have been incorporated into this permit by Special Condition 8. As conditioned by the City



and incorporated into this CDP, construction of the proposed development will not adversely impact birds and marine mammals and is therefore consistent with Coastal Act Section 30230.

In terms of fish impacts, the Commission has found that high pressure impacts resulting from loud noise involving pile driving can, in some instances, kill fish and that the appropriate threshold for minimizing impacts to fish is to limit underwater noise levels to no more than 187 dB SEL¹ accumulated and 206 peak dB (for example, CDPs CC-074-05 (Caltrans) and CDP 1-06-022 (Caltrans)). Noise levels above these thresholds may result in increased fish (and marine mammal, if present) mortality rates. Thus, in order to minimize adverse impacts to fish (and marine mammals), Special Condition 5(f) requires that underwater noise generated by pile driving activities not exceed an accumulated 187 dB SEL as measured 5 meters from the source. At no time shall peak dB SEL rise above 206 at 10 meters from the source. If construction noise exceeds the above thresholds, then alternative methods of pile driving (including, but not limited to, vibratory pile driving, press-in pile placement, drilling, dewatered isolation casings, etc.) or other sound mitigation measures (including, but not limited to sound shielding and other noise attenuation devices) shall be used as necessary to achieve the required dB threshold levels. Further, Special Condition 5(f) requires that hydro-acoustical monitoring be performed to ensure that underwater noise generated by pile driving activities does not exceed the specified limits, and that the applicant consult with the U.S. Fish and Wildlife Service (USFWS) and NOAA Fisheries to develop a monitoring program that meets this objective. In short, marine mammals will be protected by the biological monitor, including through encouraging such mammals to move away form the pile driving area should they venture into it during construction. Fish, which are not so easily identified and directed away, will be protected by the underwater noise limits, which will also serve to help protect mammals.

Eelgrass Beds. Eelgrass (*Zostera marina*) is a marine plant that grows in clear, well-lit, shallow coastal waters and provides shelter and spawning habitat for fish and invertebrates. It is widely recognized as one of the most productive and valuable habitats in shallow marine environments. The 1996 amendments to the Magnuson-Stevens Fishery Conservation and Management Act set forth Essential Fish Habitat provisions to identify and protect important habitats of federally managed marine and anadromous fish species. Eelgrass beds are considered a Special Aquatic Site by the U.S. Army Corps of Engineers (ACOE), CDFG, USFWS, and NOAA Fisheries. Eelgrass habitat is regulated under Section 404 of the Clean Water Act and is considered Essential Fish Habitat by NOAA Fisheries.

Though the central and southern portion of the bay still contain fairly large, intact, and thriving eelgrass beds, the main harbor area adjacent to the proposed development site has undergone significant changes that have altered the condition and extent of eelgrass at this location. In addition, development along the Embarcadero has resulted in changes to the historic extent of eelgrass along these shores. The waterfront area has been heavily used by commercial and recreational fishing boats since the opening of the harbor in the mid 1940's. As a result, much of the fringing eelgrass beds and benthic environments that once existed have become fragmented and only remnant patches of eelgrass beds exist in areas where favorable ambient conditions prevail to support growth. Eelgrass thrives in a very narrow range of environmental conditions including shallow water with minimal turbidity and a mud or sandy substrate

¹ SEL is the sound exposure level for a single pile strike.



with good exposure to sunlight (i.e., minimal shading). A good example of this is the healthy eelgrass beds at the north end of the harbor adjacent to the Dynegy Energy intake. At this location, there is little development or disturbance of the shallow (i.e., less than 10-foot) intertidal area. Water clarity is good and adequate sunlight is available to support colonization and retention of eelgrass. In contrast, in many instances around the harbor, structures such as buildings, piers, and docks have encroached into this shallow intertidal zone and eelgrass has retreated.

Results of an eelgrass survey prepared for the site indicate that roughly 86 overall square feet of eelgrass habitat consisting of several small patches and widely scattered individual plants are growing in approximately 10 feet of water in areas that are not shaded by structures. One exception is the shoreline directly beneath the overhanging deck of the existing Rose's Grill where approximately 17 square feet of eelgrass is growing, and where the height of the deck is sufficiently above the water line to allow angled sunlight to reach the eelgrass below. According to Tenera Environmental, the firm hired to survey for eelgrass, significant impacts to existing eelgrass are not expected, as the finger slips are designed and sited to avoid eelgrass as much as possible. Two small patches near the existing floating dock at the end of the public view deck could be impacted by shading from the new boat slips. These same patches are currently shaded by the existing floating dock and the new dock could similarly shade the eelgrass but from a different angle. It remains unclear whether changing the shading and sunlight angles will affect these two small patches. It must also be noted that the proposed new dock system with boats will shade areas that are currently not shaded and that these areas could be considered potential habitat for eelgrass. Although no eelgrass was found in the footprint of the proposed new dock system, a few widely scattered individuals were present at the south end of the survey area. The occurrence of these individuals away from the bulkhead/revetment area indicates that eelgrass could possibly populate areas away from the immediate shoreline in the vicinity of the finger slips, though it is unknown whether these areas could eventually develop into larger definitive eelgrass beds. Lastly, it should also be noted that additional eelgrass habitat may be created with the removal of the existing side-tie docks in the shallows near the toe of the revetment – the zone with the highest potential for eelgrass growth. The existing docks presently shade about 722 square feet of sea floor which would be opened up with their removal. The elevated public access walkway would be built directly above this area and allow a greater amount of angled sunlight to reach below. All told, about 8 square feet of eelgrass will be impacted, and 722 square feet of potential eelgrass habitat opened up.

With respect to Coastal Act policy requirements, marine resources must be protected and restored (Section 30230). New fill within the marine environment may be approved for limited uses, provided that the proposed development is the least environmentally damaging alternative and all feasible mitigation measures have been applied to minimize adverse impacts to the marine environment (Section 30233). New development must also be consistent with all other applicable marine resource protection policies. As noted above, the proposed project includes a request for new fill to support an expansion of boating facilities and public access.

As proposed, the new floating dock and finger slips are designed to minimize impacts on existing eelgrass and provide additional shallow water areas within the desired range for eelgrass re-colonization and growth. The proposal includes reconfiguring the boat slips and orienting them further to the west



and in water generally deeper than -10 feet mean sea level. The proposed design will protect existing larger eelgrass beds and will also open up previously occupied bay waters to facilitate natural regeneration and growth of eelgrass.

The proposed dock and slip reconfiguration has the potential to be superior to the existing configuration in terms of providing opportunity for enhancement of eelgrass habitat, provided that all impacts associated with construction and shading are fully mitigated. To ensure that this is carried out, the Applicants will be required to survey the eelgrass beds in the vicinity of the project both before and after construction, and annually thereafter for 3 years. Remedial measures may be necessary to offset any reduction in the extent of eelgrass coverage within the development footprint. In the Morro Bay area, the Commission has typically relied on NOAA Fisheries Southern California Eelgrass Mitigation Policy standards in this respect, including proportionally offsetting impacts on at least a 1.2:1 ratio as identified in that Policy. Thus, special conditions require the Applicants to offset any such reduction in eelgrass identified, including through application of this Policy. Special Conditions 1(m) and 4 contain the mapping requirements and contingency measures necessary to ensure successful restoration and enhancement.

In sum, the proposed new fill for the expansion of the boating facilities is an allowable use under Coastal Act Section 30233. And although the proposed expansion may result in the loss of a small amount of eelgrass initially, the revised location of the docks offers a significant opportunity for eelgrass habitat restoration and enhancement over the long term. Thus, the proposed project is the least environmentally damaging alternative in that it enhances available eelgrass habitat. Finally, Special Conditions are attached that will ensure restoration and enhancement is carried out such that feasible mitigation measures are provided to minimize the adverse effects of the project. The project, as conditioned, is therefore consistent with Sections 30230 and 30233 of the Coastal Act.

3. Navigation Hazards

The proposal to expand boating slip areas further into the Bay by 40 feet beyond the limits of the current water lease site boundaries raises two significant issues. First, the project could create a potential navigation hazard because it would place new boat slips further out towards the main navigation channel. Second, the proposed configuration of the boat slips has not been formally authorized by the City of Morro Bay (via lease agreement or reconfiguration of the water lease sites) or ACOE.

With respect to the latter, the Harbor District has indicated that the tidelands land use plan² guidance is broad and flexible enough to allow such an expansion into the bay. Regarding safe navigation in and around the navigation channel, the Harbor District has suggested that the distance between the end of the proposed expanded finger slips and the main navigation channel provides adequate distance for safe navigation, even for large commercial fishing vessels. According to the Harbor District, when the

² As trustees of these tidelands, the City of Morro Bay is authorized to manage the use and development of these waters consistent with the terms of its State Tidelands Land Use Plan approved by the State Lands Commission. The City's Harbor District implements the terms of the Land Use Plan via the issuance of third-party leases of the land and water lease sites along the Embarcadero.



project is brought back for precise plan review and approval, it will not be necessary to modify the slip configuration to ensure safe navigation of the channel.³

Coastal Act Sections 30220, 30224, 30233, 30234, 30234.5, and 30250 generally and specifically require boating areas to be protected. Placing pilings and boat slips out into coastal waters in a way that creates navigation hazards cannot be found consistent with these sections of the Act. Although the Harbor District has indicated that the new slip locations should not pose a navigation problem, there may be slight adjustments made to these plans to address eelgrass issues (see above), and ACOE may also require minor adjustments as well. With this in mind, and as may be needed to revise the configuration of the finger slips to avoid navigation/maintenance hazards, Special Condition 1(g) requires the Applicants to identify the final location of the new finger slips, as well as the number and location of new pilings in site plan view on the lease sites. Special Condition 6 requires the Applicants to provide all required authorizations from the City of Morro Bay, ACOE, and the State Lands Commission or evidence that permits/authorizations from these agencies are not necessary. Only as conditioned can the reconfiguration of the floating dock and finger slip facility be found consistent with avoiding navigation hazards as required by the Coastal Act.

4. Water Quality

Coastal Act Section 30230 requires the maintenance, enhancement, and where feasible, the restoration of marine resources. In addition, biological productivity and water quality are protected through Coastal Act Section 30231. The site is located immediately adjacent to and over the waters of Morro Bay. Construction activities associated with the development of the site and drainage and run off from the completed project could potentially result in adverse impacts on Morro Bay water quality, inconsistent with the cited Coastal Act policies. In particular, those activities include the demolition of existing waterfront structures (buildings, floating docks, and foundation pilings), construction of the new commercial retail/conference center building, and construction of the new public access view deck, lateral boardwalk, and boat slips. The project requires work over and adjacent to open coastal waters, which could lead to potential adverse water quality impacts. These impacts to water quality during construction can readily be minimized through the development and implementation of a construction plan that, at a minimum, includes identification of all construction and staging areas, all construction methods and timing, and all construction BMPs (i.e., silt fences, straw wattles, washing/refueling areas, spill containment measures, site cleanup procedures, waste disposal, etc.), including those designed to prevent release of construction-related materials, liquids, soil, and debris into the Bay. Special Condition 5 requires the Applicants to implement specific mitigation measures regarding material containment, installation procedures, construction staging, and debris disposal during all ocean floor disturbing activities and over-water development. These mitigation measures and construction BMPs include at a minimum, the use of non-reactive piling materials (i.e., concrete, steel, untreated wood, plastic-dipped treated wood, reinforced recycled plastic, etc.); a flexible skirt to contain disturbed sediments during piling installation; heavy-duty netting beneath all work areas to collect construction discards, and a floating containment boom into the Bay to capture all debris that may otherwise fall into the water;

³ Personal communication, Rick Algert, City of Morro Bay Harbor Director, to Mike Watson, Coastal Commission coastal planner.



netting and boom cleaned daily or as often as necessary to prevent accumulation of debris; and all wastes disposed of in the appropriate manner. The BMPs identified above are typical requirements for work over and into the Bay, and are adequate to satisfy the requirements of Coastal Act Section 30231.

To ensure maximum public notification and good construction relations, the construction plan must also be kept on site and all persons involved in construction briefed on the content and requirements of it, and a construction coordinator must be designated and be available to answer questions and also investigate complaints and take remediation action if necessary 24 hours per day for the duration of the project (see Special Condition 5(e)).

In terms of post-construction water quality measures, the project includes measures to protect Morro Bay waters including improvements to the existing drainage system on-site, to ensure that runoff from the project does not adversely affect Bay water quality. Such measures include new curb and gutter improvements, elimination of vehicle traffic on lease site 86 and the Morro Bay Boulevard street end, and installation of a storm water filtration device which should adequately filter and treat runoff prior to its discharge to the Bay. Some of the proposed water quality measures have been improved by the City's conditions of approval. To ensure that both the proposed and City-required water quality measures are implemented, this approval incorporates the City's conditions of this permit (see Special Condition 8).

5. Dock and Slip Parameters

Finally, the Applicants have indicated that the proposed use of the new floating dock and boat finger slips is primarily for recreational boating and partyboat vessels. Such facility can be found consistent with the Coastal Act if it includes parameters to ensure that it is clearly an integral part of the overall commercial fishing/commercial boating operations, it is not used as a quasi-residential, long-term docking area, and it is available to the general public (see also public access and recreation finding below). This approval is conditioned to ensure that the finger slips and dock facility is understood in this way (see Special Conditions 3(b) and 7).

6. Conclusion

As conditioned to include all relevant authorizations, final project plans for the dock facilities, pre and post-construction BMPs, and to mitigate unavoidable impacts to eelgrass beds and minimize disturbance of resident wildlife, no significant disruption of marine resources will result. With the inclusion of mitigation measures designed to prevent adverse impacts from construction activities, and to protect essential fish habitats and resources of the marine environment, the project conforms to the marine resource protection requirements of the cited Coastal Act policies.

B. Public Access and Recreation

1. Coastal Act Policies

Coastal Act Sections 30210 through 30224 require that new development maximize public recreational access, provide visitor-serving recreational facilities, protect oceanfront land for recreational use and development, encourage recreational boating facilities, and in general establish that coastal-dependent,



visitor-serving, and public recreational access developments have priority over other types of uses and development. In particular:

Section 30210: In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.

Section 30211: Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.

Section 30212(a): Public access from the nearest public roadway to the shoreline and along the coast shall be provided in new development projects...

Section 30213: Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred. ...

Section 30220: Coastal areas suited for water-oriented recreational activities that cannot readily be provided at inland water areas shall be protected for such uses.

Section 30221: Oceanfront land suitable for recreational use shall be protected for recreational use and development unless present and foreseeable future demand for public or commercial recreational activities that could be accommodated on the property is already adequately provided for in the area.

Section 30223: Upland areas necessary to support coastal recreational uses shall be reserved for such uses, where feasible.

Section 30224: Increased recreational boating use of coastal waters shall be encouraged, in accordance with this division, by developing dry storage areas, increasing public launching facilities, providing additional berthing space in existing harbors, limiting non-water-dependent land uses that congest access corridors and preclude boating support facilities, providing harbors of refuge, and by providing for new boating facilities in natural harbors, new protected water areas, and in areas dredged from dry land.

Finally, the Coastal Act protects special communities that are popular visitor destinations, like Morro Bay and the Embarcadero. Coastal Act Section 30253(5) states that:

Section 30253(5). Where appropriate, protect special communities and neighborhoods, which, because of their unique characteristics, are popular visitor destination points for recreational uses.

Although not the standard of review, the LCP's zoning standards also detail specific uses and guidelines



for development within the water front/harbor (WF/H) zone applicable to this site. The purpose of the subject waterfront (WF) district is as follows:

17.24.170 Waterfront (WF) district. Purpose. The purpose of the waterfront district is to provide for the continued mixture of visitor-serving commercial and recreational and harbor-dependent land uses in appropriate waterfront areas...

17.24.190 Harbor and Navigable Ways (H) District. Purpose. The purpose of the harbor and navigable ways or (H) district is to designate the area within the city limits covered by water, excluding sensitive habitat areas, for those uses which must be located on the water in order to function, or as an accessory use to a land based/shore facility or structure as provided in this chapter...

In terms of siting and design criteria, the LCP advises that public visual access be protected and enhanced by, among other means, incorporating open view slots or corridors in the design of new or remodeled structures west of Embarcadero Road. The LCP further limits overall structural height to 17 feet and maximum building coverage to 70% of the land portion of the site. An increase in height up to 25 feet and corresponding second floor that is 70% of the maximum allowable first floor building coverage may be allowed for projects that include a "significant public benefit." The criteria for establishing such a significant public benefit includes, among other things, greater than normal public usable open space or provision of extraordinary public access. A portion of the proposed project is based on applying just such an exception (for height and coverage), and thus a significant public benefit must be associated with it to allow such exceptions for increased mass and scale at this sensitive bay-fronting site (see Exhibit E, LCP Waterfront Design Guidelines).

In sum, the Coastal Act requirements (and LCP guidance) applicable to the site clearly require that development here maximize public access and recreational opportunities. Given that it is a public property, and includes development over and into public trust resources of the Bay, this direction is only magnified, and it is clear that a significant public benefit is required.

2. Analysis

The proposed project is located on public trust lands seaward of the first through public road and is adjacent to Morro Bay. The project includes multiple public access components, including: lateral public access along the bay frontage; a publicly accessible floating dock with gangway access points; ADA accessibility; public view deck; restrooms; and two public plazas and related development (i.e., benches, bike racks, landscaping, etc.). These improvements are intended to increase and improve the public access and recreational opportunities available at this location.

Lateral, Vertical, and Dock Access. Although the proposed project includes both lateral and vertical access to and along the nearly 185-foot bay frontage, it falls short of maximizing public recreational/visitor-serving access opportunities consistent with the Coastal Act. In terms of lateral access, the new accessway and the reconstructed 390 square foot view deck will be a public access enhancement along the bayfront of the site. However, the proposed lateral access boardwalk is designed at the LCP minimum 8-foot width, which is fairly limiting along this stretch of coastline, and not as



wide as more recent projects approved by the Commission (see for example, CDP 3-07-048 (Held Mixed Use Project)). It is also immediately adjacent to the main structures proposed, thus limiting the area available for accommodating access amenities that could promote enjoyment of the shoreline and the natural beauty of Morro Bay (e.g., areas for benches, lingering, interpretation, etc.). A wider lateral accessway which connects access up and downcoast would enhance the public's ability to access the shoreline here, particularly in terms of the vision for the central Embarcadero shoreline access trail and the California Coastal Trail that are, by definition, tied to such lateral accessway at this location. An increased width is necessary in this respect to make the Coastal Act consistency findings. The same is true for the existing public view deck at the Morro Bay Boulevard street end. An enlarged view deck would enhance public recreational use of these lands specifically reserved for such uses. This approval is conditioned to require a minimum 10-foot wide lateral access boardwalk along the bay front of the site (Special Condition 1(e)), a 26-foot by 30-foot public view deck (Special Condition 1(f)), to ensure that both are constructed and opened concurrent with all other approved uses on site (Special Condition 3(h)), and that all public access amenities are open and available for general public use during daylight hours, 365 days per year (Special Condition 3(f)). The conditions are necessary to fulfill Coastal Act and LCP requirements for maximizing public access.

Public Plazas. The Applicants propose to improve the existing 35-foot wide corridor at the north end of the project site (lease site 88) by removing an existing stairway and other obstructions and creating in its place a public plaza with landscaping, child play area, benches, and related improvements. The plaza will serve as both vertical and visual access across the site with connections to the new 10-foot wide lateral public access boardwalk and lateral public access across the adjacent lease site to the north. A new wood gangway will lead down from the plaza to the floating dock and boat slips. Similarly, the Applicants propose to redesign the Morro Bay Boulevard street end to create a 58-foot wide view corridor and public plaza with typical improvements (i.e., benches, landscaping, bike parking, play area, etc.).⁴ The public plaza would provide a unique experience in the central Embarcadero by dedicating an entire street end for public visual access to Morro Bay, vertical access to the shoreline lateral access boardwalk, and the public recreational view deck. Access to public restrooms and the water front restaurant is also possible from the plaza. Vehicle parking would be eliminated and vehicular access limited to emergency vehicles only.

The Applicants intend that these public access improvements help to qualify the project for design exceptions under the LCP's 'significant public benefit' provisions, which allow for increased height and massing of structures west of Embarcadero Road.⁵ The improvement of two public parks and view corridors adjacent to the proposed conference center certainly would be a public benefit; however, special conditions are needed to memorialize the Applicants' proposal and provide additional detail regarding access improvements, as well as to secure a commitment to maintaining the public plazas in their approved state in perpetuity. Accordingly. Special Condition 1(n) requires final plans to identify

⁵ The new conference center and retail building is reliant upon applying just such an exception (for height and mass), as it is designed at two stories and 25 feet in height.



⁴ Under the City's tidelands grant, unleased tidelands such as the Morro Bay Boulevard street end, may be made available for lease to private entities but restricts the use of said lands to specific uses, including for public parks.

the public plazas. Special Condition 3(c) provides for a list of access amenities, including benches, bike racks, trash receptacles, etc.. Special Condition 3(e) prohibits any development that could degrade public use and enjoyment of the newly created plazas, including what appears to be proposed trash enclosures within these public areas that would be more appropriately located within the footprint of the conference center/retail structure (Special Condition 1(o)). To ensure that the pocket park is ultimately improved, Special Condition 3(h) requires the construction of the park improvements concurrently with other associated development. Special Condition 3(g) requires that the park improvements be maintained in their approved state. Finally, Special Condition 9 requires evidence of a formal lease agreement with the City of Morro Bay and the Morro Bay Harbor Department to lease currently undeveloped tidelands at the Morro Bay Boulevard street end.

Floating Dock/Boat Slips. In terms of the new floating dock/boat slips, the Applicants indicate that it would be available for docking pleasure craft on its outside edge, and for free public launching/docking of smaller craft (e.g., kayaks, etc.) between slips 9 and 10 (see Exhibit B for the proposed dock configuration). However, it is unclear how this facility would be operated in this respect, including to ensure that the dock itself it is publicly available for general public recreational use, and to ensure that the free launching/docking is provided and the other boating fees were kept low and commensurate with standard rates for the area. Such facility can be found Coastal Act consistent if it includes parameters to ensure that it is clearly an integral part of the overall development (including integrating docking use with overall operations of the site), it is clearly provided and available for general public and/or commercial fishing use, any allowed fees are minimized, and it is provided as a transient use facility and not as a long-term docking area. This approval is conditioned to ensure that the dock facility is understood in this way (see Special Condition 3(b)).

Public Access Management and Signing. Similarly, and on a broader scale in terms of public access parameters for the public access amenities of the site (lateral and vertical access, view decks, public plazas, floating dock, etc.), the project currently lacks clarity as to how such facilities would be provided, maintained, and kept available for general public recreational use in a manner that maximizes their utility and value. There is also a lack of specificity on signage, interpretation, and use and provision of related access amenities (e.g., restrooms, benches, etc.). Accordingly, this approval is conditioned for an access management plan designed to ensure maximum public recreational access benefits in perpetuity, where the primary objective is to maximize public recreational access at the site (including to all site walkways, the floating dock, public plazas, and the view deck) and all related areas and public access amenities (i.e., restrooms, bench seating, bike racks, etc.), to provide clear and informative signage (including interpretive signage and acknowledgement of the Coastal Commission's action), and to ensure that the project's public access features are available for free, general public use during daylight hours (and during all non-daylight hours when the retail components of the approved project are open) 365 days per year (see Special Condition 3).

Parking. The estimated parking requirement per the LCP guidance for the proposed mixed-use development is 197 spaces: one space for every 300 square feet of commercial retail/office space, one for every 60 square feet of restaurant space, one for every 50 square feet of conference center space, and sixteen spaces for the floating dock. Such guidance does not include any parking space requirements



specifically attributable to public access use. The site is situated in the central Embarcadero, which is the busiest and most congested location along the waterfront. The conference center alone could attract as many as 400 persons at a time during peak periods.

The project relies on an existing City practice of recognizing prior commitments to provide parking for a site as the baseline from which changes in parking demand are calculated for a site.⁶ In this case, the City indicates that the lease sites in question have already accounted for 110 off-site spaces through prior payment of in-lieu fees (79 spaces attributable to 801 Embarcadero and 31 spaces attributable to 833 Embarcadero). The Applicants have secured an agreement with the San Luis Coastal Unified School District for the use of their private lot on Monterey Street to satisfy the parking requirement for the remaining 87 parking spaces. The school lot can provide up to 104 parking spaces and is located approximately 3 blocks east of the conference center site. In addition, the Applicants propose a comprehensive parking strategy that works with nearby hotels, other private lots, valet and shuttle services to accommodate the maximum occupancy of the conference center during peak periods to alleviate parking concerns. Taken together, these parking areas provide more than two times the number of total parking required for the new development. However, because the site is under-parked in the sense that only 104 out of 197 total required parking spaces have thus far been secured (i.e., the City has not yet developed new parking spaces from the fees collected), there is the possibility for impacts to public parking along the Embarcadero and nearby, which could in turn inappropriately displace general public access parking. These impacts can be reduced by reducing the scale and scope of the development by nearly 40%, and modifying the range of uses to reduce the parking demand (see Special Condition 1 and see Exhibit G for modified building parameters). By doing so, parking demand can be reduced by 53 spaces; an over 25% reduction in parking demand. To address remaining parking concerns, Special Condition 2 requires the submittal of a parking plan that clearly identifies how conference center parking is to be satisfied for the total parking requirement, including via contractual agreements with private parking areas, valet service, shuttles, etc. Should the parking strategies fail to operate as envisioned, participation in future parking assessment district and/or contribution into the City's parking in-lieu fee account may be required. As conditioned, potential public access parking impacts are appropriately offset.

3. Conclusion

As proposed and conditioned by this permit, the project will provide new public recreational access opportunities on the Morro Bay Embarcadero by providing a unique lateral public access experience along nearly 185 feet of bay frontage in the central Embarcadero. Enhanced public plazas will be constructed in two locations and roughly at both ends of the proposed lateral access overlooking the Bay. Vertical access will be provided within the public plazas and via three gangways to the new floating dock/boat slips. A new public view deck will be constructed at the head of the south plaza

⁶ The City recognizes prior commitments applicable to a site in calculating parking demand. Specifically, if a site has accounted for its parking through an approved method (usually through payment of in-lieu fees to be used to develop new parking), then that is the baseline from which parking supply for a site is measured. If a site redevelops and parking demand increases due to that redevelopment, then the increase in demand must still be satisfied (whether on site or through an approved off-site method), but the prior baseline is still valid.



immediately adjacent to Morro Bay. Permit conditions refine and secure these public access elements. In sum, and only as conditioned, the project represents a truly exceptional public recreational access project, with components that will be sited and designed in such a way as to provide maximum public benefit at this important public site along Morro Bay and the Embarcadero. As such, the project can be found consistent with the Coastal Act policies discussed in this finding.

C. Visual Resources/Community Character

1. Applicable Policies

Coastal Act Section 30251 states:

Section 30251. 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 coastal areas, to minimize the alteration of 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 in the California Coastline Preservation and Recreation Plan prepared by the Department of Parks and Recreation and by local government shall be subordinate to the character of its setting.

Additionally, Coastal Act Section 30253(5) states:

Section 30253(5). Where appropriate, protect special communities and neighborhoods, which, because of their unique characteristics, are popular visitor destination points for recreational uses.

In addition, the LCP contains policies related to protection of public views along the Embarcadero and of the unique geographic features surrounding the City's working harbor including Morro Rock, the bay and sandspit. These include the previously cited requirements for maintaining up to 30% of each site free of structures as a through view area (LCP Waterfront Design Guideline Chapter 5, Criteria 1(a)). In addition, building height and bulk relationships must be compatible with existing development and coastal views and may not be impaired or degraded otherwise. Through the Waterfront Master Plan, the LCP provides clear guidance with respect to visual compatibility of new development with both existing development and surroundings natural features. New development must incorporate an architectural character consistent with the maritime theme of the waterfront, be pedestrian oriented in form and scale, and avoid excessive height and massing.

2. Analysis

The relatively flat site is currently developed with two two-story commercial retail and restaurant buildings, parking, an existing deck, floating docks on the western lease sites, and a significant amount of concrete and coverage on the site. The existing structures wall off almost 90 feet of Embarcadero Road frontage, and at 25 feet in height obstruct all of the public views of the bay, sandspit, and Morro Rock from Embarcadero Road. Another 35 feet of shoreline views across lease site 88 are similarly obstructed by stairways, make-shift vendor booths, and other similar development. The Morro Bay



Boulevard street end is used for vehicle parking and navigation and thus is generally void of large-scale structural development. Thus, views across the 58-foot road right-of-way are somewhat degraded but mostly unobstructed. See photos in Exhibit C.

Inland of the project site, there are a few commercial retail and restaurant establishments, parking lots, and a multi-story visitor-serving hotel on the bluff tops directly east and south of the project site. Immediately across Embarcadero Road is Centennial Parkway, a public park known for its life-sized chess board, benches, and tables with embossed chess boards. Leading down the bluffs is the Centennial Stairway which provides pedestrian access from the upper Morro Bay Boulevard street end down to Centennial Parkway and the Embarcadero. The upper street end and bluff stairway offer significant scenic views of Morro Bay, Morro Rock, Montana de Oro, and Point Buchon in the distance.

Construction of the proposed land-based development, like the existing structures, will obstruct public views from inland locations, including Embarcadero Road, over a portion of the site (roughly 90 linear feet; see Exhibits C and D) in the vicinity of the new mixed-use building. Offsetting this impact are project improvements that include the establishment of an 8-foot wide public pedestrian boardwalk along the entire bay frontage, a 35-foot wide public pedestrian plaza and view corridor to the north of the conference center across lease site 88, and a second public pedestrian plaza 58 feet in width immediately south of the proposed building. The existing 13-foot by 30-foot public view deck at the Morro Bay Boulevard street end will also be retained. Removal of the stairways and vendor booths from their current location on lease site 88 will open up previously obscured views on the north end of the project site. Removal of the parking spaces, asphalt, curbs and related development from the Morro Bay Boulevard street end will similarly enhance public views which currently exist across the street end. As a result, both public pedestrian plazas and the public view deck will provide up-close and unobstructed views of the City's working harbor, as well as its renowned visual resources. These view corridors mean that 93 feet of the overall 185-foot site frontage (including lease sites 86-88 and the street end⁷), will function as view corridor, thus meeting the LCP guidance for a minimum of 30% of such corridor. In fact, over 50% view corridor will be provided in this case, helping to ensure that the project appropriately provides the necessary significant public benefit. As conditioned to ensure that the primary view corridors are protected/created which maximize public views of the project's bay-fronting elements (views of the bay, sandspit, and Morro Rock), the newly created and enhanced view corridors adequately offset the Embarcadero view blockage associated with the buildings themselves (Special Conditions 1(n) and 1(o)). The proposed view corridors, however, do not address the visual impacts

⁷ The Commission has not generally included adjacent public space, like public streets and parks, in such view corridor calculations. In this case, however, the City indicates that the street end in question is to be leased to the Applicants as part of the project, and thus will become part of the overall leased site area. Given the generally degraded nature of this street end, the commitment on the part of the Applicants to significantly improve this area for the public and for only public uses, and the City's ability under its own tidelands lease to lease such areas to private individuals for certain types of development, including specifically public parks, it is appropriate in this case to include the street end area in the calculations for this site as leased area. Of course, it will be important for the lease to be consummated for the street end, and this approval recognizes that requirement (see Special Condition 9), but the fact that it has not yet happened is more a technical and timing issue than a substantive analytic question in terms of such LCP calculations. Of course it will be critical that the street end area to be so countenanced in this respect, but that too can be resolved through ensuring future development there is so limited (again, see Special Condition 9).



associated with mass, scale, and design of the proposed building itself, which, particularly given the proximity to the public pedestrian plazas and the pedestrian character of the Embarcadero, are significant.

With respect to views from the blufftop street end, construction of the new two-story development will not significantly alter the views of the bay and points beyond. Though there will be some blue water views affected by the new two story structure, it will occur along a very narrow band of the 180 degree view afforded by the street end. Furthermore, because of the significant differences in height between the proposed new structures and bluff top elevation (almost 20 feet), only a very small portion of the inner harbor will be obstructed. Views of the more significant and visually prominent geologic features (e.g., Morro Rock, sandspit, Point Buchon headland) will not be blocked by the new structures.

That said, all of these views (i.e., from the immediately surrounding area, including the street end area on the bluff above) will be impacted to a certain degree, however, by the placement of such a large structure immediately adjacent to the Bay. Of course, the existing view is also so affected, but the new structure does not correct or fix this existing problem so much as continue and increase it. Although the Embarcadero is currently largely developed with structures that impact such views to varying degrees, new development must be viewed and understood in terms of a lens that looks to improve the existing situation, particularly given that such development is by its nature located on public tidelands where greater <u>public</u> benefit is warranted.

In terms of design, the architectural character of the proposed conference center/retail structure does not resemble a maritime theme or working harbor motif. Of primary concern is the proposed two-story structure's lack of building articulation, setbacks, and offsets that can provide architectural interest and break up mass, particularly along its horizontal and vertical planes, and particularly adjacent to the public plaza areas. The proposed structure is essentially a 90-foot by 100-foot two story, rectangular building with little architectural character. The south elevation is one continuous block wall, 25 feet in height and 108 feet in length. The north elevation is equally massive at 25 feet in height and 98 feet in length. The primary (Embarcadero Road) elevation has the bare minimum offsets but is similarly designed at 25 feet in height and 90 feet in width. These overly massive features abut directly to public walkways and the proposed pedestrian plazas and would loom over the advertised public benefits of the project. The proposed 19,149 square foot structure would be very large by Morro Bay standards, much larger than any other structure along the Embarcadero waterfront. Although the proposed structure meets the LCP's first and second story coverage limitations (maximum of 70% coverage⁸), the mixeduse structure is incompatible with the pedestrian character of the Embarcadero in both form and scale and would detract from the natural features along the bay. As seen from Embarcadero Road, the metal roof incorporates a series of gentle sloping gables broken up by a couple of rectangular hips to mix up the design, but it is generally designed at the maximum 25 feet in height overall and thus the outline of the roof alone is insufficient to break up the long horizontal and vertical planes of the exterior walls.

⁸ Id (including the street end area as a leased area).



Although the proposed development overall would add significantly to the greater than normal public benefits requirement needed for structures west of Embarcadero Road exceeding 17 feet in height, its footprint, orientation, height, and two-story design further contributes and reinforces the boxy/rectangular feel of the design elements and out-of-scale character of the proposal, and cannot be found consistent with the above cited policies for this reason.

It is clear that the project lacks appropriate elements with respect to building forms and projections to ensure that the end result appropriately reflects the character of, and will be compatible with, Morro Bay Embarcadero aesthetics and that these aesthetics will be enforced and maintained over time. This includes maintaining the LCP-designated utilitarian maritime theme and pedestrian-oriented form and scale. To address this concern, Special Condition 1(a) requires submission of revised final project design plans designed to reduce the mass and scale of the proposed development, to improve its visual interest, particularly adjacent to the public plaza areas, and to ensure its visual compatibility with the built and natural environment at this location (see Exhibit G for site plans and elevations showing such mass, scale and design restrictions applied). Such plans will ensure that the building is mostly single-story, that it includes more interesting articulation, and that it is decreased in overall size by nearly 40% (19,149 square feet as proposed, and roughly 12,125 square feet as condition 1; see special condition 1 and see Exhibit G for modified building parameters in this respect).

3. Conclusion

The Coastal Act requires new development to protect views to and along the shoreline, to be visually compatible with the character of the area, to protect the character of this popular visitor destination, and, where feasible, to restore and enhance visual quality in visually degraded areas. As conditioned to reduce building mass and scale, to ensure design interest and compatibility, and to ensure well designed maximum public recreational access that will open up new public views and improve existing views, the project is consistent with the visual resource and community character policies of the Coastal Act.

3. Conditions of Approval

A. Standard Conditions

- 1. Notice of Receipt and Acknowledgment. The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
- 2. Expiration. If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
- **3. Interpretation.** Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.



- **4. Assignment.** The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
- **5. Terms and Conditions Run with the Land.** These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

B. Special Conditions

- **1. Final Plans.** PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the Permittee shall submit two full size sets of final plans to the Executive Director for review and approval. The Final Plans shall be in substantial conformance with the original plans submitted to the Coastal Commission (dated February 23, 2009, and titled Morro Bay Conference Center prepared by Steven Puglisi Architecture) as modified by the revised plans submitted to the Coastal Commission (same title, but dated received in the Commission's Central Coast District Office on November 3, 2009; see Exhibit G) except that they shall be revised and supplemented to comply with the following requirements:
 - **a. Development Footprint.** The maximum development footprint for the mixed use conference center/commercial retail structure shall not exceed 10,653 square feet, and shall not encroach further seaward than the westernmost extent of the existing structures as shown on sheet 7 of the February 23, 2009 plans (see Exhibit B).
 - **b.** Floor Area. Floor area of the main level shall not exceed 10,653 square feet. Second story floor area shall not exceed 629 square feet. Basement level development shall not exceed 843 square feet.
 - **c. Building Height.** Building heights shall not exceed 25 feet as measured from existing grade, and at least 57% of the overall building (i.e., 6,135 square feet) shall be less than 14 feet in height as measured from existing grade. All roof line elements and all second floor elements shall be sited and designed to minimize impacts on public viewing areas (i.e., as much as possible avoid blocking views, avoid "looming" structural development over pedestrian areas, etc.).
 - **d.** Mass/Scale. In applying the above design standards and criteria, consideration must be given to the form and scale of the proposed new structures. Building features immediately adjacent to the sidewalk along Embarcadero Road and the proposed public plaza areas shall be pedestrian oriented with windows, entries, and display areas. Excessive massing along vertical and long horizontal planes shall be avoided. Use of articulated design elements, projections and offsets, second floor elements setback from first floor elements, decks, and varied rooflines are required. Building design shall make a positive contribution to the visual accessibility to the bay, sandspit, and Morro Rock.
 - e. Public Access Boardwalk. A 10-foot wide public access boardwalk along the entire bay frontage shall connect to the public plaza areas proposed both north and south of the



development site, which in turn shall provide for seamless at-grade connectivity to adjacent public access facilities located on the lease sites north and south of the project site.

- **f. Public View Deck.** A public view deck at least 26 feet by 30 feet shall be constructed in the location of the existing public deck at the Morro Bay Boulevard street end, and at the same elevation as the public plaza and lateral public access boardwalk.
- **g.** Floating Dock/Boat Slips. The plans shall clearly identify the location, dimensions, and materials associated with the floating docks and boat slips, and all associated public access ramps, gangways, and ADA lifts. Structural pilings for the expanded floating dock shall be placed as far apart as practicable to minimize the number of necessary pilings and prevent impacts to existing and potential eelgrass habitat. All reference points such as lease site boundaries, location of revetment, waterline, etc., shall be shown and highlighted.
- **h. Railings.** All railings shall be designed to be unobtrusive and to maximize through views (e.g., vertical railings spaced sufficiently apart, cable railings, etc.) while maintaining pedestrian safety. Glass or equivalent railing systems shall be prohibited to avoid bird strikes.
- **i. Drop-off Area.** The Plans shall identify all valet service drop-off areas associated with the parking plan (see Special Condition 2 below), Such drop off areas shall be sited and designed to integrate into the project's design aesthetic and to avoid impacting public recreational access to the maximum degree possible.
- **j.** Non-Native and Invasive Plant Species Prohibited. Plans shall identify all plant materials to be used for landscape purposes, and all irrigation systems designed to maintain site landscaping. Landscaped areas shall consist only of native plants of local stock that are non-invasive. No plant species listed as problematic and/or invasive by the California Native Plant Society, the California Invasive Plant Council, or as may be so identified from time to time by the State of California, and no plant species listed as a 'noxious weed' by the State of California or the U.S. Federal Government shall be planted or allowed to naturalize or persist on the property. Plans shall include provisions to ensure that all site landscaping is maintained in its approved state in perpetuity.
- **k.** Lighting. The location, type, and wattage of all light fixtures (including catalog sheets for each fixture) shall be illustrated. All exterior lighting shall be designed and located so that only the intended area is illuminated and off-site glare is prevented. All lighting shall be cutoff style fixtures that are directed downward to prevent glare on adjacent and surrounding areas (i.e., Morro Bay), and shall be limited to the maximum extent feasible while still providing for public safety. Lights shall have solid sides and reflectors to further reduce lighting impacts, and shall be placed on a switch or timer to turn them off when not needed during the late evening.
- **1. Design.** The plans shall clearly identify all measures that will be applied to ensure that the project design, including all structures and including all other project elements within the public view (e.g., walkways, paved areas, railings, benches, tables, chairs, lighting, signs, landscaping,



etc.), emulates Morro Bay Embarcadero aesthetics, including use of a working dock, nautical/maritime theme (i.e., simple and utilitarian lines and materials, including use of board and bats, corrugated metal, brick, etc.) with a pedestrian-oriented form and scale. At a minimum, the plans shall clearly identify all publicly visible structural elements, building articulation, materials, and finishes (including through site plans and elevations, materials palettes and representative photos, product brochures, etc.).

- **m. Eelgrass Mapping.** All existing eelgrass beds shall be avoided as much as possible. The plans shall identify in site plan view all existing eelgrass beds in the project area, all such existing eelgrass beds that will be shaded due to the project (including by docks and boats in slip locations), and all new eelgrass bed areas being created (including by moving docks and boat slips from current locations and by replanting) as part of the project.
- **n. Public Plazas.** A public plaza a minimum of 35 feet in width shall be constructed on the north end of the project site (i.e., lease site 88) as generally shown on sheet 2 of the submitted plans (see Exhibit B). A 58-foot wide public pedestrian plaza shall be constructed south of lease site 86 at the end of Morro Bay Boulevard and as generally shown on sheet 2 of the submitted plans (see Exhibit B).
- **o.** Access Obstructions Removed. The plan shall provide for the relocation of the trash enclosure/solid waste structure away from the public pedestrian plazas to a location where they will have the least impact to public access. Any other obstructions to access within these public recreational areas shall also be prohibited.

The Permittee shall undertake development in accordance with the approved Final Plans.

2. Parking Plan. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the Permittee shall submit two copies of a Parking Plan to the Executive Director for review and approval. The Parking Plan shall clearly document the manner in which parking is to be provided for project users. The Parking Plan shall clearly identify all uses provided at the project site and all parking requirements for such uses based on LUP Parking Standards. The plan shall also clearly identify where and how site users will make use of such parking (including but to not limited to contractual agreements with private parking areas, valet service, shuttles, etc.). Due to uncertainties about how much parking demand the proposed project may generate, the Commission is unable to definitively determine at this time whether the parking plan included in the proposed project is adequate to meet future demand. The Applicants shall therefore include a monitoring, reporting and remediation component in their Parking Plan that will assess Parking Plan effectiveness over time, including with respect to the degree such plan impacts general public access parking near the site and along the Embarcadero. The monitoring shall be designed to evaluate facility parking supply and demand over the full range of operational scenarios and with respect to the prime tourist season(s). All reports shall be submitted for Executive Director review and approval by December 31st of each year for at least the first three years of facility operation, and shall include remediation measures to address any parking shortcomings identified, including but not limited to additional contract arrangements and/or in-lieu fees for the City's parking program account. Monitoring and



annual reporting shall continue until two consecutive years of data indicate that the parking plan has effectively accounted for all project parking needs without adversely impacting public access parking along the Embarcadero.

The Permittee shall undertake development in accordance with the approved parking plan.

- **3. Public Access Management Plan.** PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the Permittee shall submit for Executive Director review and approval two sets of full-scale public access management plans (Access Plans). The Access Plans shall clearly describe the manner in which general public access associated with the approved project is to be managed and provided, with the objective of maximizing public access to the public access areas of the site (including all site walkways, boardwalks, plazas, the floating dock, and the public view deck) and all related areas and public access amenities (i.e., restrooms, bench seating, etc.) described in this special condition. The Access Plans shall be substantially in conformance with the public access portion of the plans submitted to the Coastal Commission (including as shown on sheet 2 of Exhibit B), except as modified by these special conditions, and shall at a minimum include the following:
 - **a.** Clear Depiction of Public Access Areas and Amenities. All public access areas and amenities, including all of the areas and amenities described above, shall be clearly identified as such on the Access Plans (including with hatching and closed polygons so that it is clear what areas are available for public access use).
 - **b.** Floating Dock/Boat Slips. All parameters for boating use of the floating dock and boat slips shall be clearly identified. The floating dock and boat slips shall be publicly available as a transient use boat facility (and not as a long-term docking area) for general public and/or commercial fishing use, shall be clearly an integral part of the overall development (including integrating docking use with overall operations of the site), and any fees (other than for the free boating use areas) shall be as low as possible commensurate with standard rates for the area, where evidence to this effect shall be provided if fees are identified.
 - **c. Amenities.** Public access amenities (such as benches, bicycle racks, trash and recycling receptacles, etc.) shall be provided, including at a minimum benches along the public plazas, at the public view deck, and appropriate locations along the lateral boardwalk, and bike rack parking for at least six bicycles.
 - **d. Public Access Signs/Materials.** The Access Plans shall identify all signs, handouts, brochures, and any other project elements that will be used to facilitate, manage, and provide public access to the approved project, including identification of all public education/interpretation features that will be provided on the site (educational displays, interpretive signage, etc.). Sign details showing the location, materials, design, and text of all public access signs shall be provided. The signs shall be designed so as to provide clear information without impacting public views and site character. At a minimum, public access directional signs shall be placed at the Embarcadero Road entrance to the public plazas, at the intersection of the lateral access boardwalk with the plazas, and at the gangway where it connects the floating dock to the lateral access boardwalk,



and at the public view deck. At a minimum, appropriate (to Morro Bay issues, information, and history) public access interpretive signs shall be placed at the public view deck and along the lateral access boardwalk. Public access signage shall acknowledge the participants in the design and provision of the public access components, including the City of Morro Bay and the California Coastal Commission.

- e. No Public Access Disruption. Development and uses within the public access areas that disrupt and/or degrade public access (including areas set aside for private uses, and barriers to public access such as trash enclosures, furniture, planters, temporary structures, private use signs, etc.) shall be prohibited. The public use areas shall be maintained in a manner that maximizes public use and enjoyment.
- **f. Public Access Use Hours.** All public access areas and amenities shall be available to the general public free of charge (other than potential minimal docking fees) during at least daylight hours (i.e., one hour before sunrise to one hour after sunset), and during at least all non-daylight hours when the commercial components of the approved project are open. The Access Plans shall provide for 24-hours per day access to the lateral and vertical access features once connectivity is provided via the lateral access boardwalk to both upcoast and downcoast lateral accessways.
- **g. Public Access Areas and Amenities Maintained.** The public access components of the project shall be maintained in their approved state in perpetuity.
- **h. Public Access Amenities Provided Prior to Occupancy.** All public access components of the approved project shall be constructed and ready for use prior to or concurrent with the opening and occupancy of the Morro Bay Conference Center and retail outlets.

The Permittee shall undertake development in accordance with the approved Public Access Plan, which shall govern all general public access to the site pursuant to this coastal development permit.

- **4. Eelgrass Monitoring Plan.** PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the Permittee shall submit two copies of an eelgrass monitoring plan (EMP) to the Executive Director for review and approval. The EMP shall, at a minimum, provide for the following:
 - **a.** Eelgrass Protection. All eelgrass beds in the project area (those unaffected by the project and those created by the project see Special Condition 1(m)) shall be identified in site plan view, and shall be protected as eelgrass habitat in perpetuity.
 - **b. Annual Monitoring.** Annual monitoring by a qualified biologist experienced with eelgrass shall be conducted to monitor the health and extent of eelgrass beds in the project area. A monitoring report shall be submitted to the Executive Director for review and approval on an annual basis with the first report due one-month following completion of the floating dock component of the project, and subsequent reports due at one year increments after that. All annual reports shall at a minimum include a site plan and written description of the status of eelgrass beds in the project



area, including quantifying the amount of new eelgrass coverage observed within the eelgrass beds in the project area. If any annual report identifies a reduction in eelgrass coverage as compared to then existing eelgrass coverage at the time of permit approval (see Special Condition 1m), then the report shall identify remedial measures to offset such reduction within the eelgrass beds in the project area. Annual reporting shall continue for at least three years or until all eelgrass beds to be protected pursuant to the EMP are supporting eelgrass as documented in two consecutive annual reports, whichever is later.

The Permittee shall undertake development in accordance with the approved Eelgrass Monitoring Plan.

- **5.** Construction Plan. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the Permittee shall submit two copies of a Construction Plan to the Executive Director for review and approval. The Construction Plan shall, at a minimum, include the following:
 - **a.** Construction Areas. The Construction Plan shall identify the specific location of all construction areas, all staging areas, and all construction access corridors in site plan view. All such areas within which construction activities and/or staging are to take place shall be minimized to the maximum extent feasible in order to have the least impact on public access and Morro Bay resources, including by using inland areas for staging and storing construction equipment and materials as feasible.
 - **b.** Construction Methods. The Construction Plan shall specify the construction methods to be used, including all methods to be used to keep the construction areas separated from bay and public recreational use areas (including using unobtrusive fencing (or equivalent measures) to delineate construction areas).
 - c. Construction BMPs. The Construction Plan shall also identify the type and location of all erosion control/water quality best management practices that will be implemented during construction to protect coastal water quality, including the following: (a) silt fences, straw wattles, or equivalent apparatus, shall be installed at the perimeter of the construction site to prevent construction-related runoff and/or sediment from discharging to the bay; (b) equipment washing, refueling, and/or servicing shall take place at least 50 feet from the bay. All construction equipment shall be inspected and maintained at an off-site location to prevent leaks and spills of hazardous materials at the project site; (c) the construction site shall maintain good construction housekeeping controls and procedures (e.g., clean up all leaks, drips, and other spills immediately; keep materials covered and out of the rain (including covering exposed piles of soil and wastes); dispose of all wastes properly, place trash receptacles on site for that purpose, and cover open trash receptacles during wet weather; remove all construction debris from the site); and (d) all erosion and sediment controls shall be in place prior to the commencement of construction as well as at the end of each work day.
 - **d.** Construction Site Documents. The Construction Plan shall provide that copies of the signed coastal development permit and the approved Construction Plan be maintained in a conspicuous



location at the construction job site at all times, and that such copies are available for public review on request. All persons involved with the construction shall be briefed on the content and meaning of the coastal development permit and the approved Construction Plan, and the public review requirements applicable to them, prior to commencement of construction.

- e. Construction Coordinator. The Construction Plan shall provide that a construction coordinator be designated to be contacted during construction should questions arise regarding the construction (in case of both regular inquiries and emergencies), and that their contact information (i.e., address, phone numbers, etc.) including, at a minimum, a telephone number that will be made available 24 hours a day for the duration of construction, is conspicuously posted at the job site where such contact information is readily visible from public viewing areas, along with indication that the construction coordinator should be contacted in the case of questions regarding the construction (in case of both regular inquiries and emergencies). The construction coordinator shall record the name, phone number, and nature of all complaints received regarding the construction, and shall investigate complaints and take remedial action, if necessary, within 24 hours of receipt of the complaint or inquiry.
- f. Construction and Pile Driving Noise Level Restrictions. Underwater noise generated by pile driving activities shall not exceed an accumulated 187 dB SEL as measured 5 meters from the source. At no time shall peak dB SEL rise above 206 at 10 meters from the source. If construction noise exceeds the above thresholds, then alternative methods of pile driving (including, but not limited to, vibratory pile driving, press-in pile placement, drilling, dewatered isolation casings, etc.) or other sound mitigation measures (including, but not limited to sound shielding and other noise attenuation devices) shall be used as necessary to achieve the required dB threshold levels. Hydroacoustical monitoring shall be performed to ensure that underwater noise generated by pile driving activities does not exceed the limits specified above. The Applicants shall consult with the U.S. Fish and Wildlife Service and NOAA fisheries to develop a monitoring plan for the review and approval of the Executive Director, prior to the commencement of pile driving activities.
- **g.** Notification. The Permittee shall notify planning staff of the Coastal Commission's Central Coast District Office at least 3 working days in advance of commencement of construction, and immediately upon completion of construction.

The Permittee shall undertake construction in accordance with the approved Construction Plan.

6. Other Agency Approval. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the Permittee shall submit to the Executive Director written evidence that all necessary permits, permissions, approvals, and/or authorizations for the approved project have been granted by the City of Morro Bay and the Morro Bay Harbor District, the California State Lands Commission, the U.S. Army Corps of Engineers, and the U.S. Coast Guard. Any changes to the approved project required by these agencies shall be reported to the Executive Director. No changes to the approved project shall occur without a Commission amendment to this coastal development permit unless the



Executive Director determines that no amendment is legally necessary.

- **7. Boat Slip Parameters.** All boat slips and side-tie docks shall be used for commercial and recreational fishing vessels, commercial passenger vessels, and commercial service vessels only. The use of the docks and slips for long-term private residential, live-aboard, and/or recreational vessels is prohibited.
- 8. City of Morro Bay Conditions of Approval. All conditions of approval imposed on the project by the City of Morro Bay are incorporated as conditions of this approval. Any of the incorporated City conditions requiring materials to be submitted to the City and/or otherwise requiring City approval (such as Development Director approval), shall also require the same materials to be submitted to, and/or the same approvals granted by, the Executive Director under the same review and approval criteria as specified in the City conditions. For future condition compliance tracking purposes, such incorporated City conditions shall be considered subsections of this Special Condition 8. To the extent any such incorporated City conditions conflict with these conditions (i.e., standard conditions 1 through 5, and special conditions 1 through 7 and 9 through 11), such conflicts shall be resolved in favor of these conditions.
- **9. Tidelands Lease Agreement.** PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the Permittee shall submit to the Executive Director for review and approval documentation demonstrating that the Permittee and the City of Morro Bay have executed a lease agreement for the Morro Bay Boulevard street end. Terms of the lease shall indicate that these tidelands shall only be used for public recreational access and public park purposes, and that all other uses and development are prohibited.
- **10. Assumption of Risk, Waiver of Liability and Indemnity Agreement.** The Permittee acknowledges and agrees, on behalf of itself and all successors and assigns: (i) that the site is subject to coastal hazards including but not limited to episodic and long-term shoreline retreat and coastal erosion, high seas, ocean waves, storms, tsunami, tidal scour, coastal flooding, and the interaction of same; (ii) to assume the risks to the Permittee and the property that is the subject of this permit of injury and damage from such hazards in connection with this permitted development; (iii) to unconditionally waive any claim of damage or liability against the Commission, its officers, agents, and employees for injury or damage from such hazards; (iv) to indemnify and hold harmless the Commission, its officers, agents, and employees with respect to the Commission's approval of the project against any and all liability, claims, demands, damages, costs (including costs and fees incurred in defense of such claims), expenses, and amounts paid in settlement arising from any injury or damage due to such hazards; and (v) that any adverse effects to property caused by the permitted project shall be fully the responsibility of the property owner.
- **11. Lease and Deed Restriction.** PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the Permittee shall submit to the Executive Director for review and approval documentation demonstrating that the Permittee and City have executed and recorded against the lease sites and parcel(s) governed by this permit a lease and deed restriction, in a form and content acceptable to the Executive Director: (1) indicating that, pursuant to this permit, the California



Coastal Commission has authorized development on the subject property, subject to terms and conditions that restrict the use and enjoyment of that property; and (2) imposing the special conditions of this permit as covenants, conditions and restrictions on the use and enjoyment of the Property. The lease and deed restriction shall include legal descriptions of the lease sites and parcels governed by this permit. The lease and deed restriction shall also indicate that, in the event of an extinguishment or termination of the lease and deed restriction for any reason, the terms and conditions of this permit shall continue to restrict the use and enjoyment of the subject property so long as either this permit or the development it authorizes, or any part, modification, or amendment thereof, remains in existence on or with respect to the subject property.

C.California Environmental Quality Act (CEQA)

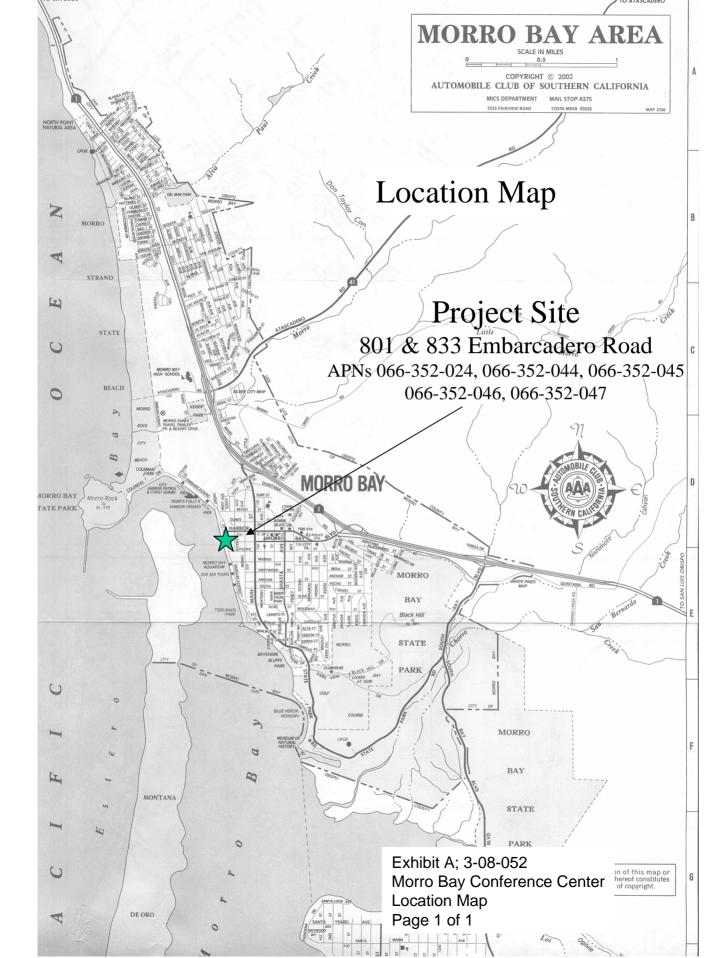
Section 13096 of the California Code of Regulations requires that a specific finding be made in conjunction with coastal development permit applications showing the application to be consistent with any applicable requirements of CEQA. Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development 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 City of Morro Bay, acting as the lead CEQA agency, conducted an environmental review for the proposed project as required by CEQA and adopted a mitigated negative declaration pursuant to CEQA.

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. The Commission has reviewed the relevant coastal resource issues with the proposed project, and has identified appropriate and necessary modifications to address adverse impacts to such coastal resources. All public comments received to date have been addressed in the findings above. All above findings are incorporated herein in their entirety by reference.

The Commission finds that only as modified and conditioned by this permit will the proposed project avoid significant adverse effects on the environment within the meaning of CEQA. As such, there are no additional feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse environmental effects that approval of the proposed project, as modified, would have on the environment within the meaning of CEQA. If so modified, the proposed project will not result in any significant environmental effects for which feasible mitigation measures have not been employed consistent with CEQA Section 21080.5(d)(2)(A).





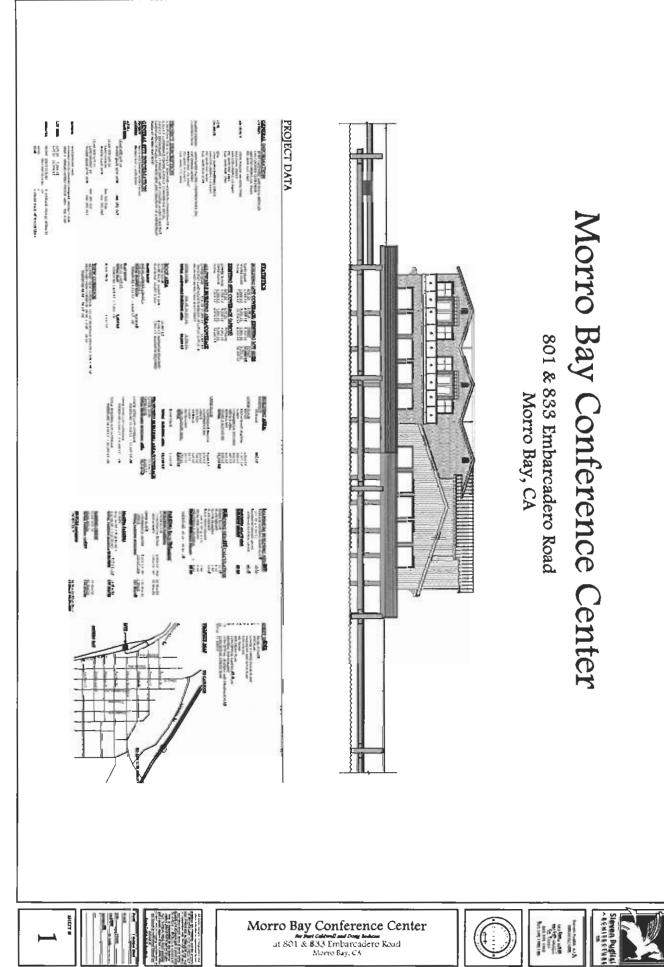
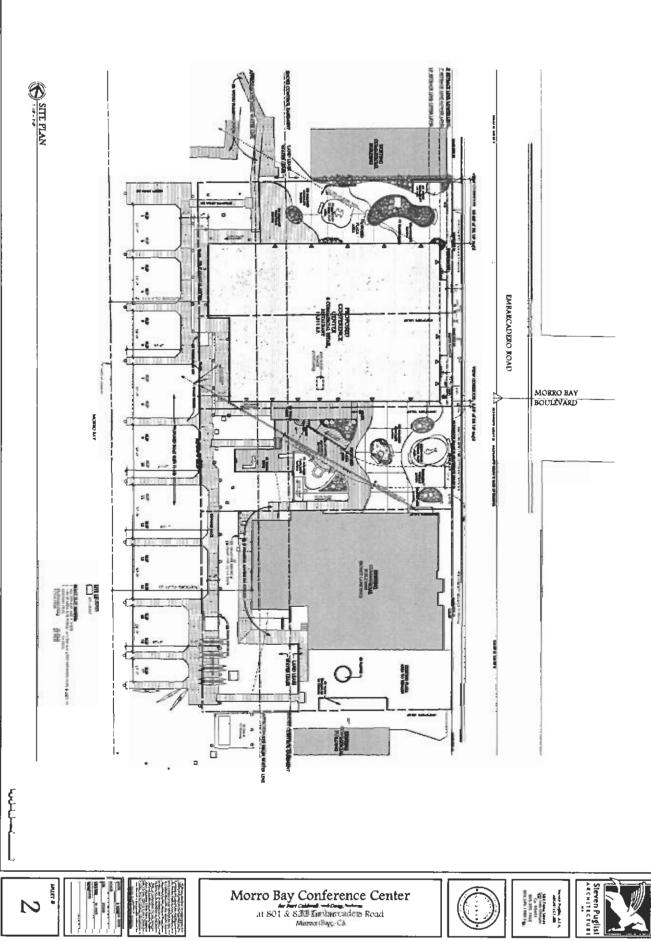


Exhibit B Proposed Site Plans and Elevations Page 1 of 7





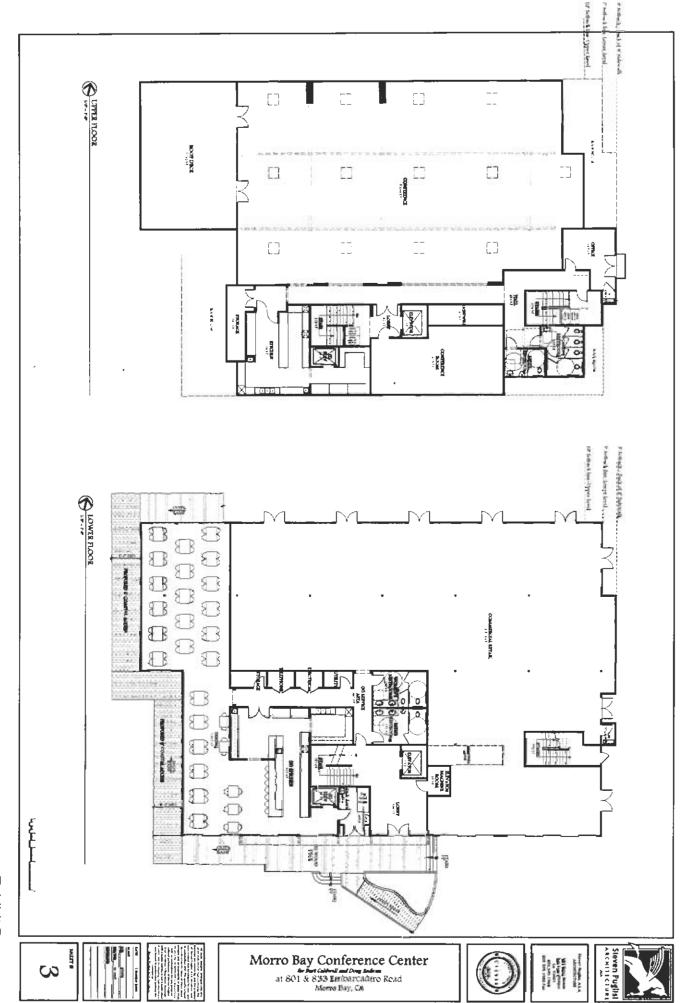
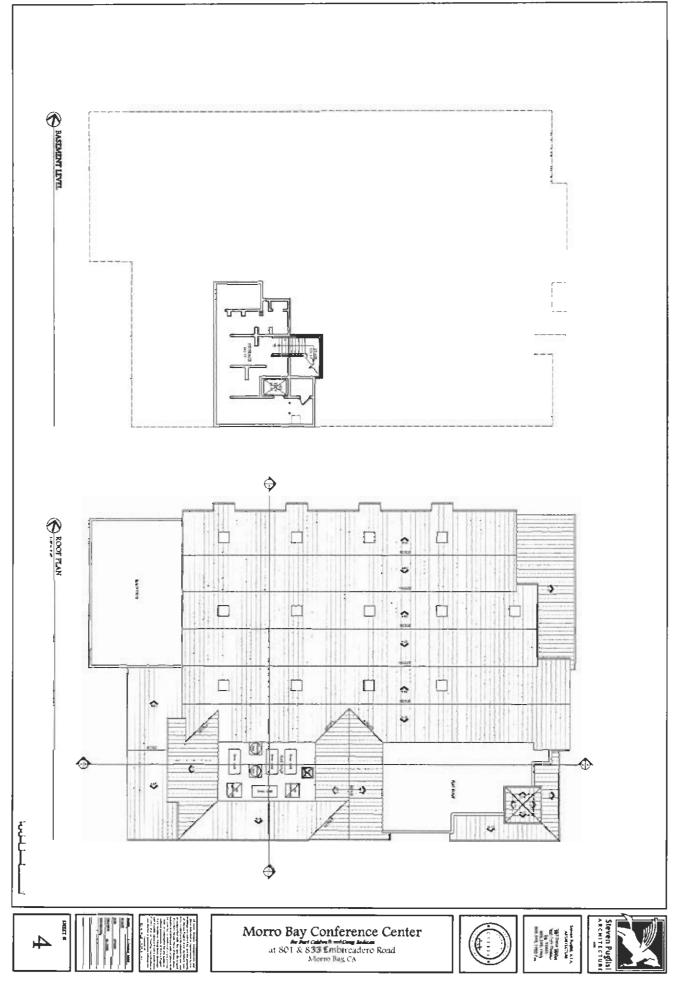


Exhibit B Proposed Site Plans and Elevations Page 3 of 7

Exhibit B Proposed Site Plans and Elevations Page 4 of 7



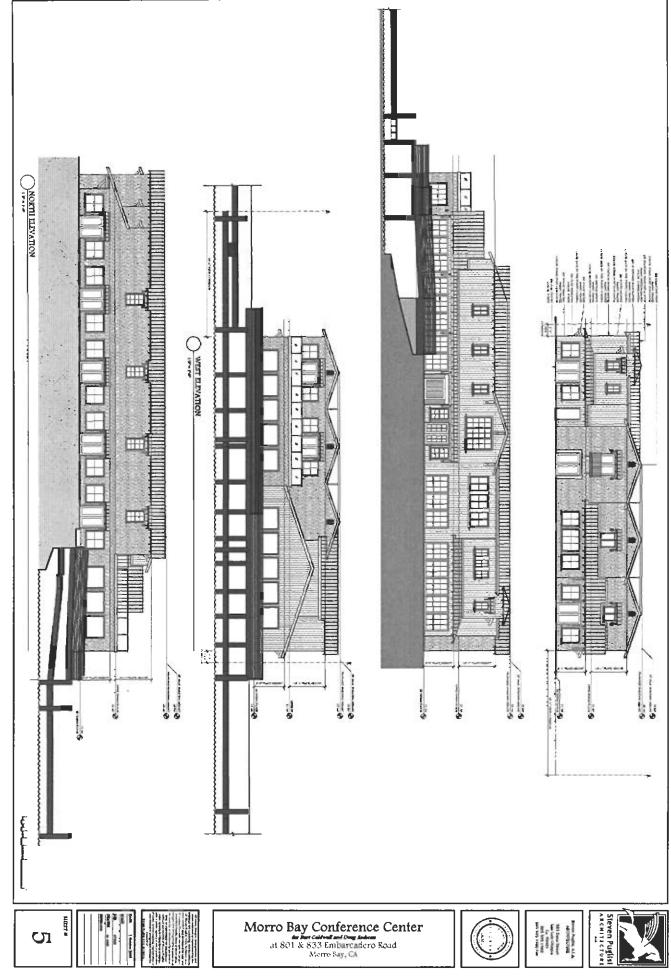
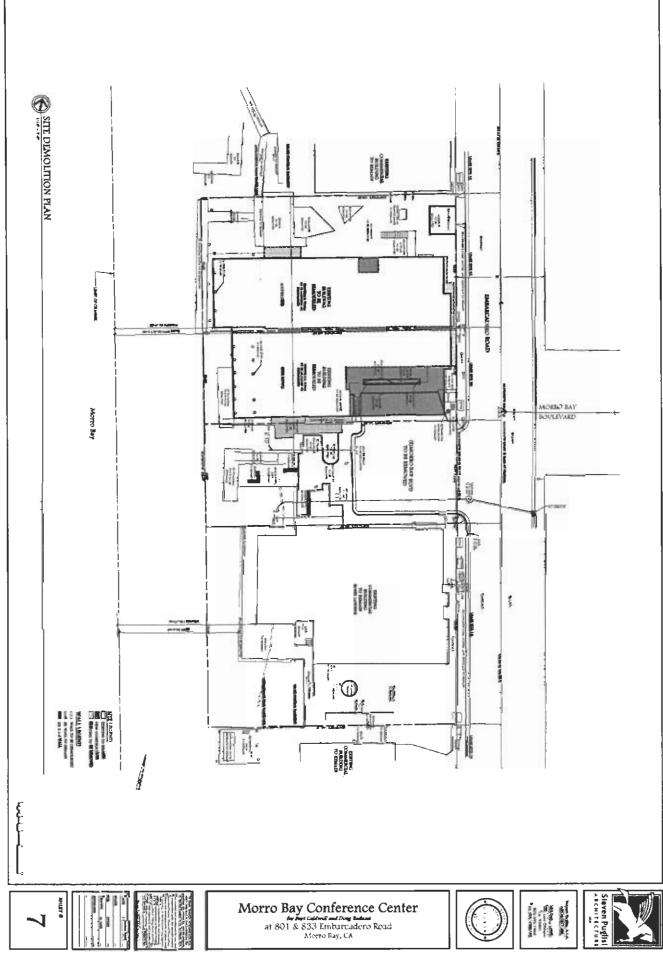


Exhibit B Proposed Site Plans and Elevations Page 5 of 7





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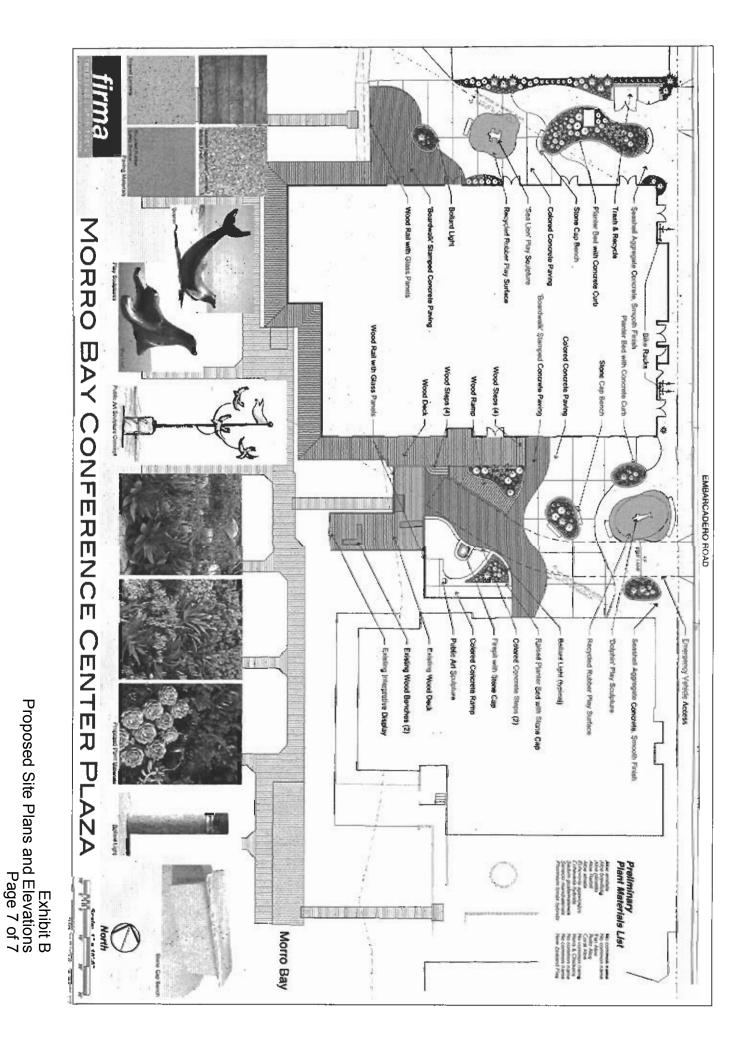




Exhibit C Site Photographs Page 1 of 2

California Coastal Records Project Slide 200509832



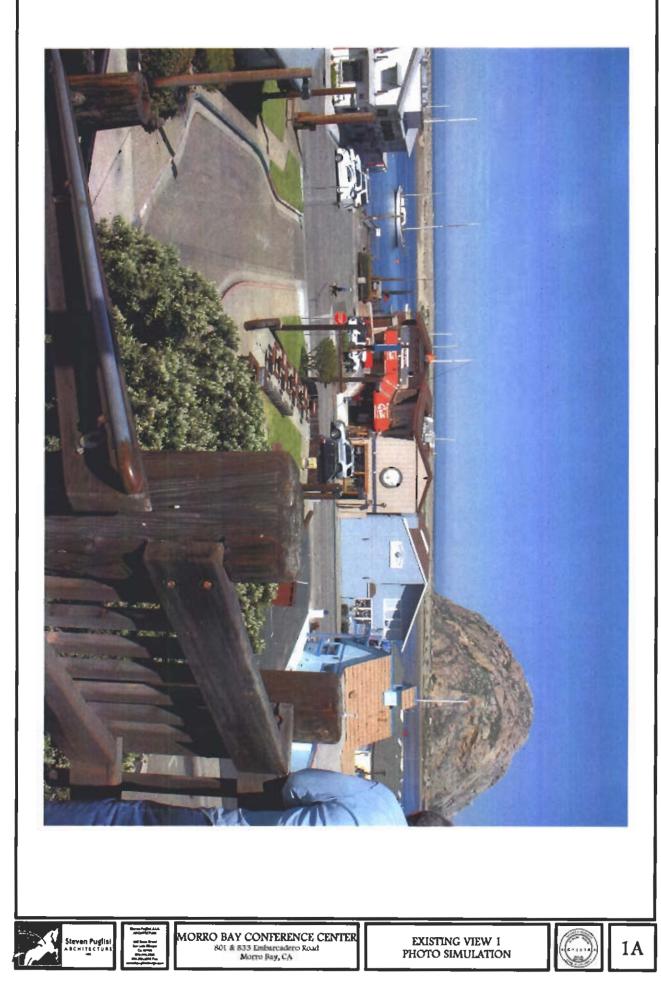


Exhibit D Computer Simulations Page 1 of 6

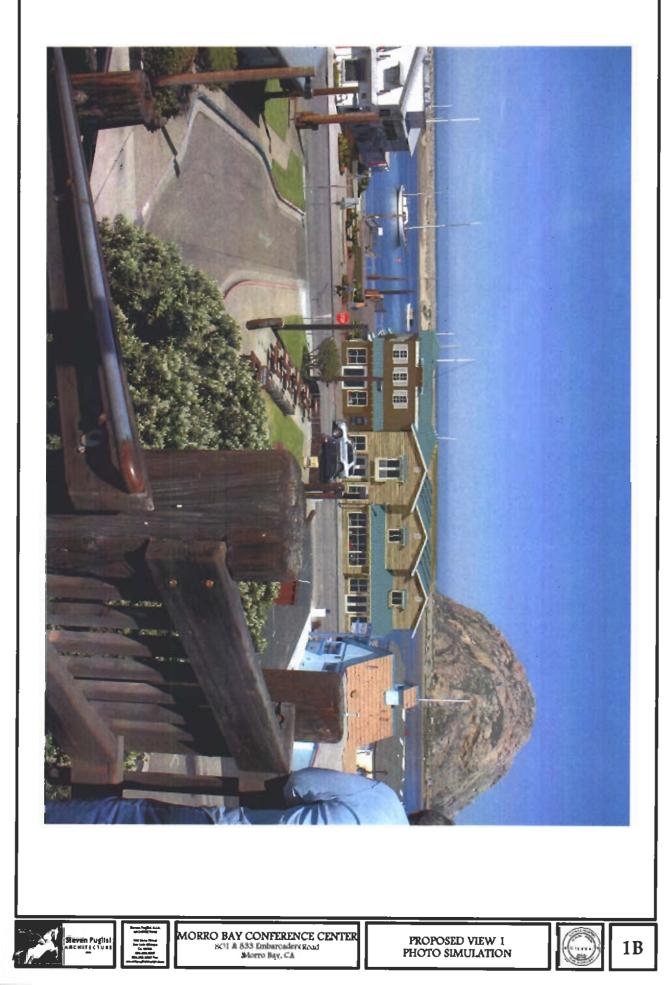


Exhibit D Computer Simulations Page 2 of 6



Exhibit D Computer Simulations Page 3 of 6





Exhibit D Computer Simulations Page 4 of 6

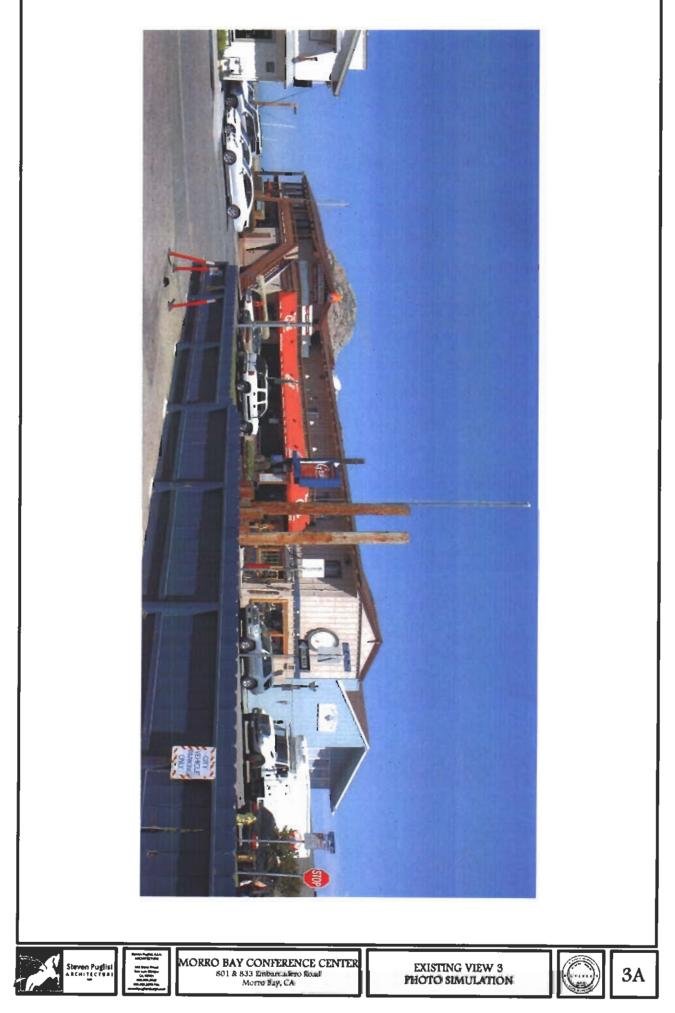


Exhibit D Computer Simulations Page 5 of 6

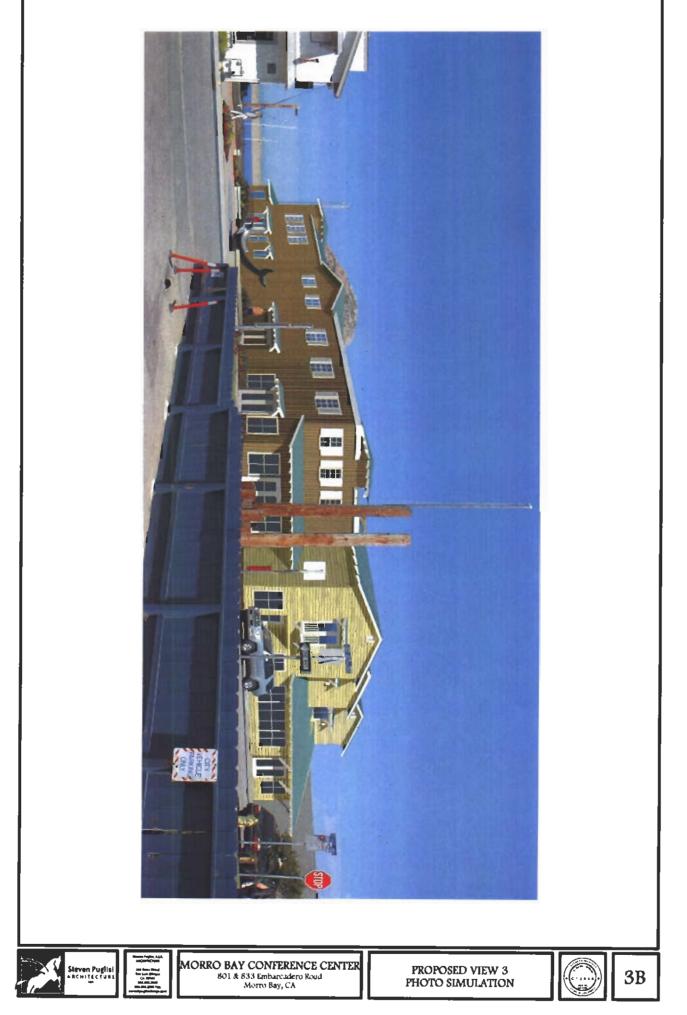


Exhibit D Computer Simulations Page 6 of 6

CHAPTER 5

DESIGN GUIDELINES

To assist in evaluating the quality of a design submitted, the visual criteria have been divided into basic categories which correspond to the findings that are to be made with a project's approval.

Category I. Public Visual Access:

The view of the bay, sandspit and Morro Rock is one of the most prized possessions of the City and is essential to the visual quality of the area as well as the commercial success of the Embarcadero and the City as a whole. At present the mix of activities which include motels, restaurants, tourist shopping and visual participation in the commercial fishing and recreational boating are what give the Embarcadero its diverse and interesting character within the setting of the waterfront, bay and ocean beyond. It is this diversity based upon a working fishing village atmosphere which is physically and visually accessible to the pedestrian that make it an exciting place to visit and therefore economically viable.

There is a need to protect existing views to and along the shoreline of the harbor, sandspit, Morro Rock and the fishing and recreational fleet as seen from the street-ends off the Embarcadero, between buildings or through open areas from the Embarcadero, and from public viewing locations and public right-of-way on the bluff top.

<u>Public Viewshed Defined</u>: The public viewshed is defined as all areas of the bay, harbor, sandspit, and Morro Rock. currently visible from the Embarcadero, the street-ends, public observation points, and public right-of-way at the bluff top; but not including views from private property, businesses, or residences. Figure 5.4 identifies these viewing locations. This definition shall be used in evaluating any development proposal which has the potential to obstruct public views.

<u>View Corridor Defined</u>: View corridors shall be open liner spaces located between or adjacent to buildings affording views from the street of the harbor, bay, sandspit and Morro Rock. Said corridors shall not have visual obstructions except for low shrubs, seating benches and other street furniture of 30 inches in height or less. Taller lighting poles and similar fixtures may be allowed. No overhead structures such as canopies, balconies and pedestrian bridges (other than normal eaves) are permitted within the view corridors unless said structure is offset by additional width of view corridor equal to the vertical dimension of the overhead structure.

Waterfront Master Plan



Exhibit E Waterfront Master Plan Policies Page 1 of 10 Design Criteria: The following criteria shall be considered in the design review process:

- 1. View Corridors Required:
 - a) West side of Embarcadero / Front Street: All new construction and major remodels of existing buildings on the west side of the Embarcadero shall require the provision of open, unobstructed view corridors pursuant to figures 5.1, 5.2 and 5.3. Said view corridors shall be as follows:

Lot / Lease Width	Building Height	Min. View Corridor Width *	Sloping. Roof 4 in 12	Findings of Significant Public Benefit Required
49 ft. or less	up to 14 ft.	none	no	no
49 ft. or less	14 to 17 ft.	none	yes	no
49 ft. or less	17 to 25 ft.	30%, min. 8 ft.	yes	yes
50 ft. or more	up to 14 ft.	15%, min. 8 ft.	no	no
50 ft. or more	14 to 17 ft.	15%, min. 8 ft.	yes	no
50 ft. or more Corner lots	17 to 25 ft. see Figure 5.3	30%	yes	yes

- * Corridors widths are based upon a percentage of the width of the lot or lease site.
 - b) East side of Embarcadero / Front Street: The view corridor requirements and view analysis applicable for properties located west of the Embarcadero, between the street and the bay, shall also be applicable to the portions of buildings over 14 feet located east of the Embarcadero, between the street and the bluff top. Said structures shall not be permitted to exceed 25 feet in height.
- 2. Building Heights:

Standard Building Heights: Building heights on the east and west side of the Embarcadero and Front Street are limited to 14 feet maximum if the roof is flat, or 17 feet maximum if there are sloping roofs equaling 80 percent of the total roof area with a minimum 4 in 12 pitch.

Waterfront Master Plan



Exhibit E Waterfront Master Plan Policies Page 2 of 10 Increased Building Height: "Standard building heights" will be the maximum allowable height unless there is a use permit or planned development approved by the Planning Commission allowing for greater height pursuant to the Planned Development (PD) Overlay district. In addition to the required finding of significant public benefit, increases in height may be allowed up to a maximum of 25 feet under the "PD" zoning overlay district, with the finding that the overall viewshed characteristics will be improved or, at a minimum, not diminished from the public viewing locations established on Figure 5.4 and upon meeting the following additional requirements:

- a) For the areas east and west of the Embarcadero, 80 percent of all roofs for both one and two story structures shall be sloping with a minimum 4 in 12 pitch.
- b) Incorporate open view slots or corridors in the design of new or remodeled structures on the west side of the Embarcadero in order to enhance overall visual access to the water. View corridors shall be required for all buildings taller than 17 feet on the east side of the Embarcadero. These corridors can be along property or lease lines, sideyard setbacks or incorporated within the building as open areas or walkways. Said corridors are encouraged to be placed along common property or lease lines adjacent to similar existing or proposed view corridors on the adjacent property. Figures 5.1, 5.2 and 5.3 demonstrate some of these principles graphically by showing the various design configurations relative to building height and site coverage.
- c) Allow relocation of existing view corridors or visual openings between or through buildings as long as there is no reduction in the measured width when compared to existing corridors. Building massing and design should be guided by the objective of avoiding walling-off public visual access to the water from the Embarcadero.
- d) Encourage provision of public (non-customer) viewing areas of the bay and waterfront in the form of outdoor decks or balconies accessible from the lateral waterfront accessway on the upper or second story. This provision applies to future development on the seaward side of the Embarcadero.
- e) Regardless of any findings for significant public benefit provided, the maximum allowed height shall not exceed 25 feet or 30' for commercial fishing structures north of Beach St., except for flag poles, projections not exceeding 18 inches in width and all other exceptions included in Title 17. Additions and reconstruction of the existing PG & E power plant may be permitted to exceed the 25 foot height limit if the City finds that it is infeasible or inappropriate to construct the addition within the 25 foot height limit.

Waterfront Master Plan



Note that the requirement for minimum 8 foot wide lateral public access across the entire water frontage of the property is not reduced by these requirements and is part of the City's Coastal Plan and zoning requirements. The only exceptions are where the City determines that the provision of such access to be unsafe or to conflict with commercial fishing or harbor related facilities.

 Building Setback, Coverage, Bulk and Scale: In order to protect the full breadth of existing public views, second floor setbacks and reduced building bulk will be required.

Building Setbacks: The minimum first floor front setback on both sides of the Embarcadero and Front Street shall be an average of 5 feet. The second floor front setback shall be a minimum of 10 feet from the right-of-way.

Building Coverage, Bulk and Scale:

- West side of Embarcadero / Front Street: The maximum coverage of all ground floor portions of buildings located west of the Embarcadero shall be 70 percent of the land portion of the properties. If permitted, the maximum area of the second floor, excluding open decks, shall be 70 percent of the maximum allowable first floor building coverage.
- East side of Embarcadero / Front Street: The maximum coverage of all ground floor portions of buildings located east of the Embarcadero shall be 85 percent of the land portion of the properties. The maximum area of the second floor, excluding open decks, shall be 80 percent of the maximum allowable first floor building coverage.
- 4. Building in the "H" Zone:

New or increased building extensions beyond the shoreline shall be in conformity with the Harbor ("H") zone. In addition, said construction shall meet the height, coverage and view corridor requirements stated in the standards 1, 2 and 3 above.

Category 2. Site Design and Parking:

At present, there is a lack of uniformity in the placement of buildings on their sites relative to public sidewalks in the Embarcadero visitor area (Area #3). This situation in turn adversely affects the overall sense of physical and visual cohesiveness for the area. The variation in the way buildings are placed interrupts a uniform treatment of sidewalks because of the varying minimum setbacks that have occurred over time. In some developments, especially on the east side of the Embarcadero, parking and vehicle service

Waterfront Master Plan



Exhibit E Waterfront Master Plan Policies Page 4 of 10 areas interrupt the easy flow of pedestrian activity. While parking must be provided as required by the City Ordinance, attention to good design and, where possible, setting the parking back from the sidewalk will facilitate better site design more appropriate to the Embarcadero area.

The following criteria are to be considered in the design review process:

1. Street Frontage: Maintain a consistent street frontage. Buildings and related site development shall provide a continuity of interest and facilitate pedestrian movement along the street frontage.

Portions of the first floors of buildings may be built to the back of sidewalks. The ten foot front yard setback currently required in the "C-VS" Zone on the east side of the Embarcadero should be modified as indicated in #3 above in order to allow building construction to extend to the back of the sidewalk.

- 2. Parking Lot Setback and Access: No parking lots should be placed in front or side yards which interrupt the street continuity and pedestrian passage. Access driveways to the rear are acceptable on the east side of the Embarcadero.
- 3. Minimum New Sidewalks: Improve the public sidewalk to a minimum of 8 or more feet in width on the east and west side of the Embarcadero where feasible. Where reasonable, the west side should be widened at entries and view corridor areas.
- 4. Sidewalk Treatment and Street Furniture: Coordinate provision of special sidewalk paving treatment and street amenities as discussed elsewhere in this document including provision of benches, street trees and planters.
- 5 Sidewalk Cafes: Outdoor dining is encouraged. Said dining areas shall be enclosed in permanent low see-through railings or fences.
- 6. Screening: The trash areas shall be screened in the manner identified by the municipal code. Provide visual screening for trash enclosures.
- 7. Maintenance: A regular maintenance program for cleaning of all public facilities shall be implemented. Private businesses should be encouraged to participate in the cleaning of facilities in the vicinity of their businesses.





Exhibit E Waterfront Master Plan Policies Page 5 of 10

Category 3. Architectural Design Character

The benefits of an appropriate building character and consistency in theme include greater enjoyment of the central Embarcadero area by both visitors and residents, increased tourism, improved economic health for businesses and financial gains for the City. People enjoy attractive places both in terms of the natural environment and also the built environment.

The design goal for the Embarcadero is to enhance the visual experience of visiting the area by bringing about a gradual strengthening of architectural continuity and by encouraging buildings with distinctive visual quality. This design quality or character should reflect the historical and cultural identity of the Embarcadero -- one of a working fishing community with a variety of character and building types typical of pedestrian oriented communities which have evolved over time. The Embarcadero area is not encouraged to develop with any single theme or architectural style.

Further proportion, harmony of components, continuity and balance are all elements of good architectural design. Whether it is a sign or a multi-building project, its different elements should be integrated into a comprehensive design with the various elements compatible with each other. Elements should be in balance and in proportion to one another and their environment. Variety should be used to create interest, not used just for the sake of difference. Monotony in form and detail should be avoided as should be trite architectural styles from other areas that have no relevance to the Morro Bay area.

The following criteria are to be considered in the design review process:

- 1. Fishing Village Character: Maintain an architectural character in keeping with a working fishing community with the form and scale typical of pedestrian oriented communities which have evolved over time. The intent is to produce architecture that is both in character with the existing community and, as each new building or remodel is completed, adds to the overall ambiance of the waterfront area. The focus of this requirement is not to limit construction to a single style (such as at Solvang or downtown Santa Barbara) but rather to avoid massive buildings or buildings which detract from the waterfront character which is now a delight to visitors and residents alike.
- 2. Adapting Existing Buildings: In applying design criteria and conditions, consideration must be given to existing conditions. For example, new construction and signage conditions apply to buildings which abut the frontage walkways.

Waterfront Master Plan However, some existing buildings are set back from the street and conditions must be adapted to this situation

- 3. General Design Treatment: To establish building character, new construction shall be encouraged to meet the following design criteria. These guidelines are for retail and tourist commercial buildings -- exceptions may be made for buildings constructed to serve the fishing industry.
 - a) The areas immediately adjacent to the sidewalk shall be pedestrian oriented with windows, entries and display areas;
 - b) The front facade shall be in scale and character of the waterfront area (meaning that proportions tend to be vertical and long horizontal expanses in the same plane should be avoided -- see also concepts to be avoided below);
 - c) Wall surfaces should be articulated (board and batt, engaged pilasters, multilevel trim, cornices, built-up fascias);
 - d) Rooflines shall be varied to avoid monotonous views from the blufftop areas;
 - e) Materials and colors should be varied to break larger building masses and large wall planes into smaller elements;
 - f) Building proportions shall have harmony and balance and be integrated into a total composition.
- 4. Construction concepts to be avoided:
 - a) Large flat planes of any type of materials;
 - b) Contemporary "boxy" buildings similar to shopping centers or discount stores.
- 5. Commercial Signage: A unified treatment of the commercial signs is important to maintain the integrity of the Embarcadero area character. "Unified treatment" does not necessarily mean that all the signs must have the same style of lettering. Rather, it is more important that the lettering have similar stylistic traits and the signs are placed in a manner that complements the architectural style of the buildings which they designate. Sign location and size are governed by the sign ordinance of Morro Bay.





Exhibit E Waterfront Master Plan Policies Page 7 of 10 Signs must meet the following additional criteria:

- a) Pole signs are to be avoided.
- b) Projecting signs perpendicular to the building and awning signs are encouraged.

Category 4. Areawide Design Compatibility:

It is important to insure not only that the architecture is compatible but that the installation of the improvements at the street frontage are compatible with community standards and those of the adjacent neighbors. The design of a new building does not necessarily have to be the same as the adjacent designs, but there must be elements of compatibility in building articulation, color and materials. It is very difficult to foresee all considerations that might develop in the review process, but the intent here is to avoid building architectural styles that clash or create disharmony. The actual determination of these conditions will be left up to the City Planning Staff and Planning Commission. In addition, there must be physically compatible design regarding sidewalks and lateral pedestrian access along the waterfront.

The following criteria are to be considered in the design review process:

- 1. Sidewalks: Maintain a consistent street frontage and sidewalk connection along the Embarcadero.
- 2. Boardwalks: Develop where feasible a continuous pedestrian linkage along the waterfront. It is recognized that balcony or pedestrian levels may not always be at the same vertical elevation and therefore provision for steps and ramps must be made even though the adjacent building does not presently have provision for the lateral access. Exceptions for continuous handicapped access may be necessary as long as the developmentally disabled can get to each portion of the waterfront lateral access from the Embarcadero.
- 3. Architectural Compatibility: The buildings architectural character shall show consideration and recognition of neighboring buildings in the selection of: a) roof forms; b) wall colors and materials; c) doors and windows; as well as d) basic design character scale and proportion. In other words, new projects should not diminish, either directly or by cumulative impact of several similar projects, the use, enjoyment or attractiveness of adjacent buildings.

Waterfront Master Plan

Exhibit E Waterfront Master Plan Policies Page 8 of 10



FINDINGS FOR DESIGN ACCEPTABILITY

To facilitate the architectural review process, the following findings shall be made by the City Planning Staff or the Planning Commission during the review process.

Category 1. Public Visual Access:

- 1. In the case of a project other than a minor remodel which has no impact on views, the proposed project makes a positive contribution to the visual accessibility to the bay and rock and it:
 - a) meets the Waterfront Plan height limit and maximum building coverage, bulk and scale requirements;
 - b) preserves and enhances the views as seen from street-ends;
 - c) enhances views to waterfront through and / or around the building; and
 - d) maintains a pedestrian character along the Embarcadero.
- 2. In the case of a remodel or administrative type project, at a minimum, it does not worsen an existing situation by blocking more views than is presently the case. It does not block view corridors or intrude into pedestrian access areas. It takes advantage of outward views and characteristics of the topography.
- 3. On the West side of the Embarcadero, in the case of granting of heights greater than 17 feet, the proposed project also provides significant public benefit pursuant to the Planned Development Overlay Zone requirements.

Category 2. Site Design and Parking:

The proposed project provides the amenities identified in the Waterfront Plan, facilitates pedestrian visual and physical access to the waterfront, and takes advantage of outward views and characteristics of the topography.

Category 3. Architectural Design Character:

The proposed project makes a positive contribution to the working fishing village character and quality of the Embarcadero area. The design recognizes the pedestrian orientation of the Embarcadero and provides an interesting and varied frontage that will enhance the pedestrian experience. The project gives its occupants and the public some



variety in materials and / or their application. The project contains the elements of harmony, continuity, proportion, simplicity and balance and its appearance matches its function and the uses proposed.

Category 4. Areawide Design Compatibility:

The proposed project does not diminish, either directly or by cumulative impact of several similar projects, the use, enjoyment or attractiveness of adjacent buildings and provides a visual and pedestrian transition to its immediate neighbors.

PROJECT REQUIREMENTS AND APPLICATION PROCESS

The visual impacts of development on the waterfront community have a high potential to generate visual impacts. In order to demonstrate visual conformity with the guidelines set forth, all applicants who are submitting a new project, a major expansion, or one which requires more than administrative review by the City of Morro Bay, are asked to meet the following submittal guidelines and process. After review of the applicant's submittal, the City shall approve or deny the design component of the project based on findings of conformity with the design categories set out in Section C.

- 1. It is strongly urged that the applicant and his design team meet with City staff for a pre-application meeting to determine the general character and impact of the project. The staff will seek to define the detail of submittal requirements for the applicant as defined below. It must be emphasized that while the amount of documentation may seem extensive, previous experience has proven that it will actually save the applicant time and reduce the amount of possible public controversy by taking the visual issue out of the realm of speculation.
- 2. Base submittal for design and visual context information: (Two story projects must submit documents meeting requirements "a", "b", and "c". Single story projects may omit "a" upon approval by staff).
 - a) A minimum of three views perpendicular to the waterfront showing the present (before project) condition and the same view with a simulation of the project montaged on the surface of the photograph. In the event of a large project more than the three basic views listed below may be required. A planning staff member should be consulted in case there is any doubt. The three view types are:

Waterfront Master Plan



Exhibit E Waterfront Master Plan Policies Page 10 of 10

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OCT 2 0 2008

CALIFORNIA COASTAL COMMISSION CENTRAL COAST AREA

October 16, 2008

California Coastal Commission Central Coast District Office 725 Front Street, Suite 300 Santa Cruz, CA 95060-4508

Re: Morro Bay Conference Center Application

Dear Sirs:

I would like to voice my opposition to construction of the Morro Bay Conference Center as proposed. There are several other options available for such an undertaking which I believe would create less traffic and parking problems.

I don't understand why the Council wants to tear down beloved, operating local businesses when there are other locations that are available. Many customers of the Outrigger, for instance, are signing a petition in opposition to this project.

I sincerely hope you will deny this application.

Respectfully,

Toni Cardoso P. O. Box 247 Morro Bay, CA 93443-0247 805-772-1261

> Exhibit F Correspondence Page 1 of 25

Message

Michael Watson

From:Michael WatsonSent:Thursday, October 09, 2008 10:45 AMTo:Michael WatsonSubject:FW: 801-833 Embarcadero Comments

-----Original Message-----From: GDoug22489@aol.com [mailto:GDoug22489@aol.com] Sent: Thursday, October 09, 2008 9:55 AM To: Michael Watson Subject: 801-833 Embarcadero Comments

Mike here are some comments on the proposed project, please contact me if you have questions. Gene Doughty October 9 -08

Mr. Mike Watson, California Planner California Coastal Commission 725 Front Street, Suite 300 Santa Cruz, California, 9560

Subject: Proposed conference center located at 801-833 Embarcadero, Morro Bay, California

Dear Mike: I have several concerned about the proposed conference that is beginning presented to you.

1. The City Council of Morro Bay voted that the elimination of 8 parking stalls of which 2 are handicap-parking spacing and the creation of a pedestrian plaza at the end of Morro Bay Boulevard is a public benefit. Thus allowing larger lot coverage and a greater building height than the Waterfront master plans allows for. I disagree.

I can understand that Mike Prater, City Planner, would think that the above trade off might benefit the public. Mike, the Planning Commission and the City Council are normally aware of land use policies. But this concept proposal goes beyond the shore side and direct fully affect the public's interaction of our bay.

This revised and presented proposal has never been before the Morro Bay Harbor Advisory Board of which I serve on. Our role is to advise the Council and consequently the Planning Commission of items "on, over or in the waters of Morro Bay". , Had we been allowed to advise, several issues would have been raised.

1. Morro Bay Blvd starts at the Highway 1 freeway on the east end of town and creates a wide boulevard all the way down to our bay, hence the name says it. We have built a centennial stairway to continue this flow of view and pedestrians down to the water. The street end of M.B.B. ends with a Coastal Conservency ,paid for, viewing platform and most important a direct public walkway, a ramp and a floating dock down to and at the waters edge for all the public to enjoy. This interface between land and Sea is the most important connection that the peoples of California can hold.

2. The existing floating side tie dock not only allows land side people direct access to out bay but it ,and it is just as important, it provides a save direct navigable tie up dock for boats accessing the land. The

Exhibit F Correspondence Page 2 of 25

10/9/2008

majority of the time our tides floods and ebbs with considerable force. And the majority of our boaters require a dockage that provides a safe and easy side tie approach against this currents.

3. The propose concept plans creates a private use of the state lands water way in front of this Morro Bay boulevard street end, with a rail and gate thus preventing public access. The proposed plan does provide a token slip on the far north end of the project, this tie up slip is neither a direct link to Morro Bay Boulevard nor to the Embarcadero, it is also perpendicular to the currents. Thus creating a navigatible hardship.

4. The proposed slips are well beyond the existing water lease sites. I relies that they do not actually cross into the federal designated channel, but they come close. This creates several safe boating practice problems. As you are aware there are several kayaks rental facilities nearby, and while a number of patrons using these kayaks are familiar with the marine rules of right a way. Most are from the inland empire and they are at risk. Presently they can normally stay out of the stream and channel and travel along the area behind the existing slips. As proposed ,all skiffs, kayaks, rowboats etc will be forced to row or paddle around this "sore thumb" into the middle of the stream and into the federal channel , into what will be considered, the only traffic lane for ships, tugs. Fishing vessels and sailboats etc. And as you know all boats going with the current need to go faster than the current to be maneuverable.

5. In the first draft proposal to the City, the proponents had several pertindectural slips. It was later revised and presented so as not project beyond the lease site and to reduce the shadowing effects of boats. The plan presented now has reversed their direction and have now showed perpendicular slips not only in front of the old Outrigger lease site. and adjacent fishbowl lease site but the street end and in front of Roses landing, this was never originally proposed, I would be concerned about shadowing effect as well a restricting current flows of our bay.

6. Parking issues for slips. As I understand the proposal, approximately 50 parking stall have been grandfathered in from the original site of Embarcadero Grill and the Outrigger restaurant. These sites had a total of 75' of side tie dockage or a total of 2 grandfather parking stalls. The remaining parking credit is from existing landward uses. I.e. restaurants, retail etc. The proposal in front of you creates new useage on the water lease site of 17 slips of which at least 15 new parking stalls need to be created, This cannot be achieved by simply contracting for then in an offsite, more than a mile away, location. subject to valet parking during some hours. These real parking stalls must be located within a reasonable distance from the slips. Remember the boat owner is not only going to be caring a lot of gear, but they are not going to be using the boat for less than 2 or 3 hours but be gone for most of the day. The existing public parking on the Embarcadero is restricted to a 2-3 hour time limit. Either the proponents provide the required parking or not build the slips.

Several City Council members were concerned as to the realignment of the lateral pedestrian walkway along our waterfront. As proposed this walkway will force pedestrians to walk around the project. By moving the proposal landward and inline with other project, a nice broad pedestrian walkway with no restricted view lines is I feel a better approach.

In conclusions I understand that the driving force is to create additional income for our City, but the enlarged proposal is really just too much for this lease site and I see no greater public benefit that would justify this enlargement.

With much respect for the California Coastal Commission and yourself Gene Doughty

New MapQuest Local shows what's happening at your destination. Dining, Movies, Events,

Exhibit F Correspondence Page 3 of 25

10/9/2008

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CALIFORNIA

CONSTAL COMMISSION

CENTRAL COAST AREA

August 31, 2009

California Costal Commission Attn: Mr. Mike Watson 725 Front Street, Suite 300 Santa Cruz, CA 95060

Dear Commissioner Watson,

This letter is to express my opposition to development of a convention center on and adjacent to the Embarcadero in Morro Bay on the Central Coast. I have reviewed the renderings and specification of this development and believe strongly that it is a monstrosity and clearly a deviation from the scale of man as established throughout the existing Embarcadero commercial area. In addition, the creation of more hotel rooms in this development will further erode the ability of existing hospitality businesses in the city to be profitable.

I am a citizen of Morro Bay and have lived her for about two and one-half years. I occasionally talk with visitors and tourists in town and have learned that they appreciate the small town atmosphere and the quiet and quaint nature of the Embarcadero. I have asked them specifically about a convention center in the middle of the Embarcadero, and all have said that kind of development is out of place and not consistent with the small fishing village atmosphere and tourist accommodations that presently exist. I suspect many of our tourists would seek alternative destinations for vacations and weekend get-aways if a large, noisy, and overwhelming convention center were erected in the middle of the Embarcadero.

This whole convention project was cooked up behind closed doors by a few city officials and developers. Based on my twenty years teaching experience in the Center for Public Policy and Administration at California State University, Long Beach, I am totally unconvinced that the citizens of Morro Bay were ever listened to on the subject of spending millions of dollars on a venture that has no proof of concept and no proof of financial viability.

I ask that you request prior to any further Coastal Commission consideration of this convention project that an appropriate policy analysis be undertaken to include a formal citizens' survey regarding desire for a convention center, on the Embarcadero or elsewhere in the city. This essential piece of information has not yet been done, and it makes no sense to proceed on a controversial and questionable project based on the self-serving promotions of a very small group of political insiders. A project this massive cannot be undone after it is learned that there is no need for the project, and more importantly, no desire for the project among the citizens of our community. We all deserve better than what the city leaders have done so far with this project. We should be given the benefit of a formal policy analysis that surfaces all of the issues, benefits, risks, and most importantly, the desires of the citizens of the City of Morro Bay.

Thank you for your consideration.

Sincerely. Adult Spenner

Robert Spencer P. O. Box 468 Morro Bay, CA 93443 805-772-7010

Exhibit F Correspondence Page 4 of 25

RECEIVED 3-05-052

September 25, 2009

AUG 3 1 2009

CALIFORNIA COASTAL COMMISSION GENTRAL COAST AREA

> Mike Watson California Coastal Commission 725 Front Street - Suite 300 Santa Cruz, Ca. 95060

Dear Sir:

I wish to express my thoughts regarding the proposed Convention Center to be built on the waterfront in Morro Bay.

My wife and I reside in Los Osos which I'm sure you know is what might be considered a bedroom community. We spend a lot of time in Morro Bay joining the thousands of visitors mostly from the San Joaquin Valley spending time at the beach and walking the boardwalk and waterfront and, of course, enjoying dining at most of the fine restaurants.

Tearing down existing businesses on the embarcadero to me makes no sense whatsoever. To alter the image of a quaint fishing village to build a convention center on the water is ridiculous. I can imagine convention participants gazing out the windows to view the wildlife of the bay and the picturesque boat moorings while a moderator is trying to make a point in his or her desseration. And, consider that Morro Bay is not served by an airline, railroad or scheduled bus service. Nothing about a convention center makes any sense at all.

Please turn down any permission to destroy the livelihood of waterfrontmerchants who for years have contributed to ambiance that is Morro Bay.

Sincerly,

Ken Hanson 2265 El Dorado Los Osos, 93402 Tel: 528-6374

> Exhibit F Correspondence Page 5 of 25

3-08-052

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AUG 2 4 2009

CALIFORNIA COASTAL COMMISSION GENTRAL GOAST AREA 699 Embarcadero, Ste. 3 Morro Bay, CA 93442

19 August 09

CA Coastal Commission Attn. Mike Watson 725 Front Street, Suite 300 Santa Cruz, CA 95060

Dear Mr. Watson,

My name is Cynthia Wimer; I own a store at Marina Square in Morro Bay. Unlike some of my neighbors, I am in favor of the conference center project. HOWEVER, I feel that it is wrong to hold a hearing in Eureka, where those of us who have a vested interest in the effects of the project will be unable to voice their opinions. Please schedule this project for a meeting that most of us can attend.

Thank you for your consideration.

Yours truly, unhis Wan



Ms. Cynthia Wimer 333 Bernardo Ave. Morro Bay, CA 93442

> Exhibit F Correspondence Page 6 of 25

3-68-052 FRONT STREET INN & SPA

August 25, 2009

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AUG 2 7 2009

CALIFORNIA COASTAL COMMISSION CENTRAL COAST AREA

Mr. Mike Watson California Coastal Commission 725 Front Street Suite 300 Santa Cruz, CA 95060-4508

Morro Bay Conference Center- 801-833 Embarcadero

Dear Mr. Watson

I don't personally oppose Mr. Caldwell's project, but I believe you should examine a defect in your and Morro Bay's analysis of waterfront zoning.

Each tidelands lease contains a land lease and a water lease, which may be controlled by different individuals. In the vicinity of 801 Embarcadero the water lease is zoned II (Ilarbor and Navigable Waterways), and the land lease is zoned WF (Waterfront).

Certain uses allowable in the H zone may encroach into the WF zone, because the WF zone provides for it, but listed and implied uses in the WF zone must stop at the rear, seaward boundary (a 0 foot setback) regardless of whether the same use is allowed in the H zone.

Morro Bay and your Commission approved the Anderson Inn Galley project in 2004 [3-04-13]. Anderson's hotel and restaurant ignore the required rear setback and encroach into H zone 30 feet. Additionally, Anderson's building lot coverage was calculated by adding the square footage of the land lease and the water lease, both of which the Anderson partnership own.

For Caldwell's 801-831 Embarcadero project, Morro Bay and your Commission appear to accept similar encroachment across zonal boundaries, exceptions to allowable use, and lot coverage calculations which include the water lease, a portion of the parcel lying in a different, unique zone.

Anderson's approval and your probable findings for Caldwell constitute a grant of special privilege to developers of Morro Bay's tidelands trust properties, which is not available to landowners in the rest of the City, as follows:

 1140 Front Street, Morro Bay California
 93442

 Phone:
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 772-5038
 Fax:
 805
 772-6430

frontstreetinn.net

Exhibit F Correspondence Page 7 of 25

- 1. No mechanism in Morro Bay's title 17 permits including an adjacent property in a different zone into lot coverage calculations, even if the developer owns both properties.
- 2. No mechanism in Morro Bay's title 17 permits uses for new facilities, which aren't allowed or implied in underlying zoning.
- 3. No mechanism in Morro Bay's title 17 permits, or contains a mechanism for finding of variance, that new facilities may cross minimum setbacks and encroach on adjacent, dissimilar zones.

Sincerely

Tom Laurie

[Complete code references to the H and WF zone are provided below.]

17.24.170 WATERFRONT (WF) DISTRICT

Contents

A. Purpose

B. Special WF Zone Standards

WF District Table

A. PURPOSE

The purpose of the Waterfront (WF) District is to provide for the continued mixture of visitor-serving commercial and recreational and

harbor-dependent land uses in appropriate waterfront areas, as provided in this Chapter. (Ord. 263 § 1 (part), 1984)

B. SPECIAL WF ZONE STANDARDS

1. Existing residential uses

The number of residential uses existing in the waterfront (WF) district at the time of adoption of this chapter shall be permitted to

remain. (Ord. 263 § 1 (part), 1984)

2. Development priority

Development priority shall be given to coastal-dependent uses which are consistent with traffic, circulation and parking constraints

as determined by the City.

3. View corridors required

17.24

Morro Bay 2-97 65

Permitted development including structures, landscaping, parking and signs shall be designed and sited so as to preserve and

enhance views Consideration shall be given to view corridors from adjacent public

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FROMT STREET INN & SPA

roadways and from bluff top areas. (Ord. 263 § 1 (part), 1984)

4. Landscaping and screening

a. Plan

Applications for a Conditional Use Permit shall include a plan for landscaping and screening in conformance with the

provisions of Section 17.48.310 of this Title.

b. Refuse containers

Refuse containers shall be enclosed. Where possible they shall be located away from public view or where not possible the

receptacle area shall be landscaped. (Ord. 263 § 1 (part), 1984)

5. Signs programs

Applications for a Conditional Use Permit shall include a plan for signs, in conformance with Chapter 14.64 of this Title. (Ord. 263

§ 1 (part), 1984)

6. Parking

Applications for a Conditional Use Permit for new development shall include a plan for parking and landscaping of parking areas in

accordance with Chapter 17.44 and Section 17.48.290 of this Title, and with the following additional provisions. In reviewing

applications for visitor-serving uses in the West Embarcadero, provisions of offstreet parking shall be found to be sufficient to serve

the needs generated by the development as required by Chapter 17.44 and as follows:

a. Off-street facilities

Parking demands shall be satisfied by the provision of off-street facilities on the development site or within three hundred feet;

17.24

Morro Bay 2-97 66

b. Parking management plan

When a parking management plan which provides off street parking resources for the Embarcadero has been developed and

implemented applications for development in this district shall be allowed to satisfy their parking requirements through

participation in the program including any provisions for an in-lieu fee system. (Ord. 263 § 1 (part), 1984)

7. Architectural treatment.

Exterior treatment of structures in new development and redevelopment shall be considered in the review for a Conditional Use

Permit in accordance with Section 17.48.190 of this Title. The following criteria will be used in the review of applications:

a. The architectural and landscape design of a project, including materials, shall be consistent with the character of a working

fishing village.

b. The design shall protect aesthetic environmental qualities.

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Exhibit F Correspondence Page 9 of 25

FRONT STREET INN & SPA

c. The design shall enhance the desirability and/or enjoyment of the immediate area.

d. The design shall improve community appearances by preventing extremes of dissimilarity or monotony in new construction or

redevelopments. (Ord. 263 § 1 (part), 1984)

9. Public access requirements.

Public access from the nearest public roadway to the shoreline and along the bay front shall be provided in new development

projects, subject to the provisions set forth in Chapter 17.48 of this Title, and in the Coastal Land Use Plan/Coastal Element. (Ord.

263 § 1 (part), 1984)

17.24.170 Waterfront (WF) District Table I

Minimum Rear Yard Setback 0 ft. except 10 ft. in areas where public boardwalks and viewing platforms are required

17.24.190 HARBOR AND NAVIGABLE WAYS (H) DISTRICT

Contents

A. Purpose

B. Uses Allowed Without a Conditional Use Permit

C. Uses Allowed Only With a Conditional Use Permit

D. Special H Zone Standards

A. PURPOSE

The purpose of the Harbor and Navigable Ways or (H) District, is to designate the area

within City limits covered by water excluding sensitive habitat areas, for those uses which

must be located on the water in order to function, or as an accessory use to a land based/shore facility or structure as provided in this Chapter. (Ord. 263 § 1 (part), 1984) B. USES ALLOWED WITHOUT A CONDITIONAL USE PERMIT

The following uses are permitted in the Harbor and Navigable Ways (H) District: commercial and recreational boating and fishing; swimming, scuba diving and wind surfing in

areas designated by the City Council pursuant to Title 15 of the Morro Bay Municipal Code; bird and animal observation; viewshed; moorage in inclement weather. C. USES ALLOWED ONLY WITH A CONDITIONAL USE PERMIT

The following uses may be permitted in the harbor and navigable ways (H) district

 1140 Front Street, Morro Bay California 93442

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 Fax: 805 772-6430

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Exhibit F Correspondence Page 10 of 25

FRONT STREET INN & SPA

subject

to a Conditional Use Permit and if the Planning Commission determines they will not impede

navigation, nor adversely affect the current tidal flushing of the harbor, or increase shoaling,

or otherwise substantially alter the natural shoreline processes and/or existing land forms,

unless there is no feasible less environmentally damaging alternative, and where feasible

mitigation measures have been provided to minimize adverse environmental effects.

1. Mariculture;

2. Houseboat or vessel habitation

Houseboat or vessel habitation as regulated by Title 15 of the Morro Bay Municipal Code and subject to the provision of adequate parking as determined by the Planning

Commission;

3. Promotion and accommodation of commerce and navigation

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Wharfs, docks, piers, slips, quays, launches, moorings, fuel docks, hoists, observation decks and other facilities necessary or convenient for the promotion and accommodation

of commerce and navigation;

4. Recreational boating and commercial fishing

Recreational boating and commercial fishing facilities subject to the following additional

conditions:

a. New recreational boating and passenger for hire facilities shall only be located in the bay south of Beach Street and not be located North of Beach Street;

b. Only new licensed commercial fishing facilities may shall be located in the bay north of Beach Street;

c. Existing recreational boating and passengers for hire facilities located north of Beach Street may be modified but not expanded.

d. Prior to allowing new non-commercial recreational boating facilities, the Planning Commission shall consider the present and future demand for such facilities and for other coastal dependent uses, to ensure that new recreational boating facilities will not preclude reasonable expansion of commercial fishing facilities and other coastal dependent uses.

5. Protection of existing development

Revetments, bulkheads, breakwaters, groins, harbor channels, seawalls, cliff retaining

walls and other such structures that alter shoreline processes which are found to be necessary for protection of existing development (new development must ensure

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Exhibit F Correspondence Page 11 of 25

FRONT STREET INN & SPA

stability

without depending on shoreline protection devices), or public recreation areas or other

coastal dependent uses;

6. Preservation of the Morro Bay wetland estuarine system

Diking, dredging and filling where the Planning Commission finds such activities are consistent (both on an individual and cumulative project basis) with the preservation of

the Morro Bay wetland estuarine system, and limited to the following: a. New or expanded port, and coastal-dependent industrial facilities, including commercial fishing facilities;

b. Maintaining existing, or restoring previously dredged depths in existing navigational channels, turning basins, vessel berthing and mooring areas, and boat launching ramps;

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Morro Bay 2-97 80

c. Incidental public service purposes, including but not limited to burying cables and pipes or inspection of piers and maintenance of existing intake and outfall lines;

d. Mineral extraction, including sand for restoring beaches;

e. Restoration purposes and off-site Biological Improvement Area for mitigation offset purposes;

f. Nature study, aquaculture or similar resource-dependent activities.

D. SPECIAL H ZONE STANDARDS.

1. Applicability of H Zone

This zone shall be applied to the harbor entrance, the harbor area and the navigable waterways to the southern and western City limits. (Ord. 263 1 (part), 1984)

2. Limitations in Wetland Area

Any alteration of the Morro Bay wetland area shall be limited to very minor incidental

public facilities, restorative measures and nature study. (Ord. 263 1 (part), 1984) 3. Special Performance Standards for the "H" District.

All other sections of this chapter notwithstanding, no uses shall be permitted unless the

following performance standards are met, as applicable.

a. No pollutant discharge

Pollutants such as chemicals, fuels, lubricants, raw sewage and other harmful wastes generated during commercial or recreational boating activities shall be prohibited from being discharged into the bay;

b. Adequate safety and navigational standards

New development shall contain adequate safety and navigational standards to ensure compatibility with existing uses within the bay and harbor areas;

c. Maintenance dredging mitigation measures

Maintenance dredging of the channels shall include mitigation measures to prevent potential damage to benthic organisms including mollusks and eel grass beds.

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FROM STREETING & SPA

Channel configurations, turning basins and anchorage areas shall be limited to those which may exists, or which are authorized in Title 15 of the City's Municipal Code, or a harbor master development plan;

d. Preservation of right-of-way

17.24

Morro Bay 2-97 81

Any permitted use of the tidelands, harbor or bay, as defined and regulated by this chapter shall be prohibited from excluding the right-of-way to such water whenever it is required for any public purpose, and from destroying or obstructing the free navigation of such water. Abandonment of vessels shall be prohibited as defined by Title 15 of the Morro Bay Municipal Code;

e. Construction standards

Construction of marine docks and structures shall be subject to the standards contained in Title 14, of the Morro Bay municipal Code;

f. Placement of floating docks

The placement of floating docks shall be in water areas that do not encroach into wetland or buffer areas surrounding defined wetlands in the bay;

g. "H" District conformance with Harbor Master Plan

In the event the City prepares and adopts a revised Harbor Master Development Plan, all new developments within the "H" district, shall also be in conformance with the provisions of such plan. (Ord. 263 § 1 (part), 1984)

4. Midway Marina Area.

As a condition to approval of any permit for development within the Midway Marina Area, the City shall require that the State Department of Parks and Recreation include

the Midway Marina Area in its Morro Bay State Park Master Plan. Permitted uses shall

be limited to recreational boat dockage and support services. (Ord. 263 1 (part),

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Exhibit F Correspondence Page 13 of 25 Commissioners, California Coastal Commission Michael Watson, Coastal Program Analyst California Coastal Commission Central Coast District Office 725 Front Street, Suite 300 Santa Cruz, CA 95060

RECEIVED

SEP 1 6 2009 CALIFORNIA COASTAL COMMISSION GENTRAL COAST AREA

September 16, 2009

Re: 833 Embarcadero, Morro Bay, CA Ref: 3-08-052

Project Size and Configuration Inconsistent with Adopted Waterfront Guidelines.

Will you believe "Less is more"?

The proposed project would cover two adjacent land lease sites and would consist of a large building that straddles both sites. The lease site to the south does not currently meet the waterfront guidelines as to height and vertical coastal access, nor does it provide lateral access. Under the guidelines structures are to be single story unless they provide corridors of vertical access consistent with the ratios stated in the Waterfront Master Plan Design Guidelines. You are urged to consult the language of the Design Guidelines directly instead of reliance on the language which is merely summarized in the original city staff report. For example, 25-foot height is allowed on portions of a site if adequate amounts of vertical corridors are provided as an offset. The southerly lease site is not proposed to have such adequate vertical access (3 feet is being proposed per the original staff report) even though the proposed structure would almost fill the entire southerly lease site to a height of 25 feet. The northerly of the two sites does meet the guideline regarding vertical access/height ratios for that site. Further to the south is a public street end, which abuts the bay directly. What the applicant is proposing is that they be allowed to add the current public vertical access provided by the public street to the south with the vertical access that already exists on the northerly lease site to meet the ratios. The proposed fig leaf is that the City of Morro Bay will lease the area of the currently public street end to the applicant so that its area can cease to used as a public street with public parking and be added to the area of project site, thus achieving mathematical compliance if all three parcels are considered together and not separately. One might accept the logic of combining two adjacent lease sites into a single larger site that would meet the guidelines since it might result in a more attractive and efficient project. However, in this case, the applicant is applying that logic to an existing public street end and not an adjacent lease site.

Inadequacy of Visual Study

The single visual study point of view presented for this project during the public hearing in Morro Bay was carefully chosen to mask the large increase in bulk to the site that is being proposed. There are currently five parking spaces and a large planter box that occupy the southerly side and corner of the southerly lease site. The parking spaces are entered from the public street end and the planter box marks the boundary of those spaces at the corner of Embarcadero Road. All of this area would be converted to 25-foot tall structure in the proposal. However, by carefully choosing the angle of the visual study it appears that little or no new bulk would be created since the upper outline of the structure

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from this particular angle would not appear too different from the existing upper outline. From any other angle, the great increase in mass would be apparent. And this is particularly true for pedestrian level observers.

Automobile and Emergency Vehicle Access

The proposed project purports to be a conference center, but provides not a single drop off space for individuals alighting from cars on the project site. Nor does it provide a parking space for emergency vehicles or routine food supply vehicles, etc. How much drop off space is reasonable for a conference facility capable of handling over 400 conference attendees? How many drop offs should be expected for an event that begins at a particular hour of the morning or evening where 400 guests are expected to arrive in a period of less than one hour? The only thing that was proposed when the project was being considered by the City of Morro Bay was that there would be some sort of drop off created across the street (think pedestrian-vehicular conflict on the Embarcadero) from the project site. However, there was no actual commitment as to including such space with the proposal itself. And, please note that the proposed project would actually eliminate the existing parking and street end access, which provides supply and emergency vehicle access to the existing southerly lease site.

<u>Parking</u>

The proposed project would remove all 11 existing parking spaces from the proposed project area while greatly increasing the parking demand in the area. It is very conservatively estimated by city staff that 197 parking spaces would be needed for the proposed 400 guest conference facility. Furthermore staff is applying historical standards that grant the applicant 110 parking equivalencies for parking spaces that do not physically exist for these lease sites as an offset to the 197 needed spaces. In the physical real world the applicant is proposing to provide only approximately 87 total parking spaces for up to 400 conference guests. The applicant has proposed a number of alternatives at different times as to where these spaces will be provided. Please also note that conference parking is not the same type of parking that occurs in normal retail and pedestrian areas. Typically, conferences begin at a particular hour and end at a particular later hour, thus causing spikes of great activity both on arrival and departure. Additionally, conference parking is generally long duration parking, i.e., all day, which has the effect of locking out the multiple turnover experienced with routine public parking. Several routine visitor-parking opportunities are lost for each conferenceparking occurrence, yet staff calculated part of the parking requirements based upon other retail and restaurant parking standards and not conference standards.

Bank Lots, initially, the applicant proposed use of two different bank parking lots during off-hour periods. The nearest and smallest of the two lots is approximately 3 ½ blocks away. The other is over four blocks away. And please note that conferences are normally conducted during regular business hours, which would not allow use of those lots. The letters provided by the applicant regarding availability of those lots should be carefully examined as to the actual commitment being made on behalf of the banks involved as to number of spaces, conditions on which the spaces are available, and for just how long those spaces will continue to be made available.

School Lot, applicant subsequently provided a letter purporting to allow conference center parking at the former Morro Elementary School parking lot. This lot is approximately 8 blocks from the proposed facility. And the commitment to allow use of

> Exhibit F Correspondence Page 15 of 25

the parking was also conditional and revocable by the school district. The applicant offered to support a non "in-house" shuttle service when needed. Whether or not such a proposed shuttle would be available and adequate to the task of peak demand parking and return of individuals to the parking lot should be examined closely. How many shuttles are needed if 400 folks are arriving for a conference that begins at 9:00am in the morning? How long will the shuttle have to operate to return visitors to the lot, particularly visitors that might linger on the Embarcadero after the conference events have ended?

Other Alternatives, it is unknown to this author what other alternatives the applicant is currently proposing. For example the applicant, may propose use of the nearby existing city lot. In either of these events, the lots in question would be of inadequate size for the proposed need. Their use by the applicant would preclude a large portion of future non-convention visitor parking need in the area, thus, impacting other visitor serving uses. In any event, any proposed parking solution needs to be a solid, loophole-free, agreement that absolutely guarantees parking that is realistic and adequate for the proposed project uses. No permit should be issue prior to the irrevocable securing of the parking for the duration of the permit.

Conference Center Viability

The proposed facility has little chance of viability for reasons that exist outside of the location specific planning issues normally considered. However, if a permit is issued and the facility is eventually built, it would be prudent to consider what the eventual outcome might be. We won't speculate here as to exactly what might happen to the structure if a project is built and then fails, but we can provide insight as to the likelihood of success for the stated purpose of the facility. Please consider the following:

- 1. The nearest regional airport (San Luis Obispo) does not have an adequate amount of flight capacity or number of directly connecting regional airports to provide transportation for conference attendees that would be coming from and returning to a variety of locations throughout California. Most major California airports simply do not fly to San Luis Obispo directly. So, potential attendees would be forced to take connecting flights that would end up causing loss of a day for the commute to and from any proposed conference. As a general rule conference planners do not choose to put events in locations where this kind of problem exists. The experience of local event venues bears this out. Generally, conference attendees want to get in and get out quickly.
- 2. There is no adequate reliable local transport to Morro Bay for conference type attendees. There is no shuttle service between the airport and Morro Bay and it is hard to see how one could be economically feasible for the amount of potential use that would occur.
- 3. The proposed conference facility is not part of a larger hotel facility. Free standing conference facilities do not make enough money to survive on their own. Viable conference facilities are almost always owned by hotels which can recapture their costs through income from guest lodging and ancillary spending, or where possible, gaming income. Conference rooms themselves are often free of charge when adequate food and lodging minimums are met. These facts would render the proposed project less economically competitive.

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- 4. Conference planners normally contract with a single hotel/resort facility for all of their needs, including guest and staff lodging. No such convenience or negotiation flexibility would exist with the proposed facility. Planners would have to work with a number of small hotels to provide lodging for attendees. Or, alternatively, a hotel booking bureau would have to be created to handle the problem. Even in that case, inconsistency in lodging facilities would cause planning concerns.
- 5. Food service issues. Serving lunch or dinner to 400 folks at a single sitting is a far different matter than serving that number spread over a period of time as in normal restaurant settings. There are large spikes of preparation and service activities that require larger production facilities and high staffing peaks. How will a single conference facility plan and maintain coverage for such needs, particularly during periods when there is little conference activity?
- 6. The proposed facility is too small and lacks adequate flexibility for most conference needs. A typical conference will consist of attendees using a variety of rooms during the conference. There are small meetings within the conference, called "break out" meetings. So, a single conference may have need of a number of small rooms followed immediately by use of a large "general session" room. Likewise, attendees generally move either to or from their general session room to a different room for their meals. Meal service set up cannot be done in the same room at the same time as a general session is being conducted. The proposed facility does not have a variety of rooms adequate to meet the needs of most conference plans. At most it proposes a single movable "air wall" to divide the conference space. Are 400 attendees expected to exit to the exterior of the facility while the room is being changed from general session to huncheon? Are they to move outside while the breakout room wall(s) are moved out to make room for the general session?
- 7. The proposed conference facility lacks efficiencies of scale. This is similar to the foregoing problem, but at a larger level. Typical conference facilities are capable of handling more than one conference simultaneously. By having a large number of meeting rooms they are able to match the conference needs of two and more groups at the same or overlapping times. The proposed facility would have no such flexibility. So, for example, if they were to book a two-day meeting for Monday and Tuesday, they would lose the ability to book a Monday to Friday meeting that might have been willing to book had the Monday and Tuesday use not blocked the possibility. This is a serious problem, which results with smaller conference facilities sitting vacant much of the time. Large conference facilities can work around this issue through use of additional rooms. Likewise, large facilities have a more even staffing and production flow.
- 8. It takes years of promotion activity to effectively break into the conference planning market. Most conferences are contracted 1 to 2 years in advance. And planners do not readily move to new venues that fall outside their prior experience. So, it will take a number of years to develop personal relationships with planners and actually get bookings. The largest event planning conference only occurs once a year on the West Coast. Courting of event planners is also expensive requiring substantial costs for "FAM" (familiarization) tours, and other promotions.
- 9. Room height in the proposed conference facility is marginal. Most conference general session rooms are significantly taller that the interior ceilings heights

Exhibit F Correspondence Page 17 of 25 being proposed. Conferences need elevated space for risers allowing the speakers to appear above the audience level. Same for visual presentations. It should be noted that this necessity has led the applicant to design and exterior truss so as to remove internal support columns.

10. Great views are not welcomed by event planners during general sessions. We all love to see the beauty that is Morro Bay. However, from a planner's perspective it would not be a good thing during the substance of a conference. The purpose of almost all conferences is to impart presented information to the attendees. The distraction of spectacular outside views is not welcomed in that setting. How many conference rooms have you been in that had a spectacular outside views directly from the general session room?

LEED certification

The applicant makes much of their intent to have the proposed facility meet a LEED standard. However nice that is, it should not used as a substitute for meeting regular permit standards.

In summary, leadership in the City of Morro Bay believes that the proposed conference facility is of such a public benefit that it should bend over backwards to help the applicant move the project forward. This cooperation takes the form of using generous math on the number of "grandfathered" parking credits, minimizing the amount of required parking for the intended use, converting an existing vertical public street end into a new lease site so that the combined lease sites can meet the vertical corridor requirements, ignoring the need for guest drop-off space at a conference facility and other shortcomings. And to top things off, it is highly unlikely that the proposed conference facility would be viable in the foreseeable future even if it were to be permitted and built. This is, at best, a case of optimism gone wild.

Sincerely

n Buita

John Barta P.O. Box 1558 Morro Bay, CA 93443

Fax to: 831-427-4877 PDF to: mwatson.coastal.ca.gov Hard Copy USPS: Santa Cruz C.C.C Office

> Exhibit F Correspondence Page 18 of 25

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SEP 2 1 2009

CALIFORNIA COASTAL COMMISSION CENTRAL COAST AREA

CA Coastal Commission Attn: Mike Watson 725 Front Street, Suite 300 Santa Cruz, CA 95060

Re: Proposed Conference Center (Morro Bay)

Dear Mr. Watson,

My name is Violet Leage and I am currently the leaseholder for 833 Embarcadero, Leases Sites 87/87W & 88/88W, Morro Bay. I am directly impacted by the proposed Conference Center project that you are currently reviewing because the project will take over my site and I will lose my lease.

It is my understanding that the proposed project is scheduled for the October Coastal Commission meeting. I am very concerned about this project, not just because I will lose my lively hood but because it will ruin the ambiance and small town waterfront of Morro Bay let alone the environmental impact it would have on the bay and surrounding areas. This kind of project was not correctly looked into before rushing ahead with plans to build a convention center on the Embarcadero.

Many folks in Morro Bay have registered their opposition to this project. The mayor and city council pushed this project though even though the public voiced their negative thoughts on this. For something this large it should have been put to the folks of Morro Bay, as a vote but was not. Everyone knows the mayor has a personal interest in this project.

Thank you for your time and consideration.

Sincerely,

which Leage

Violet Leage

Violet Leage P.O. Box 5006 San Luis Obispo, CA 93403

> Exhibit F Correspondence Page 19 of 25

SEP 2 4 2009 CALIFORNIA COASTAL COMMISSION COASTAL COAST ASEPTEMber 22, 2009

RECEIVED

Michael Watson, Coastal Program Analyst California Coastal Commission Central Coast District Office 725 Front Street, Suite 300 Santa Cruz, Ca 95060

Re: 833 Embarcdero, Morro Bay Ca. Ref: 3-08-052

Un-needed conference center:

Does Morro Bay really have the need for this? Lets look at the conference building built in the City of San Luis Obispo which was once know as the Forum Downtown. The building approximently the same size with the same parking issues that the Morro Bay project has (No on site parking). The Forum closer to the San Luis Obispo Airport, The Amtrak Station and the local transited center located just a few blocks away and a half a mile from hwy 101. THIS CONFERENCE CENTER WAS NOT NEEDED AND DID NOT MAKE IT. The building sat empty until rented out to a cell phone company and is now a Furniture store. Do we want a furniture store on the waterfront in Morro Bay?

The LLC in this project has stated that the project is estimated to run just at \$3 million, this is very hard to believe that this is any where close to what it may run in the construction world today.

I have had a Failed business affair with one of the partner on the sell of a downtown building in the city of San Luis Obispo. My building was listed for just over \$3 million one of the partners in this venture was unable to security the funds and after 6 month had to with draw from is offer. Please look at the future of our historical waterfront and the reason Morro Bay should keep its charm.

Sincerely,

Debra Johnson PO Box 2177 Avila Beach, Ca. 93424

Exhibit F Correspondence Page 20 of 25

august 22, 2009 (🗬 RECEIVED CA Corstal Commission AUG 2 5 2009 725 Front St Ste 300 CALIFORNIA COASTAL COMMISSION CENTRAL COAST AREA Santa Cruz 95060 atter Mike Watson Ke: Proposer Conference Center Embarcadero - Morro Bay alear Mr Watson. This letter is to protest the proposal for a "convention center" on the embarcadus water front .-We move to moro Bay in 1968 and have enjoyed the unique water front the Shops and restaurant attract many visitors and a two (or ??) story building for a convention Cento is not needed. There is not sufficient parking now - what & where would all the cars park if this type of building is allowed. The athect is narrow senetimes delivery build have to park in the Street and blocks traffic and more Staffie would be mere langerous for the pidestrians. Please do not approve this 10 Lavonne and Ben Kodgers 160 Jerra St. Mond Bay - Calif - Exhibit F Correspondence Page 21 of 25

RECEIVED SEP 0 2 2009 3-08-052 CALIFORNIA COASTAL COMMISSION CENTRAL COAST AREA Steve of 245 Pocific Strin mono Bay Pocific + market St Due hod my house up for sole almost 2 yrs - because 2 am of raid you will buildin fort of me and it will block my rew of the ocean + water that. The lot in Front of me (coment market It + Pocific - is row city parting lat. if it remained that way that would be great. If you build in front & my horse, 2 will have no view. of course 2 oppose the convention center. with money sotight now is not the time to spend our money unnecessary. Please oppose the convention center for now. Wanda Orum, Cell#909-553-5323 245 Pocificst, marro Boy ca 93442 8-26-09

Correspondence Page 22 of 25

CONSTRE COMMISSION: ATT M. WARSON HLL OUR MAYOR & CITY COUNCIL WANT IS TO MAKE OUR EMBARRADERO INTO A MANHATTEN ISLAND, & BRING THIER BIG DEVELOPER'S IN. WHERE WILL THEY STOP. PLEASE DON'T LET THIS HAPPEN.

THANK YOU CHRISTANE M.B. CA.

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OCT 0 5 2009

CALIFORNIA COASTAL COMMISSION CENTRAL COAST AREA



Exhibit F Correspondence Page 23 of 25

To whom my future relies upon,

My name is Cherise Hansson, owner of Under the Sea Gallery at 833B Embarcadero Rd. I have been a small business owner here for over ten years. My partner, Travis Leage(and father to our two children), started this business together. We built the shop up from cheap glass sculptures and shells to the shop it is now of valuable collectibles and treasures. We have become a destination shop that young and old to visit year round. Young girls reminise about how the come every year to see all the new collectibles and add to their collection. We are a staple to tourists and locals filling a niche in marine and fantasy collectibles.

When I started this shop I was persuing a career in education and completed my credentials to become a science teacher. The little shop transitioned from a way to get through college to a reason to continue being a small business owner. I changed my future in order to put more time, energy and finances behind this career. I invested tens of thousands of dollars to upgrade lighting, flooring, displays as well as products. Currently I have a standing debt of over \$50,000.00. For a small business a loan, this amount is average and normal except for the fact that my ability to pay off that loan has been taken away from me. I am not able to sell my business or continue to reap the benefits of my time and energy in my investments. My costs to benefit the building and location are not going to be receprocated through sales.

Currently becoming a teacher is not an applicable job change, I would have to go back to school to update my credential. I have two children now, Trason Alexander Leage 4years and Lance Curren Leage 9 months, and going back to school is impossible due to my financial situation and debts. I am the only income in my household and my monthly income is barely paying for our needs and debt responsibilities. If my business is taken away from me I will go into debt over \$3,000.00/month and my credit debt will sky rocket according to banks increasing APRs. To say that this overtaking of my business property would negatively burden me financially is an understatement. I should also mention my hard-working employees would lose their jobs. I have two married females, one with a new born that have worked with me for over 7 years combined. They rely on this income to support their families. On average I have 9 employees running the cafe and gallery every week. Also note the amount of revenue the city has become use to recieving from me, over \$12,000.00/yr via the city lease.

I work 60+ hours a week because I believe in what I do and truley love my job. I have not been able to spend money on lawyers to fight this issue or the time to tkae away from my children and my business to argue our case. The few times that I did attend meetings I was given three minutes to state my issues, a completely unreasonable amount of time, while I had to sit and listen to the other party for hours because the panel was asking them questions so therefore they got more time to speak. It was organized in a fashion "that if we want to hear what you say, we'll ask, otherwise sit down your time is up." It has been so discouraging and frustrating from my perspective because I am not being heard. Please take the time to hear my side and possibly let my issues be understood before this transfer actually takes place.

Thank you,

Cherise Hansson

(805) 748-3144

RECEIVED

OCT 0 1 2009

CALIFORNIA COASTAL COMMISSION CENTRAL COAST AGEA

> Exhibit F Correspondence Page 24 of 25

RECEIVED

SEP 2 1 2009

CALIFORNIA COASTAL COMMISSION CENTRAL COAST AREA

September 17, 2009

CA Coastal Commission Attn: Mike Watson 725 Front Street, Suite 300 Santa Cruz, CA 95060

Re: Conference Center 833 Embarcadero, Morro Bay, CA

Dear Sir

I am writing this letter in hope that you will consider against the project of a conference center on the Embarcadero in Morro Bay.

As a lifetime resident in Morro Bay I have been to the city council meetings when they were reviewing the plans for this center. I was not the only one there who was objecting to this unbelievable action, and at every meeting since when some item regarding this project was being brought up the meeting hall was full with residents and even vacation home owners were there voicing their opposition against this. But the mayor seems to have a plan and more than a passing interest in this conference center and has bullied the rest of the city council into the way she wants them to vote without any consideration to what the public is saying or letting it go to a public vote.

This center is large, to large for the Embarcadero. The plans are for a large building which will hold up to 200 people at a time. Problems are all over the place, parking, pedestrian traffic, two hundred extra vehicles with nowhere to park, the list goes on and on, let alone the environmental impact on our bay with the construction of this building.

I know I am only a small voice, but still a voice. All that I ask is that you look very carefully at this project with very open eyes.

Thank you

Cindy McCay

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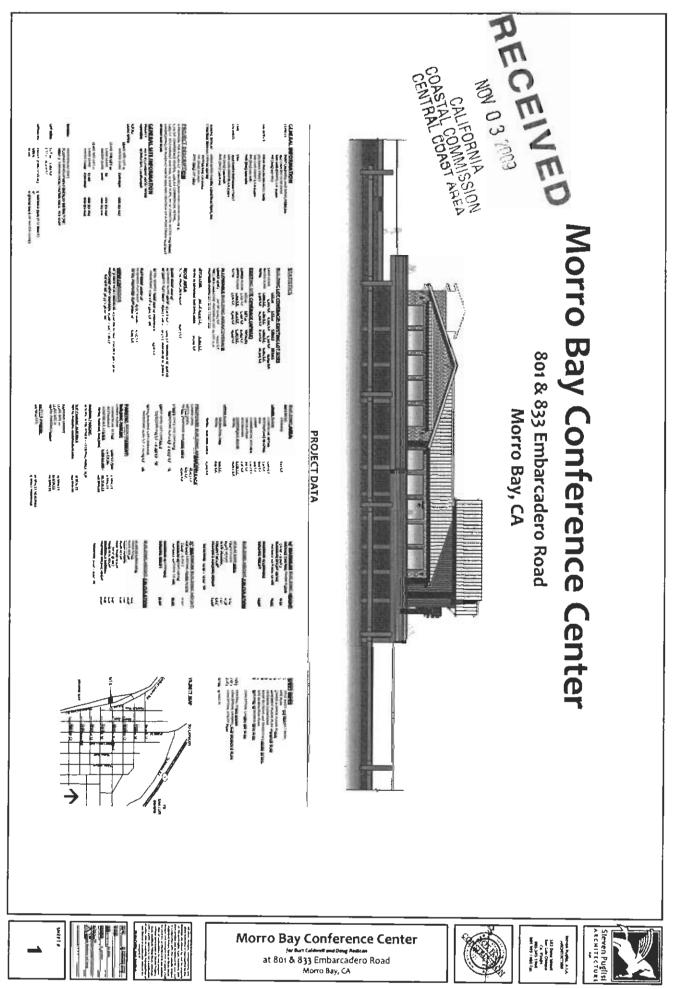
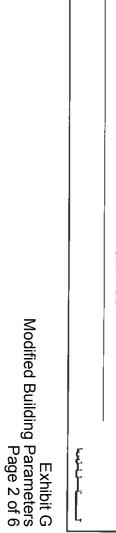
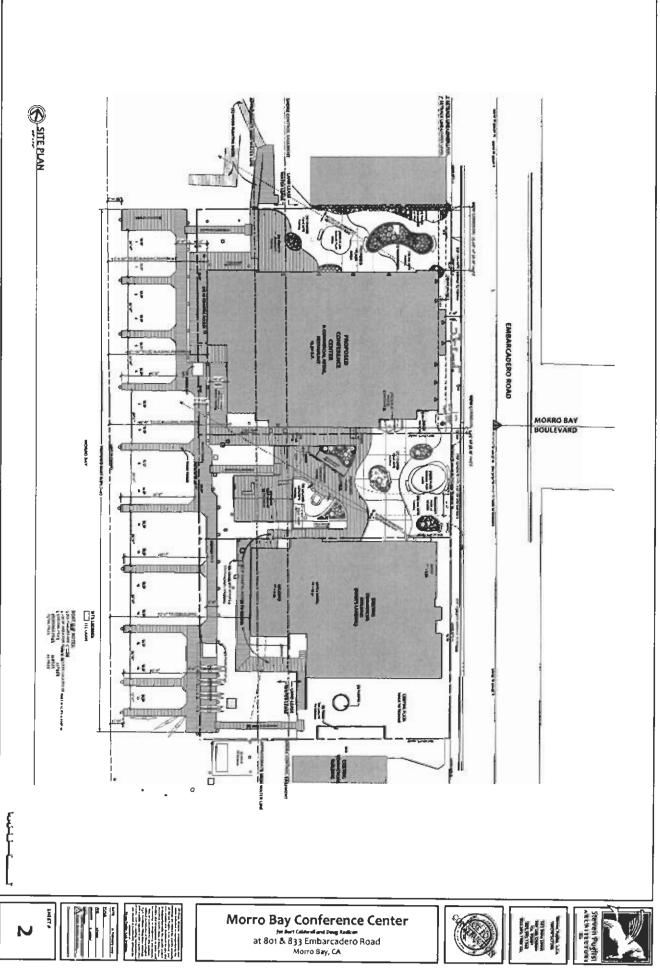
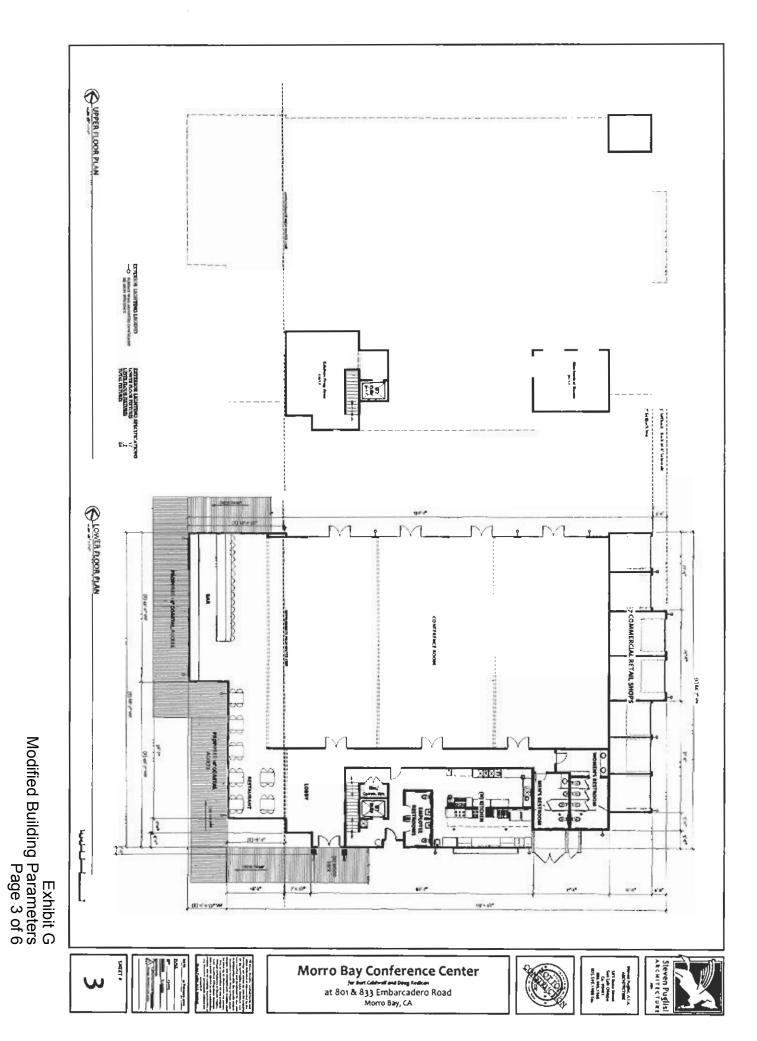


Exhibit G Modified Building Parameters Page 1 of 6







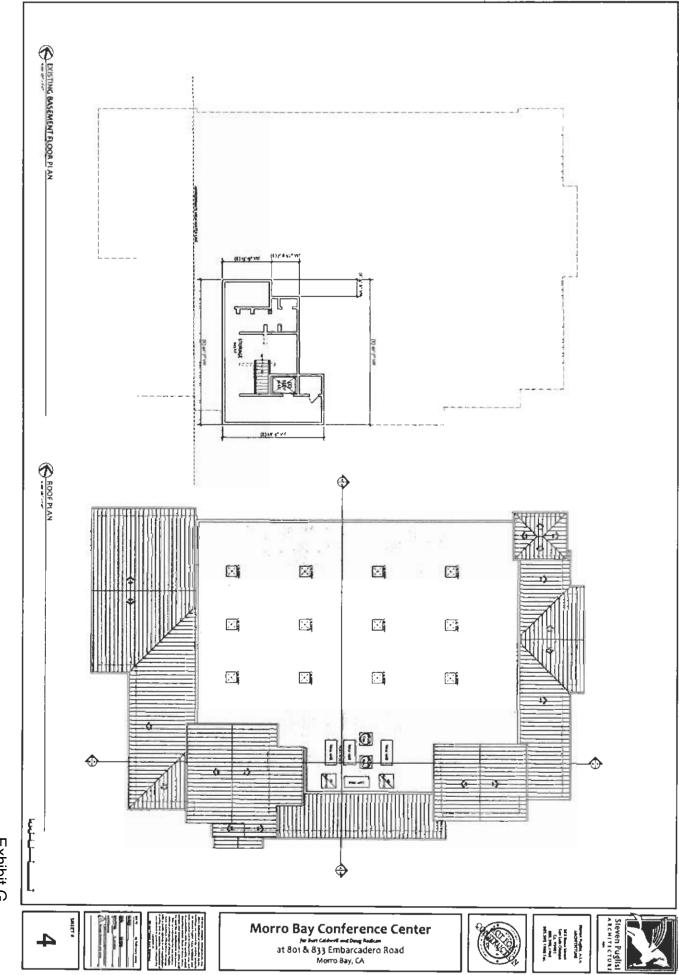


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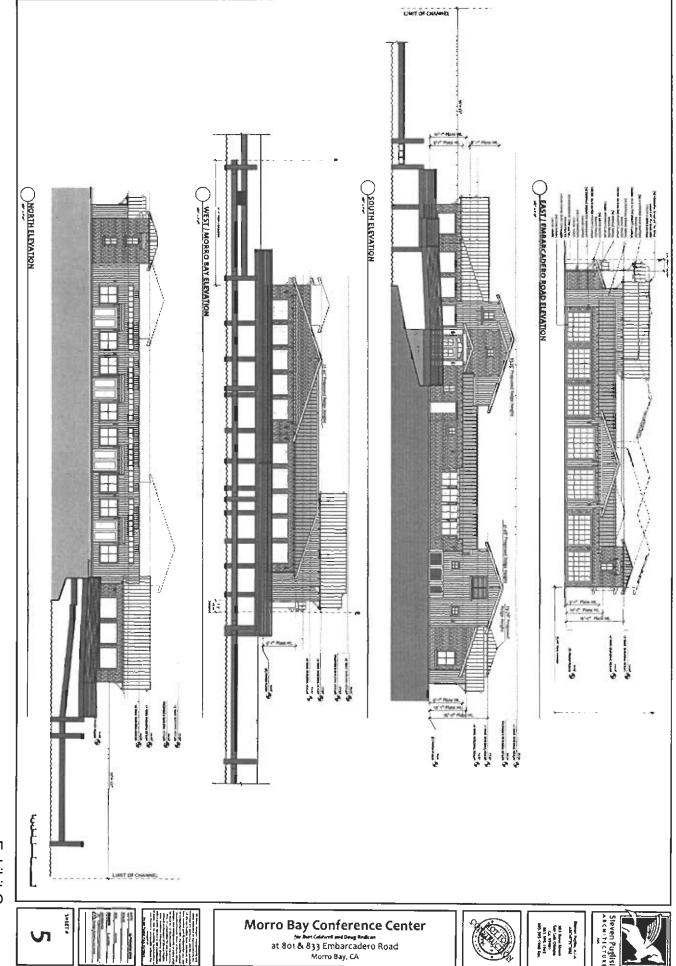


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