

CITY OF MORRO BAY
PLANNING COMMISSION
SYNOPSIS MINUTES

(Complete audio- and videotapes of this meeting are available from the City upon request)

Veteran's Memorial Building
Regular Meeting, 6:00 p.m.

209 Surf Street, Morro Bay
Tuesday, February 19, 2008

Janice Peters, Mayor	Nancy Johnson, Chairperson
Rick Grantham, Vice-Mayor	Bill Woodson, Vice-Chair
Betty Winholtz Council Member	Gary Ream, Commissioner
Bill Pierce, Council Member	Michael Lucas, Commissioner
Melody DeMeritt, Council Member	Gerald Luhr, Commissioner
	Michael Prater, Secretary

I. CALL MEETING TO ORDER

Mayor Peters called the meeting to order at 5:00 p.m.

II. PLEDGE OF ALLEGIANCE

Ray McKellicott led the pledge.

III. ROLL CALL

Mayor Peters asked that the record show all Council Members were present.

Johnson asked that the record show all Commissioners were present.

Staff Present: Bruce Ambo, Andrea Lueker, Rob Schultz, Michael Prater, and Kimberly Peoples

Mayor Peters asked if anyone in the audience wanted to address both the Council and the Commission at this time.

James Polly spoke favorably of the Harborwalk and against the Boat Yard that is being proposed by the Harbor Commission and Parks Commission. He felt the Boat Yard is not viable and is only for a small special interest group.

Marla Jo Bruton felt there is a lack of communication between the City Council and Planning Commission and would like to see them work together better, she also spoke about a book called Thirst and the quality of the City's water.

Richard Sadowski spoke about reports he submitted to the City Council and Staff outlining the disarray of the collections system and his concern about projects continuing to be approved when the true status of the system is unknown and City Staff that has conflicts of interest.

Joey Racano spoke about the Marine Reserves that went into effect in September and the urbanization of the Estuary. He read from the Fish and Game code 2850 and asked the City to not move forward on the Boat Yard development.

IV. ACCEPTANCE OF AGENDA

V. DUTIES AND RESPONSIBILITIES

Pursuant to the Municipal Code Section 2.28.120 D., the Planning Commission shall meet with City Council twice each year to discuss proposed policies, programs, goals and objectives, budgeting, future planning, or any other planning matter requiring joint deliberation.

Mayor Peters asked the Council and the Commission to review the list of suggested topics and state the topics they would like to discuss tonight. After discussion, the topics that had the most interest for discussion were:

- Confirm work program priorities.
- Timing of public benefits prior to project completion.
- City Council critique of Planning Commission performance.
- Priority for a Downtown Visioning Plan, from Anthony's to the roundabout, using Pacific Gas & Electric Underground funds to accomplish.

DeMeritt suggested going to the next Coastal Commission meeting, if we have not received all of the General Plan/Local Coastal Plan back before then, and speak as individuals to complain about how long it is taking to get that document back.

Mayor Peters asked Prater to review the Current Projects Log and said any of the Commissioners or Council Members could interrupt him at any time if there is a topic they would like to discuss. Prater reviewed the Advanced Planning Work Program sheet.

Grantham asked why the Tract 41 Subdivision ordinance is at the top as he thought the Subdivision ordinance had just completed. Prater stated that was the direction Staff received from Council. Grantham also asked about the Safety Element and if that item could be taken off the list. Prater clarified its status and said it would be back for additional review after they approve it and it goes to the Coastal Commission.

DeMeritt asked why the Urban Forest Management Plan has 200-300 hours listed for staff time, as it seems there are a number of other people already working on this plan. Ambo said it is based on the history of tree ordinances and their contentious nature.

Woodson noted that Neighborhood Compatibility Standards has been pushed back from March to June and felt that was not fair to the large number of people that have shown up and voiced their opinion about this topic. He said he felt it should be moved back up to the top of the list. Ream agreed with Woodson and felt that the Tract 41 Subdivision Amendment affected only a small number of people and the Neighborhood Compatibility Standards affects the entire City so it should be moved back to the top of the list. Luhr felt the Neighborhood Compatibility Standards are very important, as is the Downtown Visioning that he presented a packet of information to the Council and Commission tonight. Lucas also felt the Neighborhood Compatibility Standards and the Downtown Visioning are important as well. He also expressed a desire to see the CEQA implementation moved up. Johnson wanted Neighborhood Compatibility moved up to the top and thought Downtown Visioning should move up the list as well. She also felt the Landscape Plan Guidelines could be completed quickly and/or taken off the list.

Winholtz said that she wanted to see Tract 41 done first as she remembered it wasn't supposed to take very much time and she also wants Neighborhood Compatibility Standards to come back sooner than June.

Pierce said if Council wants Neighborhood Compatibility Standards to come back sooner than they need to make it the number one priority, otherwise the time it will take Staff to address the Tract 41 subdivision amendment may not allow for the Compatibility Standards to come back next month. Ambo addressed his concern noting that Staff's original intent was to address these topics as a whole when the General Plan/Local Coastal Plan returns from the Coastal Commission, they do not have a preference as to what order those items get addressed. He also said that Staff's hope for Downtown Visioning is to wait until the General Plan comes back from Coastal Commission as well, so that it can all work together.

Grantham said Neighborhood Compatibility Standards and the CEQA Implementation Guidelines are very important, but also noted the potential of the Storm Water Management Plan moving up which would slow everything else down.

DeMeritt wanted #1 to stay where it is as it is only 20 hours or 3 days and wants #2 done right away as well because a lot of Citizens have worked on it and Staff needs to get it done. Storm Water Management Plan timing will be determined by State Laws but she would like it moved up to #3 and would like Downtown Visioning at #4.

Regarding the Landscape Design Guidelines, there was general consensus that Staff is familiar with what should be included and this item could be done very quickly. Peters confirmed with Staff that they had enough direction to complete task #11 the Landscape Design Guidelines and suggested moving this item to Future Agenda Items section.

Peters agreed the Subdivision amendment for Tract 41 should be very quick and done first, followed right away by the Neighborhood Compatibility Standards. She was also concerned about the Storm Water Management Plan and felt the Downtown Visioning should come back with the General Plan, as that seems to be the appropriate timing.

Peters asked the Planning Commission to comment on their concerns about the Timing of Public Benefits. Johnson said the Planning Commission had concerns about what is the best time line for Public Benefits, specifically noting the problems that occurred with the Public Benefits at the Main and Driftwood project. Woodson noted that on a recent project the Commission asked specifically for the Public Benefits to be completed in the early part of the project. Peters asked Rob Schultz if they needed to amend the codes to do this or could it just be a recommendation in the conditions of each project. Schultz said that on lease sites, they would put those requirements in the lease and on other projects they just need to be aware of that topic and make those requirements clear in the conditions of approval. Ream asked for Council to give them direction on Public Benefits.

Winholtz, Pierce, Grantham, and DeMeritt all said they are in favor of Public Benefits going in first. Peters asked if the developers would have trouble get funding if the Public Benefits were required first. Prater said the funding could be in jeopardy if the Public Benefits are absolutely required first, so Staff would suggest allowing this topic to be part of the discussion about the project and discuss funding in the forefront. Peters confirmed that final occupancy could be withheld until the Public Benefits are completed.

The following comments were received regarding the Planning Commission's performance:

- All Councilmembers were satisfied with the Commissions performance and how they are working together.
- Would prefer that permanent residence be not allowed in Visitor Serving areas.
- Be sure all condo conversion elements are met before approving a condo conversion.
- All projects should be assessed on whether or not they fit the rules, not whether or not they like the project or how it is designed.
- Make their first concern the City, even if the project doesn't work for the Developer.
- If a project needs to be redesigned, the project should be handed back to the applicant to redesign, as it is not the Commission's job to redesign a project.
- If a project is not right, don't just send it to Council to solve the problem, have the applicant solve the problems and bring it back to the Commission for approval first.

Luhr commented on the Downtown Visioning Guidelines he presented to the Council and Commission tonight and how it was developed.

VI. ADJOURN CITY COUNCIL

Mayor Peters adjourned the City Council at 6:05 p.m. to the regularly scheduled City Council meeting at the Veterans Hall, 209 Surf Street, on Monday, March 10, 2008, at 6:00 p.m.

VII. CALL REGULAR PLANNING COMMISSION MEETING TO ORDER

Johnson called the Planning Commission Meeting to order at 6:10 p.m.

VIII. ACCEPTANCE OF AGENDA

MOTION: Ream, Woodson 2nd to accept the agenda as presented. There was consensus among the Commissioners.

IX. ELECTION OF CHAIR AND VICE-CHAIR

MOTION: Ream, Lucas 2nd to nominate Johnson as Chair and Woodson as Vice-Chair. There was consensus.

X DIRECTOR'S REPORT/WRITTEN COMMUNICATIONS

Ambo updated the Commission on the actions of the Council from the February 11, 2008 meeting:

- Approved filling the Housing Programs Coordinator position
- Closed out the Community Development Block Grant for the North Morro Bay Fire Station
- Adopted with some modifications the CDBG Guidelines
- Denied the appeal of 206 Main with some conditions
- Conditionally approved the proposal at 214 Beach Street
- Considered amendments to the subdivision ordinance relating to condominium conversions; no action was taken
- Directed Staff to modify the Cabrillo Neighborhood subdivision regulations to prevent further subdivisions of that neighborhood
- Adopted the annual water report and set the number of water unit equivalences at 50
- Adopted a plastic bottled water resolution that prevents their purchase as related to City sponsored events
- Reviewed a report that outlined the existing Political Campaign Sign requirements
- Set a date for Public Works Advisory Board appointments

Ambo highlighted the Public Services items that will be on the next Council Agenda on February 25, 2008:

- Mid-year budget review
- Update on the Morro Bay Blvd. and Quintana Road Round-A-Bout
- The Fire Chief will be bringing forth a Fire Sprinkler Ordinance
- Presentation of new Trolley Routes
- Discussion item on participation in the SLO Green Build Program
- Discussion item on the Navy Fuel Depot
- Discussion on existing Water Conservation Guidelines
- Review Bike Committee priorities letter
- Discussion on the Cayucos Cemetery and Skate Park

Ambo confirmed for Lucas that the Fire Sprinkler ordinance would affect single-family homes. Luhr asked if the Fire Sprinkler ordinance will come back before the Planning Commission. Ambo said he is not sure, as it was originally part of the Building Code that was approved as a whole by the Council. Prater confirmed for Johnson that the second unit at Beach Street was added after the Commission had seen it.

XI. PUBLIC COMMENT:

Roger Ewing praised the Commission for the job they are doing and that he feels they are finally deliberating appropriately about projects, especially about bringing Green Building into some of the designs. He also spoke against item B for tonight, stating that there are enough empty commercial buildings in town already.

See no further comment, Johnson closed the Public Hearing.

XII. CONSENT CALENDAR

A. Approval of minutes from hearing held on February 4, 2008

MOTION: Ream to approve the minutes as presented.

Lucas asked to have some additional comments added to page 3 in the last paragraph just above the motion. After "lacked teeth" he would like to have added " , specifically concerning materials and potential styles, which in his opinion degraded the Sea Ranch concept." he also asked to have the comment added, "Lucas also expressed concern why a passive solar photovoltaic system wasn't required."

AMENDED MOTION: Ream, Luhr 2nd to approve the minutes as amended. VOTE: 5 – 0.

XIII. PRESENTATIONS - None

XIV. FUTURE AGENDA ITEMS

- A. Pedestrian pathway and circulation plan.
- B. Secondary unit design competition and consideration to waive development fees for secondary units.
- C. More effective announcement of Planning Commission agendas.
- D. Develop a specific list of items all projects have on the plans before going to Planning Commission. A sub-committee should work with staff to develop a list.

XV. PUBLIC HEARINGS

- A. Site Location: 501 Embarcadero in the WF/PD/S.4 District. Applicant: Ken Scott. The applicant requests concurrence from the Planning Commission regarding the Coastal Commissions modifications to the approved Precise Plan. There were 17 project modifications ranging from widening access to narrowing the building. (CEQA Determination: A Mitigated Negative Declaration was adopted).
Staff Recommendation: Conditionally approve the modified project

Prater presented the Staff report. Luhr asked how much of the parking was related to the recreational dock use and if there was any in-lieu fees that were paid. Prater confirmed the number of spaces required and the fees paid. Woodson asked Staff how the City could be assured that the Applicant will have to comply with the Coastal Commissions requirements. Prater stated the simple answer is the Commission can add a condition that states, "The applicant must strictly adhere to all Coastal Commission Conditions".

Johnson opened the Public Hearing asking the applicant or their agent to address the Commission. Cathy Novak, the agent for the applicant, addressed the Commission highlighting the changes required by the Coastal Commission.

Al Hoyt, architect for the project, highlighted the basic changes on the project.

Seeing no further comments Johnson closed the Public Hearing. The following conditions were requested by the Commissioners and agreed upon by the applicant:

- Have the light pole moved off of the sidewalk
- No amplified sound shall leave the site
- All utilities be put underground, not just the transformers. Prater clarified all utilities will be underground.
- If a standard provision for all Embarcadero projects could include a standard condition for not amplified noise and no noise to leave the site above 60 decibels. Prater said they could condition the project for no amplified sound and that noise is governed by the City's noise ordinance.

MOTION: Luhr, Ream 2nd to approve the project with following revisions:

- Add a condition to read: "No amplified sound shall leave the site and site generated sound shall not exceed 60 decibels at property lines after completion of construction".
- Move the light pole off of the sidewalk.
- Delete condition number 41.
- Add a condition to read: "All California Coastal Commission conditions shall be strictly adhered to".

VOTE: 5 – 0

- A. Site Location: 978 Quintana Road in the C-2/S.4 Zoning District. Applicant: Cameron Financial. The applicant requests a Coastal Development Permit and Tentative Tract Map to create commercial/industrial condominiums where a new industrial suite complex was approved that is made up of seven suite totaling 6,686 square feet of first floor area with the option to construct mezzanines totaling 1,855 square feet. The complex was approved in 2006. This new complex will be built as a shell building with future tenant improvements as needed. This site is located outside of the appeals jurisdiction of the Coastal Commission. (Recommended CEQA Determination: Exempt Class 1).

Staff Recommendation: Conditionally approve the project.

Prater presented the Staff report noting the applicant's intent for this condo conversion.

Woodson asked if all condo conversion elements were met. Prater confirmed they have been met. Prater confirmed for Luhr the zoning of this project and the types of businesses allowed at this site. Luhr felt a better noise barrier should be provided due to the potential noise that could be created by the allowed business types. Lucas would rather see more landscaping along the block wall instead of a higher block wall. Johnson asked why the applicant would want to convert this building to condos. Prater addressed the benefits of a business owner being able to buy instead of lease, so they have control and consistency in their rent and upkeep of their business. Johnson also asked if the City has any way of requiring the applicant to have tenants lined up prior to approving the project. Prater explained how this had been done in the past.

Johnson opened the Public Hearing and asked the applicant or their agent to address the Commission. Glenn Rider, agent for the applicant, thanked Staff for their time on this project and was open to questions from the Commission.

Seeing no further comment, Johnson closed the Public Hearing. The applicant addressed the following questions:

- The applicant preferred a combination of extending the height of the block wall and adding landscaping.
- The applicant confirmed the rear of the building is blind.
- The type of materials to be used on the exterior of the buildings was confirmed.
- The type of businesses they envision being in their building was confirmed as contractors or smaller offices.
- If they should be concerned about the potential for businesses that would be handling hazardous materials.

During discussion Luhr, Johnson and Ream spoke in favor of the project conversion to condominiums.

MOTION: Woodson, Luhr 2nd to approve the project as presented. VOTE: 5 – 0.

XVI. OLD BUSINESS

A. Current Planning Processing List

Projects submitted for Administrative Approval (not single-family residential unless in MCR)

1. 845 Embarcadero Suite I (change in use in PD zone).
2. 3118 Main Street (change in use in MCR zone).

XVII. NEW BUSINESS

Luhr asked Staff to add to their list of standard conditions for Embarcadero projects a condition to limit amplified noise and to add a future agenda item to discuss Downtown Visioning.

XVIII. ADJOURNMENT

Johnson adjourned the meeting at 7:36 p.m. to the next regularly scheduled Planning Commission meeting at the Veterans Hall, 209 Surf Street, on Monday, March 3, 2008, at 6:00 p.m.

Nancy Johnson, Chairperson

ATTEST:

Michael Prater
Secretary