

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
Monday, August 20, 2007

Chairperson Nancy Johnson
Vice-Chairperson Bill Woodson Commissioner Michael Lucas
Commissioner Gerald Luhr Commissioner Gary Ream
Michael Prater, Secretary

I. CALL MEETING TO ORDER

Johnson called the meeting to order at 6:01 p.m.

II. PLEDGE OF ALLEGIANCE

Commissioner Luhr led the pledge.

III. ROLL CALL

Johnson asked that the record show all Commissioners were present.

Staff Present: Bruce Ambo, Rob Livick, Mike Prater, Rachel Grossman, and Kimberly Peeples

IV. ACCEPTANCE OF AGENDA

MOTION: Ream, Woodson 2nd to approve the agenda. Vote: 5-0.

V. DIRECTOR'S REPORT/WRITTEN COMMUNICATIONS

Ambo reported at the August 13, 2007, City Council:

- Awarded a preliminary design contract for lift station 3
- Heard the second reading of the Administrative Citation Ordinance, which will go into effect in 30 days
- Adopted a resolution of intent to annex the property in the Chorro Valley
- Heard a report on transit options for the community and rejected the proposals
- Heard the first reading for the ordinance to amend the construction hours
- Gave the staff direction on the financing plan for the WWTP, rate increases in which there will be a public hearing on November 12th regarding the proposed rate increases
- Heard a report on water issues
- Approved the nitrate notification plan
- Heard a report on water resources, availability, what our conservation measures are and provided some additional recommendations for putting up additional signage in the community to alert people to conserve water
- Continued the hearing on the water report update
- State parks commission is meeting in Morro Bay this Friday and they authorized the Mayor to write a letter to express what the community's interests are with the State Parks property

At the August 27, 2007 meeting, Ambo said Council would:

- Hear the appeal of the Planning Commissions denial of 735 Cabrillo
- Hear a study on Corp Yard space needs design contract
- Hear a concept review on 571 and 575 Embarcadero
- Discussion of the Medical Marijuana Dispensary moratorium
- Hear a future agenda item on a policy on refunding appeal fees
- Hear a future agenda item on amending the zoning ordinance regarding condo conversions
- Hear a future agenda item on Public Comment policies
- Discussion on policies of council members having conversations with other agencies

Woodson inquired about the Parking Study joint Meeting. Ambo confirmed the joint meeting for that item would be on September 17th. Ambo also confirmed the next Neighborhood Compatibility Meeting will be on September 15th.

VI. PUBLIC COMMENT

Johnson announced the Morro Bay Garden Clubs Dahlia Days event, which will be held on September 13th, and the Tomato Extravaganza, which will be held on September 8th.

VII. CONSENT CALENDAR

A. Approval of minutes from hearing held on August 6, 2007

Woodson asked for an addition to page two under item X-D in the paragraph before the motion. He asked for the second sentence to be revised to read *“During discussion, concerns were expressed about the loss of trees, number of lots, hammerhead street design, questionable use of available land, questioned the ability to build on PG & E underground right-of-way adjacent to the property, ability for the lots to be built on as shown, the lack of a showing on the drawings for the San Jacinto sound barrier wall, concern was expressed about the 17’ height, and the hammerhead sidewalks substantially reducing available land for buildable footprints.”*

MOTION: Ream, Woodson 2nd to approve the minutes as amended. VOTE: 5-0.

B. Approval of cell site for wireless Internet located at terminus of Radcliff and Hillcrest.

Lucas questioned if there was a cap on the number of apparatuses that can be added to this tower or when that can be limited. Prater expressed that all apparatuses would be brought before the Commission and they can use their discretion at any time to reject a proposal.

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

VIII. PRESENTATIONS

A. Clarification regarding sidewalk requirements city-wide (MBMC 14.44).

Livick made his power point presentation noting the dollar amount that triggers these improvements. Luhr expressed concern about the low dollar amount that triggers these very expensive improvements, which may cause many people to not be able to do minor remodels. Lucas commented on Commercial Area improvements and how bulb-outs and sidewalk improvements would be a long-term benefit to the downtown area. Woodson expressed concern that this item is an attempt at getting at the future agenda item of Pedestrian pathway and circulation plan and does not feel this item tonight gets at that topic. Luhr agreed this topic does not get at the future agenda item, but would like to see the dollar amount lowered or changed to a percentage.

Livick clarified that R1 and R2 zoning is not exempt and it is required. Ambo explained why this is being brought before the Commission tonight.

IX. FUTURE AGENDA ITEMS

Ream asked to have the Uhaul permit on Main Street on the next meeting agenda, as they have repeatedly not followed the terms of the permit. Ambo explained that there is an enforcement procedure in place to address his concerns and Staff will begin those procedures immediately and report back to the Commission on the process.

Woodson asked to have an item added to the next agenda to discuss noticing procedures for the Planning Commission Meetings and how those procedures can be improved. Ambo said he would forward information provided to the City Council on this same topic to address how Staff currently notices meeting more than is required.

A. Pedestrian pathway and circulation plan.

B. Secondary unit design competition and consideration to waive development fees for secondary units.

X. PUBLIC HEARINGS

A. Site Location: 545 Shasta Avenue in the Duplex Residential (R-2) Zone District. Applicant: Sprint together with Nextel. The applicant requests Conditional Use Permit and Coastal Development Permit approvals for the installation of an un-staffed telecommunications facility (i.e. cell site) that would include a steeple extension, new cross and 10' by 20' equipment storage area. This site is located outside the appeals jurisdiction of the California Coastal Commission. (Recommended CEQA Determination: A Mitigated Negative Declaration has been prepared). Staff Recommendation: Approve the project as conditioned Staff Contact: Rachel Grossman, Associate Planner, 772-6261

Grossman presented the Staff report. Lucas questioned what St. Peters review process was to approve this project and the proportion of the cross in the photo renderings. Woodson expressed concern about the earthquake and wind load requirements not being included in the project tonight. Grossman addressed his concern noting those items would be addressed in the building permit process.

Johnson opened the Public Hearing asking the applicant or their agent to address the Commission. Tricia Knight, agent for the applicant addressed the following concerns from the Commission:

- If a study was done to determine the range deduction if the height remained as it is currently existing
- If both frequencies would be addressed by this addition
- Why the cross had to be bulked up
- Clarified what process St. Peters used to review this process.

Ann Travers spoke against the project noting this is a residential only area and that they can co-locate 1 mile down the road at the Twin Dolphins Motel, also as there are unknown health questions with telecommunications sites.

Barbara Norton spoke against the project noting the 10' height increase would be an eyesore and she also believes there are too many unknown health issues.

Johnson closed the Public Hearing and then reopened the Public Hearing inviting the applicant back to address the Public's concerns. Tricia Knight addressed the concerns of the members of the public, specifically noting their attempts since 2004 at locating this antenna in another location. Luhr confirmed the project would still move forward if the height extension were not approved. Woodson asked if they actively looked for a commercial location for this antenna.

Johnson closed the Public Hearing and brought it back to the Commission for discussion.

Ream and Johnson spoke in favor of the project as presented. Lucas expressed concern about the potential for health concerns in a residential area, even with the agency meeting the regulations. Luhr spoke in favor of the project without the 4' height increase and with an emergency power back up added to the project. Woodson spoke in favor of the project without the 4' height increase, but isn't concerned about the emergency power back up. Lucas asked if a private resident could contract with one of the cell phone companies to put an antenna up on their private residence. Grossman confirmed that was a possibility. Ream asked Luhr why he wanted additional backup beyond the 12-hour battery backup and why he had concern with the height extension. Luhr explained he felt in an earthquake emergency that 72 hours would be more beneficial and the existing height would fit better in the neighborhood.

MOTION: Ream, Johnson 2nd to approve the project as presented. VOTE: 2-3 (Lucas, Luhr and Woodson opposed)

AMENDED MOTION: Luhr, Woodson 2nd to approve the project with added conditions to add backup generation (either battery or alternate means) for 72 hours and having the height limited to the existing height of the existing cross.
VOTE: 4-1 (Lucas opposed)

B. Site Location: 833 Embarcadero in the WF/H/S.4 (PD) District. Applicant and Leaseholder: Violet Leage. The applicant requests a Concept Plan approval to start the Conditional Use Permit process to demolish and replace the existing restaurant, floating dock and remove the outdoor dining while remodeling the front half of the building keeping two commercial lease spaces on the first floor and adding a six-unit inn on the second floor. On the street level the proposed project will include approximately 1,316 square feet of commercial lease space, along with a restaurant, fish market and additional space for bathrooms, elevator, stairs, for a total street level area of approximately 5,800 square feet. On the upper level are six inn rooms comprising approximately 4,000 square feet. This site is located in the Coastal Commission's Original Jurisdiction. (CEQA Determination: A Mitigated Negative Declaration has been prepared). Staff Recommendation: Conditionally Approve the Concept Plan. Staff Contact: Mike Prater

Prater presented his staff report noting the elimination of the following items:

- In Exhibit A Condition F of the Waterfront Master Plan Findings "stone veneer" should be removed
- Delete Condition 20 of Exhibit B regarding the oil-water separator
- No street trees should be required as to stay consistent with the other Embarcadero properties

The following items were questioned by the Commissioners and addressed by Staff:

- The proposed public access is not currently existing
- Potential location of the electrical equipment
- Height of the wind block element
- An 8' sidewalk improvement will be included with this project
- Current lease negotiations, which are taking place on this site, will not affect this project as this applicant is the current lease holder with time left on their current lease
- This property extends out further into the bay than any of the other surrounding properties
- The front of the building will be remodeled
- The large green box on the property is the transformer that will be under grounded

Johnson opened the Public Hearing asking the agent for the applicant to address the Commission. Cathy Novak, agent for the applicant addressed the Commission highlighting the changes proposed by the applicant and addressing some of the Commission's concerns. She then addressed the following additional questions:

- Size of potential signage
- How the general public will know the boardwalk is for public access
- If the outside area will be available for private or public use
- Clear signage denoting the restrooms are public ADA restrooms
- What equipment will potentially be on the roof
- If an enclosed stairwell will be necessary due to building code

The Commissioners also made the following suggestions:

- Opening up the front of the courtyard to make it more welcoming for the general public
- Use a metal roof to stay with the fishing village appearance
- Keep the view shed clear
- Retaining 3 children's play structures

Chuck Reasor expressed concern about the grandfathered parking and the need for onsite parking for the rental units.

Roger Ewing spoke favorably about this project but expressed concern over the lack of parking for this project.

Cathy Novak addressed the parking concern by noting the valet service that will be provided for the hotel guests. Woodson asked if all of the studies that will be required have been done. Luhr asked about the lease negotiations and if this project were approved would it go with the leaseholder or the project. Novak addressed their concerns.

Johnson closed the Public Hearing and commented on the potential of this project influencing the lease proposals. Prater addressed her concern and reminded the Commission the applicant is the current leaseholder and still has life on her lease. Luhr asked for confirmation if this project would run with the land or the leaseholder. Prater said projects usually run with the land, but the design is owned by the leaseholder so the leaseholder would have the opportunity to sell the project to a new leaseholder. Lucas commented on the benefit for the site having a concept plan approval and felt that parking requirements on the Embarcadero should be reduced on these properties so the parking is someplace else. Ream spoke in favor of the project. Woodson commented on the new paradigm they are entering with parking. Woodson also asked if the emergency door on the boardwalk could be moved to allow more public access to the boardwalk. Novak said they would address that concern with the fire department to determine if that is an option and bring it back at the Precise Plan.

MOTION: Ream, to approve the project as amended.

AMENDED MOTION: Ream, Woodson 2nd to approve the project with no street trees, delete condition 20 of Exhibit B and “stone veneer” will not be used in the project. VOTE: 5-0

C. Site Location: Intersection of Main and Bonita in the MCR/R-4 (SP) District. Applicant: Steve & Gayla Miller. The applicant requests a Conditional Use Permit, Coastal Development Permit and Tentative Tract Map to construct a 21-unit community housing project with attached houses in 3 clusters requiring an exception for interior setbacks between the units, lack of open space, and waive the commercial requirement in a mixed-use zone. The proposal includes affordable housing units to meet the City’s inclusionary requirements and Government Code 65915 Density Bonus. This site is located outside of the Coastal Original appeals Jurisdiction. (Recommended CEQA Determination: A Mitigated Negative Declaration has been prepared). Staff Recommendation: Continue the request and direct the applicant to redesign. Staff Contact: Mike Prater, Planning Manager, 772-6261.

Prater presented the project noting the specific questions before the Commission tonight are:

- 1) Should 100% residential be allowed on this site
- 2) Is the bulk and scale of this site appropriate for visual appearance from Highway 101
- 3) Is the density appropriate
- 4) Are the exceptions/concessions that are being requested appropriate for the benefit they are providing
- 5) Are the mitigation measures for utilities and the sewer collection system appropriate
- 6) Consider other possible regulatory options

Prater reviewed the outline of the exceptions and the concessions for this project and Staff’s recommendations.

The following items were questioned by the Commissioners and addressed by Staff:

- The number of Commissioners that need to vote in favor of the project for a two-thirds approval vote is 4
- If parking is currently allowed on Main Street in front of this project
- If all utility poles along the property lines would be under-grounded
- The apparent proposed reduction of the right-of-way
- The CEQA documents and the items that seem to be missing

Johnson opened the Public Hearing asking the applicant or their agent to address the Commission. John MacDonald, agent for the applicant addressed the Commission, noting the client’s thought process for not including Commercial in this project. The applicant, Gayla Miller noted the number of commercial buildings located on Main Street from Highway 41 north to the north end of Morro Bay and the approximate 30% vacancy rate of those buildings.

Roger Ewing, Bill Peiser, Chuck Reasor and Russ Gear spoke against this project noting, amongst other items, the bulk and scale of the project and the current parking problem on Main Street at this location, the North Main Street plan that should apply to this project and the potential view loss for some properties.

John Belcher spoke in favor of the project noting the ordinances that allow this type of project.

Johnson closed the Public Hearing.

Luhr confirmed with Staff that the North Main Street plan does not apply to this project.

Woodson felt 100% residential at this site is appropriate due to the large amount of vacant commercial sites in the City. He would like to ask for public open space in the project, make the under grounding of all the power poles clear in the findings, no parking on Main Street, and he is ok with the reduced side yard setbacks.

Luhr would like to see commercial along Main Street, he felt 21000 square foot open space is excessive but would like to see some open space, he is ok with the reduced setbacks and the exterior articulation, he is against the reduced parking, the interior articulation should be improved, and the under grounding of the utilities should be specific in the conditions.

Ream felt it was too big, but was not concerned about the lack of commercial. He felt there should be open space and was offended by what they offered as the affordable units. He wanted to be sure all utilities were under grounded and would like to see the frontage on Main Street be only one story to reduce the bulk and scale.

Lucas liked the architecture on this project and he was ok with this site as 100% residential if the open space is provided. He felt that these units would be mostly vacation rentals, which would impact the collection system less, but there will still be impacts. He would ideally like to see a mixed-use project on this site with slightly different planning massing.

Johnson spoke against the project. She wants affordable commercial on this site, parking in the rear with large windows on the front and she would consider the concept of mixed use with small apartments or condos.

Lucas wanted archeological monitoring required on this site during construction.

MOTION: Lucas, Luhr 2nd to continue the item to a date to be determined. VOTE: 4-1 (Johnson opposed)

XI. OLD BUSINESS

A. Current Planning Processing List

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

1. None

Woodson asked if something can be added to the list that indicates which projects will be seen at the Planning Commission level or just at Staff level. Prater said that Staff could add a column that indicates review level.

Woodson asked if there would be a tree ordinance brought forth in the future. Prater said he thought that item was now a sub-part to the Urban Forest Management Plan.

XII. NEW BUSINESS – None.

XIII. ADJOURNMENT

Johnson adjourned the meeting at 9:59 p.m. to the next regularly scheduled Planning Commission meeting at the Veterans Hall, 209 Surf Street, on Tuesday, September 4, 2007, at 6:00 p.m.

Nancy Johnson, Chairperson

ATTEST:

Michael Prater, Secretary