



3B – Land Use

LAND USE

The Land Use Element of *Plan Morro Bay* outlines a framework for how homes, businesses, public spaces, streets, and infrastructure are organized for the benefit of the community as it evolves and adapts. The manner in which buildings and open spaces are laid out contributes greatly to the accessibility, resilience, and sustainability of the city, and this element provides goals and policies for maintaining and enhancing the use, character, and design of Morro Bay. Much of the land use pattern for Morro Bay is set and there is little opportunity for the city to expand outward. Despite this, many areas of the city do provide opportunities for creating or adapting development to support economic goals and future needs. The Dynegy and existing Wastewater Treatment Plant sites will be redeveloped in the future with uses that respond to their unique site attributes and issues, and some areas such as downtown have the potential for infill development. This element directs the way in which this development will occur to accommodate future growth and trends while maintaining the character of Morro Bay.

OVERVIEW

Scope and Content

The Land Use Element is a required element under California law designed to comply with both California Government Code Section 65302(a) and California Coastal Act Section 30200, relating to land use and coastal access.

The Land Use Element regulates how land in the city will be used in a way that maximizes public safety and social well-being, and benefits the local economy. The City must adopt a Land Use Element that identifies the distribution, location, and extent of housing, business, industry, open space, forest/timber, agriculture, natural resources, recreation, scenic resources, education, public areas, and other uses of land. The Land Use Element also establishes standards for residential building density and nonresidential building intensity. As a coastal city, Morro Bay must also address development within the coastal zone by identifying and protecting coastal-dependent and coastal-related uses, recreation and visitor-serving uses and overnight accommodations, energy and industrial development, and archaeological and cultural resources. The Land Use Element contains information, goals, and policies that guide the land use decisions for existing and future development and projects within Morro Bay's city boundaries, and considerations for any future development in the sphere of influence (SOI).

The planning area for Morro Bay includes all area within the city boundaries (approximately 3,738 acres), as well as approximately 5,965 acres beyond the city limits. A portion of the planning area beyond the city limits, approximately 100 acres, consisting of part of the estuary and a small area on the northern beachfront, is in the city's existing SOI. Another 678 acres of the planning area beyond the city limits is identified as a future extension of Morro Bay's SOI. Both the current and potential future SOI areas are under county jurisdiction. Designating them in this way in the General Plan indicates the city's potential future boundary and service area.

Coastal Land Use Plan

By default, development permitting in the coastal zone is under the jurisdiction of the Coastal Commission; however, by certifying and adopting *Plan Morro Bay*, the City is given most of the permitting authority. The Local Coastal Plan encompasses the policies and implementations that pertain to and are consistent with Coastal Act requirements, and reflects the specific issues and values of the community. Once *Plan Morro Bay* is adopted and certified, it will replace the City's previous Coastal Land Use Plan, whereby the City of Morro Bay has legal authority to issue Coastal Development Permits. The Coastal Commission will retain jurisdiction on appeals in the designated areas, as well as jurisdiction on issuing development permits within most of the tidelands, submerged lands, and public trust lands. The City may exercise permitting authority over the tidelands on the west side of the Embarcadero in the future.

Commented [KK1]: We could probably delete, as this was already discussed in the Intro chapter.

Relationship to Other Elements

The Land Use Element connects all other elements into a single, cohesive development pattern that accomplishes the goals of the city. The Community Design Element complements the Land Use Element by describing the desired look and feel within neighborhoods that make Morro Bay unique, and establishing policies to keep future changes in line with that culture.

The Economic Development Element includes the economic trends and policies to improve job development and market opportunities based on existing and proposed uses, their locations, and their connections to local and regional markets.

The Circulation Element provides for adequate mobility between land uses that meet the demands of current and future development. Likewise, the existing and planned transportation network can play a key factor in the economic success, safety, and character of specific land uses.

Noise Element policies ensure that conflicts between uses proposed in the Land Use Element are minimized, and that uses producing higher noise levels are located away from noise-sensitive uses such as residential areas and schools.

The Conservation and Open Space Elements include goals and policies relating to the preservation and maintenance of open space areas identified in the Land Use Element for natural resource conservation, and to recreational access to parks and beaches.

The Public Safety Element regulates proposed land uses in areas with higher potential for natural or human-caused hazards such as flooding or pollution to mitigate the impact to buildings, infrastructure, and systems.

The Community Well-being Element outlines how the design and services of the community affect the health and resiliency of social systems. It connects the location of uses and their density or intensity with the quality of life enjoyed in Morro Bay.

The Housing Element contains goals and policies relating to the availability, adequacy, and affordability of housing for all economic segments of the community. This is a fundamental relationship, as the Land Use Element dictates where residential uses are allowed and prioritized within the planning area.

Additional Planning Framework

In addition to *Plan Morro Bay*, a variety of other documents and regulations guide decisions regarding land use and development in the city.

Specific and Area Plans

The Land Use Element is directly related to several Specific and Area Plans adopted by the City to direct land use and design standards in distinct areas. The locations of these plan areas are illustrated in **Figure LU-1**. Adopted City Plans are described in the introduction of *Plan Morro Bay*, and include:

- Downtown Waterfront Strategic Plan
- Waterfront Master Plan
- North Main Street Specific Plan

**Figure LU-1:
Specific and Plan Areas**

Commented [KK2]: Ditto. This was already addressed previously and can be deleted.

Climate Action Plan

Morro Bay's Climate Action Plan (CAP) was adopted in January 2014. It identifies the sources of greenhouse gas (GHGs) emissions in Morro Bay and establishes recommended emissions reduction measures. The CAP also includes implementation actions for carrying out the reduction measures, and discusses how Morro Bay will be affected by climate change. Procedures for monitoring progress toward GHG reduction targets and potential funding sources are also included in the CAP.

RESILIENCY APPROACH

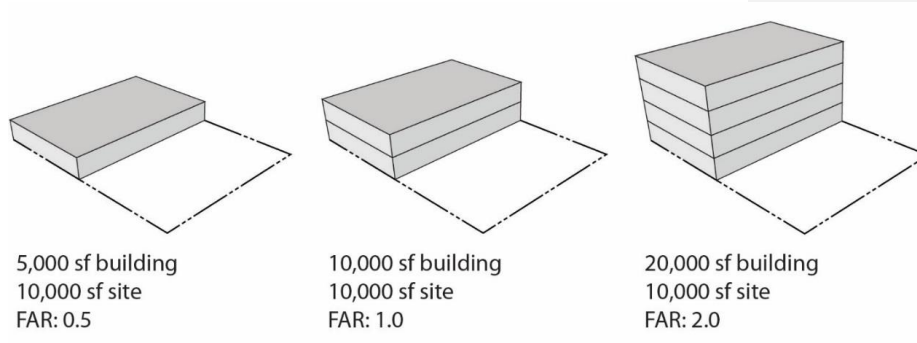
Land use resiliency involves two elements: where to locate uses so that damage is minimized during natural events, and how the location of these uses affects other community aspects that contribute to resiliency, such as transportation systems, housing, job availability, and the application of natural strategies to respond to sea level rise, flooding, and other common effects of climate change. Resilient land use concerns for Morro Bay include the age of the housing stock, the vulnerability of agricultural lands and hillside neighborhoods, and protecting coastal assets from sea level rise inundation.

MEASURING AND CHARACTERIZING LAND USES

Density and *intensity* are used to describe how buildings or other structures are organized within an area of land. Density is used to describe residential development and mixed-use designations that allow for residential development. This term describes the number of dwelling units per acre of land (du/ac). An urban downtown would generally be described as a high-density form of development, while a single-family residential neighborhood would generally be described as a low-density form of development.

For nonresidential commercial and industrial uses, intensity is measured in place of density. Intensity is measured by using a floor-to-area ratio (FAR) to describe the number of square feet of building on a site relative to the site's land area. FAR is a calculation of building intensity that measures the gross floor area of a building divided by the total net area of the site, expressed as a ratio. The higher the FAR, the more intense a building may be on a site. For example, a site with 10,000 square feet of net land area would have a different FAR depending on the size of the building placed on the site, as shown in **Figure LU-2**.

Figure LU-2:



Calculating Floor Area Ratio

The maximum allowable development on any individual parcel is governed by the maximum measure of density or intensity permitted for the land use designation applied to the parcel. The Land Use Element uses these measurements to establish development capacity for each individual parcel and for the planning area at large. The planned (and actual) density or intensity on a parcel is usually less than the maximum, and is influenced by the physical characteristics of a parcel, access and infrastructure limitations, compatibility with other nearby uses, market factors, and past development trends.

Existing Land Use Patterns

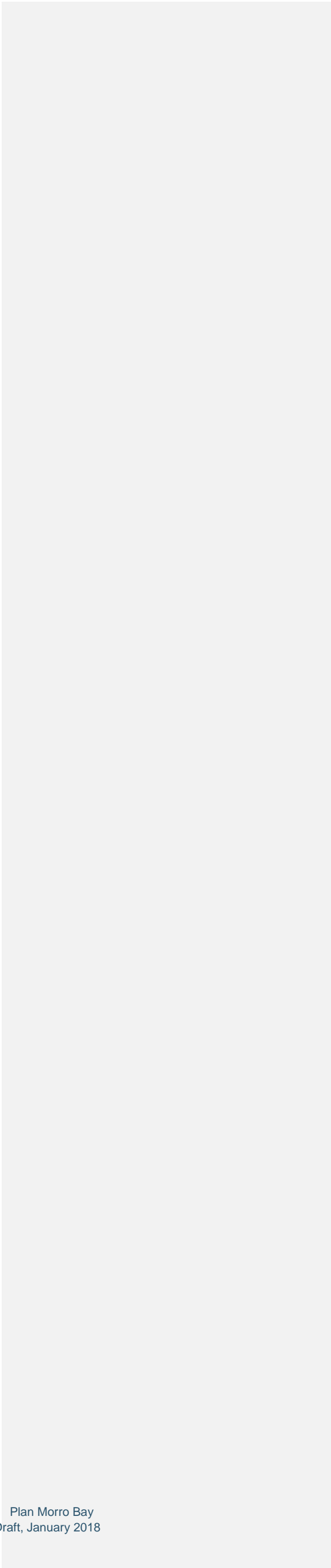


Existing on-the-ground land use data in the planning area is maintained by the San Luis Obispo Council of Governments (SLOCOG). SLOCOG land use data is collected and analyzed based on the designations given in the San Luis Obispo

County General Plan, which are categorized differently, but in a parallel manner, to the Morro Bay General Plan land use designations.

Figure LU-3 shows the existing on-the-ground uses in Morro Bay. Nearly half of the land in Morro Bay is either a part of Morro Bay State Park or the beach, with additional parks and open space combined being another 18 percent. Single-family homes make up another 14 percent; multifamily homes make up less than 1 percent. Combined agricultural uses represent 6.25 percent. Just over 1 percent of the land in Morro Bay is currently undeveloped, and as a result any new population growth will likely require increased redevelopment density in key areas or annexation of new land.

**Figure LU-3:
Existing On-The-Ground Land Use**



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Land Use Designations

Land use designations are applied to every parcel within the planning area. The City can only regulate land uses located within the city limits. *Plan Morro Bay* establishes 19 designations—17 primary land use designations and two secondary designations—that govern land uses within the planning area; see **Table LU-1**. These designations apply density and intensity requirements, use characteristics, development standards, and land use policies to individual parcels. As most of the planning area is already developed and maintained in good condition, the designations generally correspond to the pattern of existing uses.

Four land use designations accommodate solely residential development in Morro Bay. The designations encompass a wide variety of densities and housing types, ranging from lower-density, primarily detached single-family residences in neighborhoods, to some medium and higher-density, mostly attached housing in various places in the city.

Five land use designations accommodate commercial development in Morro Bay and one designation is a mixed commercial/industrial use designation. The businesses and other organizations located in these designations provide jobs, services, and goods, contributing to economic vitality and shaping the physical environment. These commercial-focused designations are distinguished by location and the customers the uses are intended to serve. Neighborhood-serving commercial uses are located in one- or two-story stand-alone buildings or small centers near residential neighborhoods. Community commercial uses occupy properties in and at the edge of downtown which are almost all developed as retail and office uses with few vacant parcels. District commercial uses include more auto-oriented and service-oriented commercial uses distributed through various areas of the city. Visitor-serving uses are located near primary tourist destinations, including the Embarcadero and Highway 1. Commercial/recreational fishing uses are located in the Measure D area.

The Waterfront Commercial/Industrial designation allows a mix of visitor-serving commercial uses and harbor-related industrial uses on the west side of the Embarcadero on state tidelands trust land.

Three land use designations accommodate industrial development in Morro Bay to ensure there are opportunities for both light industrial uses and uses that transition between light industrial and other uses; such uses might include live/work, harbor-related, or those supporting new employment opportunities that accompany emerging technologies and the redevelopment of transitioning industrial areas. In

Commented [KK3]: It's generally a good idea to always include caveats that land use designations identify the potentially allowed uses regardless of constraints, and that resource constraints and other issues may preclude the ability to accommodate each use and at its potential density. In other words, these are all theoretical maximums and not entitlements.

Some sample policy language included at the end.

In addition, a land use designation is provided for coastal-dependent uses, including energy, harbor-related uses, and other coastal priority uses.

One land use designation accommodates mixed-use development in Morro Bay. The designation is intended to provide for a wide variety of commercial uses that are developed along with higher-density residential uses. This use is focused at the edge of downtown and in locations where downtown transitions to residential areas. It is also located adjacent to the light industrial area behind Quintana Road near the southeastern edge of the city.

Three land use designations accommodate agriculture, resource conservation, parks, and recreation in Morro Bay. They include Agriculture, Harbor/Navigational Ways, and Open Space/Recreation. These designations make up the largest percentage of land in the planning area. They cover 7,500 acres (86 percent) of the planning area.

One Public/Institutional land use designation accommodates a wide variety of publicly owned facilities and community-serving uses.

Two overlay designations are identified on the Land Use Map: the Mixed Use Residential Overlay and the Environmentally Sensitive Habitat Areas (ESHA) Overlay. The Mixed Use Residential Overlay designation provides additional development criteria to supplement the underlying or base land use designation. The ESHA overlay provides information about where requirements related to ESHA are implemented in the city. The overlay designations are identified as a cross-hatch on top of the base land use designation on the Land Use Map.

Commented [KK4]: We should state the ESHA may be located in areas that don't have the overlay. In other words, the mapped ESHA is for information purposes, and there may be other areas that constitute ESHA based on the resources on the ground.

Table LU-1 identifies the land use designations, land use characteristics associated with each designation, and the land use density/development intensity allowed within each designation.

**Table LU-1:
Land Use Designations**

Designation	Description	Density/Intensity
Low Density	Detached single-family homes and some group housing uses.	0-4.0 du/ac
Moderate Density	Detached or attached single-family homes and some group housing uses.	4.1-7.0 du/ac
Medium Density	Detached or attached single-family homes, townhomes, duplexes, apartments, condominiums, and some group housing uses.	7.1-15.0 du/ac
High Density	Multifamily housing, including apartments, townhomes, condominiums, and some group housing uses. Single-family homes are allowed where the sites' characteristics, such as size or topography, would preclude multi-family development.	15.1-27.0 du/ac
Community Commercial	Community-oriented uses including retail stores, restaurants, professional and medical offices, and personal services. Residential uses are allowed both above and behind commercial uses with discretionary approval.	1.25 FAR
District Commercial	Retail, commercial, and service uses that meet local and regional demand. This designation is intended for larger-scale development that is appropriate in an auto-oriented environment. Residential uses are allowed both above and behind commercial uses with discretionary approval.	0.5 FAR
Neighborhood Commercial	Smaller-scale commercial uses that provide for the daily needs and services of nearby residents. Residential uses are allowed both above and behind commercial uses with discretionary approval.	1.0 FAR
Visitor-Serving Commercial	Visitor-oriented services and uses located at easily accessible locations and tourist destinations within the coastal zone. In general, ground-floor development should be reserved for retail shops, restaurants and bars, and visitor accommodations, with the upper floors reserved for additional visitor accommodations, offices, and dwellings.	1.25 FAR
Commercial/Recreational Fishing	Implements Measure D, which protects the tidelands area between Beach Street and Target Rock. Development and use permits are limited to fishing activities only.	0.5 FAR
Waterfront Commercial/	A mixture of visitor-serving commercial uses and harbor-dependent land uses located in	1.25 FAR

Designation	Description	Density/Intensity
Industrial	the coastal zone.	
General (Light) Industrial	Light industry uses which are generally not compatible with residential or most commercial uses.	0.5 FAR
Coastal-Dependent Industrial	Uses within the coastal zone which must be located near the coast to function, and are thereby given priority pursuant to the California Coastal Act.	0.65 FAR
Mixed Use	Any combination of commercial uses; offices; attached single-family housing, multiple-family housing, and live-work units; institutional uses; cultural facilities; developments including an open space component; visitor-serving uses; and/or civic facilities. Mixing of these uses may occur in a vertical and/or horizontal orientation. Mixed-use development is required within the constraints of parcel size, context/adjacent uses, and access to transportation.	1.0 FAR for nonresidential component 15.1-27.0 du/ac for residential component
Public/Institutional	Facilities which serve the public, including government buildings and service facilities; or quasi-public facilities such as hospitals and cultural or civic resources.	0.5
Harbor/Navigational Ways	Areas of the city covered by seawater and used for boating, fishing, and visitor-serving uses.	N/A
Open Space/Recreation	Areas of improved and unimproved park facilities, open space areas, natural resource areas, and outdoor recreation.	N/A
Agriculture	Land for cultivating crops and raising animals.	N/A
Overlays		
Mixed-Use Residential	Areas that allow residential uses in addition to the base allowed uses.	Same as underlying base designation for nonresidential component When paired with Neighborhood Commercial, 4.1-7.0 du/ac for residential component When paired with Visitor-serving Commercial, 15.1-27.0 du/ac for

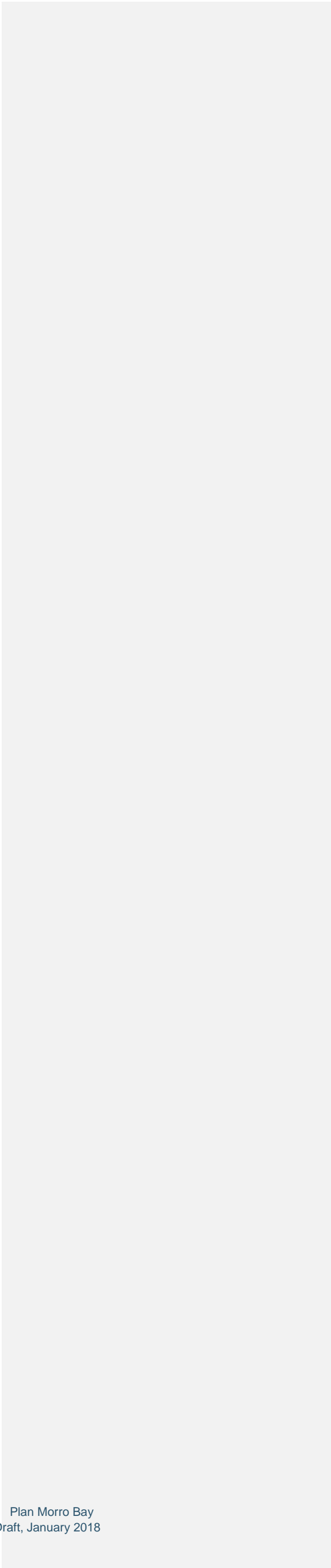
Designation	Description	Density/Intensity
		residential component
Environmentally Sensitive Habitat Areas	Protected areas within the coastal zone which serve as habitat for rare or especially valuable plant or animal life that could be easily disturbed or degraded by human activity.	N/A

Land Use Diagram



The Land Use Diagram (**Figure LU-4**) illustrates how *Plan Morro Bay* goals and policies translate into on-the-ground land uses by showing the distribution of the land use designations described above in correlation to the street network and natural landscapes.

**Figure LU-4:
Land Use Diagram**



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DEVELOPMENT CAPACITY



Table LU-2 identifies the development capacity associated with the planned distribution of land uses described in this element and summarizes the land use distribution and the resulting residential and nonresidential levels of development that can be expected from implementation of land use policies established by *Plan Morro Bay*. As the density and intensity standards for each land use designation are applied to future development projects and land use decisions, properties will gradually transition from one use to another, and land uses and intensities will gradually shift to align with the intent of this Land Use Element.

**Table LU-2:
Plan Morro Bay Development Capacity**

Land Use Designation	Acres (approximate)	Total Estimated Dwelling Units (2040)	Total Estimated Households	Population (2040)	Non residential Square Feet (2040)
Residential	752.4	6,521		10,783	—
Commercial	281.4	540		893	10,155,892
Industrial	37.2	—		—	799,468
Waterfront Commercial/Industrial	6.3	—		—	256,760
Mixed Use	33.8	271		447	1,178,119
Open Space & Agriculture	7,569.5	—		25	—
Public/Institutional	152.6	—		—	371,651
Total (2040)	8,833.2*	7,347	5,800	12,149	12,761,890
Existing (2017) Totals	8,833.2*	6,414	5,161	10,714	6,778,070
Change, 2017-2040	—	933	639	1,435	5,983,820

Notes:

*Totals may not add up due to rounding

Plan Morro Bay does not directly specify a maximum population for Morro Bay. Any growth (including any potential expansion of the SOI) in Morro Bay also must be consistent with Measure F, a voter-approved growth management ordinance that limits the city to 12,200 residents. To exceed this number, Morro Bay must secure

additional water resources and a majority of voters must elect to remove the limit. *Plan Morro Bay* policy proposes to undertake a process to either affirm, amend, or repeal Measure F at the point where the City's population reaches 11,700.

The maximum possible number of residential units is determined by the different maximum densities allowed for each land use designation and the amount of land area within that designation. However, this maximum number of units is unlikely to be reached because every residential parcel in Morro Bay would need to be developed to its maximum potential. Because most of the planning area is built out and existing buildings are generally in good condition, these changes will primarily occur in the Dynegy and Wastewater Treatment Plant Areas, as well as parts of downtown and the adjacent Highway 1 corridor, North Main, and Highway 41. Forecasting assumptions are used to determine the realistic expected number of residential units that Morro Bay will have when all of the parcels that are reasonably expected to redevelop have done so, subject to voter-approved growth management initiatives.

KEY ISSUES

Diverse Mix of Land Uses

Morro Bay is physically defined as a community by a land use pattern, design elements, and overall community form. The balance of uses and ways in which they are arranged dramatically affect the character, sustainability, health, and economy of the city. The uses present in the city and their locations can ensure equitable access to the coast, visitor amenities and services, and housing, employment, retail and services, education, and recreation for residents and employees. Having a diverse mix of land uses also allows for a varied economy that promotes local businesses and a strong jobs/housing balance, and is able to adapt to changing markets and economic disruptions. In these ways, the form of the community directly contributes to Morro Bay's sustainability, resiliency, success, and the well-being of residents and visitors.

GOALS AND POLICIES

GOAL LU-1: The community form of Morro Bay reflects its vision of a strong economy and high quality of life.

Commented [KK5]: As identified earlier, many of these policies are more programmatic things the City is to do/goals to achieve. These types of policies could be separated from the more regulatory "development shall do xxx" policies. This construct holds true for each chapter.

POLICY LU-1.1: Land Use Pattern. Maintain the current pattern of Morro Bay to preserve the distinct character areas and community enhancing and transforming identified opportunity areas to improve economic activity and align them with the community vision. (See Figure LU-3 Land Use Diagram.)

Commented [KK6]: There needs to also be a policy that mirrors Coastal Act Section 30250: developing within existing developed areas with adequate infrastructure to support it.

POLICY LU-1.2: Access to Daily Needs. Create sustainable development patterns characterized by mixed uses, walkable neighborhoods, and multimodal connections that allow residents to meet their daily needs for food, goods and services, employment, and other resources.

POLICY LU-1.3: Balanced Needs. Ensure that land uses in Morro Bay serve the needs of both local residents and visitors accessing the coast.

POLICY LU-1.4: Senior Living. Encourage the development of housing designed for universal access and senior housing that is accessible to public transit, health and community facilities, and services.

POLICY LU-1.5: Innovative Housing Design. Remove barriers to and create opportunities for innovative or nontraditional housing forms such as tiny houses, cohousing, and intergenerational housing.

POLICY LU-1.6: Mobile Home Parks. Protect low-income housing opportunities offered by mobile home parks in the Beach Street Specific Plan area.

GOAL LU-2: Land use patterns improve community health and resiliency.

POLICY LU-2.1: Fresh Food. Support and facilitate access to fresh food throughout all parts of Morro Bay, including through community gardens, farmers markets, produce stands, and edible landscaping.

POLICY LU-2.2: Local Food. Actively seek options to expand existing marketing and distribution methods that connect local agriculture (including seafood) to consumers such as retailers, restaurants, schools, hospitals, food banks, and other businesses.

POLICY LU-2.3: Social Resiliency. Maintain and create new urban public spaces that promote pedestrian activity and social engagement through building design, public art, landscaping elements, and amenities.

Growth Management

Like nearly all cities in California, Morro Bay is a growing and evolving community. Nearly all land in the city is already developed or preserved, leaving little room for population or job growth. Measure F further limits growth in the city by capping the population at 12,200, requiring additional resources and a majority vote to remove that limit. Despite these challenges, there is some projected growth expected in the future in terms of land area, population, and nonresidential development, and Morro Bay can accommodate an additional 1,486 residents beyond 2017 conditions before reaching the Measure F cap.

Housing and Jobs Growth

The community's ability to achieve a desirable jobs/housing balance is dictated by numerous factors, including physical space, regulations, resource availability, and market factors. Morro Bay's current (2017) ratio of jobs to households is approximately 1.07. While accurate projections of future job numbers are not readily available, it seems likely that without *Plan Morro Bay*, this ratio will not improve. The fact that there are only 1.07 jobs for every household in the community indicates a lack of local jobs for Morro Bay residents, which growth plans can help address.

Table LU-2 above shows the potential for development capacity based on the existing land use acreages for areas that allow residential uses. The actual amount of residential and nonresidential growth will depend on how much the city and population grow and change in the future. Any potential for housing and job growth will be limited in part by the lack of undeveloped land in Morro Bay; only 1.25 percent of the city is undeveloped, with the rest occupied by development or open space. However, this growth can still occur through infill development or future expansions of the city boundaries.

Development Capacity

If community members and elected leaders do choose to pursue growth in Morro Bay, the City must decide how much to grow and the preferred method for growth. Morro Bay has the option to continue to limit the amount and/or pace of new growth, allowing for a smaller number of new residents and jobs that would hold the population below the Measure F threshold. Alternatively, the community can establish a target population above 12,200 residents and seek to repeal or amend

Measure F to allow this increase, depending on future availability of land and water and other infrastructure and service capacity.

As described in **Table LU-2**, *Plan Morro Bay* can accommodate an estimated population of up to 12,149 people by 2040, subject to how many persons are in a typical household and ongoing maintenance of a relatively low occupied housing rate. The rate of population growth will also depend on the health of the economy and the type of jobs available as well as the cost of living, in particular for housing. This total would be just below the limit established by Measure F.

Future Sphere of Influence Expansion and Infill Opportunities

Morro Bay has an option to physically expand by adding new land to the city limits, which would provide room for new homes and businesses. In addition to the City's planned SOI expansion to the northeast, Morro Bay has several areas that could provide future development and redevelopment. The Dynegy Power Plant and Wastewater Treatment Plant sites would accommodate Mixed Use, Public/Institutional, and Visitor Serving Commercial uses with much of the development being new. Areas of downtown and along Highway 1 are prime areas for higher intensity and commercial infill development.

Commented [KK7]: See comment below. We should talk about future expansion plans and how it can be addressed in the LCP.

GOALS AND POLICIES

GOAL LU-3: Morro Bay grows in a manner that maintains community identity and well-being.

POLICY LU-3.1: Future Growth. Allow for future growth of housing and jobs in Morro Bay through both infill and limited expansion of the sphere of influence to accommodate future development that is consistent with vision, values, policies, and actions of this plan.

Commented [KK8]: Let's talk about this policy and 3.6. I'd like to know more about where potential expansions could be, as well as development east of Highway 1 in the undeveloped hills. I would advocate that this plan identify no outward growth of the existing built footprint, and then identify a series of requirements for any development outside of that defined area (e.g., water supply, visual resources from Highway 1, ridgeline development, ESHA, ag, etc.).

POLICY LU-3.2: High-Quality Jobs. Support high-quality new development and redevelopment that provides for new economic activities, creates family jobs that allow for upward mobility, improves housing, and helps retain young individuals and families in the community.

POLICY LU-3.3: Growth Limits. Continue to limit the amount of future population growth accommodated by *Plan Morro Bay* to a level supported by adequate and long-term sustainable available land, water supply, and other infrastructure and service capacity.

Commented [KK9]: Ditto.

POLICY LU-3.4: Jobs/Housing Ratio. At buildout of *Plan Morro Bay*, the jobs/housing ratio should be as close to balanced (1.0) as possible.

POLICY LU-3.5: Infill Development. Promote infill development on vacant or underutilized properties in the city as the preferred strategy for most new development in Morro Bay.

POLICY LU-3.6: Limited Outward Expansion. Establish criteria to allow for some limited outward expansion beyond the city's existing limits to achieve large-scale conservation of parcels and a small amount of rural-scale residential use and visitor-serving amenities to serve conservation lands.

Coastal Priority Uses

The coast is a valuable resource for natural beauty, recreational access, and development potential. The Coastal Act requires the City to prioritize uses that serve important needs for the community, such as recreation, coastal access, and coastal-dependent businesses. Nearly all of Morro Bay is in the coastal zone. Coastal priority uses range from visitor-serving recreation and services to coastal-dependent businesses such as aquaculture and commercial fishing.

Visitor-Serving Uses



Visitors come to Morro Bay year-round to enjoy the beautiful scenery, the beach, and an eclectic and laid-back vibe. The diverse array of shops, restaurants, and recreation opportunities are an important part of both the economy and personality of Morro Bay, and these uses need to be protected for the enjoyment of visitors and locals alike. The Coastal Act also requires that visitor-serving uses be prioritized over most other uses in the coastal zone.

Approximately 145 acres of land are designated for visitor-serving uses, primarily located in the Embarcadero, downtown, and State Park areas. These uses include hotels and other lodging, restaurants, parking facilities, shopping, and entertainment options. Because of their location near the coastline, the businesses and recreation areas are vulnerable to both development pressure and increasing flood risk due to sea level rise. The Land Use Diagram and policies work together to protect visitor-serving uses from encroachment of all kinds.

Coastal-Dependent Uses



Coastal-dependent uses are those which rely on close access to the coastline in order to function, and are highly protected by the Coastal Act and the City of Morro Bay. These are uses such as commercial fishing and boating, ~~energy~~ ~~and~~ coastal-dependent industry, and agriculture and aquaculture facilities.

Commercial Fishing

Commercial fishing plays significant economic and cultural roles in Morro Bay. Voter-approved Measure D ensures that areas on the north Embarcadero are specifically designated for commercial fishing infrastructure and facilities to accommodate both commercial and recreational fishing activities. The fishing industry is organized by the Morro Bay Commercial Fisherman's Organization (MBCFO), which has over 100 members. The commercial fishing community also has strong ties to local colleges and has engaged in collaborative research with local institutions for decades. The fishing industry serves as an important part of the local economy, and has continued to increase in size in recent years and decades. **[City: will add/reference language here on Measure D and working waterfront once received from th add to zoning on these issues as appropriate as well]**

Commented [KK10]: Measure D is not part of the LCP, right? If not, then let's just state its applicable provisions here in the LCP.

The marine environment in Morro Bay is highly diverse, and fishing activity is managed in order to meet state and federal regulations for types of gear, species targeting, and quotas. This sustainable management is based on science-driven stock assessments. Over time, these efforts have resulted in healthier populations of species such as thresher shark, swordfish, salmon, and many others.

In 2014, the City completed two reports that contribute to future management of the fishing industry. The Commercial Fisheries Economic Impact Report sought to understand the economic scope of the industry. The Fishing Community Sustainability Plan further studied the industry and provided recommendations to facilitate the sustainability of the fishing community and working waterfront. Each of these findings were tied to their social, economic, and environmental implications.

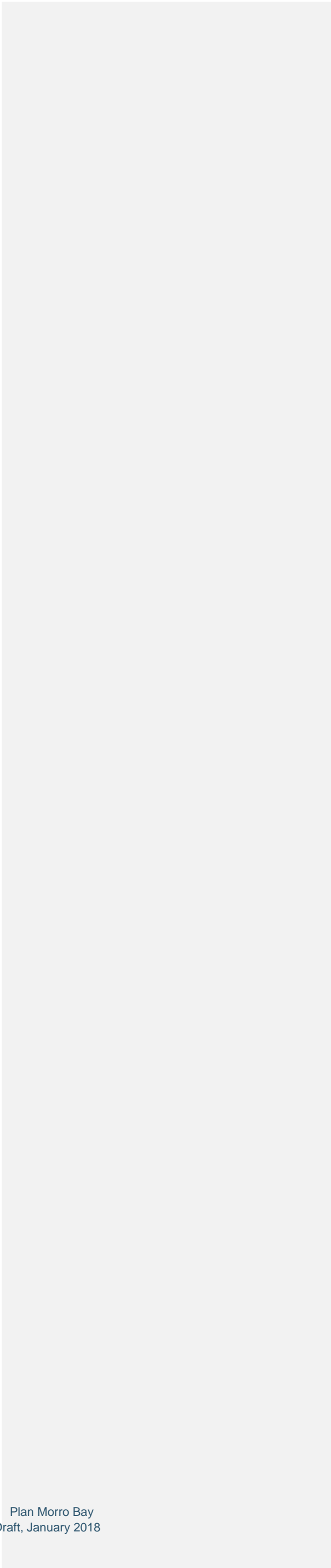
While changes to the industry and declines have occurred in the fishing industry, catch and fishing industry productivity have been increasing in recent years. With the decline in the 1990s, fishing infrastructure suffered, processing facilities closed, and improvements are now needed. While some investment in facilities and equipment has been made in recent years, additional focus is necessary to provide for the needs of the fisheries.

Recreational Boating and Infrastructure

Recreational boating is another important feature of Morro Bay. Kayaking, paddleboarding, and boat tours are commonly enjoyed activities, and several businesses in the city provide these activities. As these activities increase with the growth of Morro Bay and increasing tourism activities in California, the City will ensure that they do not interfere with the necessary operations of the commercial fishing industry, and, that no potentially dangerous space conflicts arise which would interrupt these recreational activities. Both commercial fishing and recreational boating will be protected and enhanced where possible.

Figure LU-5 identifies fishing and boating facilities in Morro Bay, differentiating between administrative, commercial, and recreational services.

**Figure LU-5:
Coastal-Dependent Uses**



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Energy and Industrial Uses

Coastal industrial uses for the Morro Bay coastal zone include the Morro Bay Desalination Facility and the decommissioned Dynegy power plant. The desalination plant was constructed in 1992 during a drought emergency but shut down soon after because of operation issues and costs. The plant is currently used only to offset seasonal peaks in water demand.

The Dynegy power plant is located north of the Embarcadero, and was decommissioned in 2014 because of fluctuations in the need for electricity and increasing cost of operations to remain in compliance with state regulation. Future development of the Dynegy power plant is anticipated to include a mix of visitor-serving commercial, open space, and public facility uses, and may include some potential for future housing. Future potential energy uses in Morro Bay will focus on renewable energy, which is in line with the state direction and the vision for Morro Bay.

Agriculture and Aquaculture

Agriculture and aquaculture are also protected resources under the Coastal Act. Most agriculture in Morro Bay is located on the east side of Highway 1 near the southwest end of the city. Lesser amounts of agricultural land are also located in other parts of the city. Aquaculture primarily consists of oyster farming, which has a long history in Morro Bay. The oyster farming areas are located at the south end of the bay, as well as along the north Embarcadero.

GOALS AND POLICIES

GOAL LU-4: Coastal-dependent uses are prioritized within appropriate locations in the coastal zone.

POLICY LU-4.1: Waterfront Uses. Maintain and encourage the development of visitor-serving and coastal-dependent land uses along the waterfront, and give such uses priority over other types of development that ~~is~~ are either not dependent on a waterfront location or related to public use and enjoyment of the coast.

POLICY LU-4.2: Measure D Uses. Clarify the meaning of “clearly incidental” code and provide additional certainty and consistency in the review process for properties in the Measure D area. [Note: language already been developed relative to the Measure D area that would preclude the need for including this policy?]

Commented [KK11]: I’m not really sure what this policy means, but we should incorporate Measure D principles into the LUP, including describing where certain uses are to be located and not. We don’t need to include Measure D verbatim, but enough of a policy hook to incorporate its main tenets.

POLICY LU-4.3: Adaptation in the Fishing Industry. Assist the commercial fishing industry to adapt to climate and economic change.

POLICY LU-4.4: Fishing Community Sustainability Plan. Continue to update and implement the Fishing Community Sustainability Plan.

POLICY LU-4.5: Interim Uses in Coastal Zone. Permit interim uses in areas designated for coastal-dependent uses until the existing owners have an approved coastal-dependent development.

Commented [KK12]: I'm not really sure what this means. If the idea is to have interim uses, then the type of uses need to be clearly identified.

POLICY LU-4.6: Recreational Uses. Oceanfront lands designated for open space/recreation 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.

POLICY LU-4.7: Development Priority. Using private lands suitable for visitor-serving commercial recreational facilities shall have priority over using such lands for private residential, general industrial, or general commercial development, but not over agriculture or coastal-dependent industry.

POLICY LU-4.8: Maritime Support Services. Continue to promote the viability of maritime support services presently operating on Beach Street.

GOAL LU-5: Coastal priority uses are viable, protected, and contribute to the economy and character of Morro Bay.

POLICY LU-5.1: Use Conflicts. Reduce potential conflicts between commercial fishing and coastal recreational uses.

POLICY LU-5.2: Agricultural Uses. Maintain prime agricultural land in the planning area in long-term agricultural production.

POLICY LU-5.3: Lower Cost Facilities. Lower-cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred.

Commented [KK13]: May also want to cross-reference other policies addressing low-cost accommodations.

POLICY LU-5.4: Dynegy Site Master Plan. Require preparation of a master plan for redevelopment of the former Dynegy power plant site prior to development. Encourage extensive community participation in the master plan process. Ensure that the land use diagram identified in Figure LU-3

Commented [KK14]: The WWTP site should also be subject to a Master Plan.

and development capacity established in Table LU-2 guide land planning for the site.

POLICY LU-5.5: **Continued Industrial Use at WWTP Site.** The site of wastewater treatment plant (WWTP) on Atascadero Road is to accommodate future visitor-serving and recreation and open space (Figure LU-3). Until and unless the WWTP is relocated, the industrial WWTP use shall be allowed to continue to operate at that location as a coastal priority use and shall not be considered nonconforming.

Commented [KK15]: We should definitely talk about these two policies regarding future uses are Dynegy and the WWTP. Obviously, these are two prime areas for future planning, so we want to make sure we're giving proper policy direction in this LCP.

Overnight Accommodations



A critical part of ensuring public access to the coast involves maintaining a variety of choices in overnight accommodations that are affordable for the average visitor. Hotels, motels, campgrounds, or short-term rentals can contribute to the city's supply of lower-cost lodging. Lower-cost accommodations are one of the primary issues required to be addressed by local jurisdictions under the Coastal Act. This is especially important as the cost of accommodations in coastal cities continues to rise. While most accommodations in Morro Bay are relatively low compared to other coastal cities, they recently rose 30 percent in just five years (2012 to 2017).

The Coastal Act ensures that all members of the public have "equal access to the coast," including access to accommodations that are affordable to the public. Because of the differing natures of coastal communities, the method each jurisdiction chooses to preserve and maximize the availability of lower-cost accommodations must be tuned to the economy and culture of that community. Local agencies and the Coastal Commission have pursued multiple ways to accomplish these goals, including:

- Introducing an official definition of "lower cost" that is calculated individually for each community.
- Prohibiting loss of lower-cost accommodations in coastal communities.
- Requiring that new high-cost accommodations provide lower-cost accommodations where possible.
- When on-site provision is not possible, requiring in-lieu fees that are adequate for the full range of development costs.
- Ensuring efficient use of in-lieu fees through partnerships with other organizations (i.e., environmental education, outreach programs).
- Supporting appropriately regulated short-term vacation rentals.

Blueprint



The amount of lower-cost accommodations needed, and the means of providing them, is determined by each jurisdiction and approved by the Coastal Commission. In recent years, the commission has recommended that new high-cost accommodations provide at least 25 percent of lower-cost accommodations. However, this guidance is evolving and is different in each jurisdiction.

Accommodation Types

Morro Bay offers a variety of accommodation types that range in price and types of amenities. These include hotels, motels, campgrounds, RV parks, and short-term vacation rentals (STVRs). When assessing affordability of overnight accommodations, all types of accommodations were considered. In 2016, the City conducted comprehensive inventories of all accommodation types and their typical costs per night.

Short-term Vacation Rentals

One important piece of the modern accommodation market is the recent success of STVRs managed through online sites. These accommodations can range from a room in a resident's occupied home to large unoccupied accommodations with space for an entire family. These locations generally offer access to common areas, full kitchens, and bathrooms, often with comforts and amenities not offered in hotels. These short-term rentals are often a low-cost option for visitors to Morro Bay, while also contributing transient occupancy taxes (TOT) to the City.

As a tourist destination, Morro Bay has a high proportion of vacation homes, many of which are used as STVRs. The city has over 200 STVRs which vary in size and price. While in some cases these provide lower-cost visitor accommodations, they also affect the overall stock of affordable housing. These types of rentals have become popular in many coastal destinations, and in some cases, landlords have converted their units from long-term rentals to STVRs. This places a strain on the affordable housing market by removing long-term rental opportunities.

The City has recognized the impacts of STVRs, and established regulations for them in the Municipal Code. Chapter 5.47 of the Municipal Code defines STVRs and establish specific signage, nuisance, violation, and permitting requirements. Chapter 3.24 requires TOT collection for hotels in Morro Bay, and includes STVRs in its definition of a hotel.

Threshold for Lower-Cost Accommodations

The Coastal Commission developed an official process for determining what is defined as lower-cost using the Smith Travel Research (STR) report on local hotel trends and determining the average daily room rate for hotels and motels. A threshold for lower-cost accommodations in Morro Bay was determined using the Coastal Commission's preferred methodology, but using the results of a 2016 cost

survey conducted by the City, which was more complete and accounted for all hotel and motel rooms in the city. The survey was based on summer pricing, which reflects the prices tourists can actually expect to spend, since Morro Bay is most popular during the summer months. This method of developing a cost threshold resulted in an initial ADR threshold of \$102 for lower-cost accommodations. Hotels, motels, and campgrounds will only be considered lower-cost if they cost less than \$102 per night for an average of 2-4 person occupancy.

This threshold may be subject to change based on updated inventories of accommodations and changes in the market. The City will adjust the threshold by adjusting for inflation based on the Consumer Price Index to ensure it aligns with current market conditions. Procedures and regulations for determining the threshold will be implemented by the City to continually provide for lower-cost accommodations. These procedures are outlined in policies and implementation actions in *Plan Morro Bay*.

Short-term Vacation Rentals

Since STVRs have different capacities, amenities, and business models, the lower-cost threshold was adjusted to provide a more accurate depiction of affordability. The adjusted threshold is aligned with the threshold for lower-cost hotels and motels, but due to the range of short-term rentals available, affordability is determined based on how many accommodations fall within the lower-cost range when considering per person cost.

Using this method, short-term rentals are considered lower cost if their cost per person is less than one-fourth of the hotel and motel threshold per night, as the average hotel room occupancy is four people. This captures the range of short-term rental pricing while considering the differences in accommodation sizes. For instance, if an STVR costs \$300 per night, this would appear to be more expensive than a hotel room. However, if it accommodates 12 people, it would actually cost \$25 per person, which is a comparable per-person cost as that of a lower-cost hotel room with an occupancy limit of four. Especially for cases where several visitors are staying in the same location, higher-capacity short-term rentals are an economical option according to this per person threshold.

Affordability in Morro Bay

A 2017 study of low-cost visitor-serving accommodations (LCVSA) in Morro Bay determined that approximately 52 percent of all accommodations, or 36 percent of all hotels and motels, can be considered lower cost based on the \$102 threshold. Surveys of surrounding coastal cities including Pismo Beach, Avila Beach, Cayucos, and Cambria showed that Morro Bay's accommodation pricing is significantly lower than similar beach communities. The current proportion of LCVSAs in Morro Bay far

exceeds surrounding communities as well as the Commission’s guidance of 25 percent.

While Morro Bay currently has a sufficient number of LCVSAs, prices continue to increase. In order to ensure ongoing affordability, the City will regularly reassess the stock of affordable accommodations and determine whether the proportion of LCVSAs has decreased too substantially. If this occurs, the City has prepared policies that will be triggered to protect, improve, or increase the stock of LCVSAs. Each policy has been assigned to an implementation timeline base; policies that may take longer to implement will be triggered sooner than those that can be quickly implemented. For instance, policies that require development or rehabilitation projects will be triggered sooner than policies that require higher-cost accommodations to provide public amenities.

Day-use Facilities

Another way for a city to increase its capacity for lower-cost accommodations is through the provision of day-use amenities in the coastal zone. Currently, Morro Bay has some day-use facilities near the Embarcadero, including small public parks and docks. However, many day-use facilities in this area are linked to commercial uses such as restaurants or hotels, and are not accessible to the public. An increase in public day-use amenities would allow visitors to utilize the recreational features provided by a higher-cost hotel or motel for little or no cost while staying at a lower-cost accommodation.

GOALS AND POLICIES

GOAL LU-6: Visitors to Morro Bay have access to a variety of lower-cost lodging options to meet their needs.

POLICY LU-6.1: Lower-Cost Accommodations Threshold. Adopt an threshold for lower-cost accommodations. Regularly update using the Consumer Price Index to adjust for inflation.

Commented [KK16]: The threshold needs to be specified in the LUP here. As discussed, maybe it’s 25% of all hotel rooms, since that’s the number we generally require to be low-cost in our CDP actions and other LCPs?

We should also say that if the total % falls below that threshold, then new hotels need to provide low-cost rooms.

POLICY LU-6.2: Accommodations Inventory. Regularly track the inventory of lower-cost accommodations through a scheduled price survey of all accommodations.

POLICY LU-6.3: Accommodations on State Tidelands. Hotels and motels developed on the State-owned tidelands ~~that do not~~ shall provide lower-cost accommodations ~~options must provide some affordable rooms and/or~~ publicly accessible facilities and/or amenities.

POLICY LU-6.4: Amend Short-term Rental Regulations. Amend existing short-term rental regulations to improve community oversight, while also providing a range of options for visitors seeking overnight accommodations near the coast.

POLICY LU-6.5: Protect Existing Accommodations. Protect the existing inventory of lower-cost accommodations using fees or other revenue sources for as-needed rehabilitation grants.

POLICY LU-6.6: Develop New Accommodations. If the number of lower-cost accommodations falls below the required proportion, require that development projects in Morro Bay provide on-site lower-cost accommodations, or provide equivalent mitigation as a condition of approval of a Coastal Development Permit.

POLICY LU-6.7: Day-Use Facilities. Require new hotel and motel projects that do not feature lower-cost accommodation options to incorporate non-overnight facilities and amenities, either within or as a component of the development, which will be generally available for passive public use.

POLICY LU-6.8: Short-Term Rental Permits. Continue to manage the number of new short-term rental permits allocated each year in residential zones.

Commented [KK17]: We should include a policy that lays the groundwork for STR regulation, like "Allow short-term rentals as an important source of visitor-accommodations while developing regulations that respond to residential community character issues". Or something like that. Then that can be the regulatory hook for the IP's more involved STR regulations.

POLICY LU-6.9: Waiting Period. Implement a waiting period of one year from the time of sale of a unit located in a residential land use designation before that unit is eligible to apply for a short-term rental permit. Properties that are sold as registered vacation rentals will not be subject to the waiting period.

POLICY LU-6.10: Fee Use. Designate a portion or all of the fees collected from short-term rental permits for affordable subsidized housing.

POLICY LU-6.11: Transient Occupancy Tax Rebate Program. Consider offering a TOT rebate program that would allow older hotels and motels to recoup TOT expenses in order to fund capital improvement and rehabilitation projects.

POLICY LU-6.12: Camping Accommodations. Campgrounds and RV parks will be regularly maintained and improved. This may include improvements to accessibility trails and amenities.

Coastal Access

A key tenet of the Coastal Act is to protect and expand coastal access points to facilitate maximum shoreline access. Expansive coastal access in Morro Bay promotes recreation, tourism, and ecosystem health. The City provides access to the shoreline via lateral access, vertical access, universal access, and the California Coastal Trail. In general, Morro Bay provides good access to the beach, although improvements have been and continue to be made in some areas.

Lateral Public Access

Lateral access describes the ability to walk parallel to the coastline, along the shore. In Morro Bay, lateral access is found contiguously along the coast from the city's northern border, around Morro Rock, to the start of the Embarcadero. A substantial amount of lateral access is also available at various locations along the length of the Embarcadero. While commercial uses stand between the sidewalk along the Embarcadero and the coast in many locations, bayside decks provide access roughly between every two commercial buildings, allowing segments of lateral access along the bay. This Plan requires lateral access for development proposals.



The City has identified a preferred alignment and design for continuous lateral coastal access along the bayside of the Embarcadero.

Vertical Public Access

Lateral access is supported by vertical access points, which create perpendicular access to the coast. Morro Bay offers extensive vertical access points throughout the entirety of the coastal zone, most notably along the Embarcadero where buildings are spaced to allow public access to the shoreline. In the northern portion of the coastal zone, vertical access extends from Beachcomber Street, with both identified trails and informal paths through coastal brush. A more detailed discussion, along with a map of coastal access points, is provided in the Open Space Element.



California Coastal Trail

The California Coastal Trail (CCT) is an ongoing effort to connect a unified, 1,200-mile trail along the Pacific Ocean, extending from Oregon to the border with Mexico. Approximately 600 miles of the CCT have been completed, promoting the Coastal Commission's coastal access objectives. Information and policies regarding the CCT can be found in the Open Space Element; a map of the preliminary suggested CCT alignment through Morro Bay is in Figure OS-1.



GOALS AND POLICIES

Goal LU-7: All residents and visitors have unimpeded and convenient access to the coast.

POLICY LU-7.1: Lateral Access. Improve lateral connections along the coast, with particular emphasis on the Embarcadero, and ensure such connections are universally accessible.

POLICY LU-7.2: Vertical Access. Preserve and enhance coastal vertical access points in Morro Bay.

POLICY LU-7.3: Multimodal Access. To the extent feasible, ensure that both lateral and vertical access accommodates all ages and abilities across all modes of travel.

POLICY LU-7.4: Coastal Access Amenities. Provide clear signage and amenities such as benches and bike racks at access points.

POLICY LU-7.5: Lateral Access Requirements. Lateral public access (10 feet wide unless physical constraints make such width infeasible) along the waterfront revetment shall be provided in all new developments and rehabilitation or addition projects, consistent with public safety needs and the need to protect public rights, rights of private property held by leaseholders, and natural resource areas from overuse.

Downtown and Waterfront Areas

Morro Bay's downtown and the waterfront Embarcadero areas are the commercial and cultural core of the community. They are the location of many of Morro Bay's local businesses and are within walking distance of numerous residential neighborhoods. Residents and visitors alike come to spend time in downtown and along the waterfront, which are among the major visitor attractions in the city and the wider region. Allowing for housing in these areas, ideally located above retail uses, could help to both increase housing options and create a more vibrant downtown and waterfront. Improving the appearance of downtown and the waterfront area is also important for a variety of reasons, and is discussed thoroughly in the Community Design Element.

The *Downtown Waterfront Strategic Plan* (DWSP) is a 10-year plan that provides a strategic vision for these areas and specific action items to carry out that vision. The

DWSP includes guidelines for preserving the unique character of the downtown and waterfront areas while enhancing housing, transportation, and retail options through key projects such as a Harbor Walk, a seafood and local goods market, a full-service hotel with meeting facilities, and a mixed-use project that includes residential, commercial, and live/work spaces. *Plan Morro Bay*, a longer-term document, creates a framework for the DWSP to be implemented and ensures it is consistent with the vision for the entire community.

Master Plan for Morro Rock

Morro Rock is the most iconic feature of Morro Bay. Public improvements and enhanced recreation and interpretive programming are strong community desires for the future of Morro Rock. Following determination of future uses for the Dynegy site, which will in some ways determine the range of future amenities and appropriate activities for Morro Rock, the City should consider preparing and implementing a master plan for the area surrounding Morro Rock to outline recommended public improvements that would enhance the area, while also preserving the rock as an important environmental and cultural resource. The Master Plan for Morro Rock could be integrated with an update to the Morro Strand and Atascadero State Beach General Plan, prepared by the California Department of Parks and Recreation, or into an update to the Waterfront Master Plan.

Neighborhood and Community Characteristics

The downtown and waterfront areas are prime sites for new development in the community, offering potential for both residential and commercial growth. While new growth can be a valuable way to improve the downtown and waterfront districts, any land use plan for the districts should be consistent with established characteristics by making sure that new and renovated buildings are compatible with regard to height, size, mass, and design, among other features. Maintaining the existing buildings and improving amenities and infrastructure are also important parts of ensuring that downtown and the waterfront have consistent characteristics.

Multimodal Access

The downtown and waterfront areas are a playground for a variety of users, and there is a strong desire to balance and even advance the needs of nonvehicular travel modes to relieve pedestrian congestion on narrow sidewalks and contribute to a safer, more serene experience for all users. Many opportunities exist to improve infrastructure and increase safety and convenience for pedestrians and bicyclists while improving the overall experience of these areas.

Vacant Lots

Many vacant lots are located in downtown and along the waterfront. The City can connect with property owners to explore development or rehabilitation strategies for vacant parcels, and assist property owners to secure financing for development. For parcels that are unlikely to be developed in the near future, the City can work with property owners to temporarily convert vacant parcels into community gardens, parks, or venues for hosting community events such as the farmers market. This type of temporary use for vacant lots will dramatically increase the attractiveness and vitality of downtown and the waterfront while providing amenities and economic benefits to residents and visitors.

GOALS AND POLICIES

GOAL LU-8: Morro Bay's downtown and waterfront areas are active and welcoming locations for shopping, recreation, and coastal services.

POLICY LU-8.1: Update Waterfront Master Plan. Update the 1996 Waterfront Master Plan with a focus on addressing issues of sea level rise and future planning for Morro Rock.

POLICY LU-8.2: Morro Rock. Work with the California Department of Parks and Recreation to update and implement the Morro Strand and Atascadero State Beach General Plan, which includes Morro Rock and its surroundings, to incorporate sea level rise projections and an updated coastal hazard vulnerability assessment.

POLICY LU-8.3: Design Flexibility. Allow for design flexibility in the downtown and waterfront areas while perpetuating quality development that will complement and enhance the area's eclectic style and small, seaside character. Development along the waterfront shall comply with the Waterfront Master Plan and Downtown/Waterfront Design Guidelines.

POLICY LU-8.4: Multimodal Access. Emphasize access for public transit and active transportation in downtown and along the waterfront.

POLICY LU-8.5: Multimodal Connections. Improve pedestrian connections between the downtown and waterfront areas, and increase the pedestrian appeal of downtown.

Commented [KK18]: I wouldn't cross-reference these documents in the policy, but rather in the background section above. Or we could include applicable regulatory policies into the LUP addressing things like height, view protection, etc.

POLICY LU-8.6: Vacant Lot Uses. Identify suitable uses for vacant and underutilized parcels such as community events, temporary markets, and community gardens, consistent with neighborhood and community objectives.

POLICY LU-8.7: Beach Street Gateway. Create an aesthetically pleasing gateway experience for area residents and travelers entering the Embarcadero from Beach Street.

Additional policies addressing general land use for inclusion:

Protection of sensitive habitats, natural landforms, scenic resources, and other coastal resources shall be a priority in all City actions and decisions, and all development standards (including with respect to height, setback, density, lot coverage, etc.) shall be interpreted as maximums (or minimums) that shall be reduced (or increased) so as to protect and enhance such resources and meet Local Coastal Program objectives to the maximum extent feasible. Development shall only be authorized when the proposed use is allowed per the applicable land use designation, and when it meets all applicable Local Coastal Program policies and standards.

All accommodation units shall be for transient use only (i.e., occupancy of such units shall be for a period not to exceed 30 days). Lower-cost visitor-serving facilities, including visitor accommodations and public recreational opportunities, shall be protected and encouraged. Existing lower-cost accommodations shall be protected, and new accommodations shall designate a component of their units as lower-cost accommodations or establish or improve off-site accommodations in the Coastal Zone that meet the lower-cost need.

Development standards for scenic areas shall minimize land coverage, grading, and structure height, and provide for setbacks from adjacent public open space areas.

Development, to the maximum extent feasible, shall not interfere with blue water public views of the ocean and bay.

Preserve the existing residential, small-scale, commercial and visitor-serving recreational character in the Coastal Zone where such character appropriately embodies and provides the type of low-key and small-scale character desired by this Land Use Plan. Encourage redevelopment or renovation of existing

structures when needed to improve the quality of design and attract visitors to the Coastal Zone.

Require commercial signs to be of a size, location, and appearance so they do not detract from the area's scenic qualities and cause visual clutter and blight, and require utilities to be placed underground or away from public view. New development, and renovation or expansion of existing development, shall be designed to be consistent with the community character, to protect scenic resources, and incorporate climate adaptation measures as appropriate.

New lighting fixtures shall be mounted at low elevations and fully shielded to direct lighting downward, and away from the shoreline. Lighting along walkways should be mounted on low bollards or ground buttons. Lighting shall be focused on targeted use areas, and floodlighting shall be prohibited. Exterior lighting fixtures should complement the architectural style of structures. Lighting shall be limited to that necessary to provide for public safety, and shall be sited and designed to limit glares and light spill off-site.

Legally established non-conforming structures may be maintained, repaired, and continued so long as the degree of any existing zoning non-compliance is not increased. Structures may not be redeveloped (i.e., redevelopment) unless the entire structure is brought into compliance with all applicable Local Coastal Program policies.

The City encourages a range of accommodation types, including lower-cost visitor accommodations, public recreational opportunities, and short-term vacation rentals, so long as such rentals do not adversely impact coastal resources or unduly burden residential neighborhoods.

The City shall seek to make "complete streets" improvements to the existing circulation system serving the Coastal Zone for expanded use by all users including pedestrians, bicyclists and transit passengers of all ages and abilities, as well as trucks, buses and automobiles. Utilize one-way streets, where appropriate, bulb-outs and other methods, to encourage "complete streets."

The City shall require a construction phase traffic control plan for new development that has the potential to disrupt circulation on arterial or collector streets.

Transit service and other means of transportation should be increased, where feasible, as a means of providing access for residents without automobiles, increasing the

efficient use of coastal access roads, and as an approach to minimize adverse effects from special event traffic.

New development near popular visitor destinations shall be required to provide bicycle racks to encourage bicycle use.

New development in the Coastal Zone shall include adequate off-street parking to minimize the disruption of significant coastal access routes. All traffic impacts associated with new development shall be mitigated appropriately.

The City shall strive to provide safe and adequate access to and along the City's shoreline and other points of public interest. The City shall, to the maximum extent feasible, maintain a continuous pedestrian coastal trail, the length of the City's Coastal Zone. The City shall adopt trail design standards, including width, pitch, surface condition, erosion control, proximity to the mean high tide line, and potential effects of sea level rise, including but not limited to temporary flooding, storm waves, erosion, and permanent inundation, when carrying out trail maintenance and/or upgrade activities. All public access trails and related development shall be sited and designed to effectively integrate into the natural shoreline aesthetic as much as possible.

The City shall enhance access to its shoreline, while maintaining the Coastal Zone's unique character, by reducing the impact of automobiles. This shall be accomplished, in part, by encouraging use of public transit within the Coastal Zone, and by providing non-vehicular Coastal Zone access opportunities for bicycles and pedestrians. When considering a Coastal Development Permit application for any development that could reduce or degrade public parking opportunities near beach access points, shoreline trails, or parklands, including any changes in parking timing and availability, evaluate the potential impact on public coastal access, and ensure existing levels of public access are maintained, including through ensuring that alternative access opportunities, including bike lanes and parking, pedestrian trails, and relocated vehicular parking spaces, are provided so as to fully mitigate any potential negative impacts and maximize access opportunities. Any revenue from fee-based parking programs within the Coastal Zone shall only be used to fund public access improvements within the Coastal Zone.

Any sign that could reduce public coastal access, including signs limiting public parking or restricting use of existing lateral and/or vertical accessways, shall require a Coastal Development Permit. Appropriate signing should be considered for popular visitor destinations and access points in conjunction with other sign

programs under coastal access and habitat protection policies. However, excessive signs and other visually intrusive landscape features shall be avoided. The City shall develop a coordinated sign program for the City's shoreline area to ensure consistency of information and presentation, and to ensure that such signs effectively integrate into the shoreline with the least amount of impact to public views.

Excessive signs and other visually intrusive landscape features shall be avoided.

Development with the potential to impact public access, whether during construction or after, shall develop a Public Access Management Plan designed to identify and limit impacts to public access. Plans shall identify peak use times and measures to avoid disruption during those times, minimize road and trail closures, identify alternative access routes, and provide for public safety. Plans associated with temporary events shall include additional strategies to avoid impacts to parking and access, including, but not limited to, the use of shuttles to off-site parking locations and bike valet programs.

New development shall ensure that public access opportunities are maximized, including though offsetting any temporary (e.g., during construction) and potential permanent impacts to public access (including in terms of increased traffic leading to impacts to public access use of the City's circulation system) appropriately and proportionally. Development shall provide for public access enhancements and improvements as much as possible, including in terms of providing public access use areas in private development projects (e.g., visitor serving development) as appropriate. Development that does not meet these requirements shall be denied.

The City may seek a Coastal Development Permit to establish paid public parking spaces with reasonable rates in appropriate places, including in areas unencumbered by existing Coastal Development Permits, in order to establish a dedicated funding source to improve and enhance coastal access.