City of Morro Bay
City Council Agenda

Mission Statement
The City of Morro Bay is dedicated to the preservation and enhancement of the quality of life. The City shall be committed to this purpose and will provide a level of municipal service and safety consistent with and responsive to the needs of the public.

REGULAR MEETING – TUESDAY, DECEMBER 13, 2011
VETERANS MEMORIAL HALL - 6:00 P.M.
209 SURF ST., MORRO BAY, CA

ESTABLISH QUORUM AND CALL TO ORDER
MOMENT OF SILENCE
PLEDGE OF ALLEGIANCE
MAYOR AND COUNCILMEMBERS ANNOUNCEMENTS & PRESENTATIONS
CLOSED SESSION REPORT

PUBLIC COMMENT PERIOD - Members of the audience wishing to address the Council on City business matters (other than Public Hearing items under Section B) may do so at this time.

To increase the effectiveness of the Public Comment Period, the following rules shall be followed:

- When recognized by the Mayor, please come forward to the podium and state your name and address for the record. Comments are to be limited to three minutes.
- All remarks shall be addressed to Council, as a whole, and not to any individual member thereof.
- The Council respectfully requests that you refrain from making slanderous, profane or personal remarks against any elected official, commission and/or staff.
- Please refrain from public displays or outbursts such as unsolicited applause, comments or cheering.
- Any disruptive activities that substantially interfere with the ability of the City Council to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.
- Your participation in City Council meetings is welcome and your courtesy will be appreciated.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk, (805) 772-6205. Notification 24 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

A. CONSENT CALENDAR

Unless an item is pulled for separate action by the City Council, the following actions are approved without discussion.

A-1 APPROVAL OF MINUTES FOR THE REGULAR CITY COUNCIL MEETING OF NOVEMBER 8, 2011; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 RESOLUTION NO. 72-11 ADOPTING THE MEMORANDUM OF UNDERSTANDING WITH THE MORRO BAY FIREFIGHTERS ASSOCIATION; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Adopt Resolution No. 72-11.

A-3 RESOLUTION NO. 73-11 AUTHORIZING PAYING AND REPORTING THE VALUE OF EMPLOYER PAID MEMBER CONTRIBUTIONS (EPMC) FOR THE MORRO BAY FIREFIGHTERS ASSOCIATION; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Adopt Resolution No. 73-11.

A-4 QUARTERLY FINANCIAL STATUS REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Accept the report as presented.

A-5 APPROVAL OF AMENDMENT #1 TO THE LEASE AGREEMENT FOR LEASE SITE 110-112/110W-112W, AND 20' OF THE EASTERLY PORTION OF 111.5W, BETWEEN THE CITY OF MORRO BAY AND GAFCO INC., LOCATED AT 1185 EMBARCADERO, AND AMENDMENT #1 TO THE LEASE AGREEMENT FOR LEASE SITE 124-128/124W-128W AND 113W, BETWEEN THE CITY OF MORRO BAY AND SEA ONE SOLUTIONS LLC, LOCATED AT 1215 EMBARCADERO; (HARBOR)

RECOMMENDATION: Adopt Resolution No. 75-11 approving Amendment #1 to the Lease Agreement for Lease Site 110-112/110W-112W and 20' of the easterly portion of 111.5W between the City of Morro Bay and GAFCO, Inc.; and, adopt Resolution No. 76-11 approving Amendment #1 to the Lease Agreement for Lease Site 124-128/124W-128W and 113W between the City of Morro Bay and Sea One Solutions LLC.

A-6 APPROVAL OF RESOLUTION AUTHORIZING THE CITY OF MORRO BAY TO ENTER INTO BOATING SAFETY AND ENFORCEMENT GRANT CONTRACT WITH THE DEPARTMENT OF BOATING AND WATERWAYS; (HARBOR)

RECOMMENDATION: Adopt Resolution No. 74-11 authorizing the Harbor Operations Manager to execute the Boating Safety and Enforcement Grant Contract Agreement #11-204-758 with the California Department of Boating and Waterways for purchase of miscellaneous equipment consisting of two rescue personal watercraft and trailer in the amount of $24,000.

A-7 ADOPTION OF ORDINANCE NO. 575 AMENDING MORRO BAY MUNICIPAL CODE SECTION 5.04.330 REGARDING THE PROCEDURE FOR SUBMITTING CERTAIN BUSINESS LICENSE APPLICATIONS TO THE CHIEF OF POLICE AND CITY COUNCIL; (CITY ATTORNEY)

RECOMMENDATION: Adopt Ordinance No. 575.

A-8 AWARD OF CONTRACT TO WHITAKER CONSTRUCTION GROUP, INC. OF SAN LUIS OBISPO, CA FOR THE PROJECT NO. MB-2011-S-02: LIFT STATION 2 UPGRADE; (PUBLIC SERVICES)

RECOMMENDATION: Award the Project contract to Whitaker Construction Group, Inc., in the amount of $958,740.

A-9 AWARD OF CONTRACT TO D-KAL ENGINEERING INC. OF SAN LUIS OBISPO, CA FOR THE PROJECT NO. MB-WC-1: SECTION 6 SEWER REHABILITATION; (PUBLIC SERVICES)

RECOMMENDATION: Award the Project contract to D-Kal Engineering Inc., in the amount of $64,570.

A-10 AWARD OF CONTRACT FOR DEL MAR PARK TENNIS COURT IMPROVEMENTS: MB-2011-RP1; (PUBLIC SERVICES)

RECOMMENDATION: Award the Project contract to Malibu Pacific Tennis Courts Inc. in the amount of $297,650.00.

A-11 APPROVAL OF THE AGREEMENT WITH THE CLARICE RIGHETTI TRUST TO LEASE A PORTION OF TRUST PROPERTY FOR THE CONSTRUCTION AND OPERATION OF THE NUTMEG WATER TANK; (PUBLIC SERVICES)

RECOMMENDATION: Approve the Lease Agreement with the Clarice Righetti Trust for a portion of Trust property to be used for the construction of the Nutmeg Water Tank.

A-12 PROCLAMATION DECLARING DECEMBER 4, 2011 AS ARBOR DAY; (RECREATION & PARKS)

RECOMMENDATION: Adopt Proclamation.

A-13 APPROVAL OF A NEW LEASE AGREEMENT FOR LEASE SITE 144/144W, BETWEEN THE CITY OF MORRO BAY AND CHARLES AND SANDRA MARCIEL, DOING BUSINESS AS M&M REFRIGERATION, LOCATED AT 1287 EMBARCADERO; (HARBOR)

RECOMMENDATION: Adopt Resolution No. 77-11 approving a new lease agreement for Lease Site 144/144W between the City of Morro Bay and Charles and Sandra Marciel, doing business as M&M Refrigeration, located at 1287 Embarcadero.

B. PUBLIC HEARINGS, REPORTS & APPEARANCES

B-1 APPEAL OF THE PLANNING COMMISSION'S DECISION TO CONDITIONALLY APPROVE CONDITIONAL USE PERMIT UP0-233 AND COASTAL DEVELOPMENT PERMIT CP0-285 WHICH ALLOWED THE CONSTRUCTION OF A NEW 2-STORY, SPLIT LEVEL, 3,256-SQUARE FOOT RESIDENTIAL STRUCTURE INCLUDING AN ATTACHED 2-CAR 920-SQUARE FOOT GARAGE, 745-SQUARE FEET OF DECKING DECKS, AND A 711-SQUARE FOOT SECONDARY LIVING UNIT; (PUBLIC SERVICES)

RECOMMENDATION: Deny the appeal and uphold the Planning Commission's approval of Conditional Use Permit UP0-233 and Coastal Development Permit CP0-285 subject to the Findings made in the Conditions of Approval.

B-2 REVIEW AND PROVIDE RECOMMENDATIONS FOR THE CITY OF MORRO BAY SIGN CODE BASED ON WORKSHOP AND SURVEY RESULTS; (PUBLIC SERVICES)

RECOMMENDATION: Review workshop and survey results and provide direction to staff regarding any modifications to the "Sign Ordinance" to be incorporated into a revised ordinance that will be forwarded to the Planning Commission for review and recommendations back to City Council.

B-3 REVIEW AND ADOPT DRAFT FUNDING RECOMMENDATIONS FOR THE 2012 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS; (PUBLIC SERVICES)

RECOMMENDATION: Review and adopt draft funding recommendations for the 2012 Community Development Block Grant funds and forward recommendations to the San Luis Obispo County Board of Supervisors for inclusion with the other requests from the Urban County Consortium.

C. UNFINISHED BUSINESS – NONE.

D. NEW BUSINESS

D-1 REQUEST TO UTILIZE $600,000 OF THE AFFORDABLE HOUSING IN LIEU FUNDS FOR THE PROJECT LOCATED AT 555 MAIN STREET; (ADMINISTRATION)

RECOMMENDATION: Authorize utilization of $600,000 of the Affordable Housing In Lieu Funds for the project located at 555 Main Street.

E. DECLARATION OF FUTURE AGENDA ITEMS

F. ADJOURNMENT

THIS AGENDA IS SUBJECT TO AMENDMENT UP TO 72 HOURS PRIOR TO THE DATE AND TIME SET FOR THE MEETING. PLEASE REFER TO THE AGENDA POSTED AT CITY HALL FOR ANY REVISIONS OR CALL THE CLERK'S OFFICE AT 772-6200 FOR FURTHER INFORMATION.

MATERIALS RELATED TO AN ITEM ON THIS AGENDA SUBMITTED TO THE CITY COUNCIL AFTER DISTRIBUTION OF THE AGENDA PACKET ARE AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL LOCATED AT 595 HARBOR STREET DURING NORMAL BUSINESS HOURS OR AT THE SCHEDULED MEETING.

AGENDA NO: A-1

MEETING DATE: 12/13/11

MINUTES - MORRO BAY CITY COUNCIL
CLOSED SESSION – NOVEMBER 8, 2011
CITY HALL CONFERENCE ROOM - 5:00 P.M.

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

PRESENT:	William Yates	Mayor
	Carla Borchard	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember
STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney

CLOSED SESSION

Mayor Yates adjourned the meeting to Closed Session and read the Closed Session Statement.

Mayor Yates read the Closed Session Statement.

CS-1 **GOVERNMENT CODE SECTION 54957; PERSONNEL ISSUES**
Discussions regarding Personnel Issues including one (1) public employee regarding evaluation, specifically the City Attorney.

The meeting adjourned at 5:50 p.m.

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – NOVEMBER 8, 2011
VETERANS MEMORIAL HALL - 6:00 P.M

Mayor Yates called the meeting to order at 6:00 p.m.

PRESENT:	William Yates	Mayor
	Carla Borchard	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember
STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney
	Bridgett Kessling	City Clerk
	Eric Endersby	Harbor Operations Manager
	Rob Livick	Public Services Director
	Bryan Millard	Police Commander
	Mike Pond	Fire Chief
	Susan Slayton	Administrative Services Director
	Joe Woods	Recreation & Parks Director

ESTABLISH QUORUM AND CALL TO ORDER
MOMENT OF SILENCE
PLEDGE OF ALLEGIANCE
MAYOR AND COUNCIL MEMBERS REPORTS, ANNOUNCEMENTS & PRESENTATIONS
CLOSED SESSION REPORT - City Attorney Robert Schultz reported the City Council met in Closed Session, and no reportable action under the Brown Act was taken.

PUBLIC COMMENT

Susan MacDonell, General Manager for MV Transportation announced the trolley will provide rides to and from the 14th Annual Thanksgiving Dinner from 12:30 p.m. – 4:00 p.m. She also reviewed the new Morro Bay Transit bus stops, routes and times.

Garry Johnson stated Santa Claus will be available for photographs at the Morro Bay Merchant's Fair on November 27th; funds collected from the photographs will go towards the San Luis Obispo County Women's Shelter. He also announced the Morro Bay Photo Expo is scheduled for March 29, 2012 and on-line registration is available.

Craig Schmidt, Executive Director of the Morro Bay Chamber of Commerce, announced the Lady Washington Tall Ship will be in the Morro Bay harbor November 17th-20th.

He also announced the Morro Bay Expo and Mixer in conjunction with the San Luis Obispo Food Bank will be held on November 17th, and requested donations be made to help families in need over the holidays. Mr. Schmidt thanked those who helped with the Downtown Lighting Project.

Kevin Rice referred to the Air Pollution Control Board Dust Study stating it is not valid or correct. He noted there are serious issues with dust problems with a 20,000 acre area and the study focuses on 1,200 acres.

John Barta read a letter from Richard S. Otto to the Secretary of Commerce in Washington D.C. regarding obtaining a permit to build an incline railway and resort at Morro Rock in 1924. He also suggested people go out to the annual celebration at the Point San Luis Lighthouse on December 10th.

Mayor Yates closed the hearing for public comment.

A. CONSENT CALENDAR

Unless an item is pulled for separate action by the City Council, the following actions are approved without discussion.

A-1 APPROVAL OF MINUTES FOR THE REGULAR CITY COUNCIL MEETING OF OCTOBER 25, 2011; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 AUTHORIZATION TO SUBMIT APPLICATIONS FOR CALRECYCLE GRANTS FOR RUBBERIZED PAVING; (PUBLIC SERVICES)

RECOMMENDATION: Adopt Resolution No. 71-11 authorizing the Public Services Director to pursue the submittal of applications to CalRecycle for all grants for which the City of Morro Bay is eligible.

A-3 APPROVE THE ADOPTION OF ORDINANCE NO. 574 AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY COUNCIL OF THE CITY OF MORRO BAY AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (GOVERNMENT CODE SECTION 20475 - DIFFERENT LEVEL OF BENEFITS), SECTION 21353 (2% @ 60 FORMULA), AND SECTION 20037 (THREE YEAR FINAL COMPENSATION) FOR LOCAL MISCELLANEOUS MEMBERS ONLY; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Adopt Ordinance No. 574.

A-4 APPROVAL OF THE LEGAL ASSISTANT/DEPUTY CITY CLERK AND ACCOUNTING TECHNICIAN JOB DESCRIPTIONS AND AUTHORIZATION TO HIRE AN ACCOUNT CLERK I/II; (ADMINISTRATION)

RECOMMENDATION: Approve two new job descriptions, the Legal Assistant/Deputy City Clerk and the Accounting Technician; and, authorize the hiring of an Account Clerk I/II position at ¾ time.

Councilmember Smukler pulled Item A-4 from the Consent Calendar.

MOTION: Councilmember Smukler moved the City Council approve the Consent Calendar with the exception of Item A-4. The motion was seconded by Councilmember Borchard and carried unanimously. (5-0)

Councilmember Leage stepped out of the meeting.

A-4 APPROVAL OF THE LEGAL ASSISTANT/DEPUTY CITY CLERK AND ACCOUNTING TECHNICIAN JOB DESCRIPTIONS AND AUTHORIZATION TO HIRE AN ACCOUNT CLERK I/II; (ADMINISTRATION)

Councilmember Smukler pulled this item in order for the City Manager to review the internal reorganization of the City's Administrative Services Department, and describe the job description changes for public information.

MOTION: Councilmember Smukler moved the City Council approve Item A-4 of the Consent Calendar. The motion was seconded by Councilmember Johnson and the motion carried with Councilmember Leage absent. (4-0-1)

Councilmember Leage returned to his seat.

B. PUBLIC HEARINGS, REPORTS & APPEARANCES

B-1 APPEAL OF THE PLANNING COMMISSION'S DECISION TO CONDITIONALLY APPROVE CONDITIONAL USE PERMIT UP0-233 AND COASTAL DEVELOPMENT PERMIT CP0-285 WHICH ALLOWED THE CONSTRUCTION OF A NEW 2-STORY, SPLIT LEVEL, 3,256-SQUARE FOOT RESIDENTIAL STRUCTURE INCLUDING AN ATTACHED 2-CAR 920-SQUARE FOOT GARAGE, 745-SQUARE FEET OF DECKING DECKS, AND A 711-SQUARE FOOT SECONDARY LIVING UNIT; (PUBLIC SERVICES)

MOTION: Councilmember Borchard moved the City Council continue this public hearing to the December 13, 2011 City Council meeting. The motion was seconded by Councilmember Johnson and carried unanimously. (5-0)

B-2 ORDINANCE NO. 575 AMENDING MORRO BAY MUNICIPAL CODE SECTION 5.04.330 REGARDING THE PROCEDURE FOR SUBMITTING CERTAIN BUSINESS LICENSE APPLICATIONS TO THE CHIEF OF POLICE AND CITY COUNCIL - INTRODUCTION AND FIRST READING; (CITY ATTORNEY)

City Attorney Robert Schultz stated Morro Bay Municipal Code (MBMC) Section 5.04.330 regulates and requires a separate City Council public hearing prior to the issuance of a business license for the following businesses: arcade, carnival, circus, money lending, pawnbroker, massage parlor, tent show and private patrol service. MBMC Section 5.04.330 also requires these businesses to annually undergo a public hearing before the City Council to obtain renewal of their business license. Ordinance 575 would eliminate the annual public hearing before the City Council for these businesses. The proposed amendments to MBMC 5.04.330 only relate to obtaining a business license. These businesses will still have to comply with the requirements of approvals granted under the City's zoning code in regard to use permits. Mr. Schultz recommended the City Council approve the introduction and first reading of Ordinance No. 575, by number and title only, amending Morro Bay Municipal Code Section 5.04.330.

Councilmember Smukler stated he voted in opposition to this item at the last City Council meeting due to concern with the public comment process; however, he has found there will be time for public comment during the permit process.

Mayor Yates opened the hearing for public comment; there were no comments, and Mayor Yates closed the hearing for public comment.

MOTION: Councilmember Johnson moved the City Council approve the introduction and first reading of Ordinance No. 575, by number and title only, amending Morro Bay Municipal Code Section 5.04.330 regarding the procedure for submitting certain business license applications to the Chief of Police and City Council. The motion was seconded by Councilmember Borchard and carried unanimously. (5-0)

City Manager Andrea Lueker read Ordinance No. 575 by number and title only.

C. UNFINISHED BUSINESS – NONE.

D. NEW BUSINESS

D-1 DISCUSSION OF IMPROVEMENTS FOR PEDESTRIAN ACCESS FROM THE "ROCK" PARKING AREA TO THE BEACH; (PUBLIC SERVICES)

Public Services Director Rob Livick stated at the August 23, 2011 meeting of the City Council, Councilmember Smukler requested that the subject of beach access from the Rock parking lot down to the beach area near the "wet sand" be agenized and brought back to Council for discussion. Improvements recommended in the approved Waterfront Master Plan include a stair access from the parking lot to the beach level. Development of stairs for the able bodied without accommodations for the disabled are problematic and could expose the City to potential legal action under the American with Disabilities Act (ADA). In order to comply with ADA, in addition to the stair way a ramp would need to be constructed to accommodate both users. Development of a beach access ramp from the Rock parking lot to the beach will need to meet the Federal Access Board requirements for beach access. Additionally, the landing will need to be able to withstand the wave action during the winter storm season. The area proposed for the development of the access is within the Coastal Commission's original jurisdiction and will require a Coastal Permit issued by the California Coastal Commission along with the required local permitting. Additionally, the project will require a specialized foundation design by an engineer with specialty in coastal engineering due to the impact of wave action. Mr. Livick recommended the City Council discuss the potential project and provide direction to staff to schedule this item for review at the Recreation and Parks Commission and the Public Works Advisory Board and return to City Council with recommendations.

Councilmember Smukler shared photographs taken by a citizen at the Morro Rock beach, and discussed different options on how to provide the public with an access to the beach.

Councilmember Leage announced architects Bill and Toni Woody who drew plans for improvements of the overall Morro Rock area. Mr. Woody reviewed the plans for Council and the public's information. He said the design is proposed to be done in stages.

Councilmember Borchard stated it is a good conceptual plan. She referred to the Waterfront Master Plan prepared by RRM Designs, and asked how this plan would work with the Waterfront Master Plan.

Councilmember Johnson stated she supports both of these issues moving forward to the City's Recreation & Parks Commission, Harbor Advisory Board and Public Works Advisory Board as separate items. She said the proposed ramp should not be contingent on the conceptual plan prepared by Mr. and Mrs. Woody. Councilmember Johnson stated the conceptual plan should be considered as a contingency to the Coleman Park project.

Councilmember Borchard stated she agrees that the ramp should be considered separately; it is an issue of accessibility to the beach. The proposed concept plan is more of aesthetics and should be considered with the other plans that have been prepared.

Mayor Yates stated both plans should move forward as separate items.

MOTION: Councilmember Smukler moved the City Council: 1) submit the ramp concept to the Recreation & Parks Commission, Public Works Advisory Board and Harbor Advisory Board for their comments and feedback; 2) staff begin initial dialog with local engineers regarding the best placement of the ramp; and 3) separately submit to the Recreation & Parks Commission, Public Works Advisory Board, and Harbor Advisory Board the review of the Morro Rock development in conjunction with the Target Rock and Coleman Park Concept and Master Plans. The motion was seconded by Councilmember Johnson and carried unanimously. (5-0)

E. DECLARATION OF FUTURE AGENDA ITEMS – None.

ADJOURNMENT

The meeting adjourned at 7:17 p.m.

Recorded by:

Bridgett Kessling
City Clerk

AGENDA NO: A-2

MEETING DATE: 12/13/2011

Staff Report

TO: **Honorable Mayor and City Council** **DATE: December 5, 2011**

FROM: **Susan Slayton, Administrative Services Director/Treasurer**

SUBJECT: **Resolution No. 72-11 Adopting the Memorandum of Understanding with the Morro Bay Firefighters Association**

RECOMMENDATION

Staff recommends that the City Council adopt Resolution No. 72-11, approving the Memorandum of Understanding with the Morro Bay Firefighters Association. The term of the MOU is from July 1, 2011 through June 30, 2012.

FISCAL IMPACT

As per City Council's direction, this MOU reflects no costs to the City, and in fact, has some savings since the City will no longer be paying the Employer Paid Member Contribution (EPMC).

SUMMARY:

The July 2010 – June 2011 MOU is currently on the City's website (link: "Employee Compensation Information"). The proposed July 2011 – June 2012 MOU, which is attached in a draft red-lined format, includes the following substantive changes:

- Effective December 24, 2011, employees begin paying their entire 9% PERS member contribution (see Article 11.1.4 – current and attached contract versions)
- Effective December 24, 2011, employees will receive a 5% salary increase.
- Effective June 23, 2012, employees will receive a 1% salary increase

The MOU has been ratified by the Morro Bay Firefighters Association. The signed signature page is attached.

Prepared By: **S. SLAYTON/J. Boucher** **Dept Review:_____**

City Manager Review: _____

City Attorney Review: _____

RESOLUTION NO. 72-11

RESOLUTION RELATING TO THE CLASSIFICATION, COMPENSATION AND TERMS OF EMPLOYMENT OF FIRE EMPLOYEES OF THE CITY OF MORRO BAY

THE CITY COUNCIL
City of Morro Bay, California

WHEREAS, in accordance with the provisions of the California Government Code Section 3500 et. seq. and Resolution No. 74-69 of the City of Morro Bay, the City's representatives have met and conferred in good faith pertaining to the subject of wages, benefits and conditions of employment with Morro Bay Firefighters Association; and

WHEREAS, the meetings between the Morro Bay Firefighters Association and the City have resulted in a mutual agreement and understanding to recommend that the employees represented by Morro Bay Firefighters Association accept all of the terms and conditions, as set forth in a Memorandum of Understanding, an agreement attached and made a part of this Resolution herewith; and

WHEREAS, the City now desires to provide said salaries, benefits and conditions to said fire employees of the City of Morro Bay.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay it hereby approves and adopts, in full, the Memorandum of Understanding for the period July 1, 2011 through June 30, 2012, as attached and made a part of this Resolution.

BE IT FURTHER RESOLVED by the City Council of the City of Morro Bay that the City Manager is hereby authorized to execute the Memorandum of Understanding on behalf of the City.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a meeting thereof held this 13th day of December, 2011 by the following vote:

AYES:

NOES:

ABSENT:

_____
WILLIAM YATES, Mayor

ATTEST:

_____
BRIDGETT KESSLING, City Clerk

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MEMORANDUM OF UNDERSTANDING
BETWEEN THE MORRO BAY FIRE FIGHTERS AND THE CITY OF MORRO BAY
~~2008-~~2011-2012

ARTICLE 1 PURPOSE

WHEREAS, the City of Morro Bay is a municipal corporation existing under the laws of the State of California as a general law city; and

WHEREAS, the City of Morro Bay is limited, insofar as funds are concerned, because of a fixed tax rate; and in structure because it is a public entity rather than a profit-making business; and

WHEREAS, the Morro Bay Fire Fighters and the City of Morro Bay recognize that the mission and the purpose of the City is to provide high-quality and economical municipal services and facilities to the residents of the City of Morro Bay:

THEREFORE, this Memorandum of Understanding is entered into as of December ~~February~~ 13, ~~2009~~2011, between the City of Morro Bay, referred to as CITY, and the Morro Bay Fire Fighters, referred to as MBFF.

It is the intent and purpose of this memorandum to assure sound and mutually beneficial working and economic relations and conditions between the parties hereto; to provide for an orderly and peaceable method and manner of resolving any differences which may arise and to negotiate any misunderstanding which could arise and to set forth herein the basic and full agreement between the parties concerning the pay, wages, hours of employment, and other terms and conditions of employment.

ARTICLE 2 MANAGEMENT

2.1 In order to ensure that the City shall continue to carry out its public safety functions, programs, and responsibilities to the public imposed by law, and to maintain efficient public safety service for the citizens of Morro Bay, the City continues to reserve and retain solely and exclusively all management rights, regardless of the frequency of use, including those rights and responsibilities set forth by law and those City rights set forth in the City's Personnel Rules and Regulations and including but not limited to the following:

2.1.1 To manage the Fire Department and determine policies and procedures and the right to manage the affairs of the Department.

2.1.2 To determine the existence or nonexistence of facts which are the basis of the management decision in compliance with State law.

2.1.3 To determine the necessity, organization, implementation, and termination of any service or activity conducted by the City or other government jurisdiction and to expand or diminish fire services.

2.1.4 To direct, supervise, recruit, select, hire, evaluate, promote, transfer, discipline, discharge, terminate, demote, reduce, suspend, reprimand, withhold salary increases and benefits for disciplinary reasons, or otherwise discipline employees in accordance with Department or City rules, regulations, or ordinances.

2.1.5 To determine the nature, manner, means, extent, type, time, quantity, quality, technology, standard, and level of fire services to be provided to the public.

2.1.6 To require performance of other public safety services not specifically stated herein in the event of emergency or disaster, as deemed necessary by the City.

2.1.7 To lay off employees of the Fire Department because of lack of work or funds or under conditions where continued work would be inefficient or nonproductive or not cost effective, as determined by the City.

2.1.8 To determine and/or change the fire facilities, methods, technology, equipment, operations to be performed, organization structure, and allocate or assign work by which the City fire operations and services are to be conducted.

2.1.9 To determine method of financing.

2.1.10 To plan, determine, and manage Department's budget which includes, but is not limited to, changes in the number of locations and types of operations, processes and materials to be used in carrying out all Fire Department functions and the right to contract or subcontract any work or operations of the Fire Department.

2.1.11 To determine the size and composition of the Fire Department work force, assign work to employees of the Fire Department in accordance with requirements determined by the Fire Department and to establish and require compliance to work hours and changes to work hours, work schedules, including call back, standby, and overtime, and other work assignments, except as otherwise limited by this agreement, or subsequent agreements.

2.1.12 To establish and modify goals and objectives related to productivity and performance programs and standards, including but not limited to quality and quantity, and required compliance therewith.

2.1.13 To determine qualifications, skills, abilities, knowledge, selection procedures and standards, job classification, job specifications, and to reallocate and reclassify employees in accordance with division and/or City Rules and Regulations.

2.1.14 To determine the issues of public policy and the overall goals and objectives of the Fire Department and to take necessary action to achieve the goals and objectives of the Fire Department.

2.1.15 To hire, transfer intra or inter Department, promote, reduce in rank, demote, reallocate, terminate and take other personnel action for non-disciplinary reasons in accordance with Department and/or City Rules, Regulations and Ordinances.

2.1.16 To determine policies, procedures and standards for recruiting, selecting, training and promoting employees.

2.1.17 To establish, implement, and/or modify rules and regulations, policies, and procedures related to productivity, performance, efficiency, personal appearance standards, code of ethics and conduct, safety, health, and order, and to require compliance therewith.

2.1.18 To maintain order and efficiency in fire facilities and operation.

2.1.19 To restrict the activity of an employee organization on City facilities except as set forth in this agreement.

2.1.20 To take any and all necessary steps and actions to carry out the service requirements and mission of the City in emergencies or any other time deemed necessary by the City and not specified above.

2.2 Nothing herein is meant to diminish City rights provided by the Government Code.

2.3 Nothing herein is meant to diminish employee rights as provided by the Government Code including the right to meet and confer on changes in standards for promotion.

ARTICLE 3 MBFF RECOGNITION

3.1 Pursuant to Resolution No. 74-69, the Employer-Employee Relations Resolution of the City of Morro Bay and applicable state law, the Morro Bay Fire Fighters, was designated by the City of Morro Bay as the representative of City fire fighting employees. The term "employee" or "employees" as used herein is comprised of the following classifications:

Captain/Paramedic
Captain
Engineer/Paramedic
Engineer
Firefighter/Paramedic
Firefighter

3.2 Employees working on a regular basis in a classified position, but less than full-time, shall receive vacation and sick leave accruals on a pro-rated basis commensurate with hours worked. All benefits for new hires, including insurance benefits, will be allocated on a pro-rated basis commensurate with hours worked.

3.3 FIRE ENGINEER RATING

3.3.1 It is recognized, in principle, as long as the full-time MBFF personnel complement of the Morro Bay Fire Department remains at ten (10) or less, that efficient operation of the Department requires an increase in the authorized number of Fire Engineers. Accordingly, CITY agrees to promote to Fire Engineer all personnel classified as Fire Fighter hired after the effective date of this agreement provided that they have served for eighteen (18) months with the CITY in the Fire Fighter classification; that at the completion of eighteen months of employment, they have been recommended by the Fire Chief for promotion and have demonstrated, through successful completion of written and practical examinations that they have successfully completed six semester units of Fire Science courses at an institution approved by the Fire Chief. The City shall make every effort to schedule the examination to be completed prior to the expiration of eighteen months. The content and passing grade of the written and practical examinations will be determined by the Fire Chief subject to the approval of the City Manager.

3.3.2 An individual recommended for promotion, and failing to attain a passing grade in either the written or practical examination, shall not be eligible for reexamination until six (6) months after the date of failure.

ARTICLE 4 MBFF BUSINESS

4.1 Employee representatives designated by the MBFF shall be granted time off, without loss of pay, to attend "meet and confer" sessions with the Municipal Employee Relations Officer and/or his designee on subjects within the scope of representation when such meetings are scheduled during regular working hours. Should such meeting extend beyond an employee representative's regular working hours, the employee representative shall be paid for only the regular working hours.

4.2 It is understood that this time-off provision shall only apply to a maximum of two employees attending any one meeting between CITY and MBFF where exceptional circumstances warrant, the City Manager may approve the attendance at such meetings of additional employee representatives. The MBFF shall, whenever practicable, submit the names of all employee representatives to the Municipal Employee Relations Officer at least two working days in advance of such meetings. Provided further (1) that no employee representative shall leave his or her duty or work station or assignment without specific approval of the department head or other authorized City management official; and (2) that any such meeting is subject to scheduling by City management in a manner consistent with operation needs and work schedules.

4.3 Off-duty employees will not be paid for attending meet and confer sessions, nor will over-time be paid for same. The parties agree to consider the shift schedules of team members in scheduling meetings.

4.4 MBFF may hold unit meetings at the Fire Station, 715 Harbor Street, after 1700 hours with two days' prior notice to Fire Chief. The Fire Chief has the authority to deny and/or cancel said meeting if it conflicts with official City activities for MBFF duties.

ARTICLE 5 AUTHORIZED AGENTS

For the express purpose of administering the terms and provisions of this agreement:

5.1 Management's principal authorized agent shall be the City Manager or his/her duly authorized representative (address: 595 Harbor Street, Morro Bay, CA 93442; telephone (805) 772-6200) except where a particular management representative is specifically designated in the agreement.

5.2 The Morro Bay Fire Fighters principal authorized representative shall be the shop steward of the Unit, or his/her duly authorized representative (address 715 Harbor St., Morro Bay, CA 93442).

ARTICLE 6 WITHHOLDING OF MBFF DUES AND INSURANCE

6.1 It is agreed that CITY will withhold MBFF dues and MBFF group insurance premiums from the monthly pay of each regular City employee who is a member of the MBFF. MBFF agrees to provide CITY with individual MBFF member authorizations signed by the individual MBFF member authorizing CITY to make agreed deductions; specifying the amount of each deduction; and authorizing CITY to issue a check, payable to MBFF, for the collective amount of the individual deductions. CITY does not accept responsibility for computing the amounts of deductions or for meeting payment dates which may not coincide with established pay periods. CITY will issue a single check to the MBFF for the total amount of deductions withheld from the individual employees' pay. The MBFF will be responsible for the accounting and disbursing of all such funds received from CITY. MBFF will be responsible for properly notifying CITY of any changes in deductions and will be the sole agent through which CITY will act in explaining, initiating, executing, or terminating the provisions of this Article. Such notification must be received by the CITY at least two weeks prior to the effective date of the change. Also, such change notice must include a copy of the notice sent to the employees officially telling them of the change.

6.2 MBFF shall indemnify and hold harmless the City of Morro Bay, its officers, agents, and employees from any and all claims, demands, damages, costs, expenses, or liability arising out of this Article.

6.3 It is agreed that CITY will deposit payroll deductions made payable to a City approved Credit Union providing the MBFF makes arrangements for such services that are acceptable to both members and CITY.

ARTICLE 7 TERM

Except as otherwise specifically provided herein, the term of this Memorandum of Understanding commences on July 1, ~~2008~~2011, and expires and is otherwise fully terminated June 30, ~~2011~~2012.

ARTICLE 8 RENEGOTIATIONS

8.1 In the event either party wants to renegotiate a successor Agreement, such party shall serve upon the other during the period of ~~October~~ December ~~1~~15, 201~~0~~1 to ~~December 15~~January 15, 201~~0~~2, it's written request to begin negotiations as well as it's full and entire written proposals amending this agreement.

8.2 The parties agree that, except by mutual agreement, no new subjects may be introduced into the process after the third (3rd) negotiations meeting.

8.3 Should the parties be unable to reach agreement on a new contract before the current contract expires, all applicable provisions of this Agreement shall remain

in full force and effect until such time as a new Agreement is reached, or September 30, ~~2011~~2012, whichever first occurs.

ARTICLE 9 ANTI-DISCRIMINATION

The CITY and MBFF mutually agree they will not discriminate against employees for the exercise of their rights under the State of California Government Code Section 3502.

ARTICLE 10 WORK SCHEDULE

This article is intended to define the normal hours of work and shall not be construed as a guarantee of work per day or work per week or of days of work per week.

10.1 WORKDAY
The normal workday shall be a twenty-four (24) consecutive hour period, except in cases of emergency or for reasons of attendance at extended training opportunities, or temporary duty assignments while on light duty when other shifts may be assigned by the Chief provided there is mutual agreement between the parties.

10.2 WORKSHIFT
Employees shall be scheduled to work on regular work shifts having regular starting and quitting time. Except for emergencies, employees' work shifts shall not be changed without four days (96 hours) prior written notice to the employee. Call out or overtime does not constitute a change in work shift.

10.3 WORKWEEK
The normal workweek shall average fifty-six (56) hours of work in a seven (7) consecutive day period, except in cases of emergency.

10.4 OVERTIME

10.4.1 Overtime is defined as all hours worked in excess of 106 hours worked in a 14 day work period. For those assigned to an 8-hour day, overtime shall be defined as all hours worked in excess of forty-hours per week. Vacation time shall be treated as hours worked.

10.4.2 All overtime as defined above shall be paid at one and one-half (1.5) times the employee's regular rate of pay. Compensatory time off earned pursuant to 10.4.4 below will accrue at one and one-half (1.5) times hours worked.

10.4.3 Employees required to return to work on a scheduled vacation day, shall be paid at the rate of 1.5 times their regular rate of pay for the hours actually worked.

10.4.4 Employees may elect compensatory time off (CTO) in lieu of paid overtime subject to the following provisions.

10.4.4.1 CTO may be elected for overtime incurred due to training time only.

10.4.4.2 Maximum CTO accrual will be 140 hours. All overtime earned after CTO is accrued to the 140 hour maximum will be paid in cash.

~~10.4.4.3 CTO accrued must be taken within 12 months of the day it is earned.~~

10.4.4.43 Accrued CTO may be cashed out upon the request of the employee and the approval of the department. CTO accrued at time of separation will be paid off.

10.4.4.~~5~~4 CTO may b e taken off upon employee request and department approval. CTO will not be approved if it will require overtime.

10.4.4.5 Other overtime provisions nothwithstanding, employees forced to hold over for 12 hours or more will receive ~~T 1/2~~time and one half compensation for the hours worked on that day.

10.5 EMERGENCIES

10.5.1 Nothing herein shall be construed to limit or restrict the authority of management to make temporary assignments to different or additional locations, shifts, or duties for the purpose of meeting an emergency.

10.5.2 Such emergency assignments shall not extend beyond the period of said emergency.

10.5.3 Short staffing caused solely by absences due to employees taking approved paid leave shall not be considered an emergency.

ARTICLE 11 VACATIONS AND HOLIDAYS

11.1 CITY and MBFF agree that difficulties exist in equating the work schedules of fire fighters to the work schedule of non-shift personnel, i.e., shift periods compared to hours and days worked by other City employees. Therefore, a formula is agreed to for computing the vacations and holiday periods for fire fighters. Such formula is agreed to be a ratio as follows: Fire fighter's total available shifts per year is to the general employees' total available work days per year (260) as X is

to the number of authorized vacation and holidays days of the general employees; when X equals the amount of shifts off for fire fighters comparing fire fighters to employees of equal tenure.

11.2 Pursuant to Section 11.1, the following lists the vacation and holiday annual accrual schedule for members of the MBFF assigned to shift work:

SERVICE YEARS	VACATION ACCRUAL	HOLIDAY ACCRUAL	TOTAL ANNUAL ENTITLEMENT	SHIFTS/ YEAR
0 thru 2	112.0 hrs.	146.96 hrs.	258.96 hrs.	10.792
3 thru 4	123.2 hrs.	146.96 hrs.	270.16 hrs.	11.257
5 thru 6	134.4 hrs.	146.96 hrs.	281.36 hrs.	11.723
7 thru 8	145.6 hrs.	146.96 hrs.	292.52 hrs.	12.19
9 thru 10	156.8 hrs.	146.96 hrs.	303.76 hrs.	12.657
11 thru 12	168.0 hrs.	146.96 hrs.	314.96 hrs.	13.123
13 thru 14	179.2 hrs.	146.96 hrs.	326.16 hrs.	13.59
15 thru 16	190.4 hrs.	146.96 hrs.	337.36 hrs.	14.057
17 thru 18	201.6 hrs.	146.96 hrs.	348.56 hrs.	14.523
19 thru 20	212.8 hrs.	146.96 hrs.	359.76 hrs.	14.99
21 +	224.0 hrs.	146.96 hrs.	370.96 hrs.	15.547

11.3 MAXIMUM ACCUMULATION

It is recognized long-standing accumulations of vacation/holiday time exist for some employees. In order to compensate employees for this unused time, CITY and MBFF agree on the following policy:

11.3.1 Unused vacation/holiday leave may be carried over into the following year to a maximum of two times an employee's annual accumulation of vacation time plus one year of holiday time (146.96 hours). Employees exceeding the maximum as of the pay period containing November 1 of each year will be paid off for time exceeding the maximum. The City shall make said payment with the pay period containing December 1 of each year. Payment shall be computed based upon the employee's base hourly rate of pay as of June 30 of the same calendar year.

11.3.2 Employees separating from the City are entitled to pay for the accumulated vacation based upon employee's base hourly rate of pay as of June 30 prior to separation.

11.4 The following holidays are used in Section 11.2 above to determine total annual entitlement. Employees may be scheduled to work on holidays. All employees except those assigned to 8-hour shifts shall be compensated for holidays as provided in 11.2 above.

Independence Day	July 4
Labor Day	1st Monday in September
Veteran's Day	November 11
Thanksgiving Day	4th Thursday in November
Day after Thanksgiving	Friday after Thanksgiving
Christmas Day	December 25
New Year's Day	January 1
Martin Luther King Birthday	3rd Monday in January
Lincoln's Birthday	February 12
Washington's Birthday	3rd Monday in February
Memorial Day	Last Monday in May
Floating Holiday	Varies
Floating Holiday	Varies

11.5 For any additional holiday proclaimed by the Mayor, shift employees shall be paid for 11.2 hours of work, employees assigned to eight hour duty shall receive the holiday off.. Employees may be scheduled to work on such holidays.

ARTICLE 12 SICK LEAVE

12.1 It is agreed that the firefighters will earn sick leave per month at the same ratio that their assigned shift schedule compares to other full-time employees (1.4:1) for 24-hour shift workers or (1.0:1) for eight-hour shift employees. There shall be no maximum number of sick leave hours that a member of MBFF may accrue.

12.2 All use of sick leave shall be charged on an hour-for-hour basis.

12.3 At termination, accumulated in the Sick Leave Accrual is not compensable; however, upon retirement, may be converted to additional time as provided by the PERS sick leave option.

12.4 Any use of sick leave covering a period beyond seven calendar days may require approval by a qualified medical authority for release to resume regular duties.

12.5 Recognizing Section 12.1 above requires a transition from the method of accruing and charging sick leave contained in earlier Memoranda of Understanding, the following conversion of previously accrued sick leave shall be made:

12.5.1 For shift workers, all Sick Leave hours accrued but unused as of December 31, 2002, shall be multiplied by a factor of three (3) and shall become the employee's Sick Leave Accrual account until utilized on an hour for hour basis.

12.5.2 Credits added to the Sick Leave Accrual account for full-time employees after the date above shall be 11.2 hours per month or 0.046154 hours

for each regular hours worked for part-time employees on shift work or eight (8) hours per month for employees assigned to an eight-hour day.

ARTICLE 13 RETIREMENT BENEFITS

13.1 The City shall contribute a total of nine (9) percent of an employees' salary on behalf of the employee to the Public Employees Retirement System (hereinafter referred to as PERS). Effective the first payroll period in July 2009, the CITY shall commence reporting the Employer Paid Member Contribution (EPMC) to PERS as special compensation.

13.2 These amounts paid by the CITY are employee contributions and are paid by the CITY to satisfy the employee's obligation to contribute to PERS.

13.3 An employee has no option to receive the contributed amounts directly instead of having them paid by the CITY to PERS on behalf of the employee.

13.4 The MBFF understands and agrees that employees bear the risk of payment of any increases in the employee contribution above the current percentage made by action of the PERS or the state legislature.

13.5 Parties agree that CITY payment of PERS contributions are made based upon tax treatment currently permitted by the State Franchise Tax Board and the IRS.

13.6 Should current tax treatment change, the MBFF and the employee hold harmless the CITY, it's officers and agents from any and all claims or costs of any type including but not limited to liability for back taxes, arising out of this agreement to pay part of the employee's PERS contribution.

13.7 Should current tax treatment change, the MBFF shall have the opportunity to meet and confer regarding any such changes.

13.8 The CITY agrees to continue to provide PERS Safety employees in this unit with a retirement benefit program through the Public Employees Retirement System (PERS) as follows: (Section References are to the California Government Code)

13.8.1 Highest Single Year Compensation (Section 20042)
13.8.2 Sick Leave Credit (Section 20965)
13.8.3 1959 Survivor Benefit (Section 21580)
13.8.5 3rd Level Survivor Benefit (Section 21573)
13.8.6 4th Level of 1959 Survivor Benefits (Section 21574)
13.8.7 3% @ 50 Retirement Formula (Section 21362.2)

13.9 Effective March 19, 2011~~_____~~__, all newly hired employees in the regular full time classifications listed in Article 3.1 of this MOU between the City of Morro Bay and the Morro Bay Firefighters shall be covered by the 3% @ 55 retirement

formula with final compensation based on the average of the highest paid 36 consecutive months.

13.10 Effective December 24, 2011 the City shall cease contributing the nine (9%) percent sworn employee retiree contribution on behalf of the employee. Concurrently, employees shall commence making this payment on a tax deferred basis pursuant to IRS Code Section 414 (h)2. In partial exchange, the City will increase sworn salaries by 5% December 24, 2011 and 1% June 23, 2012. This transaction results in a ~~next~~net savings to the City.

ARTICLE 14 HEALTH BENEFITS

14.1 City shall pay to each active employee by each pay period the monthly sum of the health plan selected by the employee, and dental/life and vision plans. CITY and MBFF agree that City payment of this lump sum is to be used to provide medical care coverage for the employee and/or employees dependents, and that the employees hold harmless the City, its officers and agents, including but not limited to liability arising out of this agreement. Employees will be supplied with the current division of payment for medical, dental/life, and vision insurance between City and each employee in MBFF as changes occur during this Agreement.

14.2 MEDICAL INSURANCE

14.2.1 Employees of the MBFF shall participate in the PERS Medical Plans on a Cafeteria style basis with the City contributing the PERS minimum to the active employee's medical insurance, and $1.00 per month or the amount required by PERS to retiree medical insurance through December ~~2009~~2011. Any cost in excess of these contribution rates shall be paid entirely by the employees and retiree.

14.2.2 The CITY shall offer those PERS plans which are available, and each employee shall be required to carry medical insurance for themselves and for dependents if dependent coverage is selected. The employee therefore will be required to purchase the necessary and appropriate medical insurance from any money that may be offered to the employee on a cafeteria style basis. In no case, shall the employee receive any money in excess of the premium option selected as a result of this proposal.

~~14.2.3 Any changes in the amount due to increased cost of dependent coverage shall be shared equally by the MBFF and the CITY~~.

14.2.4. ~~Effective January 1, 2010~~ Health insurance shall be provided as follows:

14.2.4.1 Employees of this unit shall participate in the PERS medical

insurance plans on a cafeteria style basis, with the CITY contributing the PERS minimum to the active employee's medical insurance and $1.00/month or the amount required by PERS to retiree medical insurance. Any costs in excess of these contribution rates shall be paid by the employee and Retiree.

14.2.4.2 ~~Effective the pay period containing January 1, 2010,~~ Unit employees will receive a medical insurance contribution (including the amount required by PERS in 14.2.1 above) as follows:

Employee only up to $715/month or cost of insurance, whichever is less
Employee + 1 – up to $~~917~~947/month or cost of insurance, whichever is less
Employee + family - up to $~~1010~~1050/month or cost of insurance, whichever is less

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~~14.2.4.3 The CITY shall contribute an additional $30.00 for Employee +1 and $40.00 for Employee +2 for medical insurance rate increases annually, beginning January 1, 2011. The remainder of any increase shall be paid by employee.~~

14.3 DENTAL/LIFE AND VISION INSURANCE

During the term of this Agreement, the CITY shall offer dental/life and vision insurance and each employee shall be required to carry both dental/life and vision insurance for self. Life Insurance is provided at $20,000 per employee. The following rates were effective January 1, ~~2009~~2011.

	VISION	DENTAL	LIFE	TOTALS
Employee Only	$ 8.63	$ 37.76	$5.68	$ 52.07
Employee +1	$17.26	$106.39	$5.68	$129.33
Employee +2	$22.29	$106.39	$5.68	$134.36
~~Employee Only~~	~~$ 8.76~~	~~$ 37.39~~	~~$ 5.68~~	~~$ 51.83~~
~~Employee +1~~	~~$17.43~~	~~$105.34~~	~~$ 5.68~~	~~$128.45~~
~~Employee +2~~	~~$22.51~~	~~$105.34~~	~~$ 5.68~~	~~$133.53~~

Employee will be responsible for the following monthly amounts for dental/life and vision beginning with the pay period including January 1, ~~2009~~2011:

Employee Only	~~$2.20~~ $2.32
Employee + 1	~~$7.31~~ $7.75
Employee + 2+	~~$7.80~~ $8.22

CITY will pay the remaining premium for dental/life and vision.

~~Any changes to the dental/life or vision premiums that occur during the term of this Agreement shall be shared one half by the employee and one half by the CITY.~~

ARTICLE 15 EDUCATIONAL INCENTIVES

15.1 COLLEGE DEGREES

15.1.1 CITY agrees to pay the following education incentives on base salary to regular employees hired prior to January 1, 1998 who hold degrees above the minimum required in their respective classification.

Achievement in Fire Science	$ 300 annually
Associates Degree	$ 600 annually
Bachelor's Degree	$1200 annually

15.1.2 If an employee's job description requires an Associate's degree and the employee has a Bachelor's Degree, the employee will receive only the difference between an Associate's and a Bachelor's degree, or $600 annually.

15.1.3 If an employee's job description requires a degree or if an employee is promoted to a classification that requires a degree, the employee shall not receive education incentive pay for the required degree.

This section shall not be interpreted to reduce the amount of education incentive pay that any employee hired prior to January 1, 1998 receives, notwithstanding the fact that the employee is promoted to a higher position requiring a particular degree, or the fact that the job description for the employee's existing position has been revised to require a particular degree. In the event an employee hired prior to January 1, 1998 promotes to a position requiring a degree not required by the lower position, or if the job description for an employee hired prior to January 1, 1998 is revised to require a degree not previously required for the position, the employee shall, for the term of this MOU, continue to receive the amount of education incentive pay received in the lower position or previous job description.

15.1.4 Based on the new job descriptions for all classifications which were adopted in May 1995, as well as salary survey implementation over the

last three years, employees currently in positions now required to hold an AA or BA degree according to the job description for the classification they hold, will continue to receive an educational incentive for said degree. Any employees hired on or after January 1, 1998 or current employees promoted on or after January 1, 1998 to positions requiring degrees will be subject to section 15.1.3 above.

15.1.5 Employees hired on or after January 1, 1998 shall not be eligible for this incentive. Additionally, employees in this unit hired prior to January 1, 1998 and in the process of obtaining their AA or BA degree have until December 31, 2000 to obtain said degree and be eligible for the incentive. After December 31, 2000, this incentive shall expire except as otherwise set forth in this section.

ARTICLE 16 UNIFORM ALLOWANCE

The uniform for the Fire Department is a two-piece work uniform, and two T-shirts, of a style, material and manufacture determined by the Fire Chief. Two (2) complete uniforms will be provided upon initial employment with the Fire Department and replacements provided are on an "as needed basis" as determined by the Fire Chief. The CITY will provide safety footgear of a type, style and manufacture as recommended by the Fire Chief . CITY is responsible for normal upkeep, i.e., heels and soles, with replacement as determined by the Fire Chief.

ARTICLE 17 SALARIES

17.1 Except as provided in Section 13.10 s~~S~~alaries shall be unchanged for the term of this agreement.~~increased by one (1%) percent effective the pay period beginning July 1, 2008. Salaries shall be increased by one (3%) percent effective the pay period beginning January 1, 2009. Salaries shall be increased by one (3%) percent effective the pay period beginning July 1, 2010.~~

Attached Exhibit B reflects salaries for members of this unit for the duration of this Agreement.

17.2 All salary adjustments, including but not limited to merit increases, educational incentives, and any other pay adjustments will take effect at the beginning of the next payroll period after the scheduled effective date of the increase.

17.3 Any and all education/special pay incentives will be added to base salary.

17.4 Electronic Deposit. All employees hired after January 1, 2003 shall receive their pay by electronic methods. New hires must present account information for a checking or a savings account with an ACH member financial institution.

17.5 The following agencies shall be utilized for compensation comparison purposes: Arroyo Grande, Atascadero, CDF, Cambria, Paso Robles, and San Luis Obispo.

ARTICLE 18 SPECIAL PAY PRACTICES

18.1 MEDIC DIFFERENTIAL

18.1.1 An employee certified as an EMT-P (Paramedic) shall receive a monthly differential as follows:

~~January 1, 2008 and thereafter~~ $ 450/month

18.1.2 The City may require any employee to attend EMT-P training.

18.2 CALL-OUT PAY

18.2.1 It is agreed that the CITY will guarantee a minimum of two hours pay, computed at straight hourly rates, for any MBFF member called back to duty from an off-duty status.

18.2.2 If an employee is called to return to duty, such call-out shall not be canceled until the employee reports to the fire station.. To be eligible to receive the minimum, the employee must report to the fire station.

18.2.3 If an employee is on-duty and held beyond the end of the work period, time worked will be paid as actual hours worked under Section 10.4 of this agreement. Such holdover shall not qualify for Call-out Pay.

18.3 WORKING OUT-OF-CLASS

Employees may be worked on an out-of-class assignment only as provided in the Personnel Rules and Regulations of the City of Morro Bay, except as provided herein below:

18.3.1 Employees shall receive an additional 5% compensation for out-of-class assignments that last 24 consecutive hours. Such additional 5% pay shall start on the 25th hour retroactive to the first hour of the out-of-class assignment. Such additional compensation shall be paid during the first six (6) months of the out-of-class assignment.

18.3.2 If the assignment is extended by 6 months, then starting on the first day of the extension:

18.3.2.1 the employee shall continue to receive the 5% compensation if the out-of-class assignment is required to fill an absence due to an employee who is out on 4850 leave.

18.3.2.2 the employee shall receive an additional 5% for a total of 10% additional compensation if the out-of-class assignment is required to fill a vacant position.

18.3.3 An employee placed in an out-of-class assignment will not be taken off that assignment for the sole purpose of avoiding the payment provided above.

18.3.4 Whenever possible, City intends to fill vacancies with qualified employees.

ARTICLE 19 HEALTH AND SAFETY ARTICLE

19.1 Management shall provide and maintain safe and healthy work facilities and equipment.

19.2 Safety and health conditions in employment in the City of Morro Bay are subject to the provisions of State and Federal legislation which regulates the health environment and safety conditions of the work place.

19.3 A Citywide Safety/Loss Control Committee shall be established and shall review accidents, review alleged safety deficiencies, and recommend safety training and safety equipment. The MBFF may appoint one unit representative to serve on the committee. If the committee meets during the designated employee's normal working hours, the employee shall receive paid release time to attend the meeting.

19.4 If an employee becomes alerted to an unsafe condition or health hazard, he/she shall report such condition to his/her immediate supervisor. If such conditions cannot be satisfactorily remedied by the immediate supervisor, an employee has the right to submit the matter either personally or through the steward to his/her Department Head or designated safety representative. On any matter of safety not resolved, after proceeding through the above process, consultation will take place between management and the MBFF if requested.

19.5 A first aid kit shall be furnished and maintained at work facilities readily and conveniently accessible to MBFF employees.

19.6 Management agrees to provide to employees who are exposed to potentially toxic agents or toxic materials the appropriate medical services at no cost to the employee.

19.7 Any safety equipment required by the CITY shall be furnished by the CITY.

ARTICLE 20 MINIMUM STAFFING

20.1 CITY agrees to provide minimum staffing of ~~two~~ three full-time personnel except in cases of emergency as determined by the Fire Chief.

a. Exception: For brief transitional periods lasting 8 hours or less, minimum staffing may be allowed to drop to a minimum of two with the Chief's approval.

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20.2 The 2004 Morro Bay Fire Department 5-Year Strategic Plan recommended that the City of Morro Bay provide 4-person daily staffing in the Fire Department.

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a. The City and MBFFA agree that 4-person full-time minimum staffing will be provided in the MOU when a second fire station or second company is staffed and operational. The 4-person minimum refers to the total on-duty staffing of full-time firefighters in the City of Morro Bay.

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b. The City currently staffs a single, two-piece suppression company consisting of an engine and a rescue. This response configuration is not affected by item a. above.

20.3 The City agrees to cap the total number of part-time, unrepresented firefighters to one per scheduled 24 hour shift.

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a. Exception: In an emergency and for mutual aid response coverage, the City may have more than one reserve firefighter working 24-hour shifts provided the City is meeting its minimum staffing requirements.

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ARTICLE 21 PERSONNEL RULES

Parties recognize the applicability and agreement with the Personnel Rules utilized by the City for all employees. From time to time, the Personnel Rules may be amended and the City will offer the opportunity to meet and confer on those items within the scope of bargaining. Nothing in this article shall make the City's Personnel Rules subject to the Grievance Procedure.

ARTICLE 22 LAYOFFS

The parties agree to use the layoff procedure as set forth in 2.32.120 of the City of Morro Bay Municipal Code.

For purposes of workforce reductions as outlined by the City's personnel rules and regulations, shifts worked by part-time unrepresented employees will be eliminated prior to a reduction in full-time MOU represented personnel.

ARTICLE 23 PROCESSING OF FORMAL GRIEVANCES

23.1 The MBFF agrees that whenever investigation or processing of a grievance is to be transacted during working hours, only the amount of time necessary to bring about a prompt disposition of the matter will be utilized. It is further agreed that the time spent on an investigation and processing of grievances will not interfere with the normal operation of the department. CITY agrees to provide a reasonable amount of time for the investigation and the processing of a grievance, but by so agreeing does not imply that the processing or investigation of a grievance shall take priority over normal functions of the department.

23.2 CITY further agrees that any payment of overtime arising because of MBFF personnel's involvement in grievance investigation or processing shall not be authorized. Time spent on the investigation and processing of grievances will be recorded on a form provided by CITY. Stewards will be permitted reasonable time-off with pay for the investigation and processing of grievances provided, however, stewards shall first obtain permission from the department head and/or his/her designee and inform him/her of the nature of his/her business. CITY shall grant such permission promptly unless such absence would cause an undue interruption of work or would require the CITY to pay overtime in order to maintain the normal operation of the department.

23.3 Upon entering the work location, the steward shall inform the department head and supervisor of the nature of his/her business. Permission to leave a job will be granted to the employee involved unless such absence would cause an interruption of work. If the employee cannot be made available, the steward will seek an alternate time for employee availability with the department head or supervisor.

23.4 It is agreed that in some instances the investigation and processing of a grievance may be accomplished on the employee's time. This agreement is in recognition of the mutual sharing of costs involved in the handling of employee-initiated actions.

23.5 Procedures shall be in accordance with Resolution No. 46-74 and any amendments thereto.

ARTICLE 24 ELIMINATION OF FIRE SERVICE

If the fire service function of the City of Morro Bay is merged into another agency, or if another agency assumes said function, then prior to such action, the City shall meet and confer with MBFF concerning the effects of such action.

ARTICLE 25 CAL FIRE

25.1 Should the CITY elect to contract for service with CAL FIRE, this article shall take affect.

25.2 The CITY and L3725 recognize that a transitional MOU between the CITY and L3725 must be negotiated as part of the process of transitioning L3725 into the state civil service system.

25.3 Should the CITY not contract for service with CAL FIRE, this clause is null and void and the contract remains in full force for its defined term.

ARTICLE 26 NO STRIKE, NO LOCK-OUT

26.1 During the life of this agreement, the City will not lock out any employees nor will the MBFF cause, authorize, advise or encourage any interruption of work or any other concerted refusal to render services or to work, including overtime or any other curtailment or restriction of work at any time during the term of this Agreement. The term "interruption of work" shall mean any work stoppage or strike (including economic and unfair labor practice strikes) or any intentional slow down of work.

26.2 There shall be no refusal to work on, handle or produce any materials or equipment because of a labor dispute.

26.3 Any employee engaging in any action prohibited by this Article shall be subject to immediate discharge or such other discipline as the CITY may assess. Such discharge or discipline shall not be reviewable through the Grievance Procedure.

ARTICLE 27 FULL UNDERSTANDING, MODIFICATION, WAIVER

27.1 This Agreement sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any other prior or existing understanding or agreements by the parties, whether formal or informal, regarding any such matters are hereby superseded or terminated in their entirety.

27.2 It is agreed and understood that each party hereto voluntarily and unqualifiedly waives its right to negotiate, and agrees that the other party shall not be required to negotiate, with respect to any matter covered herein.

27.3 No agreement, alteration, understanding, variation, waiver, or modification of any of the terms or provisions contained herein shall in any manner be binding upon the parties hereto unless made and executed in writing by all parties hereto, and if required, approved by the CITY and ratified by the membership of the MBFF.

27.4 The waiver of any breach of any term, or condition of this Agreement by either party shall not constitute a precedent in the future enforcement of all its terms and provisions.

ARTICLE 28 SEVERABILITY

If any provision(s) are held to be contrary to law by a court of competent jurisdiction, such provisions will not be deemed valid and subsisting except to the extent permitted by law, but all other provisions will continue in full force and effect.

Date: _____	Date: _____
MORRO BAY FIRE FIGHTERS	CITY OF MORRO BAY
~~Steve Knuckles~~Todd Gailey	William Avery, Chief Negotiator
~~Bill Murphy~~Jeff Simpson	Andrea Lueker, City Manager
~~Jeff Simpson~~George Rees	Susan Slayton, Admin. Svcs. Director

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ARTICLE 28 SEVERABILITY

If any provision(s) are held to be contrary to law by a court of competent jurisdiction, such provisions will not be deemed valid and subsisting except to the extent permitted by law, but all other provisions will continue in full force and effect.

Date: 12/08/11

MORRO BAY FIRE FIGHTERS

Todd Gailey, President

Jeff Simpson, Shop Steward

Date: 12/8/11

CITY OF MORRO BAY

William Avery, Chief Negotiator

Andrea Lueker, City Manager

Susan Slayton, Admin. Svcs. Director

AGENDA NO: A-3

MEETING DATE: 12/13/11

Staff Report

TO: **Honorable Mayor and City Council** **DATE: November 10, 2011**

FROM: **Susan Slayton, Administrative Services Director/Treasurer**

SUBJECT: **Resolution No. 73-11 Authorizing Paying and Reporting the Value of Employer Paid Member Contributions (EPMC) for the Morro Bay Firefighters Association**

RECOMMENDATION:

Per Resolution No. 72-11 which adopted the Morro Bay Firefighters Association MOU, staff recommends that the City Council adopt Resolution No. 73-11, authorizing paying and reporting the value of EPMC at 0%.

FISCAL IMPACT:

The net savings to the City is approximately $3,000.

BACKGROUND:

On April 27, 2009, the City Council adopted Resolution No. 18-09, authorizing the paying and reporting of the value of employer paid member contributions (EPMC) for the Morro Bay Firefighters Association (FFA) employees. At that time, the FFA employees were paying 0% of their 9% member contribution. The City reported EPMC as 9% for all firefighters.

DISCUSSION:

Tonight, the City Council adopted Resolution No. 72-11, which implemented the FFA MOU for the period of July 1, 2011 to June 30, 2012. With that MOU, the Firefighters Association members agreed to pay 100% of their 9% PERS member contribution, which places the City's EPMC obligation at 0%. Resolution No. 73-11 establishes the new percentage with PERS.

Prepared By: _____ **Dept Review:**_____

City Manager Review: _____

City Attorney Review: _____

RESOLUTION NO. 73-11

RESOLUTION FOR PAYING AND REPORTING THE VALUE OF EMPLOYER PAID MEMBER CONTRIBUTIONS FOR THE MORRO BAY FIREFIGHTERS ASSOCIATION

THE CITY COUNCIL
City of Morro Bay, California

WHEREAS, the City Council has the authority to implement Government Code Section 20636(c)(4), pursuant to Section 20691; and

WHEREAS, the City of Morro Bay has a written labor policy or agreement, which specifically provides for the normal member contributions to be paid by the employer, and reported as additional compensation; and.

WHEREAS, on August 27, 2009, the City Council of the City of Morro Bay adopted Resolution No. 18-09 to commence paying and reporting the value of said Employer Paid Member Contributions (EPMC); and

WHEREAS, on December 13, 2011, the City Council of the Morro Bay adopted Resolution No. 72-11, implementing the Memorandum of Understanding with the Firefighters Association for the period of July 1, 2011 to June 30, 2012; and

WHEREAS, the EPMC rate has changed; and

WHEREAS, the City Council has identified the following conditions for the purpose of its election to pay EPMC:

1. This benefit shall apply to all sworn employees of the Firefighters Association, IAFF Local 3725;

2. This benefit shall consist of paying and reporting 0% EPMC as additional compensation; and

3. The effective date of this Resolution shall be December 24, 2011.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay to pay and report the value of EPMC for the sworn Firefighters as 0%.

PASSED AND ADOPTED this 13th day of December, 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
WILLIAM YATES, Mayor

ATTEST:

_____
BRIDGETT KESSLING, City Clerk

AGENDA NO: A-4

MEETING DATE: 12/13/11

Staff Report

TO: Honorable Mayor and City Council DATE: December 6, 2011

FROM: Susan Slayton, Administrative Services Director/City Treasurer

SUBJECT: Quarterly Financial Status Report for the Fiscal Year Ended September 30, 2011

RECOMMENDATION:
Council to accept the report as presented.

FISCAL IMPACT:
None.

SUMMARY:
Presented tonight is the quarterly financial status report for the fiscal year ended September 30, 2011.

DISCUSSION:
The status reports presented are for operations as of the first quarter of the 2011/12 fiscal year ended September 30, 2011. Please remember that when looking at these reports, timing plays a role in revenue receipt; for example, Transient Occupancy Tax is always received one month after the tax was collected (TOT charged in September is not due to the City until October 31). In June, we "double up," receiving the May TOT by June 30, and accruing June TOT into the current fiscal year with a journal entry. Expenditures are generally more accurate, although one-time expenditures, such as annual maintenance contracts, will skew the percentage expended.

General Fund revenues (page 5), are 18% received as of September 30. The main reason for this low percentage of receipt is the time of year; property taxes will not improve this until late December/early January. Sales tax and TOT are experiencing increases, which is promising.

General Fund expenditures (page 23), are, coincidentally, 25% spent as of September 30.

The General Fund will likely again complete the year with 100% of both its expenditure and revenue budgets met.

Prepared By: _____ **Dept Review:_____**

City Manager Review: _____

City Attorney Review: _____

As of September 30, budget to actual results on the enterprise operating funds are as follows:

		PERCENT RECEIVED/SPENT		
FUND	PAGE	REVENUES	EXPENSES	GAIN (LOSS)
Transit	52	4%	21%	(67,446)
Water	56	15%	37%*	(1,014,210)
Sewer	63	22%	5%	532,037
Harbor	69	20%	24%	(100,162)

* 67% of the annual amount due on the State water contract has been paid

As of September 30, budget to actual results on the Wastewater Treatment Plant are as follows:

		PERCENT RECEIVED/SPENT		
FUND	PAGE	REVENUES	EXPENSES	GAIN (LOSS)
WWTP	75	0%**	24%	(464,710)

** Expenses are billed on a quarterly basis.

AGENDA NO:	**A-5**
MEETING DATE:	**12/13/2011**

Staff Report

TO: **Honorable Mayor & City Council** **DATE: December 13, 2011**

FROM: **Susan Lichtenbaum, Harbor Business Manager**

SUBJECT: **Approval of Amendment #1 to the Lease Agreement for Lease Site 110-112/110W-112W, and 20' of the easterly portion of 111.5W, between the City of Morro Bay and GAFCO INC., located at 1185 Embarcadero, and Amendment #1 to the Lease Agreement for Lease Site 124-128/124W-128W and 113W, between the City of Morro Bay and Sea One Solutions LLC, located at 1215 Embarcadero**

RECOMMENDATION:

Staff recommends that the City Council:

♦Adopt Resolution No. 75-11 approving Amendment #1 to the Lease Agreement for Lease Site 110-112/110W-112W and 20' of the easterly portion of 111.5W between the City of Morro Bay and GAFCO, Inc.

♦Adopt Resolution No. 76-11 approving Amendment #1 to the Lease Agreement for Lease Site 124-128/124W-128W and 113W between the City of Morro Bay and Sea One Solutions LLC.

FISCAL IMPACT:

Staff would estimate a very limited fiscal impact on Lease Site 110-112/110W-112W due to a potential small loss of percentage gross revenue from delay in construction of the expanded restaurant area. No fiscal impact is estimated on Lease Site 124-128/124W-128W and 113W as the percentage of gross clause is not effective until 2015.

SUMMARY:

Staff is proposing amendments to the lease agreements for the following leases:

♦Lease Site 110-112/110W-112W, GAFCO, located at 1185 Embarcadero (GAFCO)

♦Lease Site 124-128/124W-128W and 113W, Sea One Solutions LLC, located at 1215 Embarcadero (SOS)

The proposed amendment for the GAFCO site will extend the deadline for construction of improvements per UP0-058 from January 1, 2012 until July 1, 2014. The option to renew the lease agreement for an additional twenty years, based on construction of the improvements, is

Prepared By: _____	**Dept Review:_____**
City Manager Review: _____	
City Attorney Review: _____	

changed from January 1, 2013 to July 1, 2015. The amendment also changes the deadline for issuance of the Certificate of Occupancy from January 1, 2012 to July 1, 2014.

The proposed amendment for the SOS site will extend the deadline for obtaining Precise Plan approval for the waterside improvements per UP0-058 from December 31, 2011 to December 31, 2012. The deadline for construction of the waterside improvements remains as is at July 1, 2014.

DISCUSSION:

In the late 1990's through early 2000 the tenants for Lease Sites 110W-112W, 122-123/122W-123W Ext. 122W-123W, 124-128/124W-128W and 113W, spanning the Embarcadero from 1185 Embarcadero through 1215 Embarcadero, began work on a major joint redevelopment plan. The goal of the plan was to reconstruct the entire waterside/dock systems on these adjacent sites and included various landside improvements on the sites as well. The GAFCO plan includes construction of a fish market/restaurant expansion on the GAFCO site along with the waterside improvements.

Based on this major redevelopment proposal, a new lease agreement was entered into with GAFCO in September 2005. At this time the CUP had been approved, however work was just commencing on the Coastal Commission Coastal Development Permit Application. The lease agreement included language stating that the construction of all improvements outlined in CUP #UP0-058 was to be completed by January 1, 2012 and that the option to renew the lease for an additional 20 years would terminate a year later on January 1, 2013. The Coastal Development Permit was not approved until June of 2009.

Also based on this major redevelopment proposal a new lease agreement was entered into in October 2010 with SOS requiring that Precise Plan approval be obtained by December 31, 2011 for the waterside improvements and a deadline of July 1, 2014 for completion of construction of the waterside improvements. This lease agreement also has an option to extend for an additional 20 years if the landside improvements are completed by July 1, 2019.

Since 2009 we have seen one of the worst recessions in over 30 years and the impact on local businesses has been extensive. In addition, the lending climate has become much more restrictive for refinancing or financing and very difficult and time-consuming to obtain. These sites are all located within Measure D which restricts new development to commercial fishing or commercial sport fishing related uses, making the financial climate for refinancing or financing even more limited.

To encourage redevelopment in the Measure D area, and specifically on these sites that have received Concept Plan Approval from the City and a Coastal Development Permit, staff is requesting the City Council consider the proposed amendments to the GAFCO and SOS lease agreements. It is critical that the deadlines for the waterside construction be concurrent, as the proposed Concept Plan for the dock areas includes shared access and it is expected that the

waterside improvements will be constructed at the same time.

The proposed GAFCO amendment allows for an additional two years and six months for completion of all proposed improvements (both waterside and landside) per CUP #UP0-058 and extends the option to renew for an additional 20 years. The option to renew would also be extended by two years and six months.

The proposed SOS amendment extends the deadline for obtaining Precise Plan approval for the waterside improvements per CUP #UP0-058 from December 31, 2011 to December 31, 2012. The deadline for construction of waterside improvements remains as July 1, 2014. The deadlines for landside construction remain in place.

CONCLUSION: To facilitate a major waterfront redevelopment plan in the Measure D Area, spanning from 1185-1215 Embarcadero, staff recommends that the City Council

♦Adopt Resolution No. 75-11 approving Amendment #1 to the Lease Agreement for Lease Site 110-112/110W-112W and 20' of the easterly portion of 111.5W between the City of Morro Bay and GAFCO, Inc.

♦Adopt Resolution No. 76-11 approving Amendment #1 to the Lease Agreement for Lease Site 124-128/124W-128W and 113W between the City of Morro Bay and Sea One Solutions LLC.

RESOLUTION NO. 75-11

APPROVAL OF AMENDMENT #1 TO THE LEASE AGREEMENT FOR LEASE SITE 110-112/110W-112W AND 20' OF THE EASTERLY PORTION OF LEASE SITE 111.5W BETWEEN THE CITY OF MORRO BAY AND GAFCO INC., LOCATED AT 1185 EMBARCADERO

THE CITY COUNCIL
City of Morro Bay, California

WHEREAS, the City of Morro Bay is the lessor of certain properties on the Morro Bay waterfront described as City Tidelands leases and properties; and,

WHEREAS, GAFCO Inc. is the lessee of said property; and,

WHEREAS, GAFCO Inc. along with adjacent City Tidelands leaseholders proposed a major waterfront redevelopment project spanning from 1185 through 1215 Embarcadero; and,

WHEREAS, said redevelopment project was granted a Coastal Development Permit by the Coastal Commission in 2009; and,

WHEREAS, to encourage completion of this major redevelopment project, the City and GAFCO Inc. have agreed to the attached Amendment #1 to the Lease Agreement that will extend the timeframe for completion of improvements from January 1, 2012 until July 1, 2014 to coincide with the deadline for completion of waterside improvements on the adjacent lease property to the north and to further amend the lease to extend the deadline for an option to renew the lease agreement from January 1, 2014 until July 1, 2015.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California, that Amendment #1 to the Lease Agreement for Lease Site 110-112/110W-112W and the 20 easterly feet of 111.5W is hereby approved.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized to execute said amendment.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 13th day of December, 2011on the following vote:

AYES:

NOES:

ABSENT:

_____
WILLIAM YATES, Mayor

ATTEST:

_____
BRIDGETT KESSLING, City Clerk

RESOLUTION NO. 76-11

APPROVAL OF AMENDMENT #1 TO THE LEASE AGREEMENT FOR LEASE SITE 124-128/124W-128W and 113W BETWEEN THE CITY OF MORRO BAY AND SEA ONE SOLUTIONS LLC, LOCATED AT 1215 EMBARCADERO

T H E C I T Y C O U N C I L
City of Morro Bay, California

WHEREAS, the City of Morro Bay is the lessor of certain properties on the Morro Bay waterfront described as City Tidelands leases and properties; and,

WHEREAS, Sea One Solutions LLC is the lessee of said property; and,

WHEREAS, Sea One Solutions LLC along with adjacent City Tidelands leaseholders proposed a major waterfront redevelopment project spanning from 1185 through 1215 Embarcadero; and,

WHEREAS, said redevelopment project was granted a Coastal Development Permit by the Coastal Commission in 2009; and,

WHEREAS, to encourage completion of this major redevelopment project, the City and Sea One Solutions has agreed to the attached Amendment #1 to the Lease Agreement that will extend the timeframe for completion obtaining Precise Plan approval for the waterside improvements from December 31, 2011 until December 31, 2012. The deadline for construction of the waterside improvements remains at July 1, 2014 to coincide with the deadline for completion of waterside improvements on the adjacent lease property to the south.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California, that Amendment #1 to the Lease Agreement for Lease Site 124-128/124W-128W and 113W is hereby approved.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized to execute said amendment.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 13th day of December, 2011on the following vote:

AYES:

NOES:

ABSENT:

_____
WILLIAM YATES, Mayor

ATTEST:

_____
BRIDGETT KESSLING, City Clerk

AGENDA NO: A-6

MEETING DATE: 12/13/11

Staff Report

TO: **Honorable Mayor and City Council** **DATE: December 6, 2011**

FROM: **Harbor Operations Manager**

SUBJECT: **Approval of Resolution Authorizing the City of Morro Bay to Enter Into Boating Safety and Enforcement Grant Contract with the Department of Boating and Waterways**

RECOMMENDATION:

Staff recommends the City Council adopt Resolution # 74-11 authorizing the Harbor Operations Manager to execute the attached Boating Safety and Enforcement (BS&E) grant contract agreement #11-204-758 with the California Department of Boating and Waterways (DBW) for purchase of miscellaneous equipment consisting of two rescue personal watercraft (PWC) & trailer in the amount of $24,000.

FISCAL IMPACT:

No direct cost to the City for purchase of proposed equipment; 100% grant funding.

BACKGROUND:

Over the years the Harbor Department has obtained numerous BS&E grants from DBW for patrol vessel purchases, engine repowers, and miscellaneous equipment. In May the department applied for and was approved for a grant to replace its aging PWC's. The Harbor department has employed PWC's for surf rescue, with Fire department personnel augmentation, since 2003.

DISCUSSION:

Grant funds will be used to replace the department's two aging PWC's and provide a double PWC trailer to transport them. Our existing PWC's, purchased in part with a USDA grant in 2007, have served their useful lives and are experiencing increased maintenance and reliability issues. They will be surplused-out.

CONCLUSION:

Staff recommends that the City Council adopt Resolution # 74-11.

RESOLUTION NO. 74-11

Prepared By: _____ **Dept Review:**_____

City Manager Review: _____

City Attorney Review: _____

AUTHORIZATION FOR THE CITY OF MORRO BAY
TO ENTER INTO BOATING SAFETY & ENFORCEMENT GRANT CONTRACT WITH THE DEPARTMENT OF BOATING AND WATERWAYS

T H E C I T Y C O U N C I L
City of Morro Bay, California

WHEREAS, City of Morro Bay (City) applied for a grant from the California Department of Boating and Waterways (DBW) under the Boating Safety and Enforcement (BS&E) grant program; and

WHEREAS, DBW awarded a grant of $24,000 under the BS&E program for purchase of miscellaneous equipment (2 rescue personal watercraft & trailer); and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California, that the City of Morro Bay is hereby authorized to enter into BS&E contract #11-204-758 with DBW for purchase of miscellaneous equipment (2 rescue personal watercraft & trailer); and

BE IT FURTHER RESOLVED, that Harbor Operations Manager Eric Endersby is hereby authorized to act as the City's agent in regard to all aspects of the grant agreement.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 13th day of December, 2011 on the following vote:

AYES:
NOES:
ABSENT:

_____
WILLIAM YATES, Mayor

ATTEST:

_____
BRIDGETT KESSLING, City Clerk

AGENDA NO: A-7

MEETING DATE: December 13, 2011

Staff Report

TO: **Honorable Mayor and City Council** **DATE: December 6, 2011**

FROM: **Rob Schultz, City Attorney**

SUBJECT: **Adoption of Ordinance No. 575 Amending Morro Bay Municipal Code Section 5.04.330 Regarding the Procedure for Submitting Certain Business License Applications to the Chief of Police and City Council.**

RECOMMENDATION:

Staff recommends that the City Council adopt Ordinance No. 575

SUMMARY:

Ordinance No. 575 was introduced at the Council meeting held on November 8, 2011. This is the second reading, after which the Ordinance is adopted and will become effective on the 31st day after its passage.

Prepared By: _____ **Dept Review:_____**

City Manager Review: _____

City Attorney Review: _____

ORDINANCE NO. 575

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORRO BAY AMENDING MORRO BAY MUNICIPAL CODE SECTION 5.04.330 REGARDING THE PROCEDURE FOR SUBMITTING CERTAIN BUSINESS LICENSE APPLICATIONS TO THE CHIEF OF POLICE AND CITY COUNCIL

THE CITY COUNCIL
City of Morro Bay, California

WHEREAS, Section 5.04.330 of the Morro Bay Municipal Code regulates and requires a separate City Council public hearing prior to the issuance of a business license for the following businesses: arcade, carnival, circus, money lending, pawnbroker, massage parlor, tent show and private patrol service; and,

WHEREAS, Section 5.04.330 of the Morro Bay Municipal Code also requires these businesses to annually undergo a public hearing before the City Council to obtain renewal of their business license; and,

WHEREAS, the City Council desires to amend Section 5.04.330 of the Morro Bay Municipal Code to eliminate the annual public hearing before the City Council for these businesses; and,

WHEREAS, the City of Morro Bay needs to amend Section 5.04.330 of the Morro Bay Municipal Code in order to make this change.

NOW, THEREFORE, following the Public Hearing, and upon consideration of the testimony of all persons, the City Council of the City of Morro Bay does ordain Section 5.04.330 of the Morro Bay Municipal Code "Submitting application to chief of police and city council" be amended as follows:

5.04.330 Submitting application to chief of police

A. The application for a business license must be presented to the chief of police in relation to the following businesses as a prerequisite to the issuance of such a license:

Carnival;
Circus or menagerie;
Money lending or pawnbroker;
Massage parlor;
Tent show;
Amusement parlor, penny arcade, or playland;
Private patrol service.

B. No license shall be issued to carry on any business at any location where such would be in violation of Title 17, zoning.

C. Where an application for a new business license or renewal has been submitted for any of the businesses enumerated in Section A, the chief of police may cause to have taken, fingerprints of all business supervisors and employees of the business, and may conduct a confidential background investigation to determine whether to issue a business license, and if issued, the conditions to assign to the business license. Failure to submit to fingerprinting or identification of a criminal involvement shall be grounds for denial of the license.

Consideration of a business license described by this section shall be approved by the chief of police. The denial or issuance of a business license pursuant to this section may be appealed to the city council within ten days of the chief of police action. In the review of a business license application pursuant to this section, the chief of police and city council may assign such conditions as it deems necessary for the conduct of the business operation to protect the public health, safety and welfare.

INTRODUCED at a regular meeting the of the City Council of Morro Bay, held on the 8th day of November, 2011 by motion of Councilmember Johnson, seconded by Councilmember Borchard.

PASSED AND ADOPTED on the 13th day of December, 2011 by the following vote:

AYES:
NOES:
ABSENT:

_____
WILLIAM YATES, Mayor

ATTEST:

_____
BRIDGETT KESSLING, City Clerk

APPROVED AS TO FORM:

_____
ROBERT SCHULTZ, City Attorney

AGENDA NO: A-8

MEETING DATE: December 13, 2011

Staff Report

TO: **Honorable Mayor and City Council** **DATE: November 30, 2011**

FROM: **Dylan Wade, Utilities/Capital Projects Manager**

SUBJECT: **Award of Contract to Whitaker Construction Group, Inc. of San Luis Obispo, CA for the Project No. MB-2011-S-02: Lift Station 2 upgrade**

RECOMMENDATION:

Staff recommends the City Council award the Project contract to Whitaker Construction Group, Inc., in the amount of $958,740.

FISCAL IMPACT:

The Project is fully funded from accumulated Sewer Revenues. Funds allocated in the 10/11 budget will be adequate to construct the project unless significant changes occur.

BACKGROUND and DISCUSSION:

This Project entails the construction of a wet well style lift station to replace the existing dry well wet well style lift station located at the intersections of the Surf Street and Front Street on Morro Bay's Embarcadero. The existing facilities will remain in service while the upgraded facilities are constructed and then the existing facilities will be abandoned in place to be used as emergency storage in case of surcharge. There will be a more secure chemical building constructed as a replacement for the currently exposed chemical containment structure. This will be a substantial construction effort with dewatering and deep excavations extending 12 feet below sea level. This project has been identified as a priority project in the Waste Water Collection System Master Plans since 1974 and its construction will eliminate approximately 280 confined space entries per year.

Staff is working with the Harbor Department and the Harbor Festival on the relocation of items stored at this location. Staff expects the Harbor storage yard to be cleared by the time the construction contractor mobalizes to the site. In addition, staff is working with the Power Plant on the use of their contractor yard for lay down and materials storage during the project to minimize impacts to the surrounding parking areas.

Project bids were opened on November 17th, 2011 with a total of 6 bids received. A bid summary is attached. The low bid was submitted by Whitaker Construction, Inc. of San Luis Obispo in the total bid amount of $958,740. Bids ranged from the low bid to a high bid of $1,305,150. Based on the number of bids received, and the range between bidders, staff believes the bid to be competitive. See the attached bid analysis for additional information.

Prepared By: _____ **Dept Review:**_____

City Manager Review: _____

City Attorney Review: _____

CONCLUSION:

Staff recommends the City Council award the Project contract to Whitaker Construction Group, Inc., in the total bid amount of $958,740.

Attach.: (Bid Analysis)

S\CityCouncilStaffReports\Wade\Liftstationawardtowhitaker.docx

11/22/2011

Mr. Dylan Wade
Utilities/Capital Projects Manager
City of Morro Bay
955 Shasta Avenue
Morro Bay, CA 93442

SUBJECT: RECOMMENDATION OF AWARD FOR LIFT STATION 2 UPGRADE

Dear Mr. Wade,

This letter recommends awarding the construction contract for Morro Bay Lift Station 2 Upgrade to Whitaker Construction Group, Inc. (Whitaker).

The project was advertised for bid in October, 2011. On November 17th, 2011, the City of Morro Bay received and publicly opened bids from six (6) bidders: MGE Underground, Raminha Construction, Inc., John Madonna Construction Co., Inc., HPS Mechanical, Inc., Whitaker Construction Group, Inc., and Specialty Construction, Inc.

WSC determined that Whitaker was the lowest responsive bidder. Whitaker used the correct bid forms and was responsive to Addendum 1. Whitaker completed the Procurement Form Supplements (00 43 00) in its entirety, provided the requisite bond forms, fully executed and sealed, including the proper acknowledgements, plus the appropriate bid certificate.

A summary of Whitaker's bid is provided below, and detailed bid tabulation is included as Attachment 1.

Whitaker Construction Group, Inc.
Bid Opening: November 17th, 2011

Base Bid:	$ 958,340.00
A1:	$ 400.00
Total	$ 958,740.00

Upon review of Whitaker's Bid, it includes the requisite materials and is deemed responsive to the request. On this basis, I recommend awarding the Lift Station 2 Upgrade construction contract to Whitaker Construction Group, Inc.

Sincerely,

Water Systems Consulting, Inc.

Joshua H. Reynolds, PE
Project Manager

Attachment 1
Morro Bay Lift Station 2 - Bid Tabulation

		Bidder		Whitaker		Madonna		MGE		Raminha		Specialty		HPS	
		License Classification(s)		A, B, HAZ		A, B, C12		A, HAZ, B, C31, ASB		A, HAZ		A, B		A, B, C2, C4, C10, C16, C20, C34, C36, C42, C43, C46	
		License Number		902179		358030		765025		469531		619361		793014	
Item No.	Description	Units	Quantity	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
1	Mobilization, Demobilization and Cleanup	LS	1	70000	70,000	28,000	28,000	132,652	132,652	80,000	80,000	60,000	60,000	71,270	71,270
2	Designated Potholes	EA	2	1500	3,000	2,200	4,400	277	554	2,000	4,000	766	1,532	400	800
3	Storm Water Pollution Control	LS	1	6000	6,000	34,000	34,000	11,777	11,777	10,000	10,000	31,500	31,500	2,800	2,800
4	Construction Survey	LS	1	10000	10,000	9,600	9,600	8,504	8,504	8,000	8,000	7,100	7,100	7,800	7,800
5	Site Demolition	LS	1	20000	20,000	19,400	19,400	5,972	5,972	25,000	25,000	21,500	21,500	32,000	32,000
6	Abandon Existing Septic Tank	CY	100	135	13,500	60	6,000	111	11,100	75	7,500	99	9,900	27	2,700
7	Pre-cast Wetwell, Base and Lid	LS	1	110000	110,000	72,000	72,000	133,002	133,002	100,000	100,000	64,500	64,500	66,800	66,800
8	Pre-Cast Valve Vault and Lid	LS	1	15000	15,000	18,000	18,000	16,420	16,420	13,000	13,000	13,500	13,500	10,800	10,800
9	Pre-Cast Meter Vault and Lid	LS	1	15000	15,000	17,000	17,000	16,161	16,161	13,000	13,000	12,500	12,500	10,600	10,600
10	Wetwell/Manhole Interior Coating	LS	1	38000	38,000	36,000	36,000	38,664	38,664	40,250	40,250	11,800	11,800	35,500	35,500
11	Electrical/Chemical/Restroom Building	LS	1	140000	140,000	183,000	183,000	171,124	171,124	122,000	122,000	118,000	118,000	140,000	140,000
12	Chemical Feed System	LS	1	11000	11,000	20,600	20,600	8,694	8,694	14,000	14,000	38,000	38,000	10,780	10,780
13	Electrical and Communication Service	LS	1	60000	60,000	59,750	59,750	36,926	36,926	48,000	48,000	41,000	41,000	53,000	53,000
14	Sheeting, Shoring and Bracing	LS	1	50000	50,000	102,700	102,700	76,617	76,617	46,000	46,000	165,000	165,000	116,000	116,000
15	Earthwork	LS	1	9000	9,000	39,300	39,300	5,492	5,492	40,000	40,000	18,500	18,500	9,000	9,000
16	Dewatering	LS	1	166500	166,500	255,000	255,000	197,763	197,763	115,000	115,000	71,000	71,000	185,000	185,000
17	Asphalt Concrete	Ton	55	180	9,900	225	12,375	218	11,990	175	9,625	230	12,650	170	9,350
18	Class 2 Aggregate Base	CY	65	150	9,750	118	7,670	53	3,445	105	6,825	92	5,980	46	2,990
19	Chain Link Fence with 3-strand BW	LF	55	106	5,830	127	6,985	109	5,995	46	2,530	92	5,060	100	5,500
20	Chain Link Gate (12-foot wide)	LS	1	1200	1,200	2,500	2,500	1,430	1,430	1,150	1,150	1,200	1,200	1,320	1,320
21	Re-connect 4" Sewer Laterals	LF	40	70	2,800	215	8,600	409	16,360	100	4,000	302	12,080	75	3,000
22	Relocate Existing Fire Hydrant Assembly	EA	1	3000	3,000	3,500	3,500	3,429	3,429	2,500	2,500	4,400	4,400	3,870	3,870
23	Water Service to Building	EA	1	2500	2,500	4,800	4,800	1,799	1,799	2,000	2,000	3,300	3,300	3,200	3,200
24	8" SDR 35 PVC Sewer	LF	12	360	4,320	625	7,500	657	7,884	550	6,600	510	6,120	250	3,000
25	15" SDR 35 PVC Sewer	LF	13	340	4,420	1,640	21,320	1,019	13,247	700	9,100	1,150	14,950	330	4,290
26	18" SDR 35 PVC Sewer	LF	18	240	4,320	1,350	24,300	955	17,190	700	12,600	940	16,920	445	8,010
27	New Sanitary Sewer Service	EA	1	6200	6,200	8,500	8,500	8,384	8,384	4,000	4,000	4,700	4,700	3,500	3,500
28	New Sewer Manhole	EA	3	10000	30,000	14,200	42,600	22,904	68,712	21,000	63,000	7,400	22,200	10,730	32,190
29	Modify New Mahole Base for Overflow	LS	1	800	800	6,000	6,000	3,486	3,486	3,000	3,000	4,700	4,700	3,500	3,500
30	Drop Inlets and Storm Drain	LS	1	3500	3,500	10,000	10,000	7,939	7,939	3,500	3,500	8,400	8,400	5,900	5,900
31	Tie-In to Existing Meter Vault	LS	1	9500	9,500	3,500	3,500	9,228	9,228	9,000	9,000	20,000	20,000	10,670	10,670
32	Ductile Iron Sewer Force Main and Fittings	LS	1	45000	45,000	66,750	66,750	48,277	48,277	15,000	15,000	70,000	70,000	48,130	48,130
33	12" Gate Valve	EA	4	2000	8,000	2,600	10,400	2,412	9,648	4,500	18,000	2,200	8,800	2,800	11,200
34	8" Gate Valve	EA	2	1200	2,400	1,750	3,500	1,272	2,544	3,200	6,400	1,200	2,400	1,600	3,200
35	8" Magnetic Flow Meter	EA	1	5000	5,000	5,900	5,900	3,859	3,859	9,500	9,500	4,000	4,000	4,800	4,800
36	6" Plug Valve	EA	4	650	2,600	1,150	4,600	1,170	4,680	5,000	20,000	1,100	4,400	1,300	5,200
37	6" Check Valve	EA	3	1100	3,300	2,100	6,300	1,330	3,990	4,600	13,800	1,200	3,600	2,100	6,300
38	Submersible Sewage Pumps	LS	1	57000	57,000	126,000	126,000	88,188	88,188	70,000	70,000	70,000	70,000	60,000	60,000
	Total without A1				**958,340**		**1,298,350**		**1,213,126**		**977,880**		**991,192**		**993,970**
A1	Removal of Unsuitable Soils and Replace with Select Backfill	CY	8	50	400	850	6,800	235	1,880	100	800	365	2,920	350	2,800
	Total with A1				**958,740**		**1,305,150**		**1,215,006**		**978,680**		**994,112**		**996,770**
Subcontractors				National Coating & Lining Co. Electricraft		Electricraft Associated Pacific Viking Drillers Rain For Rent JJ Fisher Inc. Pro-Tech Coating		Sancon Central Coast Fence Smith Electric		McMillan Land Surveys Jerry Bogue Electric Rick Troutt Construction R. Myers, Inc National Coating & Lining		Viking Drillers Protech Coatings R.B. Electricraft		Pac-Con Construction Inc. Electricraft Triad-Holmes Associates Central Coast Fence	

AGENDA NO: A-9

MEETING DATE: December 13, 2011

Staff Report

TO: **Honorable Mayor and City Council** **DATE: December 5, 2011**

FROM: **Dylan Wade, Utilities/Capital Projects Manager**
Jarrod Whelan, Assistant Engineer

SUBJECT: **Award of Contract to D-Kal Engineering Inc. of San Luis Obispo, CA for the Project No. MB-WC-1: Section 6 Sewer Rehabilitation**

RECOMMENDATION:

Staff recommends the City Council award the Project contract to D-Kal Engineering Inc., in the amount of $64,570.

FISCAL IMPACT:

The Project is fully funded from accumulated Sewer Revenues. Funds allocated in the 2010/11 budget will be adequate to construct the project unless significant changes occur.

BACKGROUND and DISCUSSION:

The Section 6 Sewer Rehabilitation project is the next in a series of projects which will repair, replace, or rehabilitate the most damages sections of pipe in the City of Morro Bay's collections system. These repair projects, in conjunction with other O&M efforts, will help ensure the proper functioning of the waste water collections system.

This project entails the rehabilitation of several pipelines in Morro Bay through the use of Cured In Place Pipe (CIPP). This technology uses felt liners and structural chemical resins to construct a "new" pipe within an existing damaged one. The existing facilities will be bypassed while the new lining is installed and cured. The pipeline is returned to service with the reconnection of the private laterals being done robotically. The main repair will be on Quintana Road South of South Bay Boulevard. There are several spot repairs in other locations in North Morro Bay.

Project bids were opened on December 1, 2011 with 2 bids received. The low bid was submitted by D-Kal Engineering Inc. of San Luis Obispo in the amount of $64,570. The high bid was $123,970. Staff believes the bid to be competitive. The bid contains one minor irregularity in a written out unit price which omits the cents shown in the numerical value used in the calculations.

CONCLUSION:

Staff recommends the City Council waive the one minor irregularity and award the Project contract to D-Kal Engineering Inc., in the amount of $64,570.

Prepared By: _____ **Dept Review:**_____

City Manager Review: _____

City Attorney Review: _____

AGENDA NO: A-10

MEETING DATE: December 13, 2011

Staff Report

TO: **Honorable Mayor and City Council** **DATE: December 5, 2011**

FROM: **Barry Rands, PE - Associate Engineer**

SUBJECT: **Award of Contract for Del Mar Park Tennis Court Improvements (MB-2011-RP1)**

RECOMMENDATION

Staff recommends the City Council award the Project contract to Malibu Pacific Tennis Courts Inc. in the amount of $297,650.00.

FISCAL IMPACT

As previously authorized, the Project is funded by a $237,608 Roberti-Z'Berg-Harris Urban Open Space and Recreation Grant, and $150,000 in local funds from the General Fund.

BACKGROUND:

The proposed tennis courts are a part of the master plan for Del Mar Park since the original conception of the park, prior to 1980. The courts feature a synthetic turf surface that is easier on the knees of tennis players.

During the many public hearings regarding the park and subsequent to the development of the park, the public has not voiced concern regarding the recreation facilities. The Planning Commission conditionally approved the project in their October 5th meeting.

DISCUSSION:

The Project was advertised for bids in late October with an initial opening date on November 22. Three Addenda (Addendum #1, #2 and #3) to the project plans and specifications were issued which, among other items included revisions to the specifications and four of the seven construction plan sheets. The bid date was also postponed to November 30. All bidders provided evidence of receipt of these addenda.

Bids were opened on the revised bid date of November 30, 2011. Three bids were received, the lowest of which being submitted by Malibu Pacific Tennis Courts Inc. of Westlake Village, in the total amount of $297,650, well below the Engineer's estimate of $344,000. The bid documents were checked for compliance with bidding requirements and no irregularities were found. No subcontractors were identified in the proposal and the bidder confirmed by telephone that they have the capability to execute all phases of the project.

Prepared By: _____ **Dept Review:**_____

City Manager Review: _____

City Attorney Review: _____

It should be noted that the FedEx package containing the low bid was received two hours prior to the bid opening deadline, but was temporarily misplaced and was not discovered in time to be opened with the other two bids. The second lowest bidder was initially told that they were the apparent low bidder, but later informed that a lower bid had been received.

CONCLUSION:

Staff recommends the City Council award the Project contract to Malibu Pacific Tennis Courts Inc. in the amount of $297,650.00.

S:\City Council Staff Reports\Rands\Del Mar Park Tennis Courts Staff report.docx

AGENDA NO: A-11

MEETING DATE: December 13, 2011

Staff Report

TO: **Honorable Mayor and City Council** **DATE: December 5, 2011**

FROM: **Barry Rands, PE - Associate Engineer**
Dylan Wade, PE - Utilities/Capital Projects Manager

SUBJECT: **Approval of the Agreement with the Clarice Righetti Trust to lease a portion of Trust property for the construction and operation of the Nutmeg Water Tank**

RECOMMENDATION

Staff recommends the City Council approve the Lease Agreement with the Clarice Righetti Trust for a portion of Trust property to be used for the construction of the Nutmeg Water Tank.

FISCAL IMPACT

The lease agreement is for a period of twenty-five years with a twenty-year extension option. Annual lease payment is set initially at $20,000 per year with an annual Consumer Price Index adjustment. City is also responsible for payment of any increase in property taxes due to the constructed improvements. Attorney and engineering fees incurred by the Trust in negotiating and executing the agreement are also to be paid by the City, but not to exceed ten thousand dollars ($10,000). Funds for this lease come from the Water Enterprise Fund.

BACKGROUND/DISCUSSION

The City's 1997 Water Master Plan includes the construction of two 0.68 million gallon tanks at the Nutmeg Water Tank site to replace and greatly increase the capacity over the existing 0.14 million gallon tank at the same location. The expanded tank capacity will increase available fire flows to the Nutmeg pressure zone and will facilitate future merger of several other pressure zones including the Elena and Blanca pressure zones. These changes should improve water quality by reducing water age on the North end of Morro Bay.

The existing tank site is currently leased from the Righetti Trust with a lease that expires in June 2012. As the proposed tanks require a larger footprint, an expansion of the lease site from less than half an acre to 1.3 acres and renegotiation of the lease was necessary. While the footprint of the tanks is expanding, the elevation of the tanks will remain essentially the same maintaining the current pipeline pressure profile in the Nutmeg Zone.
The application for a land use permit for the project was recently submitted to the County and

Prepared By: _____ **Dept Review:**_____

City Manager Review: _____

City Attorney Review: _____

environmental review will soon begin with the City tentatively slated to serve as lead agency. If all goes well with the environmental review, construction could take place in the late summer of 2012.

CONCLUSION

Staff recommends the City Council approve the Lease Agreement with the Clarice Righetti Trust for a portion of Trust property to be used for the construction and operation of the Nutmeg Water Tank.

Attachment: Lease Agreement

S:\City Council Staff Reports\Rands\Nutmeg reservoir site lease agreement Staff report.docx

AGENDA NO: A-12

MEETING DATE: 12/13/11

A PROCLAMATION OF THE CITY OF MORRO BAY DECLARING DECEMBER 4, 2011 AS ARBOR DAY

THE CITY COUNCIL
City of Morro Bay, California

WHEREAS, in 1872 J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and,

WHEREAS, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska; and,

WHEREAS, Arbor Day is now observed throughout the nation and the world; and,

WHEREAS, trees can reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce oxygen and provide habitat for wildlife; and,

WHEREAS, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products; and,

WHEREAS, trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community; and,

WHEREAS, trees, wherever they are planted, are a source of joy and spiritual renewal; and,

WHEREAS, the City of Morro Bay has been recognized for the past twenty-two (22) years as a "Tree City USA" by the National Arbor Day Foundation, and desires to continue its tree-planting trends.

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Morro Bay does hereby proclaim December 4, 2011 as this year's "ARBOR DAY" in the City of Morro Bay, and urge and thank all citizens for their supporting efforts to protect our trees and forests, and encourage them to continue planting.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Morro Bay to be affixed this 13th day of December 2011.

_____

WILLIAM YATES, MAYOR
City of Morro Bay, California

AGENDA NO:	**A-13**
MEETING DATE:	**12/1/2011**

Staff Report

TO: **Honorable Mayor & City Council** **DATE: December 13, 2011**

FROM: **Susan Lichtenbaum, Harbor Business Manager**

SUBJECT: **Approval of a new lease agreement for Lease Site 144/144W, between the City of Morro Bay and Charles and Sandra Marciel, doing business as M&M Refrigeration, located at 1287 Embarcadero**

FISCAL IMPACT:
None

SUMMARY:
The existing lease agreement for Lease Site 144/144W expires December 31, 2012. Staff is proposing a new 13 year lease agreement with the existing tenants, Charles and Sandra Marciel. The lease agreement also has an option to renew up to a maximum of 20 years based on the tenant completing reconstruction/renovation of the docks located on the site.

DISCUSSION:
Charles and Sandra Marciel have been tenants on Lease Site 144/144W for over 20 years. Mr. Marciel has operated a refrigeration and welding repair operation on the site and recently has sublet a portion of the site to Morro Bay Oyster Company for holding tanks. The Marciels have been good tenants during their tenure on the Embarcadero.

The existing lease agreement for Lease Site 144/144W terminates on December 31, 2012. Consistent with City policy the tenant has proposed improvements on the site to secure a new lease agreement. The Marciels are proposing to complete upgrades to the electrical and plumbing systems, interior upgrades and exterior painting and reroofing, repair the dock ramp and gangway and replacement of all windows. The reroofing and exterior painting is almost completed and the remainder will be completed by July 1, 2014.

The estimate of the proposed repairs is from $80,500 to $170,000. The proposed improvements have a wide range of cost estimates due to uncertainty as to what will be required in terms of any additional plumbing and electrical services for the Morro Bay Oyster Company use on the site. At a minimum the tenant will be spending $80,500 to complete the proposed improvements and repairs.

Prepared By: _____	**Dept Review:_____**
City Manager Review: _____	
City Attorney Review: _____	

This Lease Site is in the Measure D area and is one of only two sites in the area that has no pre-existing retail or visitor serving uses and so is restricted entirely to commercial fishing or commercial sport fishing uses.

Following is a summary of the main terms in the proposed lease agreement.

TERM: Thirteen years; commencing July 1, 2012 and terminating on June 30, 2015.

RENT: $7,000 annual minimum rental with annual CPI adjustments and reappraisal every 5 years to set a new minimum rent.

USES: Operating and conducting thereon marine refrigeration and repair, vessel repair and mariculure. Any new or additional uses must be approved through the Planning Department Conditional or Minor Use Permit Process.

COMPLETION OF IMPROVEMENTS: Tenant must complete the following improvements by July 1, 2014 to remain in compliance with the lease agreement:

Replace all windows
Upgrade plumbing to current code requirements
Upgrade electrical to current code requirements
Repair dock ramp and gangway
Upgrade building interior

OPTION to EXTEND: Tenant will have an option to extend the term of the lease agreement for a maximum of 20 years based on completion of a CUP to complete repairs/reconstruction of the waterside improvements to extend the dock area to the full length of the leased area. The specific term will be determined once the CUP is approved and Tenant can provide a detailed cost estimate for the repairs/reconstruction. This option must be requested in writing prior to July 1, 2018 and implemented by an amendment to the lease agreement approved by the City Council.

CONCLUSION: Staff recommends that the City Council adopt Resolution No. 77-11 approving a new lease agreement for Lease Site 144/144W between the City of Morro Bay and Charles and Sandra Marciel, doing business as M&M Refrigeration, located at 1287 Embarcadero.

RESOLUTION NO. 77-11

APPROVAL OF A THIRTEEN YEAR LEASE AGREEMENT FOR LEASE SITE 144/144W BETWEEN THE CITY OF MORRO BAY AND CHARLES AND SANDRA MARCIEL, DOING BUSINESS AS M&M REFRIGERATION, LOCATED AT 1287 EMBARCADERO

THE CITY COUNCIL
City of Morro Bay, California

WHEREAS, the City of Morro Bay is the lessor of certain properties on the Morro Bay waterfront described as City Tidelands leases and properties; and,

WHEREAS, Charles and Sandra Marciel have been the lessees of Lease Site 144/144W for over twenty years and have been tenants in good standing; and,

WHEREAS, the Marciels are proposing to complete upgrades to the said property; and,

WHEREAS, in accordance with the City's Master Lease Policy the City and lessee have agreed to a new thirteen year lease agreement for Lease Site 144/144W, located at 1287 Embarcadero.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California, that the attached new Lease Agreement for Lease Site 144/144W is hereby approved.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized to execute said Lease Agreement.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 13th day of December, 2011on the following vote:

AYES:
NOES:
ABSENT:

_____
WILLIAM YATES, Mayor

ATTEST:

_____
BRIDGETT KESSLING, City Clerk

AGENDA NO: B-1

MEETING DATE: December 13, 2011

Staff Report

TO: **Honorable Mayor and City Council** **DATE: December 6, 2011**

FROM: **Kathleen Wold, Planning and Building Manager**

SUBJECT: **Appeal of the Planning Commission's Decision to conditionally approve Conditional Use Permit UP0-233 and Coastal Development Permit CP0-285 which allowed the construction of a new 2-story, split level, 3,256-square foot residential structure including an attached 2-car 920-square foot garage, 745-square feet of decking decks, and a 711-square foot secondary living unit**.

RECOMMENDATION:

Staff recommends the City Council deny the appeal and uphold the Planning Commission's approval of Conditional Use Permit UP0-233 and Coastal Development Permit CP0-285 subject to the Findings made in Exhibit "A" and the Conditions of Approval included as Exhibit "B".

FISCAL IMPACT:

There will be no fiscal impact to the City's General Fund based on the processing of these appeals as the appellants has covered all costs with the payment of the $250.00 appeal fee for a total of $1,000. If the appeal fees were to be refunded the City would incur the expense of staff's time preparing this report plus the noticing costs which would include the notice to the Tribune of $238.51 and mailing of notices to the surrounding neighborhood at a cost of $50.00 for a total of $288.51 exclusive of staff time.

BACKGROUND:

The project as described above was heard at a duly noticed public hearing on October 5, 2011 before the Planning Commission. During this meeting staff presented a report which provided project details including the environmental assessment, the proposed improvements including the house, the second unit, garage and access way and vegetation removal. The Planning Commission also took public testimony which included six individuals speaking in opposition of the project and five individuals speaking in favor of the project. A brief summary of this testimony is as follows:

- Cathy Novak, representative for the Applicant presented the history and details of the project and asked Commission approve the project with the modification of removing Public Works condition #6 and the inclusion of the condition presented for the Cultural Resources section.

Prepared by: _____ **Dept. Review:_____**

City Manager Review:_____

City Attorney's Review:_____

The following individuals spoke against the project:

- William Robert Quigley, resident of Acacia Street, stressed the project needs more review before approval.
- Kevin Elder, Attorney spoke on behalf of Nancy Mellen, resident of Morro Bay and spoke against the proposed project and Mitigated Negative Declaration (MND). Mr. Elder expressed concern about the building exceptions and aesthetics of the project and requested the Commission decline the project.
- Doreen Liberto-Blanck of Earth Designs, Inc. stressed additional analysis needs to be done on the project and also stated insufficient information is available to adopt the Mitigated Negative Declaration. She presented to the Commission new findings at the meeting.
- Nicole Dorfman, resident of Morro Bay, spoke against the project stating the Mitigated Negative Declaration is flawed. She expressed concern that the developer is trying to usurp public property for private use and disagreed with the staff report stating that the exceptions asked for are not a special privilege.
- Fred Collins, Tribal Administrator of the Northern Chumash Tribal Council stated the Cerrito Peak is a sacred site and the Mitigated Negative Declaration is flawed and asked Commission to reject staff recommendations.
- John Thompson, resident of Morro Bay expressed concern about the proposed mitigations.

The following individuals spoke in favor of the project:

- Gail Queen, resident of Morro Bay.
- Keith Taylor, resident of Morro Bay.
- Jerry Crafton, resident of Moro Bay, had no objection to the project, but was concerned about safety issues which should be addressed as part of the conditional use permit.
- Ken Vesterfelt, resident of Morro Bay, stated the owner has a right to build on a legal lot, in the same way that the two new recent homes that were built were allowed.
- Chris Bath, resident of Morro Bay.

After taking public testimony the Planning Commission took action to approve the project with the following modifications:

Modify Public Works Condition #6 as follows:

1. Prior to the issuance of a Building Permit the Developer shall process a Special Encroachment permit for the construction of non-standard improvements within the public right-of-way for Alta Street and Jordan Terrace (i.e. driveway and private drainage facilities).

and add the following conditions:

1. The applicant/property owner shall provide an archaeological monitoring evaluation plan prepared by a qualified archaeologist for all construction excavations associated with grading activity. The plan shall identify all the ground disturbance activity monitored including dates the archaeologist and culturally affiliated, indigenous individual recognized by the Native American Heritage Commission were present. The evaluation report shall describe all the densities or features of artifacts associated with a particular activity encountered. Any isolated human remains encountered during construction shall be protected and their disposition be undertaken consistent with Public Resources Code 5097.98.
2. The following actions must be taken immediately upon the discovery of human remains: Stop immediately and contact the County Coroner. The coroner has two working days to examine human remains after being notified by the responsible person. If the remains are Native American, the Coroner has 24 hours to notify the Native American Heritage Commission. The Native American Heritage Commission will immediately notify the person it believes to be the most likely descendent of the deceased Native American. The most likely descendent has 48 hours to make recommendations to the owner, or representative, for the treatment or disposition, with proper dignity, of the human remains and grave goods. If the descendent does not make recommendations within 48 hours the owner shall reinter the remains in an area of the property secure from further disturbance, or; If the owner does not accept the descendant's recommendations, the owner or the descendent may request mediation by the Native American Heritage Commission Discuss and confer means the meaningful and timely discussion careful consideration of the views of each party. and taking out the section where the additional developer will maintain an eight foot wide asphalt public right of way.

Subsequent to this action and within the designated time frame four appeals were filed requesting the City Council overturn the approval of the project.

DISCUSSION:

The City of Morro Bay received four appeals during the appeal time frame. The following is a list of the appeals:

Date Submitted	Appellant	Issues
October 13, 2011	Sinsheimer Juhnke, Lebens and McIvor on behalf of Nancy Mellen	No additional information submitted other than the two letters previously submitted on September 27, 2011 prior to the Planning Commission meeting and the June 21, 2010 letter submitted as a response to the Draft Mitigated Negative Declaration.
October 17, 2011	Nicole Dorfman	Visuals do not include the driveway and the trees which are to be removed for the driveway, incomplete markings to indicate location of the driveway, no definitive placement of the house and driveway and no delineation of the amount of public right of way proposed for private use. In addition there is no indication on how the driveway and the house will impact drainage.
October 17, 2011	Dr John Thompson	The project's potentially significant impacts have not been sufficiently identified, studied, and delineated, as required by City standards as well as by the California Environmental Quality Act. 1. How the proposed structures will affect the public's views and the aesthetics of Cerrito Peak. 2. Reject the Biological assessment conducted by

		David Wolf dated October 16, 2008 identified as Exhibit D as being invalid. 3. There has not been sufficient examination and disclosure of how drainage and rock fall during and after construction will impact the surrounding neighborhood. 4. The City should require a Phase 2 Cultural Resources Evaluation prior to approving the project.
October 17, 2001	Edward Finegan, Julian Smalley	Project is fraught with potential future conflicts potential risk from rock removal, conflict with values espoused within the City's "Local Coastal Plan". Etc.

Staff has reviewed the information contained within the appeal documents and found that there is no new material contained within these documents which would alter staff's recommendation for this project to be approved as conditioned. For a full analysis of the project please refer to the Planning Commission staff report for the October 5, 2011 included in your packet as Attachment 1.

CONCLUSION:

Insufficient information has been provided by the appellants to demonstrate that the Planning Commission's findings or their approval were in error, therefore staff finds that the appeal is without merit and recommends that the City Council uphold the Planning Commission's decision.

ATTACHMENTS

1. Planning Commission staff report and minutes
2. Appeal filed by Sinsheimer Juhnke, Lebens and McIvor on behalf of Nancy Mellen
3. Appeal filed by Nicole Dorfman
4. Appeal filed by Dr. John Thompson

5. Appeal filed by Edward Finegan, Julian Smalley
6. Letter submitted by Nicole Dorfman dated December 6, 2011.
7. Letter submitted by Sinsheimer Juhnke, Lebens and McIvor on behalf of Nancy Mellen dated December 6, 2011.
8. Letter submitted by Joe Nungaray date stamped December 6, 2011
9. Letter submitted by Dorothy Cutter dated December 6, 2011.
10. Letter submitted by Dennis Sheridan date stamped December 6, 2011.

ATTACHMENT 1

AGENDA NO: VII-B

MEETING DATE: October 5, 2011

Staff Report

TO: **Planning Commissioners** **DATE: September 26, 2011**

FROM: **Kathleen Wold, Planning and Building Manager**

SUBJECT: **Conditional Use Permit #UP0-223 and Coastal Development Permit #CP0-285**

RECOMMENDATION:
CONDITIONALLY APPROVE THE PROJECT by adopting a motion including the following action(s):

A. Adopt the Findings included as Exhibit "A";
B. Adopt the Mitigated Negative Declaration included as Exhibit "D"
C. Approve, subject to the Conditions included as Exhibit "B" and the site development plans dated February 16, 2011, Use Permit UP0-223 and Coastal Development Permit CP0-285.

APPLICANT: Dan Reddell **AGENT**: Cathy Novak

LEGAL DESCRIPTION/APN (ADDRESS) :
Irregularly shaped parcel in Cerrito Addition to Town of El Morro, map filed March 14, 1888 in Book A page 34 of maps in the San Luis Obispo County Recorder's office and further described in the Certificate of Compliance CC DR 06-022125 located in said office/ 066-221-001 (1 Jordan Terrace)

PROJECT SETTING: The project site is a 47,806 square foot (1.1 acres) parcel, surrounded by an undeveloped paper street known as Jordan Terrace and existing residences. The site itself is an undeveloped parcel that includes Cerrito Peak, numerous rock outcroppings, trees and other vegetation. The proposed building area is located on the top of Cerrito Peak, a hilltop that slopes down approximately 25 degrees in all directions, equivalent to a gradient of 2-to-1 (horizontal-to-vertical). The project site is designated Moderate Density Residential, and is zoned Single Family Residential (R-1).

PROJECT DESCRIPTION: Construction of a new 2 story- split level, 3,256-square foot residential structure including an attached 2-car 920-square foot garage, 745-square feet of decking, and a 711-square foot secondary living unit. Other improvements include two

Prepared By: _____ Dept Review: _____

City Manager Review: _____

City Attorney Review: _____

uncovered parking spaces for the secondary unit and guest parking, an approximately 400-foot long driveway and hammer-head turn around, retaining walls, and associated tree and vegetation removal. The project relies upon a parking exception to allow uncovered parking within a front yard setback, removal of major vegetation on-site and within the public right-of-way, fencing within the public right-of-way, and a deferment of the requirements for frontage improvements on Alta Street and Jordan Terrace.

ENVIRONMENTAL DETERMINATION:

An initial study was conducted for the project. The determination of this document was a recommendation of a Mitigated Negative Declaration incorporating mitigations. The incorporation of mitigations brings the level of environmental impact to less than significant. This Mitigated Negative Declaration (Exhibit D) was circulated on May 20, 2010 with a review period that ended June 21, 2010. The issues identified and subsequently mitigated are: Aesthetics Resources, Air Quality Resources, Biological Resources, Cultural Resources, Geology Soils, Public Services, Transportation and Traffic. The State Clearinghouse indicated that no state agencies submitted comments during the review period. Staff did receive to following letters during the review period:

Received	Commenting party	Issues
June 3, 2010	Nicole and Brian Dorfman	Removal of vegetation resulting in a loss of shelter for owls, hawks and Monarch Butterflies. Site plan submitted is not accurate.
June 8, 2010	Sam Studer	Removal of vegetation resulting in loss of Monarch Butterfly habitat.
June 15, 2010	Northern Chumash Tribal Council	Issues concerning the mitigations placed on the project to protect Cultural Resources. States that the mitigations are lacking and promote cultural genocide, discrimination, ethnic cleansing and will deprive the Chumash Community of unobstructed religious freedom and civil rights.

June 21, 2010	Kevin Elder, Sinsheimer, Juhnke, Lebens and McIvor (SJLM), representing Nancy Mellen.	States the Mitigated Negative Declaration (MND) is inadequate based on the following: 1. The City's Initial Study ignores and fails to identify or analyze all potential impacts of the proposed project. 2. The City's proposed mitigation measures fail to adequately mitigate the proposed project impacts which are identified. The MND is incomplete and internally contradictory in significant respects. The City's file and information is incomplete and internally contradictory in significant respects.

In addition to the four broad issues the SJLM contains 16 pages of specific details.

SJLM Issues	Staff's response
Discrepancy between noticed dates for public review period	The document had the minimum 30 day review period which meet the requirements under CEQA. Comments were accepted beyond the close of the review period (see DFG comments). The public review period and the state agency review period may, but are not required to, begin and end at the same time in accordance with CEQA guidelines.
Discrepancy in project description	In accordance with CEQA guidelines section 15071 a brief summary description of the project must be provided. Descriptions associated with project documents comply with CEQA requirements.

Findings of the Environmental Coordinator	The findings indicate reasons for supporting a finding of no significant effect are found within the Initial Study document and can include mitigation measures.
Project Information, cites too many exceptions to standards and discusses issues with drainage	The project requests a parking exception to allow the parking for the secondary unit to occur within the front yard setback, deferment of frontage improvements and the allowance via a special encroachment permit to allow minor private improvements within the Public Right of Way
Incorrect Vicinity Map	The small map included within the Initial Study does not include the site; however the document clearly states the correct location. Maps are optional under CEQA section 15071.b .
Elevations: Not specific enough to provide sufficient details for environmental review	Under CEQA Article 6 15071 states that the contents of a Negative Declaration shall include a brief description of the subject including commonly used name for project, location of project, name of project proponent, proposed findings that the project will not have a significant effect on the environment and attached Initial Study document, the reasons to support the finding and the mitigations. The environmental document prepared for this project complies with these requirements.
Environmental Setting/Issues concerning development within the public right of way	Letter assumes that full public improvements would have less environmental impacts than allowing a narrower fire apparatus road to the proposed home. Full public improvements would require additional drainage requirements, removal of additional trees and an increase in overall site disturbance.
Surrounding Land Use: descriptions regarding surrounding land uses are vague	The description meets CEQA requirements.

Environmental Checklist multiple issues see letter	The letter does not provide any expert or technical materials which validates the opinions expressed within the letter. The analysis contained within the Initial Study is consistent with the requirements of CEQA including the level of detail provided.

In addition, staff did receive a letter from the Department of Fish and Game outside the review period.

June 23, 2010	Department of Fish and Game (Brandon Sanderson)	Notes the lack of a rare plant survey, the Initial Study/MND dismisses the presence of species based on presence/absence of "potential habitat". DFG recommends appropriate botanical surveys be conducted during the time when sensitive resources could be detected before impact analysis occurs. Recommends changing the mitigation measures for tree removal be amended to state that removal of vegetation or any other ground disturbance activities should be avoided from February to September 15th to avoid impacts to native breeding and nesting birds, if work during the breeding/nesting season cannot be avoided, a qualified biologist should survey all breeding and nesting habitat within the project site and adjacent to the project site for breeding or nesting birds no more than two weeks prior to the construction or site preparation activities. Documentation of surveys and findings, including negative findings should be submitted to the Department for review and concurrence. If no breeding or nesting birds are observed and concurrence has been received from the Department, site preparation and construction activities may begin. If breeding activities and/or active bird nests are located appropriate protection measures shall be developed in consultation with the Department.

All letters are provided for your review as an attachment to the staff report. Staff recommends that a finding be made that there would not be a potential for significant impacts with the implementation of the recommended mitigation measures.

PROJECT SETTING: The project site is a 47,806 square foot (1.1 acres) parcel, surrounded by an undeveloped paper street known as Jordan Terrace and existing residences. The site itself is an undeveloped parcel including Cerrito Peak, numerous rock outcroppings, and trees and other vegetation. The proposed building area is located on the top of Cerrito Peak, a hilltop that slopes down approximately 25 degrees in all directions, equivalent to a gradient of 2-to-1 (horizontal-to-vertical). The project site is designated Moderate Density Residential, and is zoned Single Family Residential (R-1).

Site Characteristics	
Site Area	47,806 square feet (1.1 acres)
Existing Use	Vacant
Terrain:	Approximately 25 degrees downward slope in all directions
Vegetation/Wildlife	Eucalyptus groves with non-native annual grassland understory
Archaeological Resources	A previously recorded site including five bedrock mortars with possible midden association
Access	Cerrito Place

General Plan, Zoning Ordinance & Local Coastal Plan Designations	
General Plan/Coastal Plan Land Use Designation	Moderate Density Residential
Base Zone District(s)	Single Family Residential (R-1)
Zoning Overlay District	n/a
Special Treatment Area	n/a
Combining District	n/a
Specific Plan Area	n/a
Coastal Zone	Yes, non-appealable area

Adjacent Zoning/Land Use			
North:	R-1 (Single Family Residential), Residential	East:	R-1 (Single Family Residential), Residential
South:	R-1 (Single Family Residential), Residential	West:	R-1(Single Family Residential) , Residential

PROJECT EVALUATION

R-1 Development Standards	**Proposed Plan**	**Ordinance Requirement**
Setbacks Front yard Side yard (Interior) Side yard (Exterior) Rear yard	• 21 ft to structure/4 ft to rear of uncovered parking • n/a • 30+ ft • 100+ ft	• 20 Feet • 10% of average lot width with 5-ft max and 3-ft min • 10% of average lot width with 5-ft max and 3-ft min • 10% of average lot depth with 10-ft. max and 6-ft min
Lot Coverage	Residential Footprint: 6.8%	45% Maximum Coverage
Building Height	• 25 ft above average natural grade • 21 ft max wall height	• 25 ft above natural grade max • 30 ft. max wall height
Landscaping	n/a	n/a
Public Improvements	Private driveway within the public rights-of-way with public access easement. (Fire apparatus road)	Curb, gutter and paving to centerline of Alta Street and Jordan Terrace
Visual Resources	The project sits below the crest of the peak and takes advantage of the existing tree cover for screening	Projects must be designed to not detract from public views
Uses	Single-family residence and secondary dwelling unit	Single-family residence and secondary dwelling unit
Parking	• 2 covered spaces for primary • 2 uncovered guests parking spaces for secondary unit and guest parking	• 2 covered spaces for primary unit • 1 uncovered space for secondary unit

The project complies with all height and coverage standards, but does rely on the approval of a parking exception to allow the required parking to be provided within the "front yard" setback, deferment of frontage improvements along Alta Street and Jordan Terrace, and encroachment permits to allow fencing and a vehicle-access gate within the undeveloped right-of-way. In order to develop the residence and secondary unit with the required 20-foot access way, a total of 34 healthy trees, four

dead trees, two fallen trees, and one stump would be removed. The majority of these trees (23) are within the undeveloped right-of-way and would be considered major vegetation under City guidelines. The remaining 11 living trees, nine of which are considered major vegetation, are on the private property. The entire site, including the undeveloped rights-of-way, currently support approximately 350 trees, approximately 200 of which would be considered major vegetation. Removal of major vegetation is allowed with approval of a Coastal Development Permit, and is subject to the specific findings discussed below.

The Local Coastal Plan includes goals that new projects be compatible with existing surrounding development and acknowledge site context to maintain an aesthetically pleasing community and not detract from the natural environment. With the incorporation of recommended conditions and mitigation measures, staff feels that the design of the proposed residence achieves these goals by acknowledging the site topography to minimize site disturbance and using existing vegetation for screening purposes. The following discussion provides an evaluation of consistency with City policies and standards, and the requested entitlements, including: 1) General Plan, Local Coastal Plan and Zoning Regulation Policies and Standards, 2) Secondary Dwelling Unit, 3) Removal of major vegetation on-site and within the public rights-of-way, 4) Waiver of requirements for improvements of Alta Street and Jordan Terrace and public access within the rights-of-way, 5) Allowing uncovered parking within the street yard, 6) Granting encroachment permits for fencing within the public right-of-way, and 7) Environmental Review.

1. General Plan, Local Coastal Plan and Zoning Regulations Consistency

The site is designated in the General Plan as Low-Medium/Moderate Density Residential, and is zoned R-1. This area is anticipated to accommodate single family and secondary residential uses.

2. Secondary Dwelling Unit

In conjunction with the primary residence, the applicant has proposed to incorporate an attached secondary dwelling unit into the building design. The proposed unit is located above the garage, and is accessed by both an external stairway on the northwest side of the residence and through an internal connection on the main living level. A condition has been placed on the project to restrict access from the primary unit in order to have the units comply with code. The secondary unit is an approximately 711-square foot studio unit, consistent with the standards of Section 17.48.320 which sets the maximum size of a secondary unit at 900-square feet, or no more than 50% of the living area of the primary unit. The required uncovered parking space for the unit is proposed to be at the northeast corner of the structure, within the "front yard" setback. This exception to allow parking within the required setback is subject to approval of a Conditional Use Permit (Parking Exception, section 17.44.050), as discussed in seetion 5 (Parking), below. All other aspects of the secondary dwelling unit, including compliance with development standards, architectural compatibility, and emergency access are consistent with City standards. Requirements for owner

occupancy of either the primary or secondary unit have been incorporated into the recommended conditions of approval.

3. Major Vegetation Removal

The project site is currently vegetated with seasonal grasses, sparse shrubs, and several clusters of both large and small trees, which are predominantly eucalyptus. There are approximately 350-trees both on-site and within the affected public right-of-way, about 200 of which would qualify as major vegetation under City policy.

On-site trees greater than six-inches in diameter at four and one-half feet vertically above ground are considered major vegetation, and are subject to the City's Major Vegetation Removal, Replacement and Protection Guidelines; of the eleven onsite trees proposed for removal, nine meet this criteria. Because the removal of nine-trees exceeds the two removals allowed for in a 12-month period the request is subject to review and approval of a Coastal Development Permit. Removal of on-site major vegetation requires mandatory replacement, which may occur on the applicant's site, on other privately held lands with the property owner's permission, or presented to the City to plant on public lands. Given the significant site area available a mitigation measure has been recommended in the Initial Study that the replacement plantings occur on-site, in areas where they will provide additional screening of the proposed improvements so as to reduce any adverse affects of the character of the site and surrounding neighborhood.

Development of residential uses on the site also has the potential to spur removal of additional on-site trees in the future, leading to potentially significant impacts on reliant bird species, soil retention, and neighborhood character. A second mitigation measure has been recommended to ensure that future tree removals are limited to those necessary to alleviate potential hazards.

The project also includes the removal of 23 trees (all considered major vegetation under City policies) and one stump within the public right-of-way for the development of the private access driveway and turn-around. This is a unique case, where proposed removals in the right-of-way are being requested to facilitate private development (in contrast to public improvements), which is not directly addressed in the City Tree Regulations. As a request by a private property owner to remove trees within the right-of-way for private improvements, it would be consistent with the intent of City policies to require that the applicant mitigate impacts to the community and neighborhood caused by the removal of the trees. A mitigation measure has been recommended that replacement plantings occur on-site, at the rate prescribed for trees removed as part of construction projects.

4. Right-of-Way Improvements & Public Access

The project includes an exception to City standards to defer requirements for public improvements on Alta Court and Jordan Terrace. Frontage improvements include curb and gutter and paving to the centerline of the undeveloped right-of-way. As an R-1 site, sidewalks would not generally be

required. The applicant has proposed to develop portions of Alta Street and Jordan Terrace with a 20-foot wide access way (fire apparatus road) to approach the planned residence. No additional improvements on Alta Street or Jordan Terrace as it circumnavigates the site would be developed at this time. This proposal will limit alteration of the existing topography and rock outcroppings, and alleviate the need for additional tree removals. Continued public access along access way within the public rights-of-way would be ensured through a covenant agreement, as required by a recommended mitigation measure in the Initial Study. Approximately 40-feet from the property line (and 20-feet back from the proposed vehicle access gate), a small set of stairs would be integrated into the retaining wall on the north side of the driveway to direct pedestrians to the existing trails that follow the unimproved portions of Jordan Terrace. Signage would be required both at the base of Alta Street and near the upper limit of the private improvements indicating that continued public access within the public right-of-way was allowed.

Additionally, there are several undeveloped, undersized parcels that if developed would require access from both Alta Street and Jordan Terrace. Although development of these lots is unlikely due to their small size, topography, and other constraints, access must not be precluded by proposed improvements within the right-of-way. A second mitigation measure has been recommended to ensure continued potential for access consistent with City standards should these parcels be developed in the future.

5. Parking

The property is uniquely situated at the top of Cerrito Peak, where it is completely surrounded by undeveloped right-of-way. The right-of-way was shown on an 1888 Subdivision map and accepted by the San Luis Obispo County Board of Supervisors in 1935. In absence of any clear street-, side- or rear-yards, or identifiable neighborhood pattern that would be applicable to this unique elliptical lot, for purposes of review of the site layout the property line parallel to the entrance of the proposed residence has been considered the street yard. The applicant has requested an exception to City standards to allow for uncovered secondary dwelling unit and guest parking stalls to be within this front-yard location. Locating the additional parking within street-yard setback area at the top of the driveway access will minimize the need for additional grading, alteration of rock outcrops, and tree removals. This exception would not adversely affect public health, safety, or welfare of the general public, as there are no traffic safety concerns given the relative isolation of the site from adjacent development and traffic.

6. Fencing Plan

The project also includes a request for encroachment permits to allow fencing within the Jordan Terrace right-of-way. Because of the increasingly rugged terrain of the site as one goes westward towards Cerrito Peak, the residence has been sited as far east as practicable given City setbacks and other development standards. To provide some private outdoor space and security for the residence, as well as to allow the required vehicle turn-around to be optimally placed between natural features, a

fencing plan has been proposed which would enclose both on-site and portions of the public right-of-way to the east of the home. The proposed fencing, which would have a solid stucco and natural stone base with black rod iron pickets above, would have a combined height of 6-feet. The fencing would wrap from the northeastern corner of the house, near the garage, along the northern retaining wall, across the driveway, and continue around to the southeastern corner of the home. The rear portion of the site would remain unfenced. This exception would not adversely affect public health, safety, or welfare of the general public, as there are no traffic safety concerns given the relative isolation of the site from adjacent development. Additionally, the open design of the fence is consistent with fencing in the immediate vicinity, and will retain open view corridors while providing some security and private outdoor space. Mitigation measures have been recommended in the Initial Study to ensure that these improvements will be removed by the property owner should Jordan Terrace be developed in the future and that adequate emergency service access is retained

PUBLIC NOTICE:
Notice of this item was published in the San Luis Obispo Tribune newspaper on September 23, 2011, and all property owners of record within 300 feet of the subject site were notified of this evening's public hearing and invited to voice any concerns on this application.

CONCLUSION:
Considerable effort has been made by the applicant to design a project that is consistent with the General Plan and applicable property development standards, and to minimize site alteration to the greatest extent practicable. Given the unusual site topography vegetation, and other associated constraints, the requested vegetation removal and other exceptions can be considered relatively minor and would not be considered a grant of special privilege. With the incorporation of recommended conditions of approval and mitigation measures included in the Mitigated Negative Declaration, the design of the residence, attached secondary unit, and associated improvements will avoid injury to sensitive resources and provide housing in an area anticipated by the General Plan for development with single family residences. For these reasons, staff recommends the Planning Commission adopt the Mitigated Negative Declaration of Environmental Impacts, and approve the project including requested removal of major vegetation, and exceptions to City standards to allow uncovered parking in the "street yard", fencing within the right-of-way, and deferment of frontage improvements.

ATTACHMENTS:
1. Findings, Exhibit A
2. Conditions, Exhibit B
3. Graphics/Plan Reductions, Exhibit C
4. Reports, Exhibit D
5. Mitigated Negative Declaration and State Clearinghouse Letter, Exhibit E
6. Responses to Comment Period, Exhibit F
7. Correspondence, Exhibit G

EXHIBIT A:

FINDINGS
Conditional Use Permit #UP0-223 & Coastal Development Permit #CP0-285
Site: 1 Jordan Terrace

California Environmental Quality Act (CEQA)

A. A Mitigated Negative Declaration was prepared for the project. The environmental document was posted for review and comment for a thirty day period. With the incorporation of conditions of approval and mitigation measures listed in the Mitigated Negative Declaration of Environmental Impact and incorporated herein, the establishment, maintenance, or operation of the proposed project will not create any significant environmental impacts as mitigations have been incorporated into the document and agreed to by the applicant which reduces all impacts to less than significant. In adopting the Mitigated Negative Declaration the Planning Commission finds that the project is in compliance with the California Environmental Quality Act.

Parking Exception Findings

B. The granting of an exception to allow uncovered parking within the front yard setback will not constitute the granting of a special privilege inconsistent with the driveway or parking limitations upon other properties in the vicinity as the site is uniquely situated surrounded by undeveloped right-of-way and the alternative to the parking design standards of this Chapter will be adequate to accommodate on the site all parking needs generated by the use.

C. The exception will not adversely affect the health, safety or general welfare of persons working or residing in the vicinity because no traffic safety problems will result from the proposed modification of parking standards.

D. The exception is reasonable necessary for applicant's full enjoyment of uses similar to those upon the adjoining real property. The granting of the exception is necessary to the allow the applicant the same enjoyment or full use of the property similar to those in similar properties due to the topography of the property.

Coastal Development Permit Findings

E. With the incorporation of conditions of approval the project is consistent with applicable provisions of the certified Local Coastal Program, as all potential inconsistencies with the code and potentially significant impacts associated with aesthetics, air quality, biological

and cultural resources, geology & soils, public services and transportation & traffic have been addressed.

Conditional Use Permit Findings

F. The proposed single family residence and secondary dwelling unit, and associated major vegetation removal, fencing, and other improvements within the undeveloped public right-of-way will not be detrimental to the health, safety, comfort and general welfare of the persons residing or working in the neighborhood or adjacent properties and improvements because with the incorporation of conditions of approval the project will comply with all applicable regulations of the zoning district and other applicable City standards, accept where specific exceptions have been granted.

G. The proposed single family residence and secondary dwelling unit are allowable uses in the zoning district and are in accordance with the certified Coastal Land Use plan for the City of Morro Bay, and in conformance with the coastal access policies of Chapter 3 of the California Coastal Act.

H. The development of this single family residence and secondary dwelling unit is consistent with the neighborhood character, scale, and historic development patterns and will not create a significant impact on the adjacent neighbors access to light, air, and privacy. (Ordinance 535)

EXHIBIT B:

CONDITIONS OF APPROVAL
Conditional Use Permit #UP0-223 & Coastal Development Permit #CP0-285
Site: 1 Jordan Terrace

STANDARD CONDITIONS:

1. This permit is granted for the improvements as described in the staff report, discussed at the October 5, 2011 hearing, and as depicted on plans received by the Public Services Department on February 16, 2010, except as modified by the following conditions:

2. Inaugurate Within Two Years: If the approved use is not established within two (2) years of the effective date of this approval, this approval will automatically become null and void. However, upon written request by the applicant prior to the expiration date of this approval, up to two (2) one-year time extensions may be granted. Said extensions may be granted by the Public Services Director, upon finding that the project complies with all applicable provisions of the Morro Bay Municipal Code, General Plan and Local Coastal Program Land Use Plan (LCP) in effect at the time of the extension request.

3. Changes: Minor changes to the project shall be subject to review and approval by the Public Services Director. Any changes to the approved project determined not to be minor by the Director shall require the filing of an amendment subject to Planning Commission review.

4. Compliance with the Law: All requirements of any law, ordinance or regulation of the State of California, City of Morro Bay, and any other governmental entity shall be complied with in the exercise of this approval. This project shall meet all applicable requirements under the Morro Bay Municipal Code, and shall be consistent with all programs and policies contained in the certified Coastal Land Use Plan and General Plan for the City of Morro Bay.

5. Hold Harmless: The applicant, as a condition of approval, hereby agrees to defend, indemnify, and hold harmless the City, its agents, officers, and employees, from any claim, action, or proceeding against the City as a result of the action or inaction by the City, or from any claim to attack, set aside, void, or annul this approval by the City of the applicant's project; or applicants failure to comply with conditions of approval. This condition and agreement shall be binding on all successors and assigns.

6. Compliance with Conditions: Compliance with and execution of all conditions listed here in shall be necessary, unless otherwise specified, prior to obtaining final building inspection clearance. Deviation from this requirement shall be permitted only by written consent of the Public Services Director and/or as authorized by the Planning Commission. Failure to comply with these conditions shall render this entitlement, at the discretion of the Director, null and void. Continuation of the use without a valid entitlement will constitute a violation of the Morro Bay Municipal Code and is a misdemeanor.

7. Screening of Equipment/Utility Meters/Fencing: No roof-mounted air conditioning, heating equipment, vents, ducts or other mechanical equipment shall be allowed to extend above the parapet walls. All utility meters shall be suitably screened from public view as approved by the Public Services Department. Prior to building permit issuance, the approved method of screening shall be shown on the project plans.

8. Construction Hours: Pursuant to MBMC Section 9.28.030 (I), noise-generating construction related activities shall be limited to the hours of seven a.m. to seven p.m. during the weekdays and eight a.m. to seven p.m. during the weekends, unless an exception is granted by the Director of Public Services pursuant to the terms of this regulation.

9. Utility Services: All fees, including water and sewer impact fees, shall be paid at the time the building permit is issued unless otherwise noted.

10. UBC Compliance. The entire project, including all setbacks, exterior wall openings and handicapped accessible issues, shall comply with the Uniform Building Code, as determined by the Public Services Department.

PLANNING CONDITIONS:

1. Building Height Verification: Prior to either roof nail or framing inspection, a licensed surveyor shall submit a letter to the building inspector certifying that the height of the structures are in accordance with the approved plans and complies with the height requirement of 25 feet above average natural grade as accepted by the City Engineer.

2. Use Limitation: The secondary dwelling unit shall not be rented independent of the main residence when neither is occupied by the owner. The primary and secondary units may be rented together under a single rental agreement if the owner is not

occupying either unit. The terms of the single rental agreement shall not allow sub-lease of one unit. An owner is deemed to occupy a unit if they hold it off of the rental market for their own use.

3. Separate Entrance for Secondary Unit: The Secondary unit shall not ingress/egress through the primary residence.Landscape Plan: A Landscape Plan including size, species, quantities and layout of planting materials shall be developed, with planting pallette limited to California native plantings endemic to the region and appropriate for the rocky hillside site. Landscape Plans shall be submitted to the City with construction documents. The Public Services Planning Divisions shall be responsible for review and approval of these details prior to issuance of permits for any site or construction work, as applicable.

4. Lighting Plan: All exterior lighting shall be designed and operated to avoid light being directed or allowed to spill out onto neighboring properties or the public right-of-way. Lights shall be of minimum wattage and height to achieve safety or aesthetic purposes, and shall be properly screened to avoid illumination of the sky. The lighting plan shall identifying the location, height, design and wattage of any proposed exterior lights. Lighting Plans shall be submitted to the City with construction documents. The Public Services Planning Division shall be responsible for review and approval of these details prior to issuance of permits for any site or construction work, as applicable.

ENVIRONMENTAL CONDITIONS:

1. The project construction has the potential to exceed APCD thresholds for the emission of ROG, NOx, Diesel Particulate Matter, and Fugitive Particulate Matter (PM10). The following standard mitigation measures required by the APCD Clean Air Plan shall be included as notes on project-related plans, to the satisfaction of the Public Services Department. Public Services staff shall verify compliance during routine site inspections:
    a. Maintain all construction equipment in proper tune according to manufacturer's specifications.
    b. Fuel all off-road and portable diesel powered equipment with ARB certified motor vehicle diesel fuel (non-taxed version suitable for use off-road).
    c. Use diesel construction equipment meeting ARB's Tier 2 certified engines or cleaner off-road heavy-duty diesel engines, and comply with the State off-Road Regulation.
    d. Use on-road heavy-duty trucks that meet the ARB's 2007 or cleaner certification standard for on-road heavy-duty diesel engines, and comply with

the State On-Road Regulation.

e. Construction or trucking companies with fleets that that do not have engines in their fleet that meet the engine standards identified in the above two measures (e.g. captive or NOx exempt area fleets) may be eligible by proving alternative compliance.
f. All on and off-road diesel equipment shall not idle for more than 5 minutes. Signs shall be posted in the designated queuing areas and or job sites to remind drivers and operators of the 5 minute idling limit.
g. Diesel idling within 1,000 feet of sensitive receptors is not permitted.
h. Staging and queuing areas shall not be located within 1,000 feet of sensitive receptors.
i. Electrify equipment when feasible.
j. Substitute gasoline-powered in place of diesel-powered equipment, where feasible.
k. Use alternatively fueled construction equipment on-site where feasible.
l. Reduce the amount of disturbed area where possible.
m. Use water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site. Increased watering frequency is required whenever wind speeds exceed 15 mph. Reclaimed (non-potable) water should be used if available.
n. All dirt stock-pile areas shall be sprayed daily as needed.
o. All access ways to be paved shall be completed in the initial project phases, and building pads should be laid as soon as possible after grading unless seeding or soil binders are used.
p. The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust complaints, reduce visible emissions below 20% opacity, and to prevent transport of dust offsite. Their duties shall include holidays and weekend periods when work may not be in progress.

2. All required mitigation measures shall be included as notes on project-related plans, to the satisfaction of the Public Services Department

3. Tree removal shall be conducted pursuant to the adopted City of Morro Bay Major Vegetation Guidelines.

4. On-site major vegetation removed shall be replaced in-kind at a ratio of two 5-gallon trees and shall have a minimum caliper of 1 inch and a minimum height of 6 feet or one 15-gallon tree (2 inches in caliper and 10 feet in height) for every tree removed. Tree replacements shall be in-kind and occur on-site in locations where they will

provide additional screening of proposed improvements, subject to approval of the Public Services Director.

5. Trees removed from within the public right-of-way shall be replaced at not less than a ratio of two-to-one for every tree removed. Location and type of replacement tree plantings shall be subject to approval of the Public Services Director. If trees are replaced on unimproved portions of Alta Street or Jordan Terrace they shall be replaced in-kind; if other locations within the public right-of-way are authorized then trees shall be of the type specified in the Master Tree List for that particular location. If the applicant is able to substantiate that there is insufficient space on-site that can accommodate the planting of additional trees without disturbing the rock on-site (boring into the rock etc) or jeopardizing the health of the existing tree (tree canopies growing into each other etc.). Placement of any tree off-site that was required as mitigation shall be submitted for review and approval by the Public Services Director prior to installation.

6. All future requests for the removal of trees greater than six-inches in diameter at four and one-half feet vertically above ground shall be subject to the City of Morro Bay's Major Vegetation Guidelines for the removal of any trees that are diseased, damaged or otherwise constitute a potential hazard. Removal of healthy trees shall not be allowed specifically any tree removed for the purpose of establishing or enhancing views.

7. Prior to issuance of encroachment, tree removal, or construction permits any nesting bird surveys or project-related plans, including recommended replacement planting plans, shall be submitted to and accepted by the Public Services Department. Plans shall include notes indicating the time of year tree removals may occur, or referencing the findings and recommendations of the nesting bird surveys.

8. A subsurface evaluation of the site (Phase 2 Cultural Resource Evaluation) shall be conducted to more firmly establish the condition, integrity, extent and content of archeological deposits on the property, to determine if it qualifies as significant. The Phase 2 Cultural Resource Evaluation shall include findings and any recommended additional studies or mitigation measures, and may result in additional studies and/or project conditions as determined by the Public Services Department. The Phase 2 Cultural Resource Evaluation and any additional studies or mitigation shall be accepted by the Public Services Department prior to issuance of any project related permits, including but not limited to tree removals, grading, or construction. All required mitigation measures shall be included as notes on project-related plans to the satisfaction of the Public Services Department.

9. All ground disturbing activities shall be monitored by an archeologist, even if no archaeological remains are recovered during the evaluation study. If archeological resources are discovered during construction all activities shall cease, resuming only once the Public Service Director makes findings established in Section 17.48.310 of the Municipal Code. All required mitigation measures shall be included as notes on project-related plans to the satisfaction of the Public Services Department.

10. Access to Cerrito Peak and the recorded on-site archaeological sites shall be permitted to local Native American tribal groups, upon 48-hour notification of the property owner and/or primary resident. Prior to the issuance of construction-related permits, a covenant agreement shall be recorded on-title notifying all future property owners that local Native American tribal groups shall be provided with access to Cerrito Peak and the recorded on-site archaeological sites upon 48-hour notification of the property owner and/or primary resident.

11. A detailed rock-fall investigation and mitigation plan shall be prepared by a qualified geotechnical engineer identifying the geologic design parameters for rock-fall mitigation, and, as appropriate, risk-reduction measures on adjacent properties, and need for long-term maintenance. This investigation report and mitigation plan shall be submitted, reviewed and approved by the Public Services Department prior to the issuance of any building permit or on-site ground work.

12. A detailed erosion and sediment control plan consistent with the City's Erosion and Sediment Control Manual shall be prepared. It shall include control measures for protection against erosion of adjacent property and prevention of sediment or debris from entering the City right-of-way, adjacent properties, any harbor, waterway, or ecologically sensitive area. The plan shall be submitted to the Public Services Department with construction documents. The Public Works and Building divisions shall be responsible for review and approval of these details prior to issuance of permits for any site or construction work, as applicable.

13. Recommendations of the Soils Engineering Update Report prepared by Geosolutions, Inc. (October 10, 2008) shall be incorporated into the project design. Structural details consistent with recommendations of the Soils Engineering report shall be submitted to the Public Services Department with construction documents. The Public Works and Building Divisions shall be responsible for reviewing and approval of these details prior to issuance of permits for any site or construction work, as applicable.

14. A knox box shall be installed at the vehicle access gate to ensure that emergency

service access is retained.

15. A covenant agreement shall be recorded on title acknowledging that all private access improvements within the public right-of-way shall be available to the public for continued use along Alta Street and Jordan Terrace. All required covenant agreements shall be accepted by the Public Services Department and recorded with the San Luis Obispo County Clerk prior to issuance of project related permits, including but not limited to those for tree removals, grading, or construction.

16. Where retaining walls and other private improvements within the public rights-of-way may preclude adequate public access design features such as stairs, railings, etc. shall be provided. Construction plans submitted to the City shall include details of all access improvements and signage, to be determined adequate by the Public Services Director and Fire Marshall.
17. The applicant shall install signage both at the base of Alta Street and upper limit of private improvements indicating the continued public access within the public rights-of-way is allowed. Design and placement of the signage shall be subject to the approval of the Public Services Director. Construction plans submitted to the City shall include details of all access improvements and signage, to be determined adequate by the Public Services Director and Fire Marshall.

18. A covenant agreement shall be recorded on title acknowledging that at the time of development of adjacent parcels accessed via Alta Street and Jordan Terrace the owner of said property may be required to remove some or all private improvements within the public rights-of-way and complete public improvements to the centerline of right-of-way, as determined necessary by the City Engineer. All required covenant agreements shall be accepted by the Public Services Department and recorded with the San Luis Obispo County Clerk prior to issuance of project related permits, including but not limited to those for tree removals, grading, or construction.

19. The access road gradient shall not exceed 20% (CCFPA FC&S #09-011, and Morro Bay City Engineering Standards).

20. The required access road pavement will vary by gradient; areas less than 12% must utilize an approved all-weather surface; 12% to 16% an approved non-skid surface such as asphalt, concrete or an approved material; and areas 16% or greater gradient must utilize an engineered non-skid surface for all-weather access roadway/driveway, such as asphalt, concrete or an approved material. All driving surfaces shall be capable of supporting a 20-ton, single-axle, live load, retaining a minimum of 90% compaction. Compaction tests and certification by a Registered Civil Engineer may be

required to determine adequacy of the driving surface. Minimum 90% compaction is required.

FIRE DEPARTMENT CONDITIONS:

1. Access Road: An approved fire apparatus road shall extend to within 150 feet of all portions of the exterior walls of the first story as measured by an approved route around the exterior of the building. (CFC 503.1.1) Provide an approved fire access road, to extend from Cerrito Place, across Jordan Terrace property (if permissible), and to within 150 feet of all portions of the exterior of the proposed structure. The approved access road is illustrated on Sheet G-1 of plan.

2. Dead Ends: Dead end fire apparatus access roads in excess of 150 feet in length shall be provided with an approved area for turning around fire apparatus (CFC 503.2.5). The approved fire apparatus turnaround is illustrated on Sheet G-1.

3. Access Road Dimensions-Width and Gradient: Fire apparatus access roads shall have an unobstructed width of not less than 20 feet (CFC 503.2.1), unobstructed vertical clearance of not less than 13 feet 6 inches (CFC 503.2.1), and access road gradient shall not to exceed 20% (CCFPA FC&S #09-011, and Morro Bay City Engineering Standards).

4. Access Road Grade and Construction: The maximum approved gradient for a fire apparatus access road or driveway is not addressed in CFC 503.2.7. Therefore, the type of pavement will determine the allowable steepness of the access road or driveway as follows:
    a. Allowable Grade (Design status of 10% grade/angle of departure)
    b. Less than 12% - Use an approved all-weather surface.
    c. 12% to 16% - Use an approved non-skid surface, for all-weather access roadway/driveway. The driving surface shall be asphalt, concrete or an approved material.
    d. 16% or Greater – An engineered non-skid surface may be allowed for an all-weather access roadway/driveway. The driving surface shall be asphalt, concrete or an approved material.
    e. Design and Maintenance – Driving surface shall be capable of supporting a 20-ton, single-axle, live load, retaining a minimum of 90% compaction. (CFC 503.2.3 and CCFPA FC&S # 99-011)
    f. Testing – Compaction tests and certification by a Registered Civil Engineer may be required to determine adequacy of the driving surface. Minimum 90% compaction is required.

5. Fire Flow Requirements for Buildings: One- and two-family dwellings, the minimum fire-flow and flow duration for dwellings having a fire-flow calculation area in excess of 3,600 square feet shall not be less than that specified in CFC Table B105.1.

6. Fire Hydrants: The minimum number of fire hydrants available to a building shall not be less than that listed in Table C105.1. The number of fire hydrants available to a complex or subdivision shall not be less than that determined by spacing requirements listed in Table C105.1 when applied to fire apparatus access roads and perimeter public streets from which fire operations could be conducted (CFC C103.1). One fire hydrant is required and the approved location is illustrated on Sheet G-1.

7. Automatic Fire Sprinkler System: The project shall provide fire sprinklers for all structures, in accordance with NFPA 13. (Morro Municipal Code 14.60.200(1).

8. Wildland-Urban Interface Fire Area: Construction methods and requirements to mitigate wildfire exposure shall be applied within geographical areas where a wildfire burning in vegetative fuels may readily transmit fire to buildings and threaten to destroy life, overwhelm fire suppression capabilities, or result in large property losses (CFC 4705.1).

9. Construction Methods and Requirements Within Established Limits: Within the limits established by law, construction methods intended to mitigate wildfire exposure shall comply with California Building Code Chapter 7A, and this chapter (CFC 4705.2).

10. New Buildings located in any Fire Hazard Severity Zone within State Responsible: Areas or any Wildland-Urban Interface Fire Area designated by the enforcing agency for which an application for a building permit is submitted on or after December 1, 2005, shall comply with all sections contained in 2007 California Building Code Chapter 7A (CBC 701A.3).

BUILDING DEPARTMENT CONDITIONS:

1. The project shall comply with the Building Codes, Standards, and regulations in effect on the date of complete Building Permit submittal.

PUBLIC WORKS CONDITIONS:

1. The project shall provide the following Stormwater BMPs with the Building Plan submittal, and the Stormwater BMPs shall be substantially in conformance with the

preliminary plans submitted for the Use Permit:

2. Water quality treatment for the runoff resulting from a two year storm event either through retention (infiltration) or an alternative Water Quality BMP such as biofiltration, mechanical filtration or hydrodynamic separation.

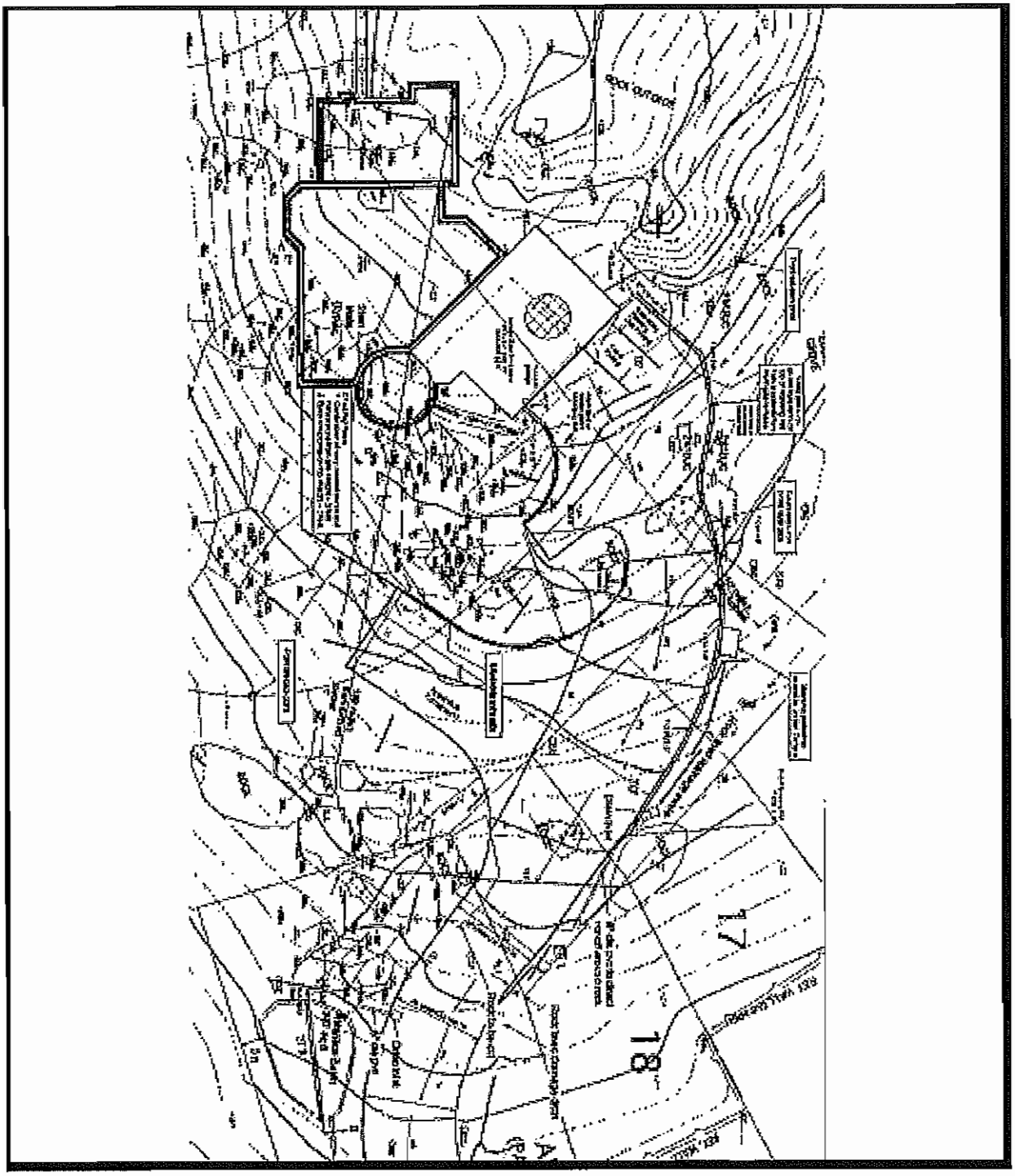
3. Provide peak runoff rate control for the runoff resulting from the two through hundred year rainfall events. For the purposes of stormwater management the pre-construction condition shall be natural soil and vegetation.

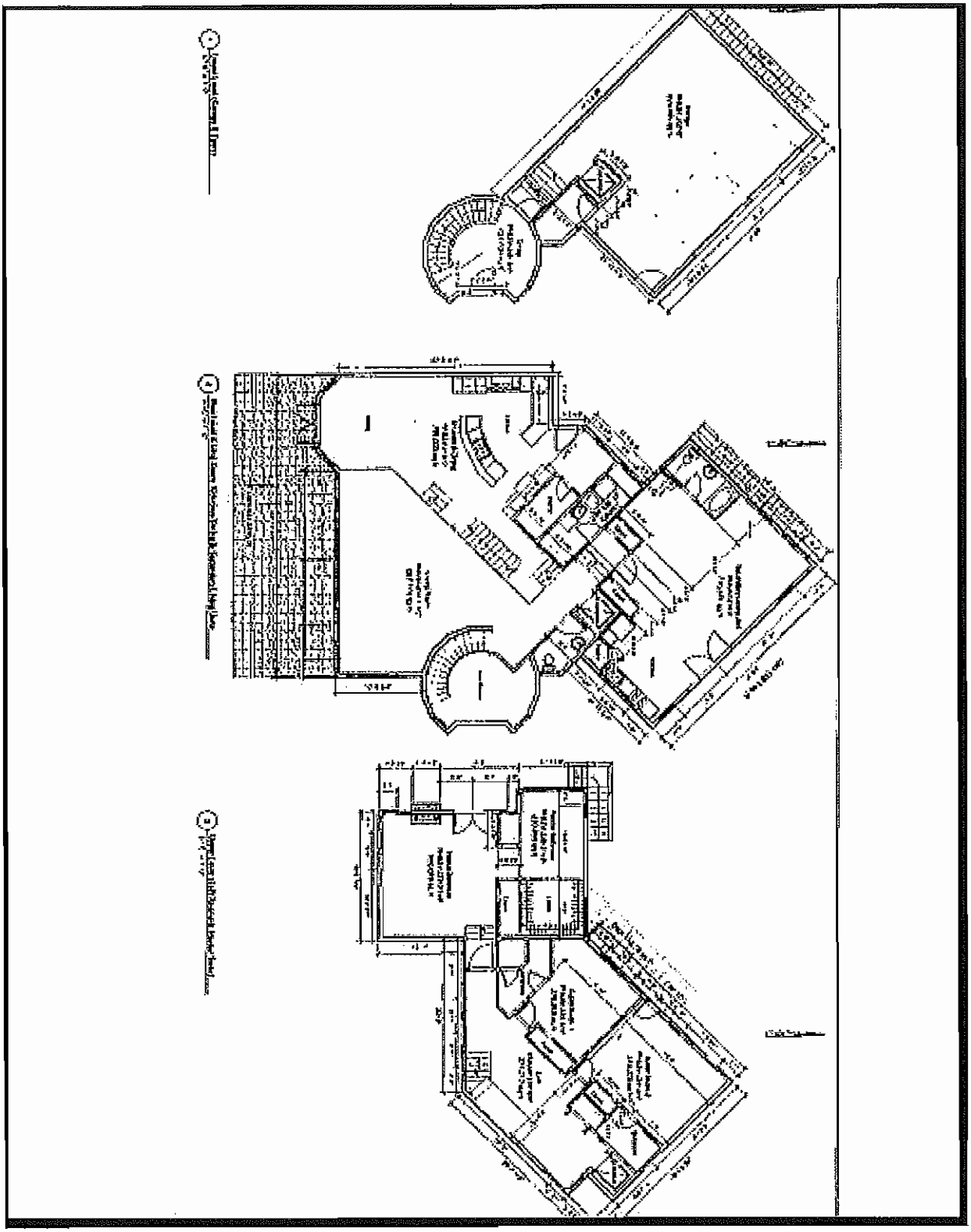
4. Final drainage analysis, runoff calculations, design and justification of drainage facilities shall be performed by a Registered Civil Engineer and submitted with the building permit application. The responsible Soils Engineer shall review all proposed infiltration and storage systems for site suitability.

5. The Building Plan submittal shall provide a detailed erosion and sediment control plan. The Plan shall show control measures to provide protection against erosion of adjacent property and prevent sediment or debris from entering the City right-of- way, adjacent properties, any harbor, waterway, or ecologically sensitive area.

6. Prior to the issuance of a Building Permit the Developer shall process a Special Encroachment permit for the construction of non-standard improvements within the public right-of-way for Alta Street and Jordan Terrace (ie driveway and private drainage facilities). Additionally, the developer shall construct and maintain an eight foot wide asphalt public pathway and emergency vehicle access within the remaining portion of Jordon Terrace, where possible, to the satisfaction of the City Engineer.

EXHIBIT C





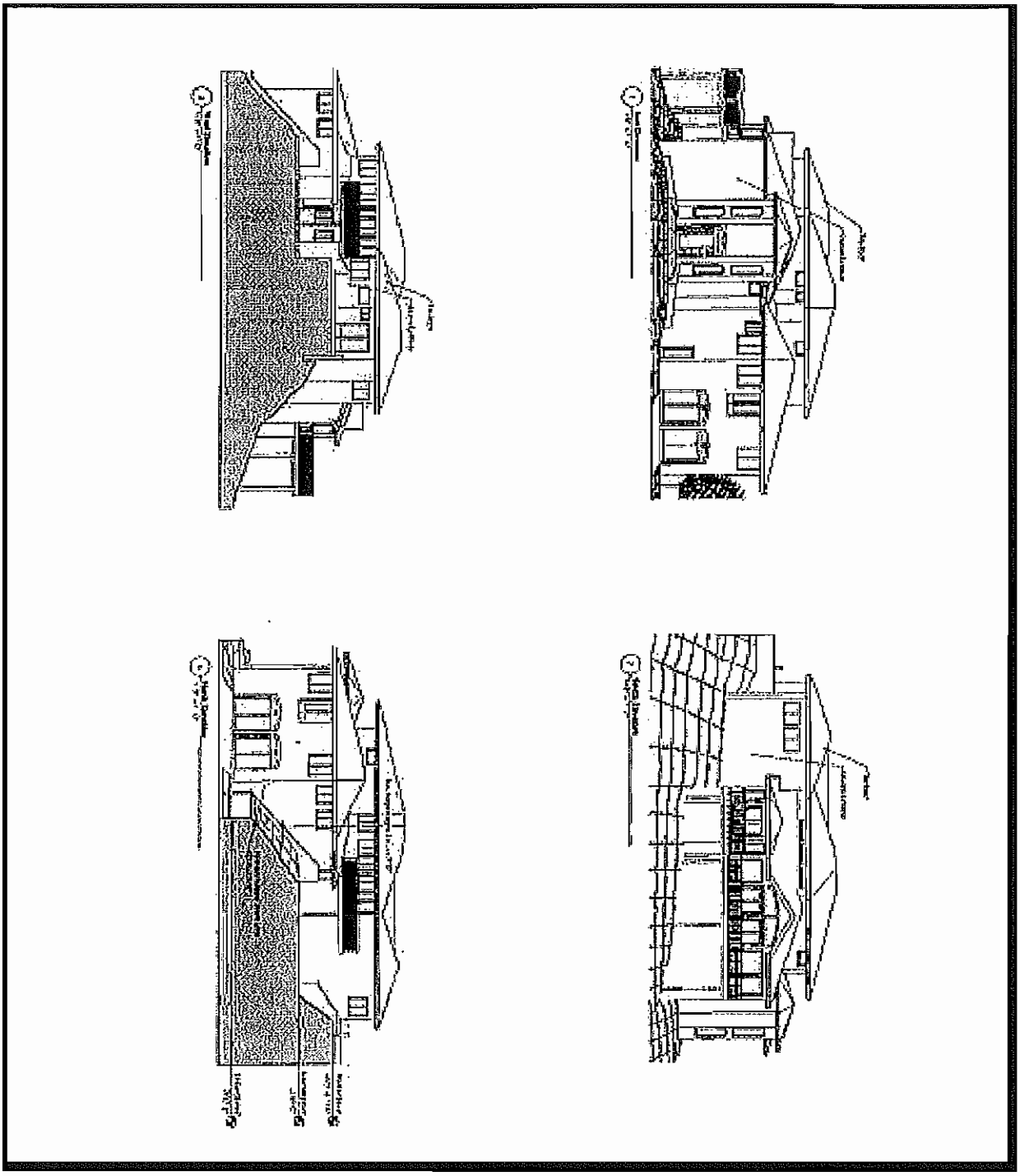


EXHIBIT C

EXHIBIT D

4

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Westlake Village, CA 91361
805.497.8557
FAX. 805.496.4939
sage@sagell.com
www.sagell.com

Sage Institute Inc.

October 16, 2008

Mr. Dan Reddell
560 Morro Bay Blvd.
Morro Bay, CA 93442

SUBJECT: Review of Biological Assessment for the Cerrito Peak-Jordan Terrace Single Family Residence in the City of Morro Bay (UPO 223/CPO-285)

Dear Mr. Reddell:

Sage Institute, Inc. (SII) is pleased to provide this review and analysis of applicability of the June 30, 2005 David Wolff Environmental (DWE) Biological Assessment letter report for the Cerrito Peak-Jordan Terrace Vesting Tentative Map, Parcel Map MB 03-0370 to the subject project in the City of Morro Bay. I am focusing this analysis to respond to item #14 in the City of Morro Bay's August 19, 2008 Letter of Incompleteness for your currently proposed single family residence. The City's comments specifically relate to the seasonal appropriateness of the previous study and the elimination of the open space parcel for your reduced project (two homes down to one).

The June 30, 2005 DWE Biological Assessment (DWE BA) indicated that no special-status plant species were observed or expected to occur given the on-site soils and habitat types. The DWE BA did not recommend any further surveys for rare, threatened, or endangered plants given the lack of observation in June 2005 and the lack of suitable habitat for special-status plant species recorded in the CNDDB or known from the region. The observation of a non-native annual grassland ground cover, overstory of eucalyptus, and mostly rock outcrop with shallow loam soils were the basis of these findings. As such, the DWE BA should stand to support a less than significant impact on vegetation or other plant resources without the need for further surveys.

The DWE BA did document observations of a variety resident and migratory bird species on the site commonly known from the region with some observed nesting activity. None of observed birds were special-status species and no other special-status wildlife species would be expected on the site based on vegetation, habitat, and field observations. The standard tree removal mitigation was recommended to either avoid tree removal during the nesting season, or conduct pre-tree removal surveys and avoid any active nests should they be encountered until the birds are no longer reliant on the nest site for survival. I would recommend that this mitigation measure be included in the current project as tree removal is still proposed for the development of the one single family residence.

The DWE BA evaluated a project that included two houses and the dedication of an open space parcel. I understand the open space parcel is no longer being offered for the project that has been reduced to only one single family residence. Given the lack of any special-status species or other significant biological resources on the property, it would be my opinion that the development of one single-family residence would not have a substantial affect on biological resources. With the implementation of the mitigation measures to avoid direct impacts on nesting birds, project implementation would result in a less than significant impact on biological resources.

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Public Services Department

While dedication of private property to the City of Morro Bay for open space would be beneficial to the overall conservation of biodiversity, I would further opine the proposed single family residence does not trigger a significant impact on biological resources to require it as mitigation.

Thank you for the opportunity to assist with the environmental review process for this project. Please call me directly if you have any questions or need additional information.

Very truly yours,

David K. Wolff

David K.Wolff
Principal Ecologist
Certified Professional Wetland Scientist

C: Cathy Novak

David Wolff Environmental
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RECEIVED
JUL 25 2008
City of Morro Bay
Public Services Department

June 30, 2005

Mr. Dan Reddell
Bayshore Realty
560 Morro Bay Blvd.
Morro Bay, CA 93442

SUBJECT: Biological Assessment for the Cerrito Peak-Jordan Terrace Vesting Tentative Map, Parcel Map MB 03-0370, City of Morro Bay, California

Dear Mr. Reddell:

David Wolff Environmental (DWE) is pleased to submit this Biological Assessment (BA) letter report for the Cerrito Peak-Jordan Terrace Vesting Tentative Map, Parcel Map MB 03-0370 in the City of Morro Bay. The purpose of this study was to determine, to the extent feasible based on the seasonal timing of the study, the potential for the site to support special-status species or other significant biological or wetland resources. This letter report presents the methods and results of this study.

1.0 METHODS

DWE reviewed available background information and searched the California Natural Diversity Data Base (CNDDB) within an approximately five-mile radius of the proposed project site. The CNDDB provided a list of observed locations of special-status plant and wildlife species that have been recorded in the vicinity of the project site to focus the field survey effort on specific species issues. David Wolff, DWE Principal Ecologist, conducted a field reconnaissance of the project site on June 3 and 21, 2005 to document the existing conditions of the site in terms of habitat for plants and wildlife species, and wetland and/or riparian habitats. Early morning and dusk/twilight surveys were conducted on June 21st to see if the eucalyptus trees serve as a significant roost site for birds. The field surveys evaluated the entire site but focused primarily on the Parcel 1 and Parcel 2 home site lots up to the top of Cerrito Peak. Plant species were identified to the level feasible given the somewhat late growing season timing of the surveys conducted for this study. The on-site habitats were described by the composition and structure of the dominant vegetation observed at the time field reconnaissance was conducted. The survey data collected on plant and wildlife species presented in this BA is a result of a reconnaissance level effort on the dates listed above and does not constitute a special-status species protocol survey that requires more specific seasonal timing parameters and multiple surveys visits over time.

2.0 RESULTS

2.1 GENERAL SETTING, PLANTS & WILDLIFE

The proposed project is located on Cerrito Peak with rock outcrop, eucalyptus trees, and annual grassland habitat understory composed of native and non-native grasses and broadleaf herbaceous plant species. A network of trails on the site suggests casual recreational use of the site by people. The peak is surrounded on all sides by residential development.

The Natural Resources Conservation Service soils survey has the soils on site mapped, along with most of south Morro Bay, as Baywood fine sand. However, based on the field observations, it appears that the onsite soils are more in concert with the Rock Outcrop-Lithic Haploxerolls complex similar to that mapped on Black Hill. The general habitat setting of the site can be best characterized as a substantial amount of rock outcrop and sandy loam soils supporting the eucalyptus grove and non-native annual grassland understory.

Plant species observed during field reconnaissance included eucalyptus trees with an herbaceous understory composed of oats, barely, ripgut brome, wild radish, sorrel, bedstraw, phacilia, and German ivy. In general, the site supports mostly non-native plant species and does not represent a diverse native plant species habitat.

Wildlife species observed during field reconnaissance were common species of coastal areas around Morro Bay. Bird species observed included the pacific slope flycatcher, bushtit, mourning dove, dark-eyed junco, European starling, tree swallow, turkey vulture, great-horned owl, northern mockingbird, and scrub jay. Several tree swallow nests and one starling nest were observed in dead trees on top of Cerrito Peak. Evidence of roosting birds below a dead tree (piles of guano) was observed in Parcel 1 during the initial field reconnaissance on June 3rd. The follow up field visit on June 21st during early morning and twilight hours did not reveal any observation of roosting birds to confirm what species or potential frequency of use could be. Evidence of gopher was also observed throughout the site. These observations are based on the limited field time and do not represent an exhaustive list of wildlife species occurrence on the site. There are likely additional common vertebrate species that could be found on the site.

2.2 Special-Status Species

The CNDDB identified 49 special-status plant and wildlife species and six natural communities of special concern as occurring within an approximately five-mile radius of the project site. A list of these species with scientific and common names, and listing status is attached to this letter. None of the occurrences recorded in the CNDDB were identified on the project site. None of the natural communities of special concern (Central Dune Scrub, Central maritime Chaparral, Coastal Brackish Marsh, Coastal and Valley Freshwater Marsh, Northern Coastal Salt Marsh, or Valley Needlegrass Grassland) were observed on the project site.

The special-status plant species listed in the CNDDB typically require specialized habitat types or soil conditions such as sand dunes, serpentine rock outcrops, clay soils, seeps, springs, marsh, or other wetlands. As discussed above, the site is composed of non-serpentine rock outcrop with presumably shallow sandy loam soils. No dune, chaparral, salt marsh, wetland, seeps, or springs were observed during field reconnaissance of the site. In addition, no scrub habitat, manzanita or other special-status shrub species were observed during field reconnaissance of the site. While this study does not constitute a rare plant survey, based on observed habitat type and soils, no special-status plant species are expected to occur on the project site.

The special-status wildlife species listed in the CNDDB, similar to the plants, also require specialized habitat types or soil conditions to occur. The coastal, marsh, wetland, or stream species would not be expected to occur as none of the required habitat elements occur on the site. This includes the snowy

plover, tidewater goby, red-legged frog, pond turtle, steelhead, clapper rail, sandy-beach tiger beetle, and brackish water snail.

The CNDDB has several listing for the monarch butterfly winter aggregation sites in and around the City of Morro Bay. None of the CNDDB monarch butterfly occurrences were recorded on Cerrito Peak. In general, eucalyptus trees can provide roosting and food resources for wintering monarch butterflies. The somewhat open distribution of the trees on top of Cerrito Peak that are exposed to the wind and storm elements generally do not present ideal habitat conditions for monarchs that seek protection from the wind and elements for winter roost sites. The Morro blue butterfly requires the lupine host plant in coastal dune habitat for food and reproduction. The habitat elements for the Morro blue butterfly were not observed on the project site.

The Morro shoulderband snail is known to occur on pure sandy soils in coastal scrub habitat around Morro Bay. The Morro shoulderband snail would not be expected to occur in the eucalyptus grove and rock outcrop soils observed on site that does not support coastal scrub plant species. Similarly, the coast horned lizard and legless lizard prefer coastal scrub and chaparral habitats with sandy soils for quick escape cover. They would not be expected in the eucalyptus grove on rock outcrop soils that occurs on the site.

The Cooper's hawk is a wide ranging raptor that could nest in the eucalyptus trees or move through the site in winter. The big free-tailed bat uses rock outcrops for roost sites but is known from arid regions of California and would not be expected to occur on the site. The San Diego desert woodrat uses woodlands and rock outcrops for nest sites. No evidence of woodrat nests was observed during field reconnaissance.

3.0 Analysis & Recommendations

It is my understanding that the proposed project includes development of two home sites and driveway/road access on two parcels covering the eastern side of Cerrito Peak, and the dedication of an open space parcel on the western portion of the site. Implementation of the project would require the removal of a number of eucalyptus trees, grading, and conversion of existing habitat as described above to residential use. As a result, impacts on biological resources could include the loss of nesting and roosting habitat for resident and migratory birds, and the conversion of habitat for common plant and wildlife species to residential uses. I would suggest that the dedication of the open space lot that includes eucalyptus trees, rock outcrops, and herbaceous plant species understory would offset the loss of tree and habitat resources for common species that would result from project implementation. If feasible and within the limits of safety, leaving the standing dead trees within the open space parcel would provide a habitat benefit for hole nesting species such as the tree swallow that was observed nesting on site and for roost sites for vultures or other birds.

Given the observation of a number of bird species using the site for foraging and nesting, project implementation could result in impacts resident and migratory birds. The destruction of birds, nests and eggs is prohibited by the Fish and Game Code of California and Migratory Bird Treaty Act. In order to comply with these regulations, tree removal should be conducted outside the bird breeding season typically considered to be March 1st to August 31st. Given the observation of a great horned owl that generally begins nesting earlier in the year, the tree removal should be avoided during the month of February as well. If it is not feasible to conduct the tree removal during the September

through January time frame, then a pre-construction nesting bird survey should be conducted by a qualified biologist in the trees proposed for removal. If no nests are observed, then no further measures would be necessary. Should an active bird nest be observed, then the tree removal should be postponed until the adults and young are no longer reliant on the nest site as determined by a qualified biologist. Under these circumstances, a non-disturbance buffer zone of 25 to 100 feet may be appropriate around the nest tree to avoid nest abandonment. Appropriate buffer zones can be established by a qualified biologist and may need to be in consultation with the California Department of Fish and Game.

In summary, it would be my opinion that the proposed development along with the implementation of the nest avoidance measures and dedication of the open space parcel to preserve habitat on site would result in an overall less than significant impact on biological resources.

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Thank you very much for the opportunity for DWE to provide biological resources consulting services for this project. Please call if you have any questions or need any additional information.

Very truly yours,

David K. Wolff
Principal Ecologist
Certified Professional Wetland Scientist

Attachment: CNDDB Special-Status Species Table (4 pages)

California Department of Fish and Game
Natural Diversity Database
CNDDB Wide Tabular Report
Morro Bay South and Morro Bay North Quads

Name (Scientific/Common)	CNDDB Ranks	Other Lists	Listing Status	Total EO's	Element Occ Ranks						Population Status		Presence		
					A	B	C	D	X	U	Historic >20 yr	Recent <=20 yr	Pres. Extant	Poss. Extirp.	Extirp.
Accipiter cooperii Cooper's hawk	G5 S3	CDFG: SC	Fed: None Cal: None	74 S:1	0	0	0	0	0	1	1	0	1	0	0
Anniella pulchra nigra black legless lizard	G3G4T2T3Q S2	CDFG: SC	Fed: None Cal: None	35 S:2	0	0	0	0	0	2	2	0	2	0	0
Arctostaphylos cruzensis Arroyo de la Cruz manzanita	G2 S2.2	CNPS: 1B Code: 2-2-3	Fed: None Cal: None	18 S:9	3	2	0	0	0	4	8	1	9	0	0
Arctostaphylos morroensis Morro manzanita	G2 S2.2	CNPS: 1B Code: 2-3-3	Fed: Threatened Cal: None	9	0	1	0	0	0	8	3	6	9	0	0
Arctostaphylos osoensis Oso manzanita	G1 S1.2	CNPS: 1B Code: 3-2-3	Fed: None Cal: None	2	0	0	0	0	0	2	1	1	2	0	0
Arctostaphylos pechoensis Pecho manzanita	G2 S2.2	CNPS: 1B Code: 2-2-3	Fed: None Cal: None	9 S:3	0	0	0	0	0	3	3	0	3	0	0
Arctostaphylos tomentosa ssp. daciticola dacite manzanita	G4T1 S1.1	CNPS: 1B Code: 3-3-3	Fed: None Cal: None	1	0	0	0	0	0	1	1	0	1	0	0
Arctostaphylos wellsii Wells's manzanita	G2 S2.1?	CNPS: 1B Code: 2-3-3	Fed: None Cal: None	14 S:1	0	0	0	0	0	1	1	0	1	0	0
Astragalus didymocarpus var. milesianus Miles's milk-vetch	G5T2 S2.2	CNPS: 1B Code: 2-2-3	Fed: None Cal: None	11 S:2	0	0	0	0	0	2	2	0	2	0	0
Atriplex joaquiniana San Joaquin spearscale	G2 S2.1	CNPS: 1B Code: 2-2-3	Fed: None Cal: None	89 S:1	0	0	0	0	0	1	1	0	1	0	0
Calochortus obispoensis San Luis mariposa lily	G2 S2.1	CNPS: 1B Code: 2-2-3	Fed: None Cal: None	28 S:1	0	1	0	0	0	0	0	1	1	0	0
Calystegia subacaulis ssp. episcopalis Cambria morning-glory	G3T1 S1.2	CNPS: 1B Code: 3-2-3	Fed: None Cal: None	12 S:1	0	1	0	0	0	0	0	1	1	0	0
Carex obispoensis San Luis Obispo sedge	G2 S2.2	CNPS: 1B Code: 2-2-3	Fed: None Cal: None	19 S:2	0	0	0	0	0	2	1	1	2	0	0
Castilleja densiflora ssp. obispoensis Obispo Indian paintbrush	G5T2 S2.2	CNPS: 1B Code: 2-2-3	Fed: None Cal: None	25 S:4	0	0	0	0	0	4	4	0	4	0	0
Central Dune Scrub	G2 S2.2		Fed: None Cal: None	24 S:2	0	0	0	0	0	2	2	0	2	0	0

Name (Scientific/Common)	CNDDB Ranks	Other Lists	Listing Status	Total EO's	Element Occ Ranks						Population Status		Presence		
					A	B	C	D	X	U	Historic >20 yr	Recent <=20 yr	Pres. Extant	Poss. Extirp.	Extirp.
Central Maritime Chaparral	G2 S2.2		Fed: None Cal: None	19 S:4	0	1	0	1	0	2	4	0	4	0	0
Charadrius alexandrinus nivosus western snowy plover	G4T3 S2	CDFG: SC	Fed: Threatened Cal: None	110 S:2	1	0	0	0	0	1	0	2	2	0	0
Chorizanthe breweri Brewer's spineflower	G2 S2.2	CNPS: 1B Code: 3-1-3	Fed: None Cal: None	21 S:1	0	0	0	0	0	1	1	0	1	0	0
Cicindela hirticollis gravida sandy beach tiger beetle	G5T4 S1	CDFG:	Fed: None Cal: None	34 S:2	0	0	0	0	1	1	2	0	1	0	1
Cirsium fontinale var. obispoense Chorro Creek bog thistle	G2T1 S1.2	CNPS: 1B Code: 3-2-3	Fed: Endangered Cal: Endangered	12 S:2	1	0	0	0	0	1	0	2	2	0	0
Coastal Brackish Marsh	G2 S2.1		Fed: None Cal: None	30 S:1	0	0	0	0	0	1	0	1	1	0	0
Coastal and Valley Freshwater Marsh	G3 S2.1		Fed: None Cal: None	60 S:1	0	0	0	0	0	1	1	0	1	0	0
Cordylanthus maritimus ssp. maritimus salt marsh bird's-beak	G4?T2 S2.1	CNPS: 1B Code: 2-2-2	Fed: Endangered Cal: Endangered	33 S:4	1	1	1	0	0	1	1	3	4	0	0
Danaus plexippus monarch butterfly	G5 S3	CDFG:	Fed: None Cal: None	335 S:17	2	4	6	0	5	0	1	16	12	4	1
Dipodomys heermanni morroensis Morro Bay kangaroo rat	G3G4T1 S1	CDFG:	Fed: Endangered Cal: Endangered	11	0	2	2	0	6	1	11	0	5	1	5
Dithyrea maritima beach spectaclepod	G2 S2.1	CNPS: 1B Code: 3-3-2	Fed: None Cal: Threatened	24 S:2	0	0	0	1	0	1	1	1	2	0	0
Dudleya abramsii ssp. bettinae San Luis Obispo serpentine dudleya	G3T1 S1.2	CNPS: 1B Code: 3-2-3	Fed: None Cal: None	6 S:3	0	2	0	1	0	0	3	0	3	0	0
Dudleya abramsii ssp. murina San Luis Obispo dudleya	G3T2 S2.3	CNPS: 1B Code: 2-1-3	Fed: None Cal: None	26 S:1	1	0	0	0	0	0	0	1	1	0	0
Dudleya blochmaniae ssp. blochmaniae Blochman's dudleya	G2T2 S2.1	CNPS: 1B Code: 2-3-2	Fed: None Cal: None	30 S:2	0	0	0	0	0	2	2	0	2	0	0
Emys (=Clemmys) marmorata pallida southwestern pond turtle	G3G4T2T3Q S2	CDFG: SC	Fed: None Cal: None	305 S:6	0	0	2	0	0	4	1	5	6	0	0

Name (Scientific/Common)	CNDDB Ranks	Other Lists	Listing Status	Total EO's	Element Occ Ranks						Population Status		Presence		
					A	B	C	D	X	U	Historic >20 yr	Recent <=20 yr	Pres. Extant	Poss. Extirp.	Extirp.
Erigeron blochmaniae Blochman's leafy daisy	G2 S2.2	CNPS: 1B Code: 2-2-3	Fed: None Cal: None	18 S:3	0	0	0	0	0	3	3	0	3	0	0
Eriodictyon altissimum Indian Knob mountainbalm	G2Q S2.2	CNPS: 1B Code: 3-3-3	Fed: Endangered Cal: Endangered	6 S:5	0	3	1	0	0	1	5	0	5	0	0
Eucyclogobius newberryi tidewater goby	G3 S2S3	CDFG: SC	Fed: Endangered Cal: None	112 S:5	0	0	0	0	2	3	2	3	3	2	0
Fritillaria viridea San Benito fritillary	G3 S3.2	CNPS: 1B Code: 2-2-3	Fed: None Cal: None	16 S:2	0	0	0	0	0	2	1	1	2	0	0
Helminthoglypta walkeriana Morro shoulderband (=banded dune) snail	G1 S1	CDFG:	Fed: Endangered Cal: None	9	1	4	0	0	1	3	1	8	8	0	1
Icaricia icarioides moroensis Morro Bay blue butterfly	G5T1T3 S1S3	CDFG:	Fed: None Cal: None	3 S:1	0	0	0	0	0	1	0	1	1	0	0
Lasthenia glabrata ssp. coulteri Coulter's goldfields	G4T3 S2.1	CNPS: 1B Code: 2-3-2	Fed: None Cal: None	66 S:1	0	0	0	0	0	1	1	0	1	0	0
Laterallus jamaicensis coturniculus California black rail	G4T1 S1	CDFG:	Fed: None Cal: Threatened	84 S:2	1	0	0	0	0	1	1	1	2	0	0
Layia jonesii Jones's layia	G1 S1.1	CNPS: 1B Code: 3-2-3	Fed: None Cal: None	12 S:4	0	0	0	0	0	4	4	0	4	0	0
Malacothamnus palmeri var. palmeri Santa Lucia bush mallow	G3T2Q S2.2	CNPS: 1B Code: 2-2-3	Fed: None Cal: None	14 S:2	0	0	0	0	0	2	2	0	2	0	0
Monardella crispa crisp monardella	G2 S2.2	CNPS: 1B Code: 2-2-3	Fed: None Cal: None	29 S:1	0	0	0	0	0	1	1	0	1	0	0
Monardella frutescens San Luis Obispo monardella	G2 S2.2	CNPS: 1B Code: 2-2-3	Fed: None Cal: None	28 S:1	0	0	0	0	0	1	1	0	1	0	0
Monardella palmeri Palmer's monardella	G2 S2.2	CNPS: 1B Code: 2-2-3	Fed: None Cal: None	17 S:4	0	0	0	0	0	4	1	3	4	0	0
Neotoma lepida intermedia San Diego desert woodrat	G5T3? S3?	CDFG: SC	Fed: None Cal: None	70 S:1	0	0	1	0	0	0	0	1	1	0	0
Northern Coastal Salt Marsh	G3 S3.2		Fed: None Cal: None	53 S:2	0	0	0	0	0	2	0	2	2	0	0

Name (Scientific/Common)	CNDDB Ranks	Other Lists	Listing Status	Total EO's	Element Occ Ranks A	B	C	D	X	U	Population Status Historic >20 yr	Recent <=20 yr	Presence Pres. Extant	Poss. Extirp.	Extirp.
Nyctinomops macrotis big free -tailed bat	G5 S2	CDFG: SC	Fed: None Cal: None	24 S:1	0	0	0	0	0	1	1	0	1	0	0
Oncorhynchus mykiss irideus steelhead - south/central California coast esu	G5T2 S2	CDFG:	Fed: Threatened Cal: None	27 S:5	0	1	0	0	0	4	1	4	5	0	0
Phrynosoma coronatum (frontale) Coast (California) horned lizard	G4T3T4 S3S4	CDFG: SC	Fed: None Cal: None	62 S:3	1	2	0	0	0	0	0	3	3	0	0
Rallus longirostris obsoletus California clapper rail	G5T1 S1	CDFG:	Fed: Endangered Cal: Endangered	82 S:1	0	0	0	0	0	1	1	0	1	0	0
Rana aurora draytonii California red-legged frog	G4T2T3 S2S3	CDFG: SC	Fed: Threatened Cal: None	795 S:11	2	2	1	1	0	5	0	11	11	0	0
Streptanthus albidus ssp. peramoenus most beautiful jewel-flower	G2T2 S2.2	CNPS: 1B Code: 2-2-3	Fed: None Cal: None	60 S:2	0	0	0	0	0	2	1	1	2	0	0
Suaeda californica California seablite	G1 S1.1	CNPS: 1B Code: 3-3-3	Fed: Endangered Cal: None	15 S:8	0	0	1	1	0	6	0	8	8	0	0
Sulcaria isidifera splitting yarn lichen	G1 S1.1	CNPS: Code:	Fed: None Cal: None	2	0	0	0	1	0	1	2	0	2	0	0
Tryonia imitator mimic tryonia (=California brackishwater snail)	G2G3 S2S3	CDFG:	Fed: None Cal: None	33 S:1	0	0	0	0	0	1	0	1	1	0	0
Valley Needlegrass Grassland	G1 S3.1		Fed: None Cal: None	45 S:3	0	1	0	0	0	2	3	0	3	0	0

SOILS ENGINEERING REPORT
PARCEL 1, CERRITO PEAK
APN: 066-221-001
MORRO BAY, CALIFORNIA

PROJECT SL03400-1

Prepared for

Mr. A. J. Wright
c/o Dan Reddell
560 Morro Bay Boulevard
Morro Bay, California 93442

Prepared by

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June 24, 2004

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Public Services Department

GeoSolutions, INC.

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info@GeoSolutions.net

June 24, 2004
Project: SL03400-1

Mr. A. J. Wright
C/o Mr. Dan Reddell
560 Morro Bay Boulevard
Morro Bay, California 93442

Subject: **Soils Engineering Report**
Parcel 1, Cerrito Peak, APN: 066-221-001
Morro Bay, California

Dear Mr. Wright:

This Soils Engineering Report has been prepared for the proposed single-family residence and granny unit to be located at Parcel 1, Cerrito Peak, APN: 066-221-001, in the City of Morro Bay, California. Geotechnically, the site is suitable for the proposed development provided the recommendations in this report for site preparation, earthwork, foundations, slabs, retaining walls, and pavement sections are incorporated into the design.

Due to the presence of hard rock, it is anticipated that the design for the residence and granny unit will conform to site topography with grading limited for foundation excavation only. The density of the rock will make excavating difficult and will require specialized equipment for excavation. Conventional foundation systems can be used with all foundations founded in uniform competent rock. Building layout must be approved by the project Engineering Geologist to verify the stability of the rocks to be utilized for building support as individual boulders can and do move independently in seismic events. All foundations are to be excavated into uniform competent material to limit the potential for distress of the foundation systems due to differential settlement

Natural seepage at the interface of two materials with different densities is very common. This interface occurs at the Site and may require sub-surface drains. Sub-drains should be placed in established drainage courses and potential seepage areas. The location of sub-drains should be determined during grading by a representative of GeoSolutions, Inc.

Thank you for the opportunity to have been of service in preparing this report. If you have any questions or require additional assistance, please feel free to contact the undersigned at (805) 543-8539.

Sincerely,
GeoSolutions, Inc.



Jonna Louise Otto, PE
Senior Engineer CE 22056

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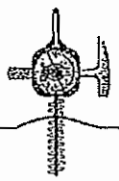
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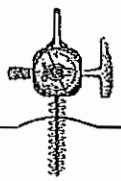
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SOILS ENGINEERING REPORT
PARCEL 1, CERRITO PEAK
APN: 066-221-001
MORRO BAY, CALIFORNIA

PROJECT SL03400-1

1.0 INTRODUCTION

This report presents the results of the geotechnical investigation for the proposed single-family residence and granny unit to be located at Assessor's Parcel No. 1, Cerrito Peak, APN: 066-221-001, in the City of Morro Bay, California. See Figure 1: Site Location Map.

The elliptical shaped property is approximately 320 ft by 190 ft, or 1 acre in size, and includes the top of Cerrito Peak. A private access easement provides site access from Cerrito Place. The nearest intersection is located where Cerrito Place meets the private easement at the easternmost side of the property. The property will hereafter be referred to as the "Site." See Figure 2: Site Plan.

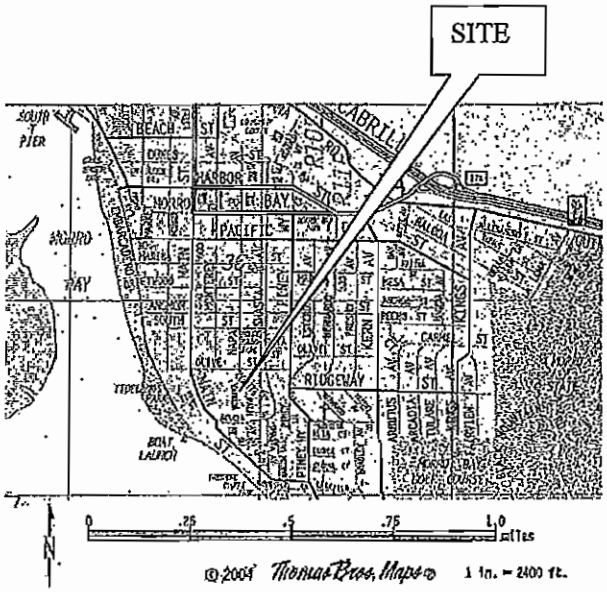


Figure 1: Site Location Map

The proposed building area is located on a hilltop that slopes downward at an approximate gradient of 2 to 1 (horizontal to vertical). The lot is currently vegetated with grass, sparse shrubs and trees with many large boulder outcroppings.

It is our understanding that the project will consist of a two-story single-family residence with a granny unit. It is anticipated that the residence and granny unit will utilize a slab-on-grade and/or raised wood lower floor system. Dead and sustained live loads are currently unknown but anticipated to be relatively light with maximum continuous footing and column loads estimated to be on the order of 2.0 kips per lineal foot and 15 kips, respectively.

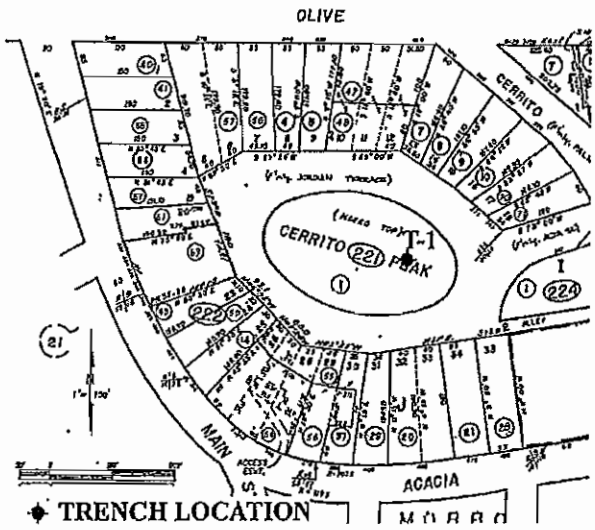


Figure 2: Site Plan

2.0 PURPOSE AND SCOPE

The purpose of this study was to explore and evaluate the surface and sub-surface soil conditions at the Site and develop geotechnical information and design criteria. The scope of this study includes the following items:

1. A review of available published and unpublished geotechnical data pertinent to the project site.

2. A field study consisting of a site reconnaissance and an exploratory excavation program to formulate a description of the sub-surface conditions.

3. A laboratory-testing program performed on representative soil samples collected from our field study.

4. Analysis of the data gathered during our field study and laboratory testing.

5. Development of recommendations for site preparation and grading, and geotechnical design criteria for building foundations, retaining walls, pavement sections, underground utilities and drainage facilities.

3.0 FIELD AND LABORATORY INVESTIGATION

The field investigation was conducted on May 14, 2004 using hand-sampling equipment. An exploratory trench excavated to a maximum depth of 18 inches below ground surface (bgs) was placed at the approximate location indicated on the Site Plan.

At the Site substantially areas of hard rock outcroppings were visible at the surface. The hard rock is volcanic lava that is part of the formation of the Morros. Topsoil consisting of light grayish brown SAND (SC) with organics was present in limited areas and is estimated to extend a maximum of 3 feet bgs over the hard rock.

During the excavation operations the soils encountered were continuously examined, visually classified, and sampled for general laboratory testing. A project engineer has reviewed a continuous log of the soils encountered at the time of field investigation.

Table 1: Engineering Properties

Sample Name	Sample Description	Specification	Expansion Index	Expansion Potential	Maximum Dry Density, γ_d (pcf)	Optimum Moisture (%)
A	Grayish Brown Silty SAND w/ Organics	SM	10	Very Low	89.4	13.9

The results of the laboratory tests performed on the soils sampled from the Site during excavation operations are listed below: A detailed explanation of each laboratory test performed is provided in Appendix B.

Structural building design parameters within the 1997 Uniform Building Code (UBC) are dependent upon several factors including site soil characteristics and faults near the Site. This data is presented below in tabular form.

Table 2: 1997 Uniform Building Code, Chapter 16, Structural Design Parameters

Soil Profile Type	S_C – Soft Rock
Seismic Source Type	Greater than 15 kilometers from an A fault Within 6 kilometers of a B fault.
Seismic Zone	Seismic Zone 4 Z= 0.4
Near Source Factor	N_a = 1.0 N_v = 1.16
Seismic Coefficient	$C_a = 0.40N_a = 0.40\ (1.0) = 0.40$ $C_v = 0.56N_v = 0.56\ (1.16) = 0.65$

4.0 GENERAL SOIL-FOUNDATION DISCUSSION

Due to the presence of hard rock, it is anticipated that the design for the residence and granny unit will conform to site topography with grading limited to foundation excavations only. The density of the rock will make excavating difficult and will require specialized equipment for excavation. Conventional foundation systems can be used with all foundations founded in uniform competent hard rock. Building layout must be approved by the project Engineering Geologist to verify the stability of the hard rock to be utilized for building support as individual boulders can and do move independently in seismic events. All foundations are to be excavated into uniform competent material to limit the potential for distress of the foundation systems due to differential settlement.

Natural seepage at the interface of two materials with different densities is very common. This interface occurs at the Site and may require sub-surface drains. Sub-drains should be placed in established drainage courses and potential seepage areas. The location of sub-drains should be determined during grading by a representative of GeoSolutions, Inc.

5.0 CONCLUSIONS AND RECOMMENDATIONS

The Site is suitable for the proposed development provided the recommendations presented in this report are incorporated into the project plans and specifications.

The primary geotechnical concerns at the Site are:

1. The potential for groundwater seepage.
2. The potential for seismically induced boulder movement.

5.1 Preparation of Building Pad

1. Given the topography and the nature of the site soils, it is anticipated that grading will be limited to foundation excavations.
2. If engineered fill is to be used under slab-on-grade construction, the soil material should be over-excavated to hard rock or one-half the depth of the deepest fill; whichever is greater. The over-excavated material should then be processed as engineered fill. Refer to Appendix C for more details on fill placement.
3. If fill areas are constructed on slopes greater than 10 to 1 (horizontal to vertical), we recommend that benches be cut every 4 feet as fill is placed. Each bench shall be a minimum of 10 feet wide with a minimum of 2 percent gradient into the slope. If fill areas

are constructed on slopes greater than 5 to 1, we recommend that the toe of all areas to receive fill be keyed a minimum of 24 inches into underlying dense material. Sub-drains shall be placed in the keyway and benches as required. See Appendix C, Detail A, Key and Bench Detail.

5.2 Preparation of Paved Areas

1. Pavement areas should be over-excavated 12 inches below existing grade or finished sub-grade; whichever is deeper. The over-excavated soil should then be moisture conditioned to produce a water-content of at least 1 to 2 percent above optimum value and then compacted to a minimum relative density of 90 percent. The top 12 inches of sub-grade soil under all pavement sections should be compacted to a minimum relative density of 95 percent based on the ASTM D1557-91 test method at slightly above optimum.

2. Sub-grade soils should not be allowed to dry out or have excessive construction traffic between moisture conditioning and compaction, and placement of the pavement structural section.

5.3 Conventional Foundations

1. Conventional continuous and spread footings may be used for support of the proposed structure. Isolated pad footings are permitted for single floor loads only.

2. Minimum footing and grade beam sizes and depths in uniform competent hard rock should conform to the following table, as observed and approved by a representative of Geosolutions, Inc.

Table 3: Minimum Footing and Grade Beam Dimensions

Building Type	Depth Below Lowest Adjacent Grade	Embedment into Rock	Width
One-Story	12 inches	12 inches	12 inches
Two-Story	18 inches	12 inches	15 inches

3. Minimum reinforcing for footings should be two No. 4 bars, placed one at the top and one at the bottom, or as directed by the project Structural Engineer.

4. A representative of this firm should observe and approve all foundation excavations for required embedment depth prior to the placement of reinforcing steel and/or concrete. Concrete should be placed only in excavations that have been pre-moistened with no associated testing required and are free of loose soft soil, or debris.

5. Allowable dead plus live load bearing pressure of **3,000** psf may be used for design for rock. A total settlement of less than ¾ inch and a differential settlement of less than ½ inch are anticipated.

6. Lateral forces on structures may be resisted by passive pressure acting against the sides of shallow footings and/or friction between hard rock and the bottom of the footings. For resistance to lateral loads, a friction factor of **0.65** may be utilized for sliding resistance at the base of footings. A passive resistance of **600-pcf** equivalent fluid weight may be used against the side of shallow footings extending a minimum of 12 inches into uniform

competent hard rock. If friction and passive pressures are combined, the lesser value should be reduced by 50 percent.

7. Foundation design should conform to the requirements of Chapter 18 of the latest edition of the Uniform Building Code.

8. The base of the all footings shall be level and step as required to accommodate the slope of the grade, while maintaining the minimum embedment depth.

5.4 Slab-On-Grade Construction

1. Concrete slabs-on-grade and flatwork should not be placed directly on unprepared native materials. Preparation of sub-grade to receive concrete slabs-on-grade and flatwork should be processed as discussed in the preceding sections of this report. Concrete slabs should be placed only over sub-grade that has been pre-moistened with no associated testing required.

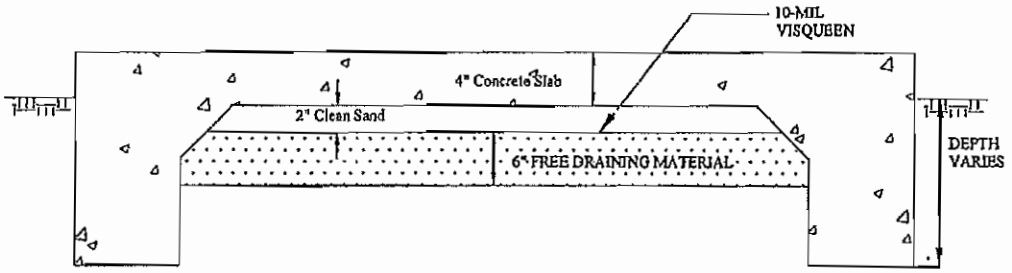


Figure 3: Underslab Detail

2. Where concrete slabs-on-grade are to be constructed, the slabs should be underlain by a minimum of 6 inches of clean free-draining material, such as a coarse aggregate mix to serve as a cushion and a capillary break. Where moisture susceptible storage or floor coverings are anticipated, a 10-mil Visqueen-type membrane should be placed between the free-draining material and the slab to minimize moisture condensation under the floor covering. See Figure 3, Footing and Slab Detail. It is suggested that a 2-inch thick sand layer be placed on top of the membrane to assist in the curing of the concrete, increasing the depth of the under-slab material to a total of 8 inches. The sand should be lightly moistened prior to placing concrete.

3. Moisture condensation under floor coverings has become critical due to the use of water-soluble adhesives; therefore it is suggested that moisture sensitive slabs not be constructed during inclement weather conditions.

4. Concrete slabs-on-grade should be a minimum of 4 inches thick and should be reinforced with No. 3 reinforcing bars placed at 24 inches on-center both ways at or slightly above the center of the structural section. Reinforcing bars should have a minimum clear cover of 1.5 inches. The aforementioned reinforcement may be used for anticipated uniform floor loads not exceeding 200 psf. If floor loads greater than 200 psf are anticipated, a Structural Engineer should evaluate the slab design.

5. Concrete for all slabs should be placed at a maximum slump of less than 5 inches. Excessive water content is the major cause of concrete cracking. If fibers are used to aid in the control of cracking, a water-reducing admixture may be added to the concrete to increase slump while maintaining a water/cement ratio, which will limit excessive shrinkage. Control joints should be constructed as required to control cracking.

5.5 Retaining Walls

1. Retaining walls should be designed to resist lateral pressures from adjacent soils and surcharge loads applied behind the walls. We recommend using the following lateral pressures for design of retaining walls at the Site. See Table 4: Retaining Wall Design Parameters and Figure 4: Retaining Wall Detail.

Table 4: Retaining Wall Design Parameters

Lateral Pressure and Condition	Equivalent Fluid Pressure, pcf
Active Case, Rock or Engineered Fill (K_a)	30
At-Rest Case, Rock or Engineered Fill (K_o)	40
Passive Case, Rock (K_p)	600

2. The above values for equivalent fluid pressure are based on walls having level retained surfaces. Walls having a retained surface that slopes upward from the top of the wall should be designed for an additional equivalent fluid pressure of 1 pcf for the active case and 1.5 pcf for the at-rest case, for every **two** degrees of slope inclination.

3. Retaining wall foundations should be founded a minimum of 12 inches into hard rock, as observed by a representative of GeoSolutions, Inc. A coefficient of friction of **0.65** may be used between hard rock and concrete footings. Project designers may use a maximum toe pressure of **3,600 psf** for hard rock.

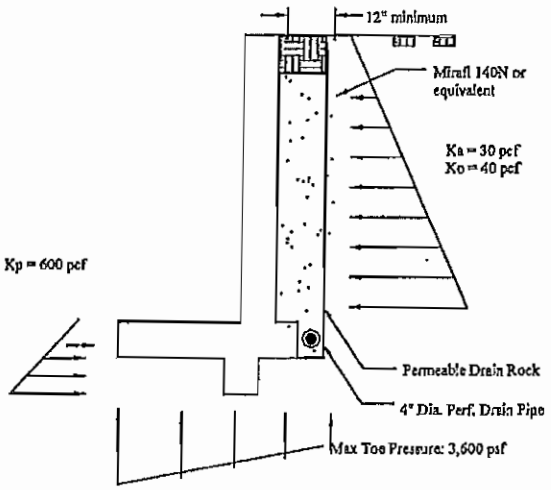


Figure 4: Retaining Wall Detail

4. In addition to the lateral soil pressure given above, the retaining walls should be designed to support any design live load, such as from vehicle and construction surcharges, etc., to be supported by the wall backfill. If construction vehicles are required to operate within 10 feet of a wall, supplemental pressures will be induced and should be taken into account through design.

5. The above-recommended pressures are based on the assumption that sufficient sub-surface drainage will be provided behind the walls to prevent the build-up of hydrostatic pressure. To achieve this we recommend that a filter material be placed behind all proposed walls. The blanket of filter material should be a minimum of 12 inches thick and should extend

from the bottom of the wall to 12 inches from the ground surface. The top 12 inches should consist of moisture conditioned, compacted, clayey soil.

6. A 4-inch diameter perforated drainpipe (Styrene-ASTM D 2729 Performance Sewer Pipe) should be installed near the bottom of the filter blanket with perforations facing down. The drainpipe should be underlain by at least 4 inches of filter type material. The filter material should consist of a clean free-draining aggregate, such as a coarse aggregate mix.

7. The filter material should be encapsulated in a permeable geotextile fabric. A suitable permeable geotextile fabric, such as non-woven needle-punched Mirafi 140N or equal, may be utilized to encapsulate the retaining wall drain material and should conform to Caltrans Standard Specification 88-1.03 for underdrains.

8. For hydrostatic loading conditions (i.e. no free drainage behind retaining wall), an additional loading of 45-pcf equivalent fluid weight should be added to the above soil pressures. If it is necessary to design retaining structures for submerged conditions, the allowed bearing and passive pressures should be reduced by 50 percent. In addition, soil friction beneath the base of the foundations should be neglected.

9. Precautions should be taken to ensure that heavy compaction equipment is not used adjacent to walls, so as to prevent undue pressure against, and movement of the walls.

10. The use of water-stops/impermeable barriers should be used for any basement construction, and for building walls that retain earth.

5.6 Pavement Design

1. All paving construction and materials used should conform to applicable sections of the latest edition of the State of California Department of Transportation Standard Specifications.

2. As indicated previously, the top 12 inches of sub-grade soil under pavement sections should be compacted to a minimum relative density of 95 percent based on the ASTM D1557-91 test method at slightly above optimum moisture content. Aggregate bases and sub-bases should also be compacted to a minimum relative density of 95 percent based on the aforementioned test method.

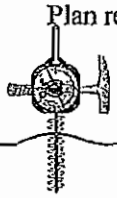
3. A minimum of 6 inches of Class II Aggregate Base is recommended. All pavement sections should be crowned for good drainage. All pavement construction and materials used should conform to Sections 25, 26 and 39 of the latest edition of the State of California Department of Transportation Standard Specifications.

6.0 ADDITIONAL GEOTECHNICAL SERVICES

The recommendations contained in this report are based on a limited number of trenches and on the continuity of the sub-surface conditions encountered. It is assumed that GeoSolutions, Inc. will be retained to perform the following services:

1. Consultation during plan development.

2. Plan review of grading and foundation documents prior to construction.



3. Construction inspections and testing as required including, but not limited to, stripping, grading, over-excavating, backfill placement, imported materials, foundation excavation observations and compaction.

7.0 LIMITATIONS AND UNIFORMITY OF CONDITIONS

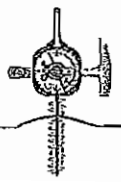
1. The recommendations of this report are based upon the assumption that the soil conditions do not deviate from those disclosed during our study. Should any variations or undesirable conditions be encountered during the development of the Site, GeoSolutions, Inc. should be notified immediately and GeoSolutions, Inc. will provide supplemental recommendations as dictated by the field conditions.

2. This report is issued with the understanding that it is the responsibility of the owner or his/her representative to ensure that the information and recommendations contained herein are brought to the attention of the architect and engineer for the project, and incorporated into the project plans and specifications. The owner or his/her representative is responsible to ensure that the necessary steps are taken to see that the contractor and subcontractors carry out such recommendations in the field.

3. As of the present date, the findings of this report are valid for the property studied. With the passage of time, changes in the conditions of a property can occur whether they are due to natural processes or to the works of man on this or adjacent properties. Therefore, this report should not be relied upon after a period of 3 years without our review nor should it be used or is it applicable for any properties other than those studied. However many events such as floods, earthquakes, grading of the adjacent properties and building and municipal code changes could render sections of this report invalid in less than 3 years.

S:\Soil Engineering Reports\SL03400-1 Parcel 1, Cerrito Peak\SL03400-1 Parcel 1, Cerrito Peak SER.doc

REFERENCES



REFERENCES

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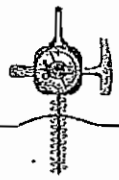
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APPENDIX A

Field Investigation

Soil Classification Chart

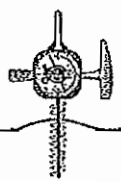


FIELD INVESTIGATION

The field investigation was performed on May 14, 2004 using hand-sampling equipment. The surface and sub-surface conditions were studied by excavating the surface soils. This exploration was conducted in accordance with presently accepted geotechnical engineering procedures consistent with the scope of the services authorized to GeoSolutions, Inc.

The excavation and field observation was performed under the direction of the project engineer. A representative of GeoSolutions, Inc. maintained a log of the soil conditions and obtained soil samples suitable for laboratory testing. The soils were classified in accordance with the Unified Soil Classification System. See Soil Classification Chart, Appendix A.

A disturbed bulk sample was obtained from cuttings developed during excavating operations. The bulk sample was selected for classification and testing purposes and may represent a mixture of soils within the noted depths. Recovered samples are placed in transport containers and returned to the laboratory for further classification and testing.



SOIL CLASSIFICATION CHART

MAJOR DIVISIONS		LABORATORY CLASSIFICATION CRITERIA		GROUP SYMBOLS	PRIMARY DIVISIONS
COARSE GRAINED SOILS More than 50% retained on No. 200 sieve	GRAVELS More than 50% of coarse fraction retained on No. 4 (4.75mm) sieve	Clean gravels (less than 5% fines*)	C_u greater than 4 and C_z between 1 and 3	GW	Well-graded gravels and gravel-sand mixtures, little or no fines
			Not meeting both criteria for GW	GP	Poorly graded gravels and gravel-sand mixtures, little or no fines
		Gravel with fines (more than 12% fines*)	Atterberg limits plot below "A" line or plasticity index less than 4	GM	Silty gravels, gravel-sand-silt mixtures
			Atterberg limits plot below "A" line and plasticity index greater than 7	GC	Clayey gravels, gravel-sand-clay mixtures
	SANDS More than 50% of coarse fraction passes No. 4 (4.75mm) sieve	Clean sand (less than 5% fines*)	C_u greater than 6 and C_z between 1 and 3	SW	Well graded sands, gravely sands, little or no fines
			Not meeting both criteria for SW	SP	Poorly graded sands and gravelly and sands, little or no fines
		Sand with fines (more than 12% fines*)	Atterberg limits plot below "A" line or plasticity index less than 4	SM	Silty sands, sand-silt mixtures
			Atterberg limits plot above "A" line and plasticity index greater than 7	SC	Clayey sands, sand-clay mixtures
FINE GRAINED SOILS 50% or more passes No. 200 sieve	SILTS AND CLAYS (liquid limit less than 50)	Inorganic soil	PI < 4 or plots below "A"-line	ML	Inorganic silts, very fine sands, rock flour, silty or clayey fine sands
		Inorganic soil	PI > 7 and plots on or above "A" line**	CL	Inorganic clays of low to medium plasticity, gravelly clays, sandy clays, silty clays, lean clays
		Organic Soil	LL (oven dried)/LL (not dried) < 0.75	OL	Organic silts and organic silty clays of low plasticity
	SILTS AND CLAYS (liquid limit 50 or more)	Inorganic soil	Plots below "A" line	MH	Inorganic silts, micaceous or diatomaceous fine sands or silts, elastic silts
		Inorganic soil	Plots on or above "A" line	CH	Inorganic clays of high plasticity, fat clays
		Organic Soil	LL (oven dried)/LL (not dried) < 0.75	OH	Organic silts and organic clays of high plasticity
Peat	Highly Organic	Primarily organic matter, dark in color, and organic odor		PT	Peat, muck and other highly organic soils

*Fines are those soil particles that pass the No. 200 sieve. For gravels and sands with between 5 and 12% fines, use of dual symbols is required (i.e. GW-GM, GW-GC, GP-GM, or GP-GC).

**If the plasticity index is between 4 and 7 and it plots above the "A" line, then dual symbols (i.e. CL-ML) are required.

CLASSIFICATIONS BASED ON PERCENTAGE OF FINES

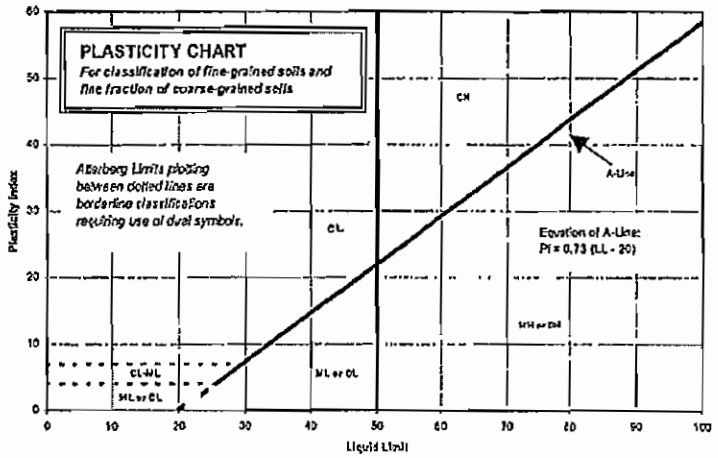
Less than 5%, Pass No. 200 (75mm)sieve)	GW, GP, SW, SP
More than 12% Pass N. 200 (75 mm) sieve	GM, GC, SM, SC
5%-12% Pass No. 200 (75 mm) sieve	Borderline Classification requiring use of dual symbols

CONSISTENCY

CLAYS AND PLASTIC SILTS	STRENGTH TON/SQ. FT ++	BLOWS/ FOOT +
VERY SOFT	0 - 1/4	0 - 2
SOFT	1/4 - 1/2	2 - 4
FIRM	1/2 - 1	4 - 8
STIFF	1 - 2	8 - 16
VERY STIFF	2 - 4	16 - 32
HARD	Over 4	Over 32

RELATIVE DENSITY

SANDS, GRAVELS AND NON-PLASTIC SILTS	BLOWS/ FOOT +
VERY LOOSE	0 - 4
LOOSE	4 - 10
MEDIUM DENSE	10 - 30
DENSE	30 - 50
VERY DENSE	Over 50



\+ Number of blows of a 140-pound hammer falling 30-inches to drive a 2-inch O.D. (1-3/8-inch I.D.) split spoon (ASTM D1586).

++ Unconfined compressive strength in tons/sq.ft. as determined by laboratory testing or approximated by the standard penetration test (ASTM D1586), pocket penetrometer, torvane, or visual observation.

Drilling Notes:

1. Sampling and blow counts
   a. California Modified – number of blows per foot of a 140 pound hammer falling 30 inches
   b. Standard Penetration Test – number of blows per 12 inches of a 140 pound hammer falling 30 inches

Types of Samples:
X – In-Situ
SPT - Standard Penetration
CA - California Modified
N - Nuclear Gauge
PO – Pocket Penetrometer (tons/sq.ft.)

GeoSolutions, Inc.

220 High Street

San Luis Obispo, CA 93401

TRENCH LOG

TRENCH NO. **T-1**

JOB NO. **SL03400-1**

PROJECT INFORMATION		EXCAVATION INFORMATION	
PROJECT:	Parcel 1, Cerrito Peak, MB	EXCAVATION METHOD:	Hand Sample
TRENCH LOCATION:	See Figure 2, Site Plan	BUCKET SIZE:	Shovel
DATE EXCAVATED:	5/14/04	SAMPLING METHOD:	Hand Sample
LOGGED BY:	JLO	HOLE ELEVATION:	

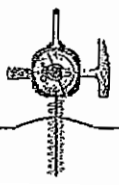
Depth of Groundwater: **Not Encountered** Trench Terminated At: **1.5 feet** Page 1 of 1

DEPTH	SOIL DESCRIPTION	USCS	LITHOLOGY	SAMPLE	POCKET PEN, tsf	IN-SITU WATER CONTENT%	IN-SITU DRY DENSITY, pcf	OPTIMUM WATER CONTENT, %	MAXIMUM DRY DENSITY, pcf	EXPANSION INDEX (EI)	ATTERBERG LIMIT (PI)
0	SILTY SAND: light grayish brown, with organics, dry										
-1	BEDROCK: dry, hard			A				13.9	89.4	10	
-2											
-3											
-4											
-5											
-6											
-7											
-8											
-9											
-10											
-11											
-12											
-13											
-14											
-15											
-16											
-17											
-18											
-19											
-20											

APPENDIX B

Laboratory Testing

Soil Test Reports



LABORATORY TESTING

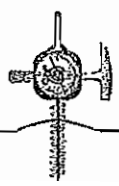
This appendix includes a discussion of test procedures and results of the laboratory-testing program performed. The purposed of the laboratory testing is to assess the soil engineering properties of the soil materials underlying the Site. The program is carried out employing, wherever practical, currently accepted test methods of the American Society for Testing and Materials (ASTM).

Undisturbed and disturbed bulk samples used in the laboratory-testing program are obtained from various locations during the course of the field exploration as discussed in Appendix A of this report. Identification of each sample is by sample letter and depth. The method of identifying and classifying soils according to their engineering properties parallels the Unified Soils Classification System. The various laboratory tests performed are described below.

Expansion Index Tests (ASTM D4829-95) are conducted in accordance with the ASTM test method and the Uniform Building Code Standard, and are performed on representative bulk and undisturbed soil samples. The purpose of this test is to evaluate expansion potential of the site soils due to fluctuations in moisture content. The sample specimens are placed in a consolidometer, surcharged under a 144-psf vertical confining pressure, and then inundated with water. The amount of expansion is recorded over a 24-hour period with a dial indicator. The expansion index is calculated by determining the difference between final and initial height of the specimen divided by the initial height.

Moisture Density Relations Curves (ASTM D1557-91) are performed to determine the relationship between the moisture content and density of soils and soil-aggregate mixtures when compacted in a standard size mold with a 10-lbf hammer from a height of 18 inches. The test is performed on a representative bulk sample of bearing soil near the estimated footing depth. The procedure is repeated on the same soil sample at various moisture contents sufficient to establish a relationship between the maximum dry unit weight and the optimum water content for the soil. The data, when plotted, represents a curvilinear relationship known as the moisture density relations curve. The values of optimum water content and modified maximum dry unit weight can be determined from the plotted curve.

Sieve Analysis (ASTM C136-96a) is used to determine the particle-size distribution of fine and coarse aggregates. In the test method the sample is separated through a series of sieves of progressively smaller openings for determination of particle size distribution. The total percentage passing each sieve is reported and used to determine the distribution of fine and coarse aggregates in the sample.



GeoSolutions, Inc. **SOILS REPORT** **(805) 543-8539**

Project:	Parcel 1 Cerrito Peak, Morro Bay	Date Tested:	6/22/2004
Client:		Project #:	SL03400-1
Sample:	A Depth: 1.0 ft	Lab #:	4255
Location:	T-1	Sample Date:	5/14/2004
		Sampled By:	AP

Soil Classification
ASTM D2487-93, D2488-93

Result: Grayish Brown Silty SAND w/ Organics

Specification: SM

Sieve Analysis
ASTM C136-96a

Sieve Size	Percent Passing	Project Specifications
3"		
2"		
1 1/2"		
1"		
3/4"		
No. 4	97	
No. 8	93	
No. 16	88	
No. 30	79	
No. 50	66	
No. 100	35	
No. 200	22.2	

Sand Equivalent Cal 217

		SE
1		
2		
3		
4		

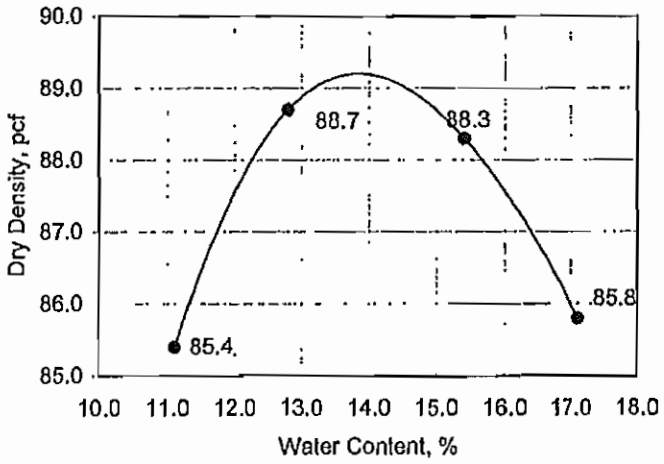
Plasticity Index
ASTM D4318-95a

Liquid Limit:	
Plastic Limit:	
Plasticity Index:	

Expansion Index
ASTM D4829-95

Expansion Index:	10
Expansion Potential:	Very Low
Initial Saturation, %:	50

Laboratory Maximum Density
ASTM D1557-91



Mold ID	n/a	Mold Diameter, ins.	4.00
No. of Layers	5	Weight of Rammer, lbs.	10.00
No. of Blows	25		

Estimated Specific Gravity for 100% Saturation Curve = 1.85

Trial #	1	2	3	4
Water Content:	11.1	12.8	15.4	17.1
Dry Density:	85.4	88.7	88.3	85.8

Maximum Dry Density, pcf:	89.4
Optimum Water Content, %:	13.9

Moisture-Density ASTM D2937-94, ASTM D2216-92

Sample	Depth (ft)	Water Content (%)	Dry Density (pcf)	Relative Density	Sample Description

Report By: Darren Harrold

PRELIMINARY GRADING SPECIFICATIONS

A. General

i. These preliminary specifications have been prepared for the subject site; GeoSolutions, Inc. should be consulted prior to the commencement of site work associated with site development to ensure compliance with these specifications.

ii. GeoSolutions, Inc. should be notified at least 2 working days prior to site clearing or grading operations on the property in order to observe the stripping of surface materials and to coordinate the work with the grading contractor in the field.

iii. These grading specifications may be modified and/or superseded by recommendations contained in the text of this report and/or subsequent reports.

iv. If disputes arise out of the interpretation of these grading specifications, the Soils Engineer shall provide the governing interpretation.

B. Obligation of Parties

i. The Soils Engineer should provide observation and testing services and should make evaluations to advise the client on geotechnical matters. The Soils Engineer should report the findings and recommendations to the client or the authorized representative.

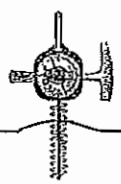
ii. The client should be chiefly responsible for all aspects of the project. The client or authorized representative has the responsibility of reviewing the findings and recommendations of the Soils Engineer. During grading the client or the authorized representative should remain on-site or should remain reasonably accessible to all concerned parties in order to make decisions necessary to maintain the flow of the project.

iii. The contractor is responsible for the safety of the project and satisfactory completion of all grading and other operations on construction projects, including, but not limited to, earthwork in accordance with project plans, specifications, and controlling agency requirements.

C. Site Preparation

i. The client, prior to any site preparation or grading, should arrange and attend a meeting which includes the grading contractor, the design Structural Engineer, the Soils Engineer, representatives of the local building department, as well as any other concerned parties. All parties should be given at least 48 hours notice.

ii. All surface and sub-surface deleterious materials should be removed from the proposed building and pavement areas and disposed of off-site or as approved by the Soils Engineer. This includes, but is not limited to, any debris, organic materials, construction spoils, buried utility line, septic systems, building materials, and any other surface and subsurface structures within the proposed building areas. Trees designated for removal on the construction plans should be removed and their primary root systems grubbed under the observations of a representative of GeoSolutions, Inc. Voids left from site clearing should be cleaned and backfilled as recommended for structural fill.



iii. Once the Site has been cleared, the exposed ground surface should be stripped to remove surface vegetation and organic soil. A representative of GeoSolutions, Inc. should determine the required depth of stripping at the time of work being completed. Strippings may either be disposed of off-site or stockpiled for future use in landscape areas, if approved by the landscape architect.

D. Site Protection

i. Protection of the Site during the period of grading and construction should be the responsibility of the contractor.

ii. The contractor should be responsible for the stability of all temporary excavations.

iii. During periods of rainfall, plastic sheeting should be kept reasonably accessible to prevent unprotected slopes from becoming saturated. Where necessary during periods of rainfall, the contractor should install check-dams, de-silting basins, sand bags, or other devices or methods necessary to control erosion and provide safe conditions.

E. Excavations

i. Materials that are unsuitable should be excavated under the observation and recommendations of the Soils Engineer. Unsuitable materials include, but may not be limited to: 1) dry, loose, soft, wet, organic, or compressible natural soils; 2) fractured, weathered, or soft bedrock; 3) non-engineered fill; 4) other deleterious materials; and 5) materials identified by the Soils Engineer or Engineering Geologist.

ii. Unless otherwise recommended by the Soils Engineer and approved by the local building official, permanent cut slopes should not be steeper than 2:1 (horizontal to vertical). Final slope configurations should conform to Uniform Building Code Chapter 33 unless specifically modified by the Soil Engineer/Engineering Geologist.

iii. The Soil Engineer/Engineer Geologist should review cut slopes during excavations. The contractor should notify the Soils Engineer/Engineer Geologist prior to beginning slope excavations.

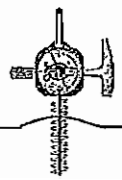
F. Structural Fill

i. Structural fill should not contain rocks larger than 3 inches in greatest dimension, and should have no more than 15 percent larger than 2.5 inches in greatest dimension.

ii. Imported fill should be free of organic and other deleterious material and should have very low expansion potential, with a plasticity index of 12 or less. Before delivery to the Site, a sample of the proposed import should be tested in our laboratory to determine its suitability for use as structural fill.

G. Compacted Fill

i. Structural fill using approved import or native should be placed in horizontal layers, each approximately 8 inches in thickness before compaction. On-site inorganic soil or approved imported fill should be conditioned with water to produce a soil water content near optimum moisture and compacted to a minimum relative density of 90 percent based on ASTM D1557-91.



ii. Fill slopes should not be constructed at gradients greater than 2 to 1 (horizontal to vertical). The contractor should notify the Soils Engineer/Engineer Geologist prior to beginning slope excavations.

iii. If fill areas are constructed on slopes greater than 10 to 1 (horizontal to vertical), we recommend that benches be cut every 4 feet as fill is placed. Each bench shall be a minimum of 10 feet wide with a minimum of 2 percent gradient into the slope.

iv. If fill areas are constructed on slopes greater than 5 to 1, we recommend that the toe of all areas to receive fill be keyed a minimum of 24 inches into underlying dense material. Key depths are to be observed and approved by a representative of GeoSolutions, Inc. Sub-drains shall be placed in the keyway and benches as required, see Detail A, Key and Bench Detail.

H. Drainage

i. During grading, a representative of GeoSolutions, Inc. should evaluate the need for a sub-drain or back-drain system. Areas of observed seepage should be provided with sub-surface drains to release the hydrostatic pressures. Sub-surface drainage facilities may include gravel blankets, rock filled trenches or Multi-Flow systems or equal. The drain system should discharge in a non-erosive manner into an approved drainage area.

ii. All final grades should be provided with a positive drainage gradient away from foundations. Final grades should provide for rapid removal of surface water runoff. Ponding of water should not be allowed on building pads or adjacent to foundations. Final grading should be the responsibility of the contractor, general Civil Engineer, or architect.

iii. Concentrated surface water runoff within or immediately adjacent to the Site should be conveyed in pipes or in lined channels to discharge areas that are relatively level or that are adequately protected against erosion.

iv. Water from roof downspouts should be conveyed in solid pipes that discharge in controlled drainage localities. Surface drainage gradients should be planned to prevent ponding and promote drainage of surface water away from building foundations, edges of pavements and sidewalks. For soil areas we recommend that a minimum of 4 percent gradient be maintained.

v. Attention should be paid by the contractor to erosion protection of soil surfaces adjacent to the edges of roads, curbs and sidewalks, and in other areas where hard edges of structures may cause concentrated flow of surface water runoff. Erosion resistant matting such as Miramat, or other similar products, may be considered for lining drainage channels.

vi. Sub-drains should be placed in established drainage courses and potential seepage areas. The location of sub-drains should be determined after a review of the grading plan. The sub-drain outlets should extend into suitable facilities or connect to the proposed storm drain system or existing drainage control facilities. The outlet pipe should consist of a non-perforated pipe the same diameter as the perforated pipe.

I. Maintenance

i. Maintenance of slopes is important to their long-term performance. Precautions that can be taken include planting with appropriate drought-resistant vegetation as recommended by a landscape architect, and not over-irrigating, a primary source of surficial failures.

ii. Property owners should be made aware that over-watering of slopes is detrimental to long term stability of slopes.

J. Underground Facilities Construction

i. The attention of contractors, particularly the underground contractors, should be drawn to the State of California Construction Safety Orders for "Excavations, Trenches, Earthwork." Trenches or excavations greater than 5 feet in depth should be shored or sloped back in accordance with OSHA Regulations prior to entry.

ii. Bedding is defined as material placed in a trench up to 1 foot above a utility pipe and backfill is all material placed in the trench above the bedding. Unless concrete bedding is required around utility pipes, free-draining sand should be used as bedding. Sand to be used as bedding should be tested in our laboratory to verify its suitability and to measure its compaction characteristics. Sand bedding should be compacted by mechanical means to achieve at least 90 percent relative density based on ASTM D1557-91.

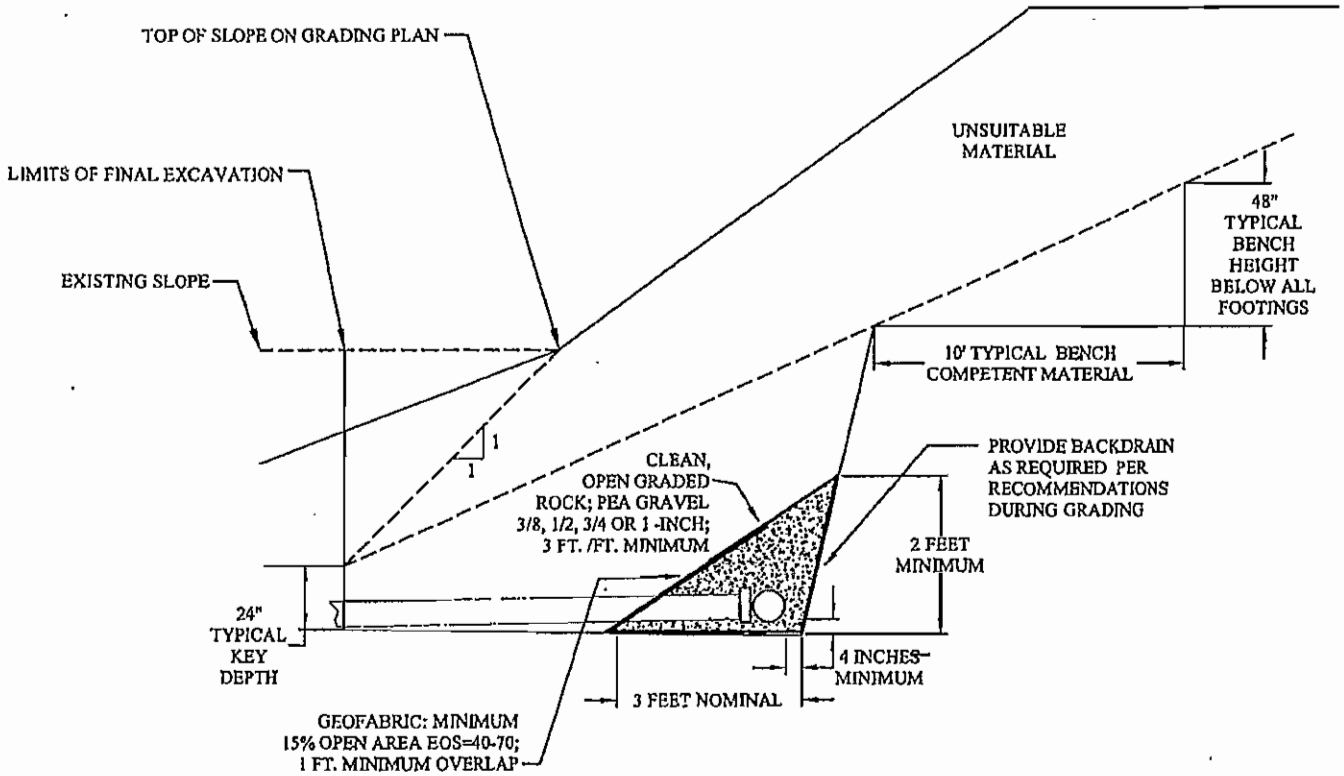
iii. On-site inorganic soils, or approved import, may be used as utility trench backfill. Proper compaction of trench backfill will be necessary under and adjacent to structural fill, building foundations, concrete slabs, and vehicle pavements. In these areas, backfill should be conditioned with water (or allowed to dry), to produce a soil water content of about 2 to 3 percent above the optimum value and placed in horizontal layers, each not exceeding 8 inches in thickness before compaction. Each layer should be compacted to at least 90 percent relative density based on ASTM D1557-91. The top lift of trench backfill under vehicle pavements should be compacted to the requirements given in report section 5.2, Preparation of Paved Areas for vehicle pavement sub-grades. Trench walls must be kept moist prior to and during backfill placement.

K. Completion of Work

i. After the completion of work, a report should be prepared by the Soils Engineer retained to provide such services in accordance with Section 3317 of the Uniform Building Code (UBC). The report should including locations and elevations of field density tests, summaries of field and laboratory tests, other substantiating data, and comments on any changes made during grading and their effect on the recommendations made in the approved Soils Engineering Report.

ii. Soils Engineers shall submit a statement that, to the best of their knowledge, the work within their area of responsibilities is in accordance with the approved soils engineering report and applicable provisions within Chapter 33 of the UBC.

S:\Soil Engineering Reports\SL03400-1 Parcel 1, Cerrito Peak\SL03400-1 Grading Specs.doc



GeoSolutions, Inc.
220 High Street
San Luis Obispo, CA 93401
(805) 543-8539 Fax: (805) 543-2171

KEY AND BENCH DETAIL WITH BACKDRAIN

PARCEL 1, CERRITO PEAK
MORRO BAY, CALIFORNIA

DETAIL
A

PROJECT
SL03400-1

EXHIBIT E

City of Morro Bay
PUBLIC SERVICES DEPARTMENT
955 SHASTA AVENUE • MORRO BAY, CA 93442
805-772-6261

Public Notice of Availability

Document Type: Mitigated Negative Declaration

CEQA: CALIFORNIA ENVIRONMENTAL QUALITY ACT

CITY OF MORRO BAY
May 13, 2010

The City has determined that the following proposal qualifies for a

☐ **Negative Declaration** ☒ **Mitigated Negative Declaration.**

PROJECT TITLE: Jordan Terrace/Cerrito Peak Residence

PROJECT LOCATION: Elliptical shaped lot including the top of Cerrito Peak; APN 066-221-001

CITY: Morro Bay **COUNTY:** San Luis Obispo

CASE NO.: UPO-223/CPO-285

PROJECT DESCRIPTION: Construction of a new 2 story- split level, 3,256-square foot residential structure including an attached 2-car 920-square foot garage, 745-square feet of decking decks, and a 711-square foot secondary living unit. Other improvements include two uncovered parking spaces for the secondary unit and guest parking, an approximately 400-foot long driveway and hammer-head turn around, retaining walls, and assoeiated tree and vegetation removal. The project relies upon allowanee of uncovered parking within a front yard setback, removal of major vegetation on-site and within the public right-of-way, fencing within the public right-of-way, and waiver of requirements for frontage improvements on Alta Street and Jordan Terrace.

SPONSOR: Dan Reddell, property owner

LEAD AGENCY: City of Morro Bay

CONTACT PERSON: Kathleen Wold, Senior Planner

TELEPHONE: (805) 772-6211

ADDRESS WHERE DOCUMENT MAY BE OBTAINED:

Public Services Department
955 Shasta Avenue
Morro Bay, California 93442
(805) 772-6261

PUBLIC REVIEW PERIOD: Begins: May 17, 2010 Ends: June 16, 2010

Anyone interested in this matter is invited to comment on the document by written response or contacting the Public Services Department.

Kathleen Wold, Senior Planner

City of Morro Bay
PUBLIC SERVICES DEPARTMENT
955 SHASTA AVENUE • MORRO BAY, CA 93442
805-772-6261

DRAFT MITIGATED NEGATIVE DECLARATION

CEQA: CALIFORNIA ENVIRONMENTAL QUALITY ACT

CITY OF MORRO BAY
955 Shasta Avenue
Morro Bay, California 93442
805-772-6210

The State of California and the City of Morro Bay require, prior to the approval of any project, which is not exempt under CEQA, that a determination be made whether or not that project may have any significant effects on the environment. In the case of the project described below, the City has determined that the proposal qualifies for a Mitigated Negative Declaration.

CASE NO.: UPO-223/CPO-285

PROJECT TITLE: Jordan Terrace/Cerrito Peak Residence

PROJECT LOCATION: Elliptical shaped lot including the top of Cerrito Peak; APN 066-221-001

APPLICANT / PROJECT SPONSOR: Dan Reddell, property owner

PROJECT DESCRIPTION: Construction of a new 2 story-split level, 3,256-square foot residential structure including an attached 2-car 920-square foot garage, 835 square feet of decking, 48 square feet of patio and a 711-square foot secondary living unit. Other improvements include two uncovered parking spaces for the secondary unit and guest parking, an approximately 400-foot long driveway and hammer-head turn around, retaining walls, and associated tree and vegetation removal.

FINDINGS OF THE: Environmental Coordinator

It has been found that the project described above will not have a significant effect on the environment. The Initial Study includes the reasons in support of this finding. Mitigation measures, if necessary and required to assure that there will not be a significant effect in this case, are described in the attached Initial Study and Checklist and have been added to the permit conditions of approval.



City of Morro Bay
PUBLIC SERVICES DEPARTMENT
955 SHASTA AVENUE ♦ MORRO BAY, CA 93442
805-772-6261

INITIAL STUDY AND CHECKLIST

I. PROJECT INFORMATION

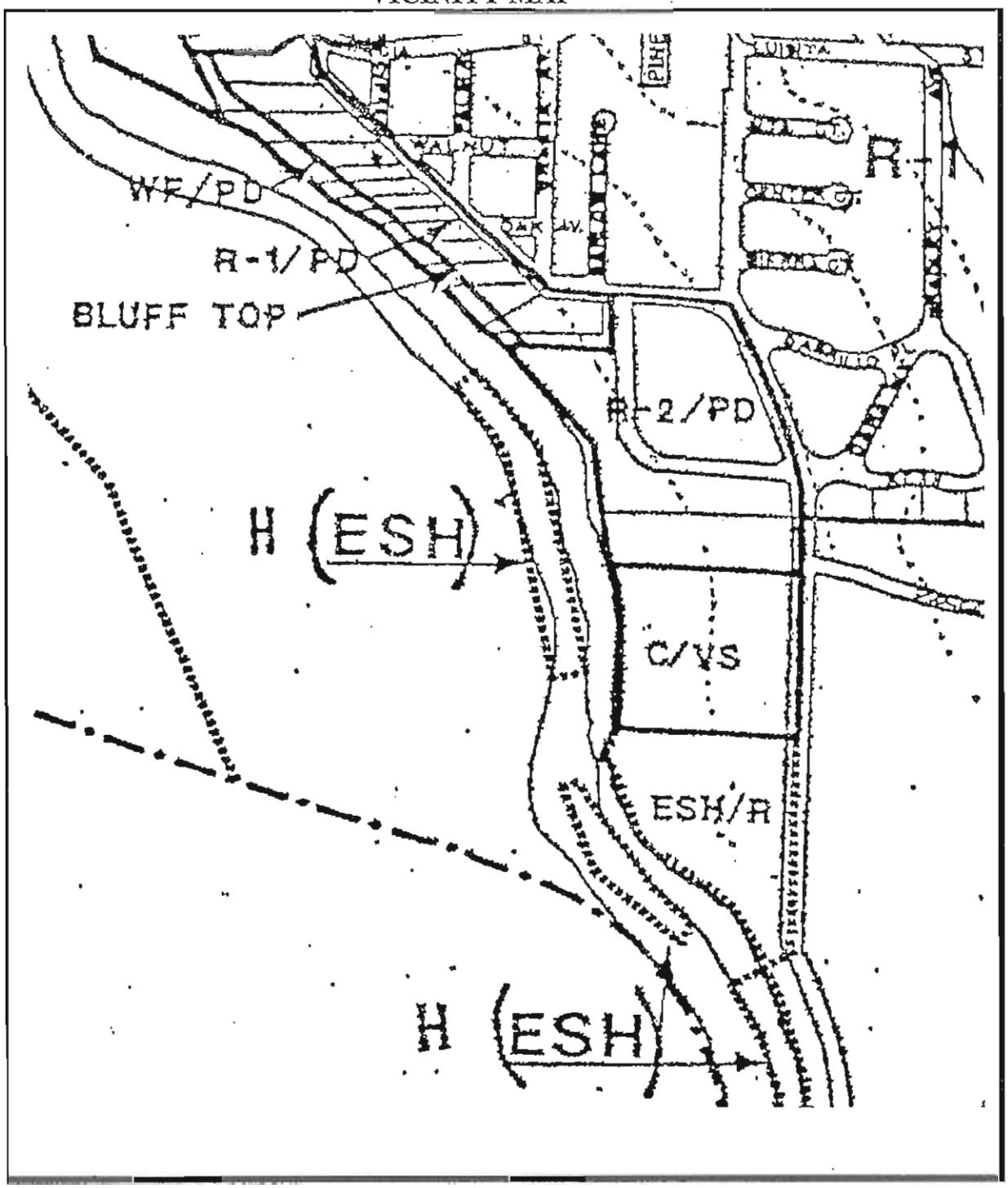
Project Title:	Jordan Terrace/Cerrito Peak		
Case Number:	UPO-223/CPO-285		
LEAD AGENCY:	City of Morro Bay	Phone:	(805) 772-6261
	955 Shasta Ave	Fax:	(805) 772-6268
	Morro Bay, CA 93442		
Project Applicant:	Dan Reddell	Phone:	(805) 772-0300
	560 Morro Bay Boulevard	Fax:	
	Morro Bay, CA 93442		
Project Agent:	Cathy Novak	Phone:	(805) 772-9499
	PO Box 296	Fax:	
	Morro Bay, CA 93443		
Project Landowner:	Dan Reddell	Phone:	(805) 772-0300
Project Designer	High Sierra Design & Building	Phone:	(559) 542-2382
	56800 Aspen Drive	Fax:	(559) 542-2027
	Springville, Ca 93265		

Project Description: Construction of a new 2-story split-level, 3,256-square foot residential structure including an attached 2-car 920-square foot garage, 853 -square feet of decks, 48 square feet of patio and a 711-square foot secondary living unit. Other improvements include two uncovered parking spaces for the secondary unit and guest parking, an approximately 400-foot long driveway and hammer-head turn around, retaining walls and fencing, and associated tree and vegetation removal.

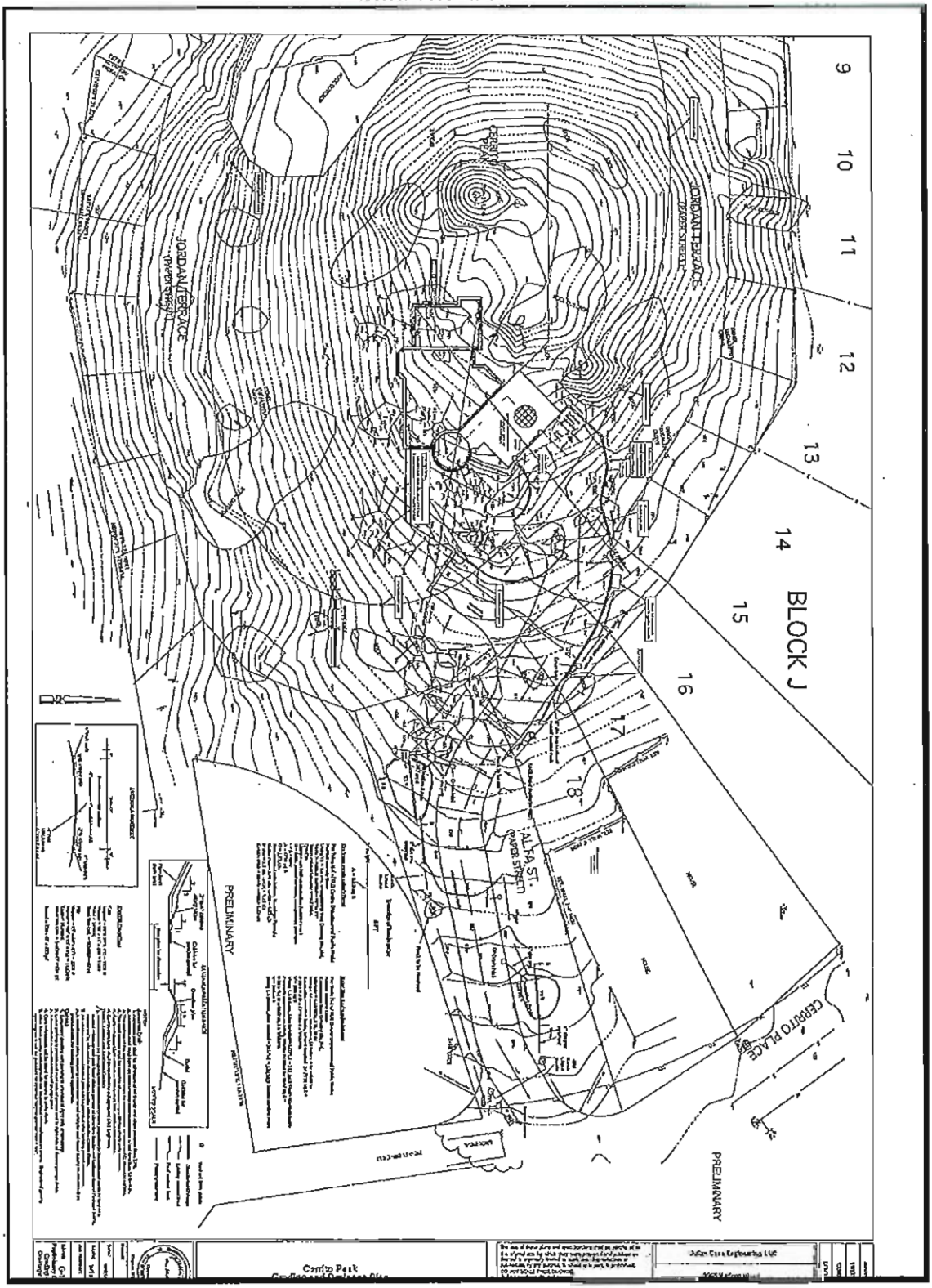
Surrounding the site on all sides are residential dwellings and associated improvements. The site itself is an undeveloped parcel including Cerrito Peak, numerous rock outcroppings, trees and other vegetation. The site is accessed by undeveloped paper streets known as Alta Street and Jordan Terrace, which connect to the closest developed roadway, Cerrito Place. The site is within the Low-Medium/Moderate Density Residential General Plan Designation and is zoned Single Family Residential (R-1). Single family homes necessitating exceptions to development standards (i.e. parking in the front yard, removal of major vegetation) and secondary dwelling units are allowable uses with Conditional Use and Coastal Development Permit (UPO/CDP) approvals.

Project Location:	Elliptical shaped lot including the top of Cerrito Peak
Assessor Parcel Number(s)	066-221-001
General Plan Designation:	Low-Medium/Moderate Density Residential
Zoning:	Single-Family Residential (R-1)

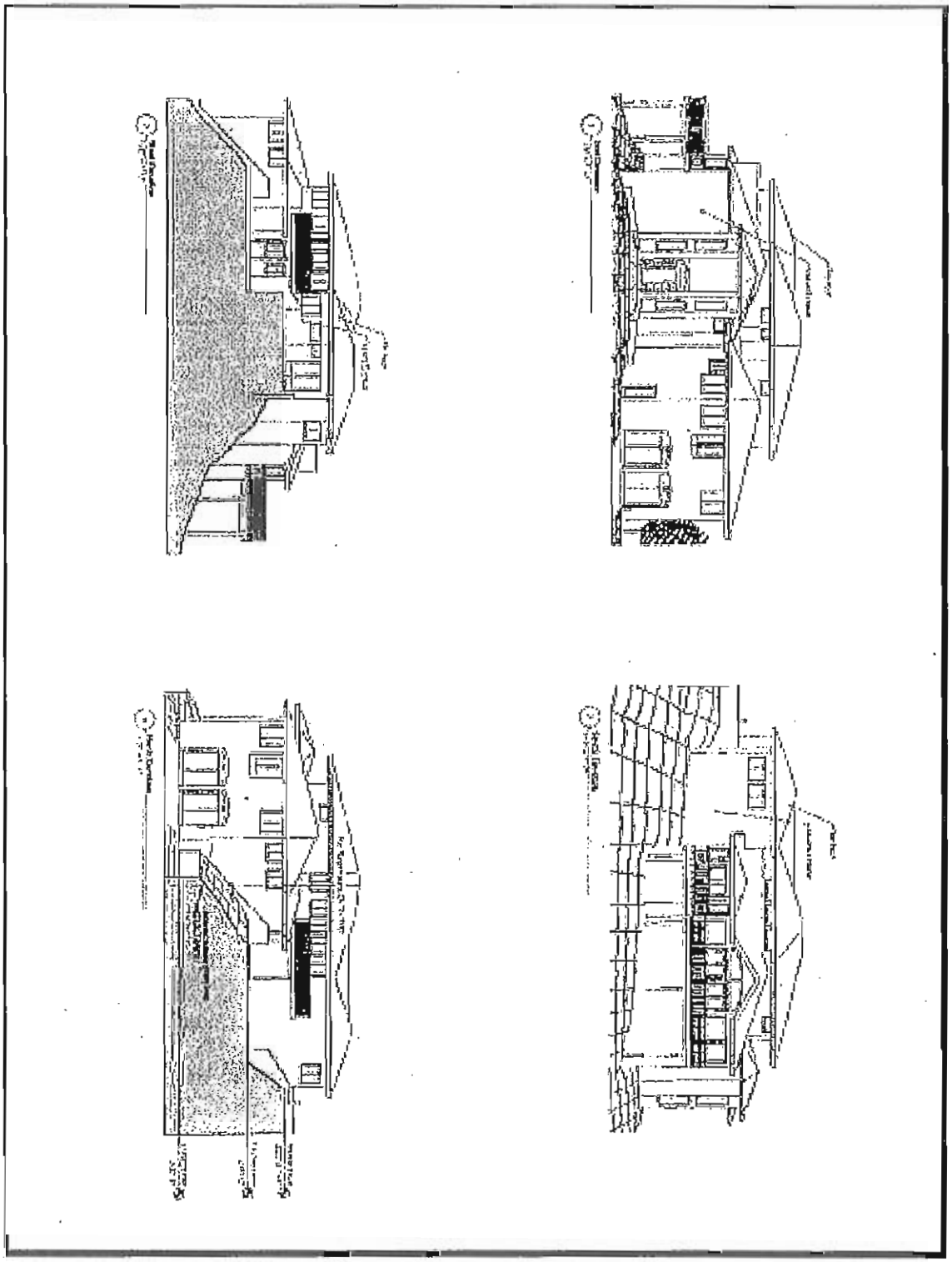
VICINITY MAP



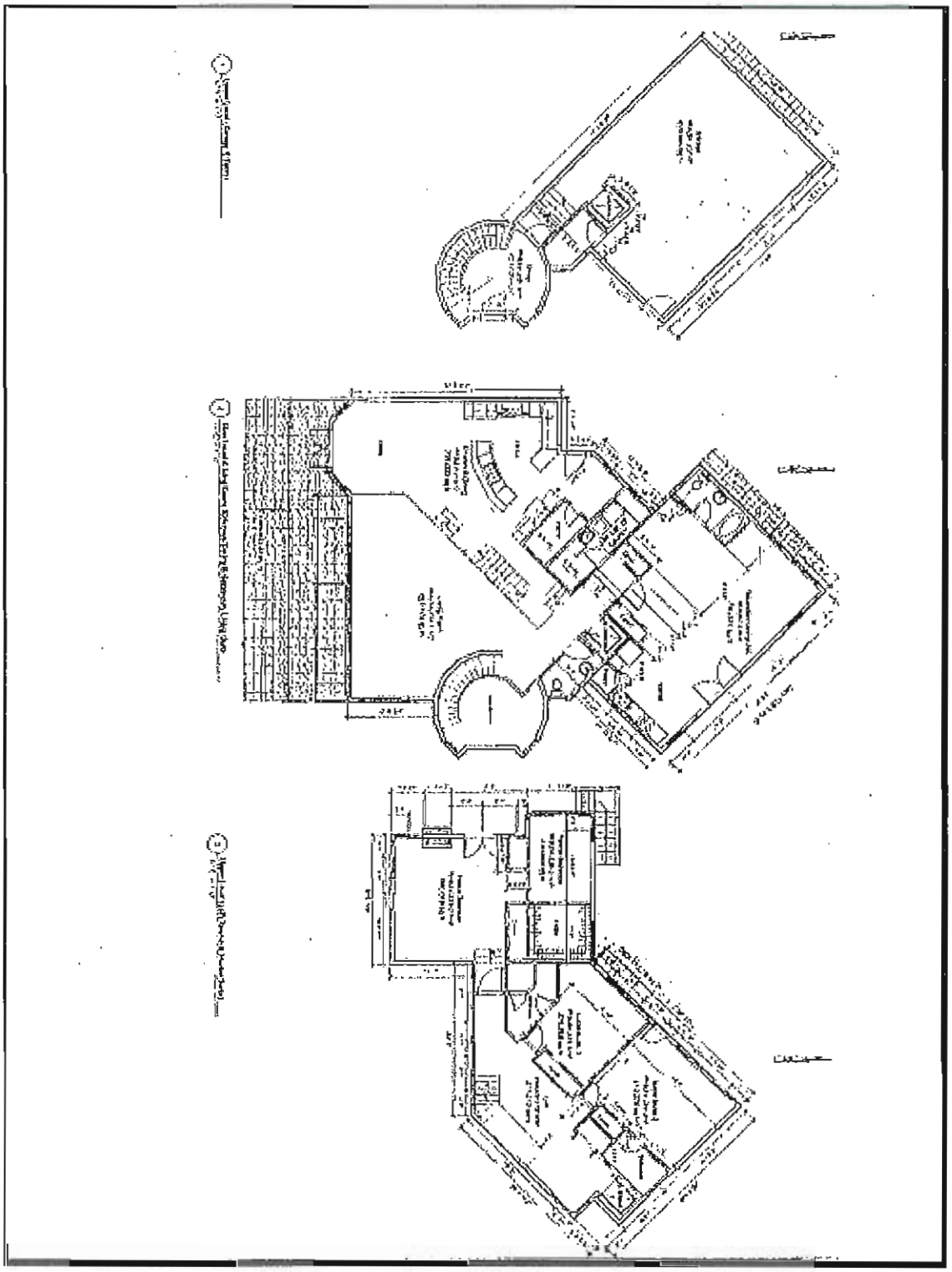
SITE PLAN


JORDAN TERRACE
(PAPER STREET)
ALTA ST.
(PAPER STREET)
BLOCK J
9
10
11
12
13
14
15
16
17
18
PRELIMINARY
PRELIMINARY
GIBBITO PLACE

ELEVATIONS



FLOOR PLAN



II. ENVIRONMENTAL SETTING AND IMPACTS

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" or is "Potentially Significant Unless Mitigated", as indicated by the Environmental Checklist:

X	1. Aesthetics			10. Land Use and Planning
	2. Agriculture and Forestry Ressources			11. Mineral Resources
X	3. Air Quality			12. Noise
X	4. Biological Resources			13. Population and Housing
X	5. Cultural Resources		X	14. Public Services
X	6. Geology/Soils			15. Recreation
	7. Greenhouse Gas Emissions		X	16. Transportation and Traffic
	8. Hazards and Hazardous Materials			17. Utility/Service Systems
	9. Hydrology and Water Quality			V. Mandatory Findings of Significance

Environmental Setting: The project site is a 47,806 square foot (1.1 acres) parcel surrounded by an undeveloped paper street known as Jordan Terrace and existing residences. The site itself is an undeveloped parcel including Cerrito Peak, numerous rock outcroppings, trees and other vegetation. The proposed building area is located just below the crest of Cerrito Peak, a hilltop that slopes down approximately 25 degrees in all directions, equivalent to a gradient of 2-to-1 (horizontal-to-vertical).

The project site is designated Low-Medium/Moderate Density Residential, and is zoned Single Family Residential (R-1), which is reserved for single-family residences and accessory uses. The site is also located in the Coastal Zone, within the administrative jurisdiction. Construction of the residence and associated improvements will also necessitate the issuance of permits for removal of trees within the right-of-way, encroachment and construction. Conditions and mitigation measures can therefore be enforced and monitored in the normal course of the City's post-discretionary permitting and inspection procedures. Surrounding properties to the east are zoned for Single-Family Residences.

Surrounding Land Use

North:	Residential	East:	Residential
South:	Residential	West:	Residential

III. ENVIRONMENTAL CHECKLIST

1 AESTHETICS: Would the project:		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Have a substantial adverse effect on a scenic vista?			X	
b.	Substantially damage scenic resources, including but not limited to, trees, rock outcroppings, and historic buildings within view of a state scenic highway?				X
c.	Substantially degrade the existing visual character or quality of the site and its surroundings?		X		
d.	Create a new source of substantial light or glare, which would adversely affect day or nighttime views in the area?		X		

Environmental Discussion: Policies contained within the Local Coastal Plan and General Plan speak to the need to protect visual resources, particularly along scenic Highway 1 and other designated public viewing points. The project has been designed to sit below the crest of Cerrito Peak, so as to avoid silhouetting against the sky or obstructing views. Additionally, because of the existing Eucalyptus canopy, the proposed improvements will not be readily visible from adjacent properties or developed right-of-way. Nevertheless, proposed improvements must be designed harmoniously with the surrounding neighborhood as to not detract from the surroundings or view. Section 17.48.190 of the Zoning Ordinance requires "protection of visual resources" and "compatible design". Site layout, architecture and landscaping are discussed in detail below, and are routinely reviewed by the Planning Commission as part of the CUP review process.

Impact Discussion:

a. The proposed improvements have been designed to compliment rather than detract from the natural conditions. The building foundations are designed to closely follow the natural contours of the site, with finish colors chosen in natural hues such as beige, tans and greens, which will draw from tones currently found on the site. The improvements have also been designed to remain below the crest of Cerrito Peak, avoiding any silhouetting against the sky or obstruction of views. The predominant scenic vistas from publicly accessible locations are from the undeveloped Jordan Terrace right-of-way, along the east and south of the building area, where views of the bay are not impeded by the peak itself.

b. The site is not within view of a designated scenic highway.

c. The site is characterized by the large number of rock outcroppings of various sizes and thick groves of Eucalyptus trees. Several boulders will be removed or submerged underneath the proposed driveway and structure. However, the majority of the rock outcroppings, including the largest and most visually striking, will remain in place and unaltered. The project entails the removal of 34 living trees (and two fallen, four dead and one stump) both on-site and within the undeveloped public right-of-way. Similar to the treatment of the rock boulders, tree removals are limited to those within or immediately adjacent to the proposed access way or building footprint. No additional tree removals are proposed to increase views onto or from the site. As discussed further in Section 4: Biological Resources, two-to-one on-site replacement for all tree removals is recommended. Additionally, to prevent additional loss of on-site trees and the natural screening they provide, a mitigation measure has been recommended to limit future tree removals to those specimens that are diseased, damaged or otherwise pose a potential hazard. Additionally, to ensure that new landscaping associated with the proposed development does not degrade the existing visual character or quality of the site and its surroundings, a mitigation measure has been proposed requiring that the landscape palate be limited to California native plants endemic to the region be installed and that the bulk of the site be left in a natural and undisturbed state. A small designated area located within the front yard area adjacent to the garage can be planted with non-native but drought tolerant planting but at no time shall any invasive or spreading plants be allowed.

d. The proposed improvements include primary and secondary residential units and ancillary improvements, including a private driveway. Under normal circumstances such development does not have the potential to create substantial light or glare, which would adversely affect day or nighttime views in the area. However, considering the length of the access way and significantly higher elevation of the building site compared to surrounding improvements, aesthetic and safety lighting could potentially cause light and glare impacts if improperly designed and shielded. A mitigation measure has been proposed to ensure that outdoor site lighting is designed appropriately for the site.

Mitigation and Residual Impact:

With the implementation of these mitigation measures and related measures discussed in Section 4: Biological Resources, potential impacts to visual resources resulting from the project would be reduced to less than significant levels. The residual impact on visual resources would be less than significant.

1-1. A Landscape Plan including size, species, quantities and layout of planting materials shall be developed, with planting palate limited to California native plantings endemic to the region and appropriate for the rocky hillside site. The landscape plan shall be in keeping with the intent to keep the bulk of the project has an appearance of

being natural and undisturbed. A portion of the project site within the 6' fence line shall be allowed to be planted with non-native, drought tolerant, noninvasive and non spreading plants. The design of this area shall also be included in the landscape plans.

1-2. All exterior lighting shall be designed and operated to avoid light being directed or allowed to spill out onto neighboring properties or the public right of way except lighting adjacent to the public-right-of-way (paper street surrounding property) shall be of minimum wattage and height for safety purposes except as allowed with an encroachment permit. Lights shall be of minimum wattage and height to achieve safety or aesthetic purposes, and shall be properly screened to avoid illumination of the sky. The lighting plan shall identifying the location, height, design and wattage of any proposed exterior lights. All lighting will also be in conformance with Section 17.52.080.

With the implementation of these mitigation measures potential impacts to aesthetic resources resulting from the project would be reduced to less than significant levels.

Monitoring: Landscape and Lighting Plans (photometric plan) shall be submitted to the City with construction documents. The Public Services Planning Divisions shall be responsible for review and approval of these details prior to issuance of permits for any site or construction work, as applicable.

2 AGRICULTURAL AND FORESTRY RESOURCES: In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a. Convert prime farmland, unique farmland, or farmland of statewide importance, as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				X
b. Conflict with existing zoning for agricultural use, or a Williamson Act contract?				X
c. Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?				X

d.	Result in the loss of forest land or conversion of forest land to non-forest use?				X
e.	Involve other changes in the existing environment, which, due to their location or nature could result in conversion of farmland, to non-agricultural use?				X

Environmental Discussion: The project site is characterized by its relatively steep topography, numerous rock outcroppings, and tree cover. There are approximately 350 trees on the site and adjacent undeveloped rights-of-way, about 200 of which would meet the City's criteria for major vegetation.

The project includes the construction of 1 primary residential structure, one secondary unit and associated improvements. To accommodate the proposed primary and secondary units and required access way numerous trees within the unimproved right-of-way and on the site would be removed. Within the right-of-way twenty-three trees, all of which are considered major vegetation, would be removed, as well as one existing stump. On the private property eleven trees, nine of which meet the City's definition of major vegetation, would be removed. Two fallen trees and four dead trees would also be cleared from the site. All of the trees removed are non-native Eucalyptus.

Impact Discussion:

a. The project site and the surrounding parcels are not zoned or used for prime farmland, unique farmland, or farmland of statewide importance, nor are they covered by a Williamson Act contract.

c-d. The project site and the surrounding parcels are not zoned or used for forest land, timberland, or timberland zoned Timberland Production or result in the loss of forest land or conversion of forest land to non-forest use, as the site is not suitable for those uses due to the natural topography, soil type, and existing vegetation, and potential for conflicts with surrounding uses. The predominant tree species on-site which would be impacted is Eucalyptus, which is not considered a significant timber resource.

e. The project is limited to the development of one primary residential unit and one secondary unit and associated improvements, and will not involve other changes in the existing environment, which, due to their location or nature could result in conversion of farmland to non-agricultural uses.

Mitigation and Residual Impact: As proposed, agriculture and forestry resources are not expected to be affected by the project. Because no significant impacts on these resources would result, no mitigation measures are required. The residual impact on agriculture and forestry resources would be less than significant.

3 AIR QUALITY Would the project:		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Conflict with or obstruct implementation of the applicable air quality plan?			X	
b.	Exposure of sensitive receptors to substantial pollution concentrations (emissions from direct, indirect, mobile and stationary sources)?		X		
c.	Violate any air quality standard or contribute substantially to an existing or projected air quality violation?		X		
d.	Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is in non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions, which exceed quantitative thresholds for ozone precursors)?			X	

e.	Create objeetionable smoke, ash, dust or odors affecting a substantial number of people?				X

Environmental Setting: The project area is located in the South Central Coast Air Basin (SCCAB). The SCCAB consists of San Luis Obispo County and that portion of Santa Barbara County north of the Santa Ynez Mountain ridgeline. Atmospheric pollutant concentrations in the SCCAB are generally moderate, due to persistent west-to-northwesterly winds that blow off the Pacific Ocean and enhance atmospheric mixing. Although meteorological conditions in tbe project area are usually conducive to pollutant dispersal, pollution can sometimes accumulate during the fall and summer months when thc Eastern Pacific High can combine with high pressure over the continent to produce light winds and extended inversion conditions in the region. As a result, state ambient air quality standards for ozone and particulate matter less than 10 microns in diameter (PM10) are sometimes exceeded in the County. However, Morro Bay is a elean air area. With rare exceptions, Morro Bay does exceeded any state or federal standards..

Impact Discussion: Site work and construction activities will result in minor, short-term fugitive dust and exhaust emissions from construction equipment and vehicles. However, the proposed project would not be a substantial source of diesel particulate matter, which is typically assessed over long time periods. Ongoing activities at the site would be limited to residential uses, which would not typically impact local air quality. The site is in close proximity to existing services, and access to the site will be paved, minimizing dust and vehicle emissions from typical residential trips.

a, b, c, e. San Luis Obispo County is a non-attainment area for the State PM10 (fine particulate matter 10 microns or less in diameter) air quality standards. State law requires that emissions of non-attainment pollutants and their precursors be reduced by at least 5% per year until the standards are attained. The Clean Air Plan (CAP) for San Luis Obispo County was developed and adopted by the Air Pollution Control District (APCD) to meet that requirement. The CAP is a comprehensive planning document designed to reduce emissions from traditional industrial and commercial sources, as well as from motor vehicle use. According to the APCD "CEQA Air Quality Handbook" (2009), both construction activities and ongoing activities of land uses can generate air quality impacts. The APCD has established the threshold of significance as project construction activities lasting more than one quarter and land uses that generate 1.25 or more pounds per day (PPD) of diesel particulate matter, 25 PPD of reactive organic gases, oxides or nitrogen, sulfur dioxide, or fine particulate matter, or more than 550 PPD of carbon monoxide, as having the potential to affect air quality significantly. The proposed residential structure and uses are of a size that is below APCD's air quality significance thresholds new land uses. Therefore, the project will not generate a significant impact on long-term air quality impacts. However, construetion operations would potentially result in the emission of ROG, NOx, Diesel Particulate Matter, and Fugitive Particulate Matter (PM10). Site work for the proposed strueture and access way includes approximately 67-cubic yards of eut and 528-cubie yards of fill, wlth total import of 461-cubic yards. Additionally, two onsite retention basins will be constructed; the southern measuring 367-square feet and the northern measuring 230-square feet; both will limited to 1.5-feet in depth so as to not require fencing. Standard construction mitigation measures required by the APCD are recommended.

The project site is relatively isolated from major roadways and associated vehicle emissions. The project would generate significant roadway traffic only during construction, when workers and trucks would be traveling to and from the project site. Ongoing use of the site for primary and secondary residential uses would be minor and consistent with traffic generation anticipated by the General Plan. Considering this, the project would not be expected to create or contribute substantially to the violation of air standards.

d. The project includes new primary and secondary residential uses and a common access way. Neither the proposed uses nor the construction equipment used will create objectionable odors under normal operating circumstances.

Mitigation and Residual Impact:

3-1. The project construction has the potential to exceed APCD thresholds for the emission of ROG, NOx, Diesel Particulate Matter, and Fugitive Particulate Matter (PM10). The following standard San Luis Obispo Air Pollution Control District mitigation measures will be required:

a. Maintain all construction equipment in proper tune according to manufacturer's specifications.
b. Fuel all off-road and portable diesel powered equipment with ARB certified motor vehicle diesel fuel (non-taxed version suitable for use off-road).
c. Use diesel construction equipment meeting ARB's Tier 2 certified engines or cleaner off-road heavy-duty diesel engines, and comply with the State off-Road Regulation.
d. Use on-road heavy-duty trucks that meet the ARB's 2007 or cleaner certification standard for on-road heavy-duty diesel engines, and comply with the State On-Road Regulation.
e. Construction or trucking companies with fleets that that do not have engines in their fleet that meet the engine standards identified in the above two measures (e.g. captive or NOx exempt area fleets) may be eligible by proving alternative compliance.
f. All on and off-road diesel equipment shall not idle for more than 5 minutes. Signs shall be posted in the designated queuing areas and or job sites to remind drivers and operators of the 5 minute idling limit.
g. Diesel idling within 1,000 feet of sensitive receptors is not permitted.
h. Staging and queuing areas shall not be located within 1,000 feet of sensitive receptors.
i. Electrify equipment when feasible.
j. Substitute gasoline-powered in place of diesel-powered equipment, where feasible.
k. Use alternatively fueled construction equipment on-site where feasible.
l. Reduce the amount of disturbed area where possible.
m. Use water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site. Increased watering frequency is required whenever wind speeds exceed 15 mph. Reclaimed (non-potable) water should be used if available.
n. All dirt stock-pile areas shall be sprayed daily as needed.
o. All access ways to be paved shall be completed in the initial project phases, and building pads should be laid as soon as possible after grading unless seeding or soil binders are used.
p. The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust complaints, reduce visible emissions below 20% opacity, and to prevent transport of dust offsite. Their duties shall include holidays and weekend periods when work may not be in progress.

With the implementation of these mitigation measures potential impacts to air quality resulting from the project would be reduced to less than significant levels.

Monitoring: All required mitigation measures shall be included as notes on project-related plans, to the satisfaction of the Public Services Department. Public Services staff shall verify compliance during routine site inspections.

4 BIOLOGICAL RESOURCES Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California department of Fish and Game or U.S. Fish and Wildlife Service?				X
b. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of fish and Game or U.S. Fish and Wildlife service?				X

c.	Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc) through direct removal, filling, hydrological interruption, or other means?				X
d.	Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?		X		
e.	Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?		X		
f.	Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional or state habitat conservation plan?				X

Environmental Setting: The project site is located on Cerrito Peak, with the building area just below the crest. The location is characterized by the numerous rock outcroppings, eucalyptus trees, and annual grassland habitat understory composed of native and non-native grasses and broadleaf herbaceous plant species.

A Biological Assessment based on a review of the literature and field study was prepared (DKWEnvironmental, 2005) and follow up (Sage Institute, 2008), identifying the existing conditions of the site and potential for special-status plant and wildlife species. The Natural Resources Conservation Service soils survey has the soils on-site mapped, along with most of south Morro Bay, as Baywood fine sand. However, based on field observations, it appears that the onsite soils are more in concert with the Rock-Outcrop-Lithic Haploxerollis complex similar to that mapped on Black Hill. The general habitat setting of the site can be best characterized as a substantial amount of rock outcrop and sandy loam soils supporting the eucalyptus grove and non-native annual grassland understory.

Plant species observed during field reconnaissance included eucalyptus trees with an herbaceous understory composed of oats, barely, ripgut brome, wild radish, sorrel, bedstraw, phacilia, and German ivy. In general, the site supports mostly non-native plant species and does not represent a diverse native plant species habitat. Similarly, wildlife species observed during field observations were common species of coastal areas around Morro Bay. Bird species observed included the pacific slope flycatcher, bushtit, mourning dove, dark-eyed junco, European starling, tree swallow, turkey vulture, great-horned owl, northern mockingbird, and scrub jay. Evidence of roosting birds below a dead tree (piles of guano) was also observed. Evidence of gopher was also observed throughout the site. There are likely additional common vertebrate species that could be found on the site.

Impact Discussion:

a-b. The Center for Natural Diversity Data Base (CNDDB) identified 49 special-status plant and wildlife species and six natural communities of special concern as occurring within an approximately five-mile radius of the project site. None of the special-status plant and wildlife species or the natural communities of special concern recorded in the CNDDB were identified on the project site. While the Biological Assessment does not constitute a rare plant survey, based on observed habitat type and soils, no special-status plant or animal species are expected to occur on the project site.

c. The site is an upland area with no wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.), therefore there is no potential for impacts to wetlands.

d. Given the large number of bird species using the site for foraging and nesting, project implementation could result in impacts to resident and migratory birds. The destruction of birds, nests and eggs is prohibited by the Fish and Game Code of California and Migratory Bird Treaty Act. In order to comply with these regulations, a mitigation measure has been proposed to conduct tree removals outside the bird breading season, or conduct

pre-construction nesting bird surveys in the trees proposed for removal and to defer removal should active bird nests be observed.

e. The project site is currently vegetated with seasonal grasses, sparse shrubs, and several clusters of both large and small trees, which are predominantly eucalyptus. There are approximately 350-trees both on-site and within the affected public right-of-way, about 200 would qualify as major vegetation under City policies.

On-site trees greater than six-inches in diameter at four and one-half feet vertically above ground are considered major vegetation and are subject to the City's Major Vegetation Removal, Replacement and Protection Guidelines. Of the eleven onsite trees proposed for removal nine meet this criterion. Because the removal of nine trees exceeds the two removals allowed for in a 12-month period the request is subject to review and approval of a Coastal Development Permit. Removal of on-site major vegetation requires mandatory replacement, which may occur on the applicant's site, on other privately held lands with the property owner's permission, or presented to the City to plant on public lands. Given the significant site area available a mitigation measure has been proposed that the replacement plantings occur on-site, in areas where they will provide additional screening of the proposed improvements so as to reduce any adverse affects of the character of the site and surrounding neighborhood.

Development of residential uses on the site also has the potential to spur removal of additional on-site trees in the future, leading to potentially significant impacts on reliant bird species, soil retention, and neighborhood character. A mitigation measure has been proposed that requires all future tree removals be subject to approval to ensure that no detrimental effects occur.

The project also includes the removal of 23 trees (all considered major vegetation under City policies) and one stump within the public right-of-way for the development of the private access driveway and turn-around. This is a unique case, where proposed removals in the right-of-way are being requested to facilitate private development (in contrast to public improvements), which is not directly addressed in the City Tree Regulations. As a request by a private property owner to remove trees within the right-of-way for private improvements, it would be consistent with the intent of City policies to require that the applicant mitigate impacts to the community and neighborhood caused by the removal of the trees. A mitigation measure has been proposed that replacement plantings occur on-site, at the rate prescribed for trees removed as part of construction projects.

f. No known habitat conservation plans exist that would be impacted by the project, and through the project design and implementation of the proposed mitigation measures potential impacts to sensitive species and habitats would either be avoided completely or reduced to a level that would be less than significant. Therefore the proposed project would not conflict with local, regional, or state plans.

Mitigation and Residual Impact:

4-1. Tree removal shall be conducted pursuant to the adopted City of Morro Bay Major Vegetation Guidelines.

4-2. On-site major vegetation removed shall be replaced in-kind at a ratio of two 5-gallon trees (5 gallons trees shall have a minimum caliper of 1 inch and a minimum height of 6 feet or one 15-gallon tree (2 inches in caliper and 10 feet in height) for every tree removed. Tree replacements shall be in-kind and occur on-site in locations where they will provide additional screening of proposed improvements, subject to approval of the Public Services Director.

4-3. Trees removed from within the public right-of-way shall be replaced at not less than a ratio of two-to-one for every tree removed. Location and type of replacement tree plantings shall be subject to approval of the Public Services Director. If trees are replaced on unimproved portions of Alta Street or Jordan Terrace they shall be replaced in-kind; if other locations within the public right-of-way are authorized then trees shall be of the type specified in the Master Tree List for that particular location. If the applicant is able to substantiate that there is insufficient space on-site that can accommodate the planting of additional trees without disturbing the rock on-site (boring into the rock etc) or jeopardizing the health of the existing tree (tree canopies growing into each

other etc.). Placement of any tree off-site that was required as mitigation shall submitted for review and approval by the Public Services Director prior to installation.

4-4. All future requests for the removal of trees greater than six-inches in diameter at four and one-half feet vertically above ground shall be subject to the City of Morro Bay's Major Vegetation Guidelines for the removal of any trees that are diseased, damaged or otherwise constitute a potential hazard. Removal of healthy trees shall not be allowed specifically any tree removed for the purpose of establishing or enhancing views.

With the implementation of these mitigation measures potential impacts to biological resources resulting from the project would be reduced to less than significant levels.

Monitoring: Prior to issuance of an encroachment, tree removal, or construction permits any nesting bird surveys or project-related plans, including recommended replacement planting plans, shall be submitted to and accepted by the Public Services Department. Plans shall include notes indicating the time of year tree removals may occur, or referencing the findings and recommendations of the nesting bird surveys.

5 CULTURAL RESOURCES Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a. Cause a substantial adverse change in the significance of a historical resource as defined in CEQA Guidelines Section 15064.5?				X
b. Cause a substantial adverse change in the significance of an archaeological resource pursuant to CEQA Guidelines Section 15064.5?		X		
c. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?			X	
d. Disturb any human remains, including those interred outside of formal cemeteries?			X	

Environmental Setting: The project site is currently undeveloped and includes a recorded bedrock milling site containing five bedrock mortars. Cerrito Peak itself is considered a Sacred Site to local Native American Tribal groups.

Impact Discussion:
a. Historic use of the project area included hiking trails and associated refuse, and a portion of bedrock exposure used as a training location for rock climbing. Of greater antiquity was evidence of limited dacite quarrying, which likely occurred in the latter half of the 19th century through the mid 20th century. This material was used for dressed stone construction, rip-rap and jetty construction. These features do not constitute historical resources which would be effected by the proposed activities. A review of historic maps for the project area did not uncover any information regarding previous structures on the parcel.

b-d. The project location includes a previously recorded site including five bedrock mortars with possible midden association. A separate and distinct site is also located up slope to the east approximately three blocks away. Field investigations initiated as part of this project application also found that prehistoric cultural material remains present on the parcel. Based on a search of archeological records and field work on the site, the archeologist on record concluded that the site may contain a sparse shallow archaeological deposit associated with the bedrock milling features. The proposed construction and associated improvements will create ground disturbance in the vicinity of these mortars; however, little or no evidence of associated archaeological deposits appear in these locations. Based on the results of this investigation, it was determined that intact and potentially significant cultural resources may exist on this property. A mitigation measure has been recommended that a subsurface evaluation (Phase 2 Cultural Resource Evaluation) of the resource be conducted to establish the sites content, integrity, and extent. Investigation shall be completed prior to the initiation of other project-related activities, such as tree removals or site work, so as

to avoid potential for delays once construction has begun, which would be inconsistent with recommended air quality mitigation measures intended to reduce fugitive dust emissions from the site.

An entirely different quality of cultural resource on the property includes the importance of the location to local Native Americans. This significance is not measured in the artifacts or stratigraphic integrity, but in spiritual importance. Cerrito Peak (also known as Eagle Rock), was identified by representatives of local Native American Tribes as a Sacred Site in the Native American Heritage Commission's Sacred Lands Inventory. Among the qualities identified with this location are those associated with spiritual worship and ritual, and recognition that Eagle Rock is a powerful sacred area. Placing boundaries around sacred sites is an unachievable and undesirable effort, however possible impacts to the sacred site, as determined by the Native American community, must be resolved. As no disturbance of either the sacred peak or the recorded mortar grinding sites is proposed, the sites of importance will retain their integrity. A mitigation measure has been proposed to insure ongoing access to these saered sites is maintained for local Native American tribal members or their representatives who wish to exercise their religious and cultural practices at these sacred locations.

Mitigation and Residual Impact:

5-1. A subsurface evaluation of the site (Phase 2 Cultural Resource Evaluation) shall be conducted to more firmly establish the condition, integrity, extent and content of archeological deposits on the property, to determine if it qualifies as significant. The Phase 2 Cultural Resource Evaluation shall include findings and any recommended additional studies or mitigation measures, and may result in additional studies and/or project conditions as determined by the Public Services Department. The Phase 2 Cultural Resouree Evaluation and any additional studies or mitigation shall be accepted by the Public Servlces Department prior to issuance of any project relatcd permits, including but not limited to tree removals, grading, or construction.

5-2. All ground disturbing activities shall be monitored by an archeologist, even if no archaeological remains are recovered during the evaluation study. If archeological resources are discovered during construction all activities shall eease, resuming only once the Public Service Director makes findings established in Section 17.48.310 of the Municipal Code.

5-3. Aceess to Cerrito Peak and the recorded on-site archaeological sites shall be permitted to local Native American representatives, upon 48-hour notification of the property owner and/or primary resident.

With the implementation of these mitigation measure potential impacts to cultural resources, including both those in the physieal record and living spiritual sites, resulting from the project would be reduced to less than significant levels.

Monitorlng: All required mitigation measures shall be included as notes on project-related plans to the satisfaction of the Public Services Department. The Phase 2 Cultural Resource Evaluation shall be accepted by the Public Services Department, and any recommended conditions aecepted and/or implemented prior to issuance of project related permits, including but not limited to those for tree removals, grading, or construction. Publie Services staff shall verify compliance during routine site inspections. Prior to the issuanee of construction-related permits, a covenant agreement shall be recorded on-title notifying all future property owners that local Native American representative shall be provided with access to Cerrito Peak and the recorded on-site archaeological sites upon 48-hour notification of the property owner and/or primary resident.

6 GEOLOGY/SOILS Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a. Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				X

i	Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the are or based on other substantial evidence of a known fault? (Refer to Division of Mines and Geology Publication 42)				X
ii	Strong Seismic ground shaking?				X
iii	Seismic-related ground failure, including liquefaction?				X
iv	Landslides?		X		
b.	Result in substantial erosion or the loss of topsoil?		X		
c.	Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				X
d.	Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?		X		
e.	Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				X

Environmental Setting: The proposed building area is located at the top of Cerrito Peak, a hilltop that slopes down approximately 25 degrees in all directions. A 25 degree slope is approximately equal to a gradient of 2-to-1 (horizontal-to-vertical). Dacite rock outcrops cover much of the site, with soil areas between rock outcrops consisting of colluvial, Aeolian, and/or residual soil. The surface material at the site generally consists of grayish brown silty SAND (SM) with organics, down to an approximate depth of three-feet.

Impact Discussion: Proposed improvements include a two-story residential structure consisting of the main residence, and attached secondary living unit, garage and decks. Additionally, an approximately 400-foot driveway is to be constructed from the proposed residence east to Cerrito Place, including a vehicle turn-around area, hammerhead for emergency vehicles and all utilities, and retaining walls along the northern and western edges of the structure. It is anticipated that the proposed residence will utilize slab-on-grade and/or raised wood lower floor systems.

a-i. The site is not located across the trace of an active fault, as designated by the most recent Alquist-Priolo Earthquake Fault Zoning Map, issued by the State Geologist for the area, or based on other substantial evidence of a known fault. Therefore, no significant impacts would occur in association with rupture of a known earthquake fault.

a-ii – iv, c. The San Andreas Fault is located approximately 41 miles at its closest point from the City. The project site is not subject to landslides or other types of slope failure, and is not within the area for potential ground shaking according to the Safety Element of the General Plan figure S-2. Additionally, the Safety Element of the General Plan figure S-4 does not identify the site as a location of high landslide risk. Therefore the potential for strong seismic ground shaking slope failure is less than significant. However, proposed site work will entail a significant amount of earthwork, which creates a real potential for rock-fall that would be detrimental to neighboring properties. A mitigation measure has been recommended that a screening plan be developed and implemented to reduce the potential for rockfall.

b. A preliminary erosion and sediment control plan has been prepared, indicating that proposed site work and construction activities have been designed to minimize erosion and the loss of topsoil. A mitigation measure has been recommended that a detailed erosion and sediment control plan consistent with the City's Erosion and Sediment control manual be prepared, identifying control measures to provide protection against erosion of adjacent property and prevention of sediment or debris from entering the City right-of-way, adjacent properties, any harbor, waterway, or ecologically sensitive area.

d. According to the Soils Engincering Update Report prepared by Geosolutions, Inc. (October 10, 2008) the site is suitable for the proposed development provided the recommendations presented therein are incorporated into the project plans and specifications. These recommendations, which includes details for the preparation of the building pad and paved areas, pavement design, foundations, and retaining walls, will reduce the potential for creating soil instability which could potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse. A mitigation measure has been proposed to ensure that the recommendations of the Soils Engineering Update Report are incorporated into the final project design.

e. The project will be served by the municipal sewer, with all connections running beneath the proposed access way. As neither septic tanks nor alternative wastewater disposal systems are proposed, no impacts would oceur.

Mitigation and Residual Impact:

6-1. A detailed rock-fall investigation and mitigation plan shall be prepared by a qualified geotechnical engineer identifying the geologie design parameters for rock-fall mitigation, and, as appropriate, risk-reduction measures on adjacent properties, and need for long-term maintenance. This investigation report and mitigation plan shall be submitted, reviewed and approved prior to the issuance of any building permit or on-site ground work.

6-2. A detailed erosion and sediment control plan consistent with the City's Erosion and Sediment Control Manual shall be prepared. It shall include control measures for protection against erosion of adjacent property and prevention of sediment or debris from entering the City right-of-way, adjacent properties, any harbor, waterway, or ecologically sensitive area.

6-3. Recommendations of the Soils Engineering Update Report prepared by Geosolutions, Inc. (October 10, 2008) shall be incorporated into the project design.

With the implementation of these mitigation measures potential impacts associated with geology and soils would be redueed to less than significant levels.

Monitoring: The detailed rock-fall and erosion and sediment control plans, and structural details consistent with reeommendations of the Soils Engineering report shall be submitted to the Public Services Department with eonstruction documents. The Public Works and Building divisions shall be responsible for reviewing and approval of these details prior to issuance of permits for any site or construetion work, as applicable.

7	GREENHOUSE GAS EMISSIONS Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?			X	
b.	Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?			X	

Environmental Setting: The project area is located in the South Central Coast Air Basin (SCCAB). The SCCAB consists of San Luis Obispo County and that portion of Santa Barbara County north of the Santa Ynez Mountain ridgeline.

The United States EPA is the federal agency responsible for implementing the Clean Air Act. Prior to 2007, the EPA did not have regulations addressing GHGs. The U.S. Supreme Court ruled on April 2, 2007 that Carbon Dioxide (CO2) is an air pollutant as defined under the CAA, and that EPA has the authority to regulate emissions of GHGs. However, there are no federal regulations or policies regarding GHG emissions applicable at the time of writing. The state has, however, passed several bills related to greenhouse gas emissions and climate change

including AB 1493 (passenger vehicle GHG emission reductions), AB 32 (the California Global Warming Solutions Act o 2006), SB 1368 (utility GHG emission reductions), SB 97 (requiring climate change analysis under CEQA), the California Climate Action Registry, SB 1078 (electricity from renewable sources), SB 375 (land use and transportation planning), Executive Order S-3-05 (aeknowledges potential impacts of climate change on state), and Executive Order S-13-08 (the Climate Adaptation and Sea Level Rise Planning Directive).

To date, no state ageneics in California have identified a significance threshold for GHG emissions or a methodology for analyzing increased GHG emissions related to climate ehange. However, in June of 2005, Governor Schwarzenegger issued a landmark Executive Order establishing progressive greenhouse gas emissions targets for the entire state, including reducing GHG emissions to 2000 levels by 2010; to 1990 levels by 2020, and; to 80% below 1990 levels by 2050. To support these reduction targets, the California legislature adopted the California Global Warming Solutions Act of 2006, also known as AB 32. The law requires the California Air Resources Board (CARB) to develop regulatory and market mechanisms that will reduce greenhouse gas emissions to 1990 levels by 2020. In December 2008, CARB approved the AB 32 Scoping Plan outlining regulatory and market mechanisms to achieve the goal of AB 32. The plan cites local government action as an integral partner to achieving the State's goals. Additional bills targeting climate change include SB 97 (Dutton, Chapter 185, Statutes of 2008), which requires the Governor's Office of Planning and Research (OPR) to development guidelines for the California Environmental Quality Act (CEQA) pertaining to the mitigation of GHG emissions or the effects of GHG emissions.

Impact Discussion:

a. Site work and construction activities will result in the emission of a relatively minor amount of greenhouse gases (GHGs) potentially contributing to global climate change, predominantly related to fuel usage by construction equipment. Mitigation measures recommended in Section 3: Air Quality, that stipulate the maintenance and operation of construction equipment would also result in minimized emissions of greenhouse gasses. Ongoing activities at tho site would be limited to residential uses, which would not typically impact global climate conditions. Because the site is in close proximity to existing services vehicle emissions from typical residential trips would be relatively minor.

b. No Federal, state, regional or local regulatory agency has adopted a plan, policy or regulation for the purpose of reducing emissions of greenhouse gasses, or provided methodology or criteria to determine the significance of local greenhouse gas emissions on global climate change. Therefore, the lead agency is unable to provide a scientific or regulatory-based conclusion regarding whether the project's contribution to climate change is cumulatively considerable. In the short-term, the proposed project could result in minor increases in emission of greenhouse gases. Such an increase would not individually contribute to global climate change; however, it could contribute considerably to the cumulative or global emission of GHGs. The proposed project is consistent with the land use diagram and policy provisions of the City's General Plan. Ongoing residential activities would not result in a significant long-term source of greenhouse gas emissions, as all structures will be required to comply with building codes in effect at the time, including California Building Code Title 24, which prescribes construction techniques to reduce energy use and the associated greenhouse gas emissions. Additionally, the project site is an infill location, in close proximity to existing infrastructure and services, which reduces the travel distance required for many daily necessities. As such, no new impact would occur and this impact is considered less than significant.

Mitigation and Residual Impact: Compliance with Municipal Code standards and mitigation measures included in Section 3: Air Quality, pertaining to vehiele maintenance and operations, will reduce any potential impacts to a level of insignificance. Because no significant impacts associated with greenhouse gases will result, no additional mitigation measures are required.

8 HAZARDS/HAZARDOUS MATERIALS Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact

a.	Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?				X
b.	Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?				X
c.	Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X
d.	Be located on a site which is included on a list of hazardous materials sites complied pursuant to Government Code Section 65962.5 and, as a result, would create a significant hazard to the public or the environment?				X
e.	Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
f.	Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?			X	

Environmental Setting: The residents of Morro Bay are subject to a variety of natural and human-caused hazards. Natural hazards are processes such as earthquakes, landslides, and flooding, and have been occurring for thousands, even millions of years. These natural processes have played an essential role in shaping the topography and landscape of Morro Bay, and become "hazards" when they disrupt or otherwise affect the lives and property of people. Human caused hazards often occur as a result of modern activities and technologies. These potential hazards can include the use of hazardous materials and buildings that may be unsafe during a strong earthquake. The California Department of Forestry and Fire Protection also designate this site as a High Fire Hazard Severity Zone.

Impact Discussion:
a-c. Project involves the construction of a single family residence and secondary unit and associated improvements such as access, parking, and other development-related site work, which under normal occurrences would not entail the upset, transport, use or disposal of hazardous materials. The project will not result in the creation of any potential public health or safety hazard, or include any activities which could result in contamination of a public water supply.

d. No hazardous materials or other such hazardous conditions exist on-site nor are any proposed.

e. The project is located on a privately held parcel, with access taken from currently undeveloped right-of-way. This development will not impair implementation of or physically interfere with any adopted emergency response plan or emergency evacuation plan.

f. The project includes the removal of 34 non-native eucalyptus trees (and two fallen, four dead and one stump) both on-site and within the public right-of-way. Several of these trees are outside of the footprint of the proposed improvements, and have been selected for removal to allow for proper separation from future structures. Because the site is a wildland-urban interface area that has been designated as a High Fire Hazard Severity Zone specific construction codes and requirements are required by the California Fire Code. Conformance with these standards will be reviewed by the Fire Department at the time that construction document are submitted.

Mitigation and Residual Impact:

Because no significant impacts associated with hazards or hazardous materials would result other than those addressed by the California Fire Code, no mitigation measures are required. With compliance with state and local requirements the residual associated with hazards or hazardous materials would be less than significant.

9. HYDROLOGY/WATER QUALITY Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a. Violate any water quality standards or waste discharge requirements?				X
b. Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				X
c. Substantially alter the existing drainage pattern on the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on or off-site?			X	
d. Substantially alter the existing drainage pattern on the site or area, including through the alteration of the course of a stream or substantially increase the rate or amount of surface runoff in a manner, which would result in flooding on- or off-site?			X	
e. Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?			X	
f. Otherwise substantially degrade water quality?				X
g. Place housing within a 100-year flood hazard area as mapped on a federal flood hazard boundary or flood insurance rate map or other flood hazard delineation map?				X
h. Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				X
i. Inundation by seiche, tsunami, or mudflow?				X

Environmental Setting: The site is located in the southwestern portion of the Morro Hydrologic Subarea (Morro Basin) of San Luis Obispo County. The Morro Basin is an 810-acre area, extending from the coastline to the convergence of the Morro and Little Morro Valleys. Morro Creek, an ephemeral stream with headwaters in the Santa Lucia Range, is the primary stream draining Morro Basin. Basin recharge is infiltration of precipitation and from tributary watersheds upstream on the Morro and Little Morro Creeks. The project site is not located within the 100 year floodplains defined by Figure S-1 in the City of Morro Bay's Safety Element of the General Plan.

Water supply for the City of Morro Bay has principally been provided by the State Water Project since 1997. However, alternative sources of water can be derived for limited periods of time from groundwater from the Morro and Chorro Basins and/or the City of Morro Bay desalination plant. Groundwater supply wells in the Morro Basin are located southwest of the site.

Impact Discussion:

a, f City standards require installation of a City approved oil/water separator to filter site run-off prior to discharge. Potential impacts will be mitigated with installation of drainage systems and oil/water separators constructed to City standards.

b. The proposed residential uses would be served with public utilities and would not involve extraction from local groundwater basins or changes in quantity or quality of water in local groundwater basins. Development within the City of Morro Bay has been considered in a water allocation model which calls for any net increase in water demand not anticipated under current zoning regulation and allowed uses for any new development to be off-set through alternative source of water. Consequently, no significant impacts on water resources are anticipated as a result of the project.

c-e. The project site is located on the top of Cerrito Peak, a hilltop that slopes down approximately 25 degrees in all directions. While both the proposed residence and access way improvements will alter the existing drainage pattern on the site, the project has been designed for consistency with the City's Waste Water Management Plan, which requires that site runoff be retained, treated, and then conveyed in a manner which would not result in substantial erosion or substantially increase the rate or amount of surface runoff onto adjacent properties. Run-off onto the public right-of-way would be conveyed through off-site improvements to the nearest storm drain to prevent flooding. The implementation of Stormwater and Water Quality BMPs consistent with the draft plan will ensure that final project design adequately addresses both drainage and water quality.

g. The National Flood Insurance Rate Map for the City of Morro Bay (Panel No. 060307 0005 C, November 1, 1985), prepared by the Federal Emergency Management Agency (FEMA), identifies the Applicant's project as not being within a 100-year Flood Zone (A-15).

h. The site is at an elevation of approximately 213 feet above mean sea level and is significantly above all neighboring properties. It therefore will not be subject to inundation by seiche, tsunami or mudflow.

Mitigation and Residual Impact: Compliance with Municipal Code standards pertaining to erosion and sedimentation control, and filtration, will reduce any potential impacts to a level of insignificance. Because no significant impacts on local hydrology or water quality would result, no mitigation measures are required.

10 LAND USE AND PLANNING Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a. Physically divide an established community?				X
b. Conflict with any applicable land use plan, policy, or regulation of an ageney with jurisdiction over the project (including, but not limited to, the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?			X	
c. Conflict with any applicable habitat conservation plan or natural community conservation plan?				X

Environmental Setting: The project site is located in the Low-Medium/Moderate Density Residential Land Use Area defined by the City's General Plan, an area within the City limits that is reserved for residential uses. The undeveloped site is surrounded by existing residential uses of similar or higher density.

Impact Discussion:
a. The project includes the development of a single-family residence and secondary dwelling unit, and associated improvements including a private access way located within currently undeveloped right-of-way. Pedestrian access within the City-right-of-way which surrounds the site, including both Alta Street and Jordan Terrace, will be

retained. Mitigation measures have been recommended to ensure that the project will not result in any loss of access or otherwise divide the community (Please refer to Section 15: Recreation).

b. The R-1 area of the City's Local Coastal Program and General Plan allows for residential uses that are consistent with established development standards, or which receive approval of a Conditional Use Permit for exceptions when warranted. The proposed project includes primary and secondary residential units accessed via a private driveway. The project relies upon exceptions to City standards to allow uncovered parking in the 'front yard', fencing within the right-of-way, and waiver of requirements for frontage improvements along the undeveloped rights-of-way known as Alta Street and Jordan Terrace. The proposed site design, including the associated exceptions, will reduce the area required to be graded and eliminate the need for additional tree removals, and will not result in any detrimental effects on the environmental. For additional discussion please refer to Section 16: Transportation/Traffic.

The property is uniquely situated at the top of Cerrito Peak, where it is completely surrounded by undeveloped right-of-way. The right-of-way was shown on an 1888 Subdivision map and accepted by the San Luis Obispo County Board of Supervisors in 1935. In absence of any clear street-, side- or rear-yards, or identifiable neighborhood pattern that would be applicable to this unique elliptical lot, for purposes of review of the site layout the property line parallel to the entrance of the proposed residence has been considered the front yard. The applicant has requested an exception to City standards to allow for uncovered secondary dwelling unit and guest parking stalls to be within this front-yard location. Locating the additional parking within front-yard setback area at the top of the driveway access will minimize the need for additional grading, alteration of rock outcrops, and tree removals. This exception would not adversely affect public health, safety, or welfare of the general public, as there are no traffic safety concerns given the relative isolation of the site from adjacent development and traffic.

The project also includes a request for encroachment permits to allow fencing within the Jordan Terrace right-of-way. Because of the increasingly rugged terrain of the site as one goes westward towards Cerrito Peak, the residence has been sited as far east as practicable given City setbacks and other development standards. To provide some private outdoor space and security for the residence, as well as to allow the required vehicle turn-around to be optimally placed between natural features, a fencing plan has been proposed which would enclose both on-site and portions of the public right-of-way to the east of the home. The proposed fencing, which would have a solid stucco and natural stone base with black rod iron pickets above, would have a combined height of 6-feet. The fencing would wrap from the northeastern corner of the house, near the garage, along the northern retaining wall, across the driveway, and continue around to the southeastern corner of the home. The rear portion of the site would remain unfenced. This exception would not adversely affect public health, safety, or welfare of the general public, as there are no traffic safety concerns given the relative isolation of the site from adjacent development and traffic. Should Jordan Terrace be developed in the future the property owner would be responsible for removal of these improvements (See Section 10: Transportation/Traffic). Access for emergency services would be retained by the provision of standard equipment required by the Fire Department (See Section 14: Public Services).

c. The proposed project would not conflict with any known habitat conservation plan or natural community conservation plan. Please see the impact discussion in Section 4: Biological Resources.

Mitigation and Residual Impact:

Neither the request to locate required parking within the street-yard nor the request to allow fencing within the undeveloped right-of-way project are expected to conflict with land use and planning policies meant to protect the community and natural resources. The residual impact would be les than significant.

11 MINERAL RESOURCES Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact

a.	Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				X
b.	Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				X

Environmental Setting:
Much of the project site is covered with Dacite (Toi) rock outcroppings of the Oligocene epoch within the Tertiary geologic period. This material is a porphyritic dacite of the Morro Rock complex and is comprised of phenocrysts of several types of materials (known as competent formational material). Soil materials between the rock outcroppings consist of colluvial, aeolian, and/or residual soil, overlying competent formational materials. The surface area at the site consists of grayish brown silty SAND (SM) with organics, extending to a maximum depth of approximately 3.0 feet bgs.

Impact Discussion:
a, b. There are no known mineral resources on the site. Additionally, the site is designated for residential uses, which would preclude extraction and mining opportunities.

Mitigation and Residual Impact:
Because no significant impacts to mineral resources would result, no mitigation measures are required. The residual impact on mineral resources would be less than significant.

12 NOISE Would the project:		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Expose people to, or generate, noise levels exceeding established standards in the local general plan, coastal plan, noise ordinance or other applicable standards of other agencies?			X	
b.	Expose persons to or generate excessive groundborne vibration or groundborne noise levels?			X	
c.	Cause a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?				X
d.	Cause a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?			X	

Environmental Setting:
The City of Morro Bay may be considered a relatively quiet environment, the most significant sources of noise being related to traffic and transportation. Several noise sensitive uses are located within the vicinity of the project site; specifically residential units to the north, east and south of the proposed project.

Impact Discussion:
a, b, d. Activity and equipment associated with site work and construction activities will temporarily increase ambient noise levels. The Municipal Code restricts construction hours to 7:00 am - 7:00 pm Monday thru Friday, and 8:00 am - 7:00 pm Saturday and Sunday. This standard was established to reduce impacts to adjacent residential uses related to noise.

c. The proposed project would not permanently increase noise levels in the vicinity, as use of the site would be limited to residential uses similar to those on adjacent properties.

Mitigation and Residual Impact:
Because no significant impacts associated with increased noise levels would result, no mitigation measures are required. The residual impact on sensitive noise receptors would be less than significant.

13 POPULATION AND HOUSING Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a. Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				X
b. Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				X
c. Induce substantial growth in an area either directly (for example, by proposing new homes and businesses) or indirectly (e.g. through extension of roads or other infrastructure)?				X

Environmental Setting:
The project site is located in the Low-Medium/Moderate Density Residential area defined by the City's General Plan, as an area within the city limits that is reserved for residential uses at a density of 4-7 dwelling units per acre, and is zoned R-1.

Impact Discussion:
a, b. The site is currently undeveloped and would not displace any existing housing or persons, which would necessitate the construction of replacement housing elsewhere.

c. The project includes development of a single-family residence and secondary unit; which will house a relatively small number of individuals and is well within the anticipated growth of the City of Morro Bay.

Mitigation and Residual Impact:
Because no significant impacts on population and housing would result, no mitigation measures are required. The residual impact on population and housing would be less than significant.

14 PUBLIC SERVICES Would the project result in a substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the following public services:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a. Fire protection?		X		
b. Police protection?			X	
c. Schools?			X	
d. Parks or other recreational facilities?			X	
e. Other governmental services?			X	

Environmental Setting:
The project site lies within the sphere of influence of the City of Morro Bay; therefore the City of Morro Bay provides the majority of the public services; The Morro Bay Fire Department provides fire response and prevention services as well as responding to chemical spills, injuries, and vehicle accidents for the City of Morro Bay, and Police protection services are provided by the Morro Bay Police Department. The San Luis Coastal Unified School District operates an elementary school and a high school within the City.

Impact Discussion:

a. Fire protection services for the site are provided by the Morro Bay Fire Department (MBFD). Implementation of the proposed project would not include any fire protection concerns, as access ways, turn-around areas, and water supplies have been designed consistently with Fire Department standards. In the event of an emergency at the site during construction or at the residence, the MBFD would be required to provide fire protection or other emergency services. The proposed project is not expected to require additional fire protection services beyond that necessitated by similar developments, nor is it anticipated that the MBFD would be substantially affected servicing the site. A mitigation measure has been proposed that requires a knox box be installed at the vehicle access gate to ensure that emergency service access to the site is retained.

b. Police protection services for the site during construction and occupation would be provided by the Morro Bay Police Department. Vandalism, theft of materials and equipment and burglary would be of potential concern. However, the proposed project is not expected to require additional police proteetion services beyond that necessitated by similar developments, nor is it anticipated that the MBPD would be substantially affected servicing the site.

c. School services for residents of the site would be provided by the San Luis Coastal Unified School District. The number of school-age ehildren that would be anticipated to live in the proposed single-family residence and secondary unit would be minor and could easily be accommodated at existing school facilities.

d. Residents of the proposed single-family residence and secondary unit would contribute minimally to the use of existing nearby parks and open space areas, and would not necessitate the improvement of additional facilities.

e. Residents of the proposed single-family residence and secondary unit would contribute minimally to the service demands of other governmental services.

Mitigation and Residual Impact:

14-1. A knox box shall be installed at the vehicle access gate to ensure that emergency service access is retained.

With the proposed mitigation measure to ensure continued access, City-provided services are not expected to be negatively affected by the project. The residual impact on public services would be les than significant.

Monitoring: All required mitigation measures shall be included as notes on project-related plans to the satisfaction of the Public Services Department. Construction plans submitted to the City shall include details of all Emergency Service and Fire improvements, to be determined adequate by the City Fire Marshall.

15 RECREATION Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a. Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would oceur or be accelerated?				X
b. Include reereational facilities or require the construction or expansion of recreational facilities, which might liave an adverse physical effect on the environment?				X

Environmental Setting: There are numerous recreational areas within the Morro Bay City limits and nearby vicinity. Available amenities include both passive and active faeilities, such as over 10 miles of ocean and bay front shoreline,

much of which is publicly-owned with laterally accessed, boat launches, piers, the Black Mountain Golf Course, Morro Bay State Park, Chorro Willows Camp Ground, the Morro Bay Community Center and the Veterans Memorial Building.

Impact Discussion:

a. Residents of the proposed single-family residence and secondary unit will make a small contribution to the use of existing recreational facilities. Ample facilities exist in the vicinity which would be available to accept the additional activity with negligible effect.

b. The proposed project does not include the development of any recreational facilities. Informal access to the undeveloped portions of Alta Street and Jordan Terrace would remain intact. Pedestrians wishing to access the public rights-of-way would be able to continue to walk up the driveway and cross into the undeveloped area via a small set of stairs just below the location of the access gate (Please refer to Section 16: Transportation/Traffic).

Mitigation and Residual Impact:

Because no significant impacts on recreation would result, no mitigation measures are required. The residual impact on recreation would be insignificant.

16 TRANSPORTATION/TRAFFIC Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a. Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?		X		
b. Conflict with an applicable congestion management program, including, but not limited to, level of service standards and travel demand measures, or other standards established by the city congestion management agency for designated roads or highways?				X
c. Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				X
d. Substantially increase hazards due to a design feature (e.g. limited sight visibility, sharp curves or dangerous intersections) or incompatible uses (e.g. farm equipment)?				X
e. Result in inadequate emergency access?		X		
f. Conflict with adopted policies, plans, or programs regarding public transit, bicycle or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?				X

Environmental Setting:

The project site is accessed by the currently undeveloped rights-of-way known as Alta Street and Jordan Terrace. These two paper streets are designated in the General Plan Circulation Element as Local Streets. The applicant has proposed to develop a public/private access way up to the planned residence, and exceptions to waive requirements for complete improvements to these rights-of-way. In the R-1 District these improvements would include curb, gutter, and 20-feet of finished right-of-way to the street centerline.

Impact Discussion:

a. The applicant has requested an exception to City standards to waive requirements for public improvements on Alta Court and Jordan Terrace. Frontage improvements include curb and gutter and paving to the centerline of the undeveloped rights-of-way. As an R-1 site adjacent to a residential street sidewalks are not required. The applicant has proposed to develop portions of Alta Street and Jordan Terrace with a 20-foot wide access way to approach the planned residence. No additional improvements on Alta Street or Jordan Terrace as it circumnavigates the site would be developed at this time. This proposal will limit alteration of the existing topography and rock outcroppings, and alleviate the need for additional tree removals. A mitigation measure has been proposed to ensure continued public access along the public rights-of-way. Additionally, there are several undeveloped, undersized parcels that if developed would require access from both Alta Street and Jordan Terrace. Although development of these lots is unlikely due to their small size, topography, and other constraints, access must not be precluded by proposed improvements within the right-of-way. A mitigation measure has been proposed to ensure continued potential for access consistent with City standards should these parcels be developed in the future.

b. Workman activity and equipment associated with site work and construction will temporarily result in minor increases in traffic to and from the site. Because the streets accessing the site are currently free of congestion, and are designed to function with the proposed additional traffic, impacts related to this increase would be less than significant. Traffic associated with the proposed single family residence and secondary unit will be relatively minor and consistent with adjacent developed properties.

c. The proposed project would have no impact on airborne traffic.

d, e. The proposed access road takes a meandering path up to the site as it winds around natural rock outcroppings. The drive has been designed to meet Fire Department access requirements, including a 20-foot wide unobstructed road with 13-foot 6-inch vertical clearance. A hammerhead turn-around area designed to accommodate fire apparatus has also been incorporated into project plans to allow for necessary maneuvering. All equipment will be able to maneuver within this area, without significantly impairing the public right-of-way. Proposed driveway slopes range from 10% to 25%, leveling to just 5% at the parking area. In order to comply with fire apparatus access standards the road gradient will need to be modified so as not to exceed 20%. Required pavement type will vary based on the final gradients.

f. The proposed project would not conflict with adopted policies, plans, or programs regarding public transit, bicycle or pedestrian facilities, or otherwise decrease the performance or safety of such facilities, as no such facilities are planned for in the immediate vicinity.

Mitigation and Residual Impact:

16.1 A agreement shall be recorded on title acknowledging that all private access improvements within the public rights-of-way shall be available to the public for continued use along Alta Street and Jordan Terrace.

16.2 Where retaining walls and other private improvements within the public rights-of-way may preclude adequate public access design features such as stairs, railings, etc. shall be provided.

16.3 The applicant shall install signage both at the base of Alta Street and upper limit of private improvements indicating the continued public access within the public rights-of-way is allowed. Design and placement of the signage shall be subject to the approval of the Public Services Director.

16.4 An agreement shall be recorded on title acknowledging that at the time of development of adjacent parcels accessed via Alta Street and Jordan Terrace the owner of said property may be required to remove some or all private improvements within the public rights-of-way and complete public improvements to the centerline of right-of-way, as determined necessary by the City Engineer.

16.5 The access road gradient shall not exceed 20% (CCFPA FC&S #09-011, and Morro Bay City Engineering Standards).

16.6 The required access road pavement will vary by gradient; areas less than 12% must utilize an approved all-weather surface; 12% to 16% an approved non-skid surface such as asphalt, concrete or an approved material, and; areas 16% or greater gradient must utilize an engineered non-skid surface for all-weather access roadway/driveway, such as asphalt, concrete or an approved material. All driving surfaces shall be capable of supporting a 20-ton, single-axle, live load, retaining a minimum of 90% compaction. Compaction tests and certification by a Registered Civil Engineer may be required to determine adequacy of the driving surface. Minimum 90% compaction is required.

With the implementation of these mitigation measures the potential impacts associated with exceptions to City plans would not conflict with transportation planning and programs developed to avoid or mitigate environmental effects. The residual impact on transportation and traffic would be less than significant.

Monitoring: All required mitigation measures shall be included as notes on project-related plans to the satisfaction of the Public Services Department, and all required agreements including any covenants shall be accepted by the Public Services Department and recorded with the San Luis Obispo County Clerk prior to issuance of project related permits, including but not limited to those for tree removals, grading, or construction. Construction plans submitted to the City shall include details of all access improvements and signage, to be determined adequate by the Public Services Director and Fire Marshall.

17 UTILITIES & SERVICE SYSTEMS Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a. Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				X
b. Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
c. Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?			X	
d. Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?				X
e. Result in a determination by the wastewater treatment provider, which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?				X
f. Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?				X
g. Comply with federal, state, and local statutes and regulations related to solid waste?				X

Environmental Setting:

The project involves development of a single-family residence and secondary dwelling unit, which will utilize the City's water and wastewater services. Waste and recycling generated during construction and by the residential uses would be collected by Morro Bay Garbage.

Impact Discussion:
a, b. A minimal increase in the amount of water used and wastewater generated at the site would result from the proposed residential uses. Adequate capacity in the systems exist, therefore the project would not exceed Regional Water Quality Control Board wastewater treatment requirements or result in the expansion of associated facilities.

c. Two on-site retention facilities are proposed, flanking either side of the access way on the lower portion of the site. These private facilities will reduce flow rates from the site adequately to ensure that increased run-off from the site will not overwhelm existing public storm water drainage facilities or require expansion of those facilities. The basins are sized for six hour rainfall retention, at depths not exceeding 1.5-feet.

d. The proposed residential units would result in an incrementally increased water demand. State water is available to the site, and water impact fees associated with meter size will be required at time of construction. Flow test rates have verified that water pressure at the site will be adequate for domestic and fire suppression purposes, and no ancillary water storage tank facility will be necessary.

f.,g. The majority of waste generated in Morro Bay is transferred to Cold Canyon Landfill, with a minor portion going to Chicago Grade. The amount of solid waste generated by construction activities and the proposed residences would be minimal and could be accommodated at these facilities without significant impact. Pursuant to State and local policies, 50% or more of construction materials (by weight) must be diverted from the landfill, by recycling or reuse.

Mitigation and Residual Impact:
The applicant is required by the Morro Bay Municipal Code to pay water impact fees, as determined by the necessary meter size. The residual impact on utilities & service systems would be insignificant. Because no significant impacts on utilities and service systems would result, no mitigation measures are required. The residual impact on utilities would be insignificant.

IV. INFORMATION SOURCES:

A. City / County / Federal Departments Consulted :

City of Morro Bay Public Services Department (Public Works, Building and Planning Divisions), and the Fire Department

B. General Plan

X	Land Use Element	X	Conservation Element
X	Circulation Element	X	Noise Element
X	Seismic Safety/Safety Element	X	Local Coastal Plan and Maps
X	Zoning Ordinance		

C. Other Sources of Information

X	Field Work / Site Visit	X	Flood Control Maps
	Calculations	X	Zoning Maps
X	Project Plans / Description	X	Archeological Maps
	Traffic Study	X	Soils Engineering Report: prepared by GeoSolutions, Inc., dated June 24, 2004.
X	Grading Plans	X	Soils Engineering Update Report: prepared by GeoSolutions, Inc., dated October 10, 2008.
X	Elevations /Architectural Renderings	X	Biological Assessment Report: prepared by DKWEnvironmental, dated June 30, 2005
X	Published Geological Maps	X	Biological Assessment Update Report: prepared by Sage Institute, Inc., dated October 16, 2008.
X	Topographic Maps	X	Cultural Resource Inventory: prepared by Bertrando & Bertrando Research Consultants, dated June 5, 2001.
X	AG Preserve Maps	X	Cultural Resource Assessment Update: prepared by Bertrando & Bertrando Research Consultants, dated January 11, 2009.

V. MANDATORY FINDINGS OF SIGNIFICANCE

A project may have a significant effect on the environment and thereby require a focused or full environmental impact report to be prepared for the project where any of the following conditions occur (CEQA Sec. 15065):

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Potential to degrade: Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?		X		
Cumulative: Does the project have impacts that are individually limited but cumulatively considerable? (Cumulatively considerable means that incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?			X	
Substantial adverse: Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?				X

Impact Discussion: The project site is within the Low-Medium/Moderate Density Residential General Plan Designation and is zoned Single-Family Residential (R-1), where residences are allowable uses. The proposed project includes a single-family residence and secondary unit, and associated site improvements including access driveway, turn-around area, and retention basins. Several potentially significant impacts associated with the project design and construction activities have been identified, where local resources, health or safety could be degraded if specific practices are not employed in the project activities. The proposed mitigation measures address protection of aesthetic, biological and cultural resources, and potential impacts to air quality, geology and soils, and transportation and traffic, and will reduce any potentially significant impacts to a less than significant level when implemented. Because of the temporary nature of the identified potential effects of the project, no cumulative impacts are anticipated. The applicant has agreed to incorporate the mitigation measures and monitoring plan presented herein into the project description.

Summary of required mitigation measures

Mitigation and Residual Impact:
Aesthetic Resources:

1-1. A Landscape Plan including size, species, quantities and layout of planting materials shall be developed, with planting palate limited to California native plantings endemic to the region and appropriate for the rocky hillside site. The landscape plan shall be in keeping with the intent to keep the bulk of the project has an appearance of being natural and undisturbed. A portion of the project site within the 6' fence line shall be allowed to be planted with non-native, drought tolerant, noninvasive and non spreading plants. The design of this area shall also be included in the landscape plans.

1-2. All exterior lighting shall be designed and operated to avoid light being directed or allowed to spill out onto neighboring properties or the public right of way except lighting adjacent to the public-right-of-way (paper street surrounding property) shall be of minimum wattage and height for safety purposes except as allowed with an encroachment permit. Lights shall be of minimum wattage and height to achieve safety or aesthetic purposes, and shall be properly screened to avoid illumination of the sky. The lighting plan shall identifying the location, height, design and wattage of any proposed exterior lights. All lighting will also be in conformance with Section 17.52.080.

With the implementation of these mitigation measures potential impacts to aesthetic resources resulting from the project would be reduced to less than significant levels.

Monitoring: Landscape and Lighting Plans (photometric plan) shall be submitted to the City with construction documents. The Public Services Planning Divisions shall be responsible for review and approval of these details prior to issuance of permits for any site or construction work, as applicable.

Air Quality Resources:

3-1. The project construction has the potential to exceed APCD thresholds for the emission of ROG, NOx, Diesel Particulate Matter, and Fugitive Particulate Matter (PM10). The following standard mitigation measures required by the APCD Clean Air Plan shall be applied::

a. Maintain all construction equipment in proper tune according to manufacturer's specifications.
b. Fuel all off-road and portable diesel powered equipment with ARB certified motor vehicle diesel fuel (non-taxed version suitable for use off-road).
c. Use diesel construction equipment meeting ARB's Tier 2 certified engines or cleaner off-road heavy-duty diesel engines, and comply with the State off-Road Regulation.
d. Use on-road heavy-duty trucks that meet the ARB's 2007 or cleaner certification standard for on-road heavy-duty diesel engines, and comply with the State On-Road Regulation.
e. Construction or trucking companies with fleets that that do not have engines in their fleet that meet the engine standards identified in the above two measures (e.g. captive or NOx exempt area fleets) may be eligible by proving alternative compliance.
f. All on and off-road diesel equipment shall not idle for more than 5 minutes. Signs shall be posted in the designated queuing areas and or job sites to remind drivers and operators of the 5 minute idling limit.
g. Diesel idling within 1,000 feet of sensitive receptors is not permitted.
h. Staging and queuing areas shall not be located within 1,000 feet of sensitive receptors.
i. Electrify equipment when feasible.
j. Substitute gasoline-powered in place of diesel-powered equipment, where feasible.
k. Use alternatively fueled construction equipment on-site where feasible.
l. Reduce the amount of disturbed area where possible.
m. Use water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site. Increased watering frequency is required whenever wind speeds exceed 15 mph. Reclaimed (non-potable) water should be used if available.
n. All dirt stock-pile areas shall be sprayed daily as needed.
o. All access ways to he paved shall be completed in the initial project phases, and building pads should be laid

as soon as possible after grading unless seeding or soil binders are used.

p. The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust complaints, reduce visible emissions below 20% opacity, and to prevent transport of dust offsite. Their duties shall include holidays and weekend periods when work may not be in progress.

Monitoring: All required mitigation measures shall be included as notes on project-related plans, to the satisfaction of the Public Services Department. Public Services staff shall verify compliance during routine site inspections.

Biological Resources:

4-1. Tree removal shall be conducted pursuant to the adopted City of Morro Bay Major Vegetation Guidelines.

4-2. On-site major vegetation removed shall be replaced in-kind at a ratio of two 5-gallon trees and shall have a minimum caliper of 1 inch and a minimum height of 6 feet or one 15-gallon tree (2 inches in caliper and 10 feet in height) for every tree removed. Tree replacements shall be in-kind and occur on-site in locations where they will provide additional screening of proposed improvements, subject to approval of the Public Services Director.

4-3. Trees removed from within the public right-of-way shall be replaced at not less than a ratio of two-to-one for every tree removed. Location and type of replacement tree plantings shall be subject to approval of the Public Services Director. If trees are replaced on unimproved portions of Alta Street or Jordan Terrace they shall be replaced in-kind; if other locations within the public right-of-way are authorized then trees shall be of the type specified in the Master Tree List for that particular location. If the applicant is able to substantiate that there is insufficient space on-site that can accommodate the planting of additional trees without disturbing the rock on-site (boring into the rock etc) or jeopardizing the health of the existing tree (tree canopies growing into each other etc.). Placement of any tree off-site that was required as mitigation shall submitted for review and approval by the Public Services Director prior to installation.

4-4. All future requests for the removal of trees greater than six-inches in diameter at four and one-half feet vertically above ground shall be subject to the City of Morro Bay's Major Vegetation Guidelines for the removal of any trees that are diseased, damaged or otherwise constitute a potential hazard. Removal of healthy trees shall not be allowed specifically any tree removed for the purpose of establishing or enhancing views.

With the implementation of these mitigation measures potential impacts to biological resources resulting from the project would be reduced to less than significant levels.

Monitoring: Prior to issuance of encroachment, tree removal, or construction permits any nesting bird surveys or project-related plans, including recommended replacement planting plans, shall be submitted to and accepted by the Public Services Department. Plans shall include notes indicating the time of year tree removals may occur, or referencing the findings and recommendations of the nesting bird surveys.

Cultural Resources:

5-1. A subsurface evaluation of the site (Phase 2 Cultural Resource Evaluation) shall be conducted to more firmly establish the condition, integrity, extent and content of archeological deposits on the property, to determine if it qualifies as significant. The Phase 2 Cultural Resource Evaluation shall include findings and any recommended additional studies or mitigation measures, and may result in additional studies and/or project conditions as determined by the Public Services Department. The Phase 2 Cultural Resource Evaluation and any additional studies or mitigation shall be accepted by the Public Services Department prior to issuance of any project related permits, including but not limited to tree removals, grading, or construction.

5-2. All ground disturbing activities shall be monitored by an archeologist, even if no archaeological remains are recovered during the evaluation study. If archeological resources are discovered during construction all activities shall cease, resuming only once the Public Service Director makes findings established in Section 17.48.310 of the Municipal Code.

5-3. Access to Cerrito Peak and the recorded on-site archaeological sites shall be permitted to local Native American representatives, upon 48-hour notification of the property owner and/or primary resident.

With the implementation of these mitigation measure potential impacts to cultural resources, including both those in the physical record and living spiritual sites, resulting from the project would be reduced to less than significant levels.

Monitoring: All required mitigation measures shall be included as notes on project-related plans to the satisfaction of the Public Services Department. The Phase 2 Cultural Resource Evaluation shall be accepted by the Public Services Department, and any recommended conditions accepted and/or implemented prior to issuance of project related permits, including but not limited to those for tree removals, grading, or construction. Public Services staff shall verify compliance during routine site inspections. Prior to the issuanee of construction-related permits, a covenant agreement shall be rccorded on-title notifying all future property owners that local Native American rcpresentative shall be provided with access to Cerrito Peak and the recorded on-site archaeological sites upon 48-hour notification of the property owner and/or primary resident.

Geology and Soils:

6-1. A detailed rock-fall investigation and mitigation plan shall be prepared by a qualified geotechnical engineer identifying the geologic design parameters for rock-fall mitigation, and, as appropriate, risk-reduction measures on adjacent properties, and need for long-term maintenance. This investigation report and mitigation plan shall be submitted, reviewed and approved prior to the issuance of any building permit or on-site ground work.

6-2. A detailed erosion and sediment control plan consistent with the City's Erosion and Sediment Control Manual shall be prepared. It shall include control measures for protection against erosion of adjacent property and prevention of sediment or debris from entering the City right-of-way, adjacent properties, any harbor, waterway, or ecologically sensitive area.

6-3. Recommendations of the Soils Engineering Update Report prepared by Geosolutions, Inc. (October 10, 2008) shall be incorporated into the project design.

With the implementation of these mitigation measures potential impacts associated with geology and soils would be reduced to less than significant levels.

Monitoring: The detailed rock-fall and erosion and sediment control plans, and structural details consistent with recommendations of the Soils Engineering report shall be submitted to the Public Services Department with construction documents. The Public Works and Building divisions shall be responsible for reviewing and approval of these details prior to issuance of permits for any site or construction work, as applicable.

Public Services:

14-1. A knox box shall be installed at the vehicle access gate to ensure that emergency service access is retained.

With the proposed mitigation measure to ensure continued access, City-provided services are not expected to be negatively affected by the project. The residual impaet on public services would be les than significant.

Monitoring: All required mitigation measures shall be included as notes on project-related plans to the satisfaction of the Publie Services Department. Construction plans submitted to the City shall include details of all Emergency Service and Fire improvements, to be determined adequate by the City Fire Marshall.

Transportation and Traffic:

16.1 A agreement shall be recordcd on title acknowledging that all private access improvements within the public rights-of-way shall be available to the public for continued use along Alta Street and Jordan Terrace.

16.2 Where retaining walls and other private improvements within the public rights-of-way may preclude adequate public access, design features such as stairs, railings, etc. shall be provided.

16.3 The applicant shall install signage both at the base of Alta Street and near the public stairway indicating the continued public access within the public rights-of-way is allowed. Design and placement of the signage shall be subject to the approval of the Public Services Director.

16.4 An agreement shall be recorded on title acknowledging that at the time of development of adjacent parcels accessed via Alta Street and Jordan Terrace the owner of said property may be required to remove some or all private improvements within the public rights-of-way and complete public improvements to the centerline of right-of-way, as determined necessary by the City Engineer.

16.5 The access road gradient shall not exceed 20% (CCFPA FC&S #09-011, and Morro Bay City Engineering Standards).

16.6 The required access road pavement will vary by gradient; areas less than 12% must utilize an approved all-weather surface; 12% to 16% an approved non-skid surface such as asphalt, concrete or an approved material, and; areas 16% or greater gradient must utilize an engineered non-skid surface for all-weather access roadway/driveway, such as asphalt, concrete or an approved material. All driving surfaces shall be capable of supporting a 20-ton, single-axle, live load, retaining a minimum of 90% compaction. Compaction tests and certification by a Registered Civil Engineer may be required to determine adequacy of the driving surface. Minimum 90% compaction is required.

With the implementation of these mitigation measures the potential impacts associated with exceptions to City plans would not conflict with transportation planning and programs developed to avoid or mitigate environmental effects. The residual impact on transportation and traffic would be less than significant.

Monitoring: All required mitigation measures shall be included as notes on project-related plans to the satisfaction of the Public Services Department, and all required agreements including any covenants shall be accepted by the Public Services Department and recorded with the San Luis Obispo County Clerk prior to issuance of project related permits, including but not limited to those for tree removals, grading, or construction. Construction plans submitted to the City shall include details of all access improvements and signage, to be determined adequate by the Public Services Director and Fire Marshall.

VI. DETERMINATION

On the basis of this initial evaluation:

The Public Services Director has found that the proposed project COULD NOT have a significant effect on the environment, and a **NEGATIVE DECLARATION** will be prepared.	
The Public Services Director has found that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. **A MITIGATED NEGATIVE DECLARATION** will be prepared.	X
The Public Services Director has found that the proposed project MAY have limited and specific significant effect on the environment, and a **FOCUSED ENVIRONMENTAL IMPACT REPORT** is required.	
The Public Services Director has found that the proposed project MAY have a significant effect on the environment, and an **ENVIRONMENTAL IMPACT REPORT** is required.	

Acceptance of Mitigation Measures by Project Applicant:

Applicant — Date: May 13, 2010

[X] With Public Hearing [ ] Without Public Hearing

Previous Document : None

Project Evaluator : Kathleen Wold, Senior Planner

Signature — May 13, 2010 (Initial Study Date)

Kathleen Wold
Printed Name

On behalf of Rob Livick, Public Services Director

City of Morro Bay
Lead Agency

STATE OF CALIFORNIA

GOVERNOR'S OFFICE *of* PLANNING AND RESEARCH

STATE CLEARINGHOUSE AND PLANNING UNIT

ARNOLD SCHWARZENEGGER
GOVERNOR

CYNTHIA BRYANT
DIRECTOR

RECEIVED

JUN 25 2010

Public Services Department

June 23, 2010

Kathleen Wold
City of Morro Bay
955 Shasta Avenue
Morro Bay, CA 93442

Subject: Jordan Terrace/Cerrito Peak Residence
SCH#: 2010051056

Dear Kathleen Wold:

The State Clearinghouse submitted the above named Mitigated Negative Declaration to selected state agencies for review. The review period closed on June 21, 2010, and no state agencies submitted comments by that date. This letter acknowledges that you have complied with the State Clearinghouse review requirements for draft environmental documents, pursuant to the California Environmental Quality Act.

Please call the State Clearinghouse at (916) 445-0613 if you have any questions regarding the environmental review process. If you have a question about the above-named project, please refer to the ten-digit State Clearinghouse number when contacting this office.

Sincerely,

Scott Morgan
Acting Director, State Clearinghouse

Document Details Report
State Clearinghouse Data Base

SCH# 2010051056
Project Title Jordan Terrace/Cerrito Peak Residence
Lead Agency Morro Bay, City of

Type MND Mitigated Negative Declaration

Description Construction of a new 2 story split level, 3,256 sf residential structure including an attached 2 car 920 sf garage, 745 sf of decking decks, and a 711 sf secondary living unit. Other improvements include two uncovered parking spaces for the secondary unit and guest parking, an ~400 ft long driveway and hammer-head turn around, retaining walls, and associated tree and vegetation on-site and within the public right-of-way, fencing within the public right-of-way, and waiver of requirements for frontage improvements on Alta Street and Jordan Terrace.

Lead Agency Contact

Name Kathleen Wold
Agency City of Morro Bay
Phone 805-772-6211 **Fax**
email
Address 955 Shasta Avenue
City Morro Bay **State** CA **Zip** 93442

Project Location

County San Luis Obispo
City Morro Bay
Region
Lat / Long
Cross Streets Alta St and Jordan Terrace
Parcel No. 066-221-001
Township **Range** **Section** **Base**

Proximity to:

Highways Hwy 1
Airports
Railways
Waterways Morro Bay
Schools
Land Use Vacant Site/Single Family Residential (R-1)/Low Medium Moderate Density Residential

Project Issues Aesthetic/Visual; Air Quality; Archaeologic-Historic; Biological Resources; Geologic/Seismic; Public Services; Traffic/Circulation

Reviewing Agencies Resources Agency; California Coastal Commission; Department of Fish and Game, Region 4; Office of Historic Preservation; Department of Parks and Recreation; Department of Water Resources; California Highway Patrol; Caltrans, District 5; Regional Water Quality Control Board, Region 3; Native American Heritage Commission

Date Received 05/20/2010 **Start of Review** 05/20/2010 **End of Review** 06/21/2010

Note: Blanks in data fields result from insufficient information provided by lead agency.

EXHIBIT F

Responses to Comment period

RECEIVED

JUN 3 2010

City of Morro Bay
Public Services Department

To: Kathleen Wold
City of Morro Bay

RE: Public Comment on Jordan Terrace/Cerrito Peak Residence

Dear Kathleen,

We are writing with much concern about Dan Reddell's project, titled Jordan Terrace/Cerrito Peak Residence, due to the proposed cutting of nearly 30 mature eucalyptus trees. These trees shelter owls and hawks, among other birds. Monarch butterflies also routinely come to these trees during their winter migration. The trees are a vital, irreplaceable component of the local ecosystem. Their loss would be devastating to the animals, birds and butterflies in this small slice of wilderness. The rule mandating that all trees removed be replaced 2-1 is little consolation for this grove. The replacements will be small 5 gallon trees (or one 15 gallon tree instead of the two smaller ones) that will take many years to mature, by which time the damage to animal life will have long been done.

The pictures of the proposed development, available at the City as part of the building plan, conveniently do not include the driveway, and the trees that will be removed for this drive remain intact. From these deceptive images, the houses look unobtrusive and largely in harmony with the environment. I request that an accurate drawing be rendering for the city and the public to view so that we can see the real scale of damage this project will perpetuate on Cerrito Hill.

Thank you for taking these comments to heart.

Sincerely,

Nicole and Brian Dorfman
570 Olive Street
Morro Bay
805-441-7552
nicole@briandorfman.com

From: Sam Studer <samcarol37@earthlink.net>
To: <KWold@morro-bay.ca.us>
Date: 6/8/2010 9:30 PM
Subject: Eagle Rock Development

Dear Kathleen,
I am concerned about the upcoming development located at Eagle Rock. Many trees are tagged to be chopped down. These trees are homes to Monarch butterflies. Our family has enjoyed hiking up Eagle Rock and we are sad and concerned that this special place will be destroyed. Thank-you for considering these concerns and please don't approve this development. from, The Studer family, Morro Bay, CA

Northern Chumash Tribal Council

A Native American Corporation - NorthernChumash.org
67 South Street, San Luis Obispo, CA 93401 805-528-0806

Kathleen Wold, Senior Planner
Public Services Department
955 Shasta Avenue
Morro Bay, CA 93442
(805) 772-6211

June 15, 2010

Re: UPO 223/CPO-285

Dear Kathleen,

Please find below in this document the comments of the Northern Chumash Tribal Council (NCTC) the indigenous people of Morro Bay for over 10,000 years.

Additionally please see the preservation laws, referring to the above referenced project, Eagle Rock is a Sacred Chumash Place for over 10,000 years, located in the town of Morro Bay also known as Cerrito Peak. This Sacred Place is a place of worship where the Chumash came to pray and offer ceremony to the Great Mystery.

Eagle Rock is a Sacred Chumash Place that is woven into the Cosmology and Sacred Understanding of the Chumash People and our way of life.

Eagle Rock is a Sacred Chumash Place that must be preserved as it is "Irreplaceable" and "Priceless", any disturbance in this area will cause ***irreparable harm*** to the Sacred Spiritual Landscape of this Sacred Cathedral.

CEQA requires that the Lead Agency, through its initial study, review the whole of a project. A project must not be broken into smaller parts, each of which alone might qualify for a Negative Declaration, in an attempt to avoid preparing an EIR (Association for Sensible Development of Bishop Area v. County of Inyo (1985) 172 Cal.App.3d 151). The decision to prepare a mitigated Negative Declaration (and a Negative Declaration for that matter) must be grounded in an objective, good faith effort on the part of the Lead Agency to review the project's potential for significant impacts (Sundstrom v. County of Mendocino, supra).

15355. "Cumulative impacts" refers to two or more individual effects which, when considered together, are considerable or which compound or increase other environmental impacts.
(a) The individual effects may be changes resulting from a single project or a number of separate projects.
(b) The cumulative impact from several projects is the change in the environment which results from the incremental impact of the project when added to other closely related past, present, and reasonably foreseeable probable future projects. Cumulative impacts can result from individually minor but collectively significant projects taking place over a period of time.

15382. "Significant effect on the environment" means a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project including land , air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance. An economic or social change by itself shall not be considered a significant effect on the environment. A social or economic change related to a physical change may be considered in determining whether the physical change is significant.

A resource included in a local register of historical resources, as defined in section 5020.1(k) of the Public Resources Code or identified as significant in an historical resource survey meeting the requirements section 5024.1(g) of the Public Resources Code, shall be presumed to be historically or culturally significant. Public agencies must treat any such resource as significant unless the preponderance of evidence demonstrates that it is not historically or culturally significant.

Any object, building, structure, site, area, place, record, or manuscript which a lead agency determines to be historically significant or significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural annals of California may be considered to be an historical resource, provided the lead agency's determination is supported by substantial evidence in light of the whole record. Generally, a resource shall be considered by the lead agency to be "historically significant" if the resource meets the criteria for listing on the California Register of Historical Resources (Pub. Res. Code SS5024.1, Title 14 CCR, Section 4852) including the following:

Is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage;

Is associated with the lives of persons important in our past;

Embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic values; or

Has yielded, or may be likely to yield, information important in prehistory or history.

Code Book: California Penal Code
Citation: §622 ½
Section Title: Objects of archeological or historical interest
Summary:
Establishes as a misdemeanor the willful injury, disfiguration, defacement, or destruction of any object or thing of archeological or historical interest or value, whether situated on private or public lands.

Code Book: California Penal Code
Citation: §623
Section Title: Caves
Summary:

(a)(2) Establishes as a misdemeanor the disturbing or alteration of any archeological evidence in any cave without the written permission of the owner of the cave, punishable by up to one year in the county jail or a fine not to exceed $1,000, or both.

Code Book: California Public Resources Code
Citation: § 5020.5

Section Title: Historical resources: archeological sites and specimens
Summary:

Directs the State Historical Resources Commission to develop criteria and methods for determining the significance of archeological sites, for selecting the most significant sites, and for determining whether the most significant sites should be preserved intact or excavated and interpreted. Directs the commission to develop guidelines for the reasonable and feasible collection, storage, and display of archeological specimens.

Code Book: California Public Resources Code
Citation: § 5097.1 through § 5097.6
Section Title: Archeological, paleontological, and historical sites
Summary:

Requires state agencies proposing any major public works project on state lands to submit general plans for the project to the Department of Parks and Recreation prior to commencement of construction. Allows the Department of Parks and Recreation to conduct archeological site surveys on the affected state lands in order to determine whether such lands may contain any historic or prehistoric ruins, burial grounds, paleontological sites, rock art, or any other archeological, paleontological, or historical feature. Allows the state agency constructing the public works on state lands to undertake surveys, excavation, or other operations on the state lands, or to contract with the Department of Parks and Recreation to do so, as it determines to be necessary to preserve or record any archeological, paleontological, or historical features. Prohibits any archeological program conducted by the Department of Parks and Recreation from impairing, impeding, or delaying any state construction project. Prohibits the removal, destruction, or defacement of any archeological, historical, or paleontological feature situated on public lands, except with the express permission of the public agency having jurisdiction over the lands.

Code Book: California Public Resources Code
Citation: § 5097.91 through § 5097.94
Section Title: Native American historical, cultural and sacred sites: Native American Heritage Commission
Summary:

Creates the nine-member Native American Heritage Commission appointed by the governor and directs that at least five members shall be elders, traditional people, or spiritual leaders of California Native American tribes. Directs the commission to identify and catalog places of special religious or social significance to Native Americans, and known graves and cemeteries of Native Americans on private lands, and to perform other duties regarding the preservation and accessibility of sacred sites and burials and the disposition of Native American human remains and burial items.

Code Book: California Public Resources Code
Citation: § 5097.95
Section Title: Native American historical, cultural and sacred sites: cooperation of agencies with Native American Heritage Commission
Summary:

Directs all state and local agencies to cooperate with the Native American Heritage Commission, including the transmittal of copies of appropriate sections of all environmental impact reports relating to property identified by the commission as of special religious significance to Native Americans, or which is reasonably foreseeable as such property.

Citation: § 5097.96
Section Title: Native American historical, cultural and sacred sites: inventory of sacred places
Summary:

Authorizes the Native American Heritage Commission to prepare an inventory of sacred places located on public lands and to review the administrative and statutory protections accorded to such places. Directs the commission to submit a report to the Legislature recommending actions as the commission deems necessary to preserve such sacred places and to protect the free exercise of Native American religions.

Code Book: California Public Resources Code
Citation: § 5097.97
Section Title: Native American historical, cultural and sacred sites: investigations; legal actions
Summary:

Enables the Native American Heritage Commission to investigate the effect of proposed actions by a public agency if such action may cause severe or irreparable damage to a Native American sanctified cemetery, place of worship, religious or ceremonial site, or sacred shrine located on public property, or may bar appropriate access thereto by Native Americans. Authorizes the commission to recommend mitigation measures for consideration by the agency if the commission finds, after a public hearing, that the proposed action would result in such damage or interference. Allows the commission to ask the attorney general to take appropriate action if the agency fails to accept the mitigation measures.

Secondary Topic:
Native American Burial and Other Preservation Issues
Code Book: California Public Resources Code
Citation: § 5097.98
Section Title: Native American historical, cultural and sacred sites: notification of discovery of Native American human remains
Summary:

Requires the Native American Heritage Commission, upon notification by a county coroner, to notify the most likely descendants regarding the discovery of Native American human remains. Enables the descendants, within 24 hours of notification by the commission, to inspect the site of the discovery of Native American human remains and to recommend to the landowner or the person responsible for the excavation work means for treating or disposing, with appropriate dignity, the human remains and any associated grave goods. Requires the owner of the land upon which Native American human remains were discovered, in the event that no descendant is identified, or the descendant fails to make a recommendation for disposition, or the land owner rejects the recommendation of the descendant, to reinter the remains and burial items with appropriate dignity on the property in a location not subject to further disturbance.

Code Book: California Public Resources Code
Citation: § 5097.99
Section Title: Native American historical, cultural and sacred sites: obtaining or possessing Native American artifacts or human remains
Summary:

Prohibits acquisition or possession of Native American artifacts or human remains taken from a Native American grave or cairn after January 1, 1984, except in accordance with an agreement reached with

the Native American Heritage Commission.

Code Book: California Government Code
Citation: § 6254
Section Title: Exemption of public records from disclosure
Summary:

(r) Exempts from disclosure public records of Native American graves, cemeteries, and sacred places maintained by the Native American Heritage Commission.

Code Book: California Health and Safety Code
Citation: § 7050.5
Section Title: Removal of human remains from location other than a dedicated cemetery
Summary:

(c) Requires a county coroner, in the event of the discovery of human remains in any location other than a dedicated cemetery, to contact the Native American Heritage Commission within 24 hours if the coroner determines that the remains are not subject to his or her authority and if the coroner recognizes the remains to be those of a Native American.

Code Book: California Government Code
Citation: §12600 through §12612
Section Title: Attorney General: environmental action
Summary:

Permits the attorney general to intervene in any judicial or administrative proceeding in which facts are alleged concerning pollution or adverse environmental effects that could affect the public generally. Authorizes the attorney general to maintain an action for equitable relief in the name of the people of the state against any person for the protection o f the natural resources of the state from pollution, impairment or destruction. Includes historic sites in the definition of natural resources. Allows a defendant in such an action to show, by way of an affirmative defense, that there is no more feasible and prudent alternative to the defendant's conduct, and that such conduct is consistent with the protection of the public, health, safety and welfare. Authorizes the court, in granting temporary or permanent equitable relief, to impose such conditions upon the defendant as are required to protect the natural resources of the state from pollution, impairment or destruction.

Code Book: California Public Resources Code
Citation: §21083.2
Section Title: California Environmental Quality Act: archeological resources
Summary:

Directs the lead agency on any project undertaken, assisted, or permitted by the state to include in its environmental impact report for the project a determination of the project's effect on unique archeological resources. Defines a unique archeological resource as one which contains information needed to answer an important scientific research question for which there is a demonstrable public interest; has a particular quality such as being the oldest or best example of a type; or is directly associated with a scientifically recognized important prehistoric or historic event or person. Enables the lead agency to require an applicant to make reasonable efforts to preserve any affected unique archeological resources in place or to undertake mitigation measures if such resources are not preserved in place. Requires the project applicant to guarantee to pay one-half the estimated cost of such mitigation and enables the lead agency to reduce any final mitigation measures to those which can be

funded with the money guaranteed by the project applicant plus any money voluntarily guaranteed by any other persons within 60 days of the agency's decision. Restricts excavation as mitigation to those parts of the unique archeological resource that would be damaged or destroyed by the project. Sets specific limits on the amount that a project applicant may be required to pay for mitigation measures. Requires in most cases that the field excavation phase of a mitigation plan shall be completed within 90 days after final approval is given for the physical development of the project. Prohibits any part of this section from nullifying protections for Indian cemeteries under any other provision of law.

The Cultural Resource mitigation measures on page 17 of the Negative Declaration Document, are the worst mitigation concerning the preservation of a Sacred Site that we have ever seen and are lacking in every aspect and promote cultural genocide, discrimination, ethnic cleansing and will deprive the Chumash Community of unobstructed religious freedom and civil rights. No one has the right to stop or alter the Native American Right to Freedom of Religion. The City of Morro Bay and applicant have known about the Sacred Site issue for many years this is not a new revelation to anyone.

We need to figure out how to save this site. We need to get people together to save this most important Sacred Site.

We urge the Planning Commission, City Council, City Attorney, and Staff to understand the at some point in time everyone needs to wake up, and start caring about other human races, the Native American Chumash Sacred Site that have been destroyed in Morro Bay are too numerous to count, it has been a very difficult experienced to see the destruction and disrespect to the rich Culture of the Native American Chumash in Morro Bay, let's do something right and save our Culture for the future, and in the process teach our children how to respect others, and live on this plant together working for future generations to come.

Thank you for your anticipated cooperation.

Northern Chumash Tribal Council
Cultural Resource Board

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Client: 4324001

JUN 21 2010
City of Morro Bay
Public Services Department

June 21, 2010

VIA HAND DELIVERY

City of Morro Bay
Public Services Department
c/o Kathleen Wold, Senior Planner
955 Shasta Avenue
Morro Bay, California 93442

Re: Jordan Terrace/Cerrito Peak Residence: Reddell UPO-223/CPO-285: – Attachment to Request for Review of Draft Mitigated Negative Declaration and Notice of Determination

Dear Ms. Wold:

On behalf of Nancy Mellen, please accept this request for review of the proposed Draft Mitigated Negative Declaration and Notice of Determination dated May 13, 2010 ("MND"), for the above referenced proposed project (the " Proposed Project").

This request for review is made upon the grounds, among others, that the MND is inadequate because it omits or fails to adequately identify, address, and mitigate certain environmental effects of the Proposed Project.

More particularly, review is warranted for each of the following reasons:

1. The City's Initial Study ignores and fails to identify or analyze all potential impacts of the Proposed Project.

2. The City's proposed mitigation measures fail to adequately mitigate those Proposed Project impacts which are identified.

3. The MND is incomplete and internally contradictory in significant respects.

4. The City's file and information is incomplete and internally contradictory in significant respects.

Illustrations of disputed Initial Study conclusions and of specific errors and omissions in the Initial Study and MND are set forth below and include, without limitation:

Discrepancy Between Noticed Dates for Public Review Period.

The date on the file copy of the Notice of Determination states that the public review period begins May 17, 2010 and ends June 16, 2010, but the post card sent by the city to residents near the Proposed Project site states the review period begins May 24, 2010, and ends June 22, 2010. This discrepancy may have lead those reviewing only the Notice of Determination to believe that they missed the time to submit comments to the MND and Initial Study.

Discrepancy in Project Descriptions.

The Project Description provided in the Notice of Determination and the Postcard on the one hand, and the Project Description for the MND and the Initial Study on the other hand, provide different square footage calculations. Further, neither the Notice of Determination nor the Postcard includes the 48 square foot patio.

It is also unclear from the Project Description how many square feet of ground will be covered/disturbed due to the Proposed Project, as is required to determine whether there will be any significant impact on the environment, and if so, whether the effect can be adequately mitigated.

Further, the significant impacts described in the grading and drainage plans have not been addressed in the Initial Study.

Findings of the Environmental Coordinator.

The Findings of the Environmental Coordinator on the MND, page 1, states that the Proposed Project will not have a significant effect on the environment. The paragraph goes on to contradict itself by stating that mitigation "*measures, if necessary and required to assure that there will not be significant effect in the case, are described in the attached Initial Study and Checklist and have been added to the permit conditions of approval.*"

"*If necessary*" and "*conditions of approval*" are used in the same sentence. Clearly if permit conditions of approval are included as mitigation measures, there are at least some significant effects on the environment, otherwise, no mitigation conditions would be included as part of any permit approval. The findings should be amended to accurately reflect that there are potentially significant effects on the environment.

Project Information.

The last sentence of text on page 3, summarizing the Project Description raises concerns about the willingness of the City to allow significant exceptions from the City's development

standards. The sentence states: "*Single family homes necessitating exceptions to development standards (i.e. parking in the front yard, removal of major vegetation) and secondary dwelling units are allowable uses with Conditional Use and Coastal Development Permit (UPO/CDP) approvals.*"

It may be allowable to make exceptions to development standards in certain circumstances, but here there seems to be a multitude of exceptions. For example, in locations near the water where space is tight, it is understandable that an accommodation may need to be made with respect to parking.

Here, the site is well over an acre. The exception to allow parking in the front yard is not therefore caused by a lack of area, but is likely due to the Proposed Project comprising nearly 4,000 square feet of living space on a 25 degree slope.

If the City held to its development standards, the Applicant would probably just reduce the size of the structure, and discard the secondary living unit. A residence in the range of 2,000 square feet might provide the Applicant with much needed flexibility in the design and location of a structure on the site, and possibly locate parking in a more traditional manner.

There are many other exceptions to the City's development standards as described in the Initial Study, including "encroachment," although the Initial Study does not describe where the encroachment occurs, removing trees in the public right-of-way, and installing stormwater runoff catch basins in the public right-of-way.

These exceptions are numerous and significant, and are greater in number and impact than would normally be asked for or allowed in relation to the development of a single family residence.

It is also important to note that many of the mitigation measures suggested in the Initial Study just require compliance with the City building codes. Therefore, it is quite possible that additional exceptions to the City's development standards could be allowed as Applicant seeks permits for the Proposed Project.

Due to the large number of exceptions to the City's development standards, the City should not approve the mitigated negative declaration.

The Initial Study is also inadequate in that it completely ignores the grading and drainage associated challenges associated with the Proposed Project. Due to the nature of the Proposed Project, the grading and drainage plan must be properly addressed in the Initial Study.

Incorrect Vicinity Map.

It does not appear that the Project is shown on the Vicinity Map, which is page 4 of the Initial Study. This may have lead people to believe that Cerrito Peak and the accompanying open space were not actually the site of the Proposed Project, leading to reduced public interest and

participation. This is significant because CEQA is, in part, intended as a means to require public agencies to consider and disclose to the public the environmental implications of their actions. If this is not performed accurately, then the City has failed in satisfying the purpose of CEQA.

Elevations.

The Elevations provided on page 6 of the Initial Study are not sufficient because they do not show the total height of the six foot high fence, combined with retaining walls, that encompasses half of the Proposed Project. While the general location is described as beginning in the northeastern corner of the home, near the garage, continuing along the northern retaining wall, and across the driveway, and around to the southeastern corner of the home, the total height is not included in the Initial Study. *See also* Land Use and Planning discussion.

The fence will require a gate that will run across the upper end of the driveway, and will obviously impact the appearance and viewshed considerations of anyone wishing to know what the Proposed Project will look like. Without depicting the actual appearance of the Proposed Project, the City is again denying the public an opportunity to fully review the Proposed Project as required by CEQA.

The Elevations also fail to show the elevations and heights of many of the structures required to support the project, including such things as the driveway, retaining walls and crib walls.

Further, Public Resources Code Section 21080(c)(2) requires that any changes to a project must be included in the redesigned project prior to approval of any mitigated negative declaration. Therefore, accurate depictions of the Proposed Project must be included in the Initial Study before the MND can be submitted for approval.

Environmental Setting and Impacts.

The third sentence of the second paragraph on page 8 raises concerns about the effect of the development on the public right of way. The sentence states: "*Construction of the residence and associated improvements will also necessitate the issuance of permits for removal of trees within the right-of-way, encroachment and construction.*"

Before even getting into possible mitigation or effects of the Proposed Development, the Initial Study states part of the public right-of-way must be altered to allow for private development, and that "encroachment" will be necessary. The Initial Study must state what encroachments are required by the Applicant.

Another concern with the Proposed Project is the location and path of the private driveway. Judging from the Site Plan on page 5 of the Initial Study, the path of the private driveway appears to come within feet of Ms. Mellen's residence. If the Applicant were required to develop the public right-of-way in accordance with City standards, there would be a sidewalk or landscaping or both

that would be required between the private driveway and neighboring properties. But because of the extreme nature of the slope, it appears the City is willing to allow the Applicant to both forego installation of standard infrastructure and to allow the Proposed Project's private driveway to run within feet of adjacent private property.

Because of the uncertainty of the elevation and exact location of the private driveway, the level of impact on neighboring properties is difficult to properly ascertain and review. However, probable impacts are the glare of headlights shining directly into the private properties adjacent to the site as vehicles come down the private driveway, as well as attendant noise and alteration of the local viewshed.

Surrounding Land Use.

Another concern is the casual description of the surrounding land use. For each of the four directions, the Initial Study merely states " Residential" as the surrounding use. This is concerning because there is a sizeable public right-of-way between the Proposed Project and the residences surrounding Cerrito Peak.

It is unlikely that an interested person in reading this section of the Initial Study would realize that there are a couple of acres of public open space between the Proposed Project site and the nearby residences. This description does not accurately describe the fact that the Proposed Project will sit like a monolith in the middle of public open space. If the site happened to be in the middle of a City park, with residences outside of the park, that fact would be mentioned.

To read this section without viewing the site would be to think that a simple single family residential zoned lot, situated among other similar lots that have previously been developed, is now going to be developed. Instead, a large house, secondary unit, access route, and accompanying parking, fencing and infrastructure is proposed to be constructed in the "donut hole" of the open space known as Cerrito Peak.

Further, it is unclear from the grading and drainage plan how much of the grading will take place in the public open space, and what it will look like when completed. In fact, it appears from the Site Plan that some grading will take place on some of the adjacent residential lots.

Environmental Checklist

Aesthetics.

Very early in the Environmental Discussion, page 9, concerns are raised about the accuracy of the discussion. The second sentence states: "*Additionally, because of the existing Eucalyptus canopy, the proposed improvements will not be readily visible from adjacent properties or developed right-of-way.*"

This is simply not true. Several of the adjacent properties will have a direct view of the Proposed Project. The number of adjacent properties that will have a direct view of the Proposed Development may increase once part of the "Eucalyptus canopy," boulders and rock outcroppings are removed from the right-of-way and from the Proposed Project site. The replacement of 34 mature trees with small, immature trees, will do little to mitigate the significant effect the Proposed Development will have on the aesthetics of the site and the surrounding area.

This first paragraph of the Section goes on to state: "*Nevertheless, proposed improvements must be designed harmoniously with the surrounding neighborhood as to not detract from the surroundings or view. Section 17.48.190 of the Zoning Ordinance requires 'protection of visual resources' and 'compatible design.' Site layout, architecture and landscaping are discussed in detail below, and are routinely reviewed by the Planning Commission as part of the CUP review process.*"

This last part of the paragraph states that the zoning ordinance requires certain actions, and that the Planning Commission will "review" the plans. At what point will the public be informed of what will actually be developed at the Proposed Project? Will further exceptions to the City's development standards be granted as part of the Planning Commission's review?

Subsection c. of the Impact Discussion states: "*Several boulders will be removed or submerged underneath the proposed driveway and structure. However, the majority of the rock outcroppings, including the largest and most visually striking, will remain in place and unaltered.*"

The Initial Study should accurately define what constitutes "rock outcroppings" and what a "boulder" is. There are some areas of exposed stone that may be boulders or might be part of the rock outcroppings. Until this is made clear, and the Applicant clearly identifies which boulders will be removed or submerged, and which part of the rock outcroppings will be altered or removed, it is impossible to review the impact of those actions on the aesthetics of the site and the surrounding area.

Note also the great cultural significance of this site to the Chumash nation, which is discussed more fully in the Cultural Resources section.

It is the entirety of the natural landscape, including the boulders, outcroppings, trees and vegetation that constitute the whole of the aesthetics of the site and the surrounding area. Therefore, until it is clear which and how many boulders are to be removed or "submerged," and what part of the rock outcroppings will be destroyed, it is impossible to determine whether the Proposed Project will have a significant impact on the aesthetics of the site and surrounding area.

Concerns are also raised with respect to the six foot high fence that will run around half of the Proposed Project, as described above in Elevations. Since it does not appear that the fence is depicted on the site plans included in the MND and Initial Study, it is impossible to determine the fence's effect on the aesthetics of the Proposed Project. However, it is likely that such a fence will be

a prominent feature of the Proposed Project, and therefore it is important that it is accurately depicted in the site plans, so that the City and the public may review its impact in accordance with CEQA guidelines.

Another issue facing the aesthetics of the Proposed Project is the use of retaining walls. In the February 23, 2009 letter from Kathy Novak Consulting to the City, Ms. Novak states in item 1, that "*the largest cut required for the garage foundation is adjacent to the large outcropping that is hidden from any view with only 5-foot exposed retaining wall.*" A 5-foot high wall is nearly as high as the average person, therefore it will be clearly visible from a considerable distance. Use of other retaining walls and similar structures is also likely, due to the Proposed Project's need to "step up" the 25% grade of the site.

It is also unclear how the private driveway will need to be constructed in order to comply with the maximum 20% grade required by the Fire Department. However, it does seem apparent that the Proposed Project will require a dark asphalt ribbon, raised and supported by retaining walls and crib walls, in order to access the proposed residences.

Air Quality.

Concerns are raised with regard to discussion of the retention basins. The Impact Discussion states that "*two onsite retention basins will be constructed,*" and that "*both will be limited to 1.5-feet in depth so as to not require fencing.*"

First, it is deceiving to state that the basins will be installed "onsite," when in fact the Site Plan shows they will be installed in the public right-of-way. Second, due to the steep nature of the site, if the basins are 1.5 feet deep on the uphill end of the basin, they will be very shallow on the downhill section, or conversely, very deep on the uphill side in order to be only 1.5 feet deep on the downhill side. Depending on the final layout, the basins may indeed require fencing.

A proper and accurate description of the location and specifications must be included in the Initial Study in order to fully assess their environmental impact as required by CEQA. Note that other concerns are raised below in relation to the retention basins, under the section discussing Utilities & Service Systems.

Section 4, Biological Resources.

There are also concerns regarding the damage to the biological resources that will be caused by the removal of "*34 living trees (and two fallen, four dead and one stump) both on-site and within the undeveloped right-of-way,*" as noted in subsection c of the Biological Resources section.

A review of the June 30, 2005 Biological Assessment prepared by David Wolff Environmental indicates that removal of trees from the site could lead to detrimental impacts to migratory birds. Also, the Assessment noted that presence of a Great Horned Owl on site.

The Assessment points out that the California Fish and Game Code and Migratory Bird Treaty Act prohibits the destruction of birds, nests and eggs. (Reference page 3 of 4.) Mitigation measures are provided in the Assessment, including but not limited to, consultation with the Department of Fish and Game, surveys, and dedication of an open space lot (which apparently the parcel map proposed). None of these mitigation measures appear in the Initial Study.

Note also that Applicant states in his owner statement that "the Monarch Butterfly habitat will not be affected." The 2005 Biological Assessment states that none "of the CNDDB monarch butterfly occurrences were recorded on *Cerrito Peak.* In general, eucalyptus trees can provide roosting and food resources for wintering monarch butterflies." *(emphasis added.)* (Reference page 3 of 4.) The monarch butterfly is a species of local concern, and removal of eucalyptus trees could be significant. This needs to be clearly addressed in the Initial Study.

There are recommendations for a two-to-one tree replacement ratio.. However, the small size of the recommended replacement trees (5 gallon bucket) will not effectively replace the canopy that is supposed to protect the viewshed, or mitigate the destruction of habitat for migratory birds.

The last sentence of Subsection c. also states that "*at no time shall any invasive or spreading plants be allowed*" as part of the landscaping, but nowhere does it state how future owners of the Proposed Project will be notified of such restriction. A deed restriction must be required as part of the mitigation measure.

Subsection e. on page 15 states "*Development of residential uses on the site also has the potential to spur removal of additional on-site trees in the future . . . .*" What future residential uses are planned that will require the removal of additional trees? Does the Applicant intend to subdivide the site in the future or add more units to the site in the future? If the Applicant has no plans for the site in addition to those noted in the Proposed Project, then there shouldn't be any reference to future development.

Page 15, the third paragraph of subsection e., states "*A mitigation measure has been proposed that requires all future tree removals be subject to approval to ensure that no detrimental effects occur.*" Any planned tree removals must be addressed in the MND, and made subject to the City Tree Regulations.

It is also important to note the <u>increase in the number of trees that will be removed</u> each time the Proposed Project is redesigned. In the Applicant's original undated Owner's Statement received by the City on July 25, 2008, the Applicant states that <u>only six trees</u> will be removed. The Novak Letter, dated February 23, 2009, states that <u>18 trees</u> "*will be affected and replaced,*" but that if the City would agree to a "*reduced driveway width this could potentially save 8 trees.*" The MND, page 9, subsection c states that the "*project entails the removal of <u>34 living trees</u> (and two fallen, four dead and one stump).*" (Underline added.). Note that many of the trees to be removed are not even

on-site, rather they will be removed from the public right-of-way to provide access to a private development. Clearly the extreme steps necessary to access and develop the Proposed Project will exact a significant toll on the biological resources of the site.

In short, there does not appear to be any effective mitigation measures suggested that will address the removal of trees from the site and the public right-of-way, other than the 2-1 replacement of all trees removed by much smaller, immature trees. The replacement trees will not provide adequate replacements for the Eucalyptus Canopy now in place, and sited by the Applicant as cover when addressing the notion of viewshed protection.

Section 5, Cultural Resources.

Please note that the City has received or will receive a letter from Fred Collins on behalf of the Northern Chumash Tribal Council. The Chumash indicate in the letter that as they consider Cerrito Peak, known as Eagle Rock to the Chumash, a sacred site, they oppose any development of the site. The Chumash do not believe that any mitigation measures will be sufficient, and in fact, state that the proposed mitigation measures are the worst they have seen concerning preservation of a sacred site. The City is encouraged to strongly consider the rights of the Chumash with respect to the site, and to follow their recommendation and reject the Proposed Project and any other attempt to develop the site.

Public Resources Code Section 5020.1(j) provides that "Historical resource" includes, but is not limited to, any object, building, structure, site, area, place, record, or manuscript which is historically or archaeologically significant, or is significant in the architectural, engineering, scientific, economic agricultural, educational, social, political, military, or cultural annals of California.

If the Proposed Project is allowed to go forward, it will desecrate the sacred site. As noted below, California law prohibits the desecration of historical sites.

Public Resources Code Section 5020.1(k) states that "Local register of historic resources" means a list of properties officially designated or recognized as historically significant by a local government pursuant to a local ordinance or resolution. Public Resources Code Section 5020.1(q) defines "Substantial adverse change" as demolition, destruction, relocation, or alteration such that the significance of an historical resource would be impaired.

Public Resources Code Section 5024.1(b) provides that the California Register shall include historical resources determined by the commission, according to procedures adopted by the commission, to be significant and to meet the criteria in Public Resources Code Section 5024.1(c).

Public Resources Code Section 5024.1(c) states that a resource may be listed as an historical resource in the California Register if it meets any of the following National Register of Historic Places criteria, as follows:

(1) Is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage.
(2) Is associated with the lives of persons important in our past.
(3) Embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic values.
(4) Has yielded, or may be likely to yield, information important in prehistory or history.

The Initial Study states that Cerrito Peak has been identified as a Sacred Site in the Native American Heritage Commission's Sacred Lands Inventory. Therefore, any development of the site will cause irreparable harm to the area and the rights of the Chumash to preserve this as a sacred site. There is no mitigation measure that can offset the damage development of half of the outcropping will do to the sacredness of the site.

Clearly the site's listing as a Sacred Site in the Native American Heritage Commission's Sacred Lands Inventory, along with the potential archaeological significance identified in the Initial Study, mean at the very least that more must be done to mitigate the significant environmental effect the Proposed Project will have on these resources.

CEQA specifically states that significant resources MUST be mitigated either by avoidance (protection as open space, deeded into a conservation easement, etc.), or by recovering the data that the sites contain before they are disturbed (CEQA sec. 21083.2 (b1), (b2), (b3), (b4), 15126.4c).

Any historic or prehistoric sites that must be disturbed during the project construction process will need to be mitigated according to CEQA (sec. 15126.4c).

In addition to the opposition to development presented by the Chumash, there are additional deficiencies with and concerns about the Initial Study in relation to Cultural Resources.

Even if the proposed mitigation measure were theoretically acceptable, the Chumash shouldn't be required to notify or ask permission of anyone to access a sacred site. The mere fact of requiring such action will chill any use of the site. Further, the Applicant or any future owner of the Proposed Project may use intimidation tactics, such as loud music, parties, or gatherings, to further chill Chumash use of this sacred site. Even just sitting on the patio and "watching" the Chumash when they access the sacred site will have an adverse affect on use of the site.

Therefore, there is really no acceptable mitigation measure that would maintain the sacred nature of the site. The site should be converted to permanent open space or conveyed in trust as a conservation easement.

Assuming without admitting that acceptable mitigation measures can be developed, the Initial Study proposes to develop mitigation measures based on future studies, which is in violation of CEQA.

Mitigation measure 5-1 states that a Phase 2 Cultural Resource Evaluation ("Phase 2") shall be conducted to more firmly establish the archeological deposits on the property, and that the Phase 2 may lead to further studies, and possibly additional conditions as determined by the Public Services Department. Providing that a development might be conditioned on future studies is "in direct conflict with CEQA guidelines." Sundstrom v. County of Mendocino, 202 Cal. App. 3d. 296. In Sundstrom, the court of appeal found that the "county evaded its duty to engage in a comprehensive environmental review by approving the use permit subject to a condition requiring future regulatory compliance." Id. at 296. "Specifically, the use permit required: . . . [that] 'Mitigation measures recommended by the study shall be incorporated as requirements of this use permit.' The requirement that the applicant adopt mitigation measures recommended in a future study is in direct conflict with the guidelines implementing CEQA." Id. at 306. Citing to California Code of Regulations Title 14, Section 15070(b)(1), the court went on to state "that if an applicant proposes measures that will mitigate environmental effects, the project plans must be revised to incorporate these mitigation measures '*before* the proposed negative declaration is released for public review. . . . '(Italics added.) Here, the use permit contemplates that project plans may be revised to incorporate needed mitigation measures after the final adoption of the negative declaration. This procedure, we repeat, is contrary to law." Id. at 306-307.

The court held this to be the case even though the negative declaration required that the county review and approve the additional study, and incorporate the study into the use permit. The court stated that "[e]ven if the study is subject to administrative approval, it is analogous to the sort of post hoc rationalization of agency actions that has been repeatedly condemned in decisions construing CEQA." Id. at 307.

Therefore, the City's mitigation measure requiring implementation of the Phase 2, to be performed *after* approval of the MND, not to mention that the Phase 2 may lead to *additional future studies*, clearly runs afoul of the law as stated in Sundstrom.

The reasoning for the holding in Sundstrom is clear: Allowing reference to a study or other information to be gathered and incorporated into a negative declaration after its approval allows the lead agency and applicant to avoid the guarantee of an adequate inquiry into the environmental effects of the project in question. Therefore, reliance on future studies is not a proper mitigation measure.

Geology/Soils.

The MND states that the recommendations of the Soils Engineering Update Report prepared by Geosolutions, Inc. and dated October 10, 2008 (the "Geosolutions Memo") shall be incorporated into the design of the Proposed Project. However, the Geosolutions Memo was not available for

review or copying, and therefore it is unknown what measures are recommended. If the proposal cannot be adequately reviewed during the public review period, the issue remains open and the MND should not be approved.

However, the grading and drainage plan show that rock outcroppings will have to be removed and there will be fill and cut for the road, with retaining walls. A mitigation measure has been added which requires the road gradient be modified so as not to exceed 20%. This will require more manipulation of this area. This should be analyzed in the Initial Study.

The City will need another report prepared by an engineering geologist for the house and road in order to verify the stability of the rocks due to differential settlement. Again, this must be included and analyzed in the Initial Study.

We do note that the February 23, 2009 letter from Cathy Novak Consulting (the "Novak Letter") to the City does state that the Proposed Project was redesigned. However, like the Initial Study, the Novak Letter gives few if any real details about how the Proposed Project was redesigned.

One of the details in the Novak Letter that does raise concerns is about the method of securing the foundation. It states that "*the remainder of the structure is designed to fit the topography with raised flooring and or special foundations to anchor into the rock.*" The concern is that the redesigned Proposed Project will anchor into the rock outcroppings to support the foundations on the upper levels of the structure. This raises concerns about the ability of the rock outcroppings to withstand the loads that may be placed on them to support the structure. This does not seem to be addressed in the soils report or the Initial Study.

The impact discussion on page 18 also describes how the "*proposed site work will entail a significant amount of earthwork, which creates a real potential for rock-fall that would be detrimental to neighboring properties. A mitigation measure has been recommended that a screening plan be developed and implemented to reduce the potential for rockfall.*"

Mitigation measure 6-1 purports to deal with this serious safety issue, stating that a "*detailed rock-fall investigation and mitigation plan shall be prepared by a qualified geotechnical engineer*" identifying the potential danger caused by rock-fall, and "*as appropriate risk-reduction measures on adjacent properties, and need for long-term maintenance.*"

There are several concerns with this approach.

1. The mitigation measure again calls for a *future study* upon which to base potential mitigation measures. As noted above, the Sundstrom decision holds that use of future studies as mitigation measures violates CEQA.

2. The type of screening that will be involved in any mitigation/risk-reduction measure is not described. Therefore, it is not known whether this will cause further degradation of the

viewshed affecting the Proposed Project. It is hard to imagine screening that will do anything less than be an eyesore to those viewing the site.

3. The mitigation measure states that as appropriate, risk-reduction measures will be placed **on adjacent properties**. Clearly if there is such a danger due to rock-fall that adjacent properties will require installation of screening, the geology is too unstable to support the development of the Proposed Project.

4. It is unclear how boulders and rock outcroppings that are in danger of falling during construction will be sound anchors for the foundation system.

Also, the Initial Study fails to indicate how the development of the Proposed Project will comply with the City's Stormwater Management Plan or Stormwater Pollution Prevention Plan. With the large area of land that will be covered by impermeable surfaces and the potential for soil and debris laden runoff due to the steep, open nature of the site, it seems imperative that plans be required in compliance with both of the City's programs.

Furthermore, there is no evidence provided in the Initial Study that the soils will withstand the removal of boulders and reduction of the rock outcroppings and still retain the structural integrity necessary to support the Proposed Project.

Due to the incomplete analysis provided regarding the ability of the geology and soils to properly support development of the Proposed Project, this section of the Initial Study is incomplete, and should lead to a rejection of the MND.

Land Use and Planning.

There are concerns regarding the Land Use and Planning environmental discussion and the proposed mitigation measures.

Please note again that the description of the site as being surrounded by existing residential uses is misleading. There is a large area of open space (much of which is in the public right-of-way) between the site of the Proposed Project and the surrounding residential development, which should be included in any discussion of the Proposed Project, in order to accurately paint a picture of the significant change to the open space. If the site of the Proposed Project was in the middle of a park, the fact that the park was so located in reference to the Proposed Project would be discussed. The lack of development of the open space/public right-of-way does not reduce its value to the community, or mean that it should not be included in any description of the area.

The third paragraph on page 24 of the Initial Study states that in order to "*provide some private outdoor space and security for the residence, as well as to allow the required vehicle turn-around to be optimally placed between natural features, a fencing plan has been proposed which*

would enclose both on-site and portions of the right-of-way to the east of the home." (Underline added.)

Enclosing public right-of-way with a private fence will in effect give such enclosed land to the Applicant. There is really no other way to see it. A gift of public property to the Applicant is prohibited by the California Constitution. California Constitution, Article 16, Sec. 6.

Even if a gift of public land was not prohibited, public policy (and common sense) militates against giving public open space to an individual for private outdoor space.

The paragraph goes on to state that the fence will be six feet high and will be made of "*solid stucco and natural stone base with black rod iron pickets above.*" A six foot high fence with rod iron pickets, located on top of a raised private driveway will create a virtual castle wall in both appearance and public use deterrence.

Further, the fence will wrap around half of the Proposed Project, running from the "*northeastern corner of the home, near the garage, along the northern retaining wall, across the driveway, and continue around to the southeastern corner of the home.*" The conversion of public land to private use must not be allowed.

Even if the Applicant properly defined boulders and rock outcroppings and identified those slated for removal or alteration, there is concern that such action will be inconsistent with the City's General Plan. Morro Bay Land Use Plan 17.1 states that natural terrain, vegetation, drainage courses and rock outcroppings shall not be disrupted as a result of development, unless found to be necessary to protect the health, safety and welfare of the community (LUE 52).

It does not appear that the Initial Study includes any finding of fact that the removal or alteration of boulders and outcroppings is necessary to protect the community. Based on the discussion in the Initial Study that boulders will need to be removed and perhaps some rock outcroppings will be removed, item 1.b on page 8 should not have been checked "No Impact."

Noise.

The Initial Study states that there will be no significant environmental effect due to development of the Proposed Project. It may be true that no permanent significant source of noise will be created, but the Applicant may require the use of special equipment in order to remove the boulders/outcroppings that will generate noise far above what is normally associated with development of a single family residence.

Due to the large amount of rock to be altered and/or removed, the Initial Study should include analysis of the effect of such alteration and/or removal on noise levels, and require mitigation measures should the results of the analysis indicate mitigation is necessary. Such mitigation, if

found to be necessary, should go beyond just requiring construction during certain hours, but should also require, without limitation, such measures as completing all removal within a certain number of days.

Public Services.

The only mitigation measure noted in this Section is that Applicant must install a Knox Box at the vehicle access gate located at the top of the private driveway, in order to allow emergency services access to the property. This Section should be amended to include the discussion on page 29 of the Initial Study.

Transportation/Traffic.

Paragraph d, e on page 29 of the Initial Study states that the Proposed Project currently provides that the private driveway slope will range as high as 25%, and that the project must be modified so that the slope will not exceed 20%, to accommodate fire apparatus access standards.

It is difficult to determine from the current Proposed Project renderings what that will mean for the design and construction of the driveway, but it would seem that increased use of retaining and crib walls will be necessary to achieve this requirement. This should be clearly described in the Proposed Project so that it can be adequately reviewed for any potential significant environmental effects, as required by CEQA.

Utilities & Service Systems.

There are concerns related to the provision of utilities to the Proposed Project. While it would seem City ordinances will require that all utilities serving the Proposed Project be extended to the site underground, it does not appear that the Initial Study addresses how much ground disturbance will occur, both in the public right-of-way and on the site. Further, it does not appear that the underground extension of utilities was considered in either the archaeological report or in the soils report.

Therefore, it is impossible to assess from the Initial Study whether there will be a significant environmental impact caused by the installation of the utilities required to serve the Proposed Project.

Paragraph c on page 31 of the Initial Study states that two "*on-site retention facilities are proposed, flanking either side of the access way on the lower portion of the site.*" Are these retention facilities in addition to those noted on page 12 of the Initial Study, and that are to be located near the bottom of the private driveway but in the public right-of-way? If there is to be only one set of retention facilities, the Initial Study must make clear where they will be located, and whether such location is on the site or in the public right-of-way, for review of whether the placement and use of the facilities will create a significant environmental impact as required by CEQA.

One of the retention facilities appears to be near the east end of the private driveway, to be located between the private drive and the neighboring residence. The Initial Study should address how the location of the retention facilities will affect the neighboring residences. For instance, it is likely that adding standing water to the area will create vector issues, and will be an attractive nuisance for children and others.

Concerns are also raised as the Initial Study does not address who will maintain the retention facilities, or that the City will be liable for damage to person or property caused by the retention facilities.

Draft Housing Element.

It is also noted that the City's draft housing element contemplates 80% build out of available capacity, and identifies six dwelling units on this site. While not a direct issue with respect to the MND or the Initial Study, there is a concern that the City will allow development of more units on the site in the future to satisfy the housing element.

Based on the numerous issues facing development of the Proposed Project in a way that will not significantly impact the environment, it is respectfully requested that the City decline to approve the MND, and to further deny development of the site in the future.

Sincerely,

SINSHEIMER JUHNKE LEBENS & McIVOR, LLP

KEVIN D. ELDER

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From: "Brandon Sanderson" <BSANDERSON@dfg.ca.gov>
To: <kwold@morro-bay.ca.us>
Date: 6/23/2010 4:31 PM
Subject: Jordan Terrace/Cerrito Peak Residence (SCH # 2010051056)

Hi Kathleen-

Due to staffing considerations, I did not get a chance to look at this during the CEQA review period (which ended June 21), but wanted to let you know the Departments concerns in brief. The Project proposes to construct a new 2-story 3,256 square foot residential structure and secondary living unit with associated tree and vegetation removal.

The Department finds the discussion of potential Project impacts to be incomplete. The IS/MND Biological Resources Impact Discussion states that no rare plants were detected on the Project site without actual rare plant surveys being conducted. The IS/MND dismisses the presence of species based on presence/absence of "potential habitat". We do not recognize predictive work, such as is presented in the Impact Discussion a-b., to substitute for actual on the ground surveys. We recommend that appropriate botanical surveys be conducted during the time when sensitive resources could be detected before impact analysis occurs; predictive analyses cannot reliably demonstrate the "absence" of a species on the Project site.

Additionally, the IS/MND Impact Discussion d. states that a mitigation measure has been proposed to conduct tree removal outside the bird breeding season or that pre-construction nesting bird surveys will be conducted with deferred tree removal if nesting birds found present. However, the Mitigation and Residual Impact discussion does not include appropriate avoidance measures. The Department recommends that removal of vegetation or any other ground disturbance activities should be avoided from February to September 15th to avoid impacts to native breeding and nesting birds. If work during the breeding/nesting season cannot be avoided, a qualified biologist should survey all breeding and nesting habitat within the Project site and adjacent to the Project site for breeding or nesting birds no more than two weeks prior to construction or site preparation activities. Documentation of surveys and findings, including negative findings, should be submitted to the Department for review and concurrence. If no breeding or nesting birds are observed and concurrence has been received from the Department, site preparation and construction activities may begin. If breeding activities and/or active bird nests are located appropriate protection measures shall be developed in consultation with the Department. The Department generally recommends that breeding habitat and nest sites be fenced, with no disturbance allowed within the area until the nest becomes inactive, the young have fledged, the young are no longer being fed by the parents, the young have left the area, and the young will no longer be impacted by the Project.

Thanks, Kathleen, for the opportunity to review the proposed Project.

I hope you will excuse the tardiness of our comments, and the informality
of sending an email. Please call me if you have any questions.

Best,
Brandon

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DEC 20 2010
City of Morro Bay
Public Services Department

December 20, 2010

Ms. Kathy Wold
City of Morro Bay Public Services Department
955 Shasta Street
Morro Bay, CA 93442

RE: Cerrito Peak Cultural resources mitigation measures

Dear Kathy,

This letter is in response to our discussions regarding the mitigation measures outlined in the Draft Mitigated Negative Declaration and Initial Study and Checklist. The real question at hand is whether the City has sufficiently addressed the mitigation measures in the Draft MND for Cultural resources.

First, mitigation measures are a wide range of conditions and controls placed on a project to reduce its impacts on the environment. CEQA requires the use of mitigation measures to reduce the magnitude of impacts. When an agency approves a project and adopts mitigation measures for potentially significant impacts disclosed by an MND, the project proponent is required by California state law to establish a monitoring, and reporting program (which includes recovery and analysis of deposits found) to ensure that the mitigation measures are implemented. Additionally, this monitoring and reporting method is an acceptable mitigation measure under CEQA.

Secondly, a Cultural Resource Inventory was prepared by a professional Archeologist, Mr. Ethan Bertrando, in June 2001. In January 2009, an addendum to the June report was provided to the City for review. In this report, Mr. Bertrando concludes "that this site may contain a very sparse shallow archeological deposit associated with the bedrock milling features". Furthermore, he states, "As currently proposed, the residence will not directly impact the bedrock mortars. The construction of the house and driveway will create ground disturbance in a vicinity of these mortars but little or no evidence of associated archeological deposits appear in these locations. From a scientific standpoint there is little evidence to indicate that archeological remains important enough to qualify as significant under criterion 4 in the Public Resources Code, Section 5024.1, Title 14 CCR Section 4852 exist on the parcel." Mr. Bertrando also states that buried deposits may await discovery on the property. However, as with other projects in the City of Morro Bay that have identified cultural resource deposits,

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the City has approved MND's with conditions that require monitoring and reporting programs and provisions for the discovery or recognition of any human remains as provided for in the CA Health and Safety code.

Thirdly Mr. Bertrando, based upon his professional opinion, provides for two options that he believes are consistent with the legal requirements established to address potential impacts to cultural resources. They are 1) implement a Phase 2 Cultural Resource Evaluation or 2) have all ground disturbing activities monitored by an archeologist and provide evaluations and mitigations at the time construction begins. The purpose of the Phase II is to determine if the site is significant as defined in the California Public Resources Code. This determination is required to complete a MND so that adequate mitigation can be calculated. The other option that Mr. Bertrando offered was to acknowledge that the site is already significant. If the site is treated as significant then the MND can be processed because mitigation can be established based upon the assumed significance.

At this juncture, the best approach for this site is to acknowledge the site contains a unique archeological resource as identified in Mr. Bertrando's Cultural Resource Inventory dated June 5, 2001 and letter dated January 11, 2009 and proceed with the appropriate mitigation measures. To that end, the applicant proposes the following additional conditions that will be adequate measures to comply with the CEQA requirements.

1. A mitigation plan will be completed prior to any ground disturbing activities. This will include a data recovery plan that will document, record and remove subsurface archeological deposits from the site in a manner consistent with professional standards and an inventory and documentation record of surface archeological deposits, structural features, unusual amounts of bone or shell, artifacts and other resources of historic or unique importance. A subsequent cataloguing, analysis, identification, dating, interpretation & production report of findings will be prepared and submitted to the City of Morro Bay. Data recovery in general should remain limited to the portions of the property that could be adversely affected by the proposed project. Destructive data recovery methods shall not be applied to portions of the archeological resources if nondestructive methods are practical.
2. All reasonable efforts will be made to preserve unique archeological or historic resources in place or left in an undisturbed state. Monitoring during ground disturbing activities by a qualified archeologist and Native American representative.
3. For responding to the accidental discovery of archaeological resources during construction: With any subsurface cultural resources that are discovered during ground disturbing activities, all work within 50 feet of the resources shall be halted and the City of Morro Bay Public Services Department shall be immediately notified. The City will coordinate any investigation with a qualified specialist (e.g. archaeologist) to assess the significance of the find. If any find is determined to be significant, the project applicant, the City of Morro Bay and the

qualified archaeologist shall meet to determine the appropriate avoidance measures or other appropriate mitigation that is deemed feasible. Such measures may include avoidance, preservation in place, excavation, documentation, curation, data recovery, or other appropriate measures. Work on other parts of the building site may continue while the historical or unique archeological resource mitigation takes place.

4. Discovery or recognition of any human remains: If human remains are discovered, all work must halt within 50 feet of the discovery. The City of Morro Bay Public Services Department shall be immediately notified and the County Coroner must be notified according to Section 5097.98 of the California Public Resources Code and Section 7050.5 of California's Health and Safety Code. If the remains are determined to be Native American, the coroner will notify the Native American Heritage Commission and the procedures outlined in CEQA Section 15064.5(d) and € shall be followed.

With the inclusion of the above measures, the proposed project will provide for stricter standards and adequately mitigate the impacts, which have been identified, to less than significant.

Thanks for your time and consideration in this matter. Please feel free to contact me with any questions.

Regards,

Cathy Novak
Project representative

cc: Mr. Dan Reddell
Mr. Ethan Bertrando

EXHIBIT G

-----Original Message-----
From: Alex Beattie <oldfishdog@gmail.com>
To: Alex Beattie <oldfishdog@gmail.com>
Sent: Sun, Jul 25, 2010 10:15 am
Subject: Cerrito Peak

Hello Neighbors,

On Monday, July 12, about 40 neighbors and other interested persons met with the developer, Dan Reddell, to discuss the development he is proposing to build on Cerrito Peak. Mr. Riddell's presentation was helpful but there were many questions that were left unanswered. I have a copy of a 38 page report done by the City on the project to view if you wish. This report is also available at the City's Building Dept.

The questions were mainly focused about;

1. Where exactly was the development going to be; how big, how high?
2. Which rocks and trees would be removed? Would there be blasting; noise; dust?
3. How would drainage from the development be handled?
4. What about cultural and environmental impacts?
5. Is it possible to do a trade of land? Revise zoning/code requirements to reduce impact? Have a dedicated conservation area?

Here are my interpretations of his answers and a bit of editorializing.

I. It was very difficult to tell exactly where the development (approx 4000 SF plus driveways, decks, etc) was going to be. Mr Reddell did not know exactly where everything was going to go himself but he offered to have his builder come to the site and point out where everything would go. It is not clear if he would (or wants to) provide info on height of development. Let me know if you are interested in being at this meeting with Mr. Reddell's builder

II. Some 35 trees with diameters up to 36"will be removed. They will be replaced on a 2 for 1 basis with 5 gallon trees. Mr. Reddell said that there would not be blasting and that grades would be set to minimize rock and tree removal. I personally doubt this. I think that there will be dust, noise and ground shaking and significant cutting and filling..

III. Mr. Reddell was poorly informed on how drainage would be handled and the drawings were inadequate to show this. There is potential for significant erosion due to the steep grades. It is possible that there will increased subsurface drainage to surrounding properties. The location, size and functioning of the "detention" basin is not clearly indicated and most likely undersized. It will probably require some type (chain link?) of fence around it. No street profile is shown so it is not possible to tell where all the water will be going. The street cross section shown on the drawings is wrong.

IV. Environmental impacts have been pretty well ignored. The site is a registered Salilan tribe sacred site but apparently Mr. Reddell has reached some type of accommodation with them. The Northern Chumash tribe have stated that "any" development of the property will be a desecration of a sacred site but they may not have legal standing. Very little mention is made of wildlife such as owls or butterflies.

V. Apparently the State Fire Code requires a paved twenty foot wide access road to the property. This dictates the removal of an additional 20-25 trees and more rock removal There is no dedication for permanent access to Cerrito Peak. Mr. Reddell has offered to dedicate some open space in the past but the City did not approve this development for various reasons. The city has already made several building concessions such as parking in front yard, development on city right of way, and probably some others. I think that Mr. Reddell would like to sell or trade this property but his asking price, $1.2 million, is high. He paid $600,000 for it about 5 years ago. The SLO Land Conservancy or other similar groups may be interested in the purchase but at a fair market price.

What do we do next?

- This project may go to the planning commission within the next two months. So the first and easiest thing to do is send any and all your comments to the Planning Commission in care of Kathleen Wold (kwold@morro-bay.ca.us) or Rob Livick (rlivick@morro-bay.ca.us). **Nancy Johnson is chair of the Planning Commission and a candidate for city council so I would be sure to ask her what she thinks** about the project. The planning commission was shown this project over a month ago so she should not show ignorance.
- Attend the planning commission meeting when the project comes before it. I would like to get together with persons planning on making a presentation so we could coordinate our presentations.
- Inquire with local conservancy groups and others as to what it takes to get them to buy the land.
- Send specific questions to the City's Planning department such as " How did you determine the size of the retention basin?" What methods are being taken by the developer to assure that all drainage stays on his property?" Will the house look directly into any body elses house or back yard? "Can it be seen from Main St.?" etc. Go into the Planning Department and ask them to see the plans and other documents associated with the project, such as geological reports, drainage studies, road layouts, building elevations, etc.
- Vote and support candidates for mayor and the city council that will support your position on this project.

I personally think that this is a unique piece of land that should be available for public use. If you agree perhaps you would agree to be part of a group that tries to implement some of the ideas presented above. Please contact me at 772-5694 or oldfishdog@gamil.com if you are interested.

Cheers,

Alex Beattie

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September 27, 2011

Rick Grantham
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Planning Commission

c/o Kathleen Wold, Senior Planner
Public Services Department
955 Shasta Avenue
Morro Bay, California 93442

VIA ELECTRONIC MAIL
KWold@morro-bay.ca.us

Re: Jordan Terrace/Cerrito Peak Residence: Reddell UPO-223/CPO-285

Dear Ladies and Gentlemen:

On behalf of our client Nancy Mellen, we respectfully submit this letter in relation to the above referenced matter for consideration prior to the October 5, 2011, planning commission hearing.

Standard of Review.

As we respectfully note to the Planning Commission, the California Environmental Quality Act ("CEQA") has a strong presumption that an environmental impact report ("EIR") will be required prior to project development. We submitted a request for review dated June 21, 2010 (the "SJLM Letter"), a copy of which is attached for your convenience, in relation to the Draft Mitigated Negative Declaration ("MND") and Notice of Determination dated May 13, 2010 for the above referenced project (the "Project"). As noted in the SJLM Letter, there are many issues and concerns that must be addressed in the MND.

The standard for determining whether an EIR is required is based on a "fair argument" standard, under which an agency must prepare an EIR whenever substantial evidence in the record supports a fair argument that a project may have a significant effect on the environment. (*No Oil, Inc. v City of Los Angeles* (1974) 13 Cal.3d 68, 75, 82, 118 Cal.Rptr.2d 34; *Quail Botanical Gardens Found., Inc. v City of Encinitas* (1994) 29 Cal.App.4th 1597, 1602, 35 Cal.Rptr.2d 470; *Friends of "B" St. v City of Hayward* (1980) 106 Cal.App.3d 988, 1002, 165 Cal.Rptr. 514.) The fair argument standard applies both to agency decisions and to judicial review of those decisions.

Therefore, the City must apply the fair argument standard as a substantive standard to decide whether an EIR or a negative declaration is required in this case.

Under CEQA, if a project is not exempt and may cause a significant effect on the environment, the lead agency must prepare an EIR. (Cal. Pub. Resources Code, §§21100, 21151; 14 Cal. Code. Regs. §15064(a)(1), (f)(1).) An EIR may be dispensed with only if the lead agency finds no substantial evidence in the initial study or elsewhere in the record that the project may significantly affect the environment. Without such evidence, the agency must adopt a negative declaration. (Cal. Pub. Resources Code, §21080(c)(1); 14 Cal. Code. Regs. §§15063(b)(2), 15064(f)(3).)

This standard sets a "low threshold" for preparation of an EIR. (*Pocket Protectors v City of Sacramento* (2004) 124 Cal.App.4th 903, 928, 21 Cal.Rptr.3d 791; *Bowman v City of Berkeley* (2004) 122 Cal.App.4th 572, 580, 18 Cal.Rptr.3d 814; *Citizen Action to Serve All Students v Thornley* (1990) 222 Cal.App.3d 748, 754, 272 Cal.Rptr. 83; *Sundstrom v County of Mendocino* (1988) 202 Cal.App.3d 296, 310, 248 Cal.Rptr. 352.) If substantial evidence (public comment is considered substantial evidence) supports a "fair argument" that a project may have a significant environmental effect, the lead agency must prepare an EIR even if it is also presented with other substantial evidence indicating that the project will have no significant effect. (See *Brentwood Ass'n for No Drilling, Inc. v City of Los Angeles* (1982) 134 Cal.App.3d 491, 184 Cal.Rptr. 664; *Friends of "B" St. v City of Hayward* (1980) 106 Cal.App.3d 988, 165 Cal.Rptr. 514. See 14 Cal. Code. Regs. §15064(f)(1).)

Because of the substantial evidence presented in the SJLM Letter that the Project's impact on the environment is not properly addressed in the MND, the Planning Commission must decline to adopt the MND. We respectfully submit that an EIR should be performed instead.

Changed Mitigation Measures; Re-Circulation of MND.

It doesn't appear from the City's Project file that there was any response to the SJLM Letter from the Applicant or from the City. However, Kathy Novak Consulting did submit a letter to the City dated December 20, 2010, regarding cultural resources mitigation measures. In the Novak letter, Applicant proposes that Applicant acknowledge that the site contains unique archaeological resources, and then proposes mitigation measures.

It is important to note that the Novak letter does not address or attempt to mitigate the effects of the Project on the site as an on-going, culturally sensitive area for the Chumash people. Rather, the Novak letter merely recommends mitigation measures for potential archaeological finds. It is important to consider all of the culturally significant aspects of the site when determining whether the mitigation measures for Project are acceptable, and therefore the mitigation measures proposed in the Novak letter are unacceptable.

If the City plans to accept the revised mitigation measures proposed in the Novak letter, it must first revise the MND to reflect the new measures and re-circulate the MND for public comment. (14 Cal. Code. Regs. §15073.5(a)(b).)

Stale Studies and Reports.

In addition to the specific deficiencies pointed out in the SJLM Letter, it is important to note that many of the studies and reports relied upon as a basis for findings in the MND and in the Applicant's initial application package are quite old and may no longer accurately reflect the actual conditions of the Project site. The City should consider whether the studies remain valid and a proper basis for adoption of the MND.

In conclusion, at the very least the SJLM Letter and this letter raise significant questions that must be addressed prior to adoption of the MND by the City.

Thank you for your time and consideration of this important matter.

Sincerely,

SINSHEIMER JUHNKE LEBENS & McIVOR, LLP

KEVIN D. ELDER

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Enclosure

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June 21, 2010

City of Morro Bay
Public Services Department
c/o Kathleen Wold, Senior Planner
955 Shasta Avenue
Morro Bay, California 93442

VIA HAND DELIVERY

Re: Jordan Terrace/Cerrito Peak Residence: Reddell UPO-223/CPO-285: – Attachment to Request for Review of Draft Mitigated Negative Declaration and Notice of Determination

Dear Ms. Wold:

On behalf of Nancy Mellen, please accept this request for review of the proposed Draft Mitigated Negative Declaration and Notice of Determination dated May 13, 2010 ("MND"); for the above referenced proposed project (the " Proposed Project").

This request for review is made upon the grounds, among others, that the MND is inadequate because it omits or fails to adequately identify, address, and mitigate certain environmental effects of the Proposed Project.

More particularly, review is warranted for each of the following reasons:

1. The City's Initial Study ignores and fails to identify or analyze all potential impacts of the Proposed Project.

2. The City's proposed mitigation measures fail to adequately mitigate those Proposed Project impacts which are identified.

3. The MND is incomplete and internally contradictory in significant respects.

4. The City's file and information is incomplete and internally contradictory in significant respects.

Illustrations of disputed Initial Study conclusions and of specific errors and omissions in the Initial Study and MND are set forth below and include, without limitation:

Discrepancy Between Noticed Dates for Public Review Period.

The date on the file copy of the Notice of Determination states that the public review period begins May 17, 2010 and ends June 16, 2010, but the post card sent by the city to residents near the Proposed Project site states the review period begins May 24, 2010, and ends June 22, 2010. This discrepancy may have lead those reviewing only the Notice of Determination to believe that they missed the time to submit comments to the MND and Initial Study.

Discrepancy in Project Descriptions.

The Project Description provided in the Notice of Determination and the Postcard on the one hand, and the Project Description for the MND and the Initial Study on the other hand, provide different square footage calculations. Further, neither the Notice of Determination nor the Postcard includes the 48 square foot patio.

It is also unclear from the Project Description how many square feet of ground will be covered/disturbed due to the Proposed Project, as is required to determine whether there will be any significant impact on the environment, and if so, whether the effect can be adequately mitigated.

Further, the significant impacts described in the grading and drainage plans have not been addressed in the Initial Study.

Findings of the Environmental Coordinator.

The Findings of the Environmental Coordinator on the MND, page 1, states that the Proposed Project will not have a significant effect on the environment. The paragraph goes on to contradict itself by stating that mitigation "*measures, if necessary and required to assure that there will not be significant effect in the case, are described in the attached Initial Study and Checklist and have been added to the permit conditions of approval.*"

"*If necessary*" and "*conditions of approval*" are used in the same sentence. Clearly if permit conditions of approval are included as mitigation measures, there are at least some significant effects on the environment, otherwise, no mitigation conditions would be included as part of any permit approval. The findings should be amended to accurately reflect that there are potentially significant effects on the environment.

Project Information.

The last sentence of text on page 3, summarizing the Project Description raises concerns about the willingness of the City to allow significant exceptions from the City's development

standards. The sentence states: "*Single family homes necessitating exceptions to development standards (i.e. parking in the front yard, removal of major vegetation) and secondary dwelling units are allowable uses with Conditional Use and Coastal Development Permit (UPO/CDP) approvals.*"

It may be allowable to make exceptions to development standards in certain circumstances, but here there seems to be a multitude of exceptions. For example, in locations near the water where space is tight, it is understandable that an accommodation may need to be made with respect to parking.

Here, the site is well over an acre. The exception to allow parking in the front yard is not therefore caused by a lack of area, but is likely due to the Proposed Project comprising nearly 4,000 square feet of living space on a 25 degree slope.

If the City held to its development standards, the Applicant would probably just reduce the size of the structure, and discard the secondary living unit. A residence in the range of 2,000 square feet might provide the Applicant with much needed flexibility in the design and location of a structure on the site, and possibly locate parking in a more traditional manner.

There are many other exceptions to the City's development standards as described in the Initial Study, including "encroachment," although the Initial Study does not describe where the encroachment occurs, removing trees in the public right-of-way, and installing stormwater runoff catch basins in the public right-of-way.

These exceptions are numerous and significant, and are greater in number and impact than would normally be asked for or allowed in relation to the development of a single family residence.

It is also important to note that many of the mitigation measures suggested in the Initial Study just require compliance with the City building codes. Therefore, it is quite possible that additional exceptions to the City's development standards could be allowed as Applicant seeks permits for the Proposed Project.

Due to the large number of exceptions to the City's development standards, the City should not approve the mitigated negative declaration.

The Initial Study is also inadequate in that it completely ignores the grading and drainage associated challenges associated with the Proposed Project. Due to the nature of the Proposed Project, the grading and drainage plan must be properly addressed in the Initial Study.

Incorrect Vicinity Map.

It does not appear that the Project is shown on the Vicinity Map, which is page 4 of the Initial Study. This may have lead people to believe that Cerrito Peak and the accompanying open space were not actually the site of the Proposed Project, leading to reduced public interest and

participation. This is significant because CEQA is, in part, intended as a means to require public agencies to consider and disclose to the public the environmental implications of their actions. If this is not performed accurately, then the City has failed in satisfying the purpose of CEQA.

Elevations.

The Elevations provided on page 6 of the Initial Study are not sufficient because they do not show the total height of the six foot high fence, combined with retaining walls, that encompasses half of the Proposed Project. While the general location is described as beginning in the northeastern corner of the home, near the garage, continuing along the northern retaining wall, and across the driveway, and around to the southeastern corner of the home, the total height is not included in the Initial Study. *See also* Land Use and Planning discussion.

The fence will require a gate that will run across the upper end of the driveway, and will obviously impact the appearance and viewshed considerations of anyone wishing to know what the Proposed Project will look like. Without depicting the actual appearance of the Proposed Project, the City is again denying the public an opportunity to fully review the Proposed Project as required by CEQA.

The Elevations also fail to show the elevations and heights of many of the structures required to support the project, including such things as the driveway, retaining walls and crib walls.

Further, Public Resources Code Section 21080(c)(2) requires that any changes to a project must be included in the redesigned project prior to approval of any mitigated negative declaration. Therefore, accurate depictions of the Proposed Project must be included in the Initial Study before the MND can be submitted for approval.

Environmental Setting and Impacts.

The third sentence of the second paragraph on page 8 raises concerns about the effect of the development on the public right of way. The sentence states: "*Construction of the residence and associated improvements will also necessitate the issuance of permits for removal of trees within the right-of-way, encroachment and construction.*"

Before even getting into possible mitigation or effects of the Proposed Development, the Initial Study states part of the public right-of-way must be altered to allow for private development, and that "encroachment" will be necessary. The Initial Study must state what encroachments are required by the Applicant.

Another concern with the Proposed Project is the location and path of the private driveway. Judging from the Site Plan on page 5 of the Initial Study, the path of the private driveway appears to come within feet of Ms. Mellen's residence. If the Applicant were required to develop the public right-of-way in accordance with City standards, there would be a sidewalk or landscaping or both

that would be required between the private driveway and neighboring properties. But because of the extreme nature of the slope, it appears the City is willing to allow the Applicant to both forego installation of standard infrastructure and to allow the Proposed Project's private driveway to run within feet of adjacent private property.

Because of the uncertainty of the elevation and exact location of the private driveway, the level of impact on neighboring properties is difficult to properly ascertain and review. However, probable impacts are the glare of headlights shining directly into the private properties adjacent to the site as vehicles come down the private driveway, as well as attendant noise and alteration of the local viewshed.

Surrounding Land Use.

Another concern is the casual description of the surrounding land use. For each of the four directions, the Initial Study merely states " Residential" as the surrounding use. This is concerning because there is a sizeable public right-of-way between the Proposed Project and the residences surrounding Cerrito Peak.

It is unlikely that an interested person in reading this section of the Initial Study would realize that there are a couple of acres of public open space between the Proposed Project site and the nearby residences. This description does not accurately describe the fact that the Proposed Project will sit like a monolith in the middle of public open space. If the site happened to be in the middle of a City park, with residences outside of the park, that fact would be mentioned.

To read this section without viewing the site would be to think that a simple single family residential zoned lot, situated among other similar lots that have previously been developed, is now going to be developed. Instead, a large house, secondary unit, access route, and accompanying parking, fencing and infrastructure is proposed to be constructed in the "donut hole" of the open space known as Cerrito Peak.

Further, it is unclear from the grading and drainage plan how much of the grading will take place in the public open space, and what it will look like when completed. In fact, it appears from the Site Plan that some grading will take place on some of the adjacent residential lots.

Environmental Checklist

Aesthetics.

Very early in the Environmental Discussion, page 9, concerns are raised about the accuracy of the discussion. The second sentence states: "*Additionally, because of the existing Eucalyptus canopy, the proposed improvements will not be readily visible from adjacent properties or developed right-of-way.*"

This is simply not true. Several of the adjacent properties will have a direct view of the Proposed Project. The number of adjacent properties that will have a direct view of the Proposed Development may increase once part of the "Eucalyptus canopy," boulders and rock outcroppings are removed from the right-of-way and from the Proposed Project site. The replacement of 34 mature trees with small, immature trees, will do little to mitigate the significant effect the Proposed Development will have on the aesthetics of the site and the surrounding area.

This first paragraph of the Section goes on to state: "*Nevertheless, proposed improvements must be designed harmoniously with the surrounding neighborhood as to not detract from the surroundings or view. Section 17.48.190 of the Zoning Ordinance requires 'protection of visual resources' and 'compatible design.' Site layout, architecture and landscaping are discussed in detail below, and are routinely reviewed by the Planning Commission as part of the CUP review process.*"

This last part of the paragraph states that the zoning ordinance requires certain actions, and that the Planning Commission will "review" the plans. At what point will the public be informed of what will actually be developed at the Proposed Project? Will further exceptions to the City's development standards be granted as part of the Planning Commission's review?

Subsection c. of the Impact Discussion states: "*Several boulders will be removed or submerged underneath the proposed driveway and structure. However, the majority of the rock outcroppings, including the largest and most visually striking, will remain in place and unaltered.*"

The Initial Study should accurately define what constitutes "rock outcroppings" and what a "boulder" is. There are some areas of exposed stone that may be boulders or might be part of the rock outcroppings. Until this is made clear, and the Applicant clearly identifies which boulders will be removed or submerged, and which part of the rock outcroppings will be altered or removed, it is impossible to review the impact of those actions on the aesthetics of the site and the surrounding area.

Note also the great cultural significance of this site to the Chumash nation, which is discussed more fully in the Cultural Resources section.

It is the entirety of the natural landscape, including the boulders, outcroppings, trees and vegetation that constitute the whole of the aesthetics of the site and the surrounding area. Therefore, until it is clear which and how many boulders are to be removed or "submerged," and what part of the rock outcroppings will be destroyed, it is impossible to determine whether the Proposed Project will have a significant impact on the aesthetics of the site and surrounding area.

Concerns are also raised with respect to the six foot high fence that will run around half of the Proposed Project, as described above in Elevations. Since it does not appear that the fence is depicted on the site plans included in the MND and Initial Study, it is impossible to determine the fence's effect on the aesthetics of the Proposed Project. However, it is likely that such a fence will be

a prominent feature of the Proposed Project, and therefore it is important that it is accurately depicted in the site plans, so that the City and the public may review its impact in accordance with CEQA guidelines.

Another issue facing the aesthetics of the Proposed Project is the use of retaining walls. In the February 23, 2009 letter from Kathy Novak Consulting to the City, Ms. Novak states in item 1, that "*the largest cut required for the garage foundation is adjacent to the large outcropping that is hidden from any view with only 5-foot exposed retaining wall.*" A 5-foot high wall is nearly as high as the average person, therefore it will be clearly visible from a considerable distance. Use of other retaining walls and similar structures is also likely, due to the Proposed Project's need to "step up" the 25% grade of the site.

It is also unclear how the private driveway will need to be constructed in order to comply with the maximum 20% grade required by the Fire Department. However, it does seem apparent that the Proposed Project will require a dark asphalt ribbon, raised and supported by retaining walls and crib walls, in order to access the proposed residences.

Air Quality.

Concerns are raised with regard to discussion of the retention basins. The Impact Discussion states that "*two onsite retention basins will be constructed,*" and that "*both will be limited to 1.5-feet in depth so as to not require fencing.*"

First, it is deceiving to state that the basins will be installed "onsite," when in fact the Site Plan shows they will be installed in the public right-of-way. Second, due to the steep nature of the site, if the basins are 1.5 feet deep on the uphill end of the basin, they will be very shallow on the downhill section, or conversely, very deep on the uphill side in order to be only 1.5 feet deep on the downhill side. Depending on the final layout, the basins may indeed require fencing.

A proper and accurate description of the location and specifications must be included in the Initial Study in order to fully assess their environmental impact as required by CEQA. Note that other concerns are raised below in relation to the retention basins, under the section discussing Utilities & Service Systems.

Section 4, Biological Resources.

There are also concerns regarding the damage to the biological resources that will be caused by the removal of "*34 living trees (and two fallen, four dead and one stump) both on-site and within the undeveloped right-of-way,*" as noted in subsection c of the Biological Resources section.

A review of the June 30, 2005 Biological Assessment prepared by David Wolff Environmental indicates that removal of trees from the site could lead to detrimental impacts to migratory birds. Also, the Assessment noted that presence of a Great Horned Owl on site.

The Assessment points out that the California Fish and Game Code and Migratory Bird Treaty Act prohibits the destruction of birds, nests and eggs. (Reference page 3 of 4.) Mitigation measures are provided in the Assessment, including but not limited to, consultation with the Department of Fish and Game, surveys, and dedication of an open space lot (which apparently the parcel map proposed). None of these mitigation measures appear in the Initial Study.

Note also that Applicant states in his owner statement that "the Monarch Butterfly habitat will not be affected." The 2005 Biological Assessment states that none "of the CNDDB monarch butterfly occurrences were recorded on *Cerrito Peak*. In general, eucalyptus trees can provide roosting and food resources for wintering monarch butterflies." *(emphasis added.)* (Reference page 3 of 4.) The monarch butterfly is a species of local concern, and removal of eucalyptus trees could be significant. This needs to be clearly addressed in the Initial Study.

There are recommendations for a two-to-one tree replacement ratio. However, the small size of the recommended replacement trees (5 gallon bucket) will not effectively replace the canopy that is supposed to protect the viewshed, or mitigate the destruction of habitat for migratory birds.

The last sentence of Subsection c. also states that "*at no time shall any invasive or spreading plants be allowed*" as part of the landscaping, but nowhere does it state how future owners of the Proposed Project will be notified of such restriction. A deed restriction must be required as part of the mitigation measure.

Subsection e. on page 15 states "*Development of residential uses on the site also has the potential to spur removal of additional on-site trees in the future . . . .*" What future residential uses are planned that will require the removal of additional trees? Does the Applicant intend to subdivide the site in the future or add more units to the site in the future? If the Applicant has no plans for the site in addition to those noted in the Proposed Project, then there shouldn't be any reference to future development.

Page 15, the third paragraph of subsection e., states "*A mitigation measure has been proposed that requires all future tree removals be subject to approval to ensure that no detrimental effects occur.*" Any planned tree removals must be addressed in the MND, and made subject to the City Tree Regulations.

It is also important to note the increase in the number of trees that will be removed each time the Proposed Project is redesigned. In the Applicant's original undated Owner's Statement received by the City on July 25, 2008, the Applicant states that only six trees will be removed. The Novak Letter, dated February 23, 2009, states that 18 trees "*will be affected and replaced,*" but that if the City would agree to a "*reduced driveway width this could potentially save 8 trees.*" The MND, page 9, subsection c states that the "*project entails the removal of 34 living trees (and two fallen, four dead and one stump).*" (Underline added.). Note that many of the trees to be removed are not even

on-site, rather they will be removed from the public right-of-way to provide access to a private development. Clearly the extreme steps necessary to access and develop the Proposed Project will exact a significant toll on the biological resources of the site.

In short, there does not appear to be any effective mitigation measures suggested that will address the removal of trees from the site and the public right-of-way, other than the 2-1 replacement of all trees removed by much smaller, immature trees. The replacement trees will not provide adequate replacements for the Eucalyptus Canopy now in place, and sited by the Applicant as cover when addressing the notion of viewshed protection.

Section 5, Cultural Resources.

Please note that the City has received or will receive a letter from Fred Collins on behalf of the Northern Chumash Tribal Council. The Chumash indicate in the letter that as they consider Cerrito Peak, known as Eagle Rock to the Chumash, a sacred site, they oppose any development of the site. The Chumash do not believe that any mitigation measures will be sufficient, and in fact, state that the proposed mitigation measures are the worst they have seen concerning preservation of a sacred site. The City is encouraged to strongly consider the rights of the Chumash with respect to the site, and to follow their recommendation and reject the Proposed Project and any other attempt to develop the site.

Public Resources Code Section 5020.1(j) provides that "Historical resource" includes, but is not limited to, any object, building, structure, site, area, place, record, or manuscript which is historically or archaeologically significant, or is significant in the architectural, engineering, scientific, economic agricultural, educational, social, political, military, or cultural annals of California.

If the Proposed Project is allowed to go forward, it will desecrate the sacred site. As noted below, California law prohibits the desecration of historical sites.

Public Resources Code Section 5020.1(k) states that "Local register of historic resources" means a list of properties officially designated or recognized as historically significant by a local government pursuant to a local ordinance or resolution. Public Resources Code Section 5020.1(q) defines "Substantial adverse change" as demolition, destruction, relocation, or alteration such that the significance of an historical resource would be impaired.

Public Resources Code Section 5024.1(b) provides that the California Register shall include historical resources determined by the commission, according to procedures adopted by the commission, to be significant and to meet the criteria in Public Resources Code Section 5024.1(c).

Public Resources Code Section 5024.1(o) states that a resource may be listed as an historical resource in the California Register if it meets any of the following National Register of Historic Places criteria, as follows:

(1) Is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage.
(2) Is associated with the lives of persons important in our past.
(3) Embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic values.
(4) Has yielded, or may be likely to yield, information important in prehistory or history.

The Initial Study states that Cerrito Peak has been identified as a Sacred Site in the Native American Heritage Commission's Sacred Lands Inventory. Therefore, any development of the site will cause irreparable harm to the area and the rights of the Chumash to preserve this as a sacred site. There is no mitigation measure that can offset the damage development of half of the outcropping will do to the sacredness of the site.

Clearly the site's listing as a Sacred Site in the Native American Heritage Commission's Sacred Lands Inventory, along with the potential archaeological significance identified in the Initial Study, mean at the very least that more must be done to mitigate the significant environmental effect the Proposed Project will have on these resources.

CEQA specifically states that significant resources MUST be mitigated either by avoidance (protection as open space, deeded into a conservation easement, etc.), or by recovering the data that the sites contain before they are disturbed (CEQA sec. 21083.2 (b1), (b2), (b3), (b4), 15126.4c).

Any historic or prehistoric sites that must be disturbed during the project construction process will need to be mitigated according to CEQA (sec. 15126.4c).

In addition to the opposition to development presented by the Chumash, there are additional deficiencies with and concerns about the Initial Study in relation to Cultural Resources.

Even if the proposed mitigation measure were theoretically acceptable, the Chumash shouldn't be required to notify or ask permission of anyone to access a sacred site. The mere fact of requiring such action will chill any use of the site. Further, the Applicant or any future owner of the Proposed Project may use intimidation tactics, such as loud music, parties, or gatherings, to further chill Chumash use of this sacred site. Even just sitting on the patio and "watching" the Chumash when they access the sacred site will have an adverse affect on use of the site.

Therefore, there is really no acceptable mitigation measure that would maintain the sacred nature of the site. The site should be converted to permanent open space or conveyed in trust as a conservation easement.

Assuming without admitting that acceptable mitigation measures can be developed, the Initial Study proposes to develop mitigation measures based on future studies, which is in violation of CEQA.

Mitigation measure 5-1 states that a Phase 2 Cultural Resource Evaluation ("Phase 2") shall be conducted to more firmly establish the archeological deposits on the property, and that the Phase 2 may lead to further studies, and possibly additional conditions as determined by the Public Services Department. Providing that a development might be conditioned on future studies is "in direct confliot with CEQA guidelines." Sundstrom v. County of Mendocino, 202 Cal. App. 3d. 296. In Sundstrom, the court of appeal found that the "county evaded its duty to engage in a comprehensive environmental review by approving the use permit subject to a condition requiring future regulatory compliance." Id. at 296. "Specifically, the use permit required: . . . [that] 'Mitigation measures recommended by the study shall be incorporated as requirements of this use permit.' The requirement that the applicant adopt mitigation measures recommended in a future study is in direct conflict with the guidelines implementing CEQA." Id. at 306. Citing to California Code of Regulations Title 14, Section 15070(b)(1), the court went on to state "that if an applicant proposes measures that will mitigate environmental effects, the project plans must be revised to incorporate these mitigation measures '*before* the proposed negative declaration is released for public review. . . .'(Italics added.) Here, the use permit contemplates that project plans may be revised to incorporate needed mitigation measures after the final adoption of the negative declaration. This procedure, we repeat, is contrary to law." Id. at 306-307.

The court held this to be the case even though the negative declaration required that the county review and approve the additional study, and incorporate the study into the use permit. The court stated that "[e]ven if the study is subject to administrative approval, it is analogous to the sort of post hoc rationalization of agency actions that has been repeatedly condemned in decisions construing CEQA." Id. at 307.

Therefore, the City's mitigation measure requiring implementation of the Phase 2, to be performed *after* approval of the MND, not to mention that the Phase 2 may lead to *additional future studies*, clearly runs afoul of the law as stated in Sundstrom.

The reasoning for the holding in Sundstrom is clear: Allowing reference to a study or other information to be gathered and incorporated into a negative declaration after its approval allows the lead agency and applicant to avoid the guarantee of an adequate inquiry into the environmental effects of the project in question. Therefore, reliance on future studies is not a proper mitigation measure.

Geology/Soils.

The MND states that the recommendations of the Soils Engineering Update Report prepared by Geosolutions, Inc. and dated October 10, 2008 (the "Geosolutions Memo") shall be incorporated into the design of the Proposed Project. However, the Geosolutions Memo was not available for

review or copying, and therefore it is unknown what measures are recommended. If the proposal cannot be adequately reviewed during the public review period, the issue remains open and the MND should not be approved.

However, the grading and drainage plan show that rock outcroppings will have to be removed and there will be fill and cut for the road, with retaining walls. A mitigation measure has been added which requires the road gradient be modified so as not to exceed 20%. This will require more manipulation of this area. This should be analyzed in the Initial Study.

The City will need another report prepared by an engineering geologist for the house and road in order to verify the stability of the rocks due to differential settlement. Again, this must be included and analyzed in the Initial Study.

We do note that the February 23, 2009 letter from Cathy Novak Consulting (the "Novak Letter") to the City does state that the Proposed Project was redesigned. However, like the Initial Study, the Novak Letter gives few if any real details about how the Proposed Project was redesigned.

One of the details in the Novak Letter that does raise concerns is about the method of securing the foundation. It states that "*the remainder of the structure is designed to fit the topography with raised flooring and or special foundations to anchor into the rock.*" The concern is that the redesigned Proposed Project will anchor into the rock outcroppings to support the foundations on the upper levels of the structure. This raises concerns about the ability of the rock outcroppings to withstand the loads that may be placed on them to support the structure. This does not seem to be addressed in the soils report or the Initial Study.

The impact discussion on page 18 also describes how the "*proposed site work will entail a significant amount of earthwork, which creates a real potential for rock-fall that would be detrimental to neighboring properties. A mitigation measure has been recommended that a screening plan be developed and implemented to reduce the potential for rockfall.*"

Mitigation measure 6-1 purports to deal with this serious safety issue, stating that a "*detailed rock-fall investigation and mitigation plan shall be prepared by a qualified geotechnical engineer*" identifying the potential danger caused by rock-fall, and "*as appropriate risk-reduction measures on adjacent properties, and need for long-term maintenance.*"

There are several concerns with this approach.

1. The mitigation measure again calls for a *future study* upon which to base potential mitigation measures. As noted above, the Sundstrom decision holds that use of future studies as mitigation measures violates CEQA.

2. The type of screening that will be involved in any mitigation/risk-reduction measure is not described. Therefore, it is not known whether this will cause further degradation of the

viewshed affecting the Proposed Project. It is hard to imagine screening that will do anything less than be an eyesore to those viewing the site.

3. The mitigation measure states that as appropriate, risk-reduction measures will be placed **on adjacent properties**. Clearly if there is such a danger due to rock-fall that adjacent properties will require installation of screening, the geology is too unstable to support the development of the Proposed Project.

4. It is unclear how boulders and rock outcroppings that are in danger of falling during construction will be sound anchors for the foundation system.

Also, the Initial Study fails to indicate how the development of the Proposed Project will comply with the City's Stormwater Management Plan or Stormwater Pollution Prevention Plan. With the large area of land that will be covered by impermeable surfaces and the potential for soil and debris laden runoff due to the steep, open nature of the site, it seems imperative that plans be required in compliance with both of the City's programs.

Furthermore, there is no evidence provided in the Initial Study that the soils will withstand the removal of boulders and reduction of the rock outcroppings and still retain the structural integrity necessary to support the Proposed Project.

Due to the incomplete analysis provided regarding the ability of the geology and soils to properly support development of the Proposed Project, this section of the Initial Study is incomplete, and should lead to a rejection of the MND.

Land Use and Planning.

There are concerns regarding the Land Use and Planning environmental discussion and the proposed mitigation measures.

Please note again that the description of the site as being surrounded by existing residential uses is misleading. There is a large area of open space (much of which is in the public right-of-way) between the site of the Proposed Project and the surrounding residential development, which should be included in any discussion of the Proposed Project, in order to accurately paint a picture of the significant change to the open space. If the site of the Proposed Project was in the middle of a park, the fact that the park was so located in reference to the Proposed Project would be discussed. The lack of development of the open space/public right-of-way does not reduce its value to the community, or mean that it should not be included in any description of the area.

The third paragraph on page 24 of the Initial Study states that in order to "*provide some private outdoor space and security for the residence, as well as to allow the required vehicle turn-around to be optimally placed between natural features, a fencing plan has been proposed which*

would enclose both on-site and portions of the right-of-way to the east of the home." (Underline added.)

Enclosing public right-of-way with a private fence will in effect give such enclosed land to the Applicant. There is really no other way to see it. A gift of public property to the Applicant is prohibited by the California Constitution. California Constitution, Article 16, Sec. 6.

Even if a gift of public land was not prohibited, public policy (and common sense) militates against giving public open space to an individual for private outdoor space.

The paragraph goes on to state that the fence will be six feet high and will be made of "*solid stucco and natural stone base with black rod iron pickets above.*" A six foot high fence with rod iron pickets, located on top of a raised private driveway will create a virtual castle wall in both appearance and public use deterrence.

Further, the fence will wrap around half of the Proposed Project, running from the "*northeastern corner of the home, near the garage, along the northern retaining wall, across the driveway, and continue around to the southeastern corner of the home.*" The conversion of public land to private use must not be allowed.

Even if the Applicant properly defined boulders and rock outcroppings and identified those slated for removal or alteration, there is concern that such action will be inconsistent with the City's General Plan. Morro Bay Land Use Plan 17.1 states that natural terrain, vegetation, drainage courses and rock outcroppings shall not be disrupted as a result of development, unless found to be necessary to protect the health, safety and welfare of the community (LUE 52).

It does not appear that the Initial Study includes any finding of fact that the removal or alteration of boulders and outcroppings is necessary to protect the community. Based on the discussion in the Initial Study that boulders will need to be removed and perhaps some rock outcroppings will be removed, item 1.b on page 8 should not have been checked "No Impact."

Noise.

The Initial Study states that there will be no significant environmental effect due to development of the Proposed Project. It may be true that no permanent significant source of noise will be created, but the Applicant may require the use of special equipment in order to remove the boulders/outcroppings that will generate noise far above what is normally associated with development of a single family residence.

Due to the large amount of rock to be altered and/or removed, the Initial Study should include analysis of the effect of such alteration and/or removal on noise levels, and require mitigation measures should the results of the analysis indicate mitigation is necessary. Such mitigation, if

found to be necessary, should go beyond just requiring construction during certain hours, but should also require, without limitation, such measures as completing all removal within a certain number of days.

Public Services.

The only mitigation measure noted in this Section is that Applicant must install a Knox Box at the vehicle access gate located at the top of the private driveway, in order to allow emergency services access to the property. This Section should be amended to include the discussion on page 29 of the Initial Study.

Transportation/Traffic.

Paragraph d, e on page 29 of the Initial Study states that the Proposed Project currently provides that the private driveway slope will range as high as 25%, and that the project must be modified so that the slope will not exceed 20%, to accommodate fire apparatus access standards.

It is difficult to determine from the current Proposed Project renderings what that will mean for the design and construction of the driveway, but it would seem that increased use of retaining and crib walls will be necessary to achieve this requirement. This should be clearly described in the Proposed Project so that it can be adequately reviewed for any potential significant environmental effects, as required by CEQA.

Utilities & Service Systems.

There are concerns related to the provision of utilities to the Proposed Project. While it would seem City ordinances will require that all utilities serving the Proposed Project be extended to the site underground, it does not appear that the Initial Study addresses how much ground disturbance will occur, both in the public right-of-way and on the site. Further, it does not appear that the underground extension of utilities was considered in either the archaeological report or in the soils report.

Therefore, it is impossible to assess from the Initial Study whether there will be a significant environmental impact caused by the installation of the utilities required to serve the Proposed Project.

Paragraph c on page 31 of the Initial Study states that two "*on-site retention facilities are proposed, flanking either side of the access way on the lower portion of the site.*" Are these retention facilities in addition to those noted on page 12 of the Initial Study, and that are to be located near the bottom of the private driveway but in the public right-of-way? If there is to be only one set of retention facilities, the Initial Study must make clear where they will be located, and whether such location is on the site or in the public right-of-way, for review of whether the placement and use of the facilities will create a significant environmental impact as required by CEQA.

One of the retention facilities appears to be near the east end of the private driveway, to be located between the private drive and the neighboring residence. The Initial Study should address how the location of the retention facilities will affect the neighboring residences. For instance, it is likely that adding standing water to the area will create vector issues, and will be an attractive nuisance for children and others.

Concerns are also raised as the Initial Study does not address who will maintain the retention facilities, or that the City will be liable for damage to person or property caused by the retention facilities.

Draft Housing Element.

It is also noted that the City's draft housing element contemplates 80% build out of available capacity, and identifies six dwelling units on this site. While not a direct issue with respect to the MND or the Initial Study, there is a concern that the City will allow development of more units on the site in the future to satisfy the housing element.

Based on the numerous issues facing development of the Proposed Project in a way that will not significantly impact the environment, it is respectfully requested that the City decline to approve the MND, and to further deny development of the site in the future.

Sincerely,

SINSHEIMER JUHNKE LEBENS & McIVOR, LLP

KEVIN D. ELDER

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AGENDA ITEM: A-2
DATE: October 19, 2011
ACTION: APPROVED

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 pm

209 Surf Street, Morro Bay
October 5, 2011

Chairperson Rick Grantham

Vice-Chairperson John Solu
Commissioner Paul Nagy

Commissioner Jamie Irons
Commissioner Jessica Napier

Rob Livick, Secretary

I. ESTABLISH QUORUM AND CALL TO ORDER

Chairperson Grantham called the meeting to order at 6:00 pm and noted all Commissioners are present.
Staff Present: Rob Livick, Kathleen Wold and Sierra Davis.

II. MOMENT OF SILENCE / PLEDGE OF ALLEGIANCE

Members of Morro Bay 4H led the pledge.

III. PLANNING COMMISSIONER ANNOUNCEMENTS

Commissioner Solu announced a successful Harbor Festival last weekend and the recent Morro Bay news items featured in the Tribune newspaper and Sunset magazine. Solu also announced the roadwork repairs currently being done to State Park Road and the addition of a launch to be built in the next 60 days. Napier announced this is National 4H week. Grantham invited all to the annual free Thanksgiving dinner to be held at the Vet's Hall this year. Free senior health screenings are held every last Monday of the month from 9am to noon at the Senior Center.

Livick announced the second of the two sign workshops will be held tomorrow October 6th from 9am to noon with more information at www.morro-bay.ca.us.

IV. PUBLIC COMMENT

- Youth members of Morro Bay 4H gave a presentation to the audience about the 4H organization.

- John Weiss, resident of Morro Bay, asked to speak about Cerrito Peak due to a need to leave early. Mr. Weiss spoke in favor of the project.

V. CONSENT CALENDAR

A. Approval of minutes from the Planning Commission meeting held on September 21, 2011

MOTION: Napier moved to approve the Consent Calendar. Solu seconded the motion. Motion passed 4-0.

VI. PRESENTATIONS – None.

VII. PUBLIC HEARINGS

A. **Case No.:** CP0-295
Site Location: 3060 Ironwood Avenue
Applicant/Project Sponsor: City of Morro Bay/Barry Rands, Associate Engineer
Request: Construction of two public, soft-surface tennis courts at Del Mar Park, a nine-acre park located in north Morro Bay. The tennis courts have been master planned for Del Mar Park since the original conception of the park, prior to 1980. The courts are not located adjacent to residences and are bordered by an elementary school playground on one side and the park's roller hockey rink on the other. The courts are also located in a bowl-depression area that creates berms on each side. The tennis courts would be encompassed within a typical chain link fence but not include nighttime lighting.
CEQA Determination: Mitigated Negative Declaration
Staff Recommendation: Conditionally Approve Conditional Use Permit #UP0-336 and Coastal Development Permit #CP0-295 and adopt Mitigated Negative Declaration.
Staff Contact: Sierra Davis, Assistant Planner (805) 772-6270

Davis presented the staff report and introduced Joe Woods, Recreation & Parks Director. Mr. Woods explained the proposed project and asked for Commission approval.

Grantham opened Public Comment period and hearing none closed Public Comment period.

Commissioners discussed their support for the project.

MOTION: Solu moved to approve CP0-295 as presented by staff.
Grantham seconded the motion. Motion passed 4-0.

B. **Case No.:** UP0-223/CP0-285
Site Location: Elliptical shaped lot including the top of Cerrito Peak; APN 066-221-001
Applicant/Project Sponsor: Dan Reddell / Cathy Novak
Request: Construction of a new 2-story, split level, 3,256-square foot residential structure including an attached 2-car 920-square foot garage, 745-square feet of decking decks, and a 711-square foot secondary living unit. Other improvements include two

uncovered parking spaces for the secondary unit and guest parking, an approximately 400-foot long driveway and hammer-head turn around, retaining walls, and associated tree and vegetation removal. The project relies upon allowance of uncovered parking within a front yard setback, removal of major vegetation on-site and within the public right-of-way, fencing within the public right-of-way, and waiver of requirements for frontage improvements on Alta Street and Jordan Terrace.
CEQA Determination: Mitigated Negative Declaration
Staff Recommendation: Conditionally Approve Conditional Use Permit #UP0-223 and Coastal Development Permit #CP0-285 and adopt the Mitigated Negative Declaration.
Staff Contact: Kathleen Wold, Planning Manager (805) 772-6211.

Wold presented the staff report.

Commissioners asked staff to clarify issues concerning:

- The Fire Department requirement to require a 20 foot driveway. Wold clarified it is a standard requirement for any new home development with no direct access to a public street as well as standard fire code.

Grantham opened the Public Comment period:

- Cathy Novak, representative for the Applicant presented the history and details of the project and asked Commission approve the project with the modification of removing Public Works condition #6 and the inclusion of the condition presented for the Cultural Resources section.

The following individuals spoke against the project:

- William Robert Quigley, resident of Acacia Street, stressed the project needs more review before approval.
- Kevin Elder, Attorney spoke on behalf of Nancy Mellen, resident of Morro Bay and spoke against the proposed project and Mitigated Negative Declaration (MND). Mr. Elder expressed concern about the building exceptions and aesthetics of the project and requested the Commission decline the project.
- Doreen Liberto-Blanck of Earth Designs, Inc. stressed additional analysis needs to be done on the project and also stated insufficient information is available to adopt the Mitigated Negative Declaration. She presented to the Commission new findings at the meeting.
- Nicole Dorfman, resident of Morro Bay, spoke against the project stating the Mitigated Negative Declaration is flawed. She expressed concern that the developer is trying to usurp public property for private use and disagreed with the staff report stating that the exceptions asked for are not a special privilege.
- Fred Collins, Tribal Administrator of the Northern Chumash Tribal Council stated the Cerrito Peak is a sacred site and the Mitigated Negative Declaration is flawed and asked Commission to reject staff recommendations.
- John Thompson, resident of Morro Bay expressed concern about the proposed mitigations.

MOTION: Solu moved to approve the project UP0-223 and CP0-285 (consisting of environmental determination, findings and conditions) with the modification of Public Works Condition #6 as follows:

1. Prior to the issuance of a Building Permit the Developer shall process a Special Encroachment permit for the construction of non-standard improvements within the public right-of-way for Alta Street and Jordan Terrace (ie driveway and private drainage facilities).

and to add the following conditions:

1. The applicant/property owner shall provide an archaeological monitoring evaluation plan prepared by a qualified archaeologist for all construction excavations associated with grading activity. The plan shall identify all the ground disturbance activity monitored including dates the archaeologist and culturally affiliated, indigenous individual recognized by the Native American Heritage Commission were present. The evaluation report shall describe all the densities or features of artifacts associated with a particular activity encountered. Any isolated human remains encountered during construction shall be protected and their disposition be undertaken consistent with Public Resources Code 5097.98.
2. The following actions must be taken immediately upon the discovery of human remains: Stop immediately and contact the County Coroner. The coroner has two working days to examine human remains after being notified by the responsible person. If the remains are Native American, the Coroner has 24 hours to notify the Native American Heritage Commission. The Native American Heritage Commission will immediately notify the person it believes to be the most likely descendent of the deceased Native American. The most likely descendent has 48 hours to make recommendations to the owner, or representative, for the treatment or disposition, with proper dignity, of the human remains and grave goods. If the descendent does not make recommendations within 48 hours the owner shall reinter the remains in an area of the property secure from further disturbance, or; If the owner does not accept the descendant's recommendations, the owner or the descendent may request mediation by the Native American Heritage Commission Discuss and confer means the meaningful and timely discussion careful consideration of the views of each party. and taking out the section where the additional developer will maintain an eight foot wide asphalt public right of way.

Nagy seconded the motion. Motion passed 4-0.

VIII. UNFINISHED BUSINESS

A. Current Planning Processing List/Advanced Work Program

Wold reviewed the Work Program with Commissioners.

IX. NEW BUSINESS

X. DECLARATION OF FUTURE AGENDA ITEMS – None.

XI. ADJOURNMENT

Chairperson Grantham adjourned the meeting at 8:25pm to the next regularly scheduled Planning Commission meeting at the Veteran's Hall, 209 Surf Street, on Wednesday, October 19, 2011 at 6:00 pm.

_____

Rick Grantham, Chairperson

ATTEST:

_____

Rob Livick, Secretary

ATTACHMENT 2

RECEIVED
OCT 13 2011
City of Morro Bay
Public Services Department

CITY OF MORRO BAY
PUBLIC SERVICES DEPARTMENT

APPEAL FORM

APPEAL FROM THE DECISION OR ACTION OF (GOVERNING BODY OR CITY OFFICER):
Appeal from the Decision of the Morro Bay Planning Commission
APPEAL OF SPECIFIC DECISION OR ACTION: Appeal of decision to approve mitigated negative declaration for construction of single family residence on Cerrito Peak
PERMIT TYPE BEING APPEALED (IE: COASTAL PERMIT, USE PERMIT, TENTATIVE SUBDIVISION):
Appealing approval of permits UPO-223 and CPO-285
DATE DECISION OR ACTION RENDERED: October 5, 2011
APPELLANT (PLEASE PRINT): Kevin D. Elder on behalf of Nancy Mellen
SIGNATURE:
ADDRESS: 1010 Peach Street, San Luis Obispo, CA 93401 — *TELEPHONE NUMBER:* (805) 541-2800

GROUNDS FOR THE APPEAL (ATTACH SHEETS AS NECESSARY):
Please see attached

REQUESTED RELIEF OR ACTION:
Denial of approval of project, as more particularly described in attached material.

FOR OFFICE USE ONLY	
DATE APPEAL FILED:	ACCEPTED BY:
APPEAL BODY:	
DATE OF APPEAL HEARING:	

WARREN A. SINSHEIMER III
DAVID A. JUHNKE
THOMAS F. LEBENS *
JUNE R. McIVOR
HERBERT A. STROH
KEVIN D. ELDER
JOSHUA W. MARTIN
HILLARY A. McGONEGLE*†

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† Licensed to Practice in Washington

SJL&M
SINSHEIMER JUHNKE LEBENS & McIVOR, LLP
ATTORNEYS AT LAW

Of Counsel:
ROBERT K. SCHIEBELHUT
K. ROBIN BAGGETT

E-Mail:
KElder@sjlmlaw.com

Client: 4324001

October 13, 2011

RECEIVED
OCT 13 2011
City of Morro Bay
Public Services Department

Mayor William Yates
Council Members:
Carla Borchard
Nancy Johnson
George Leage
Noah Smukler

c/o Bridgett Kessling, City Clerk
595 Harbor Street
Morro Bay, California 93442

VIA HAND DELIVERY

Re: Jordan Terrace / Cerrito Peak Residence: Reddell UPO-223/CPO-285

Dear Ladies and Gentlemen:

On behalf of our client Nancy Mellen, we respectfully submit this letter and enclosed materials to appeal the October 5, 2011 decision by the Morro Bay Planning Commission approving the above referenced project. Please find enclosed the following documents providing the grounds upon which approval of the project should be denied, as well as a check in the amount of $250 for the filing fee:

1. City of Morro Bay Public Services Department Appeal Form;
2. Letter dated September 27, 2011, to the Planning Commission describing the standard of review to deny the project and to decline to approve the mitigated negative declaration ("MND"); and
3. Letter dated June 21, 2010, to the Morro Bay Planning Department describing the deficiencies in the MND that should at a minimum be a basis to require an environmental impact report.

Thank you for your time and consideration of this important matter.

Sincerely,

SINSHEIMER JUHNKE LEBENS & McIVOR, LLP

KEVIN D. ELDER

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September 27, 2011

Rick Grantham
Jamie Irons
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Planning Commission

c/o Kathleen Wold, Senior Planner
Public Services Department
955 Shasta Avenue
Morro Bay, California 93442

VIA ELECTRONIC MAIL
KWold@morro-bay.ca.us

Re: Jordan Terrace/Cerrito Peak Residence: Reddell UPO-223/CPO-285

Dear Ladies and Gentlemen:

On behalf of our client Nancy Mellen, we respectfully submit this letter in relation to the above referenced matter for consideration prior to the October 5, 2011, planning commission hearing.

Standard of Review.

As we respectfully note to the Planning Commission, the California Environmental Quality Act ("CEQA") has a strong presumption that an environmental impact report ("EIR") will be required prior to project development. We submitted a request for review dated June 21, 2010 (the "SJLM Letter"), a copy of which is attached for your convenience, in relation to the Draft Mitigated Negative Declaration ("MND") and Notice of Determination dated May 13, 2010 for the above referenced project (the "Project"). As noted in the SJLM Letter, there are many issues and concerns that must be addressed in the MND.

The standard for determining whether an EIR is required is based on a "fair argument" standard, under which an agency must prepare an EIR whenever substantial evidence in the record supports a fair argument that a project may have a significant effect on the environment. (*No Oil, Inc. v City of Los Angeles* (1974) 13 Cal.3d 68, 75, 82, 118 Cal.Rptr.2d 34; *Quail Botanical Gardens Found., Inc. v City of Encinitas* (1994) 29 Cal.App.4th 1597, 1602, 35 Cal.Rptr.2d 470; *Friends of "B" St. v City of Hayward* (1980) 106 Cal.App.3d 988, 1002, 165 Cal.Rptr. 514.) The fair argument standard applies both to agency decisions and to judicial review of those decisions.

Therefore, the City must apply the fair argument standard as a substantive standard to decide whether an EIR or a negative declaration is required in this case.

Under CEQA, if a project is not exempt and may cause a significant effect on the environment, the lead agency must prepare an EIR. (Cal. Pub. Resources Code, §§21100, 21151; 14 Cal. Code. Regs. §15064(a)(1), (f)(1).) An EIR may be dispensed with only if the lead agency finds no substantial evidence in the initial study or elsewhere in the record that the project may significantly affect the environment. Without such evidence, the agency must adopt a negative declaration. (Cal. Pub. Resources Code, §21080(c)(1); 14 Cal. Code. Regs. §§15063(b)(2), 15064(f)(3).)

This standard sets a "low threshold" for preparation of an EIR. (*Pocket Protectors v City of Sacramento* (2004) 124 Cal.App.4th 903, 928, 21 Cal.Rptr.3d 791; *Bowman v City of Berkeley* (2004) 122 Cal.App.4th 572, 580, 18 Cal.Rptr.3d 814; *Citizen Action to Serve All Students v Thornley* (1990) 222 Cal.App.3d 748, 754, 272 Cal.Rptr. 83; *Sundstrom v County of Mendocino* (1988) 202 Cal.App.3d 296, 310, 248 Cal.Rptr. 352.) If substantial evidence (public comment is considered substantial evidence) supports a "fair argument" that a project may have a significant environmental effect, the lead agency must prepare an EIR even if it is also presented with other substantial evidence indicating that the project will have no significant effect. (See *Brentwood Ass'n for No Drilling, Inc. v City of Los Angeles* (1982) 134 Cal.App.3d 491, 184 Cal.Rptr. 664; *Friends of "B" St. v City of Hayward* (1980) 106 Cal.App.3d 988, 165 Cal.Rptr. 514. See 14 Cal. Code. Regs. §15064(f)(1).)

Because of the substantial evidence presented in the SJLM Letter that the Project's impact on the environment is not properly addressed in the MND, the Planning Commission must decline to adopt the MND. We respectfully submit that an EIR should be performed instead.

Changed Mitigation Measures; Re-Circulation of MND.

It doesn't appear from the City's Project file that there was any response to the SJLM Letter from the Applicant or from the City. However, Kathy Novak Consulting did submit a letter to the City dated December 20, 2010, regarding cultural resources mitigation measures. In the Novak letter, Applicant proposes that Applicant acknowledge that the site contains unique archaeological resources, and then proposes mitigation measures.

It is important to note that the Novak letter does not address or attempt to mitigate the effects of the Project on the site as an on-going, culturally sensitive area for the Chumash people. Rather, the Novak letter merely recommends mitigation measures for potential archaeological finds. It is important to consider all of the culturally significant aspects of the site when determining whether the mitigation measures for Project are acceptable, and therefore the mitigation measures proposed in the Novak letter are unacceptable.

If the City plans to accept the revised mitigation measures proposed in the Novak letter, it must first revise the MND to reflect the new measures and re-circulate the MND for public comment. (14 Cal. Code. Regs. §15073.5(a)(b).)

Stale Studies and Reports.

In addition to the specific deficiencies pointed out in the SJLM Letter, it is important to note that many of the studies and reports relied upon as a basis for findings in the MND and in the Applicant's initial application package are quite old and may no longer accurately reflect the actual conditions of the Project site. The City should consider whether the studies remain valid and a proper basis for adoption of the MND.

In conclusion, at the very least the SJLM Letter and this letter raise significant questions that must be addressed prior to adoption of the MND by the City.

Thank you for your time and consideration of this important matter.

Sincerely,

SINSHEIMER JUHNKE LEBENS & McIVOR, LLP

KEVIN D. ELDER

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June 21, 2010

City of Morro Bay
Public Services Department
c/o Kathleen Wold, Senior Planner
955 Shasta Avenue
Morro Bay, California 93442

VIA HAND DELIVERY

Re: Jordan Terrace/Cerrito Peak Residence: Reddell UPO-223/CPO-285: – Attachment to Request for Review of Draft Mitigated Negative Declaration and Notice of Determination

Dear Ms. Wold:

On behalf of Nancy Mellen, please accept this request for review of the proposed Draft Mitigated Negative Declaration and Notice of Determination dated May 13, 2010 ("MND"), for the above referenced proposed project (the " Proposed Project").

This request for review is made upon the grounds, among others, that the MND is inadequate because it omits or fails to adequately identify, address, and mitigate certain environmental effects of the Proposed Project.

More particularly, review is warranted for each of the following reasons:

1. The City's Initial Study ignores and fails to identify or analyze all potential impacts of the Proposed Project.

2. The City's proposed mitigation measures fail to adequately mitigate those Proposed Project impacts which are identified.

3. The MND is incomplete and internally contradictory in significant respects.

4. The City's file and information is incomplete and internally contradictory in significant respects.

Illustrations of disputed Initial Study conclusions and of specific errors and omissions in the Initial Study and MND are set forth below and include, without limitation:

Discrepancy Between Noticed Dates for Public Review Period.

The date on the file copy of the Notice of Determination states that the public review period begins May 17, 2010 and ends June 16, 2010, but the post card sent by the city to residents near the Proposed Project site states the review period begins May 24, 2010, and ends June 22, 2010. This discrepancy may have lead those reviewing only the Notice of Determination to believe that they missed the time to submit comments to the MND and Initial Study.

Discrepancy in Project Descriptions.

The Project Description provided in the Notice of Determination and the Postcard on the one hand, and the Project Description for the MND and the Initial Study on the other hand, provide different square footage calculations. Further, neither the Notice of Determination nor the Postcard includes the 48 square foot patio.

It is also unclear from the Project Description how many square feet of ground will be covered/disturbed due to the Proposed Project, as is required to determine whether there will be any significant impact on the environment, and if so, whether the effect can be adequately mitigated.

Further, the significant impacts described in the grading and drainage plans have not been addressed in the Initial Study.

Findings of the Environmental Coordinator.

The Findings of the Environmental Coordinator on the MND, page 1, states that the Proposed Project will not have a significant effect on the environment. The paragraph goes on to contradict itself by stating that mitigation "*measures, if necessary and required to assure that there will not be significant effect in the case, are described in the attached Initial Study and Checklist and have been added to the permit conditions of approval.*"

"*If necessary*" and "*conditions of approval*" are used in the same sentence. Clearly if permit conditions of approval are included as mitigation measures, there are at least some significant effects on the environment, otherwise, no mitigation conditions would be included as part of any permit approval. The findings should be amended to accurately reflect that there are potentially significant effects on the environment.

Project Information.

The last sentence of text on page 3, summarizing the Project Description raises concerns about the willingness of the City to allow significant exceptions from the City's development

standards. The sentence states: "*Single family homes necessitating exceptions to development standards (i.e. parking in the front yard, removal of major vegetation) and secondary dwelling units are allowable uses with Conditional Use and Coastal Development Permit (UPO/CDP) approvals.*"

It may be allowable to make exceptions to development standards in certain circumstances, but here there seems to be a multitude of exceptions. For example, in locations near the water where space is tight, it is understandable that an accommodation may need to be made with respect to parking.

Here, the site is well over an acre. The exception to allow parking in the front yard is not therefore caused hy a lack of area, but is likely due to the Proposed Project comprising nearly 4,000 square feet of living space on a 25 degree slope.

If the City held to its development standards, the Applicant would probably just reduce the size of the structure, and discard the secondary living unit. A residence in the range of 2,000 square feet might provide the Applicant with much needed flexibility in the design and location of a structure on the site, and possibly locate parking in a more traditional manner.

There are many other exceptions to the City's development standards as described in the Initial Study, including "encroachment," although the Initial Study does not describe where the encroachment occurs, removing trees in the public right-of-way, and installing stormwater runoff catch basins in the public right-of-way.

These exceptions are numerous and significant, and are greater in number and impact than would normally be asked for or allowed in relation to the development of a single family residence.

It is also important to note that many of the mitigation measures suggested in the Initial Study just require compliance with the City building codes. Therefore, it is quite possible that additional exceptions to the City's development standards could be allowed as Applicant seeks permits for the Proposed Project.

Due to the large number of exceptions to the City's development standards, the City should not approve the mitigated negative declaration.

The Initial Study is also inadequate in that it completely ignores the grading and drainage associated challenges associated with the Proposed Project. Due to the nature of the Proposed Project, the grading and drainage plan must be properly addressed in the Initial Study.

Incorrect Vicinity Map.

It does not appear that the Project is shown on the Vicinity Map, which is page 4 of the Initial Study. This may have lead people to believe that Cerrito Peak and the accompanying open space were not actually the site of the Proposed Project, leading to reduced public interest and

participation. This is significant because CEQA is, in part, intended as a means to require public agencies to consider and disclose to the public the environmental implications of their actions. If this is not performed accurately, then the City has failed in satisfying the purpose of CEQA.

Elevations.

The Elevations provided on page 6 of the Initial Study are not sufficient because they do not show the total height of the six foot high fence, combined with retaining walls, that encompasses half of the Proposed Project. While the general location is described as beginning in the northeastern corner of the home, near the garage, continuing along the northern retaining wall, and across the driveway, and around to the southeastern corner of the home, the total height is not included in the Initial Study. *See also* Land Use and Planning discussion.

The fence will require a gate that will run across the upper end of the driveway, and will obviously impact the appearance and viewshed considerations of anyone wishing to know what the Proposed Project will look like. Without depicting the actual appearance of the Proposed Project, the City is again denying the public an opportunity to fully review the Proposed Project as required by CEQA.

The Elevations also fail to show the elevations and heights of many of the structures required to support the project, including such things as the driveway, retaining walls and crib walls.

Further, Public Resources Code Section 21080(c)(2) requires that any changes to a project must be included in the redesigned project prior to approval of any mitigated negative declaration. Therefore, accurate depictions of the Proposed Project must be included in the Initial Study before the MND can be submitted for approval.

Environmental Setting and Impacts.

The third sentence of the second paragraph on page 8 raises concerns about the effect of the development on the public right of way. The sentence states: "*Construction of the residence and associated improvements will also necessitate the issuance of permits for removal of trees within the right-of-way, encroachment and construction.*"

Before even getting into possible mitigation or effects of the Proposed Development, the Initial Study states part of the public right-of-way must be altered to allow for private development, and that "encroachment" will be necessary. The Initial Study must state what encroachments are required by the Applicant.

Another concern with the Proposed Project is the location and path of the private driveway. Judging from the Site Plan on page 5 of the Initial Study, the path of the private driveway appears to come within feet of Ms. Mellen's residence. If the Applicant were required to develop the public right-of-way in accordance with City standards, there would be a sidewalk or landscaping or both

that would be required between the private driveway and neighboring properties. But because of the extreme nature of the slope, it appears the City is willing to allow the Applicant to both forego installation of standard infrastructure and to allow the Proposed Project's private driveway to run within feet of adjacent private property.

Because of the uncertainty of the elevation and exact location of the private driveway, the level of impact on neighboring properties is difficult to properly ascertain and review. However, probable impacts are the glare of headlights shining directly into the private properties adjacent to the site as vehicles come down the private driveway, as well as attendant noise and alteration of the local viewshed.

Surrounding Land Use.

Another concern is the casual description of the surrounding land use. For each of the four directions, the Initial Study merely states " Residential" as the surrounding use. This is concerning because there is a sizeable public right-of-way between the Proposed Project and the residences surrounding Cerrito Peak.

It is unlikely that an interested person in reading this section of the Initial Study would realize that there are a couple of acres of public open space between the Proposed Project site and the nearby residences. This description does not accurately describe the fact that the Proposed Project will sit like a monolith in the middle of public open space. If the site happened to be in the middle of a City park, with residences outside of the park, that fact would be mentioned.

To read this section without viewing the site would be to think that a simple single family residential zoned lot, situated among other similar lots that have previously been developed, is now going to be developed. Instead, a large house, secondary unit, access route, and accompanying parking, fencing and infrastructure is proposed to be constructed in the "donut hole" of the open space known as Cerrito Peak.

Further, it is unclear from the grading and drainage plan how much of the grading will take place in the public open space, and what it will look like when completed. In fact, it appears from the Site Plan that some grading will take place on some of the adjacent residential lots.

Environmental Checklist

Aesthetics.

Very early in the Environmental Discussion, page 9, concerns are raised about the accuracy of the discussion. The second sentence states: "*Additionally, because of the existing Eucalyptus canopy, the proposed improvements will not be readily visible from adjacent properties or developed right-of-way.*"

This is simply not true. Several of the adjacent properties will have a direct view of the Proposed Project. The number of adjacent properties that will have a direct view of the Proposed Development may increase once part of the "Eucalyptus canopy," boulders and rock outcroppings are removed from the right-of-way and from the Proposed Project site. The replacement of 34 mature trees with small, immature trees, will do little to mitigate the significant effect the Proposed Development will have on the aesthetics of the site and the surrounding area.

This first paragraph of the Section goes on to state: "*Nevertheless, proposed improvements must be designed harmoniously with the surrounding neighborhood as to not detract from the surroundings or view. Section 17.48.190 of the Zoning Ordinance requires 'protection of visual resources' and 'compatible design.' Site layout, architecture and landscaping are discussed in detail below, and are routinely reviewed by the Planning Commission as part of the CUP review process.*"

This last part of the paragraph states that the zoning ordinance requires certain actions, and that the Planning Commission will "review" the plans. At what point will the public be informed of what will actually be developed at the Proposed Project? Will further exceptions to the City's development standards be granted as part of the Planning Commission's review?

Subsection c. of the Impact Discussion states: "*Several boulders will be removed or submerged underneath the proposed driveway and structure. However, the majority of the rock outcroppings, including the largest and most visually striking, will remain in place and unaltered.*"

The Initial Study should accurately define what constitutes "rock outcroppings" and what a "boulder" is. There are some areas of exposed stone that may be boulders or might be part of the rock outcroppings. Until this is made clear, and the Applicant clearly identifies which boulders will be removed or submerged, and which part of the rock outcroppings will be altered or removed, it is impossible to review the impact of those actions on the aesthetics of the site and the surrounding area.

Note also the great cultural significance of this site to the Chumash nation, which is discussed more fully in the Cultural Resources section.

It is the entirety of the natural landscape, including the boulders, outcroppings, trees and vegetation that constitute the whole of the aesthetics of the site and the surrounding area. Therefore, until it is clear which and how many boulders are to be removed or "submerged," and what part of the rock outcroppings will be destroyed, it is impossible to determine whether the Proposed Project will have a significant impact on the aesthetics of the site and surrounding area.

Concerns are also raised with respect to the six foot high fence that will run around half of the Proposed Project, as described above in Elevations. Since it does not appear that the fence is depicted on the site plans included in the MND and Initial Study, it is impossible to determine the fence's effect on the aesthetics of the Proposed Project. However, it is likely that such a fence will be

a prominent feature of the Proposed Project, and therefore it is important that it is accurately depicted in the site plans, so that the City and the public may review its impact in accordance with CEQA guidelines.

Another issue facing the aesthetics of the Proposed Project is the use of retaining walls. In the February 23, 2009 letter from Kathy Novak Consulting to the City, Ms. Novak states in item 1, that "*the largest cut required for the garage foundation is adjacent to the large outcropping that is hidden from any view with only 5-foot exposed retaining wall.*" A 5-foot high wall is nearly as high as the average person, therefore it will be clearly visible from a considerable distance. Use of other retaining walls and similar structures is also likely, due to the Proposed Project's need to "step up" the 25% grade of the site.

It is also unclear how the private driveway will need to he constructed in order to comply with the maximum 20% grade required by the Fire Department. However, it does seem apparent that the Proposed Project will require a dark asphalt ribbon, raised and supported by retaining walls and crib walls, in order to access the proposed residences.

Air Quality.

Concerns are raised with regard to discussion of the retention basins. The Impact Discussion states that "*two onsite retention basins will be constructed,*" and that "*both will be limited to 1.5-feet in depth so as to not require fencing.*"

First, it is deceiving to state that the basins will be installed "onsite," when in fact the Site Plan shows they will be installed in the public right-of-way. Second, due to the steep nature of the site, if the basins are 1.5 feet deep on the uphill end of the basin, they will be very shallow on the downhill section, or conversely, very deep on the uphill side in order to be only 1.5 feet deep on the downhill side. Depending on the final layout, the basins may indeed require fencing.

A proper and accurate description of the location and specifications must be included in the Initial Study in order to fully assess their environmental impact as required by CEQA. Note that other concerns are raised below in relation to the retention basins, under the section discussing Utilities & Service Systems.

Section 4, Biological Resources.

There are also concerns regarding the damage to the biological resources that will be caused by the removal of "*34 living trees (and two fallen, four dead and one stump) both on-site and within the undeveloped right-of-way,*" as noted in subsection c of the Biological Resources section.

A review of the June 30, 2005 Biological Assessment prepared by David Wolff Environmental indicates that removal of trees from the site could lead to detrimental impacts to migratory birds. Also, the Assessment noted that presence of a Great Horned Owl on site.

The Assessment points out that the California Fish and Game Code and Migratory Bird Treaty Act prohibits the destruction of birds, nests and eggs. (Reference page 3 of 4.) Mitigation measures are provided in the Assessment, including but not limited to, consultation with the Department of Fish and Game, surveys, and dedication of an open space lot (which apparently the parcel map proposed). None of these mitigation measures appear in the Initial Study.

Note also that Applicant states in his owner statement that "the Monarch Butterfly habitat will not be affected." The 2005 Biological Assessment states that none "of the CNDDB monarch butterfly occurrences were recorded on *Cerrito Peak.* In general, eucalyptus trees can provide roosting and food resources for wintering monarch butterflies." *(emphasis added.)* (Reference page 3 of 4.) The monarch butterfly is a species of local concern, and removal of eucalyptus trees could be significant. This needs to be clearly addressed in the Initial Study.

There are recommendations for a two-to-one tree replacement ratio. However, the small size of the recommended replacement trees (5 gallon bucket) will not effectively replace the canopy that is supposed to protect the viewshed, or mitigate the destruction of habitat for migratory birds.

The last sentence of Subsection c. also states that "*at no time shall any invasive or spreading plants be allowed*" as part of the landscaping, but nowhere does it state how future owners of the Proposed Project will be notified of such restriction. A deed restriction must be required as part of the mitigation measure.

Subsection e. on page 15 states "*Development of residential uses on the site also has the potential to spur removal of additional on-site trees in the future . . . .*" What future residential uses are planned that will require the removal of additional trees? Does the Applicant intend to subdivide the site in the future or add more units to the site in the future? If the Applicant has no plans for the site in addition to those noted in the Proposed Project, then there shouldn't be any reference to future development.

Page 15, the third paragraph of subsection e., states "*A mitigation measure has been proposed that requires all future tree removals be subject to approval to ensure that no detrimental effects occur.*" Any planned tree removals must be addressed in the MND, and made subject to the City Tree Regulations.

It is also important to note the increase in the number of trees that will be removed each time the Proposed Project is redesigned. In the Applicant's original undated Owner's Statement received by the City on July 25, 2008, the Applicant states that only six trees will he removed. The Novak Letter, dated February 23, 2009, states that 18 trees "*will be affected and replaced,*" but that if the City would agree to a "*reduced driveway width this could potentially save 8 trees.*" The MND, page 9, subsection c states that the "*project entails the removal of 34 living trees (and two fallen, four dead and one stump).*" (Underline added.). Note that many of the trees to be removed are not even

on-site, rather they will be removed from the public right-of-way to provide access to a private development. Clearly the extreme steps necessary to access and develop the Proposed Project will exact a significant toll on the biological resources of the site.

In short, there does not appear to be any effective mitigation measures suggested that will address the removal of trees from the site and the public right-of-way, other than the 2-1 replacement of all trees removed by much smaller, immature trees. The replacement trees will not provide adequate replacements for the Eucalyptus Canopy now in place, and sited by the Applicant as cover when addressing the notion of viewshed protection.

Section 5, Cultural Resources.

Please note that the City has received or will receive a letter from Fred Collins on behalf of the Northern Chumash Tribal Council. The Chumash indicate in the letter that as they consider Cerrito Peak, known as Eagle Rock to the Chumash, a sacred site, they oppose any development of the site. The Chumash do not believe that any mitigation measures will be sufficient, and in fact, state that the proposed mitigation measures are the worst they have seen concerning preservation of a sacred site. The City is encouraged to strongly consider the rights of the Chumash with respect to the site, and to follow their recommendation and reject the Proposed Project and any other attempt to develop the site.

Public Resources Code Section 5020.1(j) provides that "Historical resource" includes, but is not limited to, any object, building, structure, site, area, place, record, or manuscript which is historically or archaeologically significant, or is significant in the architectural, engineering, scientific, economic agricultural, educational, social, political, military, or cultural annals of California.

If the Proposed Project is allowed to go forward, it will desecrate the sacred site. As noted below, California law prohibits the desecration of historical sites.

Public Resources Code Section 5020.1(k) states that "Local register of historic resources" means a list of properties officially designated or recognized as historically significant by a local government pursuant to a local ordinance or resolution. Public Resources Code Section 5020.1(q) defines "Substantial adverse change" as demolition, destruction, relocation, or alteration such that the significance of an historical resource would be impaired.

Public Resources Code Section 5024.1(b) provides that the California Register shall include historical resources determined by the commission, according to procedures adopted by the commission, to be significant and to meet the criteria in Public Resources Code Section 5024.1(c).

Public Resources Code Section 5024.1(c) states that a resource may be listed as an historical resource in the California Register if it meets any of the following National Register of Historic Places criteria, as follows:

(1) Is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage.
(2) Is associated with the lives of persons important in our past.
(3) Embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic values.
(4) Has yielded, or may be likely to yield, information important in prehistory or history.

The Initial Study states that Cerrito Peak has been identified as a Sacred Site in the Native American Heritage Commission's Sacred Lands Inventory. Therefore, any development of the site will cause irreparable harm to the area and the rights of the Chumash to preserve this as a sacred site. There is no mitigation measure that can offset the damage development of half of the outcropping will do to the sacredness of the site.

Clearly the site's listing as a Sacred Site in the Native American Heritage Commission's Sacred Lands Inventory, along with the potential archaeological significance identified in the Initial Study, mean at the very least that more must be done to mitigate the significant environmental effect the Proposed Project will have on these resources.

CEQA specifically states that significant resources MUST be mitigated either by avoidance (protection as open space, deeded into a conservation easement, etc.), or by recovering the data that the sites contain before they are disturbed (CEQA sec. 21083.2 (b1), (b2), (b3), (b4), 15126.4c).

Any historic or prehistoric sites that must be disturbed during the project construction process will need to be mitigated according to CEQA (sec. 15126.4c).

In addition to the opposition to development presented by the Chumash, there are additional deficiencies with and concerns about the Initial Study in relation to Cultural Resources.

Even if the proposed mitigation measure were theoretically acceptable, the Chumash shouldn't be required to notify or ask permission of anyone to access a sacred site. The mere fact of requiring such action will chill any use of the site. Further, the Applicant or any future owner of the Proposed Project may use intimidation tactics, such as loud music, parties, or gatherings, to further chill Chumash use of this sacred site. Even just sitting on the patio and "watching" the Chumash when they access the sacred site will have an adverse affect on use of the site.

Therefore, there is really no acceptable mitigation measure that would maintain the sacred nature of the site. The site should be converted to permanent open space or conveyed in trust as a conservation easement.

Assuming without admitting that acceptable mitigation measures can be developed, the Initial Study proposes to develop mitigation measures based on future studies, which is in violation of CEQA.

Mitigation measure 5-1 states that a Phase 2 Cultural Resource Evaluation ("Phase 2") shall be conducted to more firmly establish the archeological deposits on the property, and that the Phase 2 may lead to further studies, and possibly additional conditions as determined by the Public Services Department. Providing that a development might be conditioned on future studies is "in direct conflict with CEQA guidelines." Sundstrom v. County of Mendocino, 202 Cal. App. 3d. 296. In Sundstrom, the court of appeal found that the "county evaded its duty to engage in a comprehensive environmental review by approving the use permit subject to a condition requiring future regulatory compliance." Id. at 296. "Specifically, the use permit required: . . . [that] 'Mitigation measures recommended by the study shall be incorporated as requirements of this use permit.' The requirement that the applicant adopt mitigation measures recommended in a future study is in direct conflict with the guidelines implementing CEQA." Id. at 306. Citing to California Code of Regulations Title 14, Section 15070(b)(1), the court went on to state "that if an applicant proposes measures that will mitigate environmental effects, the project plans must be revised to incorporate these mitigation measures '*before* the proposed negative declaration is released for public review. . . .'(Italics added.) Here, the use permit contemplates that project plans may be revised to incorporate needed mitigation measures after the final adoption of the negative declaration. This procedure, we repeat, is contrary to law." Id. at 306-307.

The court held this to be the case even though the negative declaration required that the county review and approve the additional study, and incorporate the study into the use permit. The court stated that "[e]ven if the study is subject to administrative approval, it is analogous to the sort of post hoc rationalization of agency actions that has been repeatedly condemned in decisions construing CEQA." Id. at 307.

Therefore, the City's mitigation measure requiring implementation of the Phase 2, to be performed *after* approval of the MND, not to mention that the Phase 2 may lead to *additional future studies*, clearly runs afoul of the law as stated in Sundstrom.

The reasoning for the holding in Sundstrom is clear: Allowing reference to a study or other information to be gathered and incorporated into a negative declaration after its approval allows the lead agency and applicant to avoid the guarantee of an adequate inquiry into the environmental effects of the project in question. Therefore, reliance on future studies is not a proper mitigation measure.

Geology/Soils.

The MND states that the recommendations of the Soils Engineering Update Report prepared by Geosolutions, Inc. and dated October 10, 2008 (the "Geosolutions Memo") shall be incorporated into the design of the Proposed Project. However, the Geosolutions Memo was not available for

review or copying, and therefore it is unknown what measures are recommended. If the proposal cannot be adequately reviewed during the public review period, the issue remains open and the MND should not be approved.

However, the grading and drainage plan show that rock outcroppings will have to be removed and there will be fill and cut for the road, with retaining walls. A mitigation measure has been added which requires the road gradient be modified so as not to exceed 20%. This will require more manipulation of this area. This should be analyzed in the Initial Study.

The City will need another report prepared by an engineering geologist for the house and road in order to verify the stability of the rocks due to differential settlement. Again, this must be included and analyzed in the Initial Study.

We do note that the February 23, 2009 letter from Cathy Novak Consulting (the "Novak Letter") to the City does state that the Proposed Project was redesigned. However, like the Initial Study, the Novak Letter gives few if any real details about how the Proposed Project was redesigned.

One of the details in the Novak Letter that does raise concerns is about the method of securing the foundation. It states that "*the remainder of the structure is designed to fit the topography with raised flooring and or special foundations to anchor into the rock.*" The concern is that the redesigned Proposed Project will anchor into the rock outcroppings to support the foundations on the upper levels of the structure. This raises concerns about the ability of the rock outcroppings to withstand the loads that may be placed on them to support the structure. This does not seem to be addressed in the soils report or the Initial Study.

The impact discussion on page 18 also describes how the "*proposed site work will entail a significant amount of earthwork, which creates a real potential for rock-fall that would be detrimental to neighboring properties. A mitigation measure has been recommended that a screening plan be developed and implemented to reduce the potential for rockfall.*"

Mitigation measure 6-1 purports to deal with this serious safety issue, stating that a "*detailed rock-fall investigation and mitigation plan shall be prepared by a qualified geotechnical engineer*" identifying the potential danger caused by rock-fall, and "*as appropriate risk-reduction measures on adjacent properties, and need for long-term maintenance.*"

There are several concerns with this approach.

1. The mitigation measure again calls for a *future study* upon which to base potential mitigation measures. As noted above, the Sundstrom decision holds that use of future studies as mitigation measures violates CEQA.

2. The type of screening that will be involved in any mitigation/risk-reduction measure is not described. Therefore, it is not known whether this will cause further degradation of the

viewshed affecting the Proposed Project. It is hard to imagine screening that will do anything less than be an eyesore to those viewing the site.

3. The mitigation measure states that as appropriate, risk-reduction measures will be placed **on adjacent properties**. Clearly if there is such a danger due to rock-fall that adjacent properties will require installation of screening, the geology is too unstable to support the development of the Proposed Project.

4. It is unclear how boulders and rock outcroppings that are in danger of falling during construction will be sound anchors for the foundation system.

Also, the Initial Study fails to indicate how the development of the Proposed Project will comply with the City's Stormwater Management Plan or Stormwater Pollution Prevention Plan. With the large area of land that will be covered by impermeable surfaces and the potential for soil and debris laden runoff due to the steep, open nature of the site, it seems imperative that plans be required in compliance with both of the City's programs.

Furthermore, there is no evidence provided in the Initial Study that the soils will withstand the removal of boulders and reduction of the rock outcroppings and still retain the structural integrity necessary to support the Proposed Project.

Due to the incomplete analysis provided regarding the ability of the geology and soils to properly support development of the Proposed Project, this section of the Initial Study is incomplete, and should lead to a rejection of the MND.

Land Use and Planning.

There are concerns regarding the Land Use and Planning environmental discussion and the proposed mitigation measures.

Please note again that the description of the site as being surrounded by existing residential uses is misleading. There is a large area of open space (much of which is in the public right-of-way) between the site of the Proposed Project and the surrounding residential development, which should he included in any discussion of the Proposed Project, in order to accurately paint a picture of the significant change to the open space. If the site of the Proposed Project was in the middle of a park, the fact that the park was so located in reference to the Proposed Project would be discussed. The lack of development of the open space/public right-of-way does not reduce its value to the community, or mean that it should not be included in any description of the area.

The third paragraph on page 24 of the Initial Study states that in order to "*provide some private outdoor space and security for the residence, as well as to allow the required vehicle turn-around to be optimally placed between natural features, a fencing plan has been proposed which*

would enclose both on-site and portions of the right-of-way to the east of the home." (Underline added.)

Enclosing public right-of-way with a private fence will in effect give such enclosed land to the Applicant. There is really no other way to see it. A gift of public property to the Applicant is prohibited by the California Constitution. California Constitution, Article 16, Sec. 6.

Even if a gift of public land was not prohibited, public policy (and common sense) militates against giving public open space to an individual for private outdoor space.

The paragraph goes on to state that the fence will be six feet high and will be made of "*solid stucco and natural stone base with black rod iron pickets above.*" A six foot high fence with rod iron pickets, located on top of a raised private driveway will create a virtual castle wall in both appearance and public use deterrence.

Further, the fence will wrap around half of the Proposed Project, running from the "*northeastern corner of the home, near the garage, along the northern retaining wall, across the driveway, and continue around to the southeastern corner of the home.*" The conversion of public land to private use must not be allowed.

Even if the Applicant properly defined boulders and rock outcroppings and identified those slated for removal or alteration, there is concern that such action will be inconsistent with the City's General Plan. Morro Bay Land Use Plan 17.1 states that natural terrain, vegetation, drainage courses and rock outcroppings shall not be disrupted as a result of development, unless found to be necessary to protect the health, safety and welfare of the community (LUE 52).

It does not appear that the Initial Study includes any finding of fact that the removal or alteration of boulders and outcroppings is necessary to protect the community. Based on the discussion in the Initial Study that boulders will need to be removed and perhaps some rock outcroppings will be removed, item 1.b on page 8 should not have been checked "No Impact."

Noise.

The Initial Study states that there will be no significant environmental effect due to development of the Proposed Project. It may be true that no permanent significant source of noise will be created, but the Applicant may require the use of special equipment in order to remove the boulders/outcroppings that will generate noise far above what is normally associated with development of a single family residence.

Due to the large amount of rock to be altered and/or removed, the Initial Study should include analysis of the effect of such alteration and/or removal on noise levels, and require mitigation measures should the results of the analysis indicate mitigation is necessary. Such mitigation, if

found to be necessary, should go beyond just requiring construction during certain hours, but should also require, without limitation, such measures as completing all removal within a certain number of days.

Public Services.

The only mitigation measure noted in this Section is that Applicant must install a Knox Box at the vehicle access gate located at the top of the private driveway, in order to allow emergency services access to the property. This Section should be amended to include the discussion on page 29 of the Initial Study.

Transportation/Traffic.

Paragraph d, e on page 29 of the Initial Study states that the Proposed Project currently provides that the private driveway slope will range as high as 25%, and that the project must be modified so that the slope will not exceed 20%, to accommodate fire apparatus access standards.

It is difficult to determine from the current Proposed Project renderings what that will mean for the design and construction of the driveway, but it would seem that increased use of retaining and crib walls will be necessary to achieve this requirement. This should be clearly described in the Proposed Project so that it can be adequately reviewed for any potential significant environmental effects, as required by CEQA.

Utilities & Service Systems.

There are concerns related to the provision of utilities to the Proposed Project. While it would seem City ordinances will require that all utilities serving the Proposed Project be extended to the site underground, it does not appear that the Initial Study addresses how much ground disturbance will occur, both in the public right-of-way and on the site. Further, it does not appear that the underground extension of utilities was considered in either the archaeological report or in the soils report.

Therefore, it is impossible to assess from the Initial Study whether there will be a significant environmental impact caused by the installation of the utilities required to serve the Proposed Project.

Paragraph c on page 31 of the Initial Study states that two "*on-site retention facilities are proposed, flanking either side of the access way on the lower portion of the site.*" Are these retention facilities in addition to those noted on page 12 of the Initial Study, and that are to be located near the bottom of the private driveway but in the public right-of-way? If there is to be only one set of retention facilities, the Initial Study must make clear where they will be located, and whether such location is on the site or in the public right-of-way, for review of whether the placement and use of the facilities will create a significant environmental impact as required by CEQA.

One of the retention facilities appears to be near the east end of the private driveway, to be located between the private drive and the neighboring residence. The Initial Study should address how the location of the retention facilities will affect the neighboring residences. For instance, it is likely that adding standing water to the area will create vector issues, and will be an attractive nuisance for children and others.

Concerns are also raised as the Initial Study does not address who will maintain the retention facilities, or that the City will be liable for damage to person or property caused by the retention facilities.

Draft Housing Element.

It is also noted that the City's draft housing element contemplates 80% build out of available capacity, and identifies six dwelling units on this site. While not a direct issue with respect to the MND or the Initial Study, there is a concern that the City will allow development of more units on the site in the future to satisfy the housing element.

Based on the numerous issues facing development of the Proposed Project in a way that will not significantly impact the environment, it is respectfully requested that the City decline to approve the MND, and to further deny development of the site in the future.

Sincerely,

SINSHEIMER JUHNKE LEBENS & McIVOR, LLP

KEVIN D. ELDER

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June 21, 2010

City of Morro Bay
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VIA HAND DELIVERY

Re: Jordan Terrace/Cerrito Peak Residence: Reddell UPO-223/CPO-285: – Attachment to Request for Review of Draft Mitigated Negative Declaration and Notice of Determination

Dear Ms. Wold:

On behalf of Nancy Mellen, please accept this request for review of the proposed Draft Mitigated Negative Declaration and Notice of Determination dated May 13, 2010 ("MND"), for the above referenced proposed project (the " Proposed Project").

This request for review is made upon the grounds, among others, that the MND is inadequate because it omits or fails to adequately identify, address, and mitigate certain environmental effects of the Proposed Project.

More particularly, review is warranted for each of the following reasons:

1. The City's Initial Study ignores and fails to identify or analyze all potential impacts of the Proposed Project.

2. The City's proposed mitigation measures fail to adequately mitigate those Proposed Project impacts which are identified.

3. The MND is incomplete and internally contradictory in significant respects.

4. The City's file and information is incomplete and internally contradictory in significant respects.

Illustrations of disputed Initial Study conclusions and of specific errors and omissions in the Initial Study and MND are set forth below and include, without limitation:

Discrepancy Between Noticed Dates for Public Review Period.

The date on the file copy of the Notice of Determination states that the public review period begins May 17, 2010 and ends June 16, 2010, but the post card sent by the city to residents near the Proposed Project site states the review period begins May 24, 2010, and ends June 22, 2010. This discrepancy may have lead those reviewing only the Notice of Determination to believe that they missed the time to submit comments to the MND and Initial Study.

Discrepancy in Project Descriptions.

The Project Description provided in the Notice of Determination and the Postcard on the one hand, and the Project Description for the MND and the Initial Study on the other hand, provide different square footage calculations. Further, neither the Notice of Determination nor the Postcard includes the 48 square foot patio.

It is also unclear from the Project Description how many square feet of ground will be covered/disturbed due to the Proposed Project, as is required to determine whether there will be any significant impact on the environment, and if so, whether the effect can be adequately mitigated.

Further, the significant impacts described in the grading and drainage plans have not been addressed in the Initial Study.

Findings of the Environmental Coordinator.

The Findings of the Environmental Coordinator on the MND, page 1, states that the Proposed Project will not have a significant effect on the environment. The paragraph goes on to contradict itself by stating that mitigation "*measures, if necessary and required to assure that there will not be significant effect in the case, are described in the attached Initial Study and Checklist and have been added to the permit conditions of approval.*"

"*If necessary*" and "*conditions of approval*" are used in the same sentence. Clearly if permit conditions of approval are included as mitigation measures, there are at least some significant effects on the environment, otherwise, no mitigation conditions would be included as part of any permit approval. The findings should be amended to accurately reflect that there are potentially significant effects on the environment.

Project Information.

The last sentence of text on page 3, summarizing the Project Description raises concerns about the willingness of the City to allow significant exceptions from the City's development

standards. The sentence states: "*Single family homes necessitating exceptions to development standards (i.e. parking in the front yard, removal of major vegetation) and secondary dwelling units are allowable uses with Conditional Use and Coastal Development Permit (UPO/CDP) approvals.*"

It may be allowable to make exceptions to development standards in certain circumstances, but here there seems to be a multitude of exceptions. For example, in locations near the water where space is tight, it is understandable that an accommodation may need to be made with respect to parking.

Here, the site is well over an acre. The exception to allow parking in the front yard is not therefore caused by a lack of area, but is likely due to the Proposed Project comprising nearly 4,000 square feet of living space on a 25 degree slope.

If the City held to its development standards, the Applicant would probably just reduce the size of the structure, and discard the secondary living unit. A residence in the range of 2,000 square feet might provide the Applicant with much needed flexibility in the design and location of a structure on the site, and possibly locate parking in a more traditional manner.

There are many other exceptions to the City's development standards as described in the Initial Study, including "encroachment," although the Initial Study does not describe where the encroachment occurs, removing trees in the public right-of-way, and installing stormwater runoff catch basins in the public right-of-way.

These exceptions are numerous and significant, and are greater in number and impact than would normally be asked for or allowed in relation to the development of a single family residence.

It is also important to note that many of the mitigation measures suggested in the Initial Study just require compliance with the City building codes. Therefore, it is quite possible that additional exceptions to the City's development standards could be allowed as Applicant seeks permits for the Proposed Project.

Due to the large number of exceptions to the City's development standards, the City should not approve the mitigated negative declaration.

The Initial Study is also inadequate in that it completely ignores the grading and drainage associated challenges associated with the Proposed Project. Due to the nature of the Proposed Project, the grading and drainage plan must be properly addressed in the Initial Study.

Incorrect Vicinity Map.

It does not appear that the Project is shown on the Vicinity Map, which is page 4 of the Initial Study. This may have lead people to believe that Cerrito Peak and the accompanying open space were not actually the site of the Proposed Project, leading to reduced public interest and

participation. This is significant because CEQA is, in part, intended as a means to require public agencies to consider and disclose to the public the environmental implications of their actions. If this is not performed accurately, then the City has failed in satisfying the purpose of CEQA.

Elevations.

The Elevations provided on page 6 of the Initial Study are not sufficient because they do not show the total height of the six foot high fence, combined with retaining walls, that encompasses half of the Proposed Project. While the general location is described as beginning in the northeastern corner of the home, near the garage, continuing along the northern retaining wall, and across the driveway, and around to the southeastern corner of the home, the total height is not included in the Initial Study. *See also* Land Use and Planning discussion.

The fence will require a gate that will run across the upper end of the driveway, and will obviously impact the appearance and viewshed considerations of anyone wishing to know what the Proposed Project will look like. Without depicting the actual appearance of the Proposed Project, the City is again denying the public an opportunity to fully review the Proposed Project as required by CEQA.

The Elevations also fail to show the elevations and heights of many of the structures required to support the project, including such things as the driveway, retaining walls and crib walls.

Further, Public Resources Code Section 21080(c)(2) requires that any changes to a project must be included in the redesigned project prior to approval of any mitigated negative declaration. Therefore, accurate depictions of the Proposed Project must be included in the Initial Study before the MND can be submitted for approval.

Environmental Setting and Impacts.

The third sentence of the second paragraph on page 8 raises concerns about the effect of the development on the public right of way. The sentence states: "*Construction of the residence and associated improvements will also necessitate the issuance of permits for removal of trees within the right-of-way, encroachment and construction.*"

Before even getting into possible mitigation or effects of the Proposed Development, the Initial Study states part of the public right-of-way must be altered to allow for private development, and that "encroachment" will be necessary. The Initial Study must state what encroachments are required by the Applicant.

Another concern with the Proposed Project is the location and path of the private driveway. Judging from the Site Plan on page 5 of the Initial Study, the path of the private driveway appears to come within feet of Ms. Mellen's residence. If the Applicant were required to develop the public right-of-way in accordance with City standards, there would be a sidewalk or landscaping or both

that would be required between the private driveway and neighboring properties. But because of the extreme nature of the slope, it appears the City is willing to allow the Applicant to both forego installation of standard infrastructure and to allow the Proposed Project's private driveway to run within feet of adjacent private property.

Because of the uncertainty of the elevation and exact location of the private driveway, the level of impact on neighboring properties is difficult to properly ascertain and review. However, probable impacts are the glare of headlights shining directly into the private properties adjacent to the site as vehicles come down the private driveway, as well as attendant noise and alteration of the local viewshed.

Surrounding Land Use.

Another concern is the casual description of the surrounding land use. For each of the four directions, the Initial Study merely states " Residential" as the surrounding use. This is concerning because there is a sizeable public right-of-way between the Proposed Project and the residences surrounding Cerrito Peak.

It is unlikely that an interested person in reading this section of the Initial Study would realize that there are a couple of acres of public open space between the Proposed Project site and the nearby residences. This description does not accurately describe the fact that the Proposed Project will sit like a monolith in the middle of public open space. If the site happened to be in the middle of a City park, with residences outside of the park, that fact would be mentioned.

To read this section without viewing the site would be to think that a simple single family residential zoned lot, situated among other similar lots that have previously been developed, is now going to be developed. Instead, a large house, secondary unit, access route, and accompanying parking, fencing and infrastructure is proposed to be constructed in the "donut hole" of the open space known as Cerrito Peak.

Further, it is unclear from the grading and drainage plan how much of the grading will take place in the public open space, and what it will look like when completed. In fact, it appears from the Site Plan that some grading will take place on some of the adjacent residential lots.

Environmental Checklist

Aesthetics.

Very early in the Environmental Discussion, page 9, concerns are raised about the accuracy of the discussion. The second sentence states: "*Additionally, because of the existing Eucalyptus canopy, the proposed improvements will not be readily visible from adjacent properties or developed right-of-way.*"

This is simply not true. Several of the adjacent properties will have a direct view of the Proposed Project. The number of adjacent properties that will have a direct view of the Proposed Development may increase once part of the "Eucalyptus canopy," boulders and rock outcroppings are removed from the right-of-way and from the Proposed Project site. The replacement of 34 mature trees with small, immature trees, will do little to mitigate the significant effect the Proposed Development will have on the aesthetics of the site and the surrounding area.

This first paragraph of the Section goes on to state: "*Nevertheless, proposed improvements must be designed harmoniously with the surrounding neighborhood as to not detract from the surroundings or view. Section 17.48.190 of the Zoning Ordinance requires 'protection of visual resources' and 'compatible design.' Site layout, architecture and landscaping are discussed in detail below, and are routinely reviewed by the Planning Commission as part of the CUP review process.*"

This last part of the paragraph states that the zoning ordinance requires certain actions, and that the Planning Commission will "review" the plans. At what point will the public be informed of what will actually be developed at the Proposed Project? Will further exceptions to the City's development standards be granted as part of the Planning Commission's review?

Subsection c. of the Impact Discussion states: "*Several boulders will be removed or submerged underneath the proposed driveway and structure. However, the majority of the rock outcroppings, including the largest and most visually striking, will remain in place and unaltered.*"

The Initial Study should accurately define what constitutes "rock outcroppings" and what a "boulder" is. There are some areas of exposed stone that may be boulders or might be part of the rock outcroppings. Until this is made clear, and the Applicant clearly identifies which boulders will be removed or submerged, and which part of the rock outcroppings will be altered or removed, it is impossible to review the impact of those actions on the aesthetics of the site and the surrounding area.

Note also the great cultural significance of this site to the Chumash nation, which is discussed more fully in the Cultural Resources section.

It is the entirety of the natural landscape, including the boulders, outcroppings, trees and vegetation that constitute the whole of the aesthetics of the site and the surrounding area. Therefore, until it is clear which and how many boulders are to be removed or "submerged," and what part of the rock outcroppings will be destroyed, it is impossible to determine whether the Proposed Project will have a significant impact on the aesthetics of the site and surrounding area.

Concerns are also raised with respect to the six foot high fence that will run around half of the Proposed Project, as described above in Elevations. Since it does not appear that the fence is depicted on the site plans included in the MND and Initial Study, it is impossible to determine the fence's effect on the aesthetics of the Proposed Project. However, it is likely that such a fence will be

a prominent feature of the Proposed Project, and therefore it is important that it is accurately depicted in the site plans, so that the City and the public may review its impact in accordance with CEQA guidelines.

Another issue facing the aesthetics of the Proposed Project is the use of retaining walls. In the February 23, 2009 letter from Kathy Novak Consulting to the City, Ms. Novak states in item 1, that "*the largest cut required for the garage foundation is adjacent to the large outcropping that is hidden from any view with only 5-foot exposed retaining wall.*" A 5-foot high wall is nearly as high as the average person, therefore it will be clearly visible from a considerable distance. Use of other retaining walls and similar structures is also likely, due to the Proposed Project's need to "step up" the 25% grade of the site.

It is also unclear how the private driveway will need to be constructed in order to comply with the maximum 20% grade required by the Fire Department. However, it does seem apparent that the Proposed Project will require a dark asphalt ribbon, raised and supported by retaining walls and crib walls, in order to access the proposed residences.

Air Quality.

Concerns are raised with regard to discussion of the retention basins. The Impact Discussion states that "*two onsite retention basins will be constructed,*" and that "*both will be limited to 1.5-feet in depth so as to not require fencing.*"

First, it is deceiving to state that the basins will be installed "onsite," when in fact the Site Plan shows they will be installed in the public right-of-way. Second, due to the steep nature of the site, if the basins are 1.5 feet deep on the uphill end of the basin, they will be very shallow on the downhill section, or conversely, very deep on the uphill side in order to be only 1.5 feet deep on the downhill side. Depending on the final layout, the basins may indeed require fencing.

A proper and accurate description of the location and specifications must be included in the Initial Study in order to fully assess their environmental impact as required by CEQA. Note that other concerns are raised below in relation to the retention basins, under the section discussing Utilities & Service Systems.

Section 4, Biological Resources.

There are also concerns regarding the damage to the biological resources that will be caused by the removal of "*34 living trees (and two fallen, four dead and one stump) both on-site and within the undeveloped right-of-way,*" as noted in subsection c of the Biological Resources section.

A review of the June 30, 2005 Biological Assessment prepared by David Wolff Environmental indicates that removal of trees from the site could lead to detrimental impacts to migratory birds. Also, the Assessment noted that presence of a Great Horned Owl on site.

The Assessment points out that the California Fish and Game Code and Migratory Bird Treaty Act prohibits the destruction of birds, nests and eggs. (Reference page 3 of 4.) Mitigation measures are provided in the Assessment, including but not limited to, consultation with the Department of Fish and Game, surveys, and dedication of an open space lot (which apparently the parcel map proposed). None of these mitigation measures appear in the Initial Study.

Note also that Applicant states in his owner statement that "the Monarch Butterfly habitat will not be affected." The 2005 Biological Assessment states that none "of the CNDDB monarch butterfly occurrences were recorded on *Cerrito Peak*. In general, eucalyptus trees can provide roosting and food resources for wintering monarch butterflies." *(emphasis added.)* (Reference page 3 of 4.) The monarch butterfly is a species of local concern, and removal of eucalyptus trees could be significant. This needs to be clearly addressed in the Initial Study.

There are recommendations for a two-to-one tree replacement ratio. However, the small size of the recommended replacement trees (5 gallon bucket) will not effectively replace the canopy that is supposed to protect the viewshed, or mitigate the destruction of habitat for migratory birds.

The last sentence of Subsection c. also states that "*at no time shall any invasive or spreading plants be allowed*" as part of the landscaping, but nowhere does it state how future owners of the Proposed Project will be notified of such restriction. A deed restriction must be required as part of the mitigation measure.

Subsection e. on page 15 states "*Development of residential uses on the site also has the potential to spur removal of additional on-site trees in the future . . . .*" What future residential uses are planned that will require the removal of additional trees? Does the Applicant intend to subdivide the site in the future or add more units to the site in the future? If the Applicant has no plans for the site in addition to those noted in the Proposed Project, then there shouldn't be any reference to future development.

Page 15, the third paragraph of subsection e., states "*A mitigation measure has been proposed that requires all future tree removals be subject to approval to ensure that no detrimental effects occur.*" Any planned tree removals must be addressed in the MND, and made subject to the City Tree Regulations.

It is also important to note the increase in the number of trees that will be removed each time the Proposed Project is redesigned. In the Applicant's original undated Owner's Statement received by the City on July 25, 2008, the Applicant states that only six trees will be removed. The Novak Letter, dated February 23, 2009, states that 18 trees "*will be affected and replaced,*" but that if the City would agree to a "*reduced driveway width this could potentially save 8 trees.*" The MND, page 9, subsection c states that the "*project entails the removal of 34 living trees (and two fallen, four dead and one stump).*" (Underline added.). Note that many of the trees to be removed are not even

on-site, rather they will be removed from the public right-of-way to provide access to a private development. Clearly the extreme steps necessary to access and develop the Proposed Project will exact a significant toll on the biological resources of the site.

In short, there does not appear to be any effective mitigation measures suggested that will address the removal of trees from the site and the public right-of-way, other than the 2-1 replacement of all trees removed by much smaller, immature trees. The replacement trees will not provide adequate replacements for the Eucalyptus Canopy now in place, and sited by the Applicant as cover when addressing the notion of viewshed protection.

Section 5, Cultural Resources.

Please note that the City has received or will receive a letter from Fred Collins on behalf of the Northern Chumash Tribal Council. The Chumash indicate in the letter that as they consider Cerrito Peak, known as Eagle Rock to the Chumash, a sacred site, they oppose any development of the site. The Chumash do not believe that any mitigation measures will be sufficient, and in fact, state that the proposed mitigation measures are the worst they have seen concerning preservation of a sacred site. The City is encouraged to strongly consider the rights of the Chumash with respect to the site, and to follow their recommendation and reject the Proposed Project and any other attempt to develop the site.

Public Resources Code Section 5020.1(j) provides that "Historical resource" includes, but is not limited to, any object, building, structure, site, area, place, record, or manuscript which is historically or archaeologically significant, or is significant in the architectural, engineering, scientific, economic agricultural, educational, social, political, military, or cultural annals of California.

If the Proposed Project is allowed to go forward, it will desecrate the sacred site. As noted below, California law prohibits the desecration of historical sites.

Public Resources Code Section 5020.1(k) states that "Local register of historic resources" means a list of properties officially designated or recognized as historically significant by a local government pursuant to a local ordinance or resolution. Public Resources Code Section 5020.1(q) defines "Substantial adverse change" as demolition, destruction, relocation, or alteration such that the significance of an historical resource would be impaired.

Public Resources Code Section 5024.1(b) provides that the California Register shall include historical resources determined by the commission, according to procedures adopted by the commission, to be significant and to meet the criteria in Public Resources Code Section 5024.1(c).

Public Resources Code Section 5024.1(c) states that a resource may be listed as an historical resource in the California Register if it meets any of the following National Register of Historic Places criteria, as follows:

(1) Is associated with events that have made a significant contribution to the broad patterns of California's history and cultural heritage.
(2) Is associated with the lives of persons important in our past.
(3) Embodies the distinctive characteristics of a type, period, region, or method of construction, or represents the work of an important creative individual, or possesses high artistic values.
(4) Has yielded, or may be likely to yield, information important in prehistory or history.

The Initial Study states that Cerrito Peak has been identified as a Sacred Site in the Native American Heritage Commission's Sacred Lands Inventory. Therefore, any development of the site will cause irreparable harm to the area and the rights of the Chumash to preserve this as a sacred site. There is no mitigation measure that can offset the damage development of half of the outcropping will do to the sacredness of the site.

Clearly the site's listing as a Sacred Site in the Native American Heritage Commission's Sacred Lands Inventory, along with the potential archaeological significance identified in the Initial Study, mean at the very least that more must be done to mitigate the significant environmental effect the Proposed Project will have on these resources.

CEQA specifically states that significant resources MUST be mitigated either by avoidance (protection as open space, deeded into a conservation easement, etc.), or by recovering the data that the sites contain before they are disturbed (CEQA sec. 21083.2 (b1), (b2), (b3), (b4), 15126.4c).

Any historic or prehistoric sites that must be disturbed during the project construction process will need to be mitigated according to CEQA (sec. 15126.4c).

In addition to the opposition to development presented by the Chumash, there are additional deficiencies with and concerns about the Initial Study in relation to Cultural Resources.

Even if the proposed mitigation measure were theoretically acceptable, the Chumash shouldn't be required to notify or ask permission of anyone to access a sacred site. The mere fact of requiring such action will chill any use of the site. Further, the Applicant or any future owner of the Proposed Project may use intimidation tactics, such as loud music, parties, or gatherings, to further chill Chumash use of this sacred site. Even just sitting on the patio and "watching" the Chumash when they access the sacred site will have an adverse affect on use of the site.

Therefore, there is really no acceptable mitigation measure that would maintain the sacred nature of the site. The site should be converted to permanent open space or conveyed in trust as a conservation easement.

Assuming without admitting that acceptable mitigation measures can be developed, the Initial Study proposes to develop mitigation measures based on future studies, which is in violation of CEQA.

Mitigation measure 5-1 states that a Phase 2 Cultural Resource Evaluation ("Phase 2") shall be conducted to more firmly establish the archeological deposits on the property, and that the Phase 2 may lead to further studies, and possibly additional conditions as determined by the Public Services Department. Providing that a development might be conditioned on future studies is "in direct conflict with CEQA guidelines." Sundstrom v. County of Mendocino, 202 Cal. App. 3d. 296. In Sundstrom, the court of appeal found that the "county evaded its duty to engage in a comprehensive environmental review by approving the use permit subject to a condition requiring future regulatory compliance." Id. at 296. "Specifically, the use permit required: . . . . [that] 'Mitigation measures recommended by the study shall be incorporated as requirements of this use permit.' The requirement that the applicant adopt mitigation measures recommended in a future study is in direct conflict with the guidelines implementing CEQA." Id. at 306. Citing to California Code of Regulations Title 14, Section 15070(b)(1), the court went on to state "that if an applicant proposes measures that will mitigate environmental effects, the project plans must be revised to incorporate these mitigation measures '*before* the proposed negative declaration is released for public review. . . . '(Italics added.) Here, the use permit contemplates that project plans may be revised to incorporate needed mitigation measures after the final adoption of the negative declaration. This procedure, we repeat, is contrary to law." Id. at 306-307.

The court held this to be the case even though the negative declaration required that the county review and approve the additional study, and incorporate the study into the use permit. The court stated that "[e]ven if the study is subject to administrative approval, it is analogous to the sort of post hoc rationalization of agency actions that has been repeatedly condemned in decisions construing CEQA." Id. at 307.

Therefore, the City's mitigation measure requiring implementation of the Phase 2, to be performed *after* approval of the MND, not to mention that the Phase 2 may lead to *additional future studies*, clearly runs afoul of the law as stated in Sundstrom.

The reasoning for the holding in Sundstrom is clear: Allowing reference to a study or other information to be gathered and incorporated into a negative declaration after its approval allows the lead agency and applicant to avoid the guarantee of an adequate inquiry into the environmental effects of the project in question. Therefore, reliance on future studies is not a proper mitigation measure.

Geology/Soils.

The MND states that the recommendations of the Soils Engineering Update Report prepared by Geosolutions, Inc. and dated October 10, 2008 (the "Geosolutions Memo") shall be incorporated into the design of the Proposed Project. However, the Geosolutions Memo was not available for

review or copying, and therefore it is unknown what measures are recommended. If the proposal cannot be adequately reviewed during the public review period, the issue remains open and the MND should not be approved.

However, the grading and drainage plan show that rock outcroppings will have to be removed and there will be fill and cut for the road, with retaining walls. A mitigation measure has been added which requires the road gradient be modified so as not to exceed 20%. This will require more manipulation of this area. This should be analyzed in the Initial Study.

The City will need another report prepared by an engineering geologist for the house and road in order to verify the stability of the rocks due to differential settlement. Again, this must be included and analyzed in the Initial Study.

We do note that the February 23, 2009 letter from Cathy Novak Consulting (the "Novak Letter") to the City does state that the Proposed Project was redesigned. However, like the Initial Study, the Novak Letter gives few if any real details about how the Proposed Project was redesigned.

One of the details in the Novak Letter that does raise concerns is about the method of securing the foundation. It states that "*the remainder of the structure is designed to fit the topography with raised flooring and or special foundations to anchor into the rock.*" The concern is that the redesigned Proposed Project will anchor into the rock outcroppings to support the foundations on the upper levels of the structure. This raises concerns about the ability of the rock outcroppings to withstand the loads that may be placed on them to support the structure. This does not seem to be addressed in the soils report or the Initial Study.

The impact discussion on page 18 also describes how the "*proposed site work will entail a significant amount of earthwork, which creates a real potential for rock-fall that would be detrimental to neighboring properties. A mitigation measure has been recommended that a screening plan be developed and implemented to reduce the potential for rockfall.*"

Mitigation measure 6-1 purports to deal with this serious safety issue, stating that a "*detailed rock-fall investigation and mitigation plan shall be prepared by a qualified geotechnical engineer*" identifying the potential danger caused by rock-fall, and "*as appropriate risk-reduction measures on adjacent properties, and need for long-term maintenance.*"

There are several concerns with this approach.

1. The mitigation measure again calls for a *future study* upon which to base potential mitigation measures. As noted above, the Sundstrom decision holds that use of future studies as mitigation measures violates CEQA.

2. The type of screening that will be involved in any mitigation/risk-reduction measure is not described. Therefore, it is not known whether this will cause further degradation of the

viewshed affecting the Proposed Project. It is hard to imagine screening that will do anything less than be an eyesore to those viewing the site.

3. The mitigation measure states that as appropriate, risk-reduction measures will be placed **on adjacent properties**. Clearly if there is such a danger due to rock-fall that adjacent properties will require installation of screening, the geology is too unstable to support the development of the Proposed Project.

4. It is unclear how boulders and rock outcroppings that are in danger of falling during construction will be sound anchors for the foundation system.

Also, the Initial Study fails to indicate how the development of the Proposed Project will comply with the City's Stormwater Management Plan or Stormwater Pollution Prevention Plan. With the large area of land that will be covered by impermeable surfaces and the potential for soil and debris laden runoff due to the steep, open nature of the site, it seems imperative that plans be required in compliance with both of the City's programs.

Furthermore, there is no evidence provided in the Initial Study that the soils will withstand the removal of boulders and reduction of the rock outcroppings and still retain the structural integrity necessary to support the Proposed Project.

Due to the incomplete analysis provided regarding the ability of the geology and soils to properly support development of the Proposed Project, this section of the Initial Study is incomplete, and should lead to a rejection of the MND.

Land Use and Planning.

There are concerns regarding the Land Use and Planning environmental discussion and the proposed mitigation measures.

Please note again that the description of the site as being surrounded by existing residential uses is misleading. There is a large area of open space (much of which is in the public right-of-way) between the site of the Proposed Project and the surrounding residential development, which should be included in any discussion of the Proposed Project, in order to accurately paint a picture of the significant change to the open space. If the site of the Proposed Project was in the middle of a park, the fact that the park was so located in reference to the Proposed Project would be discussed. The lack of development of the open space/public right-of-way does not reduce its value to the community, or mean that it should not be included in any description of the area.

The third paragraph on page 24 of the Initial Study states that in order to "*provide some private outdoor space and security for the residence, as well as to allow the required vehicle turn-around to be optimally placed between natural features, a fencing plan has been proposed which*

would enclose both on-site and portions of the right-of-way to the east of the home." (Underline added.)

Enclosing public right-of-way with a private fence will in effect give such enclosed land to the Applicant. There is really no other way to see it. A gift of public property to the Applicant is prohibited by the California Constitution. California Constitution, Article 16, Sec. 6.

Even if a gift of public land was not prohibited, public policy (and common sense) militates against giving public open space to an individual for private outdoor space.

The paragraph goes on to state that the fence will be six feet high and will be made of "*solid stucco and natural stone base with black rod iron pickets above.*" A six foot high fence with rod iron pickets, located on top of a raised private driveway will create a virtual castle wall in both appearance and public use deterrence.

Further, the fence will wrap around half of the Proposed Project, running from the "*northeastern corner of the home, near the garage, along the northern retaining wall, across the driveway, and continue around to the southeastern corner of the home.*" The conversion of public land to private use must not be allowed.

Even if the Applicant properly defined boulders and rock outcroppings and identified those slated for removal or alteration, there is concern that such action will be inconsistent with the City's General Plan. Morro Bay Land Use Plan 17.1 states that natural terrain, vegetation, drainage courses and rock outcroppings shall not be disrupted as a result of development, unless found to be necessary to protect the health, safety and welfare of the community (LUE 52).

It does not appear that the Initial Study includes any finding of fact that the removal or alteration of boulders and outcroppings is necessary to protect the community. Based on the discussion in the Initial Study that boulders will need to be removed and perhaps some rock outcroppings will be removed, item 1.b on page 8 should not have been checked "No Impact."

Noise.

The Initial Study states that there will be no significant environmental effect due to development of the Proposed Project. It may be true that no permanent significant source of noise will be created, but the Applicant may require the use of special equipment in order to remove the boulders/outcroppings that will generate noise far above what is normally associated with development of a single family residence.

Due to the large amount of rock to be altered and/or removed, the Initial Study should include analysis of the effect of such alteration and/or removal on noise levels, and require mitigation measures should the results of the analysis indicate mitigation is necessary. Such mitigation, if

found to be necessary, should go beyond just requiring construction during certain hours, but should also require, without limitation, such measures as completing all removal within a certain number of days.

Public Services.

The only mitigation measure noted in this Section is that Applicant must install a Knox Box at the vehicle access gate located at the top of the private driveway, in order to allow emergency services access to the property. This Section should be amended to include the discussion on page 29 of the Initial Study.

Transportation/Traffic.

Paragraph d, e on page 29 of the Initial Study states that the Proposed Project currently provides that the private driveway slope will range as high as 25%, and that the project must be modified so that the slope will not exceed 20%, to accommodate fire apparatus access standards.

It is difficult to determine from the current Proposed Project renderings what that will mean for the design and construction of the driveway, but it would seem that increased use of retaining and crib walls will be necessary to achieve this requirement. This should be clearly described in the Proposed Project so that it can be adequately reviewed for any potential significant environmental effects, as required by CEQA.

Utilities & Service Systems.

There are concerns related to the provision of utilities to the Proposed Project. While it would seem City ordinances will require that all utilities serving the Proposed Project be extended to the site underground, it does not appear that the Initial Study addresses how much ground disturbance will occur, both in the public right-of-way and on the site. Further, it does not appear that the underground extension of utilities was considered in either the archaeological report or in the soils report.

Therefore, it is impossible to assess from the Initial Study whether there will be a significant environmental impact caused by the installation of the utilities required to serve the Proposed Project.

Paragraph c on page 31 of the Initial Study states that two "*on-site retention facilities are proposed, flanking either side of the access way on the lower portion of the site.*" Are these retention facilities in addition to those noted on page 12 of the Initial Study, and that are to be located near the bottom of the private driveway but in the public right-of-way? If there is to be only one set of retention facilities, the Initial Study must make clear where they will be located, and whether such location is on the site or in the public right-of-way, for review of whether the placement and use of the facilities will create a significant environmental impact as required by CEQA.

One of the retention facilities appears to be near the east end of the private driveway, to be located between the private drive and the neighboring residence. The Initial Study should address how the location of the retention facilities will affect the neighboring residences. For instance, it is likely that adding standing water to the area will create vector issues, and will be an attractive nuisance for children and others.

Concerns are also raised as the Initial Study does not address who will maintain the retention facilities, or that the City will be liable for damage to person or property caused by the retention facilities.

Draft Housing Element.

It is also noted that the City's draft housing element contemplates 80% build out of available capacity, and identifies six dwelling units on this site. While not a direct issue with respect to the MND or the Initial Study, there is a concern that the City will allow development of more units on the site in the future to satisfy the housing element.

Based on the numerous issues facing development of the Proposed Project in a way that will not significantly impact the environment, it is respectfully requested that the City decline to approve the MND, and to further deny development of the site in the future.

Sincerely,

SINSHEIMER JUHNKE LEBENS & McIVOR, LLP

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ATTACHMENT 3

RECEIVED

OCT 17 2011

City of Morro Bay
Public Services Department

CITY OF MORRO BAY
PUBLIC SERVICES DEPARTMENT
APPEAL FORM

APPEAL FROM THE DECISION OR ACTION OF (GOVERNING BODY OR CITY OFFICER):

Morro Bay Planning Commission

APPEAL OF SPECIFIC DECISION OR ACTION: Conditional approval of Jordan Terrace/Cerrito Peak resident project

PERMIT TYPE BEING APPEALED (IE: COASTAL PERMIT, USE PERMIT, TENTATIVE SUBDIVISION):

Conditional use permit #upo-223, Coastal Development Permit CPO-285

DATE DECISION OR ACTION RENDERED: October 5, 2011

APPELLANT (PLEASE PRINT): Nicole Dorfman

SIGNATURE: N Dorfman

ADDRESS: 570 Olive St MB

TELEPHONE NUMBER: 805-441-7552

GROUNDS FOR THE APPEAL (ATTACH SHEETS AS NECESSARY):

See attached

REQUESTED RELIEF OR ACTION: overturning of the Planning Commission's conditional approval of Reddell upo-223/CPO-285 until these issues are resolved.

FOR OFFICE USE ONLY

DATE APPEAL FILED: 10/17/2011

ACCEPTED BY: Kwoed 10/17/2011

APPEAL BODY: City Council

DATE OF APPEAL HEARING:

RECEIVED
OCT 17 2011
City of Morro Bay
Public Services Department

October 17, 2011

Nicole Dorfman
570 Olive Street
Morro Bay, CA 93442

City of Morro Bay
Public Services Department
APPEAL FORM
Attachment

GROUNDS FOR THE APPEAL: I am appealing the conditional approval of Reddell UPO-233/CPO-285 for the following reasons:

I do not believe that the planning commission's vote was truly informed and believe that it must be reconsidered. There remain many unanswered questions about the site plan, most importantly, exactly where the driveway and house will be situated, how they will impact drainage and public right-of-way, and how they will visually impact the site and its surroundings areas.

I submitted a letter in June 2010 to be included in the public record for comment on this project, which objected to the fact that the visuals of the project do not include the driveway, and the trees, which are to be removed for this driveway remained standing. Despite having over a year to correct this omission, Mr. Reddell and his agents had not done so and the same flawed visuals were used for the October 5th, 2011 hearing. This driveway, which will be approximately 400 feet long and 20 feet wide, must be included in the visual representations of this project so that the full impact can be seen by the Planning Commission, City Council and concerned Morro Bay citizens. To the best of my knowledge, other applicants in Morro Bay have routinely been required to provide complete and detailed visuals to the public and it is incumbent upon the applicant and the City to provide the public with this vital information so that a truly informed decision can be made on this complicated project.

In addition to this visual omission, there are incomplete markings to indicate location of the driveway and no story poles or other common indicators used on site to identify where exactly the house will sit on Cerrito Hill. Again, we must have this information to truly give informed consent for this complicated project. It seems incumbent upon the applicant to provide more detailed information showing exactly how far the footprint of his development would extend across the terrain.

We believe that this is essential information, given the Special Encroachment Permit that has been requested by the applicant, which will allow development within the public right of way. Morro Bay citizens have a right to know how much of public land is being usurped and where exactly these public lands are in relation to the proposed development.

With regards to the development of public right of way for private use, we feel the applicant should be required to indicate exactly how much of public land would be taken over for this private development. Although it was stated during the meeting that Special Encroachment Permits are commonly given, I question whether the scale of this encroachment is indeed common. But it is impossible to say as there has been no true reference point. Since it has been stated that 23 trees would be removed from the public right of way we can assume that it is a rather large piece of land. The citizens of Morro Bay need to be adequately informed about this loss of public land and the access to Cerrito Hill that it offers.

In addition, since there remains no definitive placement of the house and driveway on Cerrito Hill the drainage issue remains unresolved and should be cause enough for the City Council to overturn the conditional approval. Other applicants in Morro Bay have been required to submit detailed, concrete drainage plans for their projects and yet this project, with it's need for serious environmental mitigation already established, has yet to provide the City with such specific plans. Although it has been stated that the building plan will "adequately address" drainage and water quality, we are left in the dark as to the specific details and locations and how it will effect neighboring properties and adjacent public lands.

For all these reasons I urge you to overturn the Planning Commission's conditional approval of Reddell UPO-233/CPO-285 until the conditions have been satisfied. Thank you for your thoughtful consideration of this important matter.

Sincerely,

Nicole Dorfman
570 Olive Street
Morro Bay, CA 93442

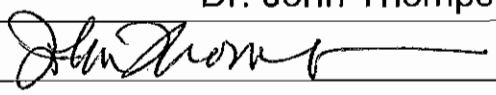
ATTACHMENT 4

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OCT 17 2011

City of Morro Bay
Public Services Department

CITY OF MORRO BAY
PUBLIC SERVICES DEPARTMENT
APPEAL FORM

APPEAL FROM THE DECISION OR ACTION OF (GOVERNING BODY OR CITY OFFICER):
Morro Bay Planning Commission (re: Agenda No: VII-B)
APPEAL OF SPECIFIC DECISION OR ACTION:
Conditional Approval of the Project by the adoption of a motion including the actions A. B. and C. as cited on page 1 of the Staff Report dated September 26, 2011, as amended
PERMIT TYPE BEING APPEALED (IE. COASTAL PERMIT, USE PERMIT, TENTATIVE SUBDIVISION):
Conditional Use Permit #UP0-223 and Coastal Development Permit #CP0-285
DATE DECISION OR ACTION RENDERED: October 5, 2011
APPELLANT (PLEASE PRINT): Dr. John Thompson
SIGNATURE: 
ADDRESS: 340 Main Street, Morro Bay, CA 93442 — *TELEPHONE NUMBER:* 805 459 8999

GROUNDS FOR THE APPEAL (ATTACH SHEETS AS NECESSARY):
The project's potentially significant impacts have not been sufficiently identified, studied, and delineated,
as required by City standards as well as by the California Environmental Quality Act. See my attached nine-page letter
which includes sections on aesthetics, biological resources, geology and hydrology, and cultural resources.

REQUESTED RELIEF OR ACTION: Overturn the Conditional approval of the Project
by not adopting the Findings included as Exhibit "A";
by not adopting the Mitigated Negative Declaration included as Exhibit "E" (erroneously identified in the Staff Report as Exhibit "D");
by denying the Conditional Use Permit UP0-223 and Coastal Development Permit CP0-285

FOR OFFICE USE ONLY	
DATE APPEAL FILED:	ACCEPTED BY:
APPEAL BODY:	
DATE OF APPEAL HEARING:	

RECEIVED

OCT 1 7 2011

City of Morro Bay
Public Services Department

To: The Morro Bay City Council **Date:** October 14, 2011

From: Dr. John Thompson
340 Main Street, Morro Bay

Subject: Appeal to overturn Conditional Approval by the Morro Bay Planning Commission of the Jordan Terrace/Cerrito Peak project (Reddell UP0-233/CP0-285), including actions A. B. and C., as amended, as cited on page 1 of the Staff Report, dated September 26, 2011

Morro Bay City Councilmembers,

With this letter I am formally submitting my appeal of the Morro Bay Planning Commission's approval of the Jordan Terrace/Cerrito Peak residential project (Reddell UP0-233/CP0-285) on Wednesday, October 5th, 2011. I have been carefully following this project, and I attended the Planning Commission's hearing, where I voiced my concerns over project impacts that I feel have not been sufficiently identified, studied and delineated, as required by City standards as well as the California Environmental Quality Act. Therefore, I now wish to provide my concerns to you in writing, including substantial evidence that I have gleaned from Mr. Reddell's submittals, from the detailed concerns submitted by the Department of Fish & Game, by members of the public, and from the staff evaluation and recommendations to the Planning Commission.

Introductory comments

As has been stated in project documentation, informed public input, and testimony at the Planning Commission's hearing, the proposed project site is unique and valuable in many respects. Cerrito Peak, visible from most of Morro Bay, is a jewel of our community. Although it is zoned as a residential property, the identified impacts of this development, given the unique lot configuration, topography, heritage and visibility, require more careful consideration than the level of review normally afforded a standard residential project on a standard residential lot. Neither the proposed project, nor the project site is standard. The fact that this has been a sacred site for the Chumash for at least 10,000 years, according to the letter submitted, and testimony given during public comment by Fred Collins, the Northern Chumash Tribal Council Spokesperson, and the fact that it appears on the Native American Heritage

Commission's Sacred Lands Inventory only raise the stakes and force the City to scrutinize and review this project ever more carefully.

I do not believe that the Planning Commission's vote was a truly informed one. It should be overturned for the following reasons:

1) It is clear that there are many unanswered questions regarding the site plan itself, such as how the proposed house and driveway will be situated in relation to the Peak and how the proposed structures will affect the public's views and the aesthetics of Cerrito Peak.

2) The fact that there are potentially significant impacts from the project requires a much more detailed project description and environmental review. In fact, an Environmental Impact Report may be the necessary level of review for the City to avoid a legal challenge to its ultimate decision. The current absence of critical project details and site studies for such a complex site and project demonstrates that the project is not ready for final approval;

3) As Mr. William Quigley's stated concerns during the public comment highlight, there has not been sufficient examination and disclosure of how drainage and rock fall during and after construction will impact the surrounding neighborhood;

4) And, perhaps most important, the Planning Commission chose to defer a Phase 2 Cultural Resources Evaluation, in spite of significant concerns raised by Mr. Collins and others regarding the existence of substantial archeological remains, as well as the continued use of the unspoiled site for religious purposes by Native American groups. Without having the necessary Phase 2 evaluation to inform its final decision, the Planning Commission's approval of this project, as currently presented, leaves the City open to challenge.

Thus, the City, as Lead Agency, has not properly and fully identified the Aesthetic Resources, the Biological Resources, the Geology and Hydrology, and the Cultural Resources, and therefore the mitigations proposed are at best hit-and-miss. The public cannot be assured by the Staff Report and the Mitigated Negative Declaration's Initial Study and Checklist (cited below) that the proposed mitigations will, in fact, prevent "potentially significant impacts" from this project.

1) Aesthetics

Will this project substantially degrade the existing visual character or quality of the site and its surroundings? We simply do not know. Despite the length of time the applicant has had to clearly show exactly how the home and driveway would impact the visual aesthetics of Cerrito Peak/Eagle Rock, the City and its public are still uninformed as to where the proposed development will be situated in relation to the Peak, and how the proposed structures will

appear from the public right-of-way. The site maps in Exhibit C (pages 24 and 27 of the Staff Report dated September 26, 2011, hereafter cited as "Staff Report") do not clearly show where the buildings and driveway would sit in relation to the top of the Peak and in relation to neighboring homes and properties. It seems incumbent upon the applicant to provide, and the City to require of the applicant, a more detailed site plan and architectural mock-ups showing exactly how far the footprint of his development would extend across the terrain and vertically. When I was present at the site visit on July 12, 2010, I asked Mr. Reddell and his agent, Kathy Novak, who was holding the plans of the site in her hands, exactly where the back wall of the house would sit in relation to Cerrito Peak, but they were unable to tell me or the others present. This event is referenced in Exhibit G of the Staff Report, Alex Beattie's letter dated July 25, 2010. There were no stakes, no story poles, and nothing substantial was said regarding the exact location of the development. Since that time there do not seem to have been any efforts to clarify the situation for the general public, beyond the applicant inviting the members of the Planning Commission to the site for a project tour as described at the October 5, 2011 Planning Commission meeting. I believe that the proposed development may extend over the top of Turtle Rock, a unique outcropping very close to the highest point on the Peak. Because Cerrito Peak is a known and valued resource, the Planning Commission should have required the applicant to submit specific architectural elevations, as well as a valid visual impact analysis performed by a qualified professional, before making its determination.

The Initial Study addresses the significant tree-cutting in the section on biology, but glosses over tree removal in the section on aesthetics. We are first led to believe that tree removal would be minimal: "tree removals are limited to those within or immediately adjacent to the proposed access way or building footprint" (page 9, Initial Study and Checklist, dated May 13, 2010, hereafter cited as "Initial Study"). As you know, and as the same document states further on, thirty mature trees in excess of the number normally allowed would be removed from private and public land and be replaced by young five-gallon trees at a ratio of two-to-one (or at a ratio of one-to-one by fifteen-gallon trees). At the Planning Commission hearing on October 5, I brought up the issue of the inadequacy of these proposed replacement trees to "provide additional screening of the proposed improvements so as to reduce any adverse effects of the character of the site and surrounding neighborhood" (page 9 of the Staff Report, and page 15 of the Initial Study). Kathleen Wold's response that this mitigation would provide trees at all stages of growth does not address the fact that, for many years to come, the entire eastern slope of Cerrito Peak would lack the substantial mature canopy it now possesses. Where, from the public-right-of-way, we now see green trees and scenic rock outcroppings, we would see a large house and driveway, surrounded by small, newly-planted trees. Would this not qualify the project as having "a substantial adverse effect on a scenic vista?" When we look up at Cerrito Peak from the north, the south, and the east, we would see a substantial roofline "just below the crest of Cerrito Peak" (page 8 of the Initial Study), especially as viewed from Olive

Street. The City's own documentation demonstrates that the project would have a significant impact on the "existing visual character" and "quality of the site and its surroundings" (page 8 of the Initial Study).

As I carefully go over the details in the documents provided by the City, I can now see that, precisely because of the substantial tree removal, the buildings and driveway would be much more visible to the surrounding neighborhood than was revealed by the sparse visuals provided by the online documentation and at the Planning Commission meeting (one small drawing of one view of the house, as projected for a few minutes at the lower right hand corner of the projection screen). Other applicants in Morro Bay and in other local cities have routinely provided detailed and readable graphics to the public. It is incumbent upon the applicant and the City to provide the public with unequivocal information on how the proposed development would impact the environment, and this has not yet been done.

2) Biological Resources

Indeed, the statement by Brandon Sanderson (Environmental Scientist, Habitat Conservation Planning, California Department of Fish and Game) in his communication to Kathleen Wold, dated June 23, 2010, that "the Department finds the discussion of potential Project Impacts to be incomplete" and the subsequent statement by Ms. Wold at the October 5, 2011 Planning Commission Meeting that the Department of Fish and Game's statements would be disregarded as only recommendations clearly show that the proposal, as it now stands, is incomplete and potentially misleading to the public, notwithstanding the City's apparent practice of not requiring applicants to conduct biological surveys recommended by the State for the purpose of expediency (see Ms. Wold's comments to this effect in the video recorded minutes, section 23). The public still does not know what the permanent significant impact of this large project would be on our local wildlife and the wider environment, as Mr. Sanderson highlights: "We do not recognize predictive work, such as is presented in the Impact Discussion a-b., to substitute for actual on the ground surveys." The project site is where many species of birds (including raptors, such as ospreys, red-tailed hawks, red-shouldered hawks, and great horned owls), California grey foxes, and monarch butterflies can be found.[1] Since no proper

[1] Brandon Sanderson's communication, from the California Department of Fish and Game, dated June 23, 2011, contradicts the assertions, made through "predictive analyses" by David Wolf in his Biological Assessment, dated October 16, 2008, presented as Exhibit D, that "none of observed birds were special-status species," as well as contradicts the incomplete species list on page 14 of the Draft Mitigated Negative Declaration's Initial Study and Checklist. Since no Environmental Impact Report has been required by the City and since the environmental studies quoted in the Draft Mitigated Negative Declaration are invalid according to the Department of Fish and Game, as well as being out of date (six months is the usual expiration date on a biological assessment), the potential substantial adverse effects, either directly or through habitat modifications, on any species identified as a special-status species are not able to be determined (Initial Study and Checklist, page 13). The incomplete assessment prevents the City from knowing whether the project will significantly impact the "movement of any

and complete study, by the testimony of the California Department of Fish and Game, has been done, the public cannot know whether the project would have a substantial adverse effect on any species identified as a candidate, sensitive, or special-status species. The lack of complete information regarding what specific permanent and migratory species live, shelter, and breed on Cerrito Peak precludes the City from declaring that there is no "potentially significant impact." Common sense, together with local, State, and Federal guidelines, should lead the City to err on the side of caution.

3) Geology/Hydrology

The documents provided by the City reveal that the proposed development would in fact "be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on or off-site landslide" (Initial Study, page 18). The cover letter in Exhibit D, from Jonna Louise Otto, Senior Engineer at GeoSolutions, dated June 24, 2004, states: "Building layout must be approved by the project Engineering Geologist to verify the stability of the rocks to be utilized for building support as individual boulders can and do move independently in seismic events." In the subsequent preliminary reports on soil and grading, by the same company, there is not one mention of how this serious and potentially life-threatening hazard would be mitigated. Nowhere in the entire packet of documentation provided by the City does a qualified Engineering Geologist reveal how the public will be protected.

Of great concern, therefore, are the absence and consequent deferral of a detailed rock-fall investigation and mitigation plan and the absence and consequent deferral of a detailed erosion and sediment control plan (see pages 19 and 23 of the Staff Report). Despite these being laid out as conditions for the issuance of future building permits, Mr. Reddell's neighbors simply do not know what specific plans have been developed to protect surrounding homes from significant damage. The Initial Study and Checklist, pages 18-19, states the that the site work would "create[] a real potential" for detrimental rock-fall, then goes on to discuss the possibility of installing rock-fall risk-reduction screening "on adjacent properties, and need for long-term maintenance." This mitigation has the potential to permanently damage and devalue these properties and would open the City up to many years of conflict and potential lawsuits over property rights. Moreover, there is no evidence in the Initial Study that this suggested mitigation was based on a study by a qualified Engineering Geologist. The basis on which the City checks the box "no impact" on page 18, Checklist section 6 c, is not clear. From the City's own admission on the very same page it is abundantly clear, however, that there is a "potentially significant impact" from geologic instability.

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native resident or migratory... wildlife species... or impede the use of native wildlife nursery sites" (Initial Study and Checklist, page 14).

It is well known to residents in the Cerrito Peak neighborhood that drainage and water runoff during winter storms can be unpredictable and potentially disastrous, and it is not clear whether all the requirements of the Regional Water Quality and Control Board regarding drainage and runoff treatment would be met by the project as it currently stands, which would require significant excavating, rock and soil removal, grading, and backfilling. The cover letter by GeoSolutions, dated June 24, 2004, and the appended reports reveal that "potential seepage areas" and "the location of sub-drains" are to "be determined during grading." Mr. William Quigley's concerns voiced during public comment on October 5, 2011 regarding his uncertainty about the safety of his home (located on 455 Acacia) due to changed runoff patterns caused by the project together with the letter from Mr. and Mrs. Peterson (515 Acacia) referenced during the same meeting voicing their concerns about potential drainage issues are substantial evidence that the City must demonstrate unequivocally that the project will not be a risk to neighboring properties and homes both during construction and far into the future.

No evidence from a qualified Engineer has been provided by the City to unequivocally demonstrate that the project will not "substantially alter the existing drainage pattern on the site or area... in a manner which would result in substantial erosion... on- or off-site" (Initial Study and Checklist, page 22). The simple declaration further on that "the implementation of Stormwater and Water Quality BMPs consistent with the draft plan will ensure that *final project design* adequately addresses both drainage and water quality" (page 23, emphasis mine) does not provide sufficient disclosure to the public as to how the project, as currently presented, will not have a significant negative impact on drainage. The documentation provided and the public comments both reveal that the project is not ready for approval by the City.

4) **Cultural Resources**

Finally, and perhaps most important are the moral and legal consequences of the significant changes this project would bring to this nationally recognized sacred Native American site. According to CEQA Section 15064.5 Determining the Significance of Impacts to Archeological and Historical Resources, subsection a.3 "a resource shall be considered by the lead agency to be 'historically significant' if the resource *meets the criteria* for listing on the California Register of Historical Resources (Pub. Res. Code, 5024.1, Title 14 CCR, Section 4852) including the following... (D) *Has yielded, or may be likely to yield*, information important in prehistory or history" (emphases mine). It is clear that Cerrito Peak does meet these important criteria. The City, backed up by professional archeologists and Native American groups, recognizes that the site already contains significant archeological resources, and also that more significant cultural resources may be found on site, since one of the conditions for obtaining building permits is that "a subsurface evaluation of the site (Phase 2 Cultural Resource Evaluation) shall be conducted to more firmly establish the condition, integrity, extent and content of archeological

deposits on the property, to determine if it qualifies as significant" (page 18 of the Staff Report, and page 17 of the Initial Report and Checklist, emphasis mine). The City simply does not know what remains are lying undisturbed in the ground on site. Moreover, if we carefully read the Initial Report and Checklist, it is clear that the City has made an error in determining that the proposed project has "no impact" in causing "a substantial adverse change in the significance of a historical resource," that is to say the "recorded bedrock milling site containing five bedrock mortars" in the context of this "Sacred site to local Native American Tribal groups" (Initial Report, page 16). As defined further on in CEQA (section 15064.5.b.1) we can see that "*Substantial adverse change* in the significance of an historical resource means physical demolition, destruction, relocation, or alteration of the resource *or its immediate surroundings* such that the significance of an historical resource would be materially impaired." Trenching, grading, moving large quantities of earth and rock, including large boulders, creating extensive drainage and rock-fall abatement systems, not to mention the immediate proximity of a very extensive driveway and large residence, would permanently impair the significance of this historical resource that the City recognizes.[2] Substantial evidence (as defined by CEQA 15064 f.5) exists now that contradict the City's above-mentioned assertion in the Initial Report that there would be "no impact" (page 16, checklist 5.a). First and foremost, the site has historically been and is still considered sacred by Native American groups. This fact is highlighted by the very conditions and mitigations laid out in the City's documentation regarding continued access to the site by those groups during and after the proposed construction. Second, the site is listed on the Native American Heritage Commission's Sacred Lands Inventory, as the City's Initial Report and Checklist states, page 17. The City goes on to say that "Among the qualities identified with this location are those associated with spiritual worship and ritual, and recognition that Eagle Rock [Cerrito Peak] is a powerful sacred area. Placing Boundaries around sacred sites is an unachievable and undesirable effort, however possible impacts to the sacred sites, *as determined by the Native American community*, must be resolved" (emphasis mine).

Fred Collins, in his public comments states emphatically that the "preservation of our cultural resources... is supremely important." He goes on to demonstrate that Cerrito Peak/Eagle Rock's preservation is crucial for the identity of the local Chumash people: "This church, this cathedral, this place of worship, this place of ceremony [is] an important piece of our heritage and our culture" (video recorded minutes of the October 5, 2011 Planning Commission

[2] For example, page 9 of the Initial Study, states: "the majority of the rock outcroppings, including the largest and most visually striking, will remain in place and unaltered." However, the site plan, on page 5 of the same document seems to place the westernmost part of the residence squarely on top of a major "visually striking" outcropping with boulders known to locals as "Turtle Rock." In addition, the Site Plan on page 5 of the same document reveals that there will be major removals and displacements of major geologic formations, including numerous large rock outcroppings and numerous large boulders. The extent of the proposed rock removal and displacement is confirmed throughout the initial Soils Engineering Report, dated June 24, 2004, included in Exhibit D.

meeting, section 15). Cerrito Peak is today still being used and is considered an extremely significant place of worship by local Native American groups, as they and the City clearly recognize and publicly declare.

These abovementioned facts contradict the assertion in the Initial Report that "As no disturbance of either the sacred peak or the recorded mortar grinding sites is proposed, the sites of importance will retain their integrity" (page 17). It is clear that these statements by the City are in violation of the CEQA provision quoted above regarding "substantial adverse change in the significance of an historical resource."[3] Indeed, we can see from the documentation provided that the main part of the hammerhead driveway and the residence itself would sit squarely between the bedrock mortars and the sacred peak (see site plan, Exhibit C, page 24). As the letter by the Northern Chumash Tribal Council, dated June 15, 2010, states: *"The Cultural Resource mitigation measures on page 17 of the Negative Declaration Document, are the worst mitigation concerning the preservation of a Sacred Site that we have ever seen and are lacking in every aspect and promote cultural genocide, discrimination, ethnic cleansing and will deprive the Chumash Community of unobstructed religious freedom and civil rights. No one has the right to stop or alter the Native American Right to Freedom of Religion. The City of Morro Bay and applicant have known about the Sacred Site issue for many years [;] this is not a new revelation to anyone" (page 6).* Since the Native American community has repeatedly and publicly determined that the proposed project impacts in a very negative way Cerrito Peak's integrity and their ability to worship at this site, the City has no choice but to follow its own advice and resolve this problem before approving this project. The potential significant impact caused by the destruction of this "unique paleontological resource [and] site" (Initial Study and Checklist, page 16) cannot be mitigated on site—it must be avoided. There is no evidence provided in the documentation that a qualified Archeologist has completely reviewed the site and mapped out its cultural resources on the ground and below the ground. By the City's own admission, this crucial work remains to be done. How, then, can the City conditionally approve the plans to build a house and a driveway in the middle of a known significant archeological zone without first having a professionally-defined and mapped boundary specifically delineating the area that must be avoided by that proposed development?

Conclusion

One of the most serious flaws in the Planning Commission's approval of this project is that it was given without the critical information that the Phase 2 Cultural Resource Evaluation, and the other important, but deferred, studies will ultimately provide. A potential outcome from this approval provided by the City is that a future purchaser of this property may eventually find

[3] Mr.Collins publicly states this at the October 5, 2011 meeting in unequivocal terms: "This Mitigated Neg. Dec. is flawed... You *cannot* use monitoring as mitigation under CEQA."

out, after having all these various deferred studies performed, that this property is significantly or completely constrained to development.

At the end of the Planning Commission Meeting, on October 5, 2011, immediately before the unanimous approval of the project, Commissioner Grantham made this closing comment: "*This house that is being proposed, it's not imminent that it's going in. I understand that when a person is trying to sell a lot and has a prospective buyer coming to him and saying, 'Well, what am I allowed to do here?' and the owner of the property says, 'Well, gee, we haven't researched it. We don't know what you can do.' It's not a very good selling point. So, I think it would help the owner of the property. It would give him another tool and be more helpful in allowing him to do business and to sell his property and to have something that's been approved and appropriate for that place*" (video recorded minutes, section 24-25).

However, an insufficiently informed approval does not comply with CEQA. The Draft Mitigated Negative Declaration that was approved by the Planning Commission for this project *is not adequate* due to the potentially significant impacts for Aesthetic Resources, Biological Resources, Geologic and Hydrologic hazards, and Cultural Resources that have been identified but remain unstudied and clarified. In this case, it appears that a draft Environmental Impact Report should be prepared (per CEQA 15064.a.1).

This project has the real potential for causing many more years of conflict, and its conditional approval simply puts off the resolution of the many liabilities that the City of Morro Bay will have to eventually settle with potential builders and property owners. For this reason, I urge you to overturn the Planning Commission's conditional approval of Reddell UP0-233/CP0-285, and require the applicant to provide *all* the necessary studies and analyses before granting his project an approval.

As a final point of information, I also request that, for the public knowledge, the City completely describe the history of the zoning of the parcel on which the proposed project would be done, in particular the reasons for which, the conditions under which, and the date on which the Certificate of Compliance CC DR 06-022125 / 066-221-001 (1 Jordan Terrace) (referenced on page 1 of the Staff Report, dated September 26, 2011) was issued.



ATTACHMENT 5

RECEIVED

OCT 17 2011

City of Morro Bay
Public Services Department

CITY OF MORRO BAY
PUBLIC SERVICES DEPARTMENT
APPEAL FORM

APPEAL FROM THE DECISION OR ACTION OF (GOVERNING BODY OR CITY OFFICER):	
PLANNING COMMISSION	
APPEAL OF SPECIFIC DECISION OR ACTION:	
APPROVAL OF PROJECT	
PERMIT TYPE BEING APPEALED (IE. COASTAL PERMIT, USE PERMIT, TENTATIVE SUBDIVISION):	
CONDITIONAL USE PERMIT #UP0-223, COASTAL DEVELOPMENT PERMIT #CP0-285	
DATE DECISION OR ACTION RENDERED: OCTOBER 5TH 2011	
APPELLANT (PLEASE PRINT): EDWARD FINEGAN, JULIAN SMALLEY	
SIGNATURE: E. Finega — J Smalley	
ADDRESS: 356 MAIN ST., MORRO BAY, CA 93442	*TELEPHONE NUMBER:* 805-772-1896

GROUNDS FOR THE APPEAL (ATTACH SHEETS AS NECESSARY):
SEE EXHIBIT A
SEE ALSO EXHIBIT B (PROOF OF STANDING)

REQUESTED RELIEF OR ACTION:
OVERTURN PLANNING COMMISSION'S APPROVAL

FOR OFFICE USE ONLY	
DATE APPEAL FILED:	ACCEPTED BY:
APPEAL BODY:	
DATE OF APPEAL HEARING:	

EXHIBIT A

RECEIVED

OCT 17 2011

City of Morro Bay
Public Services Department

After careful examination of the Cerrito Peak residence project (Reddell UPO-233/CPO-285), we submitted an objection to the Planning Commission's meeting of October 5th (Appendix A) by email, courtesy of Kathleen Wold. We were surprised and disappointed that the commission granted an approval, and we are now appealing directly to council members.

After careful examination of project artifacts, we feel that many important aspects of the project plan have been deferred, are incomplete, or are contradictory, and thus the project is fraught with potential future conflicts. Additionally, the plans do not provide for sufficient indemnification should neighboring properties suffer damage during blasting, grading, or rock removal. In short, the project plan appears severely compromised.

Consequently, approval of this project risks burdening city tax payers with expensive law suits or other lengthy appeal procedures, as well as inviting accusations that the City has violated the implied covenant of good faith and fair dealing established with voters.

Due to Cerrito Peak's singular natural beauty, wildlife habitat and Native American history, we also consider its development to be in direct conflict with values espoused within the city's "Local Coastal Plan", and may contravene the California Coastal
Act. We believe that the project is divisive for the community, and approval would constitute poor stewardship of the city's ecological and cultural assets, for which you were elected to be responsible.

We encourage the Council to recognize Cerrito Peak as the singular asset it is, replete with wildlife and history. We appeal to your good sense and better nature to deny the development plans before you.

EXHIBIT B

Gmail by Google

Julian Smalley <julian.smalley@gmail.com>

objections to Cerrito Peak development (Cond. Use Permit #UP0-223, Coastal Dev. Permit #CP0-285)

19 messages

Julian Smalley <julian.smalley@gmail.com>
Mon, Oct 3, 2011 at 4:36 PM
To: kwold@morro-bay.ca.us

Julian Smalley
356 Main St.
Morro Bay
CA 93442

Re: Cerrito Peak development

Dear Kathleen

After reviewing plans for the Cerrito Peak development, I wish to share my concerns and objections in writing for contribution to the public hearing scheduled for October 5th, 2011. I am unable to appear in person.

I consider Cerrito Peak to be an an intrinsic part of the natural beauty of Morro Bay, a sibling peak to Black Hill, Morro Rock, and the chain of peaks stretching West from San Luis Obispo. Cerrito Peak has a natural, craggy beauty which can be appreciated from the bay and other locations. The peak acts as an orientation point, and as I can personally attest, is home to abundant wildlife, including an active community of owls. It would be a terrible shame to compromise all of this natural beauty for the sake of a speculative development, especially at a time when there is weak

demand and an inventory of unsold 'high-end' homes in the town.

In addition to to concerns about timing and need, I have two specific objections:

Firstly, I am concerned that the property owner may, over time, drastically compromise the natural beauty of the site by removing trees and rocks to make room for decks, play-sets, car-ports, storage, or any number of other items. Although the proposed plans currently show the house to be largely obscured by trees, largely maintaining the natural beauty of the peak, I feel that the balance struck could rapidly be compromised, to the detriment of the community. I understand that the developer is being asked to replace each tree cleared for the driveway to be replaced with two new ones on the property. I urge the city to:

1. **Insist that any trees replaced have to be "in kind", and not with pygmy natives that will not thrive amongst the eucalyptus;**
2. **Place further restrictions on how many trees the owner may remove from the property, to avoid an unscrupulous owner from effectively denuding the property over time.**
3. **Restrict the removal of rocks (other than those moved for construction).**

Secondly, I am concerned that the current public rights of way will fall into disuse, despite the proposed signage and steps. Any walker will inevitably be afraid of encroaching on private property, and since the property perimeter does not appear to be delineated, there is a potential for conflict between the property owner and members of the community. **Since the city has granted improvement waivers to the developer, perhaps the monies saved could be put instead toward improving the public right of way, by marking it explicitly so there are no ambiguities over its boundaries.** This might be inexpensively done with posts, path edging or other means. It would allow the public to walk without fear of trespass, which would be reassuring to both the public and the property owner.

I hope you agree that due to it's natural beauty, wildlife and high visibility, Cerrito Peak is *not* a "run of the mill" development site, and that the city needs to exercise extraordinary care when planning any development upon it. For that reasons, I urge the city to heed my concerns and suggestions.

Please confirm receipt.

Yours sincerely,

Julian Smalley

Julian Smalley <julian.smalley@gmail.com> **Tue, Oct 4, 2011 at 9:42 AM**
To: kwold@morro-bay.ca.us

Kathleen

I wish to amend my letter below. It should also be co-signed by Edward Finegan of the same address, as he is the registered property owner and registered voter in the County. With thanks.

Julian Smalley
[Quoted text hidden]

ATTACHMENT 6

RECEIVED
DEC 06 2011
City of Morro Bay
Public Services Department

RE: Appeal of Conditional Use Permit #UPO-223 & Coastal Development Permit #CPO-285

To the Morro Bay City Councilmembers:

I would like to amend my appeal to the Cerrito Peak development, filed October 17, 2011, to include the fact that the Draft Mitigated Negative Declaration (page 8 of the Initial Study and Checklist, dated May 13, 2010) is incorrect in stating that there would be "no impact" in reference to the question, in section III. Environmental Checklist, subsection 1.b., "[Would the project] Substantially damage scenic resources, including but not limited to, trees, rock outcroppings, and historic buildings within view of a state scenic highway?" The project site is clearly visible from Highway 1, which is a designated state scenic highway. Therefore, there is "potentially significant impact" and the corresponding box must be checked in subsection III.1.b on page 8.

In addition, on page 9 of the same document, the Impact Discussion, section b, states: "The site is not within view of a designated scenic highway."
This is incorrect, as the site is clearly visible from a designated state scenic highway (http://www.dot.ca.gov/hq/LandArch/scenic_highways/index.htm).

I request that all City documentation pertaining to this project, including the Draft Mitigated Negative Declaration dated May 13, 2010, be revised to indicate that the proposed development will have "potentially significant impact" on scenic resources visible from a designated state scenic highway.

Sincerely,

Nicole Dorfman — Dec 6, 2011

Nicole Dorfman
570 Olive Street
Morro Bay, CA 93442

ATTACHMENT 7

SJL&M
SINSHEIMER JUHNKE LEBENS & MCIVOR, LLP
ATTORNEYS AT LAW

WARREN A. SINSHEIMER III
DAVID A. JUHNKE
THOMAS F. LEBENS *
JUNE R. McIVOR
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Of Counsel:
ROBERT K. SCHIEBELHUT
K. ROBIN BAGGETT

E-Mail:
KElder@sjlmlaw.com

Client: 4324001

December 6, 2011

Mayor William Yates
Council Members:
Carla Borchard
Nancy Johnson
George Leage
Noah Smukler

VIA ELECTRONIC MAIL
bkessling@morro-bay.ca.us
kwold@morro-bay.ca.us

c/o Bridgett Kessling, City Clerk and
Kathleen Wold, Planner Manager
595 Harbor Street
Morro Bay, California 93442

Re: Jordan Terrace / Cerrito Peak Residence: Reddell UPO-223/CPO-285

Dear Ladies and Gentlemen:

On behalf of our client Nancy Mellen, we respectfully submit this letter, to go with the Public Services Department Appeal Form, letter, and other material previously submitted to the city on October 13, 2011. In addition to the reasons provided in the previously submitted material, we respectfully submit these additional reasons why the city must decline to approve the mitigated negative declaration and decline to approve the project.

Use of Special Encroachment Permits

One of the issues that received considerable discussion at the planning commission hearing was the proposed issuance of special encroachment permits that would allow the applicant to fence off part of the public right of way, and allow the applicant to place drainage basins (described as "minor private improvements" on page 4 of the staff report) near the bottom of the hill, also in the public right of way.

Granting a special encroachment permit on Cerrito Peak is like granting an encroachment permit for a private citizen to use part of a public park for their private benefit. It seems unlikely that the city would allow a private citizen to fence off part of a park for private use, but that is what is being proposed in the mitigated negative declaration. Further, if granted, this sets a dangerous precedent when future applicants seek encroachment permits, as they will have a basis to obtain encroachment permits on other open spaces within the city.

Staff noted that special encroachment permits were routinely granted by the city. One example provided by staff where special encroachment permits are routinely issued is where a resident parks in the public right of way between the paved part of a street and the resident's property line. The rationale being that many of the streets are quite wide and allowing a resident to use one or two feet of the right of way for private parking space does not harm the public interest.

Cerrito Peak is not the same as an unpaved street in the urbanized portion of Morro Bay. The open space that is Cerrito Peak is like a public park, providing residents and others with recreational and view opportunities in the middle of the city. It seems unlikely that the planning department would allow a resident to use part of a public park for private purposes, but that is just what the mitigated negative declaration proposes to do to allow the applicant to install a private security fence and drainage basins.

The findings attached as Exhibit A to the city's staff report dated September 26, 2011, do not even mention the granting of the special encroachment permit, let alone "set forth findings to bridge the analytic gap between the raw evidence and the ultimate decision" to allow encroachment by a private party onto public land. Topanga Assn. for a Scenic Community v. County of Los Angeles, (1974) 11 Cal. 3d 506, 515. Without adequate findings as required by *Topanga*, the public is unable to ascertain the logic behind a grant of a variance from the code.

Use of Future Studies Prohibited

Another issue that has been raised in our prior material and by other appellants is the use of future studies with respect to the effect of the project on Chumash cultural resources. As noted on page 11 of our June 21, 2010 letter, use of future studies is in direct conflict with CEQA guidelines. Sundstrom v. County of Mendocino, 202 Cal. App. 3d. 296. Page 16 of the mitigated negative declaration states that a "mitigation measure has been recommended that a subsurface evaluation (Phase 2 Cultural Resource Evaluation) of the resource be conducted to *establish the sites content, integrity and extent.*" (emphasis added).

Staff's response was essentially that the study would not change the mitigation measures required in regard to cultural resources. However, if a Phase 2 study is required in order to *establish the site's content, integrity and extent* of the resources, it is impossible to know what mitigation measures are required, or if the impact can be properly mitigated.

Once the Phase 2 has been performed, the results should be open to public review. This is exactly why CEQA prohibits the use of future studies as a basis for mitigation measures – because it deprives the public of review and input on the results of the study.

Installation of Utilities Not Adequately Covered

The plans as approved by the city do not adequately describe how utilities will be installed and provided to the house. In most cases, installation of utilities is routine and easy to accomplish. However, this is not the usual case, and as the utilities must travel underground to

reach the house, it would seem that the utilities will be required to be routed through rock outcroppings, or must take a circuitous route in order to avoid going through rock. In any case, without fully describing how utilities will be installed and provided to the house, the public is deprived of its right to review the plans, as is required by CEQA.

For the reasons stated in this letter and the material previously provided as part of the appeal of the Planning Commission's decision to approve the project, we respectfully request that the City Council decline to approve the mitigated negative declaration and decline to approve the project without preparation of an environmental impact report.

Thank you for your time and consideration of this important matter.

Sincerely,

SINSHEIMER JUHNKE LEBENS & McIVOR, LLP

KEVIN D. ELDER

KDE:ggf
K:\MellenN\Ltr\17Kessling-120611.doc

ATTACHMENT 8

RECEIVED
DEC 0 6 2011
ADMINISTRATION OFFICE
CITY OF MORRO BAY

December 3, 2011

Honorable Mayor William Yates
Morro Bay City Council
595 Harbor Avenue
Morro Bay, California 93442

RE: Case # UPO-223/CPO-285
APN# 066-221-001 Cerrito Peak
Applicant: Dan Reddell

Dear Mayor Yates:

On October 5, 2011 I watched the Planning Commission hearing regard the above property and would like to commend the Planning Commission's review of the Applicant's request and adherence to the build codes of the City of Morro Bay. As a property owner in Morro Bay I was glad to see the Planning Commission recognized the RIGHT of the property owner, Mr. Dan Reddell, to obtain a permit to build on his property.

I listened to William R. Quigley, Doreen Liberto-Blank, Nicloe Dorfman, Fred Collins, John Thompson and Kevin Elder (representing Nancy Mellen) who opposed this permit for personal reasons when none of these individuals have ever paid a dime's worth of property tax towards this site.

I know that Mr. Reddell has a realty business in Morro Bay. I believe that all those that oppose this permit could approach Mr. Reddell and offer to purchase this property (at his asking price) so that they can then enjoy it as they see fit. Otherwise they should have no standing until they own this property and pay property taxes.

Please consider me as one of the Citizens of Morro Bay who is in favor of Mr. Reddell having a building permit for his property. I would appreciate you sharing this letter with your fellow council members. Thank you for your consideration in this matter.

Sincerely,

Joe Nungaray

Joe Nungaray
426 Shasta Avenue
Morro Bay, CA 93442

cc: Public Services Dept

ATTACHMENT 9

RECEIVED
DEC 06 2011
ADMINISTRATION OFFICE
CITY OF MORRO BAY

December 6, 2011

To the City Council of Morro Bay

You should ~~recind~~ rescind the permit given by the planning commission for the Cerrito Peak Project because of the following reasons.

!. The developer does not have to post a bond to protect damage that they might cause to property owners on the hill nor do they have to post a completion bond. It might be several years before any construction and in this uncertain economy it could be started and not completed There should be money to restore this property if this happens. Both of these should be mandatory for a project such as this.

My daughter lived below a project like this and when the developer started moving dirt around, it was after the first rain that lots of mud and water ran down the hill into residences. Some people could not move back into their homes for almost a year because of the mold which is a health hazard and these people were not covered by their homeowners insurance.

Almost every homeowners policy has a clause that any damage caused by "movement of dirt "is not covered. This applies to your car insurance also. There are over 30 properties on this hillside that could be damaged by the drilling, blasting and movement of dirt and you need to protect them. Is the city prepared for future lawsuits if there is damage? Why is this developer getting special treatment when other people have had to post bonds.

2.. There was not an EIR and this is a sensitive area that can be seen from Highway one; the Embarcadero; The Harbor Walk; Main Street and Bayward Park to name a few.It is also a major Monarch butterfly habitat and an Indian sacred site.

3. The planning commission allowed a gift of public lands for private use so the developer would have access to his property.

4. This land has been used by generations of children and adults and there may be question of prior rights by the public.

5. Would you build a house on Morro Rock or Black Mountain?

Dorothy Cutter
Morro Bay, California
805-772-7232

cc: Public Services

Dennis Sheridan
Entomologist
1321 17th Street
Los Osos, CA 93402

RECEIVED
DEC 06 2011
ADMINISTRATION OFFICE
CITY OF MORRO BAY

October 28, 2011

ATTACHMENT 10

To the City of Morro Bay:

I am writing to express my concerns about the proposed development on Cerrito Peak in Morro Bay. As a professional biologist and entomologist, I wish to correct the public record which indicates that this site is not an important habitat for the Western Monarch Butterfly. It is a fact that the Monarch uses the site on both a temporary and permanent basis. Due to the large parcel size and the fact that all other butterfly habitats in the city have been cut down, it is vital that this site along the flyway be retained.

The EIR focuses primarily on birds and trees. It does not acknowledge the Western Monarch butterfly, and therefore, is flawed. I urge the City Council to:

1. Require the Western Monarch butterfly be included in the EIR.
2. Require a current butterfly field survey during the appropriate season rather than rely on the cited 4-year-old and 7-year-old studies.
3. Require a change to the checked box on 4a from "No Impact" to "Potential Significant Impact"

The proposed development, as approved, would have serious environmental impacts for the Monarchs and I urge the City Council to overturn the conditional use permit until further investigation is done and more rigorous means for protecting the Monarch are put in place.

Sincerely, Dennis Sheridan

Dennis Sheridan

cc: Mayor / Council
Public Services

AGENDA NO: B-2

MEETING DATE: December 13, 2011

Staff Report

TO: **Honorable Mayor and City Council** **DATE: December 5, 2011**

FROM: **Rob Livick, PE/PLS – Public Services Director/City Engineer**
Kathleen Wold, AICP – Planning and Building Manager

SUBJECT: **Review and provide recommendations for the City of Morro Bay Sign Code based on Workshop and Survey Results**

RECOMMENDATION:

Review workshop and survey results and provide direction to staff regarding any modifications to the "Sign Ordinance" to be incorporated into a revised ordinance that will be forwarded to the Planning Commission for review and recommendations back to City Council.

FISCAL IMPACT:

The processing of this text amendment will require additional staff time associated with processing the amendment through, Planning Commission, City Council and the California Coastal Commission.

BACKGROUND

At the regularly scheduled City Council meeting on April 12, 2010 the status report on the A-Frame Sign Ordinance was presented to the Council for direction. The Council directed staff to bring forward to the Planning Commission a Sign Ordinance Amendment incorporating the Sign Ordinance drafted for the 2004 Zoning Ordinance and new A-frame sign regulations.

Staff worked on the amendment and presented the Sign Ordinance Amendment to the Planning Commission at the regularly scheduled meeting on May 17, 2010. During the meeting, public testimony was received and the ordinance was discussed by the Commission. The ultimate outcome of the meeting was to continue the item to a date uncertain with direction given to staff to hold a workshop on the ordinance to ensure that there was sufficient public input.

At the December 13, 2010 City Council meeting the Council directed staff to place the Sign Ordinance as a high priority on the Planning Division's work program. On February 16, 2011 a public workshop was held to receive input from the public on the Draft Sign Ordinance. During this meeting input was received from the public and subsequent to this input the Planning Commission moved to forward the Draft Sign Ordinance to the City Council with the following changes:

Prepared By: RL/KW Dept Review: RL

City Manager Review: _____

City Attorney Review: _____

- One A-frame sign per business per frontage during business hours only.
- A-frame or feather sign to be allowed.
- Fee shall be waived until June 2012 for the A-frame signs whereby it would be set at $40 as a onetime permit fee.
- Allow for provisions for directional pole signage as brought by Mr. Schmidt of the Chamber of Commerce to include in this ordinance.
- To include corrections of the projection signs section from 12 to 24 inches.
- Include vacation rentals under the Real Estate section.

At the April 19, 2011 City Council meeting an item was brought forth by Mayor Yates and Councilperson Borchard concerning the enforcement of the code prohibiting A-frame signs. At this meeting the Council directed staff to enforce the Sign Ordinance prohibiting A-frame signs and on May 3, 2011 a letter was sent to all businesses within Morro Bay detailing that A-frame signs are prohibited and describing the process by which the City will be enforcing the ordinance.

The draft sign ordinance was scheduled for the May 10, 2011 meeting as a new business item, but at that meeting it was continued to the May 24, 2011 meeting as a public hearing item. At the May 24, 2011 City council held a public hearing and discussed issues regarding the sign ordinance. The City Council adopted an urgency ordinance allowing that established interim rules regulating the approval process and construction of projecting signs pending completion of studies and the preparation of an update to the City's zoning code. Additionally the Council directed staff to hold public workshops and bring the sign ordinance back to the Council for further direction before presenting the proposed sign ordinance to the Planning Commission.

DISCUSSION:

Public Services staff engaged the services of Chuck Anders of Strategic Initiatives to facilitate two consecutive workshops regarding the sign issues in Morro Bay. The meetings were held on September 29 and October 6, 2011 at the Veteran's Memorial Building. The workshops were attended by representatives of the business community, Chamber and citizens at large. In addition to materials presented at the workshops all of the materials were made available on the City's Website at http://morro-bay.ca.us/index.aspx?nid=708.

At the first workshop on September 29th, the following items were discussed at the workshop:

- Review history of the existing sign ordinance.
- Discuss structure of ordinance.
- Review the key issues that have been raised in the past.
- Discuss constraints (CCC, general plan, other).
- Review the results from the Tourism Workshop and how BCA is presenting the community.
- Sign ordinance should be aligned with how the community wants to be perceived.
- Discuss how perspectives influence perceptions.
- Poll each questions to focus discussion on subject.
- Provided some time at end for public comment on related issues.
- Discuss ten different types of signs.

- Current sign rules
- Present results of previous Planning Commission Sign Committee activities.
- Summarize observations and "Takeaways".
- Discuss next steps
    - Staff prepares conceptual/preliminary proposals.
    - Review alternative concepts and next workshop.
    - Discuss implementation methods and timelines.

During the workshop and through the "Survey Monkey" survey tool the consensus of the participants indicated the following:

- The current sign ordinance is not working.
- Not happy with the appearance of signs in Morro Bay.
- Mixed results from respondents regarding having enough signage.
- One hundred percent desired different sign rules for different areas.
- A-Frame signs may be appropriate for some areas.
- Minimize signs in residential areas.
- Allow for exceptions to the sign ordinance for special circumstances.
- Sign materials can be important.

Based on the polling results from the first workshop, staff developed a strategy for a palette of different sign types for different areas in the community, ie Embarcadero, Downtown, and North Morro Bay. North Morro Bay was later designated has "Highway Commercial" to include Quintana Road, which also fronts on Highway 1.

The October 6th workshop built upon the work started at the September 29th workshop ad consisted of the following items:

- Perspective - The sign ordinance should reinforce "The Morro Bay Experience" and promote Morro Bay businesses.
- Reviewed results from first workshop.
- Presented alternative sign ordinance concepts.
- Poll opinions about alternative sign ordinance concepts to focus discussion on pros and cons of alternative concepts:
    - Embarcadero Area.
    - Downtown.
    - North Morro Bay/Highway Commercial (Quintana).
- Presentation by former planning commissioner regarding previous Planning Commission research.
- Conclusions.

In addition to the polling that occurred at the meeting, the Morro Bay Chamber of Commerce assisted staff by polling the entire membership. Ninety-one or 21.6-percent of those (421) emailed responded to the survey. Of those, 10-percent attended both workshops, 80-percent or 73 attended none. One-third of those responding provided comments with their answers.

Again based on the results of the workshop and polling the participants indicated:

- Desire for different rules for different geographical areas
- A-Frame and Banners may be appropriate for some areas
- No difference between internal and external illumination of signs

Modification of the sign ordinance will require staff time for the writing of new code language and performing the required environmental review. Currently the Planning Division's priority is to focus on current planning activities, i.e. projects that are planned for construction in the near future. In order move the sign ordinance to a higher priority, either a temporary increase in Planning staffing levels or a reprioritization of work load is required; which could result in current projects being delayed.

CONCLUSION

Based on the approximately 100 plus or minus participants in the sign workshops and survey process, staff can conclude that there is a strong desire for modifications to the sign ordinance to include different rules for different geographical areas, there is still a desire from some participants to allow provisions in the ordinance for A-Frame and flag signs in the "Highway Commercial" areas of North Main and Quintana Road. Staff will refine the sign ordinance based on Council direction and present the revised ordinance to the Planning Commission for their review and consideration. The sign ordinance will then move on to City Council for approval then to the California Coastal Commission for approval. Once all approvals have been received the new sign ordinance can be used and enforced.

ATTACHMENTS

1. City Council Meeting Minutes from May 24, 2011
2. Presentation from Workshop#1
3. Sign Ordinance Workshop #1 Polling Results
4. City (SurveyMonkey) Survey results from Workshop #1
5. Preliminary Sign Program Prepared for Workshop #2
6. Sign Ordinance Workshop #2 Polling Results
7. Chamber of Commerce (Zoomerang) Survey Results from Workshop #2

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MINUTES - MORRO BAY CITY COUNCIL
CLOSED SESSION – MAY 24, 2011
CITY HALL CONFERENCE ROOM - 4:00 P.M.

Mayor Yates called the meeting to order at 4:00 p.m.

PRESENT:	William Yates	Mayor
	Carla Borchard	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember
STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney

CLOSED SESSION

MOTION: Councilmember Smukler moved the meeting be adjourned to Closed Session. The motion was seconded by Councilmember Leage and unanimously carried. (5-0)

Mayor Yates read the Closed Session Statement.

CS-1 **GOVERNMENT CODE SECTION 54957.6; CONFERENCE WITH LABOR NEGOTIATOR**. Conference with City Manager, the City's Designated Representative, for the purpose of reviewing the City's position regarding the terms and compensation paid to the City Employees and giving instructions to the Designated Representative.

CS-2 **GOVERNMENT CODE SECTION 54956.8; REAL PROPERTY TRANSACTIONS**. Instructing City's real property negotiator regarding the price and terms of payment for the purchase, sale, exchange, or lease of real property as to three (3) parcels:

- Property: Embarcadero Grill - Lease Site 86-86W
  Negotiating Parties: Caldwell and City of Morro Bay.
  Negotiations: Sub Lease Terms and Conditions.
- Property: Lease Site 65-66/65W-66W, 571 Embarcadero,
  Negotiating Parties: Imani and City of Morro Bay.
  Negotiations: Lease Terms and Conditions.
- Property: Sea One Solutions; Lease Site 124-128/124W-128W and 113W, 1215 Embarcadero.
  Negotiating Parties: Sea One Solutions, LLC and City of Morro Bay.
  Negotiations: Lease Terms and Conditions.

The meeting adjourned at 4:50 p.m.

The City Council adjourned to a Special Open Session meeting to hold interviews to fill vacancies on the City's Planning Commission, Public Works Advisory Board and Community Promotions Committee. The interviews started at 5:00 p.m. and were located at the Veterans' Memorial Building, 209 Surf Street, Morro Bay, CA

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – MAY 24, 2011
VETERANS MEMORIAL HALL - 6:00 P.M.

Mayor Yates called the meeting to order at 6:20 p.m.

PRESENT:	William Yates	Mayor
	Carla Borchard	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember
STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney
	Bridgett Kessling	City Clerk
	Eric Endersby	Harbor Operations Manager
	Rob Livick	Public Services Director
	Tim Olivas	Police Chief
	Mike Pond	Fire Chief
	Susan Slayton	Administrative Services Director
	Joe Woods	Recreation & Parks Director

ESTABLISH QUORUM AND CALL TO ORDER
MOMENT OF SILENCE
PLEDGE OF ALLEGIANCE
MAYOR AND COUNCIL MEMBERS REPORTS, ANNOUNCEMENTS & PRESENTATIONS
CLOSED SESSION REPORT - City Attorney Robert Schultz reported the City Council met in Closed Session; no reportable action under the Brown Act was taken on Item CS-1.

The following action was taken on Item CS-2:

- Property: Embarcadero Grill - Lease Site 86-86W
  Negotiating Parties: Caldwell and City of Morro Bay.
  Negotiations: Sub Lease Terms and Conditions.

Councilmember Leage was excused from this discussion due to a conflict of interest; and, no action under the Brown Act was taken on Lease Site 86-86W.

- Property: Lease Site 65-66/65W-66W, 571 Embarcadero,
  Negotiating Parties: Imani and City of Morro Bay.
  Negotiations: Lease Terms and Conditions.

- Property: Sea One Solutions; Lease Site 124-128/124W-128W and 113W, 1215 Embarcadero.
  Negotiating Parties: Sea One Solutions, LLC and City of Morro Bay.
  Negotiations: Lease Terms and Conditions.

Action was taken to correct the administrative error under Section 2.04 (Percentage Rent) to bring the lease agreements in conformance with the Master Lease format for Lease Sites 65-66/65W-66W, and Lease Site 124-128/124W-128W and 113W.

PUBLIC COMMENT

Jeff Eckles, owner of Morro Bay House of Jerky, stated this is a new store on the Embarcadero which carries five different flavors of jerky, as well as a variety of other goods.

Gary Hixson promoted the Gary (Tyler Moore) Hixson Show, and he supports having a Film Commission in Morro Bay. Mr. Hixson spoke on various issues in the City.

Dan Glesmann addressed an article in the *Tribune* regarding the budget woes in San Luis Obispo. He addressed Morro Bay's upcoming budget and requested the City Council get control of personnel costs and preserve the City's infrastructure.

Stan Trapp thanked the City for its efforts in sprucing up the Embarcadero. He addressed Item A-5 (Resolution Authorizing Monthly Payment Option for Embarcadero Leaseholders) and expressed gratitude to staff for recommending monthly payments for leaseholders. Mr. Trapp also addressed Item B-1 (Consideration of Adoption of Interim Urgency Ordinance Establishing Rules Regulating the Approval Process and Construction of Projecting Signs Pending Completion of Studies and the Preparation of an Update to the City's Zoning Code) and supported the recommendation for approval of Ordinance No. 568 which will bring uniformity to the signs around the City.

Nancy Castle thanked the City for its support of the Central Coast Maritime Museum Association for the display across from the Great American Fish Company which is a part of the history of Morro Bay.

John Weiss discussed the Eco-Rotary Program where the goal is to recycle the food products and reduce the amount of water used at the three local golf courses in the county. He said there will be meetings every second and fourth Tuesdays at the Morro Bay Golf Course regarding this program.

Virginia Hiramatsu announced Relay for Life of Morro Bay will be held on August 6 and 7, 2011 at Morro Bay High School. She said the funds raised at this event will stay to assist victims of cancer in Morro Bay.

George Ross, CPA stated the pension liabilities in the City are the biggest concern and the two-tiered pension benefit is a good idea on reducing future pension liabilities. He said another hole in the City governance is the issuance of business licenses which needs to be enforced. Mr. Ross also stated another annoyance is the theft of recycling goods which could lead to identity theft. He also expressed the need to pursue compliance on the removal of A-frame signs.

Betty Winholtz addressed Item A-4 (Adoption of Ordinance No. 567 Repealing, Amending and Reenacting Chapter 14.48 of the City of Morro Bay Municipal Code, Entitled Illicit Discharge and Stormwater Management Control) stating there is not an educational component to this Ordinance, and there needs to be some directive to educate the public. She also noted although the improvements to the Embarcadero are nice, North Main Street also deserves the same improvements to attract customers to the businesses in this part of the City.

Joan Solu addressed Council's future review on tourism and requested the City Council pay close attention to some of the suggestions, and noted there are several visitor-serving contracts. She said tourism brings in $70-80 million in business revenue annually to the City, and the City does not have a leader or strategy and needs a Director of Tourism. Ms. Solu stated the Morro Bay Tourism Business Improvement District would be happy to discuss paying an administrative fee in place of the Visitor Center contract.

John Barta thanked the City for the removal of the news racks. He referred to Item A-4 and noted the City has no downstream communities that would be caused any harm from storm water pollution. Mr. Barta stated the City should be required to have small traps that will clean storm water discharge however anything larger than that is unnecessary.

Brian Stacy requested the City consider providing assistance to fishermen by giving them an extension on slip rent during salmon season.

Kim Vanerstrand, business owner on Main Street, expressed concern with the City's proposed signage regulations and how it may affect stores off the beaten path.

Mayor Yates closed the hearing for public comment.

A. CONSENT CALENDAR

Unless an item is pulled for separate action by the City Council, the following actions are approved without discussion.

A-1 APPROVAL OF MINUTES FOR THE REGULAR CITY COUNCIL MEETING OF MAY 10, 2011; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF CONTRACT WITH BARNETT COX & ASSOCIATES FOR ADVERTISING AND MARKETING SERVICES; (CITY ATTORNEY)

RECOMMENDATION: Approve and authorize the Mayor to execute the contract.

A-3 RESOLUTION NO. 35-11 AUTHORIZING SAN LUIS OBISPO COUNTY ASSESSOR TO ASSESS AMOUNTS DUE ON DELINQUENT SOLID WASTE COLLECTION ACCOUNTS AS TAX LIENS AGAINST THE PROPERTIES; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Adopt Resolution No. 35-11.

A-4 ADOPTION OF ORDINANCE NO. 567 REPEALING, AMENDING AND REENACTING CHAPTER 14.48 OF THE CITY OF MORRO BAY MUNICIPAL CODE, ENTITLED ILLICIT DISCHARGE AND STORMWATER MANAGEMENT CONTROL; (PUBLIC SERVICES)

RECOMMENDATION: Adopt Ordinance No. 567.

A-5 RESOLUTION AUTHORIZING MONTHLY PAYMENT OPTION FOR EMBARCADERO LEASEHOLDERS; (HARBOR)

RECOMMENDATION: Adopt Resolution No. 37-11.

A-6 RESOLUTION AUTHORIZING EXECUTION OF THE "DESIGNATION OF APPLICANT'S AGENT RESOLUTION FOR NON-STATE AGENCIES" FOR THE CITY'S APPLICATION FOR CALIFORNIA DISASTER ASSISTANCE ACT PROGRAM; (HARBOR)

RECOMMENDATION: Adopt Resolution No. 38-11.

Councilmember Leage pulled Item A-3 from the Consent Calendar; Councilmember Borchard pulled Item A-4.

MOTION: Councilmember Borchard moved the City Council approve the Consent Calendar with the exception of Items A-3 and A-4. The motion was seconded by Councilmember Johnson and carried unanimously. (5-0)

A-3 RESOLUTION NO. 35-11 AUTHORIZING SAN LUIS OBISPO COUNTY ASSESSOR TO ASSESS AMOUNTS DUE ON DELINQUENT SOLID WASTE COLLECTION ACCOUNTS AS TAX LIENS AGAINST THE PROPERTIES; (ADMINISTRATIVE SERVICES)

Councilmember Leage asked if there is any other way to collect on a delinquent bill other than placing a lien against property. He said he would prefer another way of collecting on a bill, such as a collection agency rather than attaching the property; Mayor Yates agreed.

Administrative Services Director Susan Slayton responded garbage liens are placed only on homeowners based on the delinquency of the bill at the end of the year. She said the Garbage Company makes an effort to collect on the garbage bill and when the bill has been neglected for a long period of time, the Garbage Company has the ability to assess their collection through the property tax bill. Ms. Slayton stated the City receives a 2% administration fee for pursuing the assessment.

MOTION: Councilmember Borchard moved the City Council approve Item A-3 of the Consent Calendar. The motion was seconded by Councilmember Smukler and carried with Councilmember Leage and Mayor Yates voting no. (3-2)

A-4 ADOPTION OF ORDINANCE NO. 567 REPEALING, AMENDING AND REENACTING CHAPTER 14.48 OF THE CITY OF MORRO BAY MUNICIPAL CODE, ENTITLED ILLICIT DISCHARGE AND STORMWATER MANAGEMENT CONTROL; (PUBLIC SERVICES)

Councilmember Borchard clarified from her statement at the last City Council meeting instead of "minimum rainfall requirements", she meant "minimum required hydromodification and Low Impact Development Control measures allowed under the City's storm water permit requirements.

MOTION: Councilmember Borchard moved the City Council approve Item A-3 of the Consent Calendar. The motion was seconded by Councilmember Smukler and carried with Mayor Yates voting no. (4-1)

Mayor Yates called for a break at 7:22 p.m.; the meeting resumed at 7:37 p.m.

B. PUBLIC HEARINGS, REPORTS & APPEARANCES

B-1 REVIEW OF DRAFT SIGN ORDINANCE AND CONSIDERATION OF ADOPTION OF INTERIM URGENCY ORDINANCE ESTABLISHING RULES REGULATING THE APPROVAL PROCESS AND CONSTRUCTION OF PROJECTING SIGNS PENDING COMPLETION OF STUDIES AND THE PREPARATION OF AN UPDATE TO THE CITY'S ZONING CODE; (CITY ATTORNEY/PUBLIC SERVICES DIRECTOR)

City Attorney Robert Schultz stated staff is beginning to enforce the A-Frame Sign regulations and there have been discussions regarding allowing "Projecting Signs" (commonly referred to as "Pub" signs) to replace A-frame signs. The purpose of this Ordinance is to allow for the issuance of sign permits for projecting signs. Mr. Schultz recommended the City Council adopt Interim Urgency Ordinance No. 568 which would establish interim rules regulating the approval process and construction of projecting signs pending completion of studies and the preparation of an update to the City's zoning code.

Mayor Yates opened the hearing for public comment.

John Barta expressed support for the adoption of Interim Urgency Ordinance No. 568.

Mayor Yates closed the hearing for public comment.

MOTION: Mayor Yates moved the City Council adopt Interim Urgency Ordinance No. 568 which would establish interim rules regulating the approval process and construction of projecting signs pending completion of studies and the preparation of an update to the City's zoning code. The motion was seconded by Councilmember Borchard and carried unanimously. (5-0)

City Manager Andrea Lueker read Interim Urgency Ordinance No. 568 by number and title only.

Public Services Director Rob Livick stated the Draft Sign Ordinance is fundamentally the same ordinance approved within the Comprehensive Zoning Ordinance Update 2004; changes have been made to the Sign Ordinance to allow it to be integrated into the existing Ordinance. He said the current and proposed ordinance limits the amount of signage each building and/or business can permanently affix to a building as such a determination should be made if further changes need to be addressed to achieve the Council's goal as they pertain to projecting signs. Mr. Livick recommended the City Council review the Draft Ordinance and changes proposed by the Planning Commission and provide direction to staff regarding the final revised Sign Ordinance.

Council agreed that more work is needed on this Draft Ordinance, and a workshop would be beneficial to receive input from the business community.

Mayor Yates opened the hearing for public comment.

John Barta stated years ago when he served on the Planning Commission, it took several years to develop the concept of the Sign Ordinance. He said he would be happy to share the PowerPoint presentation he has with the information from that time period.

John Weiss, President of Chamber of Commerce, stated it is agreed that the business community would like to reduce clutter; the need of communicating what and where businesses are; the adoption of modest fees; and, it meets the needs of the business as well as City standards. He said a workshop is a great idea.

Mayor Yates closed the hearing for public comment.

Councilmember Smukler stated he would like a better dialogue with the Chamber of Commerce and other interest groups, and that they have an opportunity for input.

Councilmember Johnson made the following suggestions: 1) no A-frame signs anywhere in the City; 2) projecting public signs allowed in all parts of the City; 3) kiosks should be allowed at the corner of Beach and Front Street, along the waterfront and on the corners of Old Town; and 4) feather flags should be allowed in North Morro Bay and Quintana Road. She also noted signs on pick-up trucks should not be allowed and should be enforced.

Mayor Yates stated he agrees there should be no A-frame signs allowed anywhere in town noting there are alternative signs.

Councilmember Borchard stated she would like to exhaust the fact that there are areas that could have alternative signage before disallowing A-frame signs. She said she would like the Planning Commission PowerPoint presentation from 2004 be part of the workshop which could give Council alternative ideas. Councilmember Borchard requested Council consider the appointment of a Sign Review Board.

Council directed staff to schedule a public workshop on the Draft Sign Ordinance within six months, or by the first meeting in November.

No further action was taken on the Draft Sign Ordinance.

B-2 REVIEW AND ADOPTION OF A REVISED TEEN CENTER MASTER PLAN; (RECREATION & PARKS)

Recreation & Parks Director Joe Woods stated the Teen Center Master Plan process started in 2004 with public workshops and concluded in 2006 with a City Council approved Concept Plan. Recent workshops have been held to not only update the Master Plan, but also to fulfill Proposition 84 requirements for public input. Staff held three workshops at the Teen Center in late February 2011. The Recreation & Parks Commission reviewed four resulting options and requested staff to develop additional options which combined two of the proposed. As a result, Options 5 and 6 are presented to City Council for consideration. At the conclusion of this process, staff will be submitting a grant application to the State Parks Department with the intent to obtain Proposition 84 funding. Mr. Woods recommended the City Council review and discuss the proposed options for the Teen Center Master Plan and adopt either Option 5 or 6 based on public input and consensus.

Mayor Yates opened the hearing for public comment.

Jake stated he has been going to the Teen Center for a few years and it has been a great experience, and he believes this upgrade will be beneficial for future teens. He said Option 6 would provide a lot of space for the community.

John Gutierrez, Program Director for Teen Center, stated this is a home away from home for a lot of teens. He said as part of the Teen Advisory Committee, there are teens that put a lot of time into this Master Plan. Mr. Gutierrez stated he prefers Option 6 generally as the better plan.

Taylor Newton stated he mentors the Gorilla Gardening Club who is mostly teens who are excited about getting involved in the landscape portion of this plan as well as the skate park and fitness area. He stated he prefers Option 6 especially with the fitness center and internet access.

Karen Croley, Recreation & Parks Commissioner, stated she prefers Option 6 which is more family-oriented with something for different age groups to do in a confined space. She said crime studies show that between 3:00 pm - 5:00 pm is when crime rates are highest because teens are home unsupervised with nothing to do.

Mayor Yates closed the hearing for public comment.

Councilmember Borchard stated she is adamant that this is a Youth Center with multi-age access and recognizing an area for teens. She expressed concern with the maintenance of the skate park area under the trees. Councilmember Borchard also has concern with the unprojected cost of this plan.

Councilmember Johnson stated she prefers Option 6; however, she expressed concern with the placement of the modular skate park in the back and the concrete skate park in the front of the Center. She said she would like the climbing area to be opened to preteens. Councilmember Johnson stated she would like the Center to be renamed because it is intimidating to preteens. She also has concerns with the unprojected costs.

Mayor Yates stated he supports approval of the Master Teen Center Plan (Option 6) as proposed; Councilmember Leage agreed.

Councilmember Smukler stated he supports Option 6 because it gives a buffer from the neighboring property owner. He said he would like renewable energy and water recycling to be included in this plan.

MOTION: Councilmember Smukler moved the City Council adopt Option 6 of the Master Teen Center Plan. The motion was seconded by Councilmember Borchard and carried with Councilmember Johnson voting no. (4-1)

C. UNFINISHED BUSINESS – NONE.

D. NEW BUSINESS

D-1 RESOLUTION NO. 36-11 APPROVING A COOPERATION AGREEMENT BETWEEN THE COUNTY OF SAN LUIS OBISPO AND THE CITY OF MORRO BAY FOR JOINT PARTICIPATION IN THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM, THE EMERGENCY SOLUTIONS GRANT PROGRAM AND THE HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM FOR FISCAL YEARS 2012-2014; (ADMINISTRATION)

City Manager Andrea Lueker stated the City of Morro Bay has the opportunity to participate with other cities and the County of San Luis Obispo in qualifying as an "Urban County" for fiscal years ending 2012-2014. An Urban County receives annual, formal-based grants from the federal Department of Housing and Urban Development (HUD) under the Community Development Block Grant (CDBG), Home Investment Partnership Act (HOME) and Emergency Solutions Grants (ESG) programs. For the next 3-year cycle, staff's recommendation is that the City of Morro Bay joins the Urban County rather than apply for funds as an individual city. This recommendation is due to staff reallocations and budget reductions over the past few years. Staff believes this move will provide more funding overall to the City and its residents, than the City attempting to apply for funds as an individual City. If the City decides to become part of the Urban County, the City will receive its CDBG allocation through the county. The estimated amount of the CDGB funding is $87,000 - 100,000. Ms. Lueker recommended the City Council adopt Resolution No. 36-11 approving a Cooperation Agreement between the County of San Luis Obispo and the City of Morro Bay for Joint Participation in the Community Development Block Grant Program, the Emergency Solutions Grant Program, and the Housing Opportunities for Persons with Aids Program for Fiscal Years 2012-2014.

MOTION: Councilmember Leage moved the City Council adopt Resolution No. 36-11 approving a Cooperation Agreement between the County of San Luis Obispo and the City of Morro Bay for Joint Participation in the Community Development Block Grant Program, the Emergency Solutions Grant Program, and the Housing Opportunities for Persons with Aids Program for Fiscal Years 2012-2014. The motion was seconded by Councilmember Borchard and carried unanimously. (5-0)

E. DECLARATION OF FUTURE AGENDA ITEMS – NONE.

ADJOURNMENT - The meeting adjourned at 9:19 P.M.

Recorded by:

Bridgett Kessling
City Clerk

Sign Workshop

September 29, 2011

Welcome and Introductions

- City Staff
  - Andrea Leuker, City Manager
  - Rob Livick, Public Services Director
  - Kathleen Wold, Planning Manager
  - Sierra Davis, Assistant Planner
- Workshop Facilitator
  - Chuck Anders

Purpose of Sign Ordinance

Purpose of the sign ordinance is to regulate signs as an information system which expresses the character and environment or the city and its community. It is further intended that these regulations recognize the importance of business activity to the economic vitality of the city.

Constraints

- The Sign Ordinance shall be incompliance with:
  - General Plan
  - Local Coastal Plan

Existing Code

- Contained within the Municipal Code,
  - Title 17, Zoning Ordinance
  - Chapter 17.68, Signs
- Chapter 17.68 contains 18 sections and multiple subsections.

Our Goals

What are your goals and objectives for the sign ordinance?

Timeline of Sign Ordinance

- Council directed staff to separate the sign ordinance from 2005 Zoning Ordinance and update and process separately.
- April 12, 2010 – City Council Directed staff to forward 2005 Ordinance to Planning Commission for review and forward recommendation to City Council
- May 11, 2011 – Planning Commission recommended that staff conduct public workshops to evaluate the sign ordinance.
- Sign Ordinance workshop conducted September 29 and October 6, 2011.

Signs



Flag Signs



Banner Sign

Signs



Illuminated/Neon Signs



A-Frame Sign

Signs



Wall Sign



Off-Premise Sign

Signs



Pole Sign



Marquee/Changeable Copy Sign

Signs



Awning Sign



Pub/Projecting Sign

Morro Bay Sign Ordinance Workshop

Thursday

September 29, 2011

Morro Bay Sign Ordinance Workshop

Meeting Facilitator

Chuck Anders
Strategic Initiatives

Morro Bay Sign Ordinance Workshop

- Understand Sign Ordinance and Issues
- Get opinions on key issues
- Evaluate alternatives

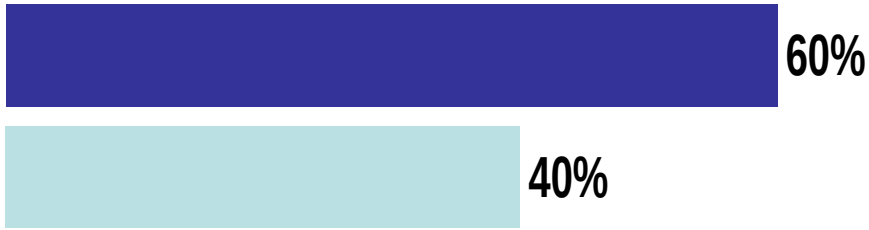
Workshop Guidelines

- Be positive and respectful of others
- Listen – avoid side conversations
- Silence cell phones – take calls outside
- Stay on topic / Be concise
- Raise hand to speak
- Always “Us” (avoid judging others)

Who’s Here?

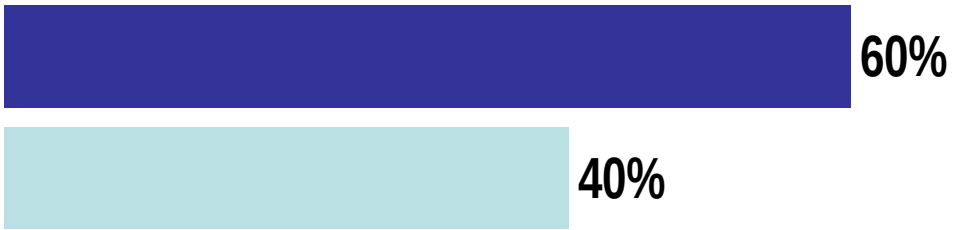
What is your gender?

1. Female
2. Male



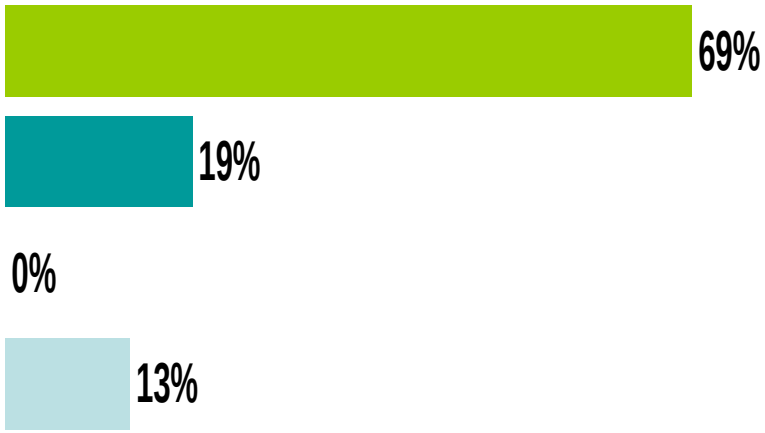
Are you a Morro Bay resident?

1. Yes
2. No

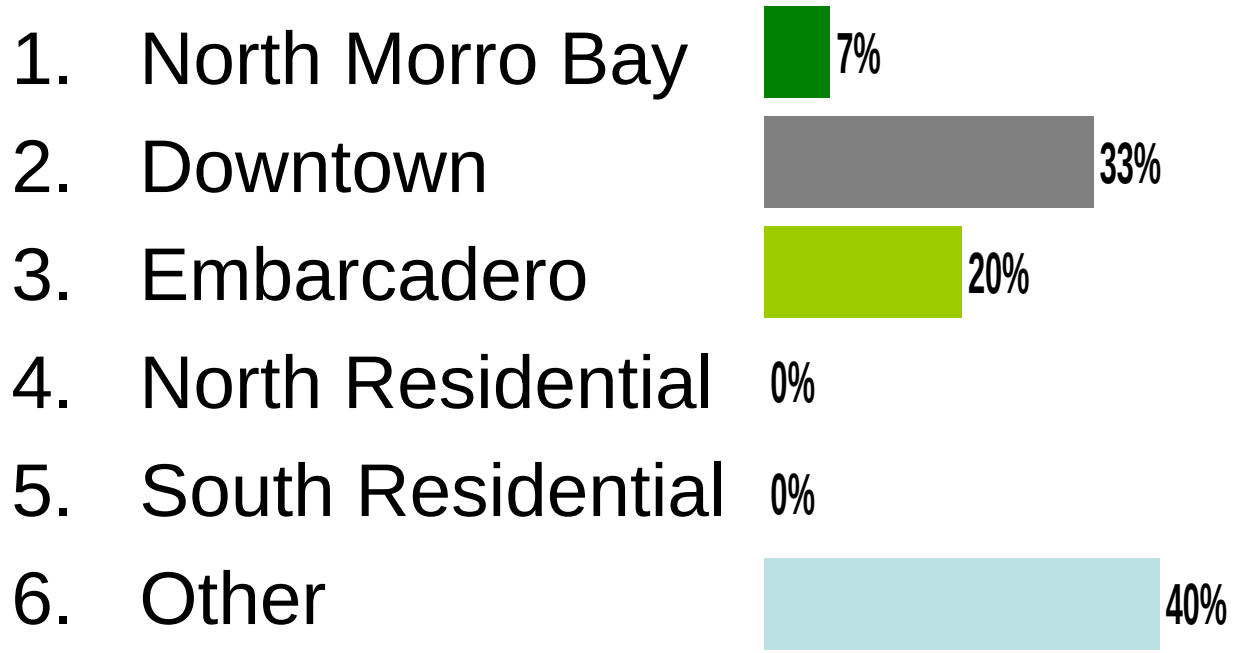


Which best describes your role in this workshop?

1. Business Owner
2. Salaried Worker
3. Retired
4. Other

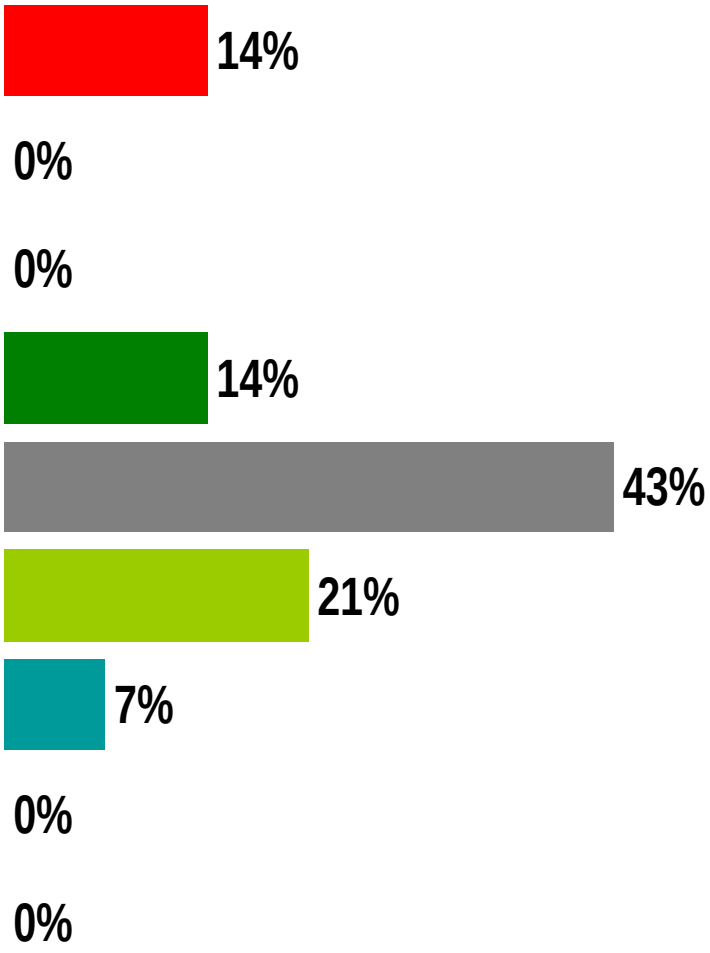


What geographic area of Morro Bay do you represent?



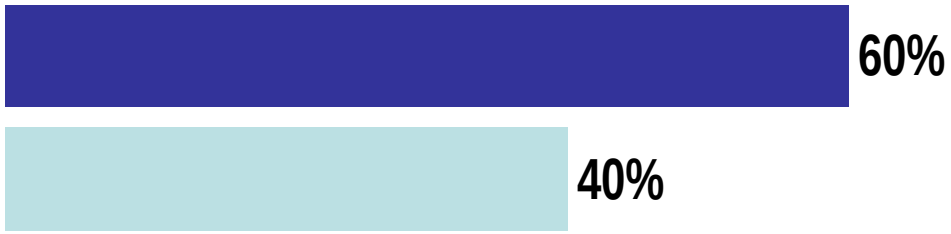
How many times did the people in the white shirts pass the basketball?

1. 12
2. 13
3. 14
4. 15
5. 16
6. 17
7. 18
8. 19
9. 20



Did you see a gorilla?

1. Yes
2. No



Is the existing sign ordinance working for you?

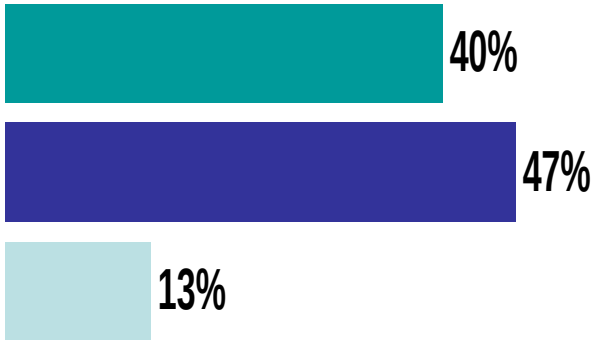


Are you happy with how the signs in Morro Bay look right now?



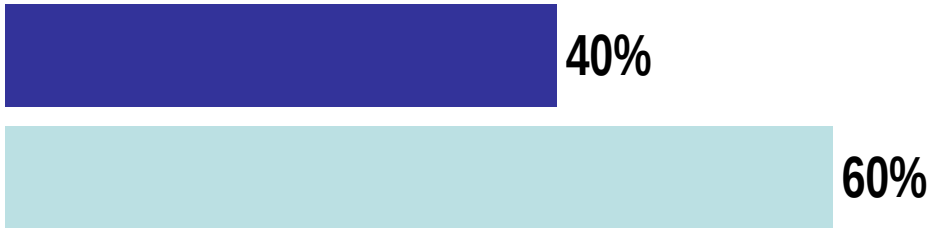
Do you feel that you have enough signage?

1. Yes
2. No
3. Not applicable



Do you want uniformity in the appearance of signs and businesses throughout the community?

1. Yes
2. No



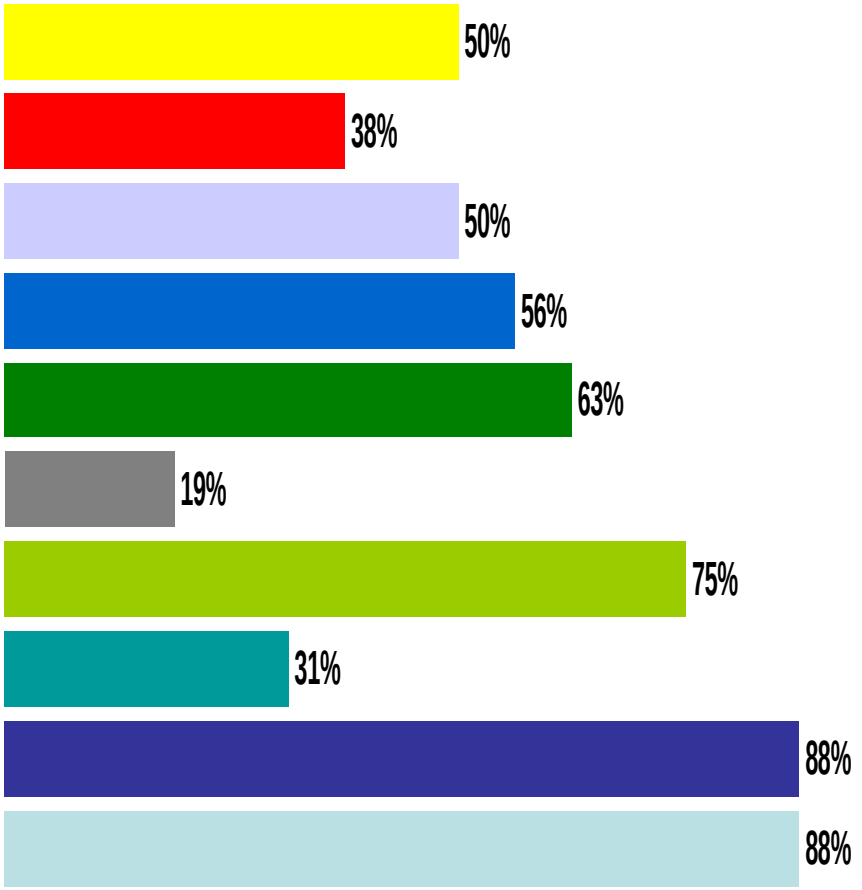
Do you believe there should be different rules for different areas of the community?

(No. Morro Bay – along Hwy 1, Downtown, Embarcadero, Residential)

1. Yes  **100%**
2. No **0%**

Which of the following types of signs should be allowed in the ***Downtown Area***?
(select all that apply)

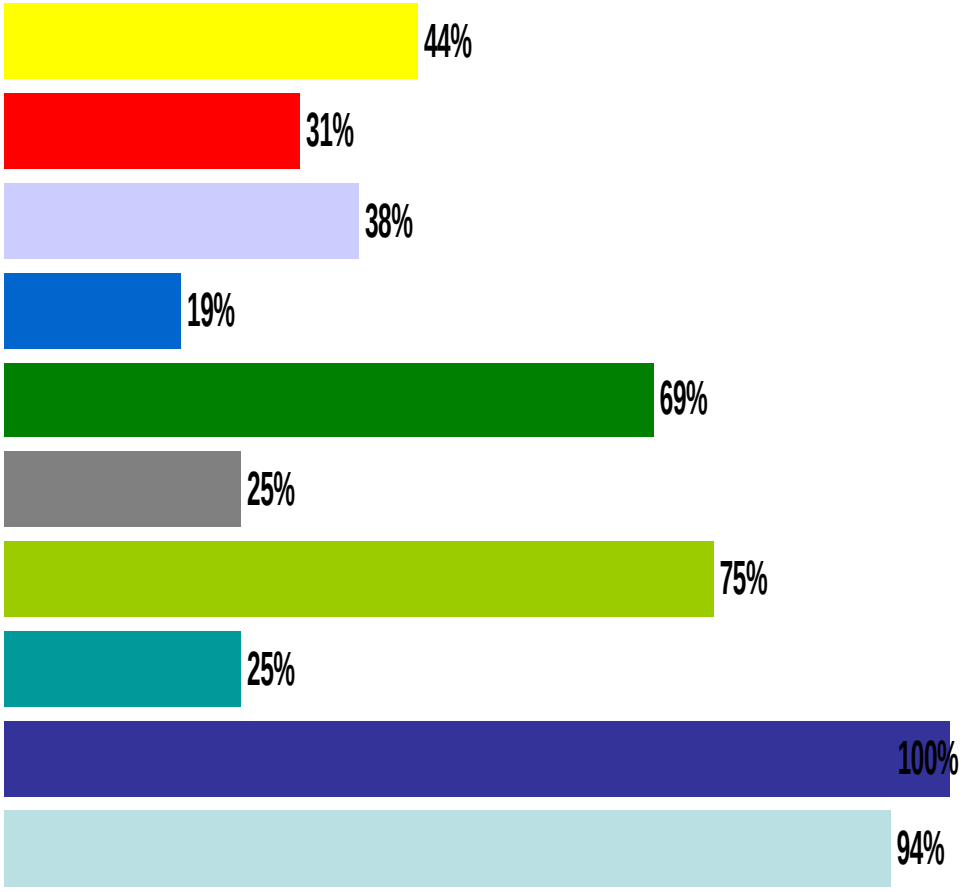
1. Flag signs
2. Banners
3. Illuminated/Neon Signs
4. A-Frame Signs
5. Wall Signs
6. Off-Premise Sign
7. Pole/Monument Signs
8. Changeable copy signs
9. Awning Sign
10. Pub/projecting signs



Which of the following types of signs should be allowed in ***Embarcadero Area***?

(select all that apply)

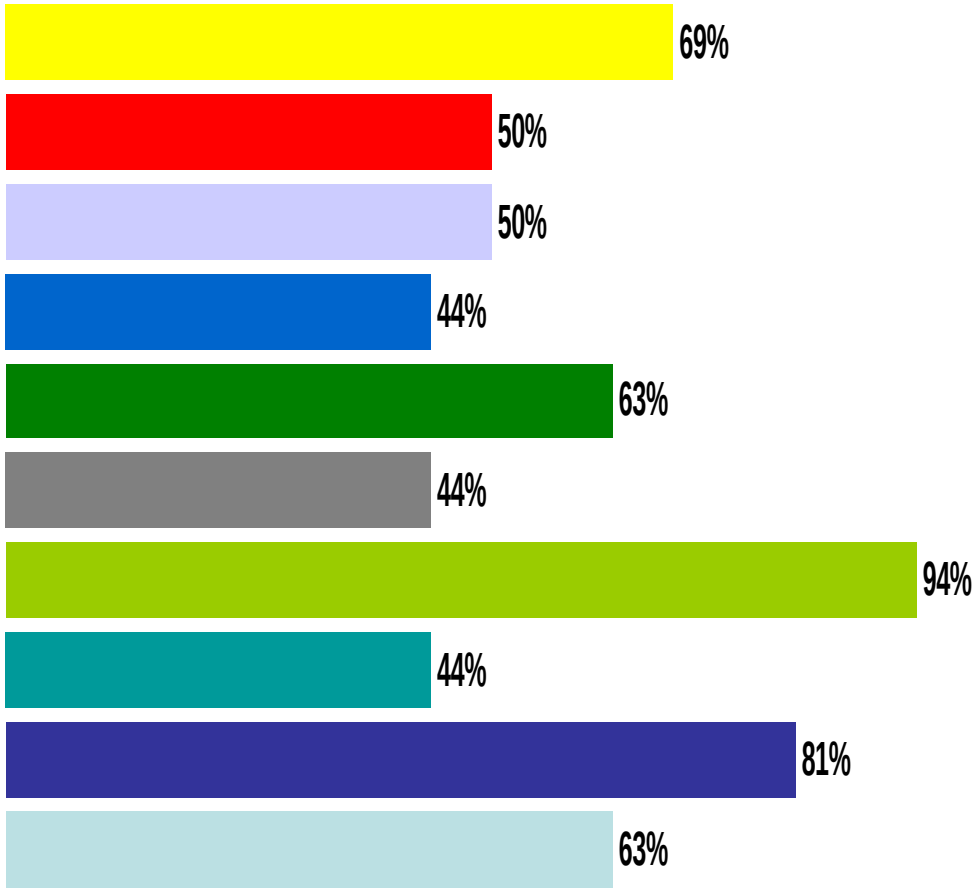
1. Flag signs
2. Banners
3. Illuminated/Neon Signs
4. A-Frame Signs
5. Wall Signs
6. Off-Premise Sign
7. Pole/Monument Signs
8. Changeable copy signs
9. Awning Sign
10. Pub/projecting signs



Which of the following types of signs should be allowed in ***Highway-Oriented Commercial Areas***?

(select all that apply)

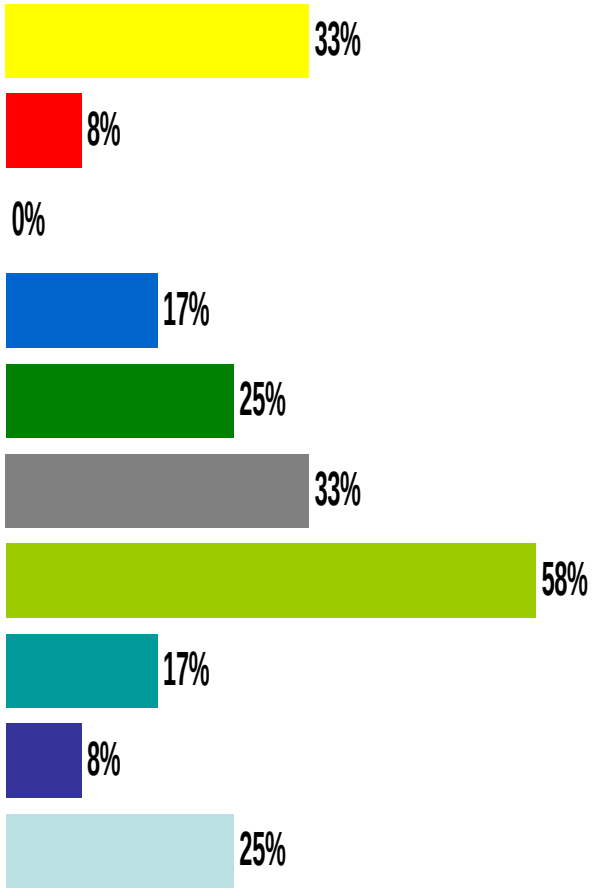
1. Flag signs
2. Banners
3. Illuminated/Neon Signs
4. A-Frame Signs
5. Wall Signs
6. Off-Premise Sign
7. Pole/Monument Signs
8. Changeable copy signs
9. Awning Sign
10. Pub/projecting signs



Which of the following types of signs should be allowed in ***Residential Areas***?

(select all that apply)

1. Flag signs
2. Banners
3. Illuminated/Neon Signs
4. A-Frame Signs
5. Wall Signs
6. Off-Premise Sign
7. Pole/Monument Signs
8. Changeable copy signs
9. Awning Sign
10. Pub/projecting signs



Should multiple types of signs be allowed without penalty?

1. Yes
2. No



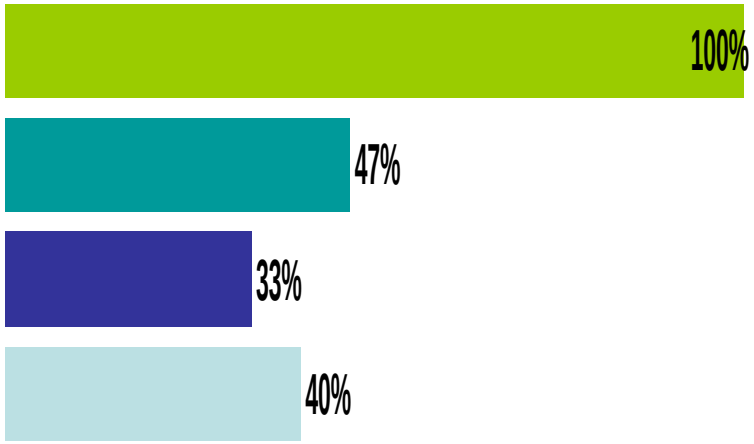
Do you consider murals to be signs?



Should signage in residential areas be allowed for:

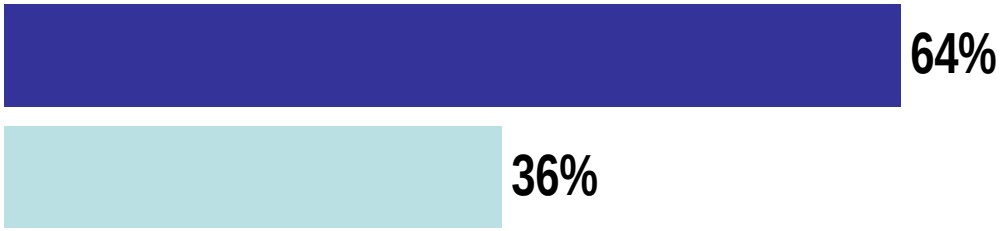
(select all that apply)

1. Real Estate
2. Vacation Rental
3. Allowed home occupations
4. Other



Should businesses be guaranteed a minimum size sign regardless of frontage size?

1. Yes
2. No



Should there be special allowances?

1. Yes 

2. No 0%

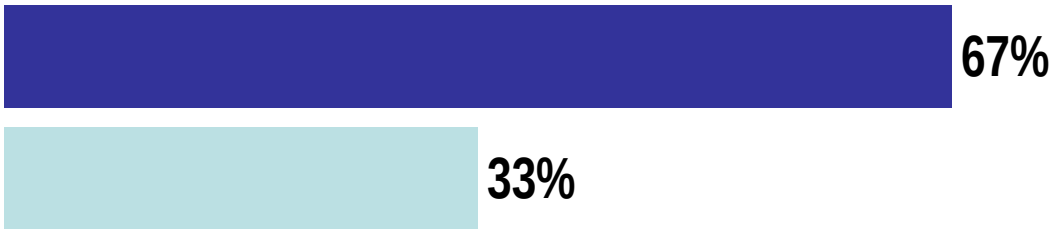
Are you satisfied with the current rules for reader boards?

1. Yes
2. No



Are sign materials important?

1. Yes
2. No



Morro Bay Sign Ordinance Workshop - Poll

SurveyMonkey

1. Did you find the workshop materials, referenced in http://morro-bay.ca.us/index.aspx?nid=708, helpful?

	Response Percent	Response Count
Yes	40.0%	2
No	40.0%	2
I attended the workshop	20.0%	1
answered question		5
skipped question		0

2. Please provide the following information. Contact information will not be distributed. The contact information will only be used should we need to contact you for clarification of your responses.

	Response Percent	Response Count
Name:	100.0%	5
Company:	80.0%	4
City/Town:	100.0%	5
Email Address:	80.0%	4
Phone Number:	80.0%	4
answered question		5
skipped question		0

3. What is your gender?

		Response Percent	Response Count
Male		**60.0%**	**3**
Female		40.0%	2
		answered question	**5**
		skipped question	**0**

4. Are you a Morro Bay resident?

		Response Percent	Response Count
Yes		40.0%	2
No		**60.0%**	**3**
		answered question	**5**
		skipped question	**0**

5. What geographic area of Morro Bay do you represent?

	Response Percent	Response Count
North Morro Bay	0.0%	0
Downtown	0.0%	0
Embarcadero	40.0%	2
North Residential	0.0%	0
South Residential	0.0%	0
Other (please specify)	**60.0%**	**3**
	answered question	**5**
	skipped question	**0**

6. Which best describes your role?

	Response Percent	Response Count
Business Owner	**80.0%**	**4**
Salaried Worker	0.0%	0
Retired	20.0%	1
Other (please specify)	0.0%	0
	answered question	**5**
	skipped question	**0**

7. Is the existing sign ordinance working for you?

	Response Percent	Response Count
Yes	40.0%	2
No	**60.0%**	**3**
	answered question	**5**
	skipped question	**0**

8. Are you happy with how the signs in Morro Bay look right now?

	Response Percent	Response Count
Yes	20.0%	1
No	**80.0%**	**4**
	answered question	**5**
	skipped question	**0**

9. Do you feel that you have enough signage?

	Response Percent	Response Count
Yes	20.0%	1
No	**80.0%**	**4**
N/A	0.0%	0
	answered question	**5**
	skipped question	**0**

10. Do you want uniformity in the appearance of signs and businesses throughout the community?

	Response Percent	Response Count
Yes	**60.0%**	**3**
No	40.0%	2
	answered question	**5**
	skipped question	**0**

11. Do you believe there should be different rules for different areas of the community? (No. Morro Bay – along Hwy 1, Downtown, Embarcadero, Residential)

	Response Percent	Response Count
Yes	**60.0%**	**3**
No	40.0%	2
	answered question	**5**
	skipped question	**0**

12. Which of the following types of signs should be allowed in the Downtown Area? (select all that apply)

	Response Percent	Response Count
Flag signs	60.0%	3
Banners	40.0%	2
Illuminated/Neon Signs	60.0%	3
A-Frame Signs	40.0%	2
Wall Signs	80.0%	4
Off-Premise Sign	0.0%	0
Pole/Monument Signs	40.0%	2
Changeable copy signs	80.0%	4
Awning Sign	80.0%	4
Pub/projecting signs	**100.0%**	**5**
Other (please specify)	0.0%	0
	answered question	**5**
	skipped question	**0**

13. Which of the following types of signs should be allowed in Embarcadero Area? (select all that apply)

	Response Percent	Response Count
Flag signs	60.0%	3
Banners	40.0%	2
Illuminated/Neon Signs	60.0%	3
A-Frame Signs	0.0%	0
Wall Signs	80.0%	4
Off-Premise Sign	0.0%	0
Pole/Monument Signs	40.0%	2
Changeable copy signs	40.0%	2
Awning Sign	80.0%	4
Pub/projecting signs	**100.0%**	**5**
Other (please specify)	20.0%	1
	answered question	**5**
	skipped question	**0**

14. Which of the following types of signs should be allowed in Highway-Oriented Commercial Areas? (select all that apply)

	Response Percent	Response Count
Flag signs	80.0%	4
Banners	60.0%	3
Illuminated/Neon Signs	80.0%	4
A-Frame Signs	20.0%	1
Wall Signs	80.0%	4
Off-Premise Sign	60.0%	3
Pole/Monument Signs	80.0%	4
Changeable copy signs	60.0%	3
Awning Sign	40.0%	2
Pub/projecting sign	**100.0%**	**5**
Other (please specify)	0.0%	0
	answered question	**5**
	skipped question	**0**

15. Which of the following types of signs should be allowed in Residential Areas? (select all that apply)

	Response Percent	Response Count
Flag signs	20.0%	1
Banners	0.0%	0
Illuminated/Neon Signs	20.0%	1
A-Frame Signs	20.0%	1
Wall Signs	20.0%	1
Off-Premise Sign	40.0%	2
Pole/Monument Signs	20.0%	1
Changeable copy signs	0.0%	0
Awning Sign	**60.0%**	**3**
Pub/projecting signs	**60.0%**	**3**
No signs	0.0%	0
Other (please specify)	20.0%	1
	answered question	**5**
	skipped question	**0**

16. Should multiple types of signs be allowed without penalty? Current regulations apply a reduction in sign area of 50% if multiple sign types are uses; e.g. wall sign plus a monument sign.

	Response Percent	Response Count
Yes	40.0%	2
No	**60.0%**	**3**
	answered question	**5**
	skipped question	**0**

17. Do you consider murals to be signs?

	Response Percent	Response Count
Yes	0.0%	0
No	**100.0%**	**5**
	answered question	**5**
	skipped question	**0**

18. Should signage in residential areas be allowed for: (select all that apply)

	Response Percent	Response Count
Real Estate	**80.0%**	**4**
Vacation Rental	**80.0%**	**4**
Allowed home occupations	60.0%	3
Other (please specify)	40.0%	2
	answered question	**5**
	skipped question	**0**

19. Should businesses be guaranteed a minimum size sign regardless of frontage size?

	Response Percent	Response Count
Yes	**80.0%**	**4**
No	20.0%	1
	answered question	**5**
	skipped question	**0**

20. Should there be special allowances or exceptions?

	Response Percent	Response Count
Yes	**80.0%**	**4**
No	20.0%	1
	answered question	**5**
	skipped question	**0**

21. Are you satisfied with the current rules for reader or changeable message boards? Current code limits the language on such boards for hotel/motels to: a. Winter rate (excluding amount); b. Vacancy; c. Credit cards; d. TV; e. Pool; f. Air conditioning; g. Continental Breakfast; h. Any other information as approved by the Director.

	Response Percent	Response Count
Yes	**80.0%**	**4**
No	20.0%	1
	answered question	**5**
	skipped question	**0**

22. Are sign materials important?

		Response Percent	Response Count
Yes		**100.0%**	**5**
No		0.0%	0
		Why?	5
		answered question	**5**
		skipped question	**0**

23. Please provide us any additional comments or provide explanation to a question as needed.

	Response Count
	5
answered question	**5**
skipped question	**0**

Preliminary Sign Program

Downtown Area

General Sign Area Calculations: 2 square feet for each 1 foot of linear building frontage. *This represents a 100% increase in signage allowed when utilizing multiple types of signage.*
A Frame Signs: Not Allowed.
Awning Signs: Allowed.
Banners as a Permanent Signage: Not Allowed.
Dock Signs: Not Allowed.
Flag: Not Allowed, see pub signs.
Gateway Signs: Concept would be to allow a type of sign at the entrance at Morro Bay Blvd to announce the downtown area.
Illuminated, Internally: Not Allowed.
Illuminated, Externally: Allowed.
Marquee Signs: Allowed for theatres, nightclubs, conference facilities.
Monument Signs: Allowed, externally illuminated only.
Off Premise Signs: Not Allowed, except for community business directory kiosks and City Directional Signs.
Pole Signs: Not Allowed.
Pub Signs: Allowed, non illuminated or externally illuminated. Can be utilized to note open or closed and capture visitor business.
Wall Signs: Allowed Downtown with exterior illuminated (such as gooseneck or non-illuminated)
Window Signs: Allowed for relocating businesses with the permission of property owner for a period not to exceed 30 days.
Time limits for nonconforming signs: Remove Section 17.68.155.

Embarcadero Area

General Sign Area Calculations: 2 square feet for each 1 foot of linear building frontage for single tenant buildings. *In addition to the 2 square feet allowed all Multi tenant buildings shall be allowed to have one 16 square foot in size sign facing the Embarcadero identifying the building such as "Marina Square".*
A Frame Signs: Not Allowed.
Awning Signs: Allowed.
Banners as a Permanent Signage: Not Allowed.
Dock Signs: Entrances to dock facilities shall be allowed signage to advertise businesses being run from the dock such as commercial fishing and tourist cruises.
Flag: Not Allowed, see pub signs.
Gateway Signs: Concept would be to allow a type of sign at the entrance to the Embarcadero to identify the area.
Illuminated, Internally: Not Allowed.
Illuminated, Externally: Allowed.

Marquee Signs: Allowed for theatres, nightclubs, conference facilities.
Monument Signs: Allowed externally illuminated, only.
Off Premise Signs: Not Allowed except for community business directory kiosks and City Directional Signs.
Pole Signs: Not Allowed.
Pub Signs: Allowed, non illuminated or externally illuminated Can be utilized to note open or closed and capture visitor business.
Wall Signs: Allowed Embarcadero with exterior illuminated (such as gooseneck or non-illuminated).
Window Signs: Allowed for relocating businesses with the permission of property owner for a period not to exceed 30 days.
Time limits for nonconforming signs: Remove Section 17.68.155.

North Morro Bay

General Sign Area Calculations: 2 square feet for each 1 foot of linear building frontage.
A Frame Signs: Not Allowed.
Awning Signs: Allowed.
Banners as a Permanent Signage: Not Allowed.
Dock Signs: Not Allowed.
Flag: Not Allowed, see pub signs.
Gateway Signs: Concept would be to allow a gateway type of sign at the entrance to North Morro Bay.
Illuminated, Internally: Allowed.
Illuminated, Externally: Allowed.
Marquee Signs: Allowed for theatres, nightclubs, conference facilities.
Monument Signs: Allowed internally or externally illuminated.
Off Premise Signs: Not Allowed except for community business directory kiosks and City Directional Signs.
Pole Signs: Allowed.
Pub Signs: Allowed, non illuminated or externally illuminated. Can be utilized to note open or closed and capture visitor business.
Wall Signs: Allowed.
Window Signs: Allowed for relocating businesses with the permission of property owner for a period not to exceed 30 days.
Time limits for nonconforming signs: Remove Section 17.68.155.

Morro Bay Sign Ordinance Workshop

Thursday

October 6, 2011

Morro Bay Sign Ordinance Workshop

Meeting Facilitator

Chuck Anders
Strategic Initiatives

Morro Bay Sign Ordinance Workshop

- Review results from first workshop
- Review and discuss preliminary sign ordinance concepts
- Next steps

Workshop Guidelines

- Be positive and respectful of others
- Listen – avoid side conversations
- Silence cell phones – take calls outside
- Stay on topic / Be concise
- Raise hand to speak
- Always “Us” (avoid judging others)

Who’s Here?

What is your gender?

1. Female
2. Male



Are you a Morro Bay resident?

1. Yes
2. No

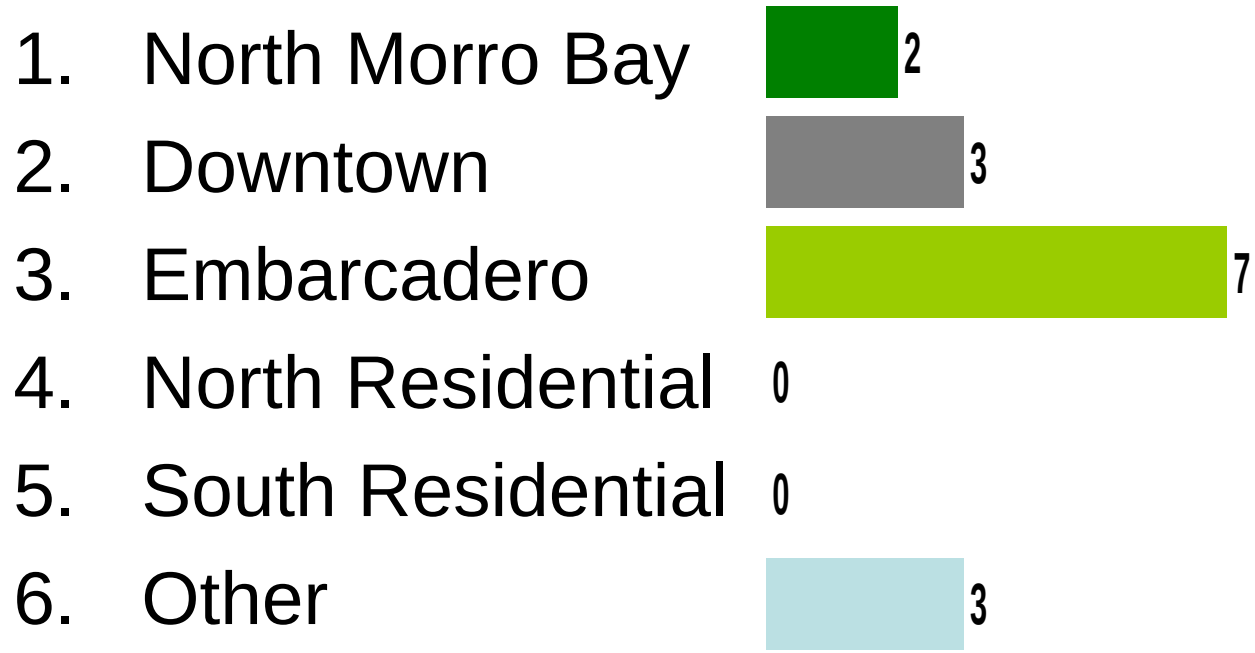


Which best describes your role in this workshop?

1. Business Owner
2. Salaried Worker
3. Retired
4. Other



What geographic area of Morro Bay do you represent?

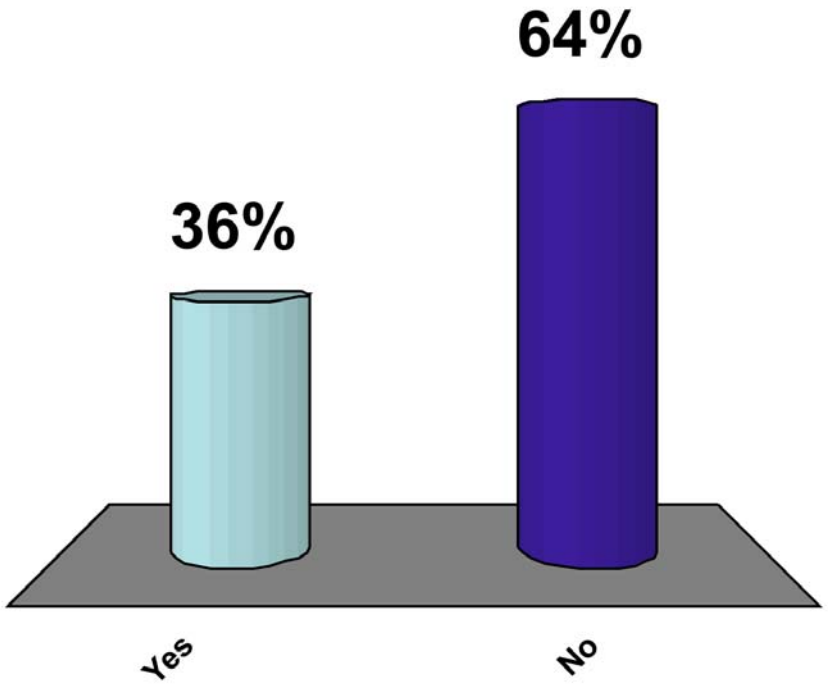


Did you attend the first workshop on September 29th?

1. Yes  7
2. No 5

Is a distinction between internal or external illumination important?

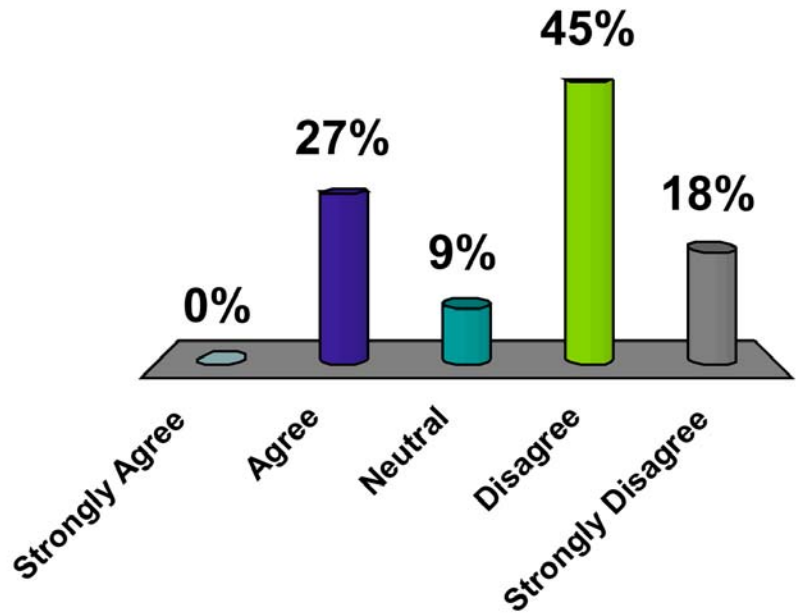
1. Yes
2. No



To what extent to you support or oppose the preliminary sign ordinance for the <u>Downtown Area</u>

(as presented in preliminary sign matrix)

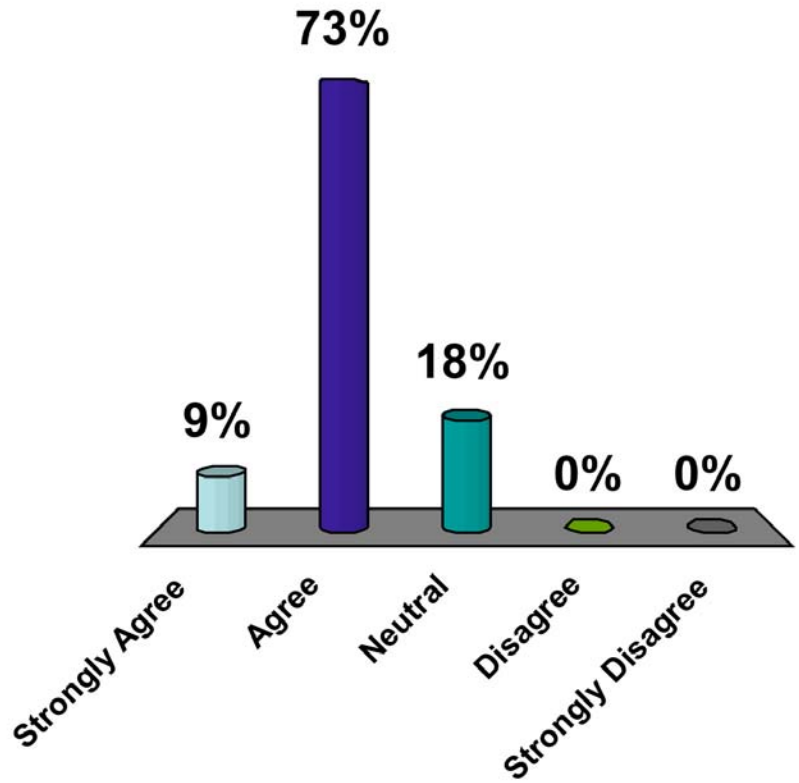
1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree



To what extent to you support or oppose the preliminary sign ordinance for the <u>Downtown Area</u>

(allow sidewalk signs and no difference between internal & external illumination)

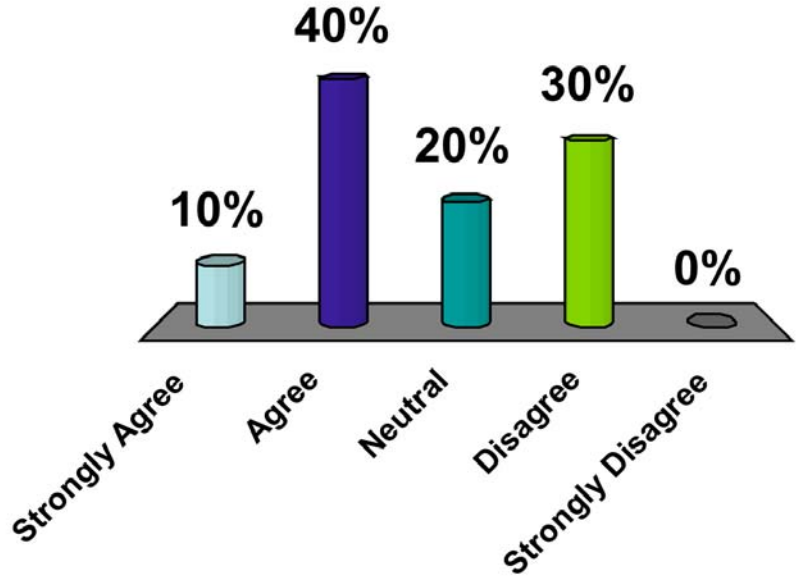
1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree



To what extent to you support or oppose the preliminary sign ordinance for the <u>Embarcadero Area</u>

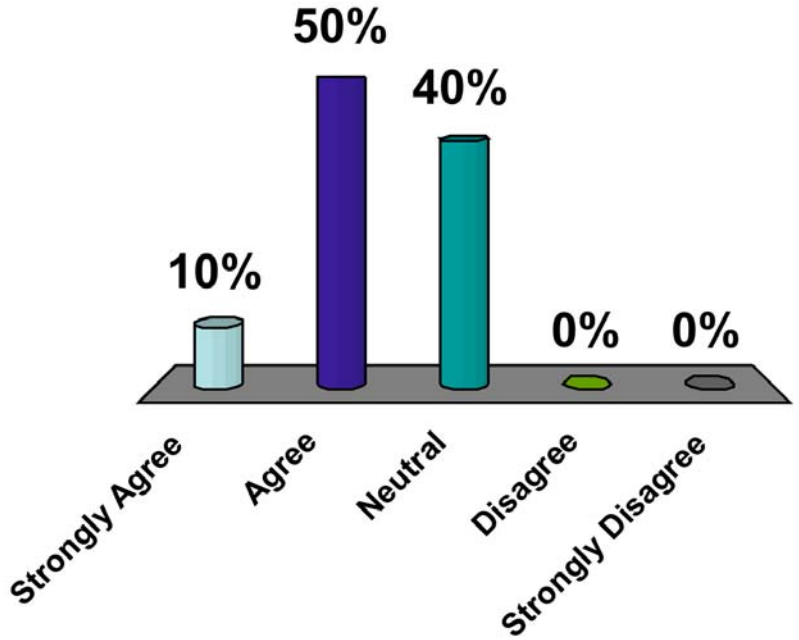
(as presented in preliminary sign matrix)

1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree



To what extent to you support or oppose the preliminary sign ordinance for the <u>Embarcadero Area</u>
(allow internal illumination)

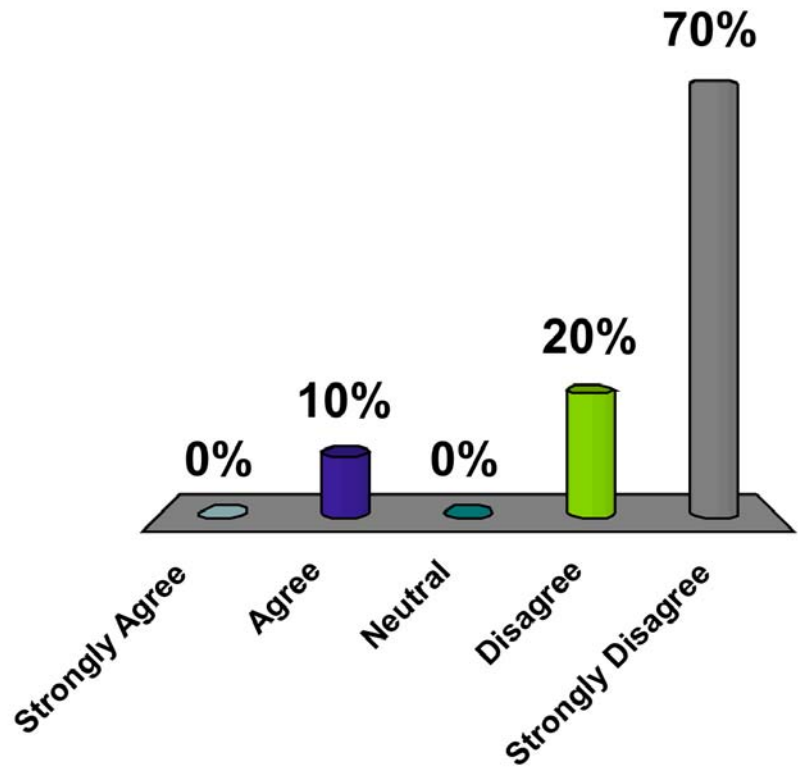
1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree



To what extent to you support or oppose the preliminary sign ordinance for the North Morro Bay Area

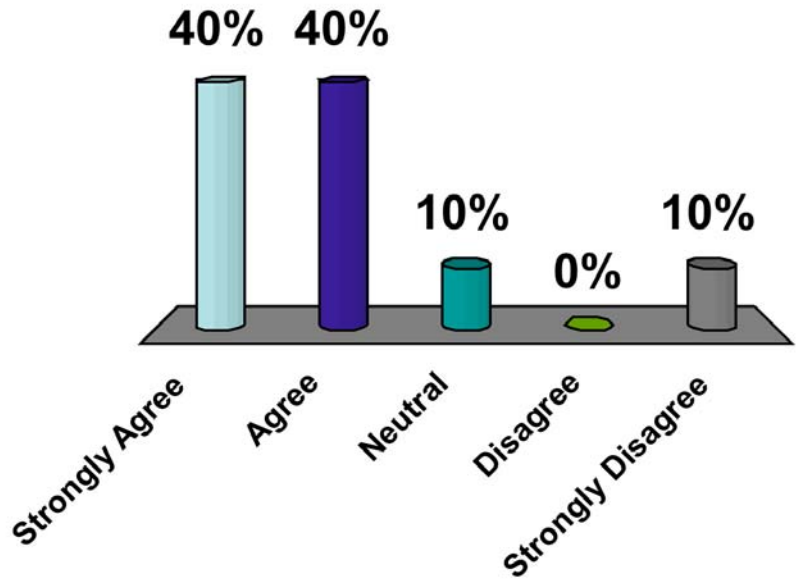
(as presented in preliminary sign matrix)

1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree



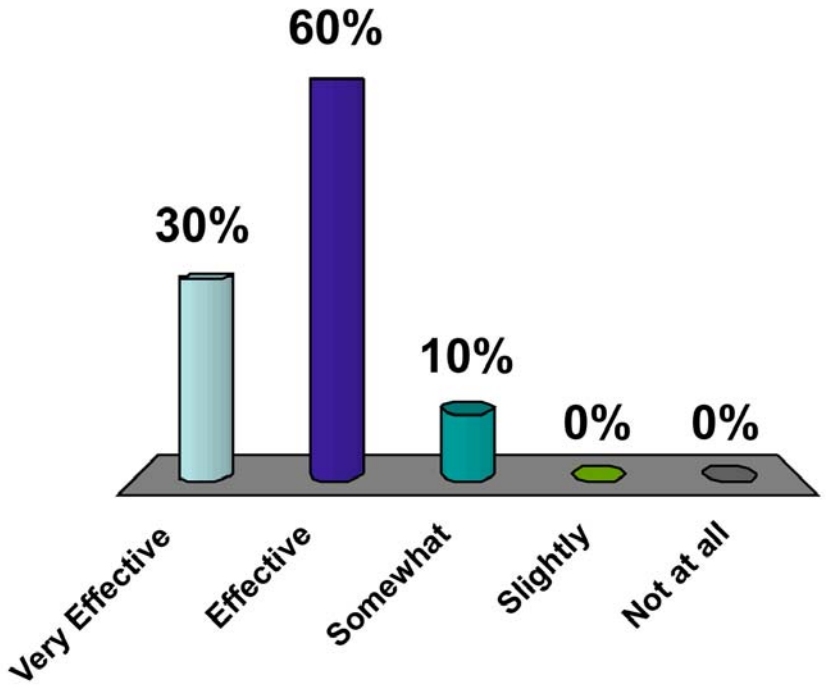
To what extent to you support or oppose the preliminary sign ordinance for the
<u>North Morro Bay Area</u>
(allow flag, sidewalk and banner signs)

1. Strongly Agree
2. Agree
3. Neutral
4. Disagree
5. Strongly Disagree



How effective was this workshop to discuss alternative sign ordinance strategies?

1. Very Effective
2. Effective
3. Somewhat
4. Slightly
5. Not at all



ATTACHMENT 7

City Sign Ordinance Survey
Results Overview

zoomerang

Date: 11/21/2011 12:14 PM PST
Responses: Completes
Filter: No filter applied

1. What best describes your location?

Downtown	32	35%
Embarcadero	24	26%
North Morro Bay/Quintana	19	21%
Other, please specify	16	18%
Total	91	100%

2. Did you attend any of the City's Sign Ordinance Workshops?

Yes, I attended the September 29th workshop,	6	6%
Yes, I attended the October 6th workshop.	3	3%
I attended both	9	10%
I did not attend either one	75	81%
Total	93	100%

3. With regards to business signage in the Downtown area, which of the following signs would you approve? (Check all that apply)

A Frame Signs	39	43%
Awning Signs	69	76%
Banners as a Permanent Signage	30	33%
Flag	49	54%
Gateway Signs: Concept would be to allow a type of sign at the entrance at Morro Bay Blvd to announce the downtown area.	55	60%
Illuminated, Internally	63	69%
Illuminated,	56	62%

Externally			
Marquee Signs: For theatres, nightclubs, conference facilities.		63	69%
Monument Signs		47	52%
Off Premise Signs		26	29%
Pole Signs		38	42%
Pub Signs		52	57%
Wall Signs		65	71%
Window Signs		76	84%

4. With regards to business signage in the Embarcadero area, which of the following signs would you approve? (Check all that apply)

A Frame Signs		32	36%
Awning Signs		69	78%
Banners as a Permanent Signage		29	33%
Dock Signs		59	66%
Flag		49	55%
Gateway Signs: Concept would be to allow a type of sign at the entrance at Morro Bay Blvd to announce the downtown area.		50	56%
Illuminated, Internally		65	73%
Illuminated, Externally		57	64%
Marquee Signs: For theatres, nightclubs, conference facilities.		49	55%
Monument Signs		42	47%
Off Premise Signs		28	31%
Pole Signs		43	48%
Pub Signs		49	55%
Wall Signs		61	69%
Window Signs		74	83%

5. With regards to business signage in the North Morro Bay/Quintana area, which of the following signs would you approve? (Check all that apply)

A Frame Signs	54	61%
Awning Signs	71	80%
Banners as a Permanent Signage	37	42%
Flag	56	63%
Gateway Signs: Concept would be to allow a type of sign at the entrance at Morro Bay Blvd to announce the downtown area.	55	62%
Illuminated, Internally	66	74%
Illuminated, Externally	61	69%
Marquee Signs: For theatres, nightclubs, conference facilities.	60	67%
Monument Signs	50	56%
Off Premise Signs	37	42%
Pole Signs	52	58%
Pub Signs	53	60%
Wall Signs	69	78%
Window Signs	76	85%

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City Sign Ordinance Survey

Results Overview

zoomerang

Date: 11/21/2011 12:16 PM PST
Responses: Completes
Filter: No filter applied

6. Comments

#	Response
1	Many businesses do not have street frontage and need to be able to alert the public to their existance. Perhaps limiting the number of total signs a business can have...wall, window, a-frame, flage...maybe four would be an alternative and keep the clutter down.
2	As a business owner, decisions made regarding signage was not thought through. A frames are effective, now permits need to be applied for and enforced.
3	The current signage policy put forth by the city has resulted in a 30% loss of business and our customers tell us they can't find us. We are hidden away from the street and need more options for additional signage including lighting around the sidewalks and building structures. Our customers tell us it is very dark on the Embarcadero and any lights will make it more night friendly and comfortable for tourists to come out at night. If it is true that 60% of tourism dollars are spent after 6pm, then we should collectively concentrate on a Morro Bay at Night program including more lighting throughout the shopping and dining locations.
4	Local businesses need all the help they can get and should be able to put in signage. I would also support creative signs that are artsy in appearance, as an example the sign at the Sea Shanty in Cayucos is teriffic.
5	All these surveys, etc....as well as meaningless meetings are generally a waste of time. Most merchants, politicians, activists are only interested in their own personal agenda.
6	stop tring to clean up the town by getting rid of businesses do the work the city is paid to do like trim trees fix sidewalks fire prevention along the highway look at the huge sandwich sign on the harbor hut what are you guys thinking
7	Getting rid of the A-frame signs and moving the newsstands has greatly improved the appearance of the Embarcadero area. A uniform sign policy is important. Good job.
8	I don't care for all the sandwich signs that crowd the sidewalks. Makes it look trashy and cluttered.
9	What kind of sign is not as important as how they look, clean, neat, professional, informative, SAFE to people walking by, off sidewalks. Consideration for MOVING/ remodeling/new
10	do a better job removing all banner signs at your deadline. Some businesses removed there signs but jack was done with other business refused. The guy who walked around warning people didn't do his job.
11	The three areas are unique and warrant individual consideration. One size does not fit all. While not a marketing plan, they can tell a story and can make or break a business.
12	I love the charm of Morro Bay and do not want to see your business closes due to poor exposure due to signage. Some controls are needed but i think the next step will a survey stating what colors and sytles of fonts on the signs will be acceptable light at night in a business area is always a good idea, the the merchant can afford the pg&e bill. Jennifer Smith, Harvey's HOney Huts [we put lights in our units for events that go into the night!
13	Businesses today need any way they can to advertise within reason. If it doesn't distract drivers or affect public safety then they should be able to be creative.
14	Don't know what a Pub Sign is.
15	Without business's profiting there is no infrastructure moneys to run the city. bottom line.
16	Against A-frame signs anywhere...they add clutter, fall over in the wind and become a liability. Against flags and banners because they fade and tatter so quickly and look very tacky.
17	Aren't there more important subjects to address other than signs?
18	lower taxes, too many bureaucrats, support smaller government
19	for people that have more than one address they should be sllowed more than one sign
20	Downtown and Embarcardero should be the only areas which A frames are not permitted.
21	I was going to write a lot of stuff here but decided not to. Because it does not matter anyway. You already have your minds made up.
22	Signs must always be in good taste and represent the business appropriately.
	Role of government is not to micro manage people trying to survive in business. If a business owner has "bad signage" it

23	probably means he/she is a poor business person. They will fail...they don't need the help of a technocrat with some ordinance that has never run a business telling them what sign is appropriate for their business. Oh... how far we have come in this country thinking that it is every bodies "RIGHT" to tell someone how WE (the all important ONE) don't like their sign). If you don't like their sign don't frequent their business...put them out of business and the sign will come down.
24	Without cluttering our city, the businesses need to be visible to the traffic. An attractive sign is the best way to be visible – Specially in a non-traffic area as Quintana road.
25	The Embarcadero doesn't need signage that impedes foot traffic, while north Morro Bay needs all the help it can get. Morro Bay downtown could use flags and lights
26	In regards to illuminated signs both internal and external I feel there should be a limit to the number of signs allowed for display.
27	A frame signs stop foot traffic and have been found to disturb drivers enough to cause more accidents in an area. We have limited walk paths as it is. These signs are not standardized and makes an area look like junk.
28	i think the city has bigger issues to worry about then telling business what signage they can use. I understand cleaning things up but In this economy its very tough.
29	Signage should always be determined by individual circumstances. Such as the businesses location to visibility and need for external advertising to enhance foot traffic etc. etc.
30	I only know that not having my a frame with the arrow pointing to Morro Bay Wine Seller has hurt. I can only imagaine how it hurts down town area. they pay for the signs and what ever works for them they be able to choose the two that works the best.
31	I am a visitor to Morro Bay and pretty much like it the way it is.
32	get a real issue
33	As a business in this economical time, we should be allowed to have signs of all kinds to let people know we are here. We pay all the taxes, and the city doesn't look any better without the signs. Maybe this is not the best of times to try and "clean up the city" by banning struggling businesses from free advertisement. Speaking from a hotels point of view, when we are slow, so are the stores and restaurants, so, we need to try and get people who are here already to spend money. If the people that are here, don't know of the sale we are running, or that we are even here, because they don't see a sign, how are they going to spend? Please let us have signs again. They don't make the town look dumpy, they actually give it more character. thank you for listening.
34	I love signs. They are information and add to the excitement of the town. Not all businesses are front and center. I feel the signs add action to the town. We also need to have a sign at the freeway exits that indicates DOWNTOWN HARBOR BEACHES other wise how would a guy know we have anything going on or that there is even a town here. Thanks for your time and good luck making everyone happy ;)

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City Sign Ordinance Survey
Cross Tab Report

zoomerang

Date: 11/21/2011 12:29 PM PST
Responses: Completes
Filter: No filter applied

With regards to business signage in the Downtown area, which of the following signs would you approve? (Check all that apply)

	Total*	What best describes your location?			
		Downtown	Embarcadero	North Morro Bay/Quintana	**Other, please specify**
	91	32	24	18	15
A Frame Signs	38 41.8%	13 40.6%	8 33.3%	10 55.6%	7 46.7%
Awning Signs	68 74.7%	24 75.0%	18 75.0%	13 72.2%	13 86.7%
Banners as a Permanent Signage	29 31.9%	9 28.1%	8 33.3%	6 33.3%	6 40.0%
Flag	48 52.7%	12 37.5%	17 70.8%	13 72.2%	6 40.0%
Gateway Signs: Concept would be to allow a type of sign at the entrance at Morro Bay Blvd to announce the downtown area.	54 59.3%	20 62.5%	13 54.2%	11 61.1%	10 66.7%
Illuminated, Internally	61 67.0%	22 68.8%	18 75.0%	13 72.2%	8 53.3%
Illuminated, Externally	54 59.3%	21 65.6%	14 58.3%	12 66.7%	7 46.7%
Marquee Signs: For theatres, nightclubs, conference facilities.	61 67.0%	18 56.3%	16 66.7%	14 77.8%	13 86.7%
Monument Signs	46 50.5%	19 59.4%	10 41.7%	11 61.1%	6 40.0%
Off Premise Signs	25 27.5%	6 18.8%	10 41.7%	6 33.3%	3 20.0%
Pole Signs	36 39.6%	13 40.6%	11 45.8%	9 50.0%	3 20.0%
Pub Signs	50 54.9%	15 46.9%	14 58.3%	14 77.8%	7 46.7%
Wall Signs	63 69.2%	23 71.9%	17 70.8%	14 77.8%	9 60.0%
Window Signs	74 81.3%	26 81.3%	19 79.2%	16 88.9%	13 86.7%

City Sign Ordinance Survey
Cross Tab Report

zoomerang

Date: 11/21/2011 1:03 PM PST
Responses: Completes
Filter: No filter applied

With regards to business signage in the Embarcadero area, which of the following signs would you approve? (Check all that apply)

	Total*	What best describes your location?			
		Downtown	Embarcadero	North Morro Bay/Quintana	Other, please specify
	89	31	24	17	15
A Frame Signs	31 34.8%	8 25.8%	8 33.3%	9 52.9%	6 40.0%
Awning Signs	68 76.4%	21 67.7%	19 79.2%	15 88.2%	13 86.7%
Banners as a Permanent Signage	28 31.5%	10 32.3%	7 29.2%	4 23.5%	7 46.7%
Dock Signs	58 65.2%	20 64.5%	13 54.2%	14 82.4%	11 73.3%
Flag	48 53.9%	13 41.9%	17 70.8%	13 76.5%	5 33.3%
Gateway Signs: Concept would be to allow a type of sign at the entrance at Morro Bay Blvd to announce the downtown area.	49 55.1%	17 54.8%	12 50.0%	10 58.8%	10 66.7%
Illuminated, Internally	63 70.8%	23 74.2%	18 75.0%	13 76.5%	9 60.0%
Illuminated, Externally	55 61.8%	20 64.5%	14 58.3%	14 82.4%	7 46.7%
Marquee Signs: For theatres, nightclubs, conference facilities.	47 52.8%	15 48.4%	12 50.0%	11 64.7%	9 60.0%
Monument Signs	41 46.1%	17 54.8%	10 41.7%	9 52.9%	5 33.3%
Off Premise Signs	27 30.3%	9 29.0%	8 33.3%	7 41.2%	3 20.0%
Pole Signs	41 46.1%	15 48.4%	11 45.8%	11 64.7%	4 26.7%
Pub Signs	47 52.8%	13 41.9%	12 50.0%	14 82.4%	8 53.3%
Wall Signs	59 66.3%	20 64.5%	18 75.0%	13 76.5%	8 53.3%
Window Signs	72 80.9%	25 80.6%	18 75.0%	17 100.0%	12 80.0%

City Sign Ordinance Survey

Cross Tab Report

zoomerang

Date: 11/21/2011 1:14 PM PST
Responses: Completes
Filter: No filter applied

With regards to business signage in the North Morro Bay/Quintana area, which of the following signs would you approve? (Check all that apply)

	Total*	What best describes your location?			
		Downtown	Embarcadero	North Morro Bay/Quintana	Other, please specify
	89	30	23	19	15
A Frame Signs	52 58.4%	17 56.7%	12 52.2%	12 63.2%	11 73.3%
Awning Signs	69 77.5%	24 80.0%	18 78.3%	14 73.7%	13 86.7%
Banners as a Permanent Signage	36 40.4%	12 40.0%	8 34.8%	8 42.1%	8 53.3%
Flag	55 61.8%	16 53.3%	17 73.9%	14 73.7%	8 53.3%
Gateway Signs: Concept would be to allow a type of sign at the entrance at Morro Bay Blvd to announce the downtown area.	54 60.7%	21 70.0%	14 60.9%	10 52.6%	9 60.0%
Illuminated, Internally	64 71.9%	22 73.3%	19 82.6%	14 73.7%	9 60.0%
Illuminated, Externally	59 66.3%	22 73.3%	16 69.6%	13 68.4%	8 53.3%
Marquee Signs: For theatres, nightclubs, conference facilities.	58 65.2%	21 70.0%	16 69.6%	12 63.2%	9 60.0%
Monument Signs	49 55.1%	20 66.7%	12 52.2%	9 47.4%	8 53.3%
Off Premise Signs	36 40.4%	15 50.0%	11 47.8%	7 36.8%	3 20.0%
Pole Signs	50 56.2%	15 50.0%	14 60.9%	14 73.7%	7 46.7%
Pub Signs	51 57.3%	16 53.3%	14 60.9%	14 73.7%	7 46.7%
Wall Signs	67 75.3%	23 76.7%	19 82.6%	14 73.7%	11 73.3%
Window Signs	74 83.1%	24 80.0%	19 82.6%	19 100.0%	12 80.0%

*Total = The number of respondents for the entire survey who answered the Row question and, if a filter is applied, meet the filter criteria.

AGENDA NO:

MEETING DATE: December 13, 2011

Staff Report

TO: Honorable Mayor and City Council **DATE: November 30, 2011**

FROM: Rob Livick, PE/PLS – Public Services Director/City Engineer
Cindy Jacinth – Administrative Technician

SUBJECT: Review and adopt draft funding recommendations for the 2012 Community Development Block Grant (CDBG) funds.

RECOMMENDATION:

Council review and adopt draft funding recommendations for the 2012 Community Development Block Grant (CDBG) funds and forward recommendations to the San Luis Obispo County Board of Supervisors for inclusion with the other requests from the Urban County Consortium. Staff recommends that the City Council forward the two items from the City of Morro Bay, the barrier removal (ADA) project estimated at $74,724 and program administration at $18,681for a total of $93,405. Additionally, authorize the City Manager to make pro rata adjustments to the allocation based on final funding amount from San Luis Obispo County.

FISCAL IMPACT:

The 2012 Community Development Block Grant (CDBG) available funds are estimated at $93,405 for the City of Morro Bay in the 2012/2013 funding cycle. Approving staff recommendations would allow for $74,724 in accessibility improvements (sidewalk and curb ramps) along with $18,681 for the offset of administrative costs, including planning and engineering.

Projects that receive over $2,000 in CDBG funds are subject to prevailing wage requirements under Davis-Bacon and Related Acts (DBRA).

SUMMARY:

The CDBG fund is a flexible program providing communities with resources to address a wide range of unique community development needs. The program works to ensure decent, affordable housing; to provide services for members of our community; and to create jobs through expansion and retention of businesses.

On May 24, 2011 the City of Morro Bay agreed to join with the Urban County of San Luis Obispo, which is a consortium of participating jurisdictions that includes San Luis Obispo County and the Cities of Paso Robles, Atascadero, San Luis Obispo and Arroyo Grande for the purpose of receiving and allocating CDBG funds. The 2012 CDBG award process began in the fall of 2011. The first of

Prepared By: RL/CJ Dept Review: RL

City Manager Review: _____

City Attorney Review: _____

two workshops were held throughout the County to solicit public comment on community needs. A needs workshop was held in Morro Bay on September 20, 2011 at the Community Center. The County published a request for CDBG proposals and the City received 10 applications. Total funding is anticipated to be approximately $93,405. Final funding amounts will be released by the Department of Housing and Community Development (HCD) in early 2012.

Staff is recommending that the City Council review and adopt draft funding recommendations for the 2012 Community Development Block Grant (CDBG) funds; specifically the funding of the two requests from the City of Morro Bay.

BACKGROUND/DISCUSSION:

CDBG funds are available for community development activities, which meet at least one of the three national objectives:

1. A benefit to low and moderate-income persons;
2. Aid in the prevention or elimination of blight;
3. Address urgent needs that pose a serious and immediate threat to the health or welfare of the community.

In order for a program to qualify under the low and moderate income objective, at least 51% of the persons benefiting from the project or program must earn no more than 80% of the area median. Additionally, at least 70% of the CDBG funds must be spent toward this objective.

The following criteria should also be used to guide selection of CDBG programs:

1. The proposal is consistent with the national objectives and eligibility criteria of the HUD CDBG program;
2. The proposal is consistent with the Urban County Consolidated Plan;
3. The proposal is consistent with the General Plan and other City codes/ordinances.
4. The proposal will achieve multiple community development objectives;
5. The proposal can be implemented in a timely manner, without significant environmental, policy, procedural, legal, or fiscal obstacles to overcome; and
6. The project is not financially feasible without CDBG funding.

The City received the following applications for the 2012 funding cycle:

Public Facilities	Amount Requested	Amount Recommended
City of Morro Bay – *Handicapped Accessibility - Barrier Removal Projects*	$100,000	$74,724
North County Connection – *Real Property Acquisition and development of Recovery Resource Center*	20,000	0

Transitional Food and Shelter - *Purchase of Atascadero property for transitional housing*	5,000	0
CAPSLO – *Prado Day Center*	5,000	0
Public Services – Limited to 15% of 2012 Allocation		
CAPSLO – *Senior Health Screening*	3,800	0
CAPSLO – *Maxine Lewis Memorial Shelter Operation expenses*	5,000	0
Literacy Council – *Morro Bay Program*	5,000	0
Senior Nutrition Program for SLO County – *Hot Lunch for Seniors*	10,000	0
Housing		
CAPSLO – *Minor Home Repair Program*	15,000	0
Economic Development		
Mission Community Services – Women's Business Center	5,000	0
Administration – Limited to 20% of 2012 Allocation		
City Program Administration Costs	18,681	18,681
Total Funds Requested	$193,800	93,405
Estimated Total Funding Available	**$93,405**	**93,405**

Applications received significantly exceed anticipated funding. In addition there are limits related to categories of funding as described below. As part of the CDBG process, Council must adopt a draft recommendation for the 2012 grant year that meets the funding criteria while adhering to the category limits.

A copy of all applications and funding regulations has been provided with your agenda packet (Attachments 1 through 11). Copies have also been provided in the Public Services Department for public review.

Upon approval, the draft funding recommendations will be forwarded to the County for publishing along with recommendations from all participating jursidictions. A minimum of 30 days after publication the second public workshop will be held to allow questions from applicants regarding the draft recommendations after which the draft allocations will be forwarded to City Council, with comments from the workshop, for final approval and forwarding to the County Board of Supervisors. The following is a brief explanation of the funding groups and applications within each:

Public Facilities

Public Facilities are defined as activities relating to real property, including the acquisition,

construction, rehabilitation or installation of public improvements. These activities can be carried out by a grantee, sub-recipient or other nonprofit.

- *City of Morro Bay – City Facilities and Infrastructure – Barrier Removal*
  Funds Requested: $100,000

  This project provides for the removal of accessibility barriers citywide. Project will include, in part, sidewalk modifications, infill of sidewalk gaps, visual and tactile warning systems, curb ramp, and addresses access to facilities.

- *North County Connection – Real Property Acquisition and development of Recovery Resource Facility in Atascadero*
  Funds Requested: *$20,000*

  The proposed project is for the purchase of the facility, adjacent garage and 2+ acre property in order to provide financial and program sustainability for the NCC non-profit's recovery resource center at 8600 Atascadero Avenue. North County Connection has been operating a recovery resource center for 22 years, 11 of those years at their current location.

- *Transitional Food and Shelter – Purchase of Atascadero property for Transitional Housing*
  Funds Requested: $5,000

  The project is to acquire property at 7860 Sinaloa in Atascadero to be used for transitional housing or group housing for medically fragile homeless persons. The property consists of 4 units with a total of 8 bedrooms.

- *CAPSLO – Prado Day Center*
  Funds Requested: $5,000

  The project is to provide operating support to the Prado Day Center located in San Luis Obispo, but which provides services county wide. The Prado Day Center operates seven days a week, year-round, providing breakfast and lunch to an average daily census of 84 persons and other services to a daily average of 132 persons.

Public Services - 15% cap on percentage of award from this category estimated at $14,010. CDBG regulations allow for a wide range of public service activities, including, but not limited to: Employment services, crime prevention, child care, health services, substance abuse services, fair housing counseling and recreational services.

- *CAPSLO – Senior Health Screening*
  Funds Requested: $3,800

  The Senior Health Screening (SHS) Program provides low-income seniors, ages 50 and

older, with no-cost health screening and preventative health services by a registered nurse/program coordinator on a pre-designated and advertised day of the month. The SHS Program services are located at the Morro Bay Community Center at 1001 Kennedy Way. CDBG funds requested will be used to maintain current service levels.

- *CAPSLO – Maxine Lewis Memorial Shelter Operation Expenses*
  Funds Requested: $5,000

  CAPSLO is requested CDBG funds to assist with operation expenses of the Maxine Lewis Memorial Shelter which is located in San Luis Obispo at Orcutt and South Broad Streets but which serves homeless men, women and children county-wide. CDBG funds will enable the Shelter to maintain the current level of services.

- *Literacy Council – Morro Bay Program*
  Funds Requested: $5,000

  This organization is requesting funds to recruit and prepare volunteers as tutors. The Literacy Council operates 15 centers throughout San Luis Obispo County. The learning center in Morro Bay is located at St. Timothy's Church on Tuesday and Thursday evenings. This past fiscal year 502 tutors served 665 learners with 13,711 hours of tutoring.

- *Senior Nutrition Program of San Luis Obispo County – Hot Lunches for Seniors*
  Funds Requested: $10,000

  The Senior Nutrition Program's project is entitled "Response to Increased Requests for Meals." They operate ten dining rooms throughout San Luis Obispo County that provide hot noon time meals to seniors at least 60 years of age or delivery of meals to those that are homebound. The requested CDBG funds will be used to increase the number of meals served to those seniors requesting meals. SNP anticipates a 12% increase in additional meals for FY 2011-2012.

Housing

- *CAPSLO – Minor Home Repair Program*
  Funds Requested: $15,000

  CAPSLO, a licensed general contractor, will provide home repair services for low- and very low-income households residing in single family homes, mobile homes and multi-family units in San Luis Obispo County.

Economic Development Economic Development is defined as acquiring, constructing, reconstructing, rehabilitating or installing commercial or industrial buildings, structures, and other real property equipment and improvements; assisting a private, for-profit business through loans,

grants, interest subsidies, or providing economic development services in connection with otherwise eligible CDBG economic development activities.

- *Mission Community Services Corporation – Women's Business Center Program*
  Funds Requested: $5,000

  The Women's Business Center program is established by the U.S. Small Business Administration. The purpose of the program is to provide introductory and in-depth entrepreneurial training to underserved women, minorities, displaced workers, veterans and other population groups.

Administration -20% cap on percentage of award from this category estimated at $18,681 this cycle.

- *City of Morro Bay – CDBG Program Administration*
  Funds Requested: $18,681

  Costs associated with the administration of the Community Development Block Grant program. Significant staff time from Administration, Public Works and Administrative Services is required for grant administration, payment processing and coordination with County Planning staff.

  If administration costs exceed the funding allocation, remaining cost of administering the program will need to be paid from the general fund.

CONCLUSION

Staff recommends that to begin this first year with the Urban County Consortium, fund the two requests from the City of Morro Bay for accessibility improvements and program administration. Should Council modify this recommendation, awards must meet program requirements, providing a minimum of 70% of funding for benefit to low and moderate-income persons, and no more than 15% can be allocated to the public service category.

ATTACHMENTS

1. Community Development Block Grant Entitlement Fact Sheet (see http://hud.gov/offices/cpd/communitydevelopment/library/deskguid.cfm for the complete CDBG guidelines)
2. City of Morro Bay – Handicapped Accessibility – Barrier Removal
3. North County Connection – Real Property Acquisition and Development of Recovery Resource Center
4. Transitional Food and Shelter – Purchase of Atascadero Property for Transitional Housing
5. CAPSLO – Prado Day Center

6. CAPSLO – Senior Health Screening
7. CAPSLO – Maxine Lewis Memorial Shelter Operation Expenses
8. Literacy Council – Morro Bay Program
9. Senior Nutrition Program for SLO County – Hot Lunches for Seniors
10. CAPSLO – Minor Home Repair Program
11. Mission Community Services – Women's Business Center

ATTACHMENT 1

APPENDIX A

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

ENTITLEMENT PROGRAM FACT SHEET

Introduction

The program provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.

In This Fact Sheet

- ✓ Grantee Eligibility
- ✓ Requirements
- ✓ Citizen Participation
- ✓ Legal Authority/Information Sources

Nature of Program

HUD awards grants to entitlement communities to carry out a wide range of community development activities directed toward revitalizing neighbor-hoods, economic development, and providing improved community facilities and services.

Entitlement communities develop their own programs and funding priorities. However, grantees must give maximum feasible priority to activities which benefit low- and moderate-income persons. A grantee may also carry out activities which aid in the prevention or elimination of slums or blight, or to which it certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs. CDBG funds may not be used for activities which do not meet these broad national objectives.

CDBG funds may be used for activities which include, but are not limited to:

- ❖ Acquisition of real property;
- ❖ Relocation and demolition;
- ❖ Rehabilitation of residential and non-residential structures;
- ❖ Construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes;
- ❖ Public services, within certain limits;

- ❖ Activities relating to energy conservation and renewable energy resources; and

- ❖ Providing assistance to profit-motivated businesses to carry out economic development and job creation/retention activities.

Generally, the following types of activities are *ineligible*: acquisition, construction, or reconstruction of buildings for the general conduct of government; political activities; certain income payments and construction of new housing by units of general local government.

Grantee Eligibility

Central cities of Metropolitan Statistical Areas (MSAs), other metropolitan cities with populations of at least 50,000, and qualified urban counties with populations of at least 200,000 (excluding the population of entitled cities) are entitled to receive annual grants. HUD determines the amount of each entitlement grant by a statutory dual formula which uses several objective measures of community needs, including the extent of poverty, population, housing overcrowding, age of housing, and population growth lag in relationship to other metropolitan areas.

Requirements

To receive its annual CDBG entitlement grant, a grantee must develop and submit to HUD its Consolidated Plan, (which is a jurisdiction's comprehensive planning document and application for funding under the following Community Planning and Development formula grant programs: CDBG, HOME Investment Partnerships, Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Shelter Grants (ESG)). In its Consolidated Plan, the jurisdiction must identify its goals for these programs, as well as for housing programs. The goals will serve as the criteria against which HUD will evaluate a jurisdiction's Plan and its performance under the Plan. Also, the Consolidated Plan must include several required certifications, including the certification that not less than 70% of the CDBG funds received, over a one, two, or three year period specified by the grantee, will be used for activities that benefit low- and moderate-income persons, and that the grantee will affirmatively further fair housing. HUD will approve a Consolidated Plan submission unless the Plan (or a portion of it) is inconsistent with the purposes of the National Affordable Housing Act or is substantially incomplete.

Following approval, the Department will make a full grant award unless the Secretary has made a determination that the grantee: (1) has failed to carry out its CDBG-assisted activities in a timely manner; (2) has failed to carry out those activities and its certifications in accordance with the requirements and the primary objectives of Title I of the Housing and Community Development Act of 1974, as amended, and with other applicable laws; or (3) lacks a continuing capacity to carry out its CDBG-assisted activities in a timely manner.

Citizen

A grantee must develop and follow a detailed plan which provides for and encourages citizen participation and which emphasizes participation by

Participation

persons of low- or moderate-income, particularly residents of predominantly low- and moderate-income neighborhoods, slum or blighted areas, and areas in which the grantee proposes to use CDBG funds. The plan must: provide citizens with reasonable and timely access to local meetings, information, and records related to the grantee's proposed and actual use of funds; provide for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and the review of program performance; provide for timely written answers to written complaints and grievances; and identify how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate.

Legal Authority

Title I of the Housing and Community Development Act of 1974, Public Law 93-383, as amended; 42 U.S.C.-5301 *et seq.*

Information Sources

If you are an interested citizen, contact your local municipal or county officials for more information. If your local government officials cannot answer your questions, or if you are a local official, contact the HUD field office* that serves your area. Note that the local government administers the program and determines which local projects receive funding.

Information about HUD field offices may be found on the World Wide Web at http://www.hud.gov/local.html.

* Hearing impaired users may call the Federal Information Relay Service at 1-800-877-8339.

ATTACHMENT 2

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM APPLICATION FOR THE 2012 PROGRAM YEAR

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING
976 OSOS STREET • ROOM 200 • SAN LUIS OBISPO • CALIFORNIA 93408 • (805) 781-5600

Promoting the Wise Use of Land • Helping to Build Great Communities

Organization Name: City of Morro Bay OCT 24 2011
(Attach additional sheets if necessary)

To be considered for CDBG assistance, please submit this completed application with any exhibits, budgets or beneficiary data as needed. **PLEASE READ ALL INFORMATION IN THE APPLICATION.** Applications can be mailed to one of the participating jurisdictions listed in this application or to: Tony Navarro, Planner III, Department of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA., 93408 or hand delivered to Tony Navarro at 1035 Palm Street, Room 370, San Luis Obispo, CA., faxed to (805) 781-5624, or e-mailed to tnavarro@co.slo.ca.us. **The application deadline is 5:00 P.M., Monday, October 24, 2011.** Applications must be received by the County or one of the participating cities (Arroyo Grande, Atascadero, Morro Bay, Paso Robles, San Luis Obispo) prior to close of the business day. **POSTMARKED DATED MAIL RECEIVED AFTER THE DEADLINE WILL NOT BE ACCEPTED.**

NOTE:

(1) Please review the CDBG regulations and guidelines and the Request for Proposals before completing this proposal. The CDBG regulations, under 24 CFR 570, are available at www.sloplanning.org under "Federal HUD Grants."

(2) **HMIS Reporting for 2012 homeless services, housing and shelter -** All homeless service providers applying for CDBG funds to assist, house or shelter the homeless must identify and demonstrate its capacity to participate in the County of San Luis Obispo Homeless Management Information System (HMIS) to provide: personnel for data entry, user licensing, and hardware and software necessary for compatibility with HMIS. HMIS is an electronic data collection system that stores client level information about persons who access the homeless services system in a Continuum of Care, and reports aggregate data for the County as per the U.S. Department of Housing and Urban Development's Data Standards found in http://www.hudhre.info/documents/FinalHMISDataStandards_March2010.pdf.

(3) The project/program proposal to the County of San Luis Obispo shall be examined in relation to the County's community development goals and funding priorities as presented in the Urban County of San Luis Obispo 2010-2015 Consolidated Plan (ConPlan). The ConPlan is available at www.sloplanning.org. The County of San Luis Obispo Department of Planning and Building (Planning) considers the criteria stated in the 2012 Request for Proposals as one of many tools to help make funding recommendations to the Board of Supervisors. Planning will use other information and sources including but are not limited to: the County Board of Supervisors, recommendations from the Homeless Services Oversight Council, other participating jurisdictions of the Urban County of San Luis Obispo, identified needs that could be addressed by the grant funds, consistency with goals and priorities in the 2010 Consolidated Plan and the Ten Year Plan to End Homelessness, results of the Needs Workshops, working knowledge of the project and/or organization by Planning, and availability of limited fund, to help with the funding recommendations.

Please call County and/or city CDBG staff with any questions about how to complete the form or about the rating criteria and process.

If the information for any of the questions below requires more room to provide a complete explanation of your proposed project or program, please attach additional sheets.

CONTACT INFORMATION

1. Name and mailing address of applicant organization, with contact person, phone and fax numbers, and e-mail address:

Name: City of Morro Bay

Address (mailing and physical address requested if different):

Contact person/title – Cindy Jacinth, Administrative Technician

Phone: 805-772-6261

Fax: 805-772-6268

E-mail address: cjacinth@morro-bay.ca.us

Is the organization a Faith Based Organization? Yes ☐ No ☒

***Organization's DUNS number: 060890571**

PROJECT DESCRIPTION

2. Title/name/address of proposed project or program:

Morro Bay Pedestrian Accessibility Project
City wide – Morro Bay

3. **Please describe the proposed project or program**. In one or two short paragraphs, include a brief project/program description, the groups who will benefit and an explanation of how they will benefit from the proposed project or program. For projects, describe the location of the project (be as specific as possible, e.g. street address). For programs, state the location from which the program will be operated and/or describe the geographic area served by the program. Also, please include a schedule of project/program milestones.

Installation and repair of sidewalk and curb ramps throughout the City of Morro Bay will provide an accessible path of travel for those disabled low and very low income residents throughout the County. Project will include installation of curb ramps and sidewalk and repair of curb ramps and sidewalk so that this infrastructure meets current accessibility requirements.

4. **Will the services offered by your organization increase or expand as a result of the CDBG assistance? If yes, please answer the following questions:**

   a. What new programs and/or services will be provided?

N/A

   b. Describe how existing programs and/or services will be expanded and what percentage of an increase is expected?

CDBG funds will be used to provide an accessible path of travel for all low income persons.

5. **Check any of the following eligible activity categories that apply to the proposed project or program:** (Refer to CDBG regulations and the Guide to Eligible CDBG Activities).

   ____ Acquisition of real property

   ____ Disposition of real property

   __X__ Public facilities and improvements (may include acquisition, construction, reconstruction, rehabilitation or installation)

   ____ Privately owned utilities

   ____ Clearance and remediation activities

   ____ Public services

   ____ Interim assistance

____ Relocation of individuals, families, businesses, non-profit organizations, and/or farms

____ Loss of rental income

____ Removal of architectural barriers

____ Housing rehabilitation

____ New housing construction (under limited circumstances)

____ Homeownership assistance

____ Housing services

____ Code enforcement

____ Historic preservation

____ Commercial or industrial rehabilitation

____ Special economic development

____ Technical assistance and planning studies

6. Describe the need and the degree of urgency for the proposed project or program. What would be the consequences if the proposed project or program is not funded in the next year?

Removal of barriers through the construction and rehabilitation of sidewalks and curb ramps will remove the restriction that disabled and elderly face in accessing the City's pedestrian facilities.

7. Please describe the specific organizational method used to implement the proposed project or program (single or multiple group, public agency, non-profit, for-profit, experience in operating similar programs, etc.):

The City of Morro Bay, a full-service City, will be implementing the program.

8. **Does the project require the issuance of a permit (from local, state or federal agencies)?**
Yes ☒ No ☐

a. If yes, please identify the permits necessary to complete the project.
An encroachment permit will be required prior to construction.

b. Have the necessary permits been issued? Please provide proof of permit issuance.

c. If permits are required but not yet obtained, when will the permits be issued?

The permits will be issued during implementation.

NATIONAL OBJECTIVES CRITERIA

9. **Does the proposed project or activity meet one of the three national objectives of the CDBG program? Please check one of the objectives below that applies to the proposal, and explain how the project or activity meets that national objective.**

a. X Benefits low- and moderate-income persons as defined by the U.S. Department of Housing and Urban Development (HUD).

Select one:
☐ **Low/Moderate-Income Area Benefit** – The project serves only a limited area which is proven by 2000 Census data or survey to be a predominately (51% or more) low/moderate-income area. Applicants choosing this category must be able to prove their project/activity primarily benefits low/moderate-income households.
☒ **Low/Moderate-Income Limited Clientele** – The project benefits a specific group of people (rather than all areas in a particular area), at least 51% of whom are low/moderate-income persons;. Note: Income verification for clients must be provided for this category. The following groups are presumed to be low/moderate-income: abused children; elderly persons; battered spouses; homeless persons; adults meeting census definition of severely disabled; persons living with AIDS; and migrant farm workers
☐ **Low/Moderate-Income Housing** – The project adds or improves permanent residential structures that will be/are occupied by low/moderate-income households upon completion.
☐ **Low/Moderate-Income Jobs** – The project creates or retains permanents jobs, at least 51% of which are taken by low/moderate-income persons or considered to be available to low/moderate-income persons.

Explain: **Provides barrier free pedestrian accessibility.**

NOTE: To meet this national objective, the proposed activity must benefit a specific clientele or residents in a particular area of the County or participating city, at least 51 percent of who are low- and moderate-income persons.

b. _____ Aids in the prevention or elimination of slums or blight.

Explain:

Select one:

☐ **Addressing Slums or Blight on an Area Basis -**

☐ **Addressing Slums or Blight on a Spot** Basis – This project will prevent or eliminate specific conditions of blight or physical decay. Activities are limited to clearance, historic preservation, rehabilitation of buildings, but only to the extent necessary to eliminate conditions detrimental to public health and safety.

Is the project located in a Redevelopment Area? Yes ☐ No ☐

If yes, attach a map of the area with the site highlighted, and provide the Redevelopment Project Area (excerpts accepted) which documents the existence of slum/blight. Also, document the specific redevelopment objectives pertaining to the proposed project.

NOTE: To meet this national objective, the proposed activity must be within a designated slum or blighted area and must be designed to address one or more conditions that contributed to the deterioration of the area.

c. _____ Meets community development needs having a particular urgency where existing conditions pose a serious and immediate threat to the health or welfare of the community, and no other funding sources are available, i.e., a major catastrophe such as a flood or earthquake.

Explain:

NOTE: To meet this national objective, the proposed activity must deal with major catastrophes or emergencies such as floods or earthquakes.

10. If the project or program is designed to meet the national objective of providing benefit to low- and moderate-income persons, please estimate the number of <u>unduplicated</u> number of persons (or households) to benefit from the project and break that estimate down by income group (unduplicated means the number who are served, i.e., the grant will allow 25 children to participate in preschool – not 25 children x 5 days x 52 weeks = 6,500).

a. Total number of persons or households who will benefit from the project or program (regardless of income group):

5,000 Persons/**<u>households</u>** (circle the applicable unit)

b. Of the total number of persons or households entered above, how many will be low-income (earning 51% - 80% or less of the County median-income)?

n/a Persons/households (circle the applicable unit)

c. Of the total number of persons or households entered above, how many will be <u>very</u> low-income (earning 50% or less of the County median-income)?

n/a Persons/households (circle the applicable unit)

11. Who are the clients of your organization? (Example: low- to moderate-income persons, elderly persons, severely disabled persons, migrant farm workers, battered spouses, etc.)

Low and moderate income persons with disabilities

12. How will the clients benefit from this project?

Provides for barrier free access to sidewalk and services the clients use.

BENEFICIARY DATA

13. How do you currently collect demographic data on the beneficiaries of the proposed project or program? (Example: racial/ethnic characteristics)*

Administrative staff will be using census data to determine city-wide benefit.

14. How do you currently document income status of each client? (Example: very low, low- and moderate-income)*

See 13.

15. Provide the following information for the person(s) in your organization responsible for the preparation and submittal of the quarterly reports and for collecting and reporting the beneficiary data to the Urban County.

Contact person/title: Cindy Jacinth, Administrative Technician

Phone number: 805-772-6261

E-mail address: cjacinth @morro-bay.ca.us.

***NOTE:** You are required to provide beneficiary data at the end of each quarter and year end data of the fiscal year.

***If your are awarded CDBG funds or your proposal involves economic development, i.e., directly benefit a business, private property owner, business, involves façade improvements, provide technical assistance to a new or existing business, job creation, loan guarantee, the beneficiary must obtain a Dun and Bradsteet (DUNS) number that must be reported to HUD. Please contact Tony Navarro, (805) 781-5787, tnavarro@slo.co.ca.us for information on how to obtain a DUNS number prior to incurring and obligating the federal funds.**

FINANCIAL INFORMATION

For CDBG applications to the County of San Luis Obispo involving acquisition, construction or rehabilitation projects please provide the required additional budget information on BUDGET FORM A and BUDGET FORM B attached to the back of this application.

16. Total amount of CDBG funds requested: $ **$100,000**

Please identify the jurisdiction(s) to which you are applying*:

City of Morro Bay

If you are requesting CDBG funds from more than one jurisdiction, please break down the amount shown above by the jurisdiction listed below.

City of Arroyo Grande:		City of Paso Robles:	
City of Atascadero:		City of San Luis Obispo:	
City of Morro Bay:	**$100,000**	County of San Luis Obispo:	

***NOTE:** If you are applying to one or more cities, please provide a copy of the application to the County by the application deadline of **October 24, 2011**.

17. Please describe the budget for the proposed project or program. Itemize all sources of funding expected to be available and used for this project

a. **Revenues:**

1.	CDBG Funds requested	$ 100,000
2.	Other Federal fund(s) (please describe below)	$
3.	State source(s) (please describe below)	$
4.	Local source(s) (please describe below)	$
5.	Other funds (please describe below)	$
	Total Revenues	$ **100,000**

b. **Expenditures**: List below by item or cost category.

18. How do you plan to fund the operation and maintenance costs (if any) associated with this project? Are these funds available now? If not, when will they be available? And from what source(s)?

The City of Morro Bay general fund will be used to maintain the facilities.

19. Will CDBG funds be used to match/leverage other funds? List below funding sources and amounts and identify award dates of these sources.

No.

I certify that the information in this application is true and accurate to the best of my knowledge and ability.

Signature _____ Date 10/24/2011

Robert A. Livick — City Engineer

Printed or typed name — Title

Note to applicant:

The County and cities require all of the grant recipients to maintain general liability, automobile and workman's compensation insurance with limits of not less than $1 million*. If you are successful in obtaining an award, you will be asked to provide documentation regarding ability to provide the required coverage.

* Liability coverage may vary by jurisdiction. Please call the city/county contact to verify limits.

Prior to HUD's release of grant conditions and/or funds for the CDBG-funded project, a review of the project's potential impact on the environment must be conducted by the awarding jurisdictions and approved by the County of San Luis Obispo **prior to obligating or incurring project costs**. The County must certify to HUD that it has complied with all applicable environmental procedures and requirements. Should project costs be obligated or incurred prior to the completion of the necessary environmental review, the project **shall not** benefit from the federal funds. Environmental review requirements pursuant to 24 CFR Part 58 must be fully satisfied for any project selected for funding prior to the CDBG Program issuing a Notice to Proceed for the project. The level of environmental review required depends on the nature of the project. 24 CFR Part 58 is available at www.hud.gov/offices/cpd/environmental/lawsandregs/regs.

If you need assistance or have questions regarding this application, please contact any of the persons listed below. Your application(s) can be dropped off or mailed to the following locations:

- Kelly Heffernon, Community Development Dept., City of Arroyo Grande, 214 E. Branch Street (P.O. Box 550), Arroyo Grande, CA 93421, (805) 473-5420.
- Valerie Humphrey, Public Works Dept., City of Atascadero, 6907 El Camino Real, Atascadero, CA 93422, (805) 470-3460.
- Rob Livick, Public Services Dept., City of Morro Bay, 955 Shasta Avenue, Morro Bay, CA, 93442, (805) 772-6261
- Darren Nash, Community Development Dept., City of Paso Robles, 1000 Spring St., Paso Robles, CA 93446, (805) 237-3970.
- Tyler Corey, Community Development Dept., City of San Luis Obispo, 919 Palm St., San Luis Obispo, CA 93401, (805) 781-7175.
- Tony Navarro, Dept. of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA 93408, (805) 781-5787.

COUNTY OF SAN LUIS OBISPO CDBG SUPPLEMENTAL BUDGET INFORMATION SHEET

BUDGET FORM A

For CDBG applications to the County of San Luis Obispo involving acquisition, construction or rehabilitation projects must provide the applicable project budget information.

Financial considerations are key in assessing a project's ability to be completed successfully and timely. Factors to be considered in this area include (a) availability and sufficiency of resources (including all non-CDBG, federal, state, county or private funding sources, (b) the leveraging of resources, (c) fiscal support for the project for its continued viability and (d) the project budget's accuracy, reasonableness and completeness in determining the financial needs of the project.

Source of Funds. Provide for entire project and round to the nearest hundred dollars. Do NOT include operating costs as this is not an eligible CDBG costs for projects involving acquisition, construction or rehabilitation projects.

Description of Cost	**Date Funds Available**	**Amount Requested**	**Approved - Secured**	**Total**	**% of Total Budge**
CDBG Funds: This Request		$100,000		$100,000	100%
Previous Award					
Previous Award					
HOME Funds: This request					
Previous Award					
Other Federal Funds Source:					
State Funds Source:					
Private Funds:					
Private Funds:					
Private Funds:					
In-Kind Contributions: Labor					
In-Kind Contributions					
Other:					
Other:					
Other:					
Totals					**100%**

Comment on your entity's strategy and plans on the leveraging and sufficiency of resources to implement the proposed project. If project is not leveraged with other funds, explain why CDBG funds are being relied on solely to fund the proposed project.

COUNTY OF SAN LUIS OBISPO CDBG SUPPLEMENTAL BUDGET INFORMATION SHEET

BUDGET FORM B

Project Budget
Budget Form – Acquisition, Construction and Rehabilitation Project Preliminary Budget & Project Funding Requirements

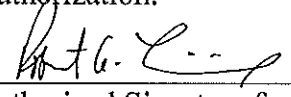
Agency name: **City of Morro Bay**
Project: **Morro Bay Pedestrian Accessibility Project**

Preliminary Budget: List all funding necessary to complete the proposed project.

Description of Cost	CDBG Funds Requested	Other Funding	Source of Other Funds	Project Budget
Appraisals				
Advertising				
Acquisition				
Architectural, Planning and Engineering	$4,200			$4,200
Construction Document Preparation	$4,200			$4,200
Surveying	$4,200			$4,200
Permitting				
Relocation				
Demolition and Removal				
Hazardous Materials Abatement				
Landscaping				
Rehabilitation				
Building Construction	$83,200			$83200
Inspection				
Project/Construction mgmt.	$4,200			$4,200
Other				
Other				
Totals	$100,000			$100,000

Budget must be specific and reflect the applicant's financial commitment, including items paid for by other sources. This includes in-kind contributions and volunteer labor. It should not include amounts of administration. Indicate the circumstances/consequences of partial funding is awarded for this project.

Authorization:



Authorized Signature for Project | **City Engineer** Title | **10-24-2011** Date

Robert A. Livick

Print name

ATTACHMENT 3

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM APPLICATION FOR THE 2012 PROGRAM YEAR

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING
976 OSOS STREET • ROOM 200 • SAN LUIS OBISPO • CALIFORNIA 93408 • (805) 781-5600

Promoting the Wise Use of Land • Helping to Build Great Communities

Organization Name: __North County Connection_____
(Attach additional sheets if necessary)

To be considered for CDBG assistance, please submit this completed application with any exhibits, budgets or beneficiary data as needed. **PLEASE READ ALL INFORMATION IN THE APPLICATION.** Applications can be mailed to one of the participating jurisdictions listed in this application or to: Tony Navarro, Planner III, Department of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA., 93408 or hand delivered to Tony Navarro at 1035 Palm Street, Room 370, San Luis Obispo, CA., faxed to (805) 781-5624, or e-mailed to tnavarro@co.slo.ca.us. **The application deadline is 5:00 P.M., Monday, October 24, 2011.** Applications must be received by the County or one of the participating cities (Arroyo Grande, Atascadero, Morro Bay, Paso Robles, San Luis Obispo) prior to close of the business day. **POSTMARKED DATED MAIL RECEIVED AFTER THE DEADLINE WILL NOT BE ACCEPTED.**

NOTE:

(1) Please review the CDBG regulations and guidelines and the Request for Proposals before completing this proposal. The CDBG regulations, under 24 CFR 570, are available at www.sloplanning.org under "Federal HUD Grants."

(2) **HMIS Reporting for 2012 homeless services, housing and shelter** - All homeless service providers applying for CDBG funds to assist, house or shelter the homeless must identify and demonstrate its capacity to participate in the County of San Luis Obispo Homeless Management Information System (HMIS) to provide: personnel for data entry, user licensing, and hardware and software necessary for compatibility with HMIS. HMIS is an electronic data collection system that stores client level information about persons who access the homeless services system in a Continuum of Care, and reports aggregate data for the County as per the U.S. Department of Housing and Urban Development's Data Standards found in http://www.hudhre.info/documents/FinalHMISDataStandards_March2010.pdf.

(3) The project/program proposal to the County of San Luis Obispo shall be examined in relation to the County's community development goals and funding priorities as presented in the Urban County of San Luis Obispo 2010-2015 Consolidated Plan (ConPlan). The ConPlan is available at www.sloplanning.org. The County of San Luis Obispo Department of Planning and Building (Planning) considers the criteria stated in the 2012 Request for Proposals as one of many tools to help make funding recommendations to the Board of Supervisors. Planning will use other information and sources including but are not limited to: the County Board of Supervisors, recommendations from the Homeless Services Oversight Council, other participating jurisdictions of the Urban County of San Luis Obispo, identified needs that could be addressed by the grant funds, consistency with goals and priorities in the 2010 Consolidated Plan and the Ten Year Plan to End Homelessness, results of the Needs Workshops, working knowledge of the project and/or organization by Planning, and availability of limited fund, to help with the funding recommendations.

Please call County and/or city CDBG staff with any questions about how to complete the form or about the rating criteria and process.

If the information for any of the questions below requires more room to provide a complete explanation of your proposed project or program, please attach additional sheets.

CONTACT INFORMATION

1. **Name and mailing address of applicant organization, with contact person, phone and fax numbers, and e-mail address:**

Name: North County Connection

Address (mailing and physical address requested if different):
8600 Atascadero Avenue, Atascadero, California 93422

Contact person/title: Susan L. Warren, Director

Phone: (805) 462-8600

Fax: (805) 462-8616

E-mail address: nccat@pacbell.net

Is the organization a Faith Based Organization? Yes ☐ No XX

***Organization's DUNS number:** _____

PROJECT DESCRIPTION

2. **Title/name/address of proposed project or program:**

Real property acquisition
North County Connection (501c3)
8600 Atascadero Avenue, Atascadero, California, 93422.

3. **Please describe the proposed project or program.** In one or two short paragraphs, include a brief project/program description, the groups who will benefit and an explanation of how they will benefit from the proposed project or program. For projects, describe the location of the project (be as specific as possible, e.g. street address). For programs, state the location from which the program will be operated and/or describe the geographic area served by the program. Also, please include a schedule of project/program milestones.

The proposed project is for the purchase of the facility, adjacent garage and property (2+acres) in order to provide financial and program sustainability for the North County Connection (NCC) non-profit's recovery resource center. This center is currently located in Atascadero, California, at 8600 Atascadero Avenue. NCC has been providing recovery resources at this site for 11 of the 22 years we have operated in the community of Atascadero. Primarily we serve residents of Atascadero and the surrounding communities.

The county and city of San Luis Obispo County will benefit financially from the savings generated from the reduction of interventions by police, medical personnel, homeless providers, social services, schools, and probation. Local businesses can intervene with an employee and save the absentee, training and injury costs associated with substance abuse in the work place. NCC services are free, anonymous and confidential resulting in approx. 80% of our participants at the center finding us through self, family, friend, therapist or other referral. Court ordered (mandated clients) make up 15% of participants while the other 5 % are students doing research. Family members, friends, employers, co-workers and children of substance abusers will benefit not only from the services offered at our center for the practicing alcoholic/addict but also the services we provide for them. Healthy families and individuals are vital for healthy, thriving communities. People in recovery who are visiting the county search us out for peer support and meetings.

4. **Will the services offered by your organization increase or expand as a result of the CDBG assistance? If yes, please answer the following questions:** Yes, they will expand.

   a. What new programs and/or services will be provided? We will develop a volunteer program in order to expand the drop-in hours for the community and our growing number of participants. We will offer more types of educational programs and workshops not only for our participants but also for the community at large.

   b. Describe how existing programs and/or services will be expanded and what percentage of an increase is expected? We continue to work with our community partners to provide the resources that families and individuals need. Some of these are ECHO, ALPHA, SLOCAP, the Link, Community Care and Counseling and others. We are already working with ECHO, CHCCC, and the Link to expand recovery support and life skill resources for our shared clients. We anticipate a 15% increase over our current participants as we add these new services on site.

5. **Check any of the following eligible activity categories that apply to the proposed project or program:** (Refer to CDBG regulations and the Guide to Eligible CDBG Activities).

__X__ Acquisition of real property

____ Disposition of real property

____ Public facilities and improvements (may include acquisition, construction, reconstruction, rehabilitation or installation)

____ Privately owned utilities

____ Clearance and remediation activities

____ Public services

____ Interim assistance

____ Relocation of individuals, families, businesses, non-profit organizations, and/or farms

____ Loss of rental income

____ Removal of architectural barriers

____ Housing rehabilitation

____ New housing construction (under limited circumstances)

____ Homeownership assistance

____ Housing services

____ Code enforcement

____ Historic preservation

____ Commercial or industrial rehabilitation

____ Special economic development

____ Technical assistance and planning studies

6. **Describe the need and the degree of urgency for the proposed project or program. What would be the consequences if the proposed project or program is not funded in the next year?** The urgency for this project is acute. The landowners, though supportive, have had to put the property on the market and can no longer afford to carry the paper, although they still have offered the property to NCC at a sizeable discount from the market price. It will be difficult to maintain the level of services we currently provide let alone participate in the expansion of resource services with community partners. This particular property with its unique stress reducing environment has contributed to the prevention of and/or duration of relapse for our clients. We have been looking for another suitable property but have found none that can compare to the present location. At 8600 Atascadero Ave. we've had a successful 12 year relationship with the neighbors and the recovering community is already well established with this site and this is impossible to find in a new location.

The consequences could be very shocking for the community if we were to lose the ability to at least maintain the level of services we currently provide. The medical community is now recognizing addiction as an illness that needs to receive treatment like diabetes, heart disease and cancer, and is just as prevalent in the community if not more so. In 2014, federally funded health clinics (CHCCC), E.R. physicians and primary care doctors will be required to screen all of their patients for behavioral health issues (addictions/mental health). It is called screening, brief intervention, and referral to treatment (SBIRT). The local physicians will be trained by 2014 for this huge change which is already preparing the insurance companies to cover associated costs. The huge problem that exists in our county is that we have completely depended on other counties to provide treatment, detoxification and outpatient services for our residents. Now that this is a federal mandate, our county is unprepared to provide the treatment services we will need for our SLO County residents and other counties will fill their beds with their own residents.
The current realignment of criminal justice programs through our county sheriff and probation offices has them keeping low level offenders(primarily drug and alcohol offenses) and the county providing them treatment and recovery resources. This will be quickly followed by the realignment of the Department of Social Services (2012-13) with whom 60% of their participants have substance abuse problems. SLO County Drug and Alcohol Services is the primary provider of all of the court/cws mandated treatment services and will be greatly affected by both realignments, leaving very little treatment and recovery opportunities for the community at large. No one should have to get into trouble in order to get treatment. Where are our doctors, homeless providers, local therapists, churches, friends and family, etc. going to refer people for substance abuse services? We can't do it all, but we need to begin preparing for this upcoming need in our county. It seems that our successful community based recovery resource centers like NCC, Lifestyles and Cambria Connection should be supported and replicated in other

county communities as it was called for in the SLO County Drug and Alcohol Master Plan of the early 90's. Why would the county risk losing one of the most viable and established resources we have. NCC is burning out our currently indispensible volunteers who have kept NCC operating for the past 15 years during this incredible period of growth. They would like to be able to step down once the facility is sustainable, our infrastructure is strengthened and our business plan takes us to a new level of operational success. The program is already a success.

7. **Please describe the specific organizational method used to implement the proposed project or program (single or multiple group, public agency, non-profit, for-profit, experience in operating similar programs, etc.): North County Connection is a 501c3 non-profit organization.**

Since the Watson's found it necessary to market the property and they have some specific deadlines, we both have real estate agents conducting our business. James and Darlene are still willing to give us a large discount below the listed price, but as I stated earlier they can no longer carry back the paper and need to be cashed out. We are trying to put together a combination of grant funds and donations to make this happen. We have spoken with both Charlie Fruit of Coast Bank and Jerry Rioux about possible "bridge" funding until such grant funding is secured for the acquisition. Our organization is unable to qualify for conventional loans at this time nor do we yet have any contracts to help assure the payments of any property loans we would have. Our board and staff are very aware that if we are to acquire the 8600 Atascadero Avenue property, we will upgrade our business plan, board affiliation, staffing requirements, etc. We have Greg Fitzgerald of Visionworks Consulting scheduled for a strategic planning session for the NCC board, when we know whether we will be moving and downsizing services or moving forward with a sustainable future for NCC. We have expertise in various community partners we are working with, including the Link and SLOCAP. We are staying informed and involved with the Partnership for Excellence in Family Support and the various state and federal funding opportunities for these emerging family resource center networks, county and state wide. The family resource centers are a part of the changes driving service delivery in the states realignment of the department of social services. NCC, the Cambria Connection and Lifestyles in Paso, are unique to the family resource centers in that we all started as recovery centers and added supportive services for families. Our centers have created a very unique and successful model that addresses a problem where families who have substance abuse issues can find services without stigma, being mandated to get well, and without the threat of losing their children. Child Welfare Services finds that 60% of the families they serve have substance abuse problems. NCC just needs some fine tuning in our program management and a definite upgrade in our operating infrastructure.

8. **Does the project require the issuance of a permit (from local, state or federal agencies)?**
Yes ☐ No XX☐

a. If yes, please identify the permits necessary to complete the project.

b. Have the necessary permits been issued? Please provide proof of permit issuance.

c. If permits are required but not yet obtained, when will the permits be issued?

NATIONAL OBJECTIVES CRITERIA

9. **Does the proposed project or activity meet one of the three national objectives of the CDBG program? Please check one of the objectives below that applies to the proposal, and explain how the project or activity meets that national objective.**

a. _____ Benefits low- and moderate-income persons as defined by the U.S. Department of Housing and Urban Development (HUD).

Select one:

☐ **Low/Moderate-Income Area Benefit** – The project serves only a limited area which is proven by 2000 Census data or survey to be a predominately (51% or more) low/moderate-income area. Applicants choosing this category must be able to prove their project/activity primarily benefits low/moderate-income households.

XX **Low/Moderate-Income Limited Clientele** – The project benefits a specific group of people (rather than all areas in a particular area), at least 51% of whom are low/moderate-income persons;. Note: Income verification for clients must be provided for this category. The following groups are presumed to be low/moderate-income: abused children; elderly persons; battered spouses; homeless persons; adults meeting census definition of severely disabled; persons living with AIDS; and migrant farm workers

☐ **Low/Moderate-Income Housing** – The project adds or improves permanent residential structures that will be/are occupied by low/moderate-income households upon completion.

☐ **Low/Moderate-Income Jobs** – The project creates or retains permanents jobs, at least 51% of which are taken by low/moderate-income persons or considered to be available to low/moderate-income persons.

Explain: NCC serves at least 51% of the groups considered to be low/moderate income: families where children have been abused, adults who were abused as children, children to elderly, battered spouses, homeless and people living with chronic diseases: Aids, HepC, mental health issues and addiction.

NOTE: To meet this national objective, the proposed activity must benefit a specific clientele or residents in a particular area of the County or participating city, at least 51 percent of who are low- and moderate-income persons.

b. _____ Aids in the prevention or elimination of slums or blight.

Explain:

Select one:

☐ **Addressing Slums or Blight on an Area Basis -**

☐ **Addressing Slums or Blight on a Spot** Basis – This project will prevent or eliminate specific conditions of blight or physical decay. Activities are limited to clearance, historic preservation, rehabilitation of buildings, but only to the extent necessary to eliminate conditions detrimental to public health and safety.

Is the project located in a Redevelopment Area? Yes ☐ No ☐

If yes, attach a map of the area with the site highlighted, and provide the Redevelopment Project Area (excerpts accepted) which documents the existence of slum/blight. Also, document the specific redevelopment objectives pertaining to the proposed project.

NOTE: To meet this national objective, the proposed activity must be within a designated slum or blighted area and must be designed to address one or more conditions that contributed to the deterioration of the area.

c. _____ Meets community development needs having a particular urgency where existing conditions pose a serious and immediate threat to the health or welfare of the community, and no other funding sources are available, i.e., a major catastrophe such as a flood or earthquake.

Explain:

NOTE: To meet this national objective, the proposed activity must deal with major catastrophes or emergencies such as floods or earthquakes.

10. If the project or program is designed to meet the national objective of providing benefit to low- and moderate-income persons, please estimate the number of unduplicated number of persons (or households) to benefit from the project and break that estimate down by income group (unduplicated means the number who are served, i.e., the grant will allow 25 children to participate in preschool – not 25 children x 5 days x 52 weeks = 6,500).

a. Total number of persons or households who will benefit from the project or program (regardless of income group):

_____ Persons/households (circle the applicable unit)

b. Of the total number of persons or households entered above, how many will be low-income (earning 51% - 80% or less of the County median-income)?

_____ Persons/households (circle the applicable unit)

c. Of the total number of persons or households entered above, how many will be very low-income (earning 50% or less of the County median-income)?

_____ Persons/households (circle the applicable unit)

11. Who are the clients of your organization? (Example: low- to moderate-income persons, elderly persons, severely disabled persons, migrant farm workers, battered spouses, etc.)

NCC primarily serves families where children have been abused, adults who were abused as children, all ages: children to elderly, battered spouses, homeless, people living with chronic diseases: Aids, HepC, mental health issues and addictions/substance abuse.

12. How will the clients benefit from this project?

Our goal is to get and keep people in recovery and preventing them from cycling through jails, emergency rooms, hospitals, homeless shelters, mental health facilities, or winding up in the morgue. We try to prevent the cycle of addiction and the continuing destruction it brings to people closest to the addict by providing recovery resources for the families and friends. Bringing and keeping families in recovery reduces the incidences and effects of child abuse. We help children understand how addiction affects them and their family. We try to intervene and provide resources to combat the denial, loneliness and depression that is so common to addicts and their friends and family and to primarily instill hope that no one has to live this way, trapped by their disease – there is a way out. We can help instill this hope through the physical plant of NCC, both inside and out. We strive to keep a welcoming, warm and home like environment that is both calming and nurturing to help the person feel safe, trusting and comfortable, like the home they wanted but may not have had. Most all of the participants work hard to keep it this way and follow our

few house rules. We always hate when we lose one to relapse, a traffic fatality, an overdose or worst of all a suicide. We do become a special family within the community.

BENEFICIARY DATA

13. **How do you currently collect demographic data on the beneficiaries of the proposed project or program? (Example: racial/ethnic characteristics)*** We have done an unduplicated annual voluntary data information collection sheet in the past. NCC is part of a new state pilot project "Matrix" for data collection on the families we serve.

14. **How do you currently document income status of each client? (Example: very low, low- and moderate-income)*** ? We currently don't as we believe the clients we primarily serve (approx. 61%) are from special needs populations as noted in question # 11.

15. **Provide the following information for the person(s) in your organization responsible for the preparation and submittal of the quarterly reports and for collecting and reporting the beneficiary data to the Urban County.**

Contact person/title: Susan Warren, director

Phone number: (805) 462-8600

E-mail address: nccat@pacbell.net

***NOTE:** You are required to provide beneficiary data at the end of each quarter and year end data of the fiscal year.

***If your are awarded CDBG funds or your proposal involves economic development, i.e., directly benefit a business, private property owner, business, involves façade improvements, provide technical assistance to a new or existing business, job creation, loan guarantee, the beneficiary must obtain a Dun and Bradsteet (DUNS) number that must be reported to HUD. Please contact Tony Navarro, (805) 781-5787, tnavarro@slo.co.ca.us for information on how to obtain a DUNS number prior to incurring and obligating the federal funds.**

FINANCIAL INFORMATION

For CDBG applications to the County of San Luis Obispo involving acquisition, construction or rehabilitation projects please provide the required additional budget information on BUDGET FORM A and BUDGET FORM B attached to the back of this application.

16. Total amount of CDBG funds requested: $_$265,000_____

Please identify the jurisdiction(s) to which you are applying*:

_____

If you are requesting CDBG funds from more than one jurisdiction, please break down the amount shown above by the jurisdiction listed below.

City of Arroyo Grande: _____ City of Paso Robles: $45,000_____

City of Atascadero: $100,000_____ City of San Luis Obispo: _____

City of Morro Bay: _$20,000_____ County of San Luis Obispo: _$100,000____

*__NOTE__: If you are applying to one or more cities, please provide a copy of the application to the County by the application deadline of **October 24, 2011**.

17. Please describe the budget for the proposed project or program. Itemize all sources of funding expected to be available and used for this project

a. __Revenues__:

1.	CDBG Funds requested	$ _$265,000 _____
2.	Other Federal fund(s) (please describe below)	$ ___35,000_____
3.	State source(s) (please describe below)	$ _____
4.	Local source(s) (please describe below)	$ _$100,000_____
5.	Other funds (please describe below)	$ ____4,200_____
	Total Revenues	$ __**$404,200**_____

b. **Expenditures**: List below by item or cost category.

N/A

18. **How do you plan to fund the operation and maintenance costs (if any) associated with this project? Are these funds available now? If not, when will they be available? And from what source(s)?**

This will be funded through the preventive health grant fund we received this year and when the acquisition is complete, the room donations will cover the building upkeep.

19. **Will CDBG funds be used to match/leverage other funds? List below funding sources and amounts and identify award dates of these sources.**
Yes, we expect to leverage prior years CDBG allotment ($35,000 secured with SLO County), with city RDI (in-lieu) fees (Dec. 2011) and current CDBG funds (this application).

I certify that the information in this application is true and accurate to the best of my knowledge and ability.

	10-24-2011
Signature	Date
_Susan L. Warren	Director
Printed or typed name	Title

Note to applicant:

The County and cities require all of the grant recipients to maintain general liability, automobile and workman's compensation insurance with limits of not less than $1 million*. If you are successful in obtaining an award, you will be asked to provide documentation regarding ability to provide the required coverage.

* Liability coverage may vary by jurisdiction. Please call the city/county contact to verify limits.

Prior to HUD's release of grant conditions and/or funds for the CDBG-funded project, a review of the project's potential impact on the environment must be conducted by the awarding jurisdictions and

18. **How do you plan to fund the operation and maintenance costs (if any) associated with this project? Are these funds available now? If not, when will they be available? And from what source(s)?**

19. **Will CDBG funds be used to match/leverage other funds? List below funding sources and amounts and identify award dates of these sources.**

I certify that the information in this application is true and accurate to the best of my knowledge and ability.

Susan L. Warren 10-24-2011

Signature Date

Susan L. Warren Director

Printed or typed name Title

Note to applicant:

The County and cities require all of the grant recipients to maintain general liability, automobile and workman's compensation insurance with limits of not less than $1 million*. If you are successful in obtaining an award, you will be asked to provide documentation regarding ability to provide the required coverage.

* Liability coverage may vary by jurisdiction. Please call the city/county contact to verify limits.

approved by the County of San Luis Obispo **prior to obligating or incurring project costs**. The County must certify to HUD that it has complied with all applicable environmental procedures and requirements. Should project costs be obligated or incurred prior to the completion of the necessary environmental review, the project **shall not** benefit from the federal funds. Environmental review requirements pursuant to 24 CFR Part 58 must be fully satisfied for any project selected for funding prior to the CDBG Program issuing a Notice to Proceed for the project. The level of environmental review required depends on the nature of the project. 24 CFR Part 58 is available at www.hud.gov/offices/cpd/environmental/lawsandregs/regs.

If you need assistance or have questions regarding this application, please contact any of the persons listed below. Your application(s) can be dropped off or mailed to the following locations:

- Kelly Heffernon, Community Development Dept., City of Arroyo Grande, 214 E. Branch Street (P.O. Box 550), Arroyo Grande, CA 93421, (805) 473-5420.
- Valerie Humphrey, Public Works Dept., City of Atascadero, 6907 El Camino Real, Atascadero, CA 93422, (805) 470-3460.
- Rob Livick, Public Services Dept., City of Morro Bay, 955 Shasta Avenue, Morro Bay, CA, 93442, (805) 772-6261
- Darren Nash, Community Development Dept., City of Paso Robles, 1000 Spring St., Paso Robles, CA 93446, (805) 237-3970.
- Tyler Corey, Community Development Dept., City of San Luis Obispo, 919 Palm St., San Luis Obispo, CA 93401, (805) 781-7175.
- Tony Navarro, Dept. of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA 93408, (805) 781-5787.

COUNTY OF SAN LUIS OBISPO CDBG SUPPLEMENTAL BUDGET INFORMATION SHEET

BUDGET FORM A

For CDBG applications to the County of San Luis Obispo involving acquisition, construction or rehabilitation projects must provide the applicable project budget information.

Financial considerations are key in assessing a project's ability to be completed successfully and timely. Factors to be considered in this area include (a) availability and sufficiency of resources (including all non-CDBG, federal, state, county or private funding sources, (b) the leveraging of resources, (c) fiscal support for the project for its continued viability and (d) the project budget's accuracy, reasonableness and completeness in determining the financial needs of the project.

Source of Funds. Provide for entire project and round to the nearest hundred dollars. Do NOT include operating costs as this is not an eligible CDBG costs for projects involving acquisition, construction or rehabilitation projects.

Description of Cost	Date Funds Available	Amount Requested	Approved - Secured	Total	% of Total Budge
CDBG Funds: This Request		$265,000			
Previous Award	Escrow		$35,000		
Previous Award					
HOME Funds: This request					
Previous Award					
Other Federal Funds Source:					
State Funds Source:					
Private Funds:	Escrow		$4,200		
Private Funds:					
Private Funds:					
In-Kind Contributions: Labor					
In-Kind Contributions					
Other: Atascadero City	Jan. 15,2012	$100,000			
Other:					
Other:					
Totals					**100%**

Comment on your entity's strategy and plans on the leveraging and sufficiency of resources to implement the proposed project. If project is not leveraged with other funds, explain why CDBG funds are being relied on solely to fund the proposed project. We had always anticipated developing a capital campaign, but the untimely death in the property owner's family and tough economic times has necessitated their need to sell the property ASAP. We have been trying to stabilize our staffing and operational funding while waiting for the state realignment which we expect to negotiate a contract for the provision of supportive recovery and

prevention services with county social services. We are also working with state Child Abuse Prevention, Intervention and Treatment funding resources to find more operational funds. The acquisition of the property will help to stabilize our successful resource program for the future and hopefully to replicate it in our county.

COUNTY OF SAN LUIS OBISPO CDBG SUPPLEMENTAL BUDGET INFORMATION SHEET

BUDGET FORM B

Project Budget
Budget Form – Acquisition, Construction and Rehabilitation Project Preliminary Budget & Project Funding Requirements

Agency name: _North County Connection_____
Project: Property Acquisition – 8600 Atascadero Avenue, Atascadero_____

Preliminary Budget: List all funding necessary to complete the proposed project.

Description of Cost	CDBG Funds Requested	Other Funding	Source of Other Funds	Project Budget
Appraisals				
Advertising				
Acquisition	$265,000	$135,000	Atas. City CDBG	$400,000
Architectural, Planning and Engineering				
Construction Document Preparation				
Surveying				
Permitting				
Relocation				
Demolition and Removal				
Hazardous Materials Abatement				
Landscaping				
Rehabilitation				
Building Construction				
Inspection				
Project/Construction mgmt.				
Other				
Other				
Totals				

Budget must be specific and reflect the applicant's financial commitment, including items paid for by other sources. This includes in-kind contributions and volunteer labor. It should not include amounts of administration. Indicate the circumstances/consequences of partial funding is awarded for this project.
We have discussed funding through a "bridge loan" with the SLO Housing Trust Fund and possibly Coast National Bank, provided the payment falls within our monthly rental rate, until such other funding could be generated to pay the loan off.

Authorization:

_____ Director_____ 10-24-2011_____

Authorized Signature for Project Title Date

Susan L. Warren_____

Print name

ATTACHMENT 4

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM APPLICATION FOR THE 2012 PROGRAM YEAR

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING
976 OSOS STREET • ROOM 200 • SAN LUIS OBISPO • CALIFORNIA 93408 • (805) 781-5600

Promoting the Wise Use of Land • Helping to Build Great Communities

Organization Name: TRANSITIONAL FOOD AND SHELTER, INC.

(Attach additional sheets if necessary)

To be considered for CDBG assistance, please submit this completed application with any exhibits, budgets or beneficiary data as needed. **PLEASE READ ALL INFORMATION IN THE APPLICATION.** Applications can be mailed to one of the participating jurisdictions listed in this application or to: Tony Navarro, Planner III, Department of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA., 93408 or hand delivered to Tony Navarro at 1035 Palm Street, Room 370, San Luis Obispo, CA., faxed to (805) 781-5624, or e-mailed to tnavarro@co.slo.ca.us. **The application deadline is 5:00 P.M., Monday, October 24, 2011.** Applications must be received by the County or one of the participating cities (Arroyo Grande, Atascadero, Morro Bay, Paso Robles, San Luis Obispo) prior to close of the business day. **POSTMARKED DATED MAIL RECEIVED AFTER THE DEADLINE WILL NOT BE ACCEPTED.**

NOTE:

(1) Please review the CDBG regulations and guidelines and the Request for Proposals before completing this proposal. The CDBG regulations, under 24 CFR 570, are available at www.sloplanning.org under "Federal HUD Grants."

(2) **HMIS Reporting for 2012 homeless services, housing and shelter** - All homeless service providers applying for CDBG funds to assist, house or shelter the homeless must identify and demonstrate its capacity to participate in the County of San Luis Obispo Homeless Management Information System (HMIS) to provide: personnel for data entry, user licensing, and hardware and software necessary for compatibility with HMIS. HMIS is an electronic data collection system that stores client level information about persons who access the homeless services system in a Continuum of Care, and reports aggregate data for the County as per the U.S. Department of Housing and Urban Development's Data Standards found in http://www.hudhre.info/documents/FinalHMISDataStandards_March2010.pdf.

(3) The project/program proposal to the County of San Luis Obispo shall be examined in relation to the County's community development goals and funding priorities as presented in the Urban County of San Luis Obispo 2010-2015 Consolidated Plan (ConPlan). The ConPlan is available at www.sloplanning.org. The County of San Luis Obispo Department of Planning and Building (Planning) considers the criteria stated in the 2012 Request for Proposals as one of many tools to help make funding recommendations to the Board of Supervisors. Planning will use other information and sources including but are not limited to: the County Board of Supervisors, recommendations from the Homeless Services Oversight Council, other participating jurisdictions of the Urban County of San Luis Obispo, identified needs that could be addressed by the grant funds, consistency with goals and priorities in the 2010 Consolidated Plan and the Ten Year Plan to End Homelessness, results of the Needs Workshops, working knowledge of the project and/or

organization by Planning, and availability of limited fund, to help with the funding recommendations.

Please call County and/or city CDBG staff with any questions about how to complete the form or about the rating criteria and process.

If the information for any of the questions below requires more room to provide a complete explanation of your proposed project or program, please attach additional sheets.

CONTACT INFORMATION

1. Name and mailing address of applicant organization, with contact person, phone and fax numbers, and e-mail address:

Name: Transitional Food and Shelter, Inc.

Address (mailing and physical address requested if different):
3770 N. River Rd.
Paso Robles, CA 83446

Contact person/title Pearl Munak, President

Phone: 805 238-7056

Fax:

E-mail address: pearltrans@aol.com

Is the organization a Faith Based Organization? Yes ☐ No x☐

***Organization's DUNS number: __020043385_____**

PROJECT DESCRIPTION

2. Title/name/address of proposed project or program:
Transitional Shelter for Medically Fragile Homeless

3. **Please describe the proposed project or program.** In one or two short paragraphs, include a brief project/program description, the groups who will benefit and an explanation of how they will benefit from the proposed project or program. For projects, describe the location of the project (be as specific as possible, e.g. street address). For programs, state the location from which the program will be operated and/or describe the geographic area served by the program. Also, please include a schedule of project/program milestones.

The project is to acquire property at 7860 Sinaloa, Atascadero to be used for transitional housing or group home for medically fragile homeless persons in San Luis Obispo County. Medically fragile means the person is too ill, injured or disabled to be in an overnight homeless shelter and outdoors all day. They need shelter 24 hours a day. The site has existing structures consisting of 2 duplexes (4 units), with 8 bedrooms and 8 baths. It is on less than half an acre, and has 4 garages, 4 utility rooms, and is in good condition. The site is suitable as is, with only minor modifications which applicant can provide with volunteers and donated materials. The City of Atascadero says the zoning is right and no conditional use permit is required. The neighborhood is one of modest single-family homes and small apartment buildings, often converted from single family homes. It is a good neighborhood, with no problems. This facility will enable us to serve 7 client households in Atascadero instead of only 5, as it will replace 5 rented apartments which cost more in rent than the operating expenses of the facility. One bedroom will go to a resident manager who is very low income.

The applicant has 12 years experience working with homeless persons, 10 years with medically fragile homeless, and will incorporate the facility into its existing program of services.

Clients benefit from these services by being able to get bed rest as prescribed by a doctor, or able to elevate a leg as prescribed by a doctor, or being able to rest after chemotherapy, or when weak from their physical conditions, or be safe if blind, etc. They are able to get well, or, if they can never get well, at least avoid setbacks and re-hospitalizations. The terminally ill can receive visitors from Hospice Partners and be at peace.

This facility will be used to serve clients from the North County, and also for clients from San Luis Obispo, South County and every area of the county. Though we have 4 apartments in the City of San Luis Obispo, these are rented from the Housing Authority of the City of San Luis Obispo, which restricts occupancy to one person per unit, so couples and families from all over the county must be served in our 5 Atascadero apartments or our single Arroyo Grande apartment. Also, if the only vacancy available is in Atascadero, any client may be sent there. The facility will replace the 5 Atascadero apartments, so the same is true for the facility for which application is made. We have never been able to rent apartments in Paso Robles because of zoning problems. All Paso Robles clients are served in Atascadero and will continue to be served in Atascadero.

Note that all our apartments are studios, and children generally have to sleep on the floor, as there is no room for more than 2 beds. The rooms in the site to be acquired are much bigger and would allow bed space for children.

The seller is asking $599,000 for the property, and we will be engaging in negotiations with him for a contract to buy, conditional on receiving grants sufficient to pay the agreed-upon price.

4.Will the services offered by your organization increase or expand as a result of the CDBG assistance? If yes, please answer the following questions:

a. What new programs and/or services will be provided? The programs and services will be of the same nature, but we can serve more people. Two additional households can be accommodated than in applicant's present setup of renting 5 apartments in Atascadero, and efficiencies can be achieved in the program, saving funds which may become available to restore the motel voucher program previously used when all 10 apartments in the county were full and a patient needed to be discharged from the hospital. Motel vouchers have been suspended lately because of lack of funding.

b. Describe how existing programs and/or services will be expanded and what percentage of an increase is expected? be realized by the use of motel vouchers made possible by savings incurred. As compared to the program's operations in Atascadero alone, there will be an increase from 5 units to 7, with possible motel units for the overflow because of savings.

4. **Check any of the following eligible activity categories that apply to the proposed project or program:** (Refer to CDBG regulations and the Guide to Eligible CDBG Activities).

___X Acquisition of real property

____ Disposition of real property

____ Public facilities and improvements (may include acquisition, construction, reconstruction, rehabilitation or installation)

____ Privately owned utilities

____ Clearance and remediation activities

____ Public services

__X__ Interim assistance

____ Relocation of individuals, families, businesses, non-profit organizations, and/or farms

____ Loss of rental income

____ Removal of architectural barriers

____ Housing rehabilitation

____ New housing construction (under limited circumstances)

____ Homeownership assistance

____ Housing services

____ Code enforcement

____ Historic preservation

____ Commercial or industrial rehabilitation

____ Special economic development

____ Technical assistance and planning studies

5. Describe the need and the degree of urgency for the proposed project or program. What would be the consequences if the proposed project or program is not funded in the next year?

Already we are declining to serve some referrals by hospitals seeking to discharge homeless patients, because of lack of capacity and lack of funds. Hospitals cannot make an adequate discharge plan for such patients. They do not need hospital care but cannot get bed rest. This will only become more frequent as time goes on.

6. Please describe the specific organizational method used to implement the proposed project or program (single or multiple group, public agency, non-profit, for-profit, experience in operating similar programs, etc.): One non-profit 501 c 3 corporation, cooperating with other agencies, but not organizationally connected to them.

8. Does the project require the issuance of a permit (from local, state or federal agencies)?

Yes ☐ No x☐

a. If yes, please identify the permits necessary to complete the project.

b. Have the necessary permits been issued? Please provide proof of permit issuance.

c. If permits are required but not yet obtained, when will the permits be issued?

NATIONAL OBJECTIVES CRITERIA

9. Does the proposed project or activity meet one of the three national objectives of the CDBG program? Please check one of the objectives below that applies to the proposal, and explain how the project or activity meets that national objective.

a. __x___ Benefits low- and moderate-income persons as defined by the U.S. Department of Housing and Urban Development (HUD).

Select one:

☐ **Low/Moderate-Income Area Benefit** – The project serves only a limited area which is proven by 2000 Census data or survey to be a predominately (51% or more) low/moderate-income area. Applicants choosing this category must be able to prove their project/activity primarily benefits low/moderate-income households.

x☐ **Low/Moderate-Income Limited Clientele** – The project benefits a specific group of people (rather than all areas in a particular area), at least 51% of whom are low/moderate-income persons;. Note: Income verification for clients must be provided for this category. The following groups are presumed to be low/moderate-income: abused children; elderly persons; battered spouses; homeless persons; adults meeting census definition of severely disabled; persons living with AIDS; and migrant farm workers

☐ **Low/Moderate-Income Housing** – The project adds or improves permanent residential structures that will be/are occupied by low/moderate-income households upon completion.

☐ **Low/Moderate-Income Jobs** – The project creates or retains permanents jobs, at least 51% of which are taken by low/moderate-income persons or considered to be available to low/moderate-income persons.

Explain: The project serves only homeless persons.

NOTE: To meet this national objective, the proposed activity must benefit a specific clientele or residents in a particular area of the County or participating city, at least 51 percent of who are low- and moderate-income persons.

b. _____ Aids in the prevention or elimination of slums or blight.

Explain:

Select one:

☐ **Addressing Slums or Blight on an Area Basis -**

☐ **Addressing Slums or Blight on a Spot** Basis – This project will prevent or eliminate specific conditions of blight or physical decay. Activities are limited to clearance, historic preservation, rehabilitation of buildings, but only to the extent necessary to eliminate conditions detrimental to public health and safety.

Is the project located in a Redevelopment Area? Yes x ☐ No ☐

If yes, attach a map of the area with the site highlighted, and provide the Redevelopment Project Area (excerpts accepted) which documents the existence of slum/blight. Also, document the specific redevelopment objectives pertaining to the proposed project.

NOTE: To meet this national objective, the proposed activity must be within a designated slum or blighted area and must be designed to address one or more conditions that contributed to the deterioration of the area.

c. _____ Meets community development needs having a particular urgency where existing conditions pose a serious and immediate threat to the health or welfare of the community, and no other funding sources are available, i.e., a major catastrophe such as a flood or earthquake.

Explain:

NOTE: To meet this national objective, the proposed activity must deal with major catastrophes or emergencies such as floods or earthquakes.

10. If the project or program is designed to meet the national objective of providing benefit to low- and moderate-income persons, please estimate the number of <u>unduplicated</u> number of persons (or households) to benefit from the project and break that estimate down by income group (unduplicated means the number who are served, i.e., the grant will allow 25 children to participate in preschool – not 25 children x 5 days x 52 weeks = 6,500).

a. Total number of persons or households who will benefit from the project or program (regardless of income group):

__300_____ Persons

b. Of the total number of persons or households entered above, how many will be low-income (earning 51% - 80% or less of the County median-income)?

___300_____ Persons

c. Of the total number of persons or households entered above, how many will be very low-income (earning 50% or less of the County median-income)?

____300_____ Persons

11. Who are the clients of your organization? (Example: low- to moderate-income persons, elderly persons, severely disabled persons, migrant farm workers, battered spouses, etc.)

Medically fragile homeless (either temporarily or permanently disabled)

12. How will the clients benefit from this project?

Clients will receive shelter, supervision and casework services, be able to get better faster, or, if they can never get better, avoid getting worse and going back to the hospital. They will also be assisted to maximize their incomes, find housing, take advantage of services offered by other agencies and health resources. The terminally ill expected to pass away soon can die there, visited by Hospice Partners.

BENEFICIARY DATA

13. How do you currently collect demographic data on the beneficiaries of the proposed project or program? (Example: racial/ethnic characteristics)*

The referring agency puts the racial/ethnic characteristics on the referral form, so we have it on our records.

14. **How do you currently document income status of each client? (Example: very low, low- and moderate-income)* Only homeless persons can be referred. No self-referrals are accepted. Only hospitals and social service agencies can refer. The referring agency verifies the client's income.**

15. **Provide the following information for the person(s) in your organization responsible for the preparation and submittal of the quarterly reports and for collecting and reporting the beneficiary data to the Urban County.**

    Contact person/title: Kevin Mikelonis, Recorder of services provided.

    Phone number:805 275-2308

    E-mail address: kmikelonis@processdsg.com

*<u>NOTE</u>: You are required to provide beneficiary data at the end of each quarter and year end data of the fiscal year.

***If your are awarded CDBG funds or your proposal involves economic development, i.e., directly benefit a business, private property owner, business, involves façade improvements, provide technical assistance to a new or existing business, job creation, loan guarantee, the beneficiary must obtain a Dun and Bradsteet (DUNS) number that must be reported to HUD. Please contact Tony Navarro, (805) 781-5787, tnavarro@slo.co.ca.us for information on how to obtain a DUNS number prior to incurring and obligating the federal funds.**

FINANCIAL INFORMATION

For CDBG applications to the County of San Luis Obispo involving acquisition, construction or rehabilitation projects please provide the required additional budget information on BUDGET FORM A and BUDGET FORM B attached to the back of this application.

16. Total amount of CDBG funds requested: $_$575,000_____

Please identify the jurisdiction(s) to which you are applying*:

Atascadero, Paso Robles, City of San Luis Obispo, County of San Luis Obispo, Morro Bay

If you are requesting CDBG funds from more than one jurisdiction, please break down the amount shown above by the jurisdiction listed below.

City of Arroyo Grande:	_____	City of Paso Robles:	_200,000_____
City of Atascadero:	_200,000_____	City of San Luis Obispo:	_70,000._____
City of Morro Bay:	__5,000_____	County of San Luis Obispo:	_100,000_____

*__NOTE:__ If you are applying to one or more cities, please provide a copy of the application to the County by the application deadline of **October 24, 2011.**

17. Please describe the budget for the proposed project or program. Itemize all sources of funding expected to be available and used for this project

a. **Revenues:**

1. CDBG Funds requested	$ 575,000
2. Other Federal fund(s) (please describe below)	$ 500,000
3. State source(s) (please describe below)	$
4. Local source(s) (please describe below)	$
5. Other funds (please describe below)	$ 100,000
Total Revenues	$

500,000 HOME
Bridge loan from San Luis Obispo County Housing Trust Fund $575,000, interest only
Atascadero Redevelopment Agency 100,000 or more, pending

b. **Expenditures**: List below by item or cost category.
$575,000 for acquisition

18. How do you plan to fund the operation and maintenance costs (if any) associated with this project? Are these funds available now? If not, when will they be available? And from what source(s)?

We will fund the operation and maintenance costs of the facility from current operating income. The operating costs are $17,000, and the rent for our 5 Atascadero apartments which will be replaced by this facility is $37,000. Our income comes from donations, fund-raising and operating grants.

19. Will CDBG funds be used to match/leverage other funds? List below funding sources and amounts and identify award dates of these sources.

Leverage HOME funds and/or Atascadero RDA, bridge loan from SLOCHTF.

I certify that the information in this application is true and accurate to the best of my knowledge and ability.

	10-20-11
Signature	Date
Pearl Munak	President
Printed or typed name	Title

Note to applicant:

The County and cities require all of the grant recipients to maintain general liability, automobile and workman's compensation insurance with limits of not less than $1 million*. If you are successful in obtaining an award, you will be asked to provide documentation regarding ability to provide the required coverage.

* Liability coverage may vary by jurisdiction. Please call the city/county contact to verify limits.

Prior to HUD's release of grant conditions and/or funds for the CDBG-funded project, a review of the project's potential impact on the environment must be conducted by the awarding jurisdictions and approved by the County of San Luis Obispo **prior to obligating or incurring project costs**. The County must certify to HUD that it has complied with all applicable environmental procedures and requirements. Should project costs be obligated or incurred prior to the completion of the necessary environmental review, the project **shall not** benefit from the federal funds. Environmental review requirements pursuant to 24 CFR Part 58 must be fully satisfied for any project selected for funding prior to the CDBG Program issuing a Notice to Proceed for the project. The level of environmental review required depends on the nature of the project. 24 CFR Part 58 is available at www.hud.gov/offices/cpd/environmental/lawsandregs/regs.

If you need assistance or have questions regarding this application, please contact any of the persons listed below. Your application(s) can be dropped off or mailed to the following locations:

- Kelly Heffernon, Community Development Dept., City of Arroyo Grande, 214 E. Branch Street (P.O. Box 550), Arroyo Grande, CA 93421, (805) 473-5420.
- Valerie Humphrey, Public Works Dept., City of Atascadero, 6907 El Camino Real, Atascadero, CA 93422, (805) 470-3460.
- Rob Livick, Public Services Dept., City of Morro Bay, 955 Shasta Avenue, Morro Bay, CA, 93442, (805) 772-6261
- Darren Nash, Community Development Dept., City of Paso Robles, 1000 Spring St., Paso Robles, CA 93446, (805) 237-3970.
- Tyler Corey, Community Development Dept., City of San Luis Obispo, 919 Palm St., San Luis Obispo, CA 93401, (805) 781-7175.
- Tony Navarro, Dept. of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA 93408, (805) 781-5787.

COUNTY OF SAN LUIS OBISPO CDBG SUPPLEMENTAL BUDGET INFORMATION SHEET

BUDGET FORM A

For CDBG applications to the County of San Luis Obispo involving acquisition, construction or rehabilitation projects must provide the applicable project budget information.

Financial considerations are key in assessing a project's ability to be completed successfully and timely. Factors to be considered in this area include (a) availability and sufficiency of resources (including all non-CDBG, federal, state, county or private funding sources, (b) the leveraging of resources, (c) fiscal support for the project for its continued viability and (d) the project budget's accuracy, reasonableness and completeness in determining the financial needs of the project.

Source of Funds. Provide for entire project and round to the nearest hundred dollars. Do NOT include operating costs as this is not an eligible CDBG costs for projects involving acquisition, construction or rehabilitation projects.

Description of Cost	Date Funds Available	Amount Requested	Approved - Secured	Total	% of Total Budge
CDBG Funds: This Request					
Previous Award					
Previous Award					
HOME Funds: This request					
Previous Award					
Other Federal Funds Source:					
State Funds Source:					
Private Funds:					
Private Funds:					
Private Funds:					
In-Kind Contributions: Labor					
In-Kind Contributions					
Other:					
Other:					
Other:					
Totals					**100%**

Comment on your entity's strategy and plans on the leveraging and sufficiency of resources to implement the proposed project. If project is not leveraged with other funds, explain why CDBG funds are being relied on solely to fund the proposed project.

COUNTY OF SAN LUIS OBISPO CDBG SUPPLEMENTAL BUDGET INFORMATION SHEET

BUDGET FORM B

Project Budget
Budget Form – Acquisition, Construction and Rehabilitation Project Preliminary Budget & Project Funding Requirements

Agency name: _____
Project: _____

Preliminary Budget: List all funding necessary to complete the proposed project.

Description of Cost	CDBG Funds Requested	Other Funding	Source of Other Funds	Project Budget
Appraisals				
Advertising				
Acquisition				
Architectural, Planning and Engineering				
Construction Document Preparation				
Surveying				
Permitting				
Relocation				
Demolition and Removal				
Hazardous Materials Abatement				
Landscaping				
Rehabilitation				
Building Construction				
Inspection				
Project/Construction mgmt.				
Other				
Other				
Totals				

Budget must be specific and reflect the applicant's financial commitment, including items paid for by other sources. This includes in-kind contributions and volunteer labor. It should not include amounts of administration. Indicate the circumstances/consequences of partial funding is awarded for this project.

Authorization:

_____ _____ _____

Authorized Signature for Project Title Date

_____

Print name

19. Will CDBG funds be used to match/leverage other funds? List below funding sources and amounts and identify award dates of these sources.

Leverage HOME funds and/or Atascadero RDA, bridge loan from SLOCHTF.

I certify that the information in this application is true and accurate to the best of my knowledge and ability.

Pearl Munak 10-20-11

Signature Date

Pearl Munak President

Printed or typed name Title

Note to applicant:

The County and cities require all of the grant recipients to maintain general liability, automobile and workman's compensation insurance with limits of not less than $1 million*. If you are successful in obtaining an award, you will be asked to provide documentation regarding ability to provide the required coverage.

* Liability coverage may vary by jurisdiction. Please call the city/county contact to verify limits.

Prior to HUD's release of grant conditions and/or funds for the CDBG-funded project, a review of the project's potential impact on the environment must be conducted by the awarding jurisdictions and approved by the County of San Luis Obispo **prior to obligating or incurring project costs**. The County

ATTACHMENT 5

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM APPLICATION FOR THE 2012 PROGRAM YEAR

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING
976 OSOS STREET • ROOM 200 • SAN LUIS OBISPO • CALIFORNIA 93408 • (805) 781-5600

Promoting the Wise Use of Land • Helping to Build Great Communities

RECEIVED
OCT 21 2011
Planning & Bldg

Organization Name: Community Action Partnership of San Luis Obispo County, Inc.
(Attach additional sheets if necessary)

To be considered for CDBG assistance, please submit this completed application with any exhibits, budgets or beneficiary data as needed. **PLEASE READ ALL INFORMATION IN THE APPLICATION.** Applications can be mailed to one of the participating jurisdictions listed in this application or to: Tony Navarro, Planner III, Department of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA., 93408 or hand delivered to Tony Navarro at 1035 Palm Street, Room 370, San Luis Obispo, CA., faxed to (805) 781-5624, or e-mailed to tnavarro@co.slo.ca.us. **The application deadline is 5:00 P.M., Monday, October 24, 2011.** Applications must be received by the County or one of the participating cities (Arroyo Grande, Atascadero, Morro Bay, Paso Robles, San Luis Obispo) prior to close of the business day. **POSTMARKED DATED MAIL RECEIVED AFTER THE DEADLINE WILL NOT BE ACCEPTED.**

NOTE:

(1) Please review the CDBG regulations and guidelines and the Request for Proposals before completing this proposal. The CDBG regulations, under 24 CFR 570, are available at www.sloplanning.org under "Federal HUD Grants."

(2) **HMIS Reporting for 2012 homeless services, housing and shelter** - All homeless service providers applying for CDBG funds to assist, house or shelter the homeless must identify and demonstrate its capacity to participate in the County of San Luis Obispo Homeless Management Information System (HMIS) to provide: personnel for data entry, user licensing, and hardware and software necessary for compatibility with HMIS. HMIS is an electronic data collection system that stores client level information about persons who access the homeless services system in a Continuum of Care, and reports aggregate data for the County as per the U.S. Department of Housing and Urban Development's Data Standards found in http://www.hudhre.info/documents/FinalHMISDataStandards_March2010.pdf.

(3) The project/program proposal to the County of San Luis Obispo shall be examined in relation to the County's community development goals and funding priorities as presented in the Urban County of San Luis Obispo 2010-2015 Consolidated Plan (ConPlan). The ConPlan is available at www.sloplanning.org. The County of San Luis Obispo Department of Planning and Building (Planning) considers the criteria stated in the 2012 Request for Proposals as one of many tools to help make funding recommendations to the Board of Supervisors. Planning will use other information and sources including but are not limited to: the County Board of Supervisors, recommendations from the Homeless Services Oversight Council, other participating jurisdictions of the Urban County of San Luis Obispo, identified needs that could be addressed by the grant funds, consistency with goals and priorities in the 2010 Consolidated Plan and the Ten Year Plan to End Homelessness, results of the Needs Workshops, working knowledge of the project and/or organization by Planning, and availability of limited fund, to help with the funding recommendations.

Please call County and/or city CDBG staff with any questions about how to complete the form or about the rating criteria and process.

If the information for any of the questions below requires more room to provide a complete explanation of your proposed project or program, please attach additional sheets.

CONTACT INFORMATION

1. **Name and mailing address of applicant organization, with contact person, phone and fax numbers, and e-mail address:**

Name: *Community Action Partnership of San Luis Obispo County, Inc. (CAPSLO)*

Address (mailing and physical address requested if different):
1030 Southwood Drive,
San Luis Obispo, CA 93401

Contact person/title: *Elizabeth "Biz" Steinberg, Chief Executive Officer*

Phone: *(805) 544-4355*

Fax: *(805) 549-8388*

E-mail address: *esteinberg@capslo.org*

Is the organization a Faith Based Organization? Yes ☐ No ☒

***Organization's DUNS number:** *0589019500000*

PROJECT DESCRIPTION

2. **Title/name/address of proposed project or program:**

   Prado Day Center
   43 Prado Road
   San Luis Obispo, CA 93401

3. **Please describe the proposed project or program.** In one or two short paragraphs, include a brief project/program description, the groups who will benefit and an explanation of how they will benefit from the proposed project or program. For projects, describe the location of the project (be as specific as possible, e.g. street address). For programs, state the location from which the program will be operated and/or describe the geographic area served by the program. Also, please include a schedule of project/program milestones.

   Program description: *Since Prado Day Center opened in 1997, it has become the major point of daytime contact for local providers to serve the homeless and working poor families and individuals. The Center operates seven days a week, year-round, providing breakfast and lunch to an average daily census of 84 persons and other services to a daily average of 132 persons. Prado Day Center offers restrooms and shower facilities; laundry service; local phone use; mail service; newspapers for employment listings; a reading/writing area; children's playroom and play yard; a community garden; and bus tokens.*

   A hot lunch is served daily by the People's Kitchen at Prado every day, year-round and volunteers have provided a breakfast program for those who do not eat breakfast at the Maxine Lewis Memorial (MLM) Shelter. Other services currently delivered at Prado on weekdays include TB testing and basic health screening, drug/alcohol meetings through CHC once a week, mental health outreach 3 hours a week, CAPSLO Case Management 7 days a week, CAPSLO Health Services Education and Information once a month, CHC Medical Case Management two days a week, Transitional Housing Outreach and Information twice a month, Department of Social Services information and questions once a week, free legal assistance once a month and information/referral to a wide range of community benefits and services. The Prado Day Center has proven to be a much needed community facility. Numerous volunteers assist with daily Center activities including reception, laundry and client interaction.

   The children's playroom and fenced play yard offer toys, books and play equipment, to provide vulnerable children with respite from their difficult lives and an opportunity to play and enjoy themselves.

   The Prado Day Center also functions as a Warming Station for individuals and families during inclement weather situations. The Maxine Lewis Memorial Shelter is the only night shelter in the city and only has approximately 50 beds which forces staff to turn away people nightly. This is particularly problematic during inclement weather. As a response the Prado Day Center extends its daytime hours into the evening so that families and single adults are not forced to sleep in the rain and severe cold. During months when the Warming Station was necessary an average of 206 individuals were provided services per month. Recently, January 2010 was the highest with 516 individuals seeking assistance. March of 2011 was the next highest with 255 seeking a warm place to stay. On nights that the Warming

Station was open during January – March, 2011 the average daily count for individuals seeking shelter was 39 per night.

Who/how will benefit: ***Who:*** *According to the 2011 Homeless Enumeration Report, 3,774 county residents were identified as homeless. A staggering 1,847 (49%) of those counted were younger than 18. Of those homeless persons surveyed, 39% countywide said they used shelter services and within the City of San Luis Obispo 53% said they had accessed shelter services in the past year. 70% reported having been homeless for more than a year, 19% have been homeless for more than three months, but less than a year, and 11% of have been homeless less than three months. All shelters were filled to capacity on the night of the count and many people had been turned away due to overcapacity. The Community Action Partnership's Homeless Services Program is the largest in the county, providing a significant service to the community.*

How: *The Prado Day Center was created to provide day services that complement the MLM Shelter night services. Each day at 7:30am, clients must leave the MLM Shelter until it reopens at 5:00pm. Prior to creation of the Prado Day Center, homeless community members spent the day in places such as Mission Plaza, public parks, the City/County Library, or on the streets. Being on the streets exposed the homeless to weather and temperature extremes. If their appearance identified them as homeless, they might be subjected to public disapproval or scorn. Since Prado Day Center opened, homeless residents have had a safe, supportive place off the streets to go during the day, and a place that offers assistance to help them assess their needs, access essential services, and re-establish their lives.*

Location: *Prado Day Center is in the City of San Luis Obispo but serves the entire county.*

Milestones: *Through Prado's relationships and partnerships with other service sites and providers, many of the low-income persons served achieve permanent housing, more stable employment, and family functioning. Each family's personal achievements are program milestones. All services are ongoing throughout the program year, and approximately 1,500 persons will receive one or more days of Prado Day Center services and assistance during the coming year. Each day of service is also considered to be a milestone.*

One of the strongest aspects of Prado's service strategy is the wide range of community services provided on-site. The free breakfast and lunch, showers, and laundry services draw clients to the site. Caring staff offer support and incentives that motivate clients to meet with providers who offer critical services. Social interaction between clients at the Center supports their healthy re-integration into the community and provides a safe environment for practicing appropriate behavior. The anecdotal outcomes reported by clients describe a return to "normal", "the means to stop self-defeating cycles" and the support needed to "break through...negativity and get on with creating a productive life."

4. **Will the services offered by your organization increase or expand as a result of the CDBG assistance? If yes, please answer the following questions:**

   a. What new programs and/or services will be provided?
   No

   b. Describe how existing programs and/or services will be expanded and what percentage of an increase is expected?

CDBG funds will enable the Prado Day Center to maintain its current level of service. The Center is always looking for additional or enhanced vocational, educational or support services to bring on-site.

5. **Check any of the following eligible activity categories that apply to the proposed project or program:** (Refer to CDBG regulations and the Guide to Eligible CDBG Activities).

____ Acquisition of real property

____ Disposition of real property

____ Public facilities and improvements (may include acquisition, construction, reconstruction, rehabilitation or installation)

____ Privately owned utilities

____ Clearance and remediation activities

_X_ Public services

____ Interim assistance

____ Relocation of individuals, families, businesses, non-profit organizations, and/or farms

____ Loss of rental income

____ Removal of architectural barriers

____ Housing rehabilitation

____ New housing construction (under limited circumstances)

____ Homeownership assistance

____ Housing services

____ Code enforcement

____ Historic preservation

____ Commercial or industrial rehabilitation

____ Special economic development

____ Technical assistance and planning studies

6. **Describe the need and the degree of urgency for the proposed project or program. What would be the consequences if the proposed project or program is not funded in the next year?**

The Prado Day Center is heavily utilized, demonstrating the ongoing need for services. In the 12 months ending June 30, 2011, Prado provided one or more days of respite and services to 1,509 unduplicated persons; 651 (43%) of these were women and children; 822 (55%) of all adults were disabled. During the same period, clients received 78,716 total service units through 7,176 contacts made with community service providers at the Center. 26,450 breakfasts were served for an average of 74 persons a day receiving breakfast at the Center. The Center also hosts the People's Kitchen, the only free lunch in San Luis Obispo, which served an average of 91 persons a day in the 12 months ending June 30, 2011.

The outcomes achieved in our homeless programs represent incremental progress toward increased personal and community well-being. At the personal level this means a homeless person facing their problems, accepting help, developing a life-changing plan, and working in partnership with shelter staff to take a series of small, manageable steps that lead to positive change. At the community level this means reducing the impacts on agencies and systems such as law enforcement, the courts, hospital emergency rooms, mental health and drug/alcohol resources, and child welfare services. An average of 128 persons per day used Center services in the 12 months ending June 30, 2010.

***If not funded:** The Friends of Prado Day Center is responsible for community fundraising to support the Center, and CAPSLO is responsible for raising public funding. Without CDBG funding from the County of San Luis Obispo and General Funds (in lieu of CDBG funds) from the City, the Prado Day Center would be forced to reduce days and/or hours of operation thereby limiting services at the county's only day center for homeless individuals.*

Without the Day Center, homeless men, women, and families would have no option but to return to the more public areas of the city during the daytime hours, where they often go without food, basic services, and assistance to maintain and re-establish their lives.

7. **Please describe the specific organizational method used to implement the proposed project or program (single or multiple group, public agency, non-profit, for-profit, experience in operating similar programs, etc.):**

As the county's Community Action Agency, CAPSLO has provided critical services to low-income county residents since 1965 and, since 1989, has operated the MLM Shelter in San Luis Obispo. We collaborate with the Interfaith Coalition for the Homeless, the City and County of San Luis Obispo, the SLO Housing Authority, the SLO Supportive Housing Consortium, the Homeless Services Coordinating Council, SLO People's Kitchen, and numerous public and private health and human service agencies to provide services to homeless clients. Key community partners include County Department of Social Services, County Mental Health, Community Health Centers of the Central Coast, Transitions-Mental Health Association, Cal Poly State University, and Beyond Shelter.

To support the countywide continuum of homeless services, CAPSLO contributed state funding toward creation of the county's 10-Year Plan to End Chronic Homelessness. This plan will help guide homeless

service delivery for the next decade, and will benefit all communities in the county as well as the network of public, private and faith-based partners and service providers.

The agency is in the process of preparation to collect all data using the Homeless Management Information System (HMIS), required by HUD, for this project. The agency currently collects data for the case management projects and is working with the county to expand the collection to this and other projects. The CAPSLO Homeless Services Data Analyst is responsible for getting the information on all case managed clients who are being served under a HUD grant. Every other week, a case conference is held and it is decided then which clients will be accepted to the program, and which clients will be closed out. During the following week, the Data Analyst meets one on one with each of the Case Managers to review the client file for all opening and closing clients, for completeness, accuracy, to verify that the client is eligible for services under the program, and that all documentation is in place. The Data Analyst then enters all of the necessary information into HMIS. Additionally, case notes are emailed to the Data Analyst on a regular basis in order to get all of the services that the client is receiving entered into HMIS. With the information entered into the system, HMIS is capable of running reports to be given to the county and ultimately HUD.

8. **Does the project require the issuance of a permit (from local, state or federal agencies)?** Yes ☐ No ☒

   a. If yes, please identify the permits necessary to complete the project.

   b. Have the necessary permits been issued? Please provide proof of permit issuance.

   c. If permits are required but not yet obtained, when will the permits be issued?

NATIONAL OBJECTIVES CRITERIA

9. **Does the proposed project or activity meet one of the three national objectives of the CDBG program? Please check one of the objectives below that applies to the proposal, and explain how the project or activity meets that national objective.**

   a. _X_ Benefits low- and moderate-income persons as defined by the U.S. Department of Housing and Urban Development (HUD).

   Select one:

   ☐ **Low/Moderate-Income Area Benefit** – The project serves only a limited area which is proven by 2000 Census data or survey to be a predominately (51% or more) low/moderate-income area. Applicants choosing this category must be able to prove their project/activity primarily benefits low/moderate-income households.

   ☒ **Low/Moderate-Income Limited Clientele** – The project benefits a specific group of people (rather than all areas in a particular area), at least 51% of whom are low/moderate-income persons;. Note: Income verification for clients must be provided for this category. The following groups are presumed to be low/moderate-income: abused children; elderly persons; battered spouses; homeless persons; adults meeting census definition of severely disabled; persons living with AIDS; and migrant farm workers

☐ **Low/Moderate-Income Housing** – The project adds or improves permanent residential structures that will be/are occupied by low/moderate-income households upon completion.
☐ **Low/Moderate-Income Jobs** – The project creates or retains permanents jobs, at least 51% of which are taken by low/moderate-income persons or considered to be available to low/moderate-income persons.

Explain:
Persons served at the Prado Day Center are all homeless including many persons with a physical or mental disability.

NOTE: To meet this national objective, the proposed activity must benefit a specific clientele or residents in a particular area of the County or participating city, at least 51 percent of who are low- and moderate-income persons.

b. _____ Aids in the prevention or elimination of slums or blight.

Explain:

Select one:
☐ **Addressing Slums or Blight on an Area Basis -**
☐ **Addressing Slums or Blight on a Spot** Basis – This project will prevent or eliminate specific conditions of blight or physical decay. Activities are limited to clearance, historic preservation, rehabilitation of buildings, but only to the extent necessary to eliminate conditions detrimental to public health and safety.

Is the project located in a Redevelopment Area? Yes ☐ No ☒
If yes, attach a map of the area with the site highlighted, and provide the Redevelopment Project Area (excerpts accepted) which documents the existence of slum/blight. Also, document the specific redevelopment objectives pertaining to the proposed project.

NOTE: To meet this national objective, the proposed activity must be within a designated slum or blighted area and must be designed to address one or more conditions that contributed to the deterioration of the area.

c. _____ Meets community development needs having a particular urgency where existing conditions pose a serious and immediate threat to the health or welfare of the community, and no other funding sources are available, i.e., a major catastrophe such as a flood or earthquake.

Explain:

NOTE: To meet this national objective, the proposed activity must deal with major catastrophes or emergencies such as floods or earthquakes.

10. **If the project or program is designed to meet the national objective of providing benefit to low- and moderate-income persons, please estimate the number of <u>unduplicated</u> number of persons (or households) to benefit from the project and break that estimate down by income group (unduplicated means the number who are served, i.e., the grant will allow 25 children to participate in preschool – not 25 children x 5 days x 52 weeks = 6,500).**

    a. Total number of persons or households who will benefit from the project or program (regardless of income group):

    1700 (Persons/households (circle the applicable unit))

    b. Of the total number of persons or households entered above, how many will be low-income (earning 51% - 80% or less of the County median-income)?

    119 (Persons/households (circle the applicable unit))

    c. Of the total number of persons or households entered above, how many will be <u>very</u> low-income (earning 50% or less of the County median-income)?

    1343 (Persons/households (circle the applicable unit))

11. **Who are the clients of your organization? (Example: low- to moderate-income persons, elderly persons, severely disabled persons, migrant farm workers, battered spouses, etc.)**

    The Prado Day Center serves homeless and working poor men, women and children. The client population includes youth accompanied by a parent or guardian (from newborns to teenagers), and adults including seniors. Persons with physical or mental disabilities are served so long as they can care for themselves and maintain appropriately in a congregate setting. We serve persons of all ages, genders, races, and ethnicities without discrimination. This includes the mentally ill, developmentally and physically disabled, persons suffering from or in recovery from substance abuse, veterans, migrant farmworkers, and the working poor. We serve the chronically homeless, situationally-homeless, unemployed, under-employed, uninsured, and underinsured.

12. **How will the clients benefit from this project?**

    As well as providing a safe place to go during the day, the Prado Day Center provides a holistic framework of services to help meet client needs. Comprehensive services include a community breakfast

and lunch, on-site services, linkages and advocacy support, and access to intensive case management. As previously mentioned, the Center is the major point of daytime contact for local providers to serve homeless and working poor families and individuals. The Prado Day Center also serves as Warming Station for individuals and families during periods of inclement weather. Other services currently delivered on weekdays at Prado Day Center include drug/alcohol meetings through CHC once a week, mental health outreach 3 hours a week, CAPSLO Case Management 7 days a week, CAPSLO Health Services Education and Information once a month, CHC Medical Case Management two days a week, Transitional Housing Outreach and Information twice a month, Department of Social Services information and questions once a week, free legal assistance once a month, and information/referral to a wide range of community benefits and services.

BENEFICIARY DATA

13. **How do you currently collect demographic data on the beneficiaries of the proposed project or program?** (Example: racial/ethnic characteristics)*

Demographics are collected during the client intake process using the California Department of Community Services and Development demographic form (Exhibit A attached).

14. **How do you currently document income status of each client? (Example: very low, low- and moderate-income)***

As part of the client intake process, client income is verified using the federal poverty guidelines.

15. **Provide the following information for the person(s) in your organization responsible for the preparation and submittal of the quarterly reports and for collecting and reporting the beneficiary data to the Urban County.**

Contact person/title: Robert J. Ellis, Planning Specialist III

Phone number: (805) 544-4355

E-mail address: bellis@capslo.org

***NOTE:** You are required to provide beneficiary data at the end of each quarter and year end data of the fiscal year.

***If your are awarded CDBG funds or your proposal involves economic development, i.e., directly benefit a business, private property owner, business, involves façade improvements, provide technical assistance to a new or existing business, job creation, loan guarantee, the beneficiary must obtain a Dun and Bradsteet (DUNS) number that must be reported to HUD. Please contact Tony Navarro, (805) 781-5787, tnavarro@slo.co.ca.us for information on how to obtain a DUNS number prior to incurring and obligating the federal funds.**

FINANCIAL INFORMATION

For CDBG applications to the County of San Luis Obispo involving acquisition, construction or rehabilitation projects please provide the required additional budget information on BUDGET FORM A and BUDGET FORM B attached to the back of this application.

16. Total amount of CDBG funds requested: $ 143,707

Please identify the jurisdiction(s) to which you are applying*:

City of Morro Bay, City of San Luis Obispo, County of San Luis Obispo

If you are requesting CDBG funds from more than one jurisdiction, please break down the amount shown above by the jurisdiction listed below.

City of Arroyo Grande:		City of Paso Robles:	
City of Atascadero:		City of San Luis Obispo:	$59,907
City of Morro Bay:	$5,000	County of San Luis Obispo:	$78,800

*__NOTE:__ If you are applying to one or more cities, please provide a copy of the application to the County by the application deadline of **October 24, 2011**.

17. Please describe the budget for the proposed project or program. Itemize all sources of funding expected to be available and used for this project

Please see Exhibit B attached.

18. How do you plan to fund the operation and maintenance costs (if any) associated with this project? Are these funds available now? If not, when will they be available? And from what source(s)?

The Friends of Prado Day Center is the largest funder of the program, generating support through community donations. CDBG funds are the largest mainstream resource used to support operation and maintenance of the Prado Day Center. Other funding shown on Exhibit B also supports the operation of the project and is received throughout the year. Every effort is made to keep costs low by generating volunteer and in-kind support.

We are also constantly looking at ways to diversify resources. CAPSLO's Homeless Advisory Committee is active in holding fundraising events. CAPSLO also engaged resource development consultants who created a long-range Financial Development Plan that will expand the agency's capacity to generate diversified programmatic and capital development resources. That plan was adopted by the CAPSLO (then EOC) Board in October 2007.

19. **Will CDBG funds be used to match/leverage other funds? List below funding sources and amounts and identify award dates of these sources.**

CDBG funds are the primary mainstream resources used to support shelter operations; CDBG and ESG funds are used to leverage all other local and private resources. Please see Exhibit B.

I certify that the information in this application is true and accurate to the best of my knowledge and ability.

Signature 10/20/11
Date

Elizabeth "Biz" Steinberg — Chief Executive Officer
Printed or typed name — Title

Note to applicant:

The County and cities require all of the grant recipients to maintain general liability, automobile and workman's compensation insurance with limits of not less than $1 million*. If you are successful in obtaining an award, you will be asked to provide documentation regarding ability to provide the required coverage.

* Liability coverage may vary by jurisdiction. Please call the city/county contact to verify limits.

Prior to HUD's release of grant conditions and/or funds for the CDBG-funded project, a review of the project's potential impact on the environment must be conducted by the awarding jurisdictions and approved by the County of San Luis Obispo **prior to obligating or incurring project costs**. The County must certify to HUD that it has complied with all applicable environmental procedures and requirements. Should project costs be obligated or incurred prior to the completion of the necessary environmental review, the project **shall not** benefit from the federal funds. Environmental review requirements pursuant to 24 CFR Part 58 must be fully satisfied for any project selected for funding prior to the CDBG Program issuing a Notice to Proceed for the project. The level of environmental review required depends on the nature of the project. 24 CFR Part 58 is available at www.hud.gov/offices/cpd/environmental/lawsandregs/regs.

If you need assistance or have questions regarding this application, please contact any of the persons listed below. Your application(s) can be dropped off or mailed to the following locations:

- Kelly Heffernon, Community Development Dept., City of Arroyo Grande, 214 E. Branch Street (P.O. Box 550), Arroyo Grande, CA 93421, (805) 473-5420.
- Valerie Humphrey, Public Works Dept., City of Atascadero, 6907 El Camino Real, Atascadero, CA 93422, (805) 470-3460.
- Rob Livick, Public Services Dept., City of Morro Bay, 955 Shasta Avenue, Morro Bay, CA, 93442, (805) 772-6261
- Darren Nash, Community Development Dept., City of Paso Robles, 1000 Spring St., Paso Robles, CA 93446, (805) 237-3970.

- Tyler Corey, Community Development Dept., City of San Luis Obispo, 919 Palm St., San Luis Obispo, CA 93401, (805) 781-7175.
- Tony Navarro, Dept. of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA 93408, (805) 781-5787.

Exhibit A

State of California
Department of Community Services and Development
CSBG Programmatic Data-Client Characteristic Report Annual
CSD 295-CCR (Rev. 1/2008)

Please use the CSD 295 -- Client Characteristic Report Instructions and Helpful Hints document to complete this form.

1 Contractor Name: _____ Contract #: _____
Prepared By (print name/title): _____ Report Period: _____

Demographic data should be collected on ALL clients receiving services under any program administered by the designated Community Action Agency.

Yellow Highlighted Sections represent demographics collected on INDIVIDUALS

2 Total unduplicated number of persons about whom one or more characteristics were obtained	
3 Total unduplicated number of persons about whom no characteristics were obtained	

Blue Highlighted Sections represent demographics collected on FAMILIES

4 Total unduplicated number of families about whom one or more characteristics were obtained	
5 Total unduplicated number of families about whom no characteristics were obtained	

6. Gender	Number of Persons*
a. Male	
b. Female	
*Total	

7. Age	Number of Persons*
a. 0-5	
b. 6-11	
c. 12-17	
d. 18-23	
e. 24-44	
f. 45-54	
g. 55-69	
h. 70+	
*Total	

Sum of 7e thru 7h = _____

8. Ethnicity/Race	
I. Ethnicity	
a. Hispanic or Latino	
b. Not Hispanic or Latino	
*Total	
II. Race	
a. White	
b. African American	
c. Native American and Alaskan Native	
d. Asian	
e. Native Hawaiian and Other Pacific Islander	
f. Other	
g. Multi-Race (any 2 or more of the above)	
*Total	

9. Education Level of Adults	Number of Persons 24+**
a. 0-8	
b. 9-12/non-graduate	
c. High sch. Grad./GED	
d. 12+ some post secondary	
e. 2 or 4 yr. College graduates	
**Total	

10. Other Characteristics	Number of Persons****	
	# of Persons	# Surveyed
a. No Health Insurance		
b. Disabled		

11. Family Type	Number of Families***
a. Single parent/female	
b. Single parent/male	
c. Two-parent household	
d. Single person	
e. Two adults - no children	
f. Other	
***Total	

12. Family Size	Number of Families ***
a. One	
b. Two	
c. Three	
d. Four	
e. Five	
f. Six	
g. Seven	
h. Eight or more	
***Total	

13. Source of Family Income	Number of Families
a. Unduplicated # of Families Reporting One or More Sources of Income***	
b. Unduplicated # of Families Reporting No Income	
Total UNDUP Families who responded as either having a source of income or having no income	

Record the sources of each family income as reported in 13a above:

c. TANF	
d. SSI	
e. Social Security	
f. Pension	
g. General Assistance	
h. Unemployment Insurance	
i. Employment + other source	
j. Employment only	
k. Other:	

14. Level of Family Income % of HHS guideline	Number of Families ***
a. Up to 50%	
b. 51% to 75%	
c. 76% to 100%	
d. 101% to 125%	
e. 126% to 150%	
f. 151% and over	
***Total	

15. Housing	Number of Families ***
a. Own	
b. Rent	
c. Homeless	
d. Other	
***Total	

16. Other family characteristics	Number of Families***
a. Farmer	
b. Migrant Farmworker	
c. Seasonal Farmworker	

* The sum in this category should not exceed the value of Section 2.
** The sum in this category should not exceed the value of Section 7e-h.
*** The sum in this category should not exceed the value of Section 4.
**** The numbers reported under either column should not exceed the value of Section 2.

Exhibt B
Community Action Partnership of SLO County, Inc.
Prado Day Center
Proposed Budget FYE June 30, 2013

		2012/13 Request
I. Revenues:		
a. CDBG Funds Requested	$	143,707
b. Non-CDBG Funds Requested:		
Other federal - SLO County ESG		20,773
Local - SLO County General Fund (Coalition)		38,286
Local - People's Kitchen		2,400
Local - Friends of Prado		117,468
Total Funds	$	322,634
II. Expenditures:		
Salaries	$	178,758
Fringe Benefits		70,666
Office Supplies		3,197
Utilities		16,094
Maintence and Repairs		14,856
Program Supplies		12,525
Recruiting and Training		813
Other		1,826
Indirect and Administrative		23,899
Total Expenditures	$	322,634

Helping People. Changing Lives.
community Action PARTNERSHIP of SAN LUIS OBISPO COUNTY, INC.
Formerly known as Economic Opportunity Commission of San Luis Obispo County, Inc.

1030 Southwood Drive
San Luis Obispo
California 93401
•
(805) 544-4355
FAX (805) 549-8388
www.cocslo.org

October 21, 2011

Mr. Tony Navarro
Department of Planning and Building
976 Osos Street
Room 300
San Luis Obispo, CA 93408

Re: Applications for CDBG 2012 - 2013 Program Year Funding

Dear Mr. Navarro,

Enclosed are the applications for 2012 - 2013 CDBG funding for the following Community Action Partnership programs:

- Minor Home Repair
- Prado Day Center
- Maxine Lewis Memorial Shelter
- Homeless Services Center

Also enclosed are courtesy copies of CDBG applications to the cities of Morro Bay, Arroyo Grande, and Paso Robles for Senior Health Screening, 40 Wonderful and TAPP.

We appreciate the County's financial support for Community Action Partnership programs in the community.

Sincerely,

Elizabeth "Biz" Steinberg
Chief Executive Officer

Enclosures

ATTACHMENT 6

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM APPLICATION FOR THE 2012 PROGRAM YEAR

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING
976 OSOS STREET • ROOM 200 • SAN LUIS OBISPO • CALIFORNIA 93408 • (805) 781-5600

Promoting the Wise Use of Land • Helping to Build Great Communities

RECEIVED
SEP 1 2011
Planning & Bldg

Organization Name: Community Action Partnership of San Luis Obispo County, Inc.
(Attach additional sheets if necessary)

To be considered for CDBG assistance, please submit this completed application with any exhibits, budgets or beneficiary data as needed. **PLEASE READ ALL INFORMATION IN THE APPLICATION.** Applications can be mailed to one of the participating jurisdictions listed in this application or to: Tony Navarro, Planner III, Department of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA., 93408 or hand delivered to Tony Navarro at 1035 Palm Street, Room 370, San Luis Obispo, CA., faxed to (805) 781-5624, or e-mailed to tnavarro@co.slo.ca.us. **The application deadline is 5:00 P.M., Monday, October 24, 2011.** Applications must be received by the County or one of the participating cities (Arroyo Grande, Atascadero, Morro Bay, Paso Robles, San Luis Obispo) prior to close of the business day. **POSTMARKED DATED MAIL RECEIVED AFTER THE DEADLINE WILL NOT BE ACCEPTED.**

NOTE:

(1) Please review the CDBG regulations and guidelines and the Request for Proposals before completing this proposal. The CDBG regulations, under 24 CFR 570, are available at www.sloplanning.org under "Federal HUD Grants."

(2) **HMIS Reporting for 2012 homeless services, housing and shelter** - All homeless service providers applying for CDBG funds to assist, house or shelter the homeless must identify and demonstrate its capacity to participate in the County of San Luis Obispo Homeless Management Information System (HMIS) to provide: personnel for data entry, user licensing, and hardware and software necessary for compatibility with HMIS. HMIS is an electronic data collection system that stores client level information about persons who access the homeless services system in a Continuum of Care, and reports aggregate data for the County as per the U.S. Department of Housing and Urban Development's Data Standards found in http://www.hudhre.info/documents/FinalHMISDataStandards_March2010.pdf.

(3) The project/program proposal to the County of San Luis Obispo shall be examined in relation to the County's community development goals and funding priorities as presented in the Urban County of San Luis Obispo 2010-2015 Consolidated Plan (ConPlan). The ConPlan is available at www.sloplanning.org. The County of San Luis Obispo Department of Planning and Building (Planning) considers the criteria stated in the 2012 Request for Proposals as one of many tools to help make funding recommendations to the Board of Supervisors. Planning will use other information and sources including but are not limited to: the County Board of Supervisors, recommendations from the Homeless Services Oversight Council, other participating jurisdictions of the Urban County of San Luis Obispo, identified needs that could be addressed by the grant funds, consistency with goals and priorities in the 2010 Consolidated Plan and the Ten Year Plan to End Homelessness, results of the Needs Workshops, working knowledge of the project and/or organization by Planning, and availability of limited fund, to help with the funding recommendations.

Please call County and/or city CDBG staff with any questions about how to complete the form or about the rating criteria and process.

If the information for any of the questions below requires more room to provide a complete explanation of your proposed project or program, please attach additional sheets.

CONTACT INFORMATION

1. **Name and mailing address of applicant organization, with contact person, phone and fax numbers, and e-mail address:**

Name: *Community Action Partnership of San Luis Obispo County, Inc. (CAPSLO)*

Address (mailing and physical address requested if different):
1030 Southwood Drive
San Luis Obispo, CA 93401

Contact person/title: *Elizabeth "Biz" Steinberg/Chief Executive Officer*

Phone: *(805)544-4355*

Fax: *(805)549-8388*

E-mail address: *esteinberg@capslo.org*

Is the organization a Faith Based Organization? Yes ☐ No ☒

***Organization's DUNS number:** *0589019500000*

PROJECT DESCRIPTION

2. **Title/name/address of proposed project or program:**

   Senior Health Screening
   Community Action Partnership's Health and Prevention Division
   1411 Marsh Street, Suite 206
   San Luis Obispo, CA 93401

3. **Please describe the proposed project or program**. In one or two short paragraphs, include a brief project/program description, the groups who will benefit and an explanation of how they will benefit from the proposed project or program. For projects, describe the location of the project (be as specific as possible, e.g. street address). For programs, state the location from which the program will be operated and/or describe the geographic area served by the program. Also, please include a schedule of project/program milestones.

The Senior Health Screening (SHS) Program is the only no-cost, mobile health screening program for seniors in the county. SHS provides low-income seniors, ages 50 and older, with professional, convenient, and free preventive and maintenance health screening, education, and referrals regarding chronic disease issues. A part-time registered nurse/program coordinator and bilingual/bicultural aide clerk bring equipment and supplies to 16 countywide sites on a pre-designated and advertised day of the month. Screenings include: blood pressure, pulse and weight monitoring, hemoglobin, glucose, and cholesterol (full lipid panels). These screenings have been specifically selected because the abnormal results can lead to serious health issues, such as cardiovascular disease, diabetes, and other chronic diseases. These screenings are also crucial because often there are no symptoms indicating that the individual has a developing or occurring health issue. Seasonal flu vaccines are also provided. Education topics include diet, exercise, healthy aging, lifestyle modification, medication usage and compliance, disease conditions, bereavement issues, elder abuse, legal services, and appropriate use of hospital emergency rooms. Clinics are held at local churches, senior and community centers, senior residential facilities, and other locations where seniors already gather.

Although medically one of the most vulnerable segments of the population, seniors are often reluctant or unable to go to a doctor or get advice about a physical problem or change. The SHS Program is committed to ensuring that seniors have access to services which help maintain their health, independence, and quality of life, and avoid premature and costly institutionalization. The provision of competent, mobile health screening services, offered in a comfortable environment by trusted staff, enhances the efficacy of the screening process. Staff promotes behaviors and activities that focus on reaching and maintaining optimal health and stability, helps identify possible health problems, and offers support and social interaction for seniors.

Specific SHS sites are:

- *First Methodist Church, 275 No. Halcyon Rd, Arroyo Grande*
- *Parkview Manor Apartments, 365 So. Elm St, Arroyo Grande*
- *Hagan Senior Center, 5905 East Mall, Atascadero*
- *California Manor Apartments, 10165 El Camino Real, Atascadero*
- *St. Paul's Episcopal Church, 2700 Eton Rd, Cambria*
- *Cayucos Senior Center, 200 So. Ocean Ave, Cayucos*
- *South Bay Community Center, 2180 Palisades Rd, Los Osos*
- *Morro Bay Senior Center, 1001 Kennedy Way, Morro Bay*
- *Paso Robles Senior Center, 270 Scott Rd, Paso Robles*
- *St. Paul's Catholic Church, 800 Bello St, Pismo Beach*
- *Central Coast Senior Center, 1580 Railroad Rd, Oceano*
- *Peace Lutheran Church, 244 Oak Park Blvd, Arroyo Grande*
- *SLO Senior Center, 1445 Santa Rosa St, San Luis Obispo*
- *Judson Lodge, 3042 August St., San Luis Obispo*
- *Anderson Apartments, 955 Monterey St, San Luis Obispo*
- *Ramona Gardens, 993Ramona Ave., Grover Beach*
- *Villa Paseo Palms, Senior Center, 2818 Ramada Dr., Paso Robles*

Aannual project milestones include:

- *100% of 556 seniors who attend a SHS clinic will receive one or more screening tests and appropriate education (approximately 1,239 clinic visits).*
- *100% of seniors will be given referrals for follow-up care or treatment (approximately 200). Not every abnormal result requires a referral; many require education and counseling by the nurse on lifestyle modification to remedy the abnormal results. Progress is then monitored in subsequent visits.*
- *75% of returning seniors will report an improvement in their cholesterol, blood sugar, and/or blood pressure levels.*
- *75% of returning seniors will report an improvement in their physical and/or mental health due to the health education, screening, or testing they received from a SHS clinic.*
- *90% of returning seniors will report satisfaction with services provided.*
- *50% of returning seniors report that SHS is their only source of preventive/maintenance health services.*

4. **Will the services offered by your organization increase or expand as a result of the CDBG assistance? If yes, please answer the following questions:**

   a. What new programs and/or services will be provided?

      CDBG funds will be used to maintain current service levels.

   b. Describe how existing programs and/or services will be expanded and what percentage of an increase is expected?

      CDBG funds will be used to maintain current service levels.

5. **Check any of the following eligible activity categories that apply to the proposed project or program:** (Refer to CDBG regulations and the Guide to Eligible CDBG Activities).

   ____ Acquisition of real property

   ____ Disposition of real property

   ____ Public facilities and improvements (may include acquisition, construction, reconstruction, rehabilitation or installation)

   ____ Privately owned utilities

   ____ Clearance and remediation activities

   _X_ Public services

   ____ Interim assistance

   ____ Relocation of individuals, families, businesses, non-profit organizations, and/or farms

____ Loss of rental income

____ Removal of architectural barriers

____ Housing rehabilitation

____ New housing construction (under limited circumstances)

____ Homeownership assistance

____ Housing services

____ Code enforcement

____ Historic preservation

____ Commercial or industrial rehabilitation

____ Special economic development

____ Technical assistance and planning studies

6. Describe the need and the degree of urgency for the proposed project or program. What would be the consequences if the proposed project or program is not funded in the next year?

SHS fills a gap in local health care services. As the cost of health care continues to rise, more seniors on fixed incomes are struggling to afford it. The Elder Economic Security Standard Index reports that the average adult over the age of 65 spends more than $400/month on health care related expenses when they are in good health—the health care costs for those with "fair" or "poor" health are even higher! SHS clients have been affected by cuts to MediCal, SSI/SSP benefits for aged and disabled individuals, adult day services, rural health services, and reductions to other state-funded health and social services programs they rely on to maintain their health, independence, and quality of life. These cuts, combined with the recession, increasing health care costs (e.g. rising premium rates and prescription drug costs), and the continuous increase in the number of seniors in the county, is driving an increased need for SHS services countywide.

SHS not only assists seniors in saving on health care costs but also fills the gap for health information. Throughout the nation, health care providers are stretched too thin when it comes to the number of individuals they can see and the amount of time they can spend with each patient. Many of the SHS participants attend because they need additional support and services that cannot be provided through their regular physician visits. Month after the month the SHS RN hears seniors say, "I've learned more from you than I have from my doctor." The SHS nurse is able to take 20 minutes on average (or longer if needed) to discuss various health topics with clients, including: information on prescription usage, additional explanation regarding health diagnoses or issues, counseling on various topics such as nutrition, and/or referrals to other services that are specific to their needs. In a 2011 survey given to SHS patients the following comments were provided regarding the program: ➢"It's a pleasure to have

someone who really listens and is not in a hurry." ➢ "We are so lucky to have this service. It fills a need no other does." ➢ Our primary care physician is very positive about these services. It's very helpful and he always wants to see our health screening results. It gives him a month by month assessment of how we are doing."

As this population continues to age, their need for health and community-based services increases. Seniors are living longer, often without family support. In the current climate of increasing costs of health care and housing, along with fewer physicians and lower Medi-Cal and Medicare reimbursement rates due to our "rural" status, the regularity of SHS clinics is one of the best forms of preventive health services available to county seniors. The California State Plan on Aging 2009-2013, states that adopting "healthier behaviors" and "regular health screenings" (e.g. cholesterol) are ways for individuals 65 and over to "dramatically reduce the risk for most chronic diseases." SHS meets both of these suggestions by providing screenings that give insight into the patient's health status and then educating them on behavior changes that will maintain or improve their health (e.g. change in diet, exercise).

The SHS Program not only reduces the financial burden for seniors, but also for the community as a whole. If a senior is unable to pay for their medical costs the burden falls on the taxpayer. The Center for American Progress Fund reported in March 2009 that the more medical costs that accrue due to unpaid bills, the more those costs are transferred over to insured individuals -- in the form of higher premiums. For Californians, the cost-shift per premium for individuals was $500 and $1,400 for families. By providing preventive and maintenance services we are reducing the medical costs of the uninsured which in turn reduces the cost for the insured. In addition, In 2009, San Luis Obispo ranked in the bottom four counties in the state for available hospital beds per capita (1.45/1000 verses 2.5/1000 nationally), and ranked near the bottom nationally for number of Registered Nurses per capita (1.94/1000 verses 4/1000 nationally) (Dartmouth Atlas Hospital and Physician Capacity Update, 2009). Every senior attending our screening clinics means: fewer patients in the county clinics or doctors' offices; fewer emergency room or hospital beds occupied by patients whose conditions worsened, due to delayed detection and treatment; fewer public and private dollars being spent on chronic diseases, that get more expensive as they advance unmonitored. SHS is an all around cost saving program!

In 2010, 1,239 SHS clinic visits were provided to 556 unduplicated seniors, ages 50 and over. Each senior received one or more screening tests, education, and appropriate referrals; more than 200 seniors accessed SHS services for the first time, indicating continued need for and repeat use of services. On average, each client accessed screening services 2-3 times throughout the year—not only are seniors coming to clinics, but because of the personalized attention and education they receive, they keep coming back! During the 1,239 clinic visits, 1,488 abnormal results were identified, demonstrating program impact. Seniors with abnormal results received medical referrals for follow-up care as appropriate. (It should be noted that not every abnormal result requires a referral for further care; however, many require education and counseling by the nurse on lifestyle modification and/or medication compliance in order to remedy the abnormal results. Progress is then monitored in subsequent visits.)

The need for free health education and screening and advice is best illustrated by the SHS program's clients' stories. Beyond tracking clients' screening results, the SHS nurse, Heather, provides them with practical, important health advice, education, and the individual attention that they are not receiving elsewhere.

A regular SHS client explained to the RN that she had stopped taking two of her medications due to price. She had to choose between paying for her medications or her husband's. With her husband on dialysis she chose not to buy her medications. We urged her to talk to her doctor and explained that many times the doctor can obtain samples or use another similar medication that is less expensive. When she came to the clinic the following month, she reported that she took her bill into her doctor to show him how much she pays for her medication and he switched her to a drug that only cost $4 per prescription. She was grateful to the nurse for the advice and is now taking all her medications.

"Mark," a 53 year truck driver with no insurance, came to a SHS clinic with complaints of feeling fatigued to the point where some days he could not operate his truck. The SHS RN discovered that he had very high blood sugar and blood pressure. He was referred to the Community Health Clinics to see a doctor immediately, with a note reporting the SHS RN's findings. If he had not come to the clinic, he could have suffered serious consequences such as a stroke or heart attack; due to his high blood sugar, he even risked the chance of losing consciousness while driving. Mark was very thankful that he had come in and that the SHS program was available for him!

Program surveys received from Senior Health Screening clients in 2011, showed that 57% of clients reported that the program was their only source of preventive and/or maintenance health services that they access, and 99% reported attending a clinic either due to its convenient location and/or low-cost screenings.

Basic health screening, education, and preventive care are critical to the physical, mental, and social well-being of our senior citizens. CDBG funding plays an essential role in continuing these vital services to our senior community. Without CDBG support, CAPSLO's ability to maintain the level of these essential services for county residents would be severely compromised.

7. Please describe the specific organizational method used to implement the proposed project or program (single or multiple group, public agency, non-profit, for-profit, experience in operating similar programs, etc.):

Since 1972, CAPSLO's Health and Prevention Division has successfully and cost-efficiently administered a multitude of federal, state, local, and private foundation grants. The Division implements results-oriented activities professionally and effectively, complies with reporting and fiscal requirements in a timely manner, and conducts program evaluations to ensure effectiveness and continuous program improvement. Program administration of Senior Health Screening is provided by the registered nurse/program coordinator, Health and Prevention Division Director, and the Planning Department. A contracted physician is available for consultation.

Senior Health Screening enjoys long-standing and productive relationships with city and county governments, private agencies and community coalitions. The program is a primary source of referrals to and from the Community Health Centers and County Departments of Drug and Alcohol Services, Mental Health, and Social Services. Some of the other program partners that help coordinate health services and resources, and cross refer for client services include: Area Agency on Aging's "Vial of

Life", Health Insurance Counseling and Advocacy Program, HealthPlus Pharmacy, Braille Institute Mobile Solutions, Arroyo Grande Community Hospital, Wilshire Community Services, County Public Health Department, Senior Peer Counseling Program, Caring Callers, Meals on Wheels, and Senior Nutrition Program. Churches, senior centers, low-income housing sites, and community centers provide free space for screenings.

Each year, SHS collaborates with the Health Department and HealthPlus Pharmacy to provide flu shots to seniors at designated screening sites. A representative from the Senior Peer Counseling Program provides depression screenings at various SHS clinics.

8. **Does the project require the issuance of a permit (from local, state or federal agencies)?** Yes ☐ No ☒

   a. If yes, please identify the permits necessary to complete the project.

   b. Have the necessary permits been issued? Please provide proof of permit issuance.

   c. If permits are required but not yet obtained, when will the permits be issued?

NATIONAL OBJECTIVES CRITERIA

9. **Does the proposed project or activity meet one of the three national objectives of the CDBG program? Please check one of the objectives below that applies to the proposal, and explain how the project or activity meets that national objective.**

   a. _X_ Benefits low- and moderate-income persons as defined by the U.S. Department of Housing and Urban Development (HUD).

   Select one:

   ☐ **Low/Moderate-Income Area Benefit** – The project serves only a limited area which is proven by 2000 Census data or survey to be a predominately (51% or more) low/moderate-income area. Applicants choosing this category must be able to prove their project/activity primarily benefits low/moderate-income households.

   ☒ **Low/Moderate-Income Limited Clientele** – The project benefits a specific group of people (rather than all areas in a particular area), at least 51% of whom are low/moderate-income persons;. Note: Income verification for clients must be provided for this category. The following groups are presumed to be low/moderate-income: abused children; elderly persons; battered spouses; homeless persons; adults meeting census definition of severely disabled; persons living with AIDS; and migrant farm workers

   ☐ **Low/Moderate-Income Housing** – The project adds or improves permanent residential structures that will be/are occupied by low/moderate-income households upon completion.

   ☐ **Low/Moderate-Income Jobs** – The project creates or retains permanents jobs, at least 51% of which are taken by low/moderate-income persons or considered to be available to low/moderate-income persons.

Explain: *Ninety-one percent of SHS seniors are at or below the Federal Poverty Level.*

NOTE: To meet this national objective, the proposed activity must benefit a specific clientele or residents in a particular area of the County or participating city, at least 51 percent of who are low- and moderate-income persons.

b. _____ Aids in the prevention or elimination of slums or blight.

Explain:

Select one:

☐ **Addressing Slums or Blight on an Area Basis -**

☐ **Addressing Slums or Blight on a Spot** Basis – This project will prevent or eliminate specific conditions of blight or physical decay. Activities are limited to clearance, historic preservation, rehabilitation of buildings, but only to the extent necessary to eliminate conditions detrimental to public health and safety.

Is the project located in a Redevelopment Area? Yes ☐ No ☐

If yes, attach a map of the area with the site highlighted, and provide the Redevelopment Project Area (excerpts accepted) which documents the existence of slum/blight. Also, document the specific redevelopment objectives pertaining to the proposed project.

NOTE: To meet this national objective, the proposed activity must be within a designated slum or blighted area and must be designed to address one or more conditions that contributed to the deterioration of the area.

c. _____ Meets community development needs having a particular urgency where existing conditions pose a serious and immediate threat to the health or welfare of the community, and no other funding sources are available, i.e., a major catastrophe such as a flood or earthquake.

Explain:

NOTE: To meet this national objective, the proposed activity must deal with major catastrophes or emergencies such as floods or earthquakes.

10. If the project or program is designed to meet the national objective of providing benefit to low- and moderate-income persons, please estimate the number of <u>unduplicated</u> number of persons (or households) to benefit from the project and break that estimate down by income group (unduplicated means the number who are served, i.e., the grant will allow 25 children to participate in preschool – not 25 children x 5 days x 52 weeks = 6,500).

a. Total number of persons or households who will benefit from the project or program (regardless of income group):

525 Persons/households (circle the applicable unit)

b. Of the total number of persons or households entered above, how many will be low-income (earning 51% - 80% or less of the County median-income)?

176 (Persons/households (circle the applicable unit)

c. Of the total number of persons or households entered above, how many will be very low-income (earning 50% or less of the County median-income)?

299 (Persons/households (circle the applicable unit)

11. Who are the clients of your organization? (Example: low- to moderate-income persons, elderly persons, severely disabled persons, migrant farm workers, battered spouses, etc.)

Senior Health Screening's primary target populations are low- to moderate-income seniors ages 50 and over who are underinsured or uninsured.

12. How will the clients benefit from this project?

- *By increasing access to health care by bringing no-cost services directly to those who need them;*
- *By providing an environment of trust in which to discuss very personal and sometimes uncomfortable health and other issues;*
- *By providing as much one-on-time for the client as needed in order for the RN to provide verbal and written education on a variety of health issues;*
- *By identifying potentially serious health issues that are referred for immediate attention, seniors are able to avoid emergency room visits and premature, costly hospitalization or institutionalization. Not only does this eliminate or reduce financial hardship at the individual and family level, it also alleviates stress on the county's health care system and the associated financial costs which potentially impact taxpayers;*
- *By encouraging and empowering seniors to be active participants in their own health care;*
- *By maintaining their health, independence and quality of life, seniors feel better physically and mentally, are more engaged in their communities and are empowered to recognize and adjust to changes in their lives.*

In light of significant growth among this population, as well as the escalating costs and decreasing availability of local health care systems, SHS provides a reliable convenient and cost-effective means of helping seniors obtain needed preventive and maintenance health care.

BENEFICIARY DATA

13. How do you currently collect demographic data on the beneficiaries of the proposed project or program? (Example: racial/ethnic characteristics)*

At the first visit of every calendar year, an information and demographics card is completed for each SHS client. The data includes: gender, age, ethnicity/race, education level, family size, level and source of monthly income, health insurance, and disability. Data requested conforms to the California

Department of Community Services and Development Data-Client Characteristics Report which is used to report demographic information semi-annually to the State (see attached Exhibit A).

14. How do you currently document income status of each client? (Example: very low, low- and moderate-income)*

As part of the intake process in each CAPSLO program, client income status is determined using the federal poverty guidelines.

15. Provide the following information for the person(s) in your organization responsible for the preparation and submittal of the quarterly reports and for collecting and reporting the beneficiary data to the Urban County.

Contact person/title: *Danijela Dornan/Planning Coordinator*
Phone number: *(805)544-4355, ext. 480*
E-mail address: *ddornan@capslo.org*

***NOTE:** You are required to provide beneficiary data at the end of each quarter and year end data of the fiscal year.

***If your are awarded CDBG funds or your proposal involves economic development, i.e., directly benefit a business, private property owner, business, involves façade improvements, provide technical assistance to a new or existing business, job creation, loan guarantee, the beneficiary must obtain a Dun and Bradsteet (DUNS) number that must be reported to HUD. Please contact Tony Navarro, (805) 781-5787, tnavarro@slo.co.ca.us for information on how to obtain a DUNS number prior to incurring and obligating the federal funds.**

FINANCIAL INFORMATION

For CDBG applications to the County of San Luis Obispo involving acquisition, construction or rehabilitation projects please provide the required additional budget information on BUDGET FORM A and BUDGET FORM B attached to the back of this application.

16. Total amount of CDBG funds requested: $ 8,500

Please identify the jurisdiction(s) to which you are applying*:

City of Arroyo Grande, City of Morro Bay, and City of Paso Robles

If you are requesting CDBG funds from more than one jurisdiction, please break down the amount shown above by the jurisdiction listed below.

City of Arroyo Grande:	$2,200	City of Paso Robles:	$2,500
City of Atascadero:		City of San Luis Obispo:	
City of Morro Bay:	$3,800	County of San Luis Obispo:	

*NOTE: If you are applying to one or more cities, please provide a copy of the application to the County by the application deadline of **October 24, 2011.**

17. Please describe the budget for the proposed project or program. Itemize all sources of funding expected to be available and used for this project

a. **Revenues:**

1.	CDBG Funds requested	$ 8,500
2.	Other Federal fund(s) (please describe below)	$
3.	State source(s) (please describe below)	$
4.	Local source(s) (please describe below)	$ 32,321
5.	Other funds (please describe below)	$ 30,500
	Total Revenues	$ **71,321**

b. **Expenditures**: List below by item or cost category.

1.	Personnel expenses	$ 55,237
2.	Operating expenses	$ 10,801
3.	Indirect Cost @ 8%	$ 5,283
	Total Expenses	$ **71,321**

18. How do you plan to fund the operation and maintenance costs (if any) associated with this project? Are these funds available now? If not, when will they be available? And from what source(s)?

All funds received are for general operating support of the Senior Health Screening program. Cost-efficiency is enhanced by the ability to utilize churches, senior centers, low-income housing sites, and community centers for screenings. Currently, not all funding has been secured and SHS is waiting to hear back from Bank of America, Wells Fargo, CVS, Rite Aid, and Catholic Healthcare West. The program should be notified regarding funding before the end of the year.

19. Will CDBG funds be used to match/leverage other funds? List below funding sources and amounts and identify award dates of these sources.

CDBG support of the Senior Health Screening Program will be used to leverage other funding sources including public, private foundations, and individual donations.

CDBG - Arroyo Grande	*$*	*2,200*	*Pending application approval*
CDBG – Paso Robles	*$*	*2,500*	*Pending application approval*
CDBG – Morro Bay	*$*	*3,800*	*Pending application approval*
City of Pismo Beach	*$*	*1,500*	*Award date: 7/1/2011*
City of SLO - Grants-In-Aid	*$*	*4,000*	*Award date: 7/1/2011*
County of SLO – CBO	*$*	*10,000*	*Award date: 7/1/2011*
SLO County Community Foundation – Preventive Health Grant	*$*	*4,945*	*Awarded – 10/1/2011*
Wells Fargo	*$*	*5,000*	*Pending application approval*
Bank of America	*$*	*8,500*	*Pending application approval*
Catholic Healthcare West	*$*	*5,700*	*Pending application approval*

CVS Caremark	*4,600*	*Pending application approval*
Rite Aid Foundation	*6,700*	*Pending application approval*
Donations/Fundraising	*$ 11,876*	*As collected*
Total	***$ 71,321***	

I certify that the information in this application is true and accurate to the best of my knowledge and ability.

Signature 10/19/11
Date

Elizabeth "Biz" Steinberg — Chief Executive Officer
Printed or typed name — Title

State of California
Department of Community Services and Development
CSBG Programmatic Data-Client Characteristic Report Annual
CSD 295-CCR (Rev. 1/2008)

Exhibit A

Please use the CSD 295 -- Client Characteristic Report Instructions and Helpful Hints document to complete this form.

1 Contractor Name: | Contract #:
Prepared By (print name/title): | Report Period:

Demographic data should be collected on ALL clients receiving services under any program administered by the designated Community Action Agency.

Yellow Highlighted Sections represent demographics collected on INDIVIDUALS

2 Total unduplicated number of persons about whom one or more characteristics were obtained	
3 Total unduplicated number of persons about whom no characteristics were obtained	

Blue Highlighted Sections represent demographics collected on FAMILIES

4 Total unduplicated number of families about whom one or more characteristics were obtained	
5 Total unduplicated number of families about whom no characteristics were obtained	

6. Gender	Number of Persons*
a. Male	
b. Female	
*Total	

7. Age	Number of Persons*
a. 0-5	
b. 6-11	
c. 12-17	
d. 18-23	
e. 24-44	
f. 45-54	
g. 55-69	
h. 70+	
*Total	

Sum of 7e thru 7h =

8. Ethnicity/Race	
I. Ethnicity	
a. Hispanic or Latino	
b. Not Hispanic or Latino	
*Total	
II. Race	
a. White	
b. African American	
c. Native American and Alaskan Native	
d. Asian	
e. Native Hawaiian and Other Pacific Islander	
f. Other	
g. Multi-Race (any 2 or more of the above)	
*Total	

9. Education Level of Adults	Number of Persons 24+**
a. 0-8	
b. 9-12/non-graduate	
c. High sch. Grad./GED	
d. 12+ some post secondary	
e. 2 or 4 yr. College graduates	
**Total	

10. Other Characteristics	Number of Persons****	
	# of Persons	# Surveyed
a. No Health insurance		
b. Disabled		

11. Family Type	Number of Families***
a. Single parent/female	
b. Single parent/male	
c. Two-parent household	
d. Single person	
e. Two adults - no children	
f. Other	
***Total	

12. Family Size	Number of Families ***
a. One	
b. Two	
c. Three	
d. Four	
e. Five	
f. Six	
g. Seven	
h. Eight or more	
***Total	

13. Source of Family Income	Number of Families
a. Unduplicated # of Families Reporting One or More Sources of Income***	
b. Unduplicated # of Families Reporting No Income	
Total UNDUP Families who responded as either having a source of income or having no income	
Record the sources of each family income as reported in 13a above:	
c. TANF	
d. SSI	
e. Social Security	
f. Pension	
g. General Assistance	
h. Unemployment Insurance	
i. Employment + other source	
j. Employment only	
k. Other:	

14. Level of Family Income % of HHS guideline	Number of Families ***
a. Up to 50%	
b. 51% to 75%	
c. 76% to 100%	
d. 101% to 125%	
e. 126% to 150%	
f. 151% and over	
***Total	

15. Housing	Number of Families ***
a. Own	
b. Rent	
c. Homeless	
d. Other	
***Total	

16. Other family characteristics	Number of Families***
a. Farmer	
b. Migrant Farmworker	
c. Seasonal Farmworker	

* The sum in this category should not exceed the value of Section 2.
** The sum in this category should not exceed the value of Section 7e-h.
*** The sum in this category should not exceed the value of Section 4.
**** The numbers reported under either column should not exceed the value of Section 2.

Helping People. Changing Lives.
Community Action PARTNERSHIP of SAN LUIS OBISPO COUNTY, INC.
Formerly known as Economic Opportunity Commission of San Luis Obispo County, Inc.

1030 Southwood Drive
San Luis Obispo
California 93401
•
(805) 544-4355
FAX (805) 549-8388
www.eocslo.org

October 21, 2011

Mr. Tony Navarro
Department of Planning and Building
976 Osos Street
Room 300
San Luis Obispo, CA 93408

Re: Applications for CDBG 2012 - 2013 Program Year Funding

Dear Mr. Navarro,

Enclosed are the applications for 2012 - 2013 CDBG funding for the following Community Action Partnership programs:

- Minor Home Repair
- Prado Day Center
- Maxine Lewis Memorial Shelter
- Homeless Services Center

Also enclosed are courtesy copies of CDBG applications to the cities of Morro Bay, Arroyo Grande, and Paso Robles for Senior Health Screening, 40 Wonderful and TAPP.

We appreciate the County's financial support for Community Action Partnership programs in the community.

Sincerely,

Elizabeth ("Biz") Steinberg
Chief Executive Officer

Enclosures

ATTACHMENT 7

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM APPLICATION FOR THE 2012 PROGRAM YEAR

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING
976 OSOS STREET • ROOM 200 • SAN LUIS OBISPO • CALIFORNIA 93408 • (805) 781-5600
Promoting the Wise Use of Land • Helping to Build Great Communities

RECEIVED
OCT 21 2011
Planning & Bldg

Organization Name: Community Action Partnership of San Luis Obispo County, Inc.
(Attach additional sheets if necessary)

To be considered for CDBG assistance, please submit this completed application with any exhibits, budgets or beneficiary data as needed. **PLEASE READ ALL INFORMATION IN THE APPLICATION.** Applications can be mailed to one of the participating jurisdictions listed in this application or to: Tony Navarro, Planner III, Department of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA., 93408 or hand delivered to Tony Navarro at 1035 Palm Street, Room 370, San Luis Obispo, CA., faxed to (805) 781-5624, or e-mailed to tnavarro@co.slo.ca.us. **The application deadline is 5:00 P.M., Monday, October 24, 2011.** Applications must be received by the County or one of the participating cities (Arroyo Grande, Atascadero, Morro Bay, Paso Robles, San Luis Obispo) prior to close of the business day. **POSTMARKED DATED MAIL RECEIVED AFTER THE DEADLINE WILL NOT BE ACCEPTED.**

NOTE:

(1) Please review the CDBG regulations and guidelines and the Request for Proposals before completing this proposal. The CDBG regulations, under 24 CFR 570, are available at www.sloplanning.org under "Federal HUD Grants."

(2) **HMIS Reporting for 2012 homeless services, housing and shelter** - All homeless service providers applying for CDBG funds to assist, house or shelter the homeless must identify and demonstrate its capacity to participate in the County of San Luis Obispo Homeless Management Information System (HMIS) to provide: personnel for data entry, user licensing, and hardware and software necessary for compatibility with HMIS. HMIS is an electronic data collection system that stores client level information about persons who access the homeless services system in a Continuum of Care, and reports aggregate data for the County as per the U.S. Department of Housing and Urban Development's Data Standards found in http://www.hudhre.info/documents/FinalHMISDataStandards_March2010.pdf.

(3) The project/program proposal to the County of San Luis Obispo shall be examined in relation to the County's community development goals and funding priorities as presented in the Urban County of San Luis Obispo 2010-2015 Consolidated Plan (ConPlan). The ConPlan is available at www.sloplanning.org. The County of San Luis Obispo Department of Planning and Building (Planning) considers the criteria stated in the 2012 Request for Proposals as one of many tools to help make funding recommendations to the Board of Supervisors. Planning will use other information and sources including but are not limited to: the County Board of Supervisors, recommendations from the Homeless Services Oversight Council, other participating jurisdictions of the Urban County of San Luis Obispo, identified needs that could be addressed by the grant funds, consistency with goals and priorities in the 2010 Consolidated Plan and the Ten Year Plan to End Homelessness, results of the Needs Workshops, working knowledge of the project and/or organization by Planning, and availability of limited fund, to help with the funding recommendations.

Please call County and/or city CDBG staff with any questions about how to complete the form or about the rating criteria and process.

If the information for any of the questions below requires more room to provide a complete explanation of your proposed project or program, please attach additional sheets.

CONTACT INFORMATION

1. **Name and mailing address of applicant organization, with contact person, phone and fax numbers, and e-mail address:**

Name: *Community Action Partnership of San Luis Obispo County, Inc. (CAPSLO)*

Address (mailing and physical address requested if different):
1030 Southwood Drive,
San Luis Obispo, CA 93401

Contact person/title: *Elizabeth "Biz" Steinberg, Chief Executive Officer*

Phone: *(805) 544-4355*

Fax: *(805) 549-8388*

E-mail address: *esteinberg@capslo.org*

Is the organization a Faith Based Organization? Yes ☐ No ☒

***Organization's DUNS number:** *0589019500000*

PROJECT DESCRIPTION

2. **Title/name/address of proposed project or program:**
   Maxine Lewis Memorial Shelter
   750 Orcutt Road
   San Luis Obispo, CA 93401

3. **Please describe the proposed project or program.** In one or two short paragraphs, include a brief project/program description, the groups who will benefit and an explanation of how they will benefit from the proposed project or program. For projects, describe the location of the project (be as specific as possible, e.g. street address). For programs, state the location from which the program will be operated and/or describe the geographic area served by the program. Also, please include a schedule of project/program milestones.

   Program description: *The San Luis Obispo homeless shelter program has two shelter sites: the Maxine Lewis Memorial (MLM) Shelter at Orcutt and South Broad Street, and the Interfaith Coalition for the Homeless (ICH) Shelter. ICH is a coalition of 14 faith-based groups (supported by volunteers) that formed nearly two decades ago to support emergency overnight sheltering in the community. A different church or synagogue hosts the ICH Shelter each month. Both shelter sites are open seven nights a week, year-round. The MLM Shelter opens at 5:00pm for dinner, showers, client screening/intake for shelter beds, and client information/referral assistance. Families are transported from the MLM Shelter to the ICH Shelter where they will sleep. Individuals and persons with special needs stay at the MLM Shelter.*

   Who/how will benefit: ***Who:*** *According to the 2011 Homeless Enumeration Report, 3,774 county residents were identified as homeless. A staggering 1,847 (49%) of those counted were younger than 18. Of those homeless persons surveyed, 39% countywide said they used shelter services and within the City of San Luis Obispo 53% said they had accessed shelter services in the past year. 70% reported having been homeless for more than a year, 19% have been homeless for more than three months, but less than a year, and 11% of have been homeless less than three months. All shelters were filled to capacity on the night of the count and many people had been turned away due to overcapacity. The Community Action Partnership's Homeless Services Program is the largest in the county, providing a significant service to the community.*

   How: *The San Luis Obispo shelter program will continue to benefit the county's homeless men, women and children who receive emergency intervention services to meet their most basic needs. Clients receive emotional and educational support to think beyond their immediate challenges and develop a plan to stabilize their lives and move toward greater self-sufficiency.*

   Location: *The MLM Shelter is in the City of San Luis Obispo but serves the entire county. The program serves homeless men, women and children from each of the incorporated cities and all of the unincorporated communities in the county.*

   Milestones: *Through CAPSLO's relationships and partnerships with other service sites and providers, many of the low-income persons we serve achieve permanent housing, and more stable employment and family functioning. Given our county's housing crisis, each family's personal achievements are program milestones.*

The outcomes achieved in our homeless programs represent incremental progress toward increased personal and community well-being. At the personal level this means a homeless person facing their problems, accepting help, developing a life-changing plan, and working in partnership with shelter staff to take a series of small, manageable steps that lead to positive change. At the community level this means reducing the impacts on agencies and systems such as law enforcement, the courts, hospital emergency rooms, mental health and drug/alcohol resources, and child welfare services.

4. **Will the services offered by your organization increase or expand as a result of the CDBG assistance? If yes, please answer the following questions:**

   a. What new programs and/or services will be provided?
   No expansion is planned because the MLM Shelter program is already operating at full capacity, year-round.

   b. Describe how existing programs and/or services will be expanded and what percentage of an increase is expected?
   CDBG funds will enable the San Luis Obispo shelter program to maintain the current level of services.

5. **Check any of the following eligible activity categories that apply to the proposed project or program:** (Refer to CDBG regulations and the Guide to Eligible CDBG Activities).

   ____ Acquisition of real property

   ____ Disposition of real property

   ____ Public facilities and improvements (may include acquisition, construction, reconstruction, rehabilitation or installation)

   ____ Privately owned utilities

   ____ Clearance and remediation activities

   _X_ Public services

   ____ Interim assistance

   ____ Relocation of individuals, families, businesses, non-profit organizations, and/or farms

   ____ Loss of rental income

   ____ Removal of architectural barriers

   ____ Housing rehabilitation

   ____ New housing construction (under limited circumstances)

____ Homeownership assistance

____ Housing services

____ Code enforcement

____ Historic preservation

____ Commercial or industrial rehabilitation

____ Special economic development

____ Technical assistance and planning studies

6. **Describe the need and the degree of urgency for the proposed project or program. What would be the consequences if the proposed project or program is not funded in the next year?**

Need/Urgency: All services offered are heavily used indicating a substantial need in the county. In the 12 months ending June 30, 2011, 841 unduplicated persons received one or more nights of shelter for a total of 26,728 shelter nights. Those sheltered increased by 12% from 2009-10 due to the worsening economy preventing homeless from finding and/or keeping jobs and becoming self-sufficient and moving out of the shelter. More than 39% of clients were women and children and more than 47% of adults were disabled, an increase of 12% from 2009-10. Averages of 73.2 persons per night are sheltered year-round between the two San Luis Obispo shelter sites.

The MLM Shelter provides San Luis Obispo's only free dinner to Shelter clients and other hungry community members. A total of 62,910 meals were served in the 12 months ending June 30, 2011; 9,758 of those meals were served to "diner/dashers" (persons who came for dinner and a shower but not a shelter bed). Averages of 99.5 dinners were served each night in 2010-11. 4,265 shelter nights were provided to children, an increase of 9% over 2009-10.

***If not funded:** San Luis Obispo County's high cost of living and high cost of housing have heavily impacted the local homeless. Until there is an adequate supply of affordable housing in the county, emergency sheltering will be a fact of life. CAPSLO's MLM Shelter has been serving the county's homeless since 1989. Without CDBG funding from the City and County of San Luis Obispo and other cities, the Shelter would be forced to close. The MLM Shelter is not just the largest homeless shelter facility in the county and the only free dinner in the City of San Luis Obispo, it is also the "anchor" program for many providers and services. Without an overnight shelter to meet the most basic needs of the homeless, outreach and assistance services are disrupted and ongoing stabilization and self-sufficiency efforts are undermined.*

7. **Please describe the specific organizational method used to implement the proposed project or program (single or multiple group, public agency, non-profit, for-profit, experience in operating similar programs, etc.):**

As the county's Community Action Agency, CAPSLO has provided critical services to low-income county residents since 1965 and, since 1989, has operated the MLM Shelter in San Luis Obispo. We collaborate with the Interfaith Coalition for the Homeless, the City and County of San Luis Obispo, the SLO Housing Authority, the SLO Supportive Housing Consortium, the Homeless Services Coordinating Council, SLO People's Kitchen, and numerous public and private health and human service agencies to provide services to homeless clients. Key community partners include County Department of Social Services, County Mental Health, County Drug and Alcohol, Community Health Centers of the Central Coast, Transitions-Mental Health Association, AmeriCorps, and Cal Poly State University.

To support the countywide continuum of homeless services, CAPSLO contributed state funding toward creation of the county's 10-Year Plan to End Chronic Homelessness. This plan will help guide homeless service delivery for the next decade, and will benefit all communities in the county as well as the network of public, private and faith-based partners and service providers.

The agency currently collects all data using the Homeless Management Information System (HMIS), required by HUD, for this project. The agency collects data for the case management projects and is working with the county to expand the collection to this and other projects. The CAPSLO Homeless Services Data Analyst is responsible for getting the information on all case managed clients who are being served under a HUD grant. Every other week, a case conference is held and it is decided then what clients will be accepted to the program, and which clients will be closed out. During the following week, the Data Analyst meets one-on-one with each of the Case Managers to review the client file for all opening and closing clients, for completeness, accuracy, and to verify that the client is eligible for services under the program, and that all documentation is in place. The Data Analyst then enters all of the necessary information into HMIS. Additionally, case notes are emailed to the Data Analyst on a regular basis in order to get all of the services that the client is receiving entered into HMIS. With the information entered into the system, HMIS is capable of running reports to be given to the county and ultimately HUD.

8. **Does the project require the issuance of a permit (from local, state or federal agencies)?** Yes ☐ No ☒

   a. If yes, please identify the permits necessary to complete the project.

   b. Have the necessary permits been issued? Please provide proof of permit issuance.

   c. If permits are required but not yet obtained, when will the permits be issued?

NATIONAL OBJECTIVES CRITERIA

9. **Does the proposed project or activity meet one of the three national objectives of the CDBG program? Please check one of the objectives below that applies to the proposal, and explain how the project or activity meets that national objective.**

a. __X__ Benefits low- and moderate-income persons as defined by the U.S. Department of Housing and Urban Development (HUD).

Select one:

☐ **Low/Moderate-Income Area Benefit** – The project serves only a limited area which is proven by 2000 Census data or survey to be a predominately (51% or more) low/moderate-income area. Applicants choosing this category must be able to prove their project/activity primarily benefits low/moderate-income households.

☒ **Low/Moderate-Income Limited Clientele** – The project benefits a specific group of people (rather than all areas in a particular area), at least 51% of whom are low/moderate-income persons;. Note: Income verification for clients must be provided for this category. The following groups are presumed to be low/moderate-income: abused children; elderly persons; battered spouses; homeless persons; adults meeting census definition of severely disabled; persons living with AIDS; and migrant farm workers

☐ **Low/Moderate-Income Housing** – The project adds or improves permanent residential structures that will be/are occupied by low/moderate-income households upon completion.

☐ **Low/Moderate-Income Jobs** – The project creates or retains permanents jobs, at least 51% of which are taken by low/moderate-income persons or considered to be available to low/moderate-income persons.

Explain:
Persons served at the MLM and ICH shelter sites are all homeless including many persons with a physical or mental disability.

NOTE: To meet this national objective, the proposed activity must benefit a specific clientele or residents in a particular area of the County or participating city, at least 51 percent of who are low- and moderate-income persons.

b. _____ Aids in the prevention or elimination of slums or blight.

Explain:

Select one:

☐ **Addressing Slums or Blight on an Area Basis -**

☐ **Addressing Slums or Blight on a Spot** Basis – This project will prevent or eliminate specific conditions of blight or physical decay. Activities are limited to clearance, historic preservation,

rehabilitation of buildings, but only to the extent necessary to eliminate conditions detrimental to public health and safety.

Is the project located in a Redevelopment Area? Yes ☐ No ☐
If yes, attach a map of the area with the site highlighted, and provide the Redevelopment Project Area (excerpts accepted) which documents the existence of slum/blight. Also, document the specific redevelopment objectives pertaining to the proposed project.

NOTE: To meet this national objective, the proposed activity must be within a designated slum or blighted area and must be designed to address one or more conditions that contributed to the deterioration of the area.

c. _____ Meets community development needs having a particular urgency where existing conditions pose a serious and immediate threat to the health or welfare of the community, and no other funding sources are available, i.e., a major catastrophe such as a flood or earthquake.

Explain:

NOTE: To meet this national objective, the proposed activity must deal with major catastrophes or emergencies such as floods or earthquakes.

10. If the project or program is designed to meet the national objective of providing benefit to low- and moderate-income persons, please estimate the number of <u>unduplicated</u> number of persons (or households) to benefit from the project and break that estimate down by income group (unduplicated means the number who are served, i.e., the grant will allow 25 children to participate in preschool – not 25 children x 5 days x 52 weeks = 6,500).

a. Total number of persons or households who will benefit from the project or program (regardless of income group):

800 (Persons/households (circle the applicable unit))

b. Of the total number of persons or households entered above, how many will be low-income (earning 51% - 80% or less of the County median-income)?

20 (Persons/households (circle the applicable unit))

c. Of the total number of persons or households entered above, how many will be <u>very</u> low-income (earning 50% or less of the County median-income)?

780 (Persons/households (circle the applicable unit))

11. **Who are the clients of your organization? (Example: low- to moderate-income persons, elderly persons, severely disabled persons, migrant farm workers, battered spouses, etc.)**

The MLM Shelter program serves homeless men, women, and children as space is available. The client population includes youth accompanied by a parent or guardian (from newborns to teenagers), and adults including seniors. We serve persons of all ages, genders, races, and ethnicities without discrimination. This includes the mentally ill, developmentally and physically disabled, persons suffering from or in recovery from substance abuse, veterans, migrant farmworkers, and the working poor. We serve the chronically homeless, situationally-homeless, unemployed, under-employed, uninsured, and underinsured.

12. **How will the clients benefit from this project?**

Shelter clients have "one stop" access to a broad range of services to help them stabilize their lives and move toward greater self-sufficiency. As well as providing emergency shelter, the CAPSLO Homeless Services program provides a holistic framework of services to help meet client needs. Comprehensive services include community meal programs at the MLM Shelter and Prado Day Center, daytime services at the Day Center, linkages and advocacy support, and access to intensive case management and permanent housing.

Without these emergency shelter services, clients would congregate in public places or disperse throughout local neighborhoods, impacting law enforcement and other public agencies.

BENEFICIARY DATA

13. **How do you currently collect demographic data on the beneficiaries of the proposed project or program**? (Example: racial/ethnic characteristics)*

Demographics are collected during the client intake process using the California Department of Community Services and Development demographic form (Exhibit A attached).

14. **How do you currently document income status of each client? (Example: very low, low- and moderate-income)***

As part of the client intake process, client income is verified using the federal poverty guidelines.

15. **Provide the following information for the person(s) in your organization responsible for the preparation and submittal of the quarterly reports and for collecting and reporting the beneficiary data to the Urban County.**

Contact person/title: Robert J. Ellis, Planning Specialist III

Phone number: (805) 544-4355

E-mail address: bellis@capslo.org

*NOTE: You are required to provide beneficiary data at the end of each quarter and year end data of the fiscal year.

***If your are awarded CDBG funds or your proposal involves economic development, i.e., directly benefit a business, private property owner, business, involves façade improvements, provide technical assistance to a new or existing business, job creation, loan guarantee, the beneficiary must obtain a Dun and Bradsteet (DUNS) number that must be reported to HUD. Please contact Tony Navarro, (805) 781-5787, tnavarro@slo.co.ca.us for information on how to obtain a DUNS number prior to incurring and obligating the federal funds.**

FINANCIAL INFORMATION

For CDBG applications to the County of San Luis Obispo involving acquisition, construction or rehabilitation projects please provide the required additional budget information on BUDGET FORM A and BUDGET FORM B attached to the back of this application.

16. Total amount of CDBG funds requested: $ 310,258

Please identify the jurisdiction(s) to which you are applying*:

City of Morro Bay, City of Arroyo Grande, City of San Luis Obispo, County Of San Luis Obispo

If you are requesting CDBG funds from more than one jurisdiction, please break down the amount shown above by the jurisdiction listed below.

City of Arroyo Grande:	$5,000	City of Paso Robles:	
City of Atascadero:		City of San Luis Obispo:	$144,753
City of Morro Bay:	$5,000	County of San Luis Obispo:	$155,505

*NOTE: If you are applying to one or more cities, please provide a copy of the application to the County by the application deadline of **October 24, 2011.**

17. Please describe the budget for the proposed project or program. Itemize all sources of funding expected to be available and used for this project

Please see Exhibit B attached

18. How do you plan to fund the operation and maintenance costs (if any) associated with this project? Are these funds available now? If not, when will they be available? And from what source(s)?

CDBG funds are the primary mainstream resource used to support operation and maintenance of the MLM Shelter program. Other funding shown in Exhibit B also supports the shelter operation and is received throughout the year. Every effort is made to keep costs low by generating volunteer and in-kind

support. CAPSLO's Head Start kitchen prepares the dinner on weekdays; community groups provide dinner on weekends and holidays. The shelter's dinner program annually involves several dozen community groups and local families and/or individuals. We are always looking for new meal providers in order to keep program costs as low as possible. In addition to the volunteer groups that provide dinner on weekends and holidays, volunteers are used to help serve dinner every night and to be "evening friends".

Volunteers and service groups such as Beyond Shelter also help with special events such as shelter repairs/ upgrades as well as deep cleaning and landscaping, or take on special projects such as "shopping" at the Food Bank or helping with the "homework club". Community motels donate towels, sheets and blankets to the program; other local businesses contribute to "blanket and pillow" drives to benefit shelter clients.

We are also constantly looking at ways to diversify resources. CAPSLO's Homeless Advisory Committee is active in holding fundraising events. CAPSLO also engaged resource development consultants who created a long-range Financial Development Plan that will expand the agency's capacity to generate diversified programmatic and capital development resources. That plan was adopted by the CAPSLO (then EOC) Board in October 2007.

19. **Will CDBG funds be used to match/leverage other funds? List below funding sources and amounts and identify award dates of these sources.**

CDBG funds are the primary mainstream resources used to support shelter operations; CDBG and ESG funds are used to leverage all other local and private resources. Please see Exhibit B.

I certify that the information in this application is true and accurate to the best of my knowledge and ability.

Signature _____ Date 10/19/11

Elizabeth "Biz" Steinberg — Printed or typed name

Chief Executive Officer — Title

Note to applicant:

The County and cities require all of the grant recipients to maintain general liability, automobile and workman's compensation insurance with limits of not less than $1 million*. If you are successful in obtaining an award, you will be asked to provide documentation regarding ability to provide the required coverage.

* Liability coverage may vary by jurisdiction. Please call the city/county contact to verify limits.

Prior to HUD's release of grant conditions and/or funds for the CDBG-funded project, a review of the project's potential impact on the environment must be conducted by the awarding jurisdictions and

approved by the County of San Luis Obispo **prior to obligating or incurring project costs.** The County must certify to HUD that it has complied with all applicable environmental procedures and requirements. Should project costs be obligated or incurred prior to the completion of the necessary environmental review, the project **shall not** benefit from the federal funds. Environmental review requirements pursuant to 24 CFR Part 58 must be fully satisfied for any project selected for funding prior to the CDBG Program issuing a Notice to Proceed for the project. The level of environmental review required depends on the nature of the project. 24 CFR Part 58 is available at www.hud.gov/offices/cpd/environmental/lawsandregs/regs.

If you need assistance or have questions regarding this application, please contact any of the persons listed below. Your application(s) can be dropped off or mailed to the following locations:

- Kelly Heffernon, Community Development Dept., City of Arroyo Grande, 214 E. Branch Street (P.O. Box 550), Arroyo Grande, CA 93421, (805) 473-5420.
- Valerie Humphrey, Public Works Dept., City of Atascadero, 6907 El Camino Real, Atascadero, CA 93422, (805) 470-3460.
- Rob Livick, Public Services Dept., City of Morro Bay, 955 Shasta Avenue, Morro Bay, CA, 93442, (805) 772-6261
- Darren Nash, Community Development Dept., City of Paso Robles, 1000 Spring St., Paso Robles, CA 93446, (805) 237-3970.
- Tyler Corey, Community Development Dept., City of San Luis Obispo, 919 Palm St., San Luis Obispo, CA 93401, (805) 781-7175.
- Tony Navarro, Dept. of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA 93408, (805) 781-5787.

State of California
Department of Community Services and Development
CSBG Programmatic Data-Client Characteristic Report Annual
CSD 295-CCR (Rev. 1/2008)

Exhibit A

Please use the CSD 295 -- Client Characteristic Report Instructions and Helpful Hints document to complete this form.

1 Contractor Name: _____ Contract #: _____
Prepared By (print name/title): _____ Report Period: _____

Demographic data should be collected on ALL clients receiving services under any program administered by the designated Community Action Agency.

Yellow Highlighted Sections represent demographics collected on INDIVIDUALS

2 Total unduplicated number of persons about whom one or more characteristics were obtained	
3 Total unduplicated number of persons about whom no characteristics were obtained	

Blue Highlighted Sections represent demographics collected on FAMILIES

4 Total unduplicated number of families about whom one or more characteristics were obtained	
5 Total unduplicated number of families about whom no characteristics were obtained	

6. Gender	Number of Persons*
a. Male	
b. Female	
*Total	

7. Age	Number of Persons*
a. 0-5	
b. 6-11	
c. 12-17	
d. 18-23	
e. 24-44	
f. 45-54	
g. 55-69	
h. 70+	
*Total	

Sum of 7e thru 7h = _____

8. Ethnicity/Race

I. Ethnicity	
a. Hispanic or Latino	
b. Not Hispanic or Latino	
*Total	
II. Race	
a. White	
b. African American	
c. Native American and Alaskan Native	
d. Asian	
e. Native Hawaiian and Other Pacific Islander	
f. Other	
g. Multi-Race (any 2 or more of the above)	
*Total	

9. Education Level of Adults	Number of Persons 24+**
a. 0-8	
b. 9-12/non-graduate	
c. High sch. Grad./GED	
d. 12+ some post secondary	
e. 2 or 4 yr. College graduates	
**Total	

10. Other Characteristics	# of Persons	# Surveyed
a. No Health Insurance		
b. Disabled		

11. Family Type	Number of Families***
a. Single parent/female	
b. Single parent/male	
c. Two-parent household	
d. Single person	
e. Two adults - no children	
f. Other	
***Total	

12. Family Size	Number of Families ***
a. One	
b. Two	
c. Three	
d. Four	
e. Five	
f. Six	
g. Seven	
h. Eight or more	
***Total	

13. Source of Family Income	Number of Families
a. Unduplicated # of Families Reporting One or More Sources of Income***	
b. Unduplicated # of Families Reporting No Income	
Total UNDUP Families who responded as either having a source of Income or having no Income	
Record the sources of each family income as reported in 13a above:	
c. TANF	
d. SSI	
e. Social Security	
f. Pension	
g. General Assistance	
h. Unemployment Insurance	
i. Employment + other source	
j. Employment only	
k. Other:	

14. Level of Family Income % of HHS guideline	Number of Families ***
a. Up to 50%	
b. 51% to 75%	
c. 76% to 100%	
d. 101% to 125%	
e. 126% to 150%	
f. 151% and over	
***Total	

15. Housing	Number of Families ***
a. Own	
b. Rent	
c. Homeless	
d. Other	
***Total	

16. Other family characteristics	Number of Families***
a. Farmer	
b. Migrant Farmworker	
c. Seasonal Farmworker	

* The sum in this category should not exceed the value of Section 2.
** The sum in this category should not exceed the value of Section 7e-h.
*** The sum in this category should not exceed the value of Section 4.
**** The numbers reported under either column should not exceed the value of Section 2.

Exhibit B
Community Action Partnership of SLO County, Inc.
Maxine Lewis Memorial Shelter
Proposed Budget FYE June 30, 2013

	20012/13 Budget
a. Revenues:	
1. CDBG Funds Requested	$ 310,258
2. Non-CDBG Funds Requested:	
SLO County ESG	35,209
Co. of SLO General Fund	65,790
FEMA	27,138
United Way	5,000
Donations	75,350
Total Funds	$ 518,745
b. Expenditures:	
Salaries	$ 267,059
Fringe Benefits	96,647
Office Expense	8,890
Transportation	8,888
Utilities	21,581
Food	15,821
Laundry	16,529
Maintence & Repairs	15,436
Program Supplies	15,750
Advertising, Recruiting and Training	4,044
Miscellaneous	9,674
Indirect & Administrative	38,426
Total Expenditures	$ 518,745

Helping People. Changing Lives.
community Action PARTNERSHIP of SAN LUIS OBISPO COUNTY, INC.
Formerly known as Economic Opportunity Commission of San Luis Obispo County, Inc.

1030 Southwood Drive
San Luis Obispo
California 93401
•
(805) 544-4355
FAX (805) 549-8388
www.eocslo.org

October 21, 2011

Mr. Tony Navarro
Department of Planning and Building
976 Osos Street
Room 300
San Luis Obispo, CA 93408

Re: Applications for CDBG 2012 - 2013 Program Year Funding

Dear Mr. Navarro,

Enclosed are the applications for 2012 - 2013 CDBG funding for the following Community Action Partnership programs:

- Minor Home Repair
- Prado Day Center
- Maxine Lewis Memorial Shelter
- Homeless Services Center

Also enclosed are courtesy copies of CDBG applications to the cities of Morro Bay, Arroyo Grande, and Paso Robles for Senior Health Screening, 40 Wonderful and TAPP.

We appreciate the County's financial support for Community Action Partnership programs in the community.

Sincerely,

Elizabeth "Biz" Steinberg
Chief Executive Officer

Enclosures

ATTACHMENT 8

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM APPLICATION FOR THE 2012 PROGRAM YEAR

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING
976 OSOS STREET • ROOM 200 • SAN LUIS OBISPO • CALIFORNIA 93408 • (805) 781-5600

Promoting the Wise Use of Land • Helping to Build Great Communities

RECEIVED
SEP 1 0 2011
Planning & Bldg

Organization Name: The Literacy Council for San Luis Obispo
(Attach additional sheets if necessary)

To be considered for CDBG assistance, please submit this completed application with any exhibits, budgets or beneficiary data as needed. **PLEASE READ ALL INFORMATION IN THE APPLICATION.** Applications can be mailed to one of the participating jurisdictions listed in this application or to: Tony Navarro, Planner III, Department of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA., 93408 or hand delivered to Tony Navarro at 1035 Palm Street, Room 370, San Luis Obispo, CA., faxed to (805) 781-5624, or e-mailed to tnavarro@co.slo.ca.us. **The application deadline is 5:00 P.M., Monday, October 24, 2011.** Applications must be received by the County or one of the participating cities (Arroyo Grande, Atascadero, Morro Bay, Paso Robles, San Luis Obispo) prior to close of the business day. **POSTMARKED DATED MAIL RECEIVED AFTER THE DEADLINE WILL NOT BE ACCEPTED.**

NOTE:

(1) Please review the CDBG regulations and guidelines and the Request for Proposals before completing this proposal. The CDBG regulations, under 24 CFR 570, are available at www.sloplanning.org under "Federal HUD Grants."

(2) **HMIS Reporting for 2012 homeless services, housing and shelter -** All homeless service providers applying for CDBG funds to assist, house or shelter the homeless must identify and demonstrate its capacity to participate in the County of San Luis Obispo Homeless Management Information System (HMIS) to provide: personnel for data entry, user licensing, and hardware and software necessary for compatibility with HMIS. HMIS is an electronic data collection system that stores client level information about persons who access the homeless services system in a Continuum of Care, and reports aggregate data for the County as per the U.S. Department of Housing and Urban Development's Data Standards found in http://www.hudhre.info/documents/FinalHMISDataStandards_March2010.pdf.

(3) The project/program proposal to the County of San Luis Obispo shall be examined in relation to the County's community development goals and funding priorities as presented in the Urban County of San Luis Obispo 2010-2015 Consolidated Plan (ConPlan). The ConPlan is available at www.sloplanning.org. The County of San Luis Obispo Department of Planning and Building (Planning) considers the criteria stated in the 2012 Request for Proposals as one of many tools to help make funding recommendations to the Board of Supervisors. Planning will use other information and sources including but are not limited to: the County Board of Supervisors, recommendations from the Homeless Services Oversight Council, other participating jurisdictions of the Urban County of San Luis Obispo, identified needs that could be addressed by the grant funds, consistency with goals and priorities in the 2010 Consolidated Plan and the Ten Year Plan to End Homelessness, results of the Needs Workshops, working knowledge of the project and/or organization by Planning, and availability of limited fund, to help with the funding recommendations.

Please call County and/or city CDBG staff with any questions about how to complete the form or about the rating criteria and process.

If the information for any of the questions below requires more room to provide a complete explanation of your proposed project or program, please attach additional sheets.

CONTACT INFORMATION

1. Name and mailing address of applicant organization, with contact person, phone and fax numbers, and e-mail address:

Name: The Literacy Council

Address (mailing and physical address requested if different): 1264 Higuera St., Suite 102, San Luis Obispo, CA 93401

Contact person/title: Bernadette Bernardi/Executive Director

Phone: 805-541-4219

Fax: 805-781-6630

E-mail address: bliteracy@charter.net

Is the organization a Faith Based Organization? Yes ☐ No ☒

***Organization's DUNS number: 007894280**

PROJECT DESCRIPTION

2. Title/name/address of proposed project or program:

The Literacy Program/1264 Higuera Street, Suite 102, San Luis Obispo, CA 93401

3. **Please describe the proposed project or program**. In one or two short paragraphs, include a brief project/program description, the groups who will benefit and an explanation of how they will benefit from the proposed project or program. For projects, describe the location of the project (be as specific as possible, e.g. street address). For programs, state the location from which the program will be operated and/or describe the geographic area served by the program. Also, please include a schedule of project/program milestones.

The Literacy Council- the Literacy Council for San Luis Obispo County was incorporated as a non-profit in 1982. Our mission statement is to assist adult Learners and their families in the development of English language communication skills. Our goals are: recruit and prepare volunteers as Tutors in the delivery of quality instruction using a variety of approaches. Provide individual and group instruction to Learners in reading, writing, speaking, and basic number skills, thereby furthering the ability of Learners to function well in the community. Promote community awareness and involvement in the literacy process. Our program serves all of San Luis Obispo County. We operate fourteen learning centers located throughout San Luis Obispo County. This past fiscal year 502 tutors served 665 learners with 13,711hours of tutoring.

Locations of learning centers are as follows:

1. St. John's Lutheran Church, **Arroyo Grande**- Monday and Thursday afternoons.
2. Peace Lutheran Church, **Arroyo Grande**-Monday evening.
3. Atascadero Bible Church, **Atascadero**-Monday and Thursday evenings.
4. Canyon Creek, PSHH, **Paso Robles**-Tuesday and Thursday evenings.
5. Presbyterian Community Church, Cambria-Monday and Thursday evenings.
6. St. Joseph's Catholic Church, Nipomo, Thursday evenings.
7. Trinity Methodist Church, Los Osos-Monday and Thursday evenings..
8. St. Timothy's Church, Morro Bay-Tuesday and Thursday evenings.
9. First Presbyterian Church, **San Luis Obispo**-Tuesday and Thursday mornings.
13. First Presbyterian Church, **San Luis Obispo**-Monday evenings.
14. Oceano Community Center, Oceano- Tuesday and Thursday evenings.
15. California Men's Colony-East and West. Varied evenings.

We provide free instruction to adults in reading, writing, and speaking English. We help both English speakers that need to improve their reading and writing skills and English as a Second Language speakers. We hold tutor trainings once per month to have a consistent and replenished resource of tutors. At the California Men's Colony we train inmates to become tutors and provide both CMC East and West learning centers with in-service trainings and books. Additionally, we teach parents of children five and younger to read by utilizing children's books. After they have mastered a book, we teach them to read it to their children. We work with Head Start Families. We have more than fifty tutors that work for us independent from any of our centers. Literacy Council staff matches tutors and learners. Tutors and learners arrange schedules and locations that suit their needs.

In Fiscal year 2010-11 our learners were:

353 Hispanic
47 Caucasian-non-Hispanic
53 Asian
98 Afro American
8 Native American
0 Pacific Islander
1 other
26 unknown

First languages were: English, Spanish, Chinese, Japanese, Vietnamese, Russian, Polish, Farsi, French and Italian.

The success of our program and projects are evaluated by tracking the number of tutors we are able to recruit and train and the longevity of those trained tutors. Learners are assessed when they begin in our program. We use the Slosson Oral Reading Test (SORT) for literacy learners and the English as a Second Language Oral Assessment (ESLOA) for ESL (English as a Second Language) learners. Learners set achievable goals in the areas of: Home and Family, Work, Self, and Community. Follow-up assessments are given to each learner determined by their individual progress through the books and materials in their individual learning plan. Center Directors send in monthly student progress reports. The progress reports are evaluated to determine the effectiveness of the tutoring/learning relationship. We assess the learners when they leave the program to determine if they have progressed beyond their initial assessment and how much they have progressed. We track how many learners go on to adult education or junior college programs. We track learners that pass a driver's test, GED, become citizens, become employed, and get better jobs.

4. Will the services offered by your organization increase or expand as a result of the CDBG assistance? If yes, please answer the following questions:

a. What new programs and/or services will be provided?

No new programs or services will be provided

b. Describe how existing programs and/or services will be expanded and what percentage of an increase is expected?

All of our learning centers presently maintain waiting lists of learners. Consistent funds will allow us to continue our tutor recruitment and training which will add more tutors who can then serve more learners. We expect a 5 to 10 per cent increase.

5. Check any of the following eligible activity categories that apply to the proposed project or program: (Refer to CDBG regulations and the Guide to Eligible CDBG Activities).

____ Acquisition of real property

____ Disposition of real property

____ Public facilities and improvements (may include acquisition, construction, reconstruction, rehabilitation or installation)

____ Privately owned utilities

____ Clearance and remediation activities

_✔___ Public services

____ Interim assistance

____ Relocation of individuals, families, businesses, non-profit organizations, and/or farms

____ Loss of rental income

____ Removal of architectural barriers

____ Housing rehabilitation

____ New housing construction (under limited circumstances)

____ Homeownership assistance

____ Housing services

____ Code enforcement

____ Historic preservation

____ Commercial or industrial rehabilitation

____ Special economic development

____ Technical assistance and planning studies

6. Describe the need and the degree of urgency for the proposed project or program. What would be the consequences if the proposed project or program is not funded in the next year?

The need for literacy services in San Luis Obispo County is great and growing. The National Institute for Literacy publishes adult literacy estimates. Their rating system uses 1 as the lowest literacy level and 5 as the highest. The latest published data for our county shows that 17% of our population age 16 and older is at level 1- the lowest literacy level and 38% are at combined levels 1 and 2.

The major consequences of low literacy are:

Welfare: 75% of food stamp recipients perform at the lowest two levels of literacy.
50% of adults on welfare do not have a high school diploma or GED.
43% of adults with low literacy skills live in poverty.

Crime: 70% of prisoners perform at the two lowest literacy levels.

Continuing cycle: Children's literacy levels are strongly linked to the educational level of their parents. The most significant predictor for children to have success in school is for the primary caregiver to have graduated from high school or have a GED.
Children of parents who are unemployed and have not completed high school are five times more likely to drop out of school.

Literacy is often the first step for a person to become a productive and contributing member of their community. Better English language skills easily translate into better jobs and higher wages for our learners. With better jobs and higher wages our learners become active productive participants in their communities. Because our service is provided one-to-one or in small groups, our learners are provided with the level and type of instruction specific to their unique needs. Our tutors are prepared to help with such necessary skills as filling out job applications, learning job specific vocabulary, attaining a driver's license, preparing for the GED test, and studying for the citizenship test. They are also prepared to teach parents to

read to their children and to help teens improve their English language skills. Often, a mentoring relationship develops wherein self-esteem and life skills are modeled and learned.

The recruitment, training and retention of volunteer tutors are expensive, on-going, and labor-intensive efforts. We offer monthly tutor trainings conducted by Literacy Council staff. Each training graduates, on average, fifteen new tutors. The trainings are twelve hours over a two-day period. Most tutors work one-on-one or in small groups of two or three learners per tutor. This low tutor-learner ratio builds bonds between tutors and learners and is an extremely effective teaching strategy. However, it requires a large and constantly replenished pool of tutors, as well as, staff support, books, and materials. Without ever increasing funding, the Literacy Council would not be able to respond to the demand posed by the ever increasing number of individuals in San Luis Obispo County needing to learn Basic English language skills.

Recruiting, training, and retaining tutors constitute one component of what the Literacy Council needs to do in order to provide its services. The other crucial component is the assurance that each individual that seeks our help can ultimately achieve the goal of reaching a literacy level that will improve his/her overall quality of life. Consistent and new funding sources help the Literacy Council provide the program, books, and materials to learners and to individuals on our waiting lists hoping to be learners. The Literacy Council effectively serves all of San Luis Obispo County.
In order to grow and maintain the integrity of its program, the Literacy Council needs qualified, professional staff to administer, create, and actualize a viable literacy program that affects every community in our county.

If the Literacy Council were not funded next year the consequences would be:

1. The inability to recruit and train the needed number of tutors.
2. The increase in numbers of potential learners on waiting lists.
3. Not having enough books and materials.
4. Loss of staff to positions that promise better wages and benefits. Because of funding challenges we are presently operating with only 1 full time position and 1 part time position.

7. Please describe the specific organizational method used to implement the proposed project or program (single or multiple group, public agency, non-profit, for-profit, experience in operating similar programs, etc.):

The Literacy Council, founded in 1982 as a private non-profit, utilizes the following method to implement its program:

1. Have a diverse and active board of directors that is diligent in overseeing a non-profit organization
2. Have a competent staff that is capable of administrating and coordinating the program.
3. Secure funds from both the private and public sector.
4. Uphold accurate accounting of funds.
5. Advertise for volunteer tutors.
6. Be accessible to all potential learners.
7. Offer well designed tutor pre-service and in-service trainings taught by experienced instructors.

8. Maintain a well-trained pool of volunteer Center Directors and tutors.
9. Research for best books and materials and have them accessible to all tutors and learners.
10. Assure that each learner has a learning plan specific to their individual English language learning needs.
11. Track learner progress.
12. Keep data bases of learners and tutors.
13. Collaborate with other agencies whose clients may need our services.
14. Participate in other organizations such as United Way Agency Relations, Chambers of Commerce, Service Clubs and the Planned Giving Council.

8. Does the project require the issuance of a permit (from local, state or federal agencies)?

Yes ☐ No ☒

a. If yes, please identify the permits necessary to complete the project.

b. Have the necessary permits been issued? Please provide proof of permit issuance.

c. If permits are required but not yet obtained, when will the permits be issued?

NATIONAL OBJECTIVES CRITERIA

9. Does the proposed project or activity meet one of the three national objectives of the CDBG program? Please check one of the objectives below that applies to the proposal, and explain how the project or activity meets that national objective.

a. ___✔__ Benefits low- and moderate-income persons as defined by the U.S. Department of Housing and Urban Development (HUD).

Select one:

☒ **Low/Moderate-Income Area Benefit** – The project serves only a limited area which is proven by 2000 Census data or survey to be a predominately (51% or more) low/moderate-income area. Applicants choosing this category must be able to prove their project/activity primarily benefits low/moderate-income households.

☐ **Low/Moderate-Income Limited Clientele** – The project benefits a specific group of people (rather than all areas in a particular area), at least 51% of whom are low/moderate-income persons;. Note: Income verification for clients must be provided for this category. The following groups are

presumed to be low/moderate-income: abused children; elderly persons; battered spouses; homeless persons; adults meeting census definition of severely disabled; persons living with AIDS; and migrant farm workers

☐ **Low/Moderate-Income Housing** – The project adds or improves permanent residential structures that will be/are occupied by low/moderate-income households upon completion.

☐ **Low/Moderate-Income Jobs** – The project creates or retains permanents jobs, at least 51% of which are taken by low/moderate-income persons or considered to be available to low/moderate-income persons.

Explain: **We serve migrant farm workers. We serve homeless persons. We serve immigrants. We serve individuals who rank in one of the lowest two categories for literacy skills as determined by the National Institute for Literacy**

NOTE: To meet this national objective, the proposed activity must benefit a specific clientele or residents in a particular area of the County or participating city, at least 51 percent of who are low- and moderate-income persons.

b. _____ Aids in the prevention or elimination of slums or blight.

Explain:

Select one:

☐ **Addressing Slums or Blight on an Area Basis -**

☐ **Addressing Slums or Blight on a Spot** Basis – This project will prevent or eliminate specific conditions of blight or physical decay. Activities are limited to clearance, historic preservation, rehabilitation of buildings, but only to the extent necessary to eliminate conditions detrimental to public health and safety.

Is the project located in a Redevelopment Area? Yes ☐ No ☐

If yes, attach a map of the area with the site highlighted, and provide the Redevelopment Project Area (excerpts accepted) which documents the existence of slum/blight. Also, document the specific redevelopment objectives pertaining to the proposed project.

NOTE: To meet this national objective, the proposed activity must be within a designated slum or blighted area and must be designed to address one or more conditions that contributed to the deterioration of the area.

c. _____ Meets community development needs having a particular urgency where existing conditions pose a serious and immediate threat to the health or welfare of the community, and no other funding sources are available, i.e., a major catastrophe such as a flood or earthquake.

Explain:

NOTE: To meet this national objective, the proposed activity must deal with major catastrophes or emergencies such as floods or earthquakes.

10. If the project or program is designed to meet the national objective of providing benefit to low- and moderate-income persons, please estimate the number of unduplicated number of persons (or households) to benefit from the project and break that estimate down by income group (unduplicated means the number who are served, i.e., the grant will allow 25 children to participate in preschool – not 25 children x 5 days x 52 weeks = 6,500).

a. Total number of persons or households who will benefit from the project or program (regardless of income group):

600 **Persons**/households (circle the applicable unit)

b. Of the total number of persons or households entered above, how many will be low-income (earning 51% - 80% or less of the County median-income)?

200 **Persons**/households (circle the applicable unit)

c. Of the total number of persons or households entered above, how many will be very low-income (earning 50% or less of the County median-income)?

400 **Persons**/households (circle the applicable unit)

11. Who are the clients of your organization? (Example: low- to moderate-income persons, elderly persons, severely disabled persons, migrant farm workers, battered spouses, etc.)

Very low income, low to moderate-income persons, migrant farm workers, the disenfranchised.

12. How will the clients benefit from this project?

They learn the basic skills of reading, writing and speaking English. They can improve their lives by attaining better jobs. They can participate in their communities and voice their needs.

BENEFICIARY DATA

13. How do you currently collect demographic data on the beneficiaries of the proposed project or program? (Example: racial/ethnic characteristics)*

Every learner completes a student adult data sheet when they begin our program. We ask them to check ethnicity and we ask questions about employment.

14. How do you currently document income status of each client? (Example: very low, low- and moderate-income)*

We conduct a yearly anonymous survey.

15. Provide the following information for the person(s) in your organization responsible for the preparation and submittal of the quarterly reports and for collecting and reporting the beneficiary data to the Urban County.

Contact person/title: Bernadette Bernardi/Executive Director

Phone number: 805-541-4219

E-mail address: bliteracy@charter.net

***NOTE:** You are required to provide beneficiary data at the end of each quarter and year end data of the fiscal year.

***If your are awarded CDBG funds or your proposal involves economic development, i.e., directly benefit a business, private property owner, business, involves façade improvements, provide technical assistance to a new or existing business, job creation, loan guarantee, the beneficiary must obtain a Dun and Bradsteet (DUNS) number that must be reported to HUD. Please contact Tony Navarro, (805) 781-5787, tnavarro@slo.co.ca.us for information on how to obtain a DUNS number prior to incurring and obligating the federal funds.**

FINANCIAL INFORMATION

For CDBG applications to the County of San Luis Obispo involving acquisition, construction or rehabilitation projects please provide the required additional budget information on BUDGET FORM A and BUDGET FORM B attached to the back of this application.

16. Total amount of CDBG funds requested: $ 20,000.00

Please identify the jurisdiction(s) to which you are applying*:

If you are requesting CDBG funds from more than one jurisdiction, please break down the amount shown above by the jurisdiction listed below.

City of Arroyo Grande:	$5,000.00	City of Paso Robles:	$5,000.00
City of Atascadero:	$5,000.00	City of San Luis Obispo:	N/A
City of Morro Bay:	$5,000.00	County of San Luis Obispo:	N/A

***NOTE:** If you are applying to one or more cities, please provide a copy of the application to the County by the application deadline of **October 24, 2011**.

17. Please describe the budget for the proposed project or program. Itemize all sources of funding expected to be available and used for this project

a. **Revenues:**

1. CDBG Funds requested	$ 20,000.00
2. Other Federal fund(s) (please describe below)	$ n/a
3. State source(s) (please describe below)	$ 24,362.00-State Library
4. Local source(s) (please describe below)	$ 33,418.00-County Library & Cities

5. Other funds (please describe below) $40,794.00 private donations/special event, other grants

Total Revenues **$ 118,574.00**

b. **Expenditures**: List below by item or cost category.

salaries	61,619
books	3161
fundraising	3487
outside services	5260
rent	15870
telephone	1972
copier	1745
equipment	
maintenance	50
postage	502
mileage	590
printing	250
office supplies	1691
staff development	1339
volunteer recognition	578
learning centers misc. expenses	417
newsletter	500
annual meeting	0
audit	2000
marketing	425
janitorial	605
water	191
donor recognition	250
pre-service training supplies	33
in-service training supplies	172
miscellaneous	513
payroll taxes	5831
workers' comp	34
liability	2035
health benefits	7052
retirement	0
insurance other	402
Total	118,574.00

And from what source(s)? Operations costs are available through City/County Library Contract and State Library Funds.

18. Will CDBG funds be used to match/leverage other funds? List below funding sources and amounts and identify award dates of these sources.

CDBG funds will not be used to match/leverage other funds. However, other funding entities would be favorably impressed by the fact that we were awarded CDBG funds.

I certify that the information in this application is true and accurate to the best of my knowledge and ability.

Bernadette Bernardi
Signature

10/19/11
Date

Bernadette Bernardi
Printed or typed name

Executive Director
Title

Note to applicant:

The County and cities require all of the grant recipients to maintain general liability, automobile and workman's compensation insurance with limits of not less than $1 million*. If you are successful in obtaining an award, you will be asked to provide documentation regarding ability to provide the required coverage.

* Liability coverage may vary by jurisdiction. Please call the city/county contact to verify limits.

Prior to HUD's release of grant conditions and/or funds for the CDBG-funded project, a review of the project's potential impact on the environment must be conducted by the awarding jurisdictions and approved by the County of San Luis Obispo **prior to obligating or incurring project costs**. The County must certify to HUD that it has complied with all applicable environmental procedures and requirements.

obtaining an award, you will be asked to provide documentation regarding ability to provide the required coverage.

* Liability coverage may vary by jurisdiction. Please call the city/county contact to verify limits.

Prior to HUD's release of grant conditions and/or funds for the CDBG-funded project, a review of the project's potential impact on the environment must be conducted by the awarding jurisdictions and approved by the County of San Luis Obispo **prior to obligating or incurring project costs.** The County must certify to HUD that it has complied with all applicable environmental procedures and requirements. Should project costs be obligated or incurred prior to the completion of the necessary environmental review, the project **shall not** benefit from the federal funds. Environmental review requirements pursuant to 24 CFR Part 58 must be fully satisfied for any project selected for funding prior to the CDBG Program issuing a Notice to Proceed for the project. The level of environmental review required depends on the nature of the project. 24 CFR Part 58 is available at www.hud.gov/offices/cpd/environmental/lawsandregs/regs.

If you need assistance or have questions regarding this application, please contact any of the persons listed below. Your application(s) can be dropped off or mailed to the following locations:

- Kelly Heffernon, Community Development Dept., City of Arroyo Grande, 214 E. Branch Street (P.O. Box 550), Arroyo Grande, CA 93421, (805) 473-5420.
- Valerie Humphrey, Public Works Dept., City of Atascadero, 6907 El Camino Real, Atascadero, CA 93422, (805) 470-3460.
- Rob Livick, Public Services Dept., City of Morro Bay, 955 Shasta Avenue, Morro Bay, CA, 93442, (805) 772-6261
- Darren Nash, Community Development Dept., City of Paso Robles, 1000 Spring St., Paso Robles, CA 93446, (805) 237-3970.
- Tyler Corey, Community Development Dept., City of San Luis Obispo, 919 Palm St., San Luis Obispo, CA 93401, (805) 781-7175.
- Tony Navarro, Dept. of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA 93408, (805) 781-5787.

ATTACHMENT 9

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM APPLICATION FOR THE 2012 PROGRAM YEAR

RECEIVED
SEP 17 2011
PLANNING & BLDG

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING
976 OSOS STREET • ROOM 200 • SAN LUIS OBISPO • CALIFORNIA 93408 • (805) 781-5600
Promoting the Wise Use of Land • Helping to Build Great Communities

Organization Name: Senior Nutrition Program of San Luis Obispo County (Attach additional sheets if necessary)

To be considered for CDBG assistance, please submit this completed application with any exhibits, budgets or beneficiary data as needed. **PLEASE READ ALL INFORMATION IN THE APPLICATION.** Applications can be mailed to one of the participating jurisdictions listed in this application or to: Tony Navarro, Planner III, Department of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA., 93408 or hand delivered to Tony Navarro at 1035 Palm Street, Room 370, San Luis Obispo, CA., faxed to (805) 781-5624, or e-mailed to tnavarro@co.slo.ca.us. **The application deadline is 5:00 P.M., Friday, October 24, 2011.** Applications must be received by the County or one of the participating cities (Arroyo Grande, Atascadero, Morro Bay, Paso Robles, San Luis Obispo) prior to close of the business day. **POSTMARKED DATED MAIL RECEIVED AFTER THE DEADLINE WILL NOT BE ACCEPTED.**

NOTE:

(1) Please review the CDBG regulations and guidelines and the Request for Proposals before completing this proposal. The CDBG regulations, under 24 CFR 570, are available at www.sloplanning.org under "Federal HUD Grants."

(2) **HMIS Reporting for 2012 homeless services, housing and shelter** - All homeless service providers applying for CDBG funds to assist, house or shelter the homeless must identify and demonstrate its capacity to participate in the County of San Luis Obispo Homeless Management Information System (HMIS) to provide: personnel for data entry, user licensing, and hardware and software necessary for compatibility with HMIS. HMIS is an electronic data collection system that stores client level information about persons who access the homeless services system in a Continuum of Care, and reports aggregate data for the County as per the U.S. Department of Housing and Urban Development's Data Standards found in http://www.hudhre.info/documents/FinalHMISDataStandards_March2010.pdf.

(3) The project/program proposal to the County of San Luis Obispo shall be examined in relation to the County's community development goals and funding priorities as presented in the Urban County of San Luis Obispo 2010-2015 Consolidated Plan (ConPlan). The ConPlan is available at www.sloplanning.org. The County of San Luis Obispo Department of Planning and Building (Planning) considers the criteria stated in the 2012 Request for Proposals as one of many tools to help make funding recommendations to the Board of Supervisors. Planning will use other information and sources including but are not limited to: the County Board of Supervisors, recommendations from the Homeless Services Oversight Council, other participating jurisdictions of the Urban County of San Luis Obispo, identified needs that could be addressed by the grant funds, consistency with goals and priorities in the 2010 Consolidated Plan and the Ten Year Plan to End Homelessness, results of the Needs Workshops, working knowledge of the project and/or organization by Planning, and availability of limited fund, to help with the funding recommendations.

Please call County and/or city CDBG staff with any questions about how to complete the form or about the rating criteria and process.

If the information for any of the questions below requires more room to provide a complete explanation of your proposed project or program, please attach additional sheets.

CONTACT INFORMATION

1. **Name and mailing address of applicant organization, with contact person, phone and fax numbers, and e-mail address:**

Name: Christina Perry

Address: 2180 Johnson Avenue
San Luis Obispo, CA 93401-4513

Contact person/title: Assistant Fundraising Chairman

Phone: 805-541-3312

Fax: 805-541-5631

E-mail address: cperrysnp@att.net

Is the organization a Faith Based Organization? Yes ☐ No ☑

***Organization's DUNS number: 839610680**

PROJECT DESCRIPTION

2. **Title/name/address of proposed project or program:**

Title: Response to Increased Requests for Meals
Name: Senior Nutrition Program of SLO County
Address: 2180 Johnson Avenue
San Luis Obispo, CA 93401-4513

3. **Please describe the proposed project or program.** In one or two short paragraphs, include a brief project/program description, the groups who will benefit and an explanation of how they will benefit from the proposed project or program. For projects, describe the location of the project (be as specific as possible, e.g. street address). For programs, state the location from which the program will be operated and/or describe the geographic area served by the program. Also, please include a schedule of project/program milestones.

The Senior Nutrition Program of SLO County provides free, hot, nutritious meals to seniors who are at least 60 years old. Meals are delivered daily Monday-Friday to the homebound and also include two frozen meals for weekends. Additionally, SNP provides meals to 10 community sites throughout the county, where those who are able can socialize with each other while enjoying their meals. This

socialization helps to minimize isolation and suicide of our elderly. Currently, we are based in the former County Hospital complex in San Luis Obispo where we are able to prepare all our meals in the former hospital's kitchen and handle our administrative needs in an adjacent office.

This past fiscal year, July 2010 – June 2011, SNP prepared and delivered approximately 173,000 meals to 1,738 senior residents of San Luis Obispo County. Last fiscal year that figure was 161,000 meals and the year before 135,000. The need for meals is consistently increasing year to year.

Until now, SNP has never had to turn away any senior citizen who requested meals from the Senior Nutrition Program. As a result we created a waiting list of individuals who are requesting meals. We are receiving requests at a rate of 15 to 20 per month. We anticipate due to the economic downturn, this list will continue to grow. As a result of the CDBG grant we will be able to fill the needs of seniors requesting meals.

4. **Will the services offered by your organization increase or expand as a result of the CDBG assistance? If yes, please answer the following questions:**

   a. What new programs and/or services will be provided?

      SNP will be able to increase the number of meals served to those seniors requesting meals. Seniors 60 and over constitute 28% of the population of San Luis Obispo County and rising. We are very proud of the work we have done in the past however in order to keep up with the demand for meals we need financial assistance.

   b. Describe how existing programs and/or services will be expanded and what percentage of an increase is expected?

      We anticipate an increase of **12%** additional meals for FY 2011/2012. The cost per meal is approximately **$7.25**. Additionally, the cost of purchasing food is expected to grow by **20%.**

5. **Check any of the following eligible activity categories that apply to the proposed project or program:** (Refer to CDBG regulations and the Guide to Eligible CDBG Activities).

   ____ Acquisition of real property

   ____ Disposition of real property

   ____ Public facilities and improvements (may include acquisition, construction, reconstruction, rehabilitation or installation)

   ____ Privately owned utilities

   ____ Clearance and remediation activities

   ☑ Public services

   ____ Interim assistance

____ Relocation of individuals, families, businesses, non-profit organizations, and/or farms

____ Loss of rental income

____ Removal of architectural barriers

____ Housing rehabilitation

____ New housing construction (under limited circumstances)

____ Homeownership assistance

____ Housing services

____ Code enforcement

____ Historic preservation

____ Commercial or industrial rehabilitation

____ Special economic development

____ Technical assistance and planning studies

6. **Describe the need and the degree of urgency for the proposed project or program. What would be the consequences if the proposed project or program is not funded in the next year?**

   SNP is currently turning away members of our most vulnerable population, senior citizens. Having to turn away any senior who is requesting meals is heart wrenching. Many of our seniors will go hungry as a result of lack of funding. As you can see our need is great and becomes more urgent as our country suffers economically. Our senior citizens are one of the hardest hit populations due to the drastic economic downturn in this country. Those who were lucky enough to have retirement benefits have found that their retirement funds have not kept up with the current cost of living increases. Many seniors have adult children that have also fallen victim to the recession and can no longer provide assistance to their parents.

7. **Please describe the specific organizational method used to implement the proposed project or program (single or multiple group, public agency, non-profit, for-profit, experience in operating similar programs, etc.):**

   Senior Nutrition Program has operated in San Luis Obispo County, CA, for over 25 years. We are a non-profit corporation that consists of a volunteer board of directors, dedicated staff and over 250 volunteers. The process we use to provide hot, nutritious meals is as follows:

   - Assessment of potential clients is determined at the initial application process. It is also determined if there are other health issues, nutritional risks and limitations. When needed, we

will refer potential clients to other appropriate agencies.

- Our registered dietician prepares a menu of delicious and nutritious meals every month that follows all health and dietary restrictions. Under the guidance of our experienced kitchen manager meals are prepared by trained staff in the central kitchen. Additionally, we supplement our kitchen staff through a collaborative program with three youth organizations whose participants learn employable kitchen skills.

- Two part time drivers deliver food to 10 community sites each weekday in refrigerated trucks. Site managers with the help of volunteers heat and serve food to our dining room clients. They also pack meals that are picked up by volunteers from the sites to be delivered to the homebound five days a week. Two additional frozen meals are delivered on Fridays to homebound clients to see them through the weekend.

- SNP delivers meals to the City of San Luis Obispo, Five Cities (Arroyo Grande, Oceano, Grover Beach, Pismo Beach, and Nipomo), Los Osos, Morro Bay, Cambria, Atascadero, Santa Margarita, Templeton, Paso Robles.

- SNP maintains daily records of every meal and every client served. On any day of the year, we will be able to compare the cost-to date of our food purchases for the fiscal year vs. last year by the number of clients and the number of meals and also by the number of homebound meals and the number of congregate meals.

SNP leadership excels in managing our costs, maintaining meticulous records, planning and preparing the highest quality meals for our seniors. Following is a brief biography of our leaders:

- **Elias Nimeh, Executive Director** has been the director of SNP for 5 years. He has a B. Sc. Degree in Agronomy from Arizona State University and 40 plus years in the restaurant industry. He owned and operated a local business – Tortilla Flats, Inc. for 20 years.
- **Irene Palacios, Kitchen Director** has been with the program for over 20 years and followed a steady progression of increasing responsibilities and promotions until reaching her current position as Kitchen Director approximately 5 years ago.
- **Wendy Fertschneider, Nutritionist** has been with the program for over 15 years in a variety of positions. Currently she works 6 hours a week as our Registered Dietician which is required for this program, writing and approving menus, staff training, nutrition education and advisory council facilitator.

We also have interns from Cal Poly and Cuesta College who assist our office staff. We also have a group of approximately 30 volunteers, Friends of Senior Nutrition Program, whose primary responsibility is our annual fund-raising event.

8. Does the project require the issuance of a permit (from local, state or federal agencies)?

Yes ☐ No ☑

a. If yes, please identify the permits necessary to complete the project.

b. Have the necessary permits been issued? Please provide proof of permit issuance.

c. If permits are required but not yet obtained, when will the permits be issued?

NATIONAL OBJECTIVES CRITERIA

9. **Does the proposed project or activity meet one of the three national objectives of the CDBG program? Please check one of the objectives below that applies to the proposal, and explain how the project or activity meets that national objective.**

a. ☑ Benefits low- and moderate-income persons as defined by the U.S. Department of Housing and Urban Development (HUD).

Select one:

☐ **Low/Moderate-Income Area Benefit** – The project serves only a limited area which is proven by 2000 Census data or survey to be a predominately (51% or more) low/moderate-income area. Applicants choosing this category must be able to prove their project/activity primarily benefits low/moderate-income households.

☑ **Low/Moderate-Income Limited Clientele** – The project benefits a specific group of people (rather than all areas in a particular area), at least 51% of whom are low/moderate-income persons; Note: Income verification for clients must be provided for this category. The following groups are presumed to be low/moderate-income: abused children; elderly persons; battered spouses; homeless persons; adults meeting census definition of severely disabled; persons living with AIDS; and migrant farm workers

☐ **Low/Moderate-Income Housing** – The project adds or improves permanent residential structures that will be/are occupied by low/moderate-income households upon completion.

☐ **Low/Moderate-Income Jobs** – The project creates or retains permanents jobs, at least 51% of which are taken by low/moderate-income persons or considered to be available to low/moderate-income persons.

Explain: All of our clients are elderly some are disabled/homebound. SNP is currently serving 1767 clients; this does not include any new clients. Out of those served 38% are living in poverty. The other 62% are living at the moderate income level. During the application process clients are asked to check income status; one person less than $908 per month or 2 persons less than $1226. It is SNP policy to provide meals to seniors at least 60 years old regardless of income.

NOTE: To meet this national objective, the proposed activity must benefit a specific clientele or residents in a particular area of the County or participating city, at least 51 percent of who are low- and moderate-income persons.

b. _____ Aids in the prevention or elimination of slums or blight.

Explain:

Select one:

☐ **Addressing Slums or Blight on an Area Basis -**

☐ **Addressing Slums or Blight on a Spot** Basis – This project will prevent or eliminate specific conditions of blight or physical decay. Activities are limited to clearance, historic preservation, rehabilitation of buildings, but only to the extent necessary to eliminate conditions detrimental to public health and safety.

Is the project located in a Redevelopment Area? Yes ☐ No ☑

If yes, attach a map of the area with the site highlighted, and provide the Redevelopment Project Area (excerpts accepted) which documents the existence of slum/blight. Also, document the specific redevelopment objectives pertaining to the proposed project.

NOTE: To meet this national objective, the proposed activity must be within a designated slum or blighted area and must be designed to address one or more conditions that contributed to the deterioration of the area.

c. _____ Meets community development needs having a particular urgency where existing conditions pose a serious and immediate threat to the health or welfare of the community, and no other funding sources are available, i.e., a major catastrophe such as a flood or earthquake.

Explain:

NOTE: To meet this national objective, the proposed activity must deal with major catastrophes or emergencies such as floods or earthquakes.

10. If the project or program is designed to meet the national objective of providing benefit to low- and moderate-income persons, please estimate the number of <u>unduplicated</u> number of persons (or households) to benefit from the project and break that estimate down by income group (unduplicated means the number who are served, i.e., the grant will allow 25 children to participate in preschool – not 25 children x 5 days x 52 weeks = 6,500).

a. Total number of persons or households who will benefit from the project or program (regardless of income group):

<u>30</u> Persons/~~households~~ (circle the applicable unit)

b. Of the total number of persons or households entered above, how many will be low-income (earning 51% - 80% or less of the County median-income)?

30 Persons/~~households~~ (circle the applicable unit)

c. Of the total number of persons or households entered above, how many will be very low-income (earning 50% or less of the County median-income)?

30 Persons/~~households~~ (circle the applicable unit)

11. Who are the clients of your organization? (Example: low- to moderate-income persons, elderly persons, severely disabled persons, migrant farm workers, battered spouses, etc.)

Elderly
Low to moderate income persons
Disabled persons

12. How will the clients benefit from this project?

Elderly clients will benefit by this program by providing a nutritious hot meal daily, improving their health and well-being, reducing isolation, reducing accidents that can be fatal, and help to prevent potential suicides. For the homebound our delivery person may be the only human contact our seniors may have days and weeks at a time. The program's delivery people, all volunteers, are trained to recognize situations which may require emergency or law enforcement assistance.

BENEFICIARY DATA

13. How do you currently collect demographic data on the beneficiaries of the proposed project or program? (Example: racial/ethnic characteristics)*

SNP collects this information through the application process for each client and updates all applicable data quarterly for all homebound clients. For congregate clients information is updated annually.

14. How do you currently document income status of each client? (Example: very low, low- and moderate-income)*

SNP collects this information through the application process for each new client and updates the data quarterly for all homebound clients. For congregate clients information is updated annually. All income status is gathered according to Federal guidelines.

15. Provide the following information for the person(s) in your organization responsible for the preparation and submittal of the quarterly reports and for collecting and reporting the beneficiary data to the Urban County.

Contact person/title: Elias Nimeh

Phone number: 805-541-3312

E-mail address: enimehsnp@sbcglobal.net

*NOTE: You are required to provide beneficiary data at the end of each quarter and year end data of the fiscal year.

***If your are awarded CDBG funds or your proposal involves economic development, i.e., directly benefit a business, private property owner, business, involves façade improvements, provide technical assistance to a new or existing business, job creation, loan guarantee, the beneficiary must obtain a Dun and Bradsteet (DUNS) number that must be reported to HUD. Please contact Tony Navarro, (805) 781-5787, tnavarro@slo.co.ca.us for information on how to obtain a DUNS number prior to incurring and obligating the federal funds.**

FINANCIAL INFORMATION

For CDBG applications to the County of San Luis Obispo involving acquisition, construction or rehabilitation projects please provide the required additional budget information on BUDGET FORM A and BUDGET FORM B attached to the back of this application.

16. Total amount of CDBG funds requested: $40,000.00

Please identify the jurisdiction(s) to which you are applying*:

San Luis Obispo County

If you are requesting CDBG funds from more than one jurisdiction, please break down the amount shown above by the jurisdiction listed below.

City of Arroyo Grande: $10,000

City of Atascadero: $10,000

City of Morro Bay: $10,000

City of Paso Robles: $10,000

City of San Luis Obispo: _____

County of San Luis Obispo: _____

*NOTE: If you are applying to one or more cities, please provide a copy of the application to the County by the application deadline of October 24, 2011.

17. Please describe the budget for the proposed project or program. Itemize all sources of funding expected to be available and used for this project.

See following FY 2011/2012 Budget:

Senior Nutrition Program Budget FY 2011 - 2012			
Income	**C1=Site**	**C2=Homebound**	**Total**
Federal and State Grant	157,612	329,098	486,710
NSIP (USDA)	24,684	66,270	90,954
Local Grants	38,721	30,400	69,121
Client Donations	70,290	68,510	138,800
Fundraising Event (NOM	29,500	20,000	49,500
Community Support	57,241	88,197	145,438
In-kind	90,000	155,000	245,000
Total Income	**468,048**	**757,475**	**1,225,523**
Expense			
Personnel:			
Wages	185,412	256,277	441,689
Payroll taxes	19,746	27,293	47,039
Employee benefits	19,654	27,165	46,819
In-kind	90,000	155,000	245,000
Total Personnel	**314,812**	**465,735**	**780,547**
Travel and training:			
Staff travel	3,520	9,880	13,400
Staff training	110	312	422
Total travel/training	3,630	10,192	13,822
Food costs	84,948	127,422	212,370
Consultants	2,280	2,083	4,363
Other costs:			
Rent	17,000	50,128	67,128
Program supplies	18,580	27,543	46,123
Telephone	2,020	6,745	8,765
Utilities	3,060	9,296	12,356
Insurance	3,443	9,708	13,151
Acct./auditing	3,500	11,500	15,000
Office supplies/postage	3,000	7,367	10,367
Vehicle operations	4,950	12,965	17,915
Building maintenance/repair	1,000	1,990	2,990
Equip. maintenance/repair	1,850	2,250	4,100
Volunteer expenses	787	7,090	7,877
Taxes/licenses	124	124	248
Printing	300	300	600
Advertising	764	764	1,528
Outside services	2,000	4,272	6,272
Total other costs	**62,378**	**152,042**	**214,420**
Total Expenses	**468,048**	**757,475**	**1,225,523**

18. How do you plan to fund the operation and maintenance costs (if any) associated with this project? Are these funds available now? If not, when will they be available? And from what source(s)?

The Senior Nutrition Program operation and maintenance costs will be funded by on-going donations from seniors receiving services, the community at large, local grants and our annual fundraising events. The funds are received monthly.

19. Will CDBG funds be used to match/leverage other funds? List below funding sources and amounts and identify award dates of these sources.

The CDBG funds will be used towards the matching funds from the federal grants. We are required to provide matching funds if at least 15% of our federal grant.

I certify that the information in this application is true and accurate to the best of my knowledge and ability.

Christina Perry — 10/12/11
Signature — Date

Christina Perry — Assistant Fundraising Chairman
Printed or typed name — Title

Note to applicant:

The County and cities require all of the grant recipients to maintain general liability, automobile and workman's compensation insurance with limits of not less than $1 million*. If you are successful in obtaining an award, you will be asked to provide documentation regarding ability to provide the required coverage.

* Liability coverage may vary by jurisdiction. Please call the city/county contact to verify limits.

Prior to HUD's release of grant conditions and/or funds for the CDBG-funded project, a review of the project's potential impact on the environment must be conducted by the awarding jurisdictions and approved by the County of San Luis Obispo **prior to obligating or incurring project costs.** The County must certify to HUD that it has complied with all applicable environmental procedures and requirements. Should project costs be obligated or incurred prior to the completion of the necessary environmental review, the project **shall not** benefit from the federal funds. Environmental review requirements pursuant to 24 CFR Part 58 must be fully satisfied for any project selected for funding prior to the CDBG Program issuing a Notice to Proceed for the project. The level of environmental review required depends on the nature of the project. 24 CFR Part 58 is available at www.hud.gov/offices/cpd/environmental/lawsandregs/regs.

If you need assistance or have questions regarding this application, please contact any of the persons listed below. Your application(s) can be dropped off or mailed to the following locations:

- Kelly Heffernon, Community Development Dept., City of Arroyo Grande, 214 E. Branch Street (P.O. Box 550), Arroyo Grande, CA 93421, (805) 473-5420.
- Valerie Humphrey, Public Works Dept., City of Atascadero, 6907 El Camino Real, Atascadero, CA 93422, (805) 470-3460.
- Rob Livick, Public Services Dept., City of Morro Bay, 955 Shasta Avenue, Morro Bay, CA, 93442, (805) 772-6261
- Darren Nash, Community Development Dept., City of Paso Robles, 1000 Spring St., Paso Robles, CA 93446, (805) 237-3970.
- Tyler Corey, Community Development Dept., City of San Luis Obispo, 919 Palm St., San Luis Obispo, CA 93401, (805) 781-7175.
- Tony Navarro, Dept. of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA 93408, (805) 781-5787.

COUNTY OF SAN LUIS OBISPO CDBG SUPPLEMENTAL BUDGET INFORMATION SHEET

BUDGET FORM A

For CDBG applications to the County of San Luis Obispo involving acquisition, construction or rehabilitation projects must provide the applicable project budget information.

Financial considerations are key in assessing a project's ability to be completed successfully and timely. Factors to be considered in this area include (a) availability and sufficiency of resources (including all non-CDBG, federal, state, county or private funding sources, (b) the leveraging of resources, (c) fiscal support for the project for its continued viability and (d) the project budget's accuracy, reasonableness and completeness in determining the financial needs of the project.

Source of Funds. Provide for entire project and round to the nearest hundred dollars. Do NOT include operating costs as this is not an eligible CDBG costs for projects involving acquisition, construction or rehabilitation projects.

Description of Cost	**Date Funds Available**	**Amount Requested**	**Approved - Secured**	**Total**	**% of Total Budge**
CDBG Funds: This Request					
Previous Award					
Previous Award					
HOME Funds: This request					
Previous Award					
Other Federal Funds Source:					
State Funds Source:					

Private Funds:					
Private Funds:					
Private Funds:					
In-Kind Contributions: Labor					
In-Kind Contributions					
Other:					
Other:					
Other:					
Totals					100%

Comment on your entity's strategy and plans on the leveraging and sufficiency of resources to implement the proposed project. If project is not leveraged with other funds, explain why CDBG funds are being relied on solely to fund the proposed project.

COUNTY OF SAN LUIS OBISPO CDBG SUPPLEMENTAL BUDGET INFORMATION SHEET

BUDGET FORM B

Project Budget
Budget Form – Acquisition, Construction and Rehabilitation Project Preliminary Budget & Project Funding Requirements

Agency name: _____
Project: _____

Preliminary Budget: List all funding necessary to complete the proposed project.

Description of Cost	CDBG Funds Requested	Other Funding	Source of Other Funds	Project Budget
Appraisals				
Advertising				
Acquisition				
Architectural, Planning and Engineering				
Construction Document Preparation				
Surveying				
Permitting				
Relocation				
Demolition and Removal				
Hazardous Materials Abatement				
Landscaping				
Rehabilitation				
Building Construction				

Inspection				
Project/Construction mgmt.				
Other				
Other				
Totals				

Budget must be specific and reflect the applicant's financial commitment, including items paid for by other sources. This includes in-kind contributions and volunteer labor. It should not include amounts of administration. Indicate the circumstances/consequences of partial funding is awarded for this project.

Authorization:

_____ _____ _____

Authorized Signature for Project Title Date

_____

Print name

SENIOR NUTRITION PROGRAM
of San Luis Obispo County

RECEIVED
SEP 17 2011
...ng & Bldg

October 12, 2011

Tony Navarro, Planner III
Department of Planning and Building
976 Oso Street, Room 300
San Luis Obispo, CA 93408

Dear Mr. Navarro,

Thank you very much for the opportunity to apply for a CDBG Grant. Attached is our grant request application. I will also send an electronic copy via email to your email address provided on the application.

We look forward to hearing from you. Please feel free to contact me for any further information.

Very truly yours,

Christina Perry

Christina Perry
Assistant Fundraising Chairman
805-541-3312

ATTACHMENT 10

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM APPLICATION FOR THE 2012 PROGRAM YEAR

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING
976 OSOS STREET • ROOM 200 • SAN LUIS OBISPO • CALIFORNIA 93408 • (805) 781-5600

Promoting the Wise Use of Land • Helping to Build Great Communities

RECEIVED
OCT 21 2011
Planning & Bldg

Organization Name: Community Action Partnership of San Luis Obispo County, Inc.
(Attach additional sheets if necessary)

To be considered for CDBG assistance, please submit this completed application with any exhibits, budgets or beneficiary data as needed. **PLEASE READ ALL INFORMATION IN THE APPLICATION.** Applications can be mailed to one of the participating jurisdictions listed in this application or to: Tony Navarro, Planner III, Department of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA., 93408 or hand delivered to Tony Navarro at 1035 Palm Street, Room 370, San Luis Obispo, CA., faxed to (805) 781-5624, or e-mailed to tnavarro@co.slo.ca.us. **The application deadline is 5:00 P.M., Monday, October 24, 2011.** Applications must be received by the County or one of the participating cities (Arroyo Grande, Atascadero, Morro Bay, Paso Robles, San Luis Obispo) prior to close of the business day. **POSTMARKED DATED MAIL RECEIVED AFTER THE DEADLINE WILL NOT BE ACCEPTED.**

NOTE:

(1) Please review the CDBG regulations and guidelines and the Request for Proposals before completing this proposal. The CDBG regulations, under 24 CFR 570, are available at www.sloplanning.org under "Federal HUD Grants."

(2) **HMIS Reporting for 2012 homeless services, housing and shelter** - All homeless service providers applying for CDBG funds to assist, house or shelter the homeless must identify and demonstrate its capacity to participate in the County of San Luis Obispo Homeless Management Information System (HMIS) to provide: personnel for data entry, user licensing, and hardware and software necessary for compatibility with HMIS. HMIS is an electronic data collection system that stores client level information about persons who access the homeless services system in a Continuum of Care, and reports aggregate data for the County as per the U.S. Department of Housing and Urban Development's Data Standards found in http://www.hudhre.info/documents/FinalHMISDataStandards_March2010.pdf.

(3) The project/program proposal to the County of San Luis Obispo shall be examined in relation to the County's community development goals and funding priorities as presented in the Urban County of San Luis Obispo 2010-2015 Consolidated Plan (ConPlan). The ConPlan is available at www.sloplanning.org. The County of San Luis Obispo Department of Planning and Building (Planning) considers the criteria stated in the 2012 Request for Proposals as one of many tools to help make funding recommendations to the Board of Supervisors. Planning will use other information and sources including but are not limited to: the County Board of Supervisors, recommendations from the Homeless Services Oversight Council, other participating jurisdictions of the Urban County of San Luis Obispo, identified needs that could be addressed by the grant funds, consistency with goals and priorities in the 2010 Consolidated Plan and the Ten Year Plan to End Homelessness, results of the Needs Workshops, working knowledge of the project and/or organization by Planning, and availability of limited fund, to help with the funding recommendations.

Please call County and/or city CDBG staff with any questions about how to complete the form or about the rating criteria and process.

If the information for any of the questions below requires more room to provide a complete explanation of your proposed project or program, please attach additional sheets.

CONTACT INFORMATION

1. Name and mailing address of applicant organization, with contact person, phone and fax numbers, and e-mail address:

Name: *Community Action Partnership of San Luis Obispo County, Inc.(CAPSLO)*

Address (mailing and physical address requested if different):
1030 Southwood Drive.
San Luis Obispo, CA 93401

Contact person/title: *Elizabeth "Biz" Steinberg/Chief Executive Officer*

Phone: *(805) 544-4355*

Fax: *(805) 549-8388*

E-mail address: *esteinberg@capslo.org*

Is the organization a Faith Based Organization? Yes ☐ No ☒

***Organization's DUNS number: 058901950**

PROJECT DESCRIPTION

2. **Title/name/address of proposed project or program:**

Minor Home Repair Program – unincorporated areas of San Luis Obispo County
Energy Conservation Services Program
3970 Short Street, Suite 110
San Luis Obispo, CA 93401

3. **Please describe the proposed project or program**. In one or two short paragraphs, include a brief project/program description, the groups who will benefit and an explanation of how they will benefit from the proposed project or program. For projects, describe the location of the project (be as specific as possible, e.g. street address). For programs, state the location from which the program will be operated and/or describe the geographic area served by the program. Also, please include a schedule of project/program milestones.

Program description:
Provide home repair services for low- and very low-income households residing in single family homes, mobile homes and multi-family units in unincorporated areas of San Luis Obispo County. Repairs will include plumbing, flooring, carpentry, electrical and drywall repairs, removal of architectural barriers (installation of wheelchair ramps, hand rails and grab bars and the reconfiguration of bathrooms for access), correction of safety related problems and building code violations, and the testing, repair and replacement of gas appliances (water heaters, stoves, ovens, ranges and furnaces).

CAPSLO is a licensed general contractor (California State License #623259). Work done under this contract will be performed by CAPSLO staff that has expertise in the various phases of construction that are covered under the program. Existing vehicles, tools, equipment and storage space will be used for the project.

Who/how will benefit: ***Who:*** *The program will have an overall goal of assisting 12 low- and moderate-income households in the unincorporated areas of the county. The estimated average repair cost per household is $3,333 with a proposed maximum expenditure per household of $5,500.00. The target population is households with disabled, elderly or very low-income families who do not have the resources to make necessary or safety-related repairs or improvements to their homes. In addition to completing needed home repairs, clients will be advised of a wide range of services available to the low-income population through CAPSLO and other social service organizations. If eligible for one of CAPSLO's weatherization programs, clients will also receive attic insulation, weather-stripping, water heater blankets, replacement of doors and windows, water saving devices, compact fluorescent lights, replacement refrigerators, and energy conservation education.*

How: *The target population will be reached through CAPSLO's existing outreach network and by the promotion of the service through other social service agencies, non-profit organizations and community groups. Technicians will conduct project assessments for eligible households, develop material lists and labor estimates and then perform the home repair work once individual projects are approved and environmental reviews have been completed.*

Location: *Unincorporated areas of San Luis Obispo County.*

Milestones: Complete all contract activities within one year of execution of contract with the County.

4. **Will the services offered by your organization increase or expand as a result of the CDBG assistance? If yes, please answer the following questions:**

   a. What new programs and/or services will be provided?

      No new programs or services will be provided

   b. Describe how existing programs and/or services will be expanded and what percentage of an increase is expected?

      CDBG funds will be used to maintain current services.

5. **Check any of the following eligible activity categories that apply to the proposed project or program:** (Refer to CDBG regulations and the Guide to Eligible CDBG Activities).

   ____ Acquisition of real property

   ____ Disposition of real property

   ____ Public facilities and improvements (may include acquisition, construction, reconstruction, rehabilitation or installation)

   ____ Privately owned utilities

   ____ Clearance and remediation activities

   ____ Public services

   ____ Interim assistance

   ____ Relocation of individuals, families, businesses, non-profit organizations, and/or farms

   ____ Loss of rental income

   _X_ Removal of architectural barriers

   _X_ Housing rehabilitation

   ____ New housing construction (under limited circumstances)

   ____ Homeownership assistance

   ____ Housing services

____ Code enforcement

____ Historic preservation

____ Commercial or industrial rehabilitation

____ Special economic development

____ Technical assistance and planning studies

6. Describe the need and the degree of urgency for the proposed project or program. What would be the consequences if the proposed project or program is not funded in the next year?

Need/Urgency: Adequate housing continues to be one of the most crucial needs for our County's low-income population. The problem is being addressed through a variety of methods, including the Homeless Shelter, subsidized housing programs through the Housing Authority and the construction of housing by People's Self Help Housing Corporation. There remains, however, a large percentage of the low-income population that resides in existing housing that is often sub-standard and in need of repairs. CAPSLO's Minor Home Repair Program addresses this problem by providing a variety of home repairs for lower income families, seniors and disabled individuals. Needed repairs include the removal of architectural barriers that restrict disabled and elderly individuals' abilities to move in and around their homes. This is accomplished through the installation of wheelchair ramps, grab bars, handrails, accessible showers and widened doorways. Other repairs include roofing, carpentry, electrical, drywall, flooring, plumbing repairs ranging from leaky pipes to broken water heaters, safety related repairs and water damage restoration. Completing these repairs helps improve existing housing stock, oftentimes allowing people to stay in their own homes longer, while addressing the housing problem in a cost-effective manner.

CAPSLO currently operates a home repair program with CDBG funding in some areas of the County which are targeted at the very low-income population (as defined by HUD) residing in both rural and urban parts of the county. This grant will assist clients in the unincorporated parts of the County.

***If not funded:** Without CDBG funding from the County of San Luis Obispo, CAPSLO would not be able to provide these services. If funded as requested, the program will be able to remain in continuous operation for the year. This will allow CAPSLO to address clients' emergency needs as they arise, while maintaining a small crew of home repair technicians year-round to handle ongoing home repair requests.*

7. Please describe the specific organizational method used to implement the proposed project or program (single or multiple group, public agency, non-profit, for-profit, experience in operating similar programs, etc.):

CAPSLO is a private non-profit corporation with forty years of experience serving our county's low-income community. The program will be administered directly by CAPSLO's Energy Conservation Services department, which has over 30 years experience operating home repair, weatherization and

energy conservation programs. CAPSLO works closely with a variety of private non-profit and public social service agencies including the Area Agency on Aging, Lifesteps, Transitions, Adult Protective Services, Social Security Administration, and local senior centers while also benefiting from CAPSLO's own community outreach efforts in Head Start, Health Services, Migrant and Seasonal Head Start, and State and Utility Company funded weatherization programs.

8. **Does the project require the issuance of a permit (from local, state or federal agencies)?** Yes ☒ No ☐

   a. If yes, please identify the permits necessary to complete the project.

      Building permits will be requested from the County Planning Department or from the State Department of Housing and Community Development when applicable.

   b. Have the necessary permits been issued? Please provide proof of permit issuance.

      No

   c. If permits are required but not yet obtained, when will the permits be issued?

      Permits are obtained as needed, after projects have been approved by County staff.

NATIONAL OBJECTIVES CRITERIA

9. **Does the proposed project or activity meet one of the three national objectives of the CDBG program? Please check one of the objectives below that applies to the proposal, and explain how the project or activity meets that national objective.**

   a. _X_ Benefits low- and moderate-income persons as defined by the U.S. Department of Housing and Urban Development (HUD).

      Select one:

      ☐ **Low/Moderate-Income Area Benefit** – The project serves only a limited area which is proven by 2000 Census data or survey to be a predominately (51% or more) low/moderate-income area. Applicants choosing this category must be able to prove their project/activity primarily benefits low/moderate-income households.

      ☒ **Low/Moderate-Income Limited Clientele** – The project benefits a specific group of people (rather than all areas in a particular area), at least 51% of whom are low/moderate-income persons;. Note: Income verification for clients must be provided for this category. The following groups are presumed to be low/moderate-income: abused children; elderly persons; battered spouses; homeless persons; adults meeting census definition of severely disabled; persons living with AIDS; and migrant farm workers

      ☐ **Low/Moderate-Income Housing** – The project adds or improves permanent residential structures that will be/are occupied by low/moderate-income households upon completion.

      ☐ **Low/Moderate-Income Jobs** – The project creates or retains permanents jobs, at least 51% of which are taken by low/moderate-income persons or considered to be available to low/moderate-income persons.

Explain:
Individual households qualify for assistance based on household income levels. Services are restricted to low-income eligible households only.

NOTE: To meet this national objective, the proposed activity must benefit a specific clientele or residents in a particular area of the County or participating city, at least 51 percent of who are low- and moderate-income persons.

b. _____ Aids in the prevention or elimination of slums or blight.

Explain:

Select one:

☐ **Addressing Slums or Blight on an Area Basis -**

☐ **Addressing Slums or Blight on a Spot** Basis – This project will prevent or eliminate specific conditions of blight or physical decay. Activities are limited to clearance, historic preservation, rehabilitation of buildings, but only to the extent necessary to eliminate conditions detrimental to public health and safety.

Is the project located in a Redevelopment Area? Yes ☐ No ☐

If yes, attach a map of the area with the site highlighted, and provide the Redevelopment Project Area (excerpts accepted) which documents the existence of slum/blight. Also, document the specific redevelopment objectives pertaining to the proposed project.

NOTE: To meet this national objective, the proposed activity must be within a designated slum or blighted area and must be designed to address one or more conditions that contributed to the deterioration of the area.

c. _____ Meets community development needs having a particular urgency where existing conditions pose a serious and immediate threat to the health or welfare of the community, and no other funding sources are available, i.e., a major catastrophe such as a flood or earthquake.

Explain:

NOTE: To meet this national objective, the proposed activity must deal with major catastrophes or emergencies such as floods or earthquakes.

10. If the project or program is designed to meet the national objective of providing benefit to low- and moderate-income persons, please estimate the number of <u>unduplicated</u> number of persons (or households) to benefit from the project and break that estimate down by income group (unduplicated means the number who are served, i.e., the grant will allow 25 children to participate in preschool – not 25 children x 5 days x 52 weeks = 6,500).

a. Total number of persons or households who will benefit from the project or program (regardless of income group):

__12__ Persons/households (circle the applicable unit)

b. Of the total number of persons or households entered above, how many will be low-income (earning 51% - 80% or less of the County median-income)?

__6__ Persons/households (circle the applicable unit)

c. Of the total number of persons or households entered above, how many will be <u>very</u> low-income (earning 50% or less of the County median-income)?

__6__ Persons/households (circle the applicable unit)

11. Who are the clients of your organization? (Example: low- to moderate-income persons, elderly persons, severely disabled persons, migrant farm workers, battered spouses, etc.)

Our clients are low-income families, elderly and disabled residents of San Luis Obispo County.

12. How will the clients benefit from this project?

The program covers repairs or modifications that low-income clients are unable to afford. In some cases, the repairs enable the clients to continue to remain in their own homes rather than relocating because of sub-standard conditions. In other cases, CAPSLO crews complete modifications that make the clients' home wheelchair accessible for entry into the home, or use of bathrooms and other areas of the house.

BENEFICIARY DATA

13. How do you currently collect demographic data on the beneficiaries of the proposed project or program? (Example: racial/ethnic characteristics)*

Clients are pre-screened for income qualifications by administrative staff. Outreach staff then view and copy income documents with a portable copier while in clients' homes.

14. How do you currently document income status of each client? (Example: very low, low- and moderate-income)*

As part of the client intake process in each CAPSLO program, client income is verified using the federal poverty guidelines.

15. Provide the following information for the person(s) in your organization responsible for the preparation and submittal of the quarterly reports and for collecting and reporting the beneficiary data to the Urban County.

Contact person/title: *Jim McNamara - Energy Services Director*

Phone number: *(805) 541-4122, ext. 11*

E-mail address: *jmcnamara@capslo.org*

***NOTE:** You are required to provide beneficiary data at the end of each quarter and year end data of the fiscal year.

***If your are awarded CDBG funds or your proposal involves economic development, i.e., directly benefit a business, private property owner, business, involves façade improvements, provide technical assistance to a new or existing business, job creation, loan guarantee, the beneficiary must obtain a Dun and Bradsteet (DUNS) number that must be reported to HUD. Please contact Tony Navarro, (805) 781-5787, tnavarro@slo.co.ca.us for information on how to obtain a DUNS number prior to incurring and obligating the federal funds.**

FINANCIAL INFORMATION

For CDBG applications to the County of San Luis Obispo involving acquisition, construction or rehabilitation projects please provide the required additional budget information on BUDGET FORM A and BUDGET FORM B attached to the back of this application.

16. Total amount of CDBG funds requested: $ 55,000

Please identify the jurisdiction(s) to which you are applying*:

City of Morro Bay, County of San Luis Obispo

If you are requesting CDBG funds from more than one jurisdiction, please break down the amount shown above by the jurisdiction listed below.

City of Arroyo Grande:		City of Paso Robles:	
City of Atascadero:		City of San Luis Obispo:	
City of Morro Bay:	$15,000	County of San Luis Obispo:	$40,000

*__NOTE__: If you are applying to one or more cities, please provide a copy of the application to the County by the application deadline of **October 24, 2011**.

17. Please describe the budget for the proposed project or program. Itemize all sources of funding expected to be available and used for this project

Please see Exhibit B

a. **Revenues:**

1.	CDBG Funds requested	$ _____
2.	Other Federal fund(s) (please describe below)	$ _____
3.	State source(s) (please describe below)	$ _____
4.	Local source(s) (please describe below)	$ _____
5.	Other funds (please describe below)	$ _____
	Total Revenues	$ _____

The additional funding sources listed above will be used to supplement CDBG Home Repair funds. They are estimates of the programs and funding amounts that may be needed to provide additional work. All clients enrolled in CDBG Home Repair are also enrolled in all of the above programs if applicable.

b. **Expenditures**: List below by item or cost category.

1.	Payroll	$_____
2.	Materials	$ _____
3.	Intake and outreach	$ _____
4.	Indirect/Administration	$ _____
	Total Expenses	$_____

18. How do you plan to fund the operation and maintenance costs (if any) associated with this project? Are these funds available now? If not, when will they be available? And from what source(s)?

CDBG is the only direct source of funds for the Minor Home Repair Program, however, the program benefits from the above listed funding sources, which fund the operations of the department, including administrative support, outreach and technical staff, vehicles, tools and equipment.

19. Will CDBG funds be used to match/leverage other funds? List below funding sources and amounts and identify award dates of these sources.

CDBG funds are used to leverage other related program activities for the same households such as LIHEAP weatherization, utility assistance and utility company funded weatherization and conservation programs.

I certify that the information in this application is true and accurate to the best of my knowledge and ability.

Signature _____ Date 10/19/11

Elizabeth "Biz" Steinberg — Printed or typed name

Chief Executive Officer — Title

Note to applicant:

The County and cities require all of the grant recipients to maintain general liability, automobile and workman's compensation insurance with limits of not less than $1 million*. If you are successful in obtaining an award, you will be asked to provide documentation regarding ability to provide the required coverage.

* Liability coverage may vary by jurisdiction. Please call the city/county contact to verify limits.

Prior to HUD's release of grant conditions and/or funds for the CDBG-funded project, a review of the project's potential impact on the environment must be conducted by the awarding jurisdictions and approved by the County of San Luis Obispo **prior to obligating or incurring project costs.** The County must certify to HUD that it has complied with all applicable environmental procedures and requirements. Should project costs be obligated or incurred prior to the completion of the necessary environmental review, the project **shall not** benefit from the federal funds. Environmental review requirements pursuant to 24 CFR Part 58 must be fully satisfied for any project selected for funding prior to the CDBG Program issuing a Notice to Proceed for the project. The level of environmental review required depends on the nature of the project. 24 CFR Part 58 is available at www.hud.gov/offices/cpd/environmental/lawsandregs/regs.

If you need assistance or have questions regarding this application, please contact any of the persons listed below. Your application(s) can be dropped off or mailed to the following locations:

- Kelly Heffernon, Community Development Dept., City of Arroyo Grande, 214 E. Branch Street (P.O. Box 550), Arroyo Grande, CA 93421, (805) 473-5420.
- Valerie Humphrey, Public Works Dept., City of Atascadero, 6907 El Camino Real, Atascadero, CA 93422, (805) 470-3460.
- Rob Livick, Public Services Dept., City of Morro Bay, 955 Shasta Avenue, Morro Bay, CA, 93442, (805) 772-6261
- Darren Nash, Community Development Dept., City of Paso Robles, 1000 Spring St., Paso Robles, CA 93446, (805) 237-3970.
- Tyler Corey, Community Development Dept., City of San Luis Obispo, 919 Palm St., San Luis Obispo, CA 93401, (805) 781-7175.
- Tony Navarro, Dept. of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA 93408, (805) 781-5787.

State of California
Department of Community Services and Development
CSBG Programmatic Data-Client Characteristic Report Annual
CSD 295-CCR (Rev. 1/2008)

Exhibit A

Please use the CSD 295 -- Client Characteristic Report Instructions and Helpful Hints document to complete this form.

1 Contractor Name: _____ Contract #: _____
Prepared By (print name/title): _____ Report Period: _____

Demographic data should be collected on ALL clients receiving services under any program administered by the designated Community Action Agency.

Yellow Highlighted Sections represent demographics collected on INDIVIDUALS

2 Total unduplicated number of persons about whom one or more characteristics were obtained	
3 Total unduplicated number of persons about whom no characteristics were obtained	

Blue Highlighted Sections represent demographics collected on FAMILIES

4 Total unduplicated number of families about whom one or more characteristics were obtained	
5 Total unduplicated number of families about whom no characteristics were obtained	

6. Gender	Number of Persons*
a. Male	
b. Female	
*Total	

7. Age	Number of Persons*
a. 0-5	
b. 6-11	
c. 12-17	
d. 18-23	
e. 24-44	
f. 45-54	
g. 55-69	
h. 70+	
*Total	

Sum of 7e thru 7h = _____

8. Ethnicity/Race	
I. Ethnicity	
a. Hispanic or Latino	
b. Not Hispanic or Latino	
*Total	
II. Race	
a. White	
b. African American	
c. Native American and Alaskan Native	
d. Asian	
e. Native Hawaiian and Other Pacific Islander	
f. Other	
g. Multi-Race (any 2 or more of the above)	
*Total	

9. Education Level of Adults	Number of Persons 24+**
a. 0-8	
b. 9-12/non-graduate	
c. High sch. Grad./GED	
d. 12+ some post secondary	
e. 2 or 4 yr. College graduates	
**Total	

10. Other Characteristics	Number of Persons****	
	# of Persons	# Surveyed
a. No Health Insurance		
b. Disabled		

11. Family Type	Number of Families***
a. Single parent/female	
b. Single parent/male	
c. Two-parent household	
d. Single person	
e. Two adults - no children	
f. Other	
***Total	

12. Family Size	Number of Families ***
a. One	
b. Two	
c. Three	
d. Four	
e. Five	
f. Six	
g. Seven	
h. Eight or more	
***Total	

13. Source of Family Income	Number of Families
a. Unduplicated # of Families Reporting One or More Sources of Income***	
b. Unduplicated # of Families Reporting No Income	
Total UNDUP Families who responded as either having a source of income or having no income	
Record the sources of each family income as reported in 13a above:	
c. TANF	
d. SSI	
e. Social Security	
f. Pension	
g. General Assistance	
h. Unemployment Insurance	
i. Employment + other source	
j. Employment only	
k. Other:	

14. Level of Family Income % of HHS guideline	Number of Families ***
a. Up to 50%	
b. 51% to 75%	
c. 76% to 100%	
d. 101% to 125%	
e. 126% to 150%	
f. 151% and over	
***Total	

15. Housing	Number of Families ***
a. Own	
b. Rent	
c. Homeless	
d. Other	
***Total	

16. Other family characteristics	Number of Families***
a. Farmer	
b. Migrant Farmworker	
c. Seasonal Farmworker	

* The sum in this category should not exceed the value of Section 2.
** The sum in this category should not exceed the value of Section 7e-h.
*** The sum in this category should not exceed the value of Section 4.
**** The numbers reported under either column should not exceed the value of Section 2.

Exhibit B

Community Action Partnership of SLO County, Inc.
Schedule of Revenues & Expenditures
CDBG Application
County of SLO & City of Morro Bay
2012 Program Year

Revenues	County of SLO	City of Morro Bay	Total
1. CDBG Funds Requested	40,000	15,000	55,000
2. Other Federal Funds			
(LIHEAP & DOE ARRA)	4,800	2,400	7,200
(Area Agency on Aging)	600	300	900
3. State Sources	-	-	-
4. Local Sources	-	-	-
5. Other Funds (PG&E & So Cal Gas)	9,000	4,500	13,500
Total Revenues	54,400	22,200	76,600

Expenditures	County of SLO	City of Morro Bay	Total
1. Payroll	22,800	8,550	31,350
2. Materials	12,237	4,589	16,826
3. Intake and Outreach	2,000	750	2,750
4. Indirect/Administration	2,963	1,111	4,074
Total CDBG Expenses	40,000	15,000	55,000
Expenses from Other Funding Sources	14,400	7,200	21,600
Total Expenses	54,400	22,200	76,600

Helping People. Changing Lives.
community Action
PARTNERSHIP
of SAN LUIS OBISPO COUNTY, INC.
Formerly known as Economic Opportunity Commission of San Luis Obispo County, Inc.

1030 Southwood Drive
San Luis Obispo
California 93401
•
(805) 544-4355
FAX (805) 549-8388
www.eocslo.org

October 21, 2011

Mr. Tony Navarro
Department of Planning and Building
976 Osos Street
Room 300
San Luis Obispo, CA 93408

Re: Applications for CDBG 2012 - 2013 Program Year Funding

Dear Mr. Navarro,

Enclosed are the applications for 2012 - 2013 CDBG funding for the following Community Action Partnership programs:

- Minor Home Repair
- Prado Day Center
- Maxine Lewis Memorial Shelter
- Homeless Services Center

Also enclosed are courtesy copies of CDBG applications to the cities of Morro Bay, Arroyo Grande, and Paso Robles for Senior Health Screening, 40 Wonderful and TAPP.

We appreciate the County's financial support for Community Action Partnership programs in the community.

Sincerely,

Elizabeth "Biz" Steinberg
Chief Executive Officer

Enclosures

ATTACHMENT 11

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM APPLICATION FOR THE 2012 PROGRAM YEAR

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING
976 OSOS STREET • ROOM 200 • SAN LUIS OBISPO • CALIFORNIA 93408 • (805) 781-5600

Promoting the Wise Use of Land • Helping to Build Great Communities

Organization Name: Mission Community Services Corporation
(Attach additional sheets if necessary)

To be considered for CDBG assistance, please submit this completed application with any exhibits, budgets or beneficiary data as needed. **PLEASE READ ALL INFORMATION IN THE APPLICATION.** Applications can be mailed to one of the participating jurisdictions listed in this application or to: Tony Navarro, Planner III, Department of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA., 93408 or hand delivered to Tony Navarro at 1035 Palm Street, Room 370, San Luis Obispo, CA., faxed to (805) 781-5624, or e-mailed to tnavarro@co.slo.ca.us. **The application deadline is 5:00 P.M., Monday, October 24, 2011.** Applications must be received by the County or one of the participating cities (Arroyo Grande, Atascadero, Morro Bay, Paso Robles, San Luis Obispo) prior to close of the business day. **POSTMARKED DATED MAIL RECEIVED AFTER THE DEADLINE WILL NOT BE ACCEPTED.**

NOTE:

(1) Please review the CDBG regulations and guidelines and the Request for Proposals before completing this proposal. The CDBG regulations, under 24 CFR 570, are available at www.sloplanning.org under "Federal HUD Grants."

(2) **HMIS Reporting for 2012 homeless services, housing and shelter** - All homeless service providers applying for CDBG funds to assist, house or shelter the homeless must identify and demonstrate its capacity to participate in the County of San Luis Obispo Homeless Management Information System (HMIS) to provide: personnel for data entry, user licensing, and hardware and software necessary for compatibility with HMIS. HMIS is an electronic data collection system that stores client level information about persons who access the homeless services system in a Continuum of Care, and reports aggregate data for the County as per the U.S. Department of Housing and Urban Development's Data Standards found in http://www.hudhre.info/documents/FinalHMISDataStandards_March2010.pdf.

(3) The project/program proposal to the County of San Luis Obispo shall be examined in relation to the County's community development goals and funding priorities as presented in the Urban County of San Luis Obispo 2010-2015 Consolidated Plan (ConPlan). The ConPlan is available at www.sloplanning.org. The County of San Luis Obispo Department of Planning and Building (Planning) considers the criteria stated in the 2012 Request for Proposals as one of many tools to help make funding recommendations to the Board of Supervisors. Planning will use other information and sources including but are not limited to: the County Board of Supervisors, recommendations from the Homeless Services Oversight Council, other participating jurisdictions of the Urban County of San Luis Obispo, identified needs that could be addressed by the grant funds, consistency with goals and priorities in the 2010 Consolidated Plan and the Ten Year Plan to End Homelessness, results of the Needs Workshops, working knowledge of the project and/or organization by Planning, and availability of limited fund, to help with the funding recommendations.

Please call County and/or city CDBG staff with any questions about how to complete the form or about the rating criteria and process.

If the information for any of the questions below requires more room to provide a complete explanation of your proposed project or program, please attach additional sheets.

CONTACT INFORMATION

1. Name and mailing address of applicant organization, with contact person, phone and fax numbers, and e-mail address:

Name: Mission Community Services Corporation

Address (mailing and physical address requested if different):
71 Zaca Lane – Suite 130; San Luis Obispo CA 93401

Contact person/title: David Ryal / Program Director or Anita Robinson / Executive Director

Phone: (805) 595-1357

Fax: (805) 595-1358

E-mail address: dryal@mcscorp.org or arobinson@missioncommunitybank.com

Is the organization a Faith Based Organization? Yes ☐ No X

***Organization's DUNS number: 132438545**

PROJECT DESCRIPTION

2. Title/name/address of proposed project or program:
Women's Business Center
71 Zaca Lane – Suite 130
San Luis Obispo, CA 93401

3. **Please describe the proposed project or program.** In one or two short paragraphs, include a brief project/program description, the groups who will benefit and an explanation of how they will benefit from the proposed project or program. For projects, describe the location of the project (be as specific as possible, e.g. street address). For programs, state the location from which the program will be operated and/or describe the geographic area served by the program. Also, please include a schedule of project/program milestones.

The Women's Business Center (WBC) program is a partially funded program established by the U.S. Small Business Administration (SBA). The purpose of the program is to provide introductory and in-depth entrepreneurial training to the underserved population which includes: women, minorities, displaced workers, veterans, the disabled and other population groups. One-on-one consulting is part of the WBC services, where the client can talk with consultants from the SBC consultant pool. The WBC provides this services to individuals looking to start a business as well as nascent and established businesses. (Services are offered in English and Spanish)

Entrepreneurs by Necessity

The economic malaise of the last few years pummeled home values, 401(k) balances and, for many, the security of a steady paycheck. But one thing it didn't hamper was entrepreneurial drive. Some of the biggest gains in entrepreneurial activity occurred during the depths of the Great Recession.

USA Today – March 8, 2011

Thus, with the current economic conditions and the high unemployment numbers that are not expected to dramatically drop before 2014/5, these entrepreneurial training/self-employment services are vital in helping individuals become or maintain self-sufficiency. Large, medium and small businesses are not hiring in numbers enough to lower unemployment, thus self-employment becomes the viable option for a person next job/career and self-sufficiency.

As of August 2011 the unemployment rate was at 9.7% in San Luis Obispo County. This number is above the national unemployment rate of 9.1%. According to the state of California, as reported by the Tribune, the county had 3,000 fewer people employed than the year before. Total unemployed is over 13,000.
(http://www.calmis.ca.gov/file/lfmonth/calmr.pdf)

The Women's Business Center (WBC) program provides services at 71 Zaca Lane – suite 130 in San Luis Obispo. Also, through a cooperative agreement with the County Career One-Stop Center, workshops and consulting services are offered at all three One-Stop locations: Paso Robles, Five-Cities and San Luis Obispo. Classes and consulting services are offered in various other communities within the county on an as-needed-basis. Services are available to all county residence, but focus is on the underserved populations that are classified as: very-low to low to moderate income groups.

The WBC program operates year round. The 14-week Self-employment Training (SET) class is offered at least twice a year (Spring and Fall). The WBC offers the ten-week Spanish Language class "Empezando-How to write a Business Plan" once a year in either Paso Robles or South County. Goal for 2012 is to offer two Spanish Language classes. Target is to graduate a total 32 people from the SET classes and 24 from the Empezando classes.

Historically, the WBC consults with 150 San Luis Obispo County clients representing most communities in the county during the program year. The WBC must report all activity and economic impact via a federally approved data collection system titled WEBCats.

The proposed program for the County would take 32 individuals through 14-weeks (50 hours) of classroom training in entrepreneurship. Another 24 individuals would be trained via the Empezando course. Added to the classroom training would be unlimited use of the WBC's Business Information Center, a library of business books and videos, along with computers that contain business plan software to assist in the development of business plans. There is an additional 3hours of consulting one-on-one for each participant in the program. Anticipated milestones include: 40 business plans developed, introduction to potential funders (as needed), and 10 business startups.

Host annual Veteran's Entrepreneurial Opportunities Conference – 2011 will be 3rd Annual. Co-sponsored by California Employment Development Department and the Career One-Stop Center.

The proposed program for each of the participating cities includes: development and delivery of workshops for the resident (pre-entrepreneur) and business population that would be custom depending on needs. These classes would include but not limited to; 1) So You Want to Be an Entrepreneur? 2) Access to Capital; 3) Internet Marketing for Small Business; 4) Social Media Boot Camp; 5) Financial Literacy.

Next, one-on-one consulting would be done within the local city jurisdiction thus saving the resident or business from having to drive to the primary service office in San Luis Obispo.

Part Two of this component would be the development of a virtual business center that would allow for face-to-face consulting via the Internet with use of inexpensive web-cams

Third, MCSC would work with the cities to develop a custom City Economic Development Plan. MCSC would assist in canvassing the business community, which is primarily small businesses, many who fall below the median income levels of the county. There may be multiple distinct business districts that need custom assistance. MCSC would help create a business/marketing strategy for each district.

4. **Will the services offered by your organization increase or expand as a result of the CDBG assistance? If yes, please answer the following questions:**

   a. What new programs and/or services will be provided?

   Depending on funding levels, the development of a comprehensive on-line delivery system (virtual business center) would continue. Currently, the SET class curriculum is on-line tied to business plan software and in-person facilitation. The next step is to provide consulting services to outlying communities via the Internet.

   b. Describe how existing programs and/or services will be expanded and what percentage of an increase is expected?

   CDBG funding is leveraged with federal dollars as cash match. The funding permits the WBC to offer the comprehensive SET program and the follow-on consulting services. Consulting services would increase 25%. Added workshops as outlined above would be offered on a regular basis.

5. **Check any of the following eligible activity categories that apply to the proposed project or program:** (Refer to CDBG regulations and the Guide to Eligible CDBG Activities).

____ Acquisition of real property

____ Disposition of real property

____ Public facilities and improvements (may include acquisition, construction, reconstruction, rehabilitation or installation)

____ Privately owned utilities

____ Clearance and remediation activities

____ Public services

____ Interim assistance

____ Relocation of individuals, families, businesses, non-profit organizations, and/or farms

____ Loss of rental income

____ Removal of architectural barriers

____ Housing rehabilitation

____ New housing construction (under limited circumstances)

____ Homeownership assistance

____ Housing services

____ Code enforcement

____ Historic preservation

____ Commercial or industrial rehabilitation

____ Special economic development

X Technical assistance and planning studies

6. **Describe the need and the degree of urgency for the proposed project or program. What would be the consequences if the proposed project or program is not funded in the next year?**

The national unemployment rate is 9.1% as of September 2011. That is slightly lower than a year ago. However, this lower rate doesn't take into account those who have stopped looking for work. The state of California unemployment rate is 12.1%. ***San Luis Obispo County unemployment for August 2010 was 9.7%.*** (LMI – Bureau of Labor Statistics***). It is reported that San Luis Obispo County has lost 3,000 jobs since August 2010 for a 2.9% drop in county employment***). Most of these jobs according to the Tribune has been from the government sector.

According to the most recent Sperling's, Best places website, San Luis Obispo County job loss is .28%; they report that each city has suffered job loss, and foresee negative job growth. (http://www.bestplaces.net/County/San_Luis_Obispo-California.aspx).

Self-employment becomes a viable option for individuals in this county. In fact small business is critical to San Luis Obispo County and its cities well-being. According to the U.S. Census Bureau, there were 8,334 small business firms in the County in 2007. Thus, helping individuals by providing entrepreneurial training is a valuable service that has short and long-term return on investment.

Without the support of CDBG funding, fewer dislocated workers and others wanting to start businesses may not be able to access needed entrepreneurial training and support. Fewer dollars from local resources can lead to fewer dollars from the federal grant as cash match is a requirement for the WBC program.

The WBC is currently the only full-service technical assistance provider for all businesses in the County. The Small Business Development Center (SBDC) is restarting at Cal-Poly. Its focus will be on technology businesses. Retail and service start-ups and existing businesses need support to weather this economy. The SCORE program is in the county, but does not offer the full range of services of the WBC.

7. **Please describe the specific organizational method used to implement the proposed project or program (single or multiple group, public agency, non-profit, for-profit, experience in operating similar programs, etc.):**

The WBC program is implemented by the non-profit organization Mission Community Services Corporation. (See organizational chart).

Mission Community Services Corporation is beginning its sixth year as a WBC. It was recertified at the end of September to host the WBC program through 2014. MCSC has hosted the Business Information Center for seven years.

8. **Does the project require the issuance of a permit (from local, state or federal agencies)?**

Yes ☐ No X

a. If yes, please identify the permits necessary to complete the project.

b. Have the necessary permits been issued? Please provide proof of permit issuance.

c. If permits are required but not yet obtained, when will the permits be issued?

NATIONAL OBJECTIVES CRITERIA

9. Does the proposed project or activity meet one of the three national objectives of the CDBG program? Please check one of the objectives below that applies to the proposal, and explain how the project or activity meets that national objective.

a. **X** Benefits low- and moderate-income persons as defined by the U.S. Department of Housing and Urban Development (HUD).

Select one:

☐ **Low/Moderate-Income Area Benefit** – The project serves only a limited area which is proven by 2000 Census data or survey to be a predominately (51% or more) low/moderate-income area. Applicants choosing this category must be able to prove their project/activity primarily benefits low/moderate-income households.

☐ **Low/Moderate-Income Limited Clientele** – The project benefits a specific group of people (rather than all areas in a particular area), at least 51% of whom are low/moderate-income persons;. Note: Income verification for clients must be provided for this category. The following groups are presumed to be low/moderate-income: abused children; elderly persons; battered spouses; homeless persons; adults meeting census definition of severely disabled; persons living with AIDS; and migrant farm workers

☐ **Low/Moderate-Income Housing** – The project adds or improves permanent residential structures that will be/are occupied by low/moderate-income households upon completion.

X Low/Moderate-Income Jobs – The project creates or retains permanents jobs, at least 51% of which are taken by low/moderate-income persons or considered to be available to low/moderate-income persons.

Explain: Services of the WBC help individuals and small business owners improve the longevity of self-employment and the jobs the small business creates. Many small business owners have started out in the very-low/moderate-income level to become a success and create other jobs for this income level population.

NOTE: To meet this national objective, the proposed activity must benefit a specific clientele or residents in a particular area of the County or participating city, at least 51 percent of who are low- and moderate-income persons.

b. _____ Aids in the prevention or elimination of slums or blight.

Explain:

Select one:

☐ **Addressing Slums or Blight on an Area Basis -**

☐ **Addressing Slums or Blight on a Spot** Basis – This project will prevent or eliminate specific conditions of blight or physical decay. Activities are limited to clearance, historic preservation, rehabilitation of buildings, but only to the extent necessary to eliminate conditions detrimental to public health and safety.

Is the project located in a Redevelopment Area? Yes ☐ No ☐

If yes, attach a map of the area with the site highlighted, and provide the Redevelopment Project Area (excerpts accepted) which documents the existence of slum/blight. Also, document the specific redevelopment objectives pertaining to the proposed project.

NOTE: To meet this national objective, the proposed activity must be within a designated slum or blighted area and must be designed to address one or more conditions that contributed to the deterioration of the area.

c. _____ Meets community development needs having a particular urgency where existing conditions pose a serious and immediate threat to the health or welfare of the community, and no other funding sources are available, i.e., a major catastrophe such as a flood or earthquake.

Explain:

NOTE: To meet this national objective, the proposed activity must deal with major catastrophes or emergencies such as floods or earthquakes.

10. If the project or program is designed to meet the national objective of providing benefit to low- and moderate-income persons, please estimate the number of <u>unduplicated</u> number of persons (or households) to benefit from the project and break that estimate down by income group (unduplicated means the number who are served, i.e., the grant will allow 25 children to participate in preschool – not 25 children x 5 days x 52 weeks = 6,500).

a. Total number of persons or households who will benefit from the project or program (regardless of income group):

56 **Persons**/households (circle the applicable unit)

b. Of the total number of persons or households entered above, how many will be low-income (earning 51% - 80% or less of the County median-income)?

48 **Persons**/households (circle the applicable unit)

c. Of the total number of persons or households entered above, how many will be very low-income (earning 50% or less of the County median-income)?

20 **Persons**/households (circle the applicable unit)

11. Who are the clients of your organization? (Example: low- to moderate-income persons, elderly persons, severely disabled persons, migrant farm workers, battered spouses, etc.)

The Mission Statement of MCSC is "*We are dedicated to enhancing opportunities for potential entrepreneurs and small business owners to become self-sustaining, successful contributors to their communities, with special assistance for low-income, minority and non-profit businesses.*"

The WBC has striven to be a provider of services to those who are often underserved. Our target market: those who can not afford private sector consulting services, thus the very-low to moderate income individuals in the WBC service area. This target market includes but not limited to; women, minorities, veterans and the homeless.

12. How will the clients benefit from this project?

As noted above in question # 6, San Luis Obispo County is facing the statistic that one out of every ten workers is out of work. These displaced workers have gone from revenue generators via payroll taxes to those who receive Unemployment Insurance Benefits from the State of California. In turn, UI benefits do not translate into keeping these people from dropping into the income levels of 80% or lower in regards to medium income levels in the county.

The ranks of the target population of the CDBG program are growing. As also noted that long-term full-time jobs in the County and its cities are decreasing, self-employment becomes a viable option for the next job.

The MCSC WBC program is focused on providing a full menu of services to help individuals who look to self-employment as the next job and the program also helps the small businessperson find ways to keep door open and retain jobs.

This grant proposal would provide a fifty (50) hour entrepreneurial training class for Thirty-two (32) individuals, who may be heads-of-households (families). The classroom training provides information and materials on the following topics:

*Personal Financials *Introduction to Business *Introduction to Marketing
*Introduction to Business Entities *Introduction to Intellectual Property
*Library and Internet Research *Developing a Business Description

*Features and Benefits *Marketing and Pricing *Personal Cash Flow
*Business Finances *Customer Service *Promotion and Advertising
*Sales *Internet & Websites *Fixed and Variable Costs
*Business Cash Flow *Understanding Financial Statements
*Operational Plans & Business Management *Mission Statement
*Business Plan Writing *Financial Planning *Marketing Plan
*Tax & Insurance Issues *Group Breakout Sessions
*DUNS Numbers and North American Industry Classification System (NAICS) Codes

Each participant receives business plan software, three books and access to an on-line curriculum that has been developed by a nationally recognized small business expert. The materials are facilitator led. MCSC has developed an MOU with the software company to provide the materials at a substantial cost reduction. The difference in cost and retail is then captured as an In-kind donation to grant funding.

Each client will receive three (3) hours of one-on-one consulting sessions with a consultant from the WBC pool of business counselors. Others benefiting from the grant are those who take advantage of the consulting services and introductory workshops. MCSC intends to have twenty-four (24) clients in the thirty-hour Spanish "Empezando – How to Write a Business Plan" class. This class is based on SBA class materials. These students will have up to three (3)hours of consulting provided to them upon completion of the class.

All clients of the Women's Business Center will have unlimited access to the Business Information Center (BIC) during operational hours. Evening and Saturday hours are part of the BIC schedule.

As a SBA funded program, the WBC can introduce the client to various funding options upon completion of the course and the completed business plan, which is a necessary part of any loan package for a start-up business concept.

The client will have the tools necessary to allow them to make good sound business decisions and to avoid the potholes that face many small businesses today.

BENEFICIARY DATA

13. How do you currently collect demographic data on the beneficiaries of the proposed project or program? (Example: racial/ethnic characteristics)*

The WBC program is required by its SBA grant to collect demographic date on a SBA Form 641. This form collects ethnic, gender, disability and veteran information. The form also collects business data as to start-up or existing business, legal structure of business; type of business (retail, service, professional, etc.) and last year gross revenue information for existing businesses.

Classes are captured on SBA Form 888.

14. How do you currently document income status of each client? (Example: very low, low- and moderate-income)*

The WBC has worked with San Luis Obispo County personnel to develop at self-certification income verification form for all activity offered by the WBC. For the entrepreneurial training class, those clients seeking tuition assistance have a more rigorous income verification process to go through, one which MCSC has had in place for the past four years.

The Tuition Discount Application requests information on why the discount is being requested. Income verification is requested by the client providing verification of their past twelve-month of income, and number of people in the home. The fee for the 14-week course is $2,000. MCSC proposed to use $1,000 from CDBG funding to write down ½ of the tuition cost per student. Other grant funds and SBA funds will help lower the tuition even further on an as needed basis. The client will be expected to fund at the least, 15% ($300) of the total tuition cost. Material fees of $135 are also the responsibility of the students. Retail value for the materials can be as high as $450. Special needs will be reviewed on a case by case basis.

15. Provide the following information for the person(s) in your organization responsible for the preparation and submittal of the quarterly reports and for collecting and reporting the beneficiary data to the Urban County.

Contact person/title: David Ryal / WBC Program Director

Phone number: (805) 595-1357

E-mail address: dryal@mcscorp.org

***NOTE:** You are required to provide beneficiary data at the end of each quarter and year end data of the fiscal year.

***If your are awarded CDBG funds or your proposal involves economic development, i.e., directly benefit a business, private property owner, business, involves façade improvements, provide technical assistance to a new or existing business, job creation, loan guarantee, the beneficiary must obtain a Dun and Bradsteet (DUNS) number that must be reported to HUD. Please contact Tony Navarro, (805) 781-5787, tnavarro@slo.co.ca.us for information on how to obtain a DUNS number prior to incurring and obligating the federal funds.**

FINANCIAL INFORMATION

For CDBG applications to the County of San Luis Obispo involving acquisition, construction or rehabilitation projects please provide the required additional budget information on BUDGET FORM A and BUDGET FORM B attached to the back of this application.

16. Total amount of CDBG funds requested: $ 65,000

Please identify the jurisdiction(s) to which you are applying*:

If you are requesting CDBG funds from more than one jurisdiction, please break down the amount shown above by the jurisdiction listed below.

City of Arroyo Grande:	$5,000	City of Paso Robles:	$5,000
City of Atascadero:	$5,000	City of San Luis Obispo:	$10,000
City of Morro Bay:	$5,000	County of San Luis Obispo:	$35.000

***NOTE:** If you are applying to one or more cities, please provide a copy of the application to the County by the application deadline of **October 24, 2011.**

17. Please describe the budget for the proposed project or program. Itemize all sources of funding expected to be available and used for this project

a. **Revenues:**

1. CDBG Funds requested	$ 65,000
2. Other Federal fund(s) (please describe below)	$ 80,000
3. State source(s) (please describe below)	$
4. Local source(s) (please describe below)	$ 12,000
5. Other funds (please describe below)	$ 20,000
Total Revenues	**$177,000**

- Federal Funds – SBA Grant – Women's Business Center
- Local Funds – Program Income
- Other Funds – Foundation Grants – i.e. Citibank, Bank of America

I certify that the information in this application is true and accurate to the best of my knowledge and ability.

David Ryal
Signature

10/20/2011
Date

David Ryal
Printed or typed name

Program Director
Title

Note to applicant:

The County and cities require all of the grant recipients to maintain general liability, automobile and workman's compensation insurance with limits of not less than $1 million*. If you are successful in obtaining an award, you will be asked to provide documentation regarding ability to provide the required coverage.

* Liability coverage may vary by jurisdiction. Please call the city/county contact to verify limits.

Prior to HUD's release of grant conditions and/or funds for the CDBG-funded project, a review of the project's potential impact on the environment must be conducted by the awarding jurisdictions and approved by the County of San Luis Obispo **prior to obligating or incurring project costs**. The County must certify to HUD that it has complied with all applicable environmental procedures and requirements. Should project costs be obligated or incurred prior to the completion of the necessary environmental review, the project **shall not** benefit from the federal funds. Environmental review requirements pursuant to 24 CFR Part 58 must be fully satisfied for any project selected for funding prior to the CDBG Program issuing a Notice to Proceed for the project. The level of environmental review required depends on the nature of the project. 24 CFR Part 58 is available at www.hud.gov/offices/cpd/environmental/lawsandregs/regs.

If you need assistance or have questions regarding this application, please contact any of the persons listed below. Your application(s) can be dropped off or mailed to the following locations:

- Kelly Heffernon, Community Development Dept., City of Arroyo Grande, 214 E. Branch Street (P.O. Box 550), Arroyo Grande, CA 93421, (805) 473-5420.
- Valerie Humphrey, Public Works Dept., City of Atascadero, 6907 El Camino Real, Atascadero, CA 93422, (805) 470-3460.
- Rob Livick, Public Services Dept., City of Morro Bay, 955 Shasta Avenue, Morro Bay, CA, 93442, (805) 772-6261
- Darren Nash, Community Development Dept., City of Paso Robles, 1000 Spring St., Paso Robles, CA 93446, (805) 237-3970.
- Tyler Corey, Community Development Dept., City of San Luis Obispo, 919 Palm St., San Luis Obispo, CA 93401, (805) 781-7175.
- Tony Navarro, Dept. of Planning and Building, 976 Osos Street, Room 300, San Luis Obispo, CA 93408, (805) 781-5787.



71 Zaca Lane – Suite 130; San Luis Obispo, CA 93401
(805) 595-1357 (877) 831-9377
info@mcscorp.org www.mcscorp.org

October 21, 2011

Tony Navarro Dept. Of Planning and Building
County of San Luis Obispo
976 Osos Street - Room 300
San Luis Obispo, CA 93408

RE: 2012 CDGB APPLICATION

Dear Tony,

Per your request, attached to this email is the application for 2012 CDBG year. We are applying for County and each city for funding.

Our application is focused on Economic Development. MCSC believes that entrepreneurship training/self-employment training may be the only viable option for a number of residents in the community for their next job/career. At the same time, MCSC is positioned to help work with existing businesses to survive and thrive, which in turn can lead to job creation.

We look forward to working with you again in the 2012 cycle.

Best wishes,

David Ryal

David Ryal
Program Director
Women's Business Center

Staff Report

AGENDA NO: D-1

MEETING DATE: December 13, 2011

TO: **Honorable Mayor and City Council** **DATE: December 6, 2011**

FROM: **Andrea K. Lueker, City Manager**

SUBJECT: **Request to Utilize $600,000 of the Affordable Housing In Lieu Funds for the Project Located at 555 Main Street**

RECOMMENDATION

Staff recommends the City Council authorize utilization of $600,000 of the Affordable Housing In Lieu Funds for the project located at 555 Main Street.

FISCAL IMPACT

Up to $600,000 of Affordable Housing In Lieu Funds.

BACKGROUND

On December 13, 2010, this project was modified by the City Council to allow 18 senior restricted affordable units and eliminate the requirement for all commercial units. Upon approval of the modification, the applicant engaged his architect in designing the project, and during the design phase, it became apparent that additional units could be accommodated on this site. The project came back before the City Council on August 11, 2011, where the City Council conditionally approved an amendment to CUP/CDP to allow three additional deed-restricted senior affordable units, and authorized the submittal for HOME funds. The City Council also discussed, at the August 2011 meeting, the use of $400,000 of the City's Affordable Housing In Lieu funds for the project.

DISCUSSION

The City's Affordable Housing In Lieu account balance is approximately $650,000. Approximately $200,000 was allocated to a workforce housing project on Teresa Drive, and $400,000 allocated to the project at 555 Main Street. Several months ago, the City was notified that the Teresa Drive project was not moving forward, and the applicant had released those previously dedicated funds. Subsequently, staff has been contacted by the applicant for the 555 Main Street project about the possibility of allocating the disencumbered $200,000 to the project at 555 Main Street. Staff has been informed that the applicant is interested in purchasing the property at 555Main Street, and is hoping to close escrow by the December 31, 2011. Should the City Council authorize the use of the $600,000, staff will enter into negotiation on the terms and conditions of the loan. Attached is a letter from the applicant.

Prepared By: _____ **Dept Review:**_____

City Manager Review: _____

City Attorney Review: _____

PACIFICSOUTHWEST
Community Development Corporation

December 6, 2011

Andrea K. Lueker
City Manager
City of Morro Bay.

Re: Proposal to acquire the site at 555 Main Street in Morro Bay from Coast National Bank.

Pacific Southwest Community Development Corporation has an approved development plan to build 21 senior affordable apartments on the property at 555 Main Street in Morro Bay. The City has committed to support the development of the site for this purpose with funding from your affordable housing in lieu fees. The amount you have in your account for this purpose is about $600,000. It is my understanding that a previous development proposal that was promised some of these funds has now withdrawn their application.

Pacific Southwest Community Development Corporation is under contract to buy the site with a closing date of July 31, 2012 for $800,000. The site was appraised at $1,050,000.00. I sent you a copy of the appraisal separately.

PSCDC was recently awarded a grant of $200,000 to help fund this property from the Federal Home Loans Bank through their Affordable Housing program. Coast National Bank is the sponsor of the application.

Coast National Bank has asked us to consider closing escrow in advance of the contracted date in order to meet certain requirements they need to meet with end of year audits and bank inspectors. I am willing to work toward this end and help them achieve this goal.

If the City is interested in advancing the funds for this purpose this would, in essence, be a down payment on the land acquisition so that the bank can make a conforming land loan to PSCDC for the balance of the purchase price. An alternative approach will be for the City to purchase the site and give PSCDC an option to buy it once we are in a position to fund the development work.

The bank is interested is seeing this project built as soon as possible and they are very interested in making PSCDC the loan to construct this project. We are intending to apply for tax credits in March of 2012 to fund construction of the property.

16935 W. Bernardo Drive, Suite 238,
San Diego, CA 92127
Tel: 858 675 0506 Fax: 858 675 0702
www.pswcdc.org

The bank has indicated its strong desire to see this transaction closed before December 31 of this year so we do not have much time. If the City is interested in this proposal I can commit to working diligently to achieve this goal.

Sincerely,



Robert W Laing
President.