



CITY OF MORRO BAY CITY COUNCIL AGENDA

The City of Morro Bay provides essential public services and infrastructure to maintain a safe, clean and healthy place for residents and visitors to live, work and play.

NOTICE OF SPECIAL MEETING

**Tuesday, November 17, 2020 – 2:00 P.M.
Held Via Teleconference**

ESTABLISH QUORUM AND CALL TO ORDER

PUBLIC COMMENT FOR ITEMS ON THE AGENDA

Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, this Meeting will be conducted telephonically through Zoom and broadcast live on Cable Channel 20 and streamed on the City website (click [here](#) to view). Please be advised that pursuant to the Executive Order, and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Veterans' Hall will not be open for the meeting.

Public Participation:

In order to prevent and mitigate the effects of the COVID-19 pandemic, and limit potential spread within the City of Morro Bay, in accordance with Executive Order N-29-20, the City will not make available a physical location from which members of the public may observe the meeting and offer public comment. Remote public participation is allowed in the following ways:

- Community members are encouraged to submit agenda correspondence in advance of the meeting via email to the City Clerk's office at cityclerk@morrobayca.gov prior to the meeting and will be published on the City website with a final update one hour prior to the meeting start time. Agenda correspondence received less than an hour before the meeting start time may not be posted until after the meeting.
- Members of the public may watch the meeting either on cable Channel 20 or as streamed on the City [website](#).
- Alternatively, members of the public may watch the meeting and speak on a specific agenda item by logging in to the Zoom webinar at the **beginning** of the meeting using the information provided below. Please use the **"raise hand"** feature to indicate your desire to provide public comment. Each speaker will be allowed three minutes to provide input.

Please click the link below to join the webinar:

- <https://us02web.zoom.us/j/82722747698?pwd=aWZpTzcwTHlRTk9xaTlmWVNWRFWFUQT09>
Password: 135692
- Or Telephone Attendee: 1 (408) 638-0968 or 1 (669) 900 6833 or 1 (346) 248 7799;
Webinar ID: 827 2274 7698; Password: 135692; Press *9 to **"Raise Hand"** for Public Comment

SPECIAL MEETING AGENDA ITEMS:

- I. WATER RECLAMATION FACILITY (WRF) PROJECT REVIEW AND APPROVAL OF CHANGE ORDERS; (PUBLIC WORKS)

RECOMMENDATION: Staff recommends the City Council authorize the City Manager to execute Amendment No. 4 with Filanc-Black & Veatch (i.e., design-build team) for a total value not to exceed \$835,097.

- II. REVIEW AND ADOPT DRAFT FUNDING RECOMMENDATIONS FOR THE 2021 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM; (COMMUNITY DEVELOPMENT)

RECOMMENDATION: Staff recommends the City Council review and adopt Resolution No. 99-20 approving draft funding recommendations for the 2021 Community Development Block Grant (CDBG) funds and forward recommendations to the San Luis Obispo County Board of Supervisors for inclusion with the other draft funding requests from the Urban County Consortium. The funding recommendation is for the Morro Bay Family Apartments project at \$89,766 and program administration of \$4,190 for a total funding allocation of \$93,956, which is consistent with previously established City goals to support affordable housing. Additionally, staff recommends the City Council authorize the City Manager to make pro rata adjustments to the allocation based on the final funding amount from San Luis Obispo County based on the approval of the federal budget and HUD's final grant amount to the County.

- III. ADOPTION OF RESOLUTION NO. 100-20 DECLARING GULLS AT BAYSHORE VILLAGE HAVE BECOME SO NUMEROUS OR DESTRUCTIVE AS TO CONSTITUTE A MENACE AND DANGER TO THE PUBLIC HEALTH, SAFETY OR PROPERTY, AND THEREFORE PROVIDING AN EXEMPTION FROM MORRO BAY MUNICIPAL CODE SECTION 7.16.025 AUTHORIZING THE HOMEOWNERS ASSOCIATION TO HAZE, AND HARASS GULLS, TO REMOVE GULL NESTS FROM THEIR PROPERTY AND TO CARRYOUT ADDLING OF GULL EGGS; (COMMUNITY DEVELOPMENT)

RECOMMENDATION: Council review the report and adopt Resolution No. 100-20 declaring the existence of Gulls at the Bayshore Village have become so numerous or destructive as to constitute a menace and danger to the public health, safety or property, authorizing an exemption from Morro Bay Municipal Code (MBMC) section 07.16.025 authorizing the Homeowner's Association to haze, and harass Gulls, to remove Gull nests from their property and carryout addling of Gull eggs.

- IV. STATUS REPORT ON EFFORTS TO REVIEW AND IMPROVE THE PLANNING AND DEVELOPMENT REVIEW PROCESS; (CITY MANAGER)

RECOMMENDATION: City Council receive a report from the Morro Bay Chamber of Commerce on the planning and development review process survey they conducted during the summer of 2020; review recommendations to improve the planning and development review process; and, provide direction to City staff as appropriate.

- V. REVIEW AND PROVIDE INPUT REGARDING PROPOSED SEWER USE ORDINANCE REVISIONS – MORRO BAY MUNICIPAL CODE CHAPTER 13.12; (PUBLIC WORKS)

RECOMMENDATION: Staff recommends that City Council provide input regarding the proposed draft Sewer Use Ordinance.

ADJOURNMENT

DATED: November 13, 2020

A handwritten signature in black ink, appearing to read 'John Heading', is written over a horizontal line.

John Heading, Mayor

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN A CITY MEETING, PLEASE CONTACT THE CITY CLERK'S OFFICE AT LEAST 24 HOURS PRIOR TO THE MEETING TO INSURE REASONABLE ARRANGEMENTS CAN BE MADE TO PROVIDE ACCESSIBILITY TO THE MEETING.

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AGENDA NO: I

MEETING DATE: November 17, 2020

Staff Report

TO: Honorable Mayor and City Council **DATE:** November 13, 2020

FROM: Eric Casares, PE – WRF Program Manager (Carollo)
 Joe Mueller – Interim Public Works Director
 Rob Livick, PE/PLS – City Engineer

SUBJECT: Water Reclamation Facility (WRF) Project Review and Approval of Change Orders

RECOMMENDATION

Staff recommends the City Council authorize the City Manager to execute Amendment No. 4 with Filanc-Black & Veatch (i.e., design-build team) for a total value not to exceed \$835,097.

FISCAL IMPACT

The total cost for the current twelve (12) Project Change Orders (PCOs) for the WRF is \$835,097. If all the PCOs are approved, then the guaranteed maximum price (GMP) for the WRF component of the overall project would increase from \$74,926,725 to \$75,761,822. This total cost for the PCOs reduces the existing contingency for the WRF from \$1,449,120 to \$614,023. It should also be noted this increase in the GMP does not affect user rates due to the historically low interest rate received on the EPA WIFIA loan.

BACKGROUND

At the October 23, 2018, City Council meeting, a contract was awarded to the Filanc/Black & Veatch Team (DB team) in the amount of \$67,234,512 (DB Agreement). The contract is structured as a guaranteed maximum price (GMP). Therefore, the DB team committed to delivering the work specifically identified in the contract for a cost not to exceed \$67,234,512. The contract award was the culmination of a year-long competitive procurement that began with the advertisement of a request for qualifications (RFQ) on October 27, 2017. The scope of work (i.e., Exhibit B) included in the contract is the same as the scope of work included in the DB team's original proposal received by the City on May 08, 2018. A summary of the original contract value and the three (3) previous amendments are presented in the table below:

Amendment No.	Contract Value	Amendment
-	\$67,234,512	-
1	\$68,870,571	\$1,636,059
2	\$68,934,508	\$63,937
3	\$74,926,725	\$5,992,217
4 (Proposed)	\$75,761,822	\$835,097

Prepared By: EC

Dept Review: RL

City Manager Review: SC

City Attorney Review: JWP

The DB team is responsible for design of the WRF (and not the other two components of the overall project – conveyance and injection well systems). Per the DB agreement, the design has progressed and been presented to the City over the course of the following design deliverables:

- Basis of Design Report/30 Percent Submittal
- 60 Percent Design Submittal
- 90 Percent Design Submittal
- Issues for Construction (IFC) Submittal

As anticipated and called for in the DB agreement, the DB team advanced the design concept that was included in their proposal. This refinement is captured in the Draft Basis of Design Report (BDR) and 30 Percent Design Submittal, 60 Percent Design Submittal, and 90 Percent Design Submittal and the IFC Submittal. As all are aware, the design has been completed and construction began on March 20, 2020.

At this time, the City has identified a total of twelve (12) PCOs that include a cost impact to the DB Agreement for consideration by the City Council. Summary information for each PCO is included in the table in Attachment 1 and details for each of the PCOs is included in Attachment 2. The table below summarizes the PCOs currently being considered. Approval of the PCO’s would increase the GMP.

PCO No.	Description	Cost Impact (Increase/Decrease)	Final PCO Cost	Primary Rationale
30	Match Sludge Blowers to MBR Scour Blowers	Increase	\$17,426	Improved Operations
71	CDFW Site Access Restrictions	Increase	\$254,443	Environmental Constraints
72	Owner Trailer Utility Hook Ups	Increase	\$19,593	Changing Conditions
73	Man Gates in Perimeter Fence	Increase	\$27,031	Improved Operations
74	Parking Canopy Electrical Receptacles	Increase	\$42,346	Improved Operations
75	Security Window at Admin Building	Increase	\$11,079	Operator Safety
76	Additional Sodium Bisulfite Pump	Increase	\$58,243	Reliability and Redundancy
78	Changed Condition - Soil Slip	Increase	\$280,013	Changing Conditions
79	Modify Water and Collection System Supply Shed	Increase	\$10,847	Improved Operations
82	SCADA Uniformity	Increase	\$108,887	Improved Operations
86	Water Shut Off Valve in Theresa Road	Increase	\$5,189	Changing Conditions
Total			\$835,097	

The primary rationale for the need for each PCO can be attributed to the following:

- **Environmental Impacts (California Department of Fish and Wildlife Delay)** – The City has been working with the California Department of Fish and Wildlife (CDFW) since 2019 and was steadfast in their assessment that the erosional feature on the WRF site was not jurisdictional. Following submittal of the notification and additional analysis in spring 2020, the City ultimately

received a streambed alteration agreement (SAA) in July 2020. As a result, the DB team was prevented from accessing the erosional feature area of the site for several months. Through close coordination with the City and WRF Program Manager, significant changes to the construction sequencing was made resulting in additional work (i.e., second handling of material, etc.). While this resulted in a PCO, the City was able to avoid significant additional delay costs in the form of extended general conditions. As a result, the impact of the delay was reduced significantly from original estimate of approximately \$1,000,000.

- **Changing Conditions (Additional Work as a Result of the Soil Slip)** – In May 2020, a soil slip occurred on the northern cut slope of the site. While the City’s initial assessment was the soil slip was the result of the DB team’s activities, it was determined by both the DB team’s geotechnical engineer (Earth Systems Pacific) and the City’s geotechnical engineer (Yeh & Associates) the soil slip was the result of a pre-existing condition. The analysis performed by Earth Systems Pacific is included in Attachment 3. As a result, the City is responsible for the additional earthwork necessary to mitigate the soil slip. Initially, the magnitude of the PCO was approximately \$350,000. As a result of negotiations with the DB team, the final PCO value was reduced to approximately \$280,000.
- **Improved Operations**

A summary of the value of each of those primary rationale categories is included in the table below.

Primary Rationale	Value
Improved Operations	\$206,537
Reliability and Redundancy	\$58,243
Long-Term O&M Cost Savings	\$-
Construction Cost Savings	\$-
Changing Conditions	\$304,795
Operator Safety	\$11,079
Environmental Constraints	\$254,443
	\$835,097

City staff presented these PCOs to the Public Works Advisory Board (PWAB) on November 9, 2020. As a result of their comments, the table in Attachment 1 was created. Comments made on specific PCOs will be presented to the City Council during the meeting.

NEXT STEPS

While this amendment addresses nearly all of the outstanding construction issues for the WRF, the City is working with the DB team to develop a more cost-effective approach to the permanent wildlife exclusion fencing required by the Biological Opinion (BO) issued by the United States Fish and Wildlife Service (USFWS). The City Council approved PCO 058, which included construction of the wildlife exclusion fence aimed at keeping the California red-legged frog out of the WRF site as part of the Amendment No. 3. The PCO has a value of \$856,000. Since that time, the City, DB team, Project Biologist, and EPA have worked to identify an alternative to the concrete and slatted-chain link fence currently in the BO. The USFWS has tentatively approved an alternative design and the City anticipates bringing a credit on the order of \$300,000 for consideration to the City Council in spring 2021.

ATTACHMENTS

1. Expanded PCO Summary Table
2. Link to [Potential Change Order Details](#)
3. Geotechnical Analysis Report of Soil Slip (Earth Systems Pacific, 2020)



Water Reclamation Facility

Amendment No. 4 Potential Change Order Summary

PCO No.	Description	Initiator	Date Created	Discussion	Primary Rationale	Cost Information		
						Initial Estimate	Draft PCO	Final PCO
30	Match Sludge Blowers to MBR Scour Blowers	City Staff/ Program Manager	January 14, 2019	The City identified the desire to reduce the number of manufacturers for like equipment as much as possible early in the design process. This PCO standardizes Aerzen for positive displacement and dry screw compressors throughout the WRF.	Improved Operations	\$75,000	\$17,426	\$17,426
71	CDFW Site Access Restrictions	Permitting Agency	April 28, 2020	Disagreement over the need for a Streambed Alteration Agreement (SAA) from CDFW resulted in the DB contractor not having access to the erosional feature with the issuance of construction NTP. The cost covers additional work (i.e., earthwork) and reorganization of activities necessary to progress construction between NTP and mid July 2020.	Environmental Constraints	\$1,000,000	\$589,781	\$254,443
72	Owner Trailer Utility Hook Ups	City Staff/ Program Manager	April 28, 2020	The City decided to have the DB contractor complete this work versus having the Program Manager complete the work and submit for reimbursement to save cost.	Changing Conditions	NA	\$19,593	\$19,593
73 ⁽¹⁾	Man Gates in Perimeter Fence	City Staff/ Program Manager	September 09, 2019	Originally these elements of this PCO (several man gates and a concrete path) were included in a larger PCO (PCO 49) that had a value of \$102,923 and was ultimately cancelled by City staff due to costs. Only the most critical elements were re-packaged for PCO 73.	Improved Operations	\$102,923	\$27,031	\$27,031
74	Parking Canopy Electrical Receptacles	City Staff/ Program Manager	April 28, 2020	Electrical receptacles were not specifically noted in the RFP and are necessary at the parking canopies to accommodate battery chargers, etc. for City vehicles.	Improved Operations	NA	\$42,346	\$42,346
75	Security Window at Admin Building	City Staff/ Program Manager	April 28, 2020	In line with other City facilities including City Hall and Public Works, a security window is being added at the Administration Building to improve staff safety.	Operator Safety	NA	\$11,079	\$11,079
76	Additional Sodium Bisulfite Pump	City Staff/ Program Manager	April 28, 2020	Quenching chlorine residual is a critical regulatory requirement for ocean discharge. A second chemical pump and tote heaters are being added to improve the reliability and redundancy of the WRF. These requirements were not specifically outlined in the RFP.	Reliability and Redundancy	NA	\$58,243	\$58,243
78	Changed Condition - Soil Slip	Contractor	May 06, 2020	In early May 2020, a soil slip occurred at the WRF during earthwork activities. After two separate geotechnical analyses, it was determined that the soil slip likely occurred due to the presence of an ancient land slide and is being categorized as a pre-existing condition.	Changing Conditions	\$500,000	\$366,396	\$280,013
79	Modify Water and Collection System Supply Shed	City Staff/ Program Manager	June 18, 2020	The storage sheds at the WRF were previously modified by PCO 50 to include roll-up doors. After further review by City staff, the decision was made to enlarge these roll-up doors and make some plumbing modifications to the building.	Improved Operations	NA	\$10,847	\$10,847
82	SCADA Uniformity	City Staff/ Program Manager	January 04, 2019	This PCO is similar to PCO 30 in that it is aimed at standardizing equipment (controls in this case) across the WRF. This PCO was originally included as part of PCO 18, which had a budget of \$500,000. PCO 018 had a value of \$75,266 and was included as part of Amendment No. 1. The total value of PCO 18 and PCO 82 is \$184,153 compared to the original estimate of \$500,000.	Improved Operations	\$500,000	\$108,887	\$108,887



MORRO BAY
OUR WATER
 RELIABLE. CLEAN. FOR LIFE.



PCO No.	Description	Initiator	Date Created	Discussion	Primary Rationale	Cost Information		
						Initial Estimate	Draft PCO	Final PCO
85	CDFW Site Access Restrictions (Delay)	Permitting Agency	September 10, 2020	The CDFW delay was split into two separate PCOs (PCO 71 and 85) to segregate the additional construction costs and the costs associated with the delays caused by lack of access to the erosional feature. The efforts associated with PCO 71 ultimately negated any schedule impacts and the City was able to eliminate this PCO.	Environmental Constraints	NA	\$562,065	\$0
86	Water Shut Off Valve in Theresa Road	City Staff/ Program Manager	September 25, 2020	The City had originally planned to pothole in order to locate a valve in Theresa Road and facilitate connection of the WRF to the City's potable water system. Ultimately, the City determined that it would be more cost effective to have the DB team complete the potholing.	Changing Conditions	NA	\$5,189	\$5,189
Total								

Notes:
 (1) Elements of this PCO were originally included in PCO 49.
 (2) PCO 82 was originally part of PCO 18 that was approved by City Council and included in Amendment No. 1.

August 6, 2020

MEMORANDUM

TO: Eric Casares, P.E., Carollo
 FROM: Gary P. Silverman, P.E, FBV
 SUBJECT: Morro Bay WRF – Entitlement for Soil Slip (PCO 078)

On May 5, 2020, during mass grading of the main cut slope at the southwest area of the property, FBV observed a fissure at the southern tip of the excavation. We immediately stopped work, promptly notified the City the following day of a differing subsurface condition pursuant to the Section 3.10.2 of the DB Agreement and engaged Earth Systems to help assess the situation and develop a remedial plan. The fissure got increasingly larger over the coming days indicating that a landslide was occurring. Earth Systems visited the site multiple times during the months of May and June, sampled and analyzed the soils and worked with FBV to ultimately remove the soils within the landslide and stabilize the grade. Among other findings, their analysis concluded that the affected area was an unidentified ancient landslide, not a condition created by our work. A full discussion of the chronology of Earth Systems’ involvement, their recommendations and a summary of their assessment of the cause of the landslide is documented in their attached June 12, 2020 (revised July 16, 2020) letter.

The notification made to the City on May 6, 2020 was done as PCO 078. This memorandum supports FBV’s entitlement for compensation through PCO 078, which can be summarized as follows:

1. Our May 2018 proposal was based on bridging documents provided in the RFP, including the Preliminary Geotechnical Baseline Report (Yeh and Associates, 2017). The Yeh report made no mention of the existence of an ancient landslide, therefore we had no basis for addressing it in our GMP. In fact, to the contrary, Section 4.3 of the Yeh report states: “There does not appear to be evidence of landslides within the project study areas limits ...”.
2. During design, FBV engaged Earth Systems to conduct a project specific geotechnical investigation. As described in the attached letter, their 2019 Geotechnical Engineering and Geologic Hazards Report documented findings from “geotechnical borings and test pits deemed necessary based on the geologic and geotechnical constraints that were considered pertinent to the site based on experience in the area, review of cloud based aerial photography, and review of published reports and maps, including Yeh and Associates’ Preliminary Geotechnical Baseline Report”. In other words, not only did the bridging documents not reveal information indicating the presence of an ancient landslide, there was no reason to otherwise suspect its existence. Therefore, no work was scoped or performed to assess its potential hazard or mitigation. Further, during field explorations intended to assess slope stability and recommend design criteria, no visible evidence of an ancient landslide was found.

Eric Casares, P.E.

August 6, 2020

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3. Had the ancient landslide been known or discovered in 2019 during the geotechnical investigation by Earth Systems, it is likely that the recommended mitigation measures would have been the same as was implemented upon ultimate discovery in May 2020. Specifically, the approach would have been to remove the landslide material and stockpile it on site as properly compacted fill, just as was done.

FBV addressed this issue responsibly, in good faith and within the standard of care of the industry. We used the best information available at the time of the proposal, we consulted experts in subsurface conditions to guide our design, then, when the landslide was discovered, we promptly notified the City and safely and efficiently worked to remediate the unexpected condition. Had the Earth Systems report revealed the existence of the ancient landslide, it would have been the same differing site condition requiring the same remediation approach and resulting in the same cost. Consequently, we believe we are entitled to fair compensation for this additional work.

We look forward to discussing the merits of this PCO at your earliest convenience. Note we are only asking for the cost of remediation and not additional time since the earthwork in this area was not on the project critical path.

Attachment



June 12, 2020
(Revised July 16, 2020)

File No.: 301964-003

Mr. Aaron Heirshberg
Overland Contracting, Inc.
2999 Oak Road, Suite 490
Walnut Creek, CA94597

PROJECT: MORRO BAY WATER RECLAMATION FACILITY
SOUTH BAY BOULEVARD AT TERESA DRIVE
MORRO BAY, CALIFORNIA

SUBJECT: Cut Slope Landslide

- REF:
- 1) Earth Systems Pacific. 2019 Geotechnical Engineering and Geologic Hazards Report, City of Morro Bay Water Reclamation Facility, 555 South Bay Boulevard, Morro Bay, California dated July 1, 2019
 - 2) Yeh and Associates, Inc. 2017. *Preliminary Geotechnical Baseline Report, Water Reclamation Facility, South Bay Boulevard Site, APN 073-101-017, Morro Bay California*. Unpublished geotechnical report dated November 28, 2017, Project No, 216-475.

Dear Mr. Heirshberg:

In accordance with the request of Erick Bevington, PE, this letter has been prepared to address the landslide which occurred during grading of the main cut slope at the project site. We have included a summary of the timeline from when the landslide was first reported to Earth Systems Pacific through removal of the landslide mass. Further, we have included a discussion of the preliminary assessment of the slope stability of the landslide mass during removal and the analysis of the configuration of the cut slope as well as the stockpile fill slope where the landslide material will be placed based on topography provided by Black & Veatch. We have also provided a brief discussion as to what caused the movement of the landslide. Finally, we reviewed both the Preliminary Geotechnical Baseline Report (Yeh and Associates 2017) and the Geotechnical Engineering and Geologic Hazards Report (Earth Systems Pacific 2019) with respect to the basis of conclusions regarding the stability of the slope and what measures were recommended for slope construction and excavation monitoring. This letter was revised based upon updated topographic information.

Summary of Landslide Activation and Grading

We were notified in the evening of May 5, 2020 by Filanc personnel that a landslide had mobilized in the area of the active cut at the site. On May 6, 2020 Associate Geologist Darrin Hasham and Staff Geologist Sean Hemmer visited the site to perform initial observations of the reported landslide. During this site visit, it was confirmed a landslide had occurred and the approximate



limits were identified by Mr. Hasham. Preliminary analysis of the landslide was initiated by this firm to determine immediate risk at the site and potential mitigation measures. Late in the evening of May 6th, Associate Engineer Robert Down received a call from Shaun Paul with Filanc addressing his concern for safety of equipment downslope of the landslide, noting that the depth and width of the head scarp appeared to have increased throughout the day. He suggested removing material from the top of the landslide mass. It was agreed that removing soil and bedrock materials from the top of the landslide would improve stability. However, while removal of material would improve stability, the amount of material that would be required to be removed to stabilize the landslide was unknown at that time.

On May 7th, Mr. Hasham visited the site again to observe the landslide and cut slope area. A meeting was held in the afternoon with on and off-site personnel including Mr. Hasham and Mr. Down from Earth Systems Pacific (ESP) and team members from the Filanc/Black & Veatch Joint Venture (JV). Filanc expressed concern about the risk to equipment on site and the potential for the landslide to continue to move or possibly increase its rate of movement to the point where the main plant site or drainage area would be impacted. Mr. Hasham stated his opinion that the landslide would likely continue slow movement, as these types of landslides do not generally move in a rapid mobilization and would likely cease movement once the driving force and buttressing effect reached equilibrium. A plan of investigation for further analysis was discussed. It was decided that initial removal of the upper landslide mass would be started and, once the landslide debris in the upper margins was removed to near the failure surface, test pits would be excavated through the failure surface for evaluation and sampling.

Based upon the topography and initial observations, preliminary recommendations were made to remove material from the top of the landslide mass, creating a slope of 2.5:1 in the intact bedrock to remove driving force and stabilize the feature as the assessment progressed and long-term stabilization/removal recommendations were developed. The estimated removal depths were presented in preliminary cross-sections A-A' through C-C' (re-labeled cross sections D-D' through F-F') and were based on limited field observations and field measurements, as well as assumptions indicated on the sections.

On May 8, 2020, Mr. Hasham visited the site and collected some samples from test pits excavated by Filanc. Three test pits had been excavated along the top fissure of the feature. A test pit excavated into the central area of the landslide was excavated into relatively intact metavolcanic rock but did not penetrate through the landslide. This test pit was about 10 feet deep. Measurements of the orientation of the failure plane and depth of the main fissure at several locations along the top of the feature were made. The samples obtained from the test pits, including from the slip plane itself, were submitted to Earth Systems Pacific's geotechnical lab for direct shear testing.



On May 13, 2020, Mr. Hasham returned to the site at the request of Filanc to observe the top portion of the landslide after further removal of material. The rate of movement of the remaining landslide mass had significantly slowed with the removal of the upper material to the point that no movement was visible to the crew on site over the last few days.

On May 20, 2020, Mr. Hasham returned and met with Filanc crews and observed the ongoing excavation and the exposed cut. The cut was penetrating the failure surface and approximately a third of the landslide mass remained. Filanc expressed some concern about an area on the slope that was exhibiting some cracking. Mr. Hasham observed the area, noting that the cracking was of relatively low magnitude (around an inch in the widest areas) and the orientation of the cracks was generally orthogonal with elements that were parallel to and perpendicular to the cut slope. The orthogonal directions were indicative of desiccation cracks. No features indicative of landslide movement were observed in the cut slope; however, there was a slight topographical saddle in the natural slope above the cut area. Mr. Hasham recommended that several survey points be established and monitored regularly for the next few days to assess if any movement was occurring. Shaun Paul of Filanc indicated that a couple of GPS measurements had been made over the previous 24 hours or so and no movement had been detected.

During the landslide removal, periodic observation was provided by an Earth Systems Pacific staff geologist.

Supplemental Slope Stability Analysis

Earth Systems Pacific performed supplemental slope stability analysis on cross sections based upon revised topographic maps provided by Black & Veatch on June 1, and June 29, 2020. The revised topographic maps reflected the slope configuration as altered by the removal of material in the landslide area. Additional slope stability analysis was performed for the proposed stockpile fill area, where the top of the slope will be raised up to approximately 10 feet due to placement of the removed landslide debris. Initial discussions included reconstructing the slope in the landslide area with fill from the landslide. However, it was determined to be more cost effective to place the material in the stockpile fill already planned for the site. Therefore, analysis of the slope reconstruction was not performed.

Earth Systems Pacific performed supplemental slope stability analysis on three new cross sections and re-evaluated the stability of cross section C-C' presented in the original geotechnical engineering report, (Earth Systems Pacific, 2019). The limit equilibrium slope stability software, Slide2, by Rocscience (v. 9.006, 2020) was used to perform the analysis. The cross section locations are presented on the attached Cross Section and Exploration Map. Additional cross sections from the original analysis are shown on the map for clarity in sequencing but were not part of the supplemental analysis.



Our pseudostatic modeling included applying a horizontal seismic force calculated in accordance with the procedure recommended by the California Geological Survey (CGS 2008). Our analysis is based on a seismic hazard assessment from a deaggregation of the local seismic sources which provide a mean earthquake magnitude of 6.8 at a distance of 14.4 km, and a peak ground acceleration (USGS 2020). These values were used to compute the seismic coefficient, k_{eq} , using the following equation:

$$k_{eq} = f_{eq} * MHA_r$$

Where MHA_r is the maximum horizontal acceleration at the site in units of gravity, and f_{eq} is a factor calculated from the local seismic source parameters cited above. The peak ground acceleration obtained from the USGS was scaled in accordance with ASCE 7-16 guidelines to closely represent the maximum response in the horizontal plane.

Cross section C-C', depicting the proposed concept topography of the fill area, is drawn in a roughly east-west direction and is intended to evaluate the fill area and the steeper transitions to the plant pad that will be constructed as an approximately 40-foot high fill slope ranging from approximately 2:1 to 3:1 (H:V). The upper surface of the stockpile fill will be graded at approximately 2% or steeper to facilitate site drainage. The material properties used in this analysis are the same as the properties used in the initial analysis for fill, sandstone, colluvium and fissured alluvium. The factor of safety (FS) for the static model was greater than 1.5, and the FS for the pseudostatic model (with seismic force applied) is greater than 1.1, and both exceed the generally accepted criteria for safety.

Cross section H-H' is drawn in a roughly east-west direction and is intended to evaluate the southern part of the bedrock cut slope, the configuration of which has been affected by the removal of material mobilized by the landslide. The cut slope is approximately 75 feet high at an inclination of approximately 2:1. For this cross section, 2 different scenarios were evaluated that incorporated different rock strength parameters. For one scenario the same rock and soil strength parameters used in the evaluation done in June 2019 were used; for the alternate scenario the material strength obtained from material collected in test pits excavated through the slip plane of the landslide was applied to the entire slope. The materials were collected at and just beneath the slip plane and consisted of highly weathered serpentinite and underwent direct shear testing in our laboratory. Both scenarios produced a FS for the static model greater than 1.5, and the for the pseudostatic model (with seismic force applied) greater than 1.1; which all exceed the generally accepted criteria for safety.

Cross section I-I' was drawn in a northwest-southeast direction, oblique to the main part of the cut slope to evaluate a slope cut in native material above the design cut slope at an approximate inclination of 2:1. The material strengths applied to this model were basically the same as the slope stability calculations presented in the June 2019 report with the exception that an approximately 20-foot thick layer of weathered serpentinite, based on the strength obtained



from the lab testing discussed above, was applied to the natural slope areas underlain by serpentinite. The factor of safety (FS) for the static model was greater than 1.5, and the FS for the pseudostatic model (with seismic force applied) is greater than 1.1, and both exceed the generally accepted criteria for safety.

Cross section J-J' was drawn in a roughly east-west direction and was intended to evaluate the highest part of the cut slope, which is approximately 80 feet high at an inclination of approximately 2:1. The material properties used in this analysis were the same material properties used in the slope stability analysis published in the June 2019 report. This cross section represents a part of the slope underlain by graywacke sandstone and is not affected by the weathered serpentinite or the landslide. The factor of safety (FS) for the static model was greater than 1.5, and the FS for the pseudostatic model (with seismic force applied) is greater than 1.1, and both exceed the generally accepted criteria for safety.

A conservative groundwater table was considered in the analyses for all the models. Figures depicting the models, with the minimum FS surface are shown on the attachments.

Cross sections A-A' and B-B' were presented in the June 2019 report and were not affected by the landslide and were not re-evaluated; consequently, they are not included in this correspondence. Cross sections D-D' through F-F' were an interim work product used to assess the landslide geometry when it first mobilized and also are not included in this correspondence.

Landslide Source

On May 13, 2020, during the observation of the initial removal, several test pit excavations were made by Filanc which provided an opportunity for Mr. Hasham to observe the failure surface (slip plane). The failure surface was observed in three test pits excavated along the main fissure by Filanc, at the bottom of the main fissure along the crown of the landslide, and within an isolated remnant of native material that was temporarily left in place as the slope was being cut. As the slip plane observable in the isolated remnant of material (downslope from the landslide) had no indications of recent movement, it is apparent that the landslide is an ancient landslide, which was reactivated by removing material during grading. The removed material was likely providing a buttressing effect to the landslide. The slip plane observed in the remnant consisted of an undulating layer of light-colored material that was laterally persistent through the landslide area. Observations of the exposure indicate that relatively intact rock is present above the slip plane, as well as locally sheared material both above and below the slip plane. Sheared material is ubiquitous within the Franciscan formation and in itself is not an indication of slope movement.

Initial Landslide Assessments

We have reviewed both the Preliminary Geotechnical Baseline Report (Yeh and Associates 2017) and the Geotechnical Engineering and Geologic Hazards Report (Earth Systems Pacific 2019) relative to this ancient landslide that recently reactivated at the project site. Neither report



identified a specific landslide, either ancient or active, within the project boundary. The baseline report prepared by Yeh and Associates included the following in section 4.3 Landslides and Slope Instability:

“The published geologic map by Weigers (2009), aerial photographs, and field reconnaissance were used to evaluate potential for landslides and slope instability. Landslides were mapped by Weigers (2009) in slopes to the east of the project site. There does not appear to be evidence of landslides within the project study area limits....”

Further, in section 7.1.7 Graded Slopes, the following guidance was provided:

“Cuts can be constructed at 2h:1v (horizontal to vertical) or flatter. Cuts in soil should be planned no steeper than 2h:1v. Designs for steeper slope inclinations should be based upon slope stability analysis that meet the minimum factors of safety specified in the CBC (2016) and CGS (2008a).”

While the Baseline Report indicated 2h:1v cuts could be constructed and only steeper inclinations would require slope stability analysis, Earth Systems Pacific performed slope stability analysis through the main cut slope as part of the 2019 geotechnical investigation. The analysis and strength properties used were provided in the report. The analysis demonstrated that the overall slope had an appropriate factor of safety. However, the following was noted:

“The stability of the bedrock cuts at the project may be affected by the orientation of intersecting discontinuities within the rock mass. The discontinuities may include joints, shears, faults, bedding planes and contacts between different rock types; and because the orientation of these features can be local, random, and unpredictable, observation is recommended to monitor the excavation and collect data to identify potential adverse conditions as they are exposed and develop a mitigation plan to reduce the potential for slope failures that could impact project scope and schedule.”

None of the site-specific information contained in the City of Morro Bay’s bid documents provided to Earth Systems Pacific in January 2019 by Black & Veatch for preparation of our proposal to our client indicated the presence of an ancient landslide. Had the presence of the ancient landslide been indicated in the bid documents or any other information provided to Earth Systems Pacific, the scope and fees for our investigation would have addressed the mitigation of the risk associated with the ancient landslide, in addition to the construction of the plant.

Earth Systems Pacific performed geotechnical borings and test pits located as deemed necessary based on the geologic and geotechnical constraints that were considered pertinent to the site based on experience in the area, review of cloud based aerial photography, and review of published reports and maps, including Yeh and Associates’ Preliminary Geotechnical Baseline Report.



Earth Systems Pacific’s geotechnical investigation consisted of an array of investigation points distributed throughout the project area, with borings or test pits located where they would provide the information needed to develop design recommendations. Because there was no visible geomorphic expression of a landslide within the project area and no landslide, active or ancient, observed in the aerial photography or mentioned in the baseline report for the project, the field investigation for the slope were developed to obtain the data needed to perform slope stability analysis and provide design recommendations. Because bedrock outcrops existed on the slope the soil profile was anticipated to be relatively thin and did not warrant soil borings. Test pits were considered adequate to obtain the samples needed for the laboratory analysis. The test pits exposed Franciscan mélangé bedrock characterized by discontinuities as described in the report. There was no visible evidence of the ancient landslide and the observations supported the generally accepted understanding that bedrock conditions and their engineering properties improve with depth. The test pits were terminated above the design grade to avoid excavating below the future finish grade which had not been set as 100 percent final and they had provided the necessary information on the bedrock. There were no indications from the initial assessments or observed in test pits that a landslide may be present, and that our investigation should be modified to specifically assess landslide hazard with large diameter borings or similar investigation technique.

Had the landslide been known and mitigation of the ancient landslide been part of the requested scope of geotechnical service to the design-build team, and therefore part of our original scope, it is likely that the most cost-effective recommendation to mitigate the risk of the ancient landslide would have been to remove the landslide material and stockpile it on-site as a properly compacted fill. This is consistent with the current recommendation.

We appreciate this opportunity to be of service. If you have any questions regarding this document, please contact the undersigned at your convenience.

Sincerely,

Earth Systems Pacific


Darrin Hasham, PG, CEG
Associate Geologist

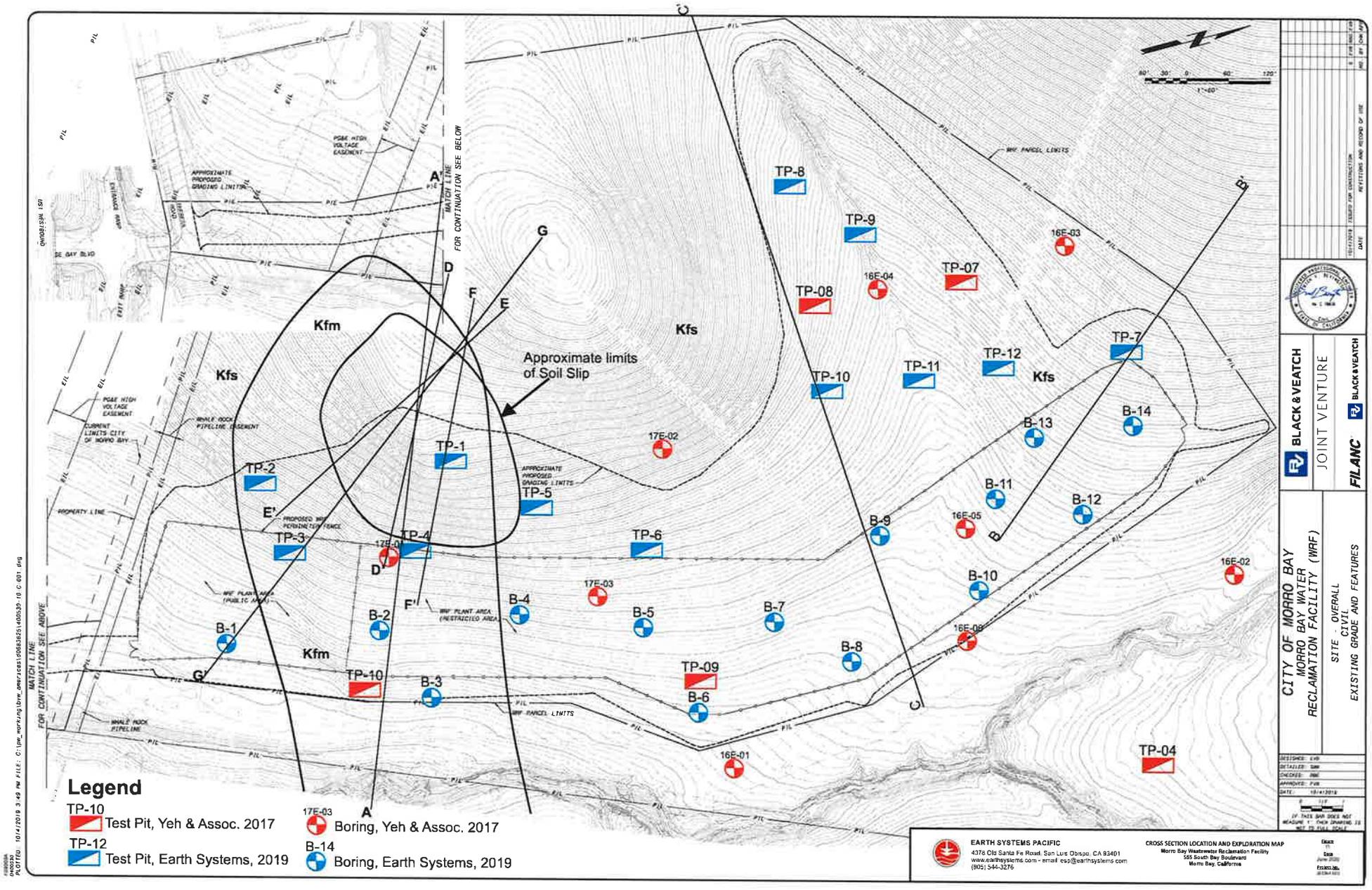



Robert Down, PE
Associate Engineer



Attachments: Cross Section and Exploration Map (1 Page)
Slope Stability Analysis Sections (10 pages)

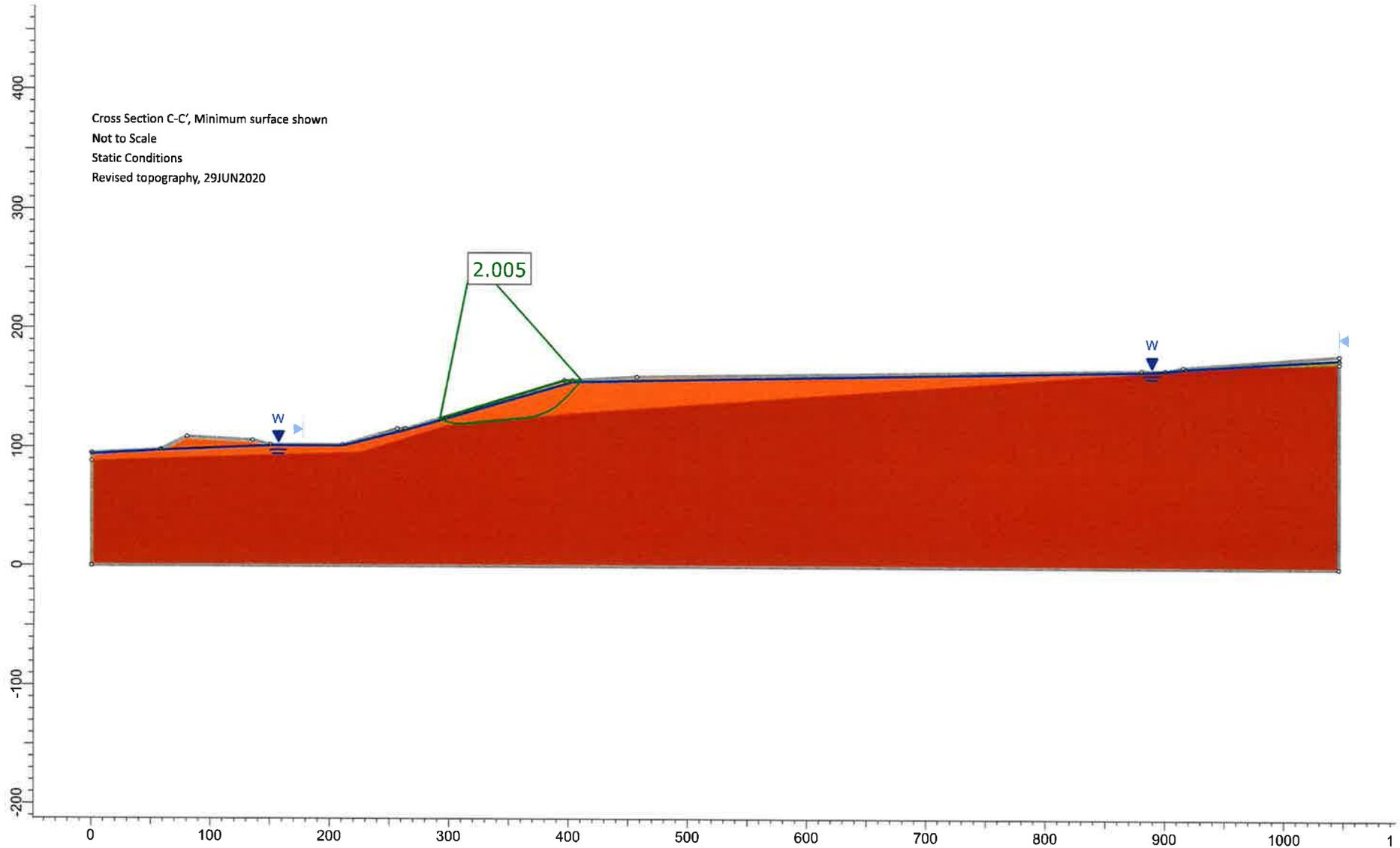
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- Legend**
- TP-10 Test Pit, Yeh & Assoc. 2017
 - 17E-03 Boring, Yeh & Assoc. 2017
 - TP-12 Test Pit, Earth Systems, 2019
 - B-14 Boring, Earth Systems, 2019

BLACK & VEATCH JOINT VENTURE FILANC	
CITY OF MORRO BAY MORRO BAY WATER RECLAMATION FACILITY (WRF) SITE OVERALL CIVIL EXISTING GRADE AND FEATURES	
ASSIGNED: EMB DETAILED: SWM CHECKED: SWM APPROVED: PWB DATE: 10/14/2019	IF THIS DRAW DOES NOT MEASURE 1" = 60' PLEASE SEE SET FOR FULL SCALE

<p>EARTH SYSTEMS PACIFIC 4376 Ole Santa Fe Road, San Luis Obispo, CA 93401 www.earthsystems.com - email: esp@earthsystems.com (805) 544-3276</p>	<p>CROSS SECTION LOCATION AND EXPLANATION MAP Morro Bay Wastewater Reclamation Facility 555 South Bay Boulevard Morro Bay, California</p>	<p>Sheet: 11 Date: July 2019 Project No.: 1803001</p>
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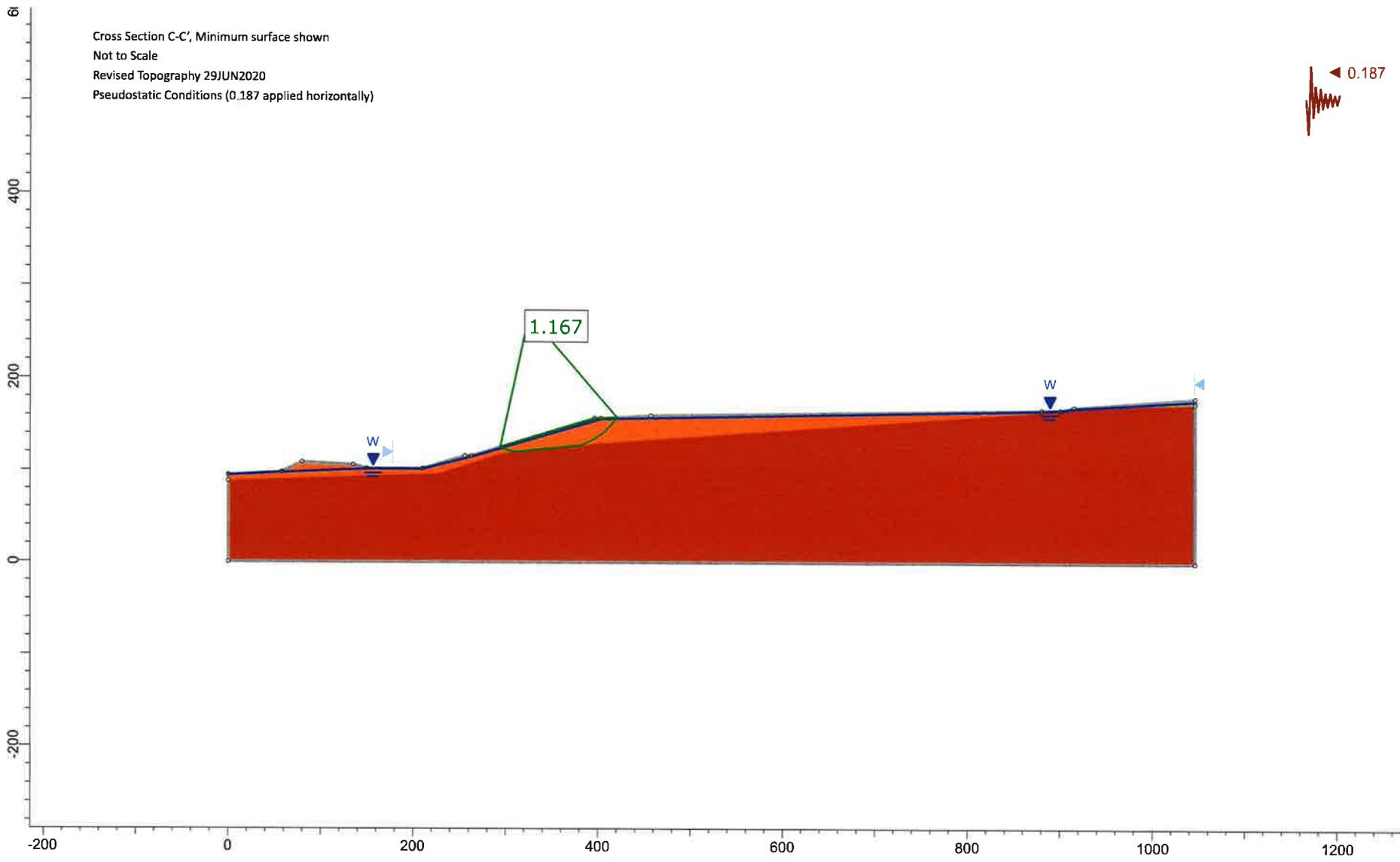


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SLOPE STABILITY ANALYSIS RESULTS
Cross Section C-C' Static
Morro Bay Wastewater Reclamation Facility
555 South Bay Boulevard
Morro Bay, California

Figure
1
Date
 July 2020
Project No.
 301964-003

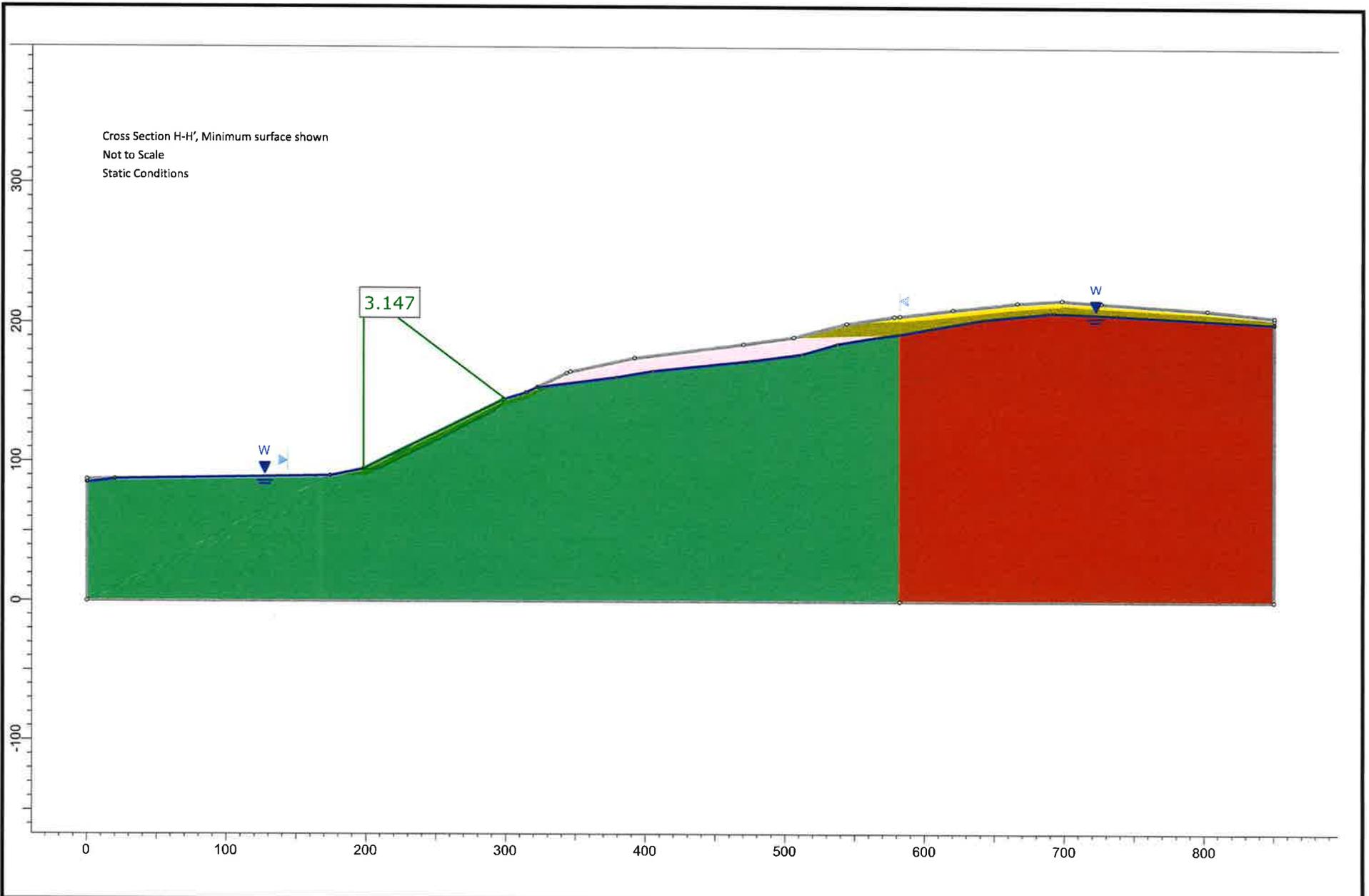


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SLOPE STABILITY ANALYSIS RESULTS
Cross Section C-C' Pseudostatic
Morro Bay Wastewater Reclamation Facility
555 South Bay Boulevard
Morro Bay, California

Figure
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Date
 July 2020
Project No.
 301964-003



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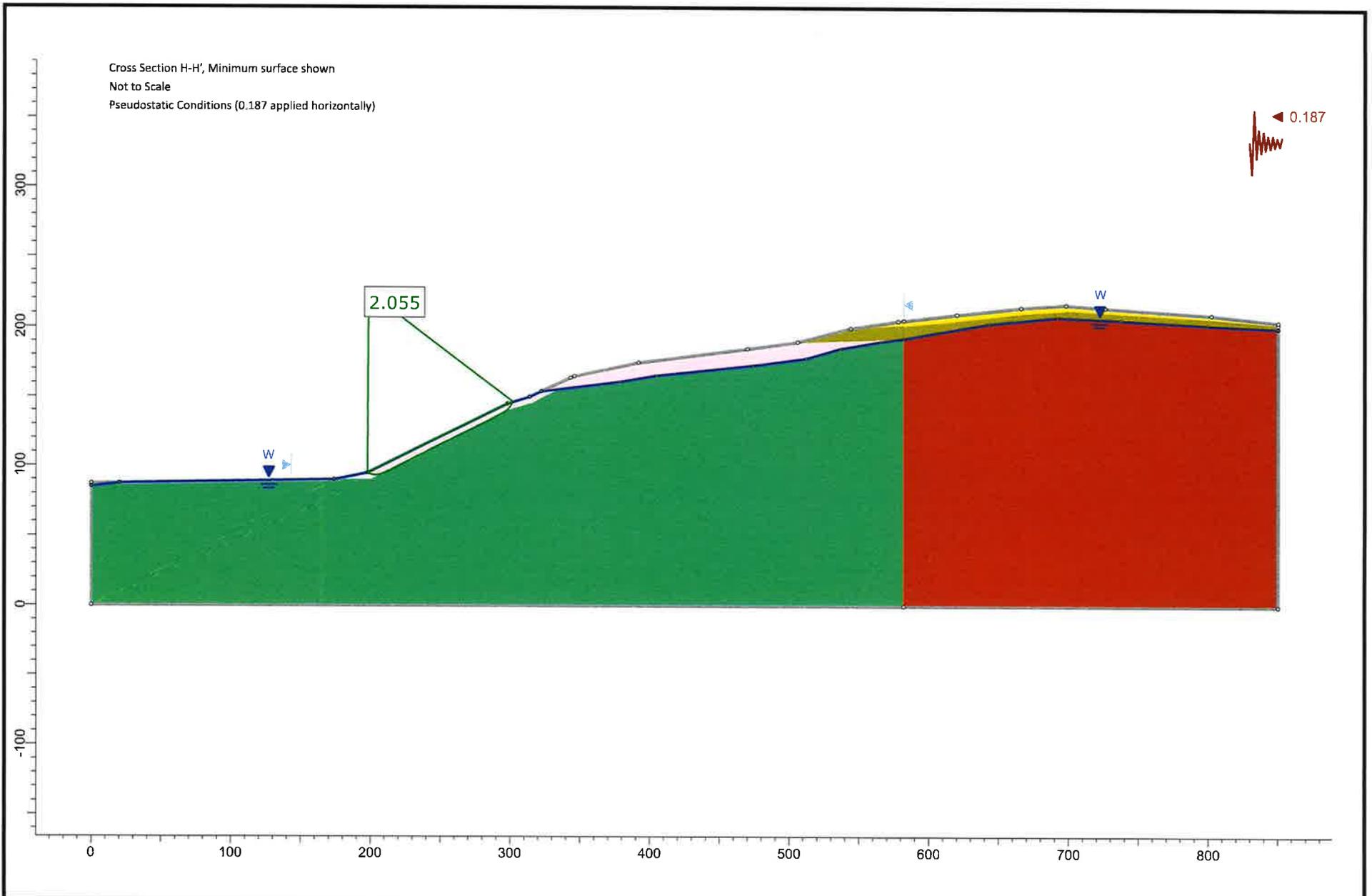
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SLOPE STABILITY ANALYSIS RESULTS
 Cross Section H-H' Static
 Morro Bay Wastewater Reclamation Facility
 555 South Bay Boulevard
 Morro Bay, California

Figure
 3

Date
 June 2020

Project No.
 301964-003



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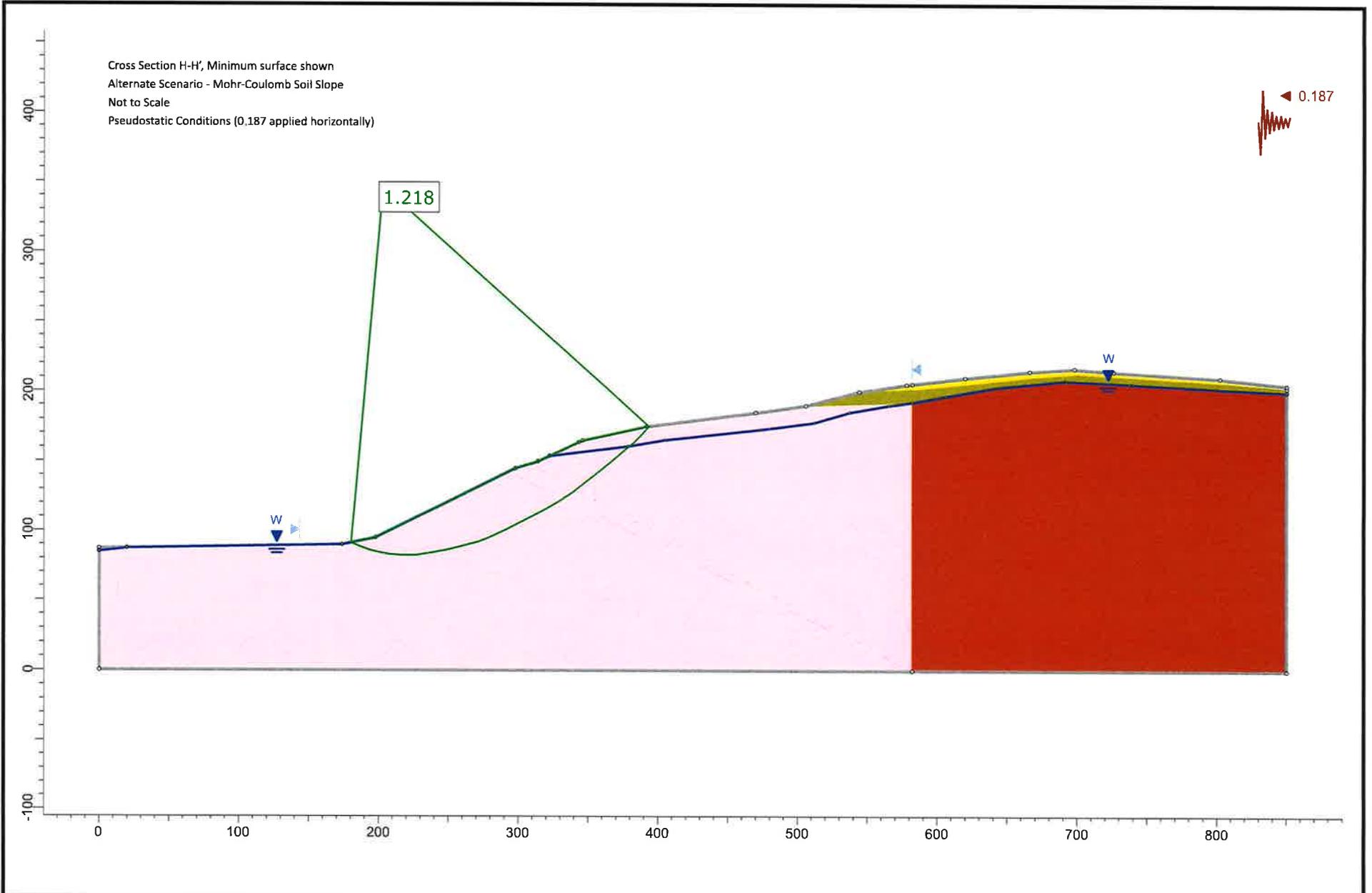
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SLOPE STABILITY ANALYSIS RESULTS
Cross Section H-H' Psuedostatic
Morro Bay Wastewater Reclamation Facility
555 South Bay Boulevard
Morro Bay, California

Figure
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Date
July 2020

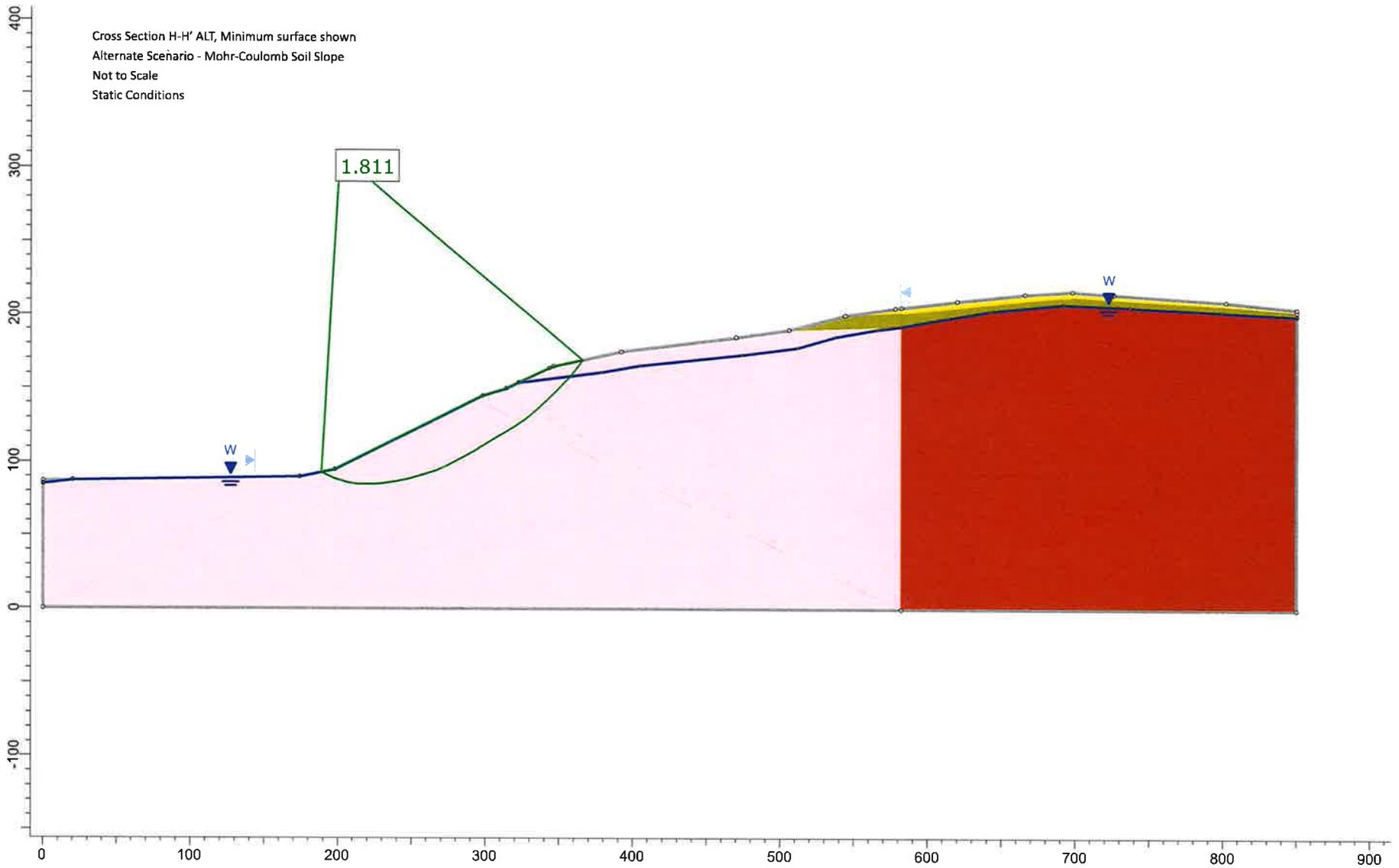
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SLOPE STABILITY ANALYSIS RESULTS
 Cross Section H-H' ALT Pseudostatic
 Morro Bay Wastewater Reclamation Facility
 555 South Bay Boulevard
 Morro Bay, California

Figure
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Date
 July 2020
Project No.
 301964-003



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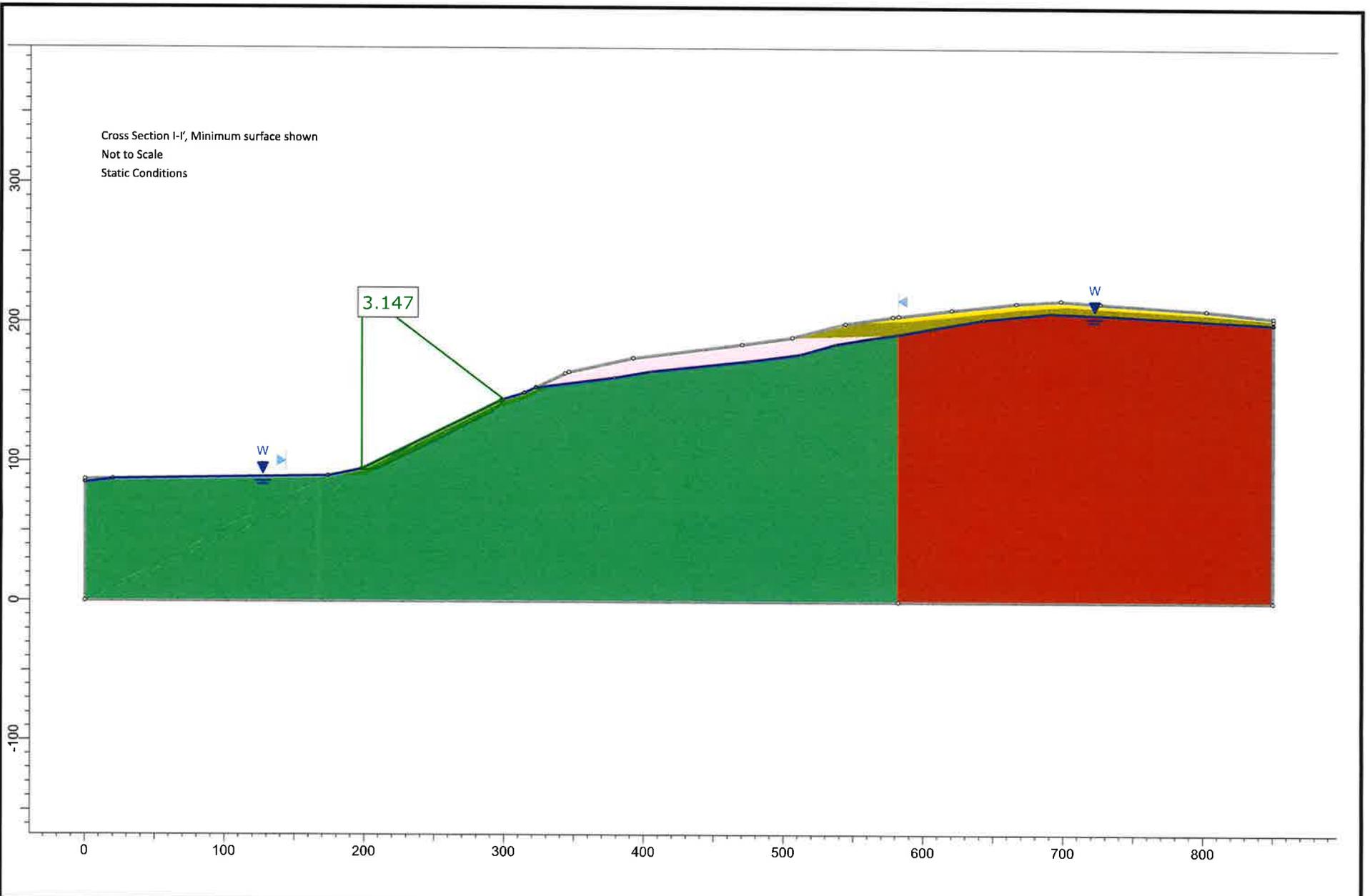
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SLOPE STABILITY ANALYSIS RESULTS
Cross Section H-H' ALT Static
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Morro Bay, California

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Date
 June 2020

Project No.
 301964-003



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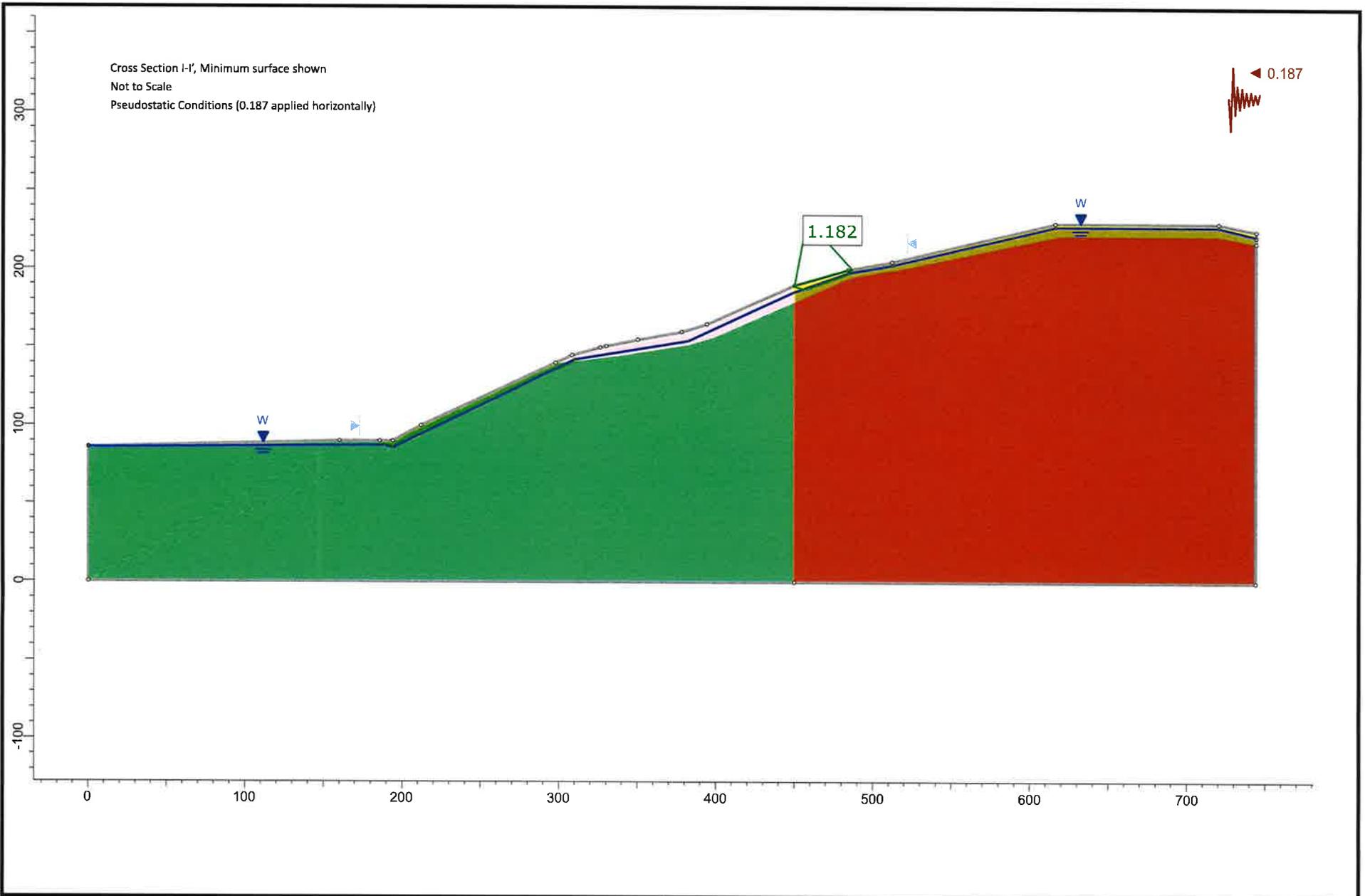
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SLOPE STABILITY ANALYSIS RESULTS
 Cross Section I-I' Static
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 555 South Bay Boulevard
 Morro Bay, California

Figure
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Date
June 2020

Project No.
301964-003



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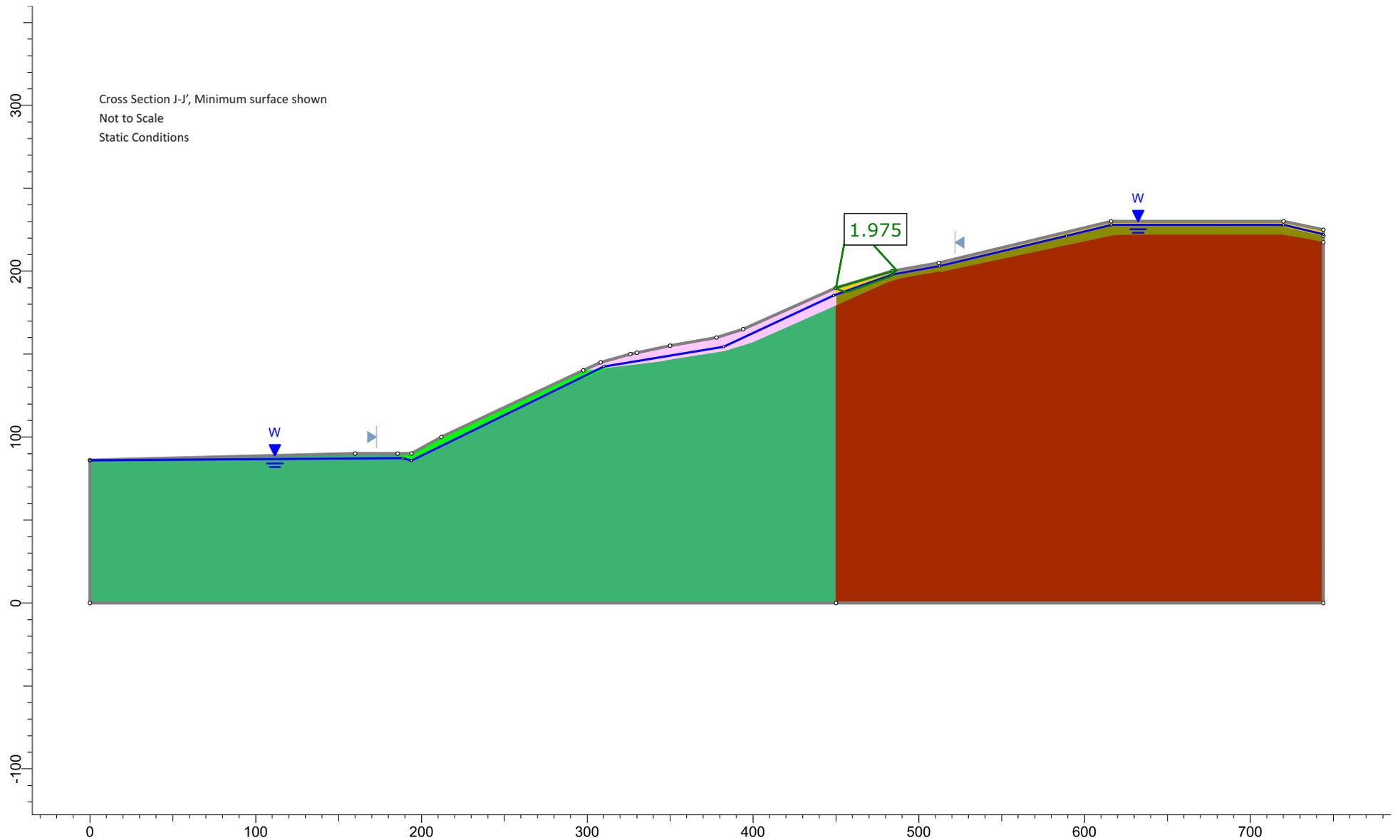
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SLOPE STABILITY ANALYSIS RESULTS
 Cross Section I-I' Pseudostatic
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Figure
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Date
July 2020

Project No.
301964-003



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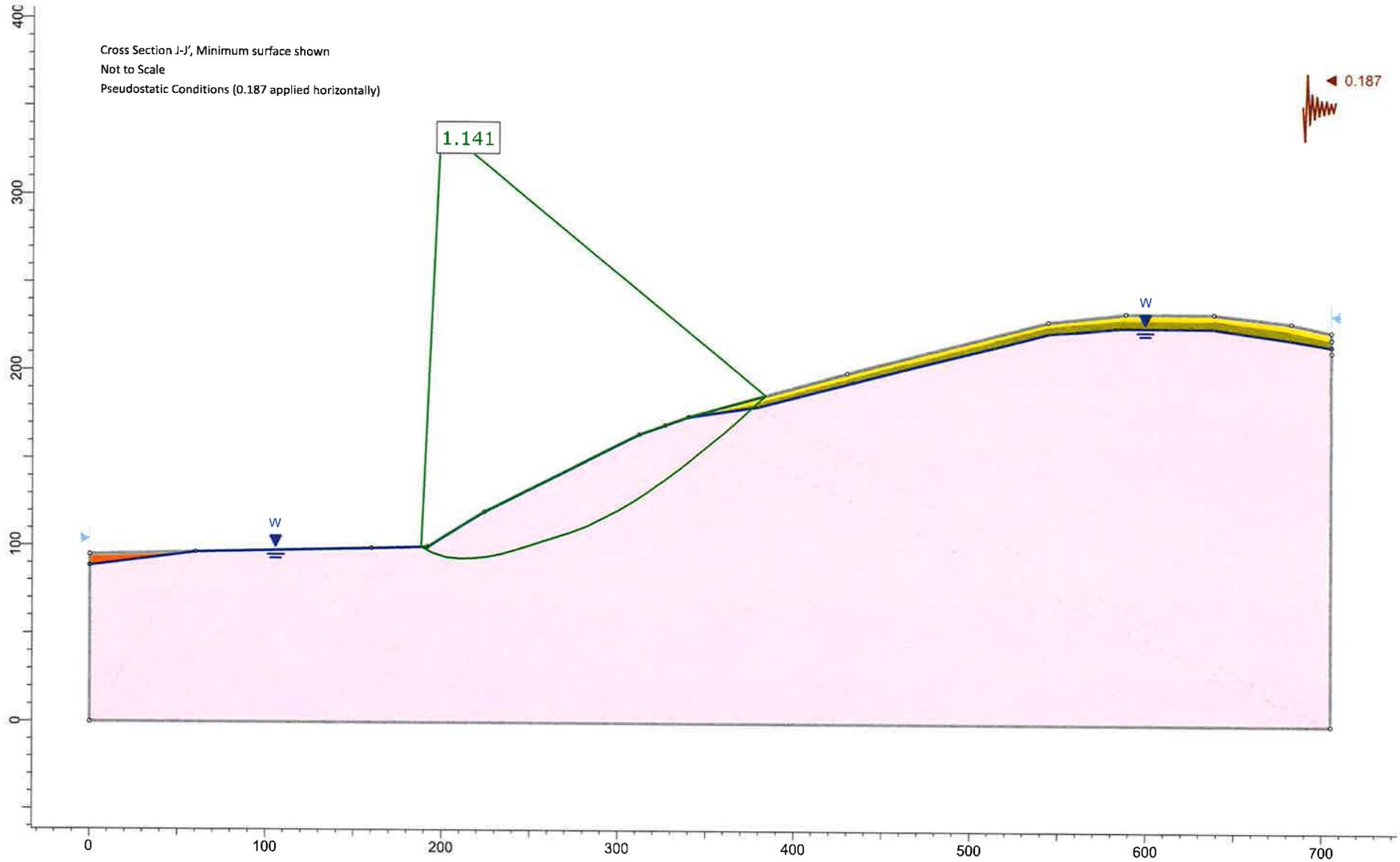
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SLOPE STABILITY ANALYSIS RESULTS
Cross Section J-J' Static
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Figure
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Date
June 2020

Project No.
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SLOPE STABILITY ANALYSIS RESULTS
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 555 South Bay Boulevard
 Morro Bay, California

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Date
 July 2020
Project No.
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AGENDA NO: II

MEETING DATE: November 17, 2020

Staff Report

TO: Honorable Mayor and City Council **DATE:** November 12, 2020
FROM: Cindy Jacinth, Senior Planner
SUBJECT: Review and Adopt Draft Funding Recommendations for the 2021 Community Development Block Grant (CDBG) Program

RECOMMENDATION

Staff recommends the City Council review and adopt Resolution No. 99-20 approving draft funding recommendations for the 2021 Community Development Block Grant (CDBG) funds and forward recommendations to the San Luis Obispo County Board of Supervisors for inclusion with the other draft funding requests from the Urban County Consortium. The funding recommendation is for the Morro Bay Family Apartments project at \$89,766 and program administration of \$4,190 for a total funding allocation of \$93,956 which is consistent with previously established City goals to support affordable housing. Additionally, staff recommends the City Council authorize the City Manager to make pro rata adjustments to the allocation based on the final funding amount from San Luis Obispo County based on the approval of the federal budget and HUD's final grant amount to the County.

ALTERNATIVES

The City Council may move to adopt draft funding recommendations to instead fund the Public Services application by Peoples Self-Help Housing (PSHH) for the amount of \$8,637 and fund the Morro Bay Family Apartment project for a lesser amount of \$81,129 with City program administration funding of \$4,190. Or, Council may move to adopt alternative funding recommendations consistent with CDBG requirements and submitted applications.

FISCAL IMPACT

Approving staff recommendations includes an application for administrative funds as allowed by HUD in the amount of \$4,190. If awarded, this amount would offset City administrative costs. The majority of CDBG administration, including compliance with Federal regulations, is performed by County staff pursuant to the City's 2021-2023 Urban County Participation Agreement executed July 7, 2020.

SUMMARY

Since 2011, the City of Morro Bay has been a member of the Urban County Consortium, which is a consortium of participating local jurisdictions that includes San Luis Obispo County and the cities of Paso Robles, Atascadero, San Luis Obispo, Pismo Beach and Arroyo Grande for the purpose of receiving and allocating federal CDBG funds.

The funding allocation is an annual process. However, the City has not awarded CDBG funds since the 2016 program year. During that year, an opportunity for reallocation of unused CDBG funds from the City of Atascadero was utilized which allowed a multi-year advance of CDBG funding in the amount of \$236,420. The CDBG advance was used to fund the City's pedestrian accessibility/sidewalk project and has since been completed and repaid as of the 2020 program year.

The 2021 CDBG award process began earlier this fall with the release of the Notice of Funding Availability on September 1, 2020 (Online Link #1 below). Virtual public workshops were held in

September 2020 to provide application training guidance and answer questions. The County Board of Supervisors will be holding a needs workshop on November 17, 2020.

Applications were due by October 28, 2020. The City received four applications for this funding cycle (see below for more details).

Total Morro Bay funding is anticipated to be approximately \$59,858 for the 2021 program year with an additional \$41,880 carried-over from the 2020 program year.¹ Final funding amounts are subject to change and will be released by the Department of Housing and Community Development (HCD) in early 2021.

BACKGROUND

The Community Development Block Grant (CDBG) program is a flexible funding source providing communities with resources to address a wide range of unique community development needs. (Online Link #2 below). 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.

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 that 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.

DISCUSSION

The four applications received by the City for the 2021 funding cycle are included by category in the below table along with a snapshot of the staff recommendation. A description of each application request follows on the following page.

¹ The City has an additional carry-over funding amount of \$41,880 from the 2020 CDBG Program year to allocate toward projects. However, none of the \$41,880 can be put towards the 15% Public Services category because that was capped in the County 2020 Action Plan.

Housing	Amount Requested	Amount Recommended
1. Project Name: Morro Bay Family Apartments (405 Atascadero Road) Applicant: San Luis Obispo Non-profit Housing Corporation (SLONP)	\$250,000	\$89,766
Public Services – Limited to 15% of 2021 Allocation (or a maximum of \$8,979)		
2. Project Name: San Luis Obispo Municipal and County Supportive Housing Program for Low-Income Households Applicant: Peoples’ Self-Help Housing Corporation (PSHH)	\$8,637	\$0
3. Project Name: Subsistence Payments, Homeless Assistance, & Security Deposits Applicant: 5 Cities Homeless Coalition (5CHC)	\$900	\$0
Housing / Public Facility	Amount Requested	Amount Recommended
4. Project Name: The Salvation Army SLO County PSH II Applicant: The Salvation Army	\$300,000	\$0
Administration – Limited to 20% of 2021 Allocation (City=35% / County =65%)		
City Program Administration Costs (Required County Administration Costs)	\$4,190 (\$7,782)	\$4,190 (\$7,782)
Total Funds Requested	\$563,727	
Estimated Total 2021 Funding Available		\$59,858
Carry-over Funding from 2020 Program Year (see footnote above)		\$41,880
Total Amount Available for Funding Recommendations (minus admin for County)		\$93,956

As shown in the table above, the applications received exceed anticipated funding. In addition, there are limits related to categories of funding, as described below. Of the four applications received, the first application by San Luis Obispo Non-profit Housing Corporation is for a project located at 405 Atascadero to build 35 new units of affordable rental housing on a vacant lot. As stated in the application, this would be the first affordable development for families since the 1980’s and has already received its land use entitlements. Because of this project readiness, and City’s goals to support new affordable housing, staff is recommending that this project be recommended for funding to the County Board of Supervisors.

As part of the CDBG process, Council must adopt a draft recommendation for the 2021 grant year that meets the funding criteria while adhering to the category limits. A copy of all applications has been provided with the City Council agenda packet (Attachments 2 through 5). Upon approval, the draft funding recommendations will be forwarded to the County for publishing, along with recommendations from all participating jurisdictions. The public notice starts a 30-day review and

comment period during which a second public workshop will be held to allow questions from applicants regarding the draft recommendations after which the draft allocations, plus any workshop comments, will be forwarded to City Council for final approval at a duly noticed public hearing anticipated to be approximately February/March 2021. After that meeting, final funding recommendations would then be forwarded to the County Board of Supervisors in order to adopt the 2021 Action Plan.

The following is a brief explanation of the funding categories and applications within each:

Housing – Eligible CDBG activities under housing include acquisition of real property. Other eligible activities include construction, rehabilitation, or relocation activities.

- **Morro Bay Family Apartments** by Applicant: *San Luis Obispo Non-Profit Housing Corporation (SLONP)*
CDBG Funds Requested: \$250,000
This project consists of new construction of 35 affordable housing rental units at 405 Atascadero Road. The apartment units will be deed restricted to low income individuals and families for a minimum of 55 years. CDBG funds requested are for acquisition of real property. Note: The application also includes a request to the County for HOME and Title 29 funding of \$750,000 for construction costs. (Attachment 2)

Public Services – The 15% Federal cap on percentage of award from this category is estimated at \$8,979. Two applications were received under this category. The City's Cooperation Agreement with the County requires any funding of public services activities must be a minimum amount of \$8,000 or more. That is a result of direction from HUD not to award CDBG funds that cost more to administer than the award itself.

CDBG regulations allow for a wide range of public service activities including, but not limited to, employment services, crime prevention, childcare, health services, substance abuse services, fair housing counseling and recreational services.

- **Supportive Housing Program for Low Income Households** by Applicant: *Peoples' Self-Help Housing Corporation (PSHH)*
CDBG Funds Requested: \$8,637
This project consists of supportive services at existing affordable rental housing developments managed by PSHH. The Supportive Housing Program provides clinical social services and case management to residents of PSHH's 26 affordable rental properties throughout SLO County. The amount of \$8,637 requested would be for the four developments located in Morro Bay at 2612 Elm St, 495 Main St., 456 Elena St, and 375 Sequoia St. These 4 locations represent apartment developments for both low income family households and low-income senior households. The total amount requested for all locations in the County is \$69,913. The City specific amount requested is \$8,637. (Attachment 3).

Although this amount requested fits within the 15% federal cap on public services, staff did not recommend this project for funding due to the limited amount of funding available and to allow for greater benefit to the Morro Bay Family Apartment project.

- **Subsistence Payments, Homeless Assistance, & Security Deposits** by Applicant: *5 Cities Homeless Coalition (5CHC)*
CDBG Funds Requested: \$900
This program will provide emergency subsistence and deposit payments, with case

management services. These emergency subsistence payments (rental assistance) and deposits will be provided on behalf of people who are homeless or at risk of becoming homeless as allowed per CDBG regulations. Services will include assistance with developing housing stability plans and provide short-term emergency homeless prevention assistance. The application was submitted to all cities and the County. The total amount requested for all locations in the County is \$89,000 with varying amounts requested per location. The City specific amount requested is \$900. (Attachment 4).

Although this amount requested fits within the 15% federal cap on public services, staff did not recommend this project for funding due to the limited amount of funding available and to allow for greater benefit to the Morro Bay Family Apartment project.

Housing/ Public Facilities – The City also received an application from the Salvation Army for acquisition of real property. As explained by County staff, the application received was not specific to Morro Bay, but informally directed at any city in the County that is willing to provide CDBG funding.

- **The Salvation Army SLO County PSH II** by Applicant: The Salvation Army
CDBG Funds Requested: \$300,000

This project consists of purchase of a house by the Salvation Army at a cost of approximately \$600,000 to provide four units of permanent supportive housing for homeless persons who need long-term support to prevent a return to homelessness. A project coordinator would provide case management services to residents. The proposed location of the project has not yet been identified and would be dependent on which city in the Urban County consortium would fund the CDBG application. (Attachment 5)

Staff did not recommend this project for funding because the project did not have the same level of readiness as the Morro Bay Family Apartments project. No location for property purchase in Morro Bay was identified, nor does the project have any land use entitlements needed in order to operation a supportive housing residential project.

Administration –The 20% cap on percentage of award from this category is estimated at \$11,972 with \$4,190 available to Morro Bay this cycle (and with 65% of administration (\$7,782) reserved for County grant administration which includes compliance with Federal regulations).

- **City of Morro Bay – CDBG Program Administration**
Funds Requested: \$4,190 for City administration

Pursuant to the City's 2021-2023 Cooperation Agreement with the County, the twenty-percent cap on administration allowed under HUD regulation is split between City and County staff administration. Of the 20 percent, the City is eligible to apply for 35 percent (or \$4,190) with the balance to be forwarded to the County (\$7,782). Those are for costs associated with the administration of the Community Development Block Grant Program, including staff time required for grant administration, payment processing and coordination with County Planning staff. If administration costs exceed the funding allocation, then remaining costs of administering the program would need to be paid from the General Fund.

CONCLUSION

The total estimated 2021 allocation for Morro Bay, as released by the County, is \$59,858. With the County's administrative share of \$7,782, the net amount available to the City for funding recommendations is anticipated to be \$52,076 plus \$41,880 rolled over from the 2020 year that was unallocated due to the repayment of the multi-year 2016 advance. The City's Cooperation Agreement with the County requires any awards in the category of public service activities be no less

than \$8,000 with a Federal cap at no more than 15% of an allocation, which can be spent on public service activities.

Staff is recommending that Council approve the 2021 Draft Funding Recommendation for the requests from SLONP for the Morro Bay Family Apartments for \$89,766 and the City application of \$4,190 for program administration. Funding of the request by the City is consistent with the recently adopted 2020-2028 Housing Element which will provide support for a new 35-unit affordable family rental development in the City.

However, as an alternative option, Council could choose to modify this recommendation to make an award to a public service activity. If so, then the maximum available to award is \$8,979. The alternative staff recommendation then would be to recommend funding for the PSHH application which would directly benefit existing Morro Bay affordable rental developments which consists of a combined 99 units in the City.

ATTACHMENTS

1. Resolution No. 99-20
2. SLO Non-profit Housing Corporation – Morro Bay Family Apartments, 405 Atascadero
3. Peoples' Self-Help Housing – Supportive Housing Program for Low-Income Households
4. 5 Cities Homeless Coalition – Subsistence Payments, Homeless Assistance, & Security Deposits.
5. The Salvation Army – Salvation Army SLO County PSH II
6. Staff Presentation

ONLINE LINKS:

1. County of San Luis Obispo CDBG Notice of Funding Availability
[https://www.slocounty.ca.gov/Departments/Planning-Building/Housing/Housing-Forms-Documents/Forms/Grant-Applications/Notice-of-Funding-Availability-\(NOFA\).pdf](https://www.slocounty.ca.gov/Departments/Planning-Building/Housing/Housing-Forms-Documents/Forms/Grant-Applications/Notice-of-Funding-Availability-(NOFA).pdf)
2. Community Development Block Grant (CDBG) Fact Sheet
<https://files.hudexchange.info/resources/documents/About-the-CDBG-Program.pdf>

RESOLUTION NO. 99-20

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
APPROVING COMMUNITY DEVELOPMENT BLOCK GRANT
PROJECTS FOR YEAR 2021**

**THE CITY COUNCIL City
of Morro Bay, California**

WHEREAS, via a Cooperation Agreement with County of San Luis Obispo (hereafter referred to as "County"), a political subdivision of the State of California, executed by the City of Morro Bay (hereafter referred to as "City") a municipal corporation, on July 7, 2020, the City agreed to become a participant for a period of three years with the County and other cities therein as an "Urban County" under the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, under the Cooperation Agreement, the City retains the authority to determine which projects are to be funded with its allotment of CDBG Program funds; and

WHEREAS, the CDBG Program promotes the public health, safety and welfare by providing grant funds to be used by the City and County to improve housing opportunities for low- and moderate- income households, to encourage economic reinvestment, to improve community facilities and public services, and to provide other housing-related facilities, or services; and

WHEREAS, the City expects to receive \$59,858. in CDBG funds in 2021; and

WHEREAS, the City was informed by the County that \$41,880 in 2020 CDBG funds is available for allocation in addition to 2021 CDBG funds; and

WHEREAS, in 2020, the County published a "Notice of Funding Availability" for projects to be funded under the 2021 CDBG Programs, which provided proposals were to be submitted by October 28, 2020; and

WHEREAS, at its meeting on November 17, 2020, the City Council gave approval for draft funding recommendations to be forwarded to the County Board of Supervisors for 2021 CDBG projects.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California:

1. City will timely submit draft funding recommendations for the current CDBG funding cycle to the Board of Supervisors for the County of San Luis Obispo consistent with the programs and allocations listed in Exhibit "A," attached hereto and incorporated herein by this reference, to be funded with the City's allocation of CDBG Program funds.
2. City Manager is authorized for the current CDBG funding cycle to make pro rata adjustments to the allocation based on the final funding amount from San Luis Obispo County based on the approval of the federal budget and HUD's final grant amount to San Luis Obispo County

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a special meeting thereof held on the 17th day of November 2020 on the following vote:

AYES:
NOES:
ABSENT:

JOHN HEADDING, Mayor

ATTEST:

DANA SWANSON, City Clerk

RESOLUTION NO. 99-20
EXHIBIT "A"
DRAFT FUNDING RECOMMENDATIONS
TO FORWARD TO THE
COUNTY BOARD OF SUPERVISORS

Housing	Amount Requested	Amount Recommended
1. <u>Project Name:</u> Morro Bay Family Apartments (405 Atascadero Road) Applicant: San Luis Obispo Non-profit Housing Corporation (SLONP)	\$250,000	\$89,766
Administration – Limited to 20% of 2021 Allocation (City=35% / County =65%)		
City Program Administration Costs (Required County Administration Costs)	4,190 (7,782)	4,190 (7,782)
Total Funds Requested	\$263,727	
Estimated Total 2021 Funding Available		59,858
Carry-over Funding from 2020 Program Year (see footnote above)		\$41,880
Total Amount Available for Funding Recommendations (minus admin for County)		93,956



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County of San Luis Obispo

2021 Housing (CDBG, HOME, Title 29, and PLHA)

Deadline: 10/28/2020

San Luis Obispo Non-profit Housing Corporation Morro Bay Family Apartments

Jump to: [Eligibility](#) [Application Questions](#) [Budget](#) [Tables](#) [Documents](#)

\$ 1,000,000.00 Requested

Submitted: 10/27/2020 4:12:09 PM (Pacific)

Project Contact

Jim Rendler

renderjim@gmail.com

Tel: (408)891-8303

Additional Contacts

klitzinger@haslo.org, ssmith@haslo.org, mburke@haslo.org

San Luis Obispo Non-profit Housing Corporation

487 Leff St.

San Luis Obispo, CA 93401

Executive Director

Scott Smith

ssmith@haslo.org

Telephone (805)543-4478

Fax

Web www.haslo.org

DUNS 965581304

SAM Expires

Eligibility [top](#)

Some answers will not be presented because they are not part of the selected group of questions based on the answer to #1.

1. Please identify the funding sources being requested:

This question will be used to branch only those questions related to the funding sources requested in this application, so don't worry if your application has skipped question numbers.

- CDBG only
- HOME only
- Title 29 only
- PLHA only
- CDBG and HOME
- CDBG and Title 29
- HOME and Title 29
- CDBG, HOME and Title 29

CDBG National Objectives

2. CDBG ONLY - Please select the CDBG national objective that best applies to the proposed project.
Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library for more information regarding CDBG national objectives.

- Low/Moderate Income
- Slums or Blight
- Urgent Need

3. CDBG ONLY - IF LOW/MODERATE INCOME WAS SELECTED - Select which criteria the proposed project intends to qualify under to meet the Low/Moderate Income objective.

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library for more information regarding the Low/Moderate Income national objective.

- Area Benefit
- Limited Clientele
- Housing
- N/A - Low/Moderate Income NOT selected

4. CDBG ONLY - IF SLUMS OR BLIGHT WAS SELECTED - Select which criteria the proposed project intends to qualify under to meet the Slums or Blight national objective.

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library tab for information regarding the Slums or Blight national objective.

- Area Basis
- Spot Basis
- N/A - Slums or Blight NOT selected

Beneficiary Documentation

5. CDBG ONLY - Please explain how the proposed project meets the selected CDBG National Objective.

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library tab.

The Project will meet with goal of providing housing to low income individuals through the creation of 35 new apartment units that will be restricted to low income individuals and families for a minimum of 55 years.

6. CDBG/HOME/PLHA ONLY - How will you document and maintain income status or presumed benefit status of each beneficiary in compliance with regulations?

Please provide a sample of your Client Intake Form under the Documents Requested section below. Income verification for beneficiaries must be provided in accordance with the respective funding requested (links are provided in the Library).

We will contract with HASLO, which employees staff specially certified in Home, CDBG and TCAC beneficiary compliance. HUD income guidelines adjusted by household size will be utilized to determine maximum allowable incomes. Third party documentation of actual income will be gathered and maintained in the client file, along the eligibility calculation sheet, intake questionnaire and application, and signed by client certifying accuracy. Finally, prior to move-in/lease signing, each client file is sent to a third-party quality control firm to confirm calculations and eligibility. Files will be maintained and available for County inspection. HASLO currently performs income and compliance certifications for over 3,000 clients annually.

Eligible Activities

7. CDBG/HOME/PLHA ONLY - How will you collect demographic data on the beneficiaries of the proposed project (i.e. racial/ethnic characteristics)?

Please provide a sample of your Client Intake Form under the Documents Requested section below. To qualify for an award of CDBG/HOME/PLHA funds, the agency must collect race and ethnicity information from all clients.

All information is collected as part of the client intake process, including race and ethnic information. However, it is made clear that demographic information such as race and ethnicity are for HUD purposes only and have no bearing on acceptance into housing. A sample Intake Form is provided.

8. CDBG ONLY - Identify all eligible activities that apply to the proposed project.

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library tab for information regarding CDBG eligible activities.

- Acquisition of real property
- Disposition of real property
- Relocation of individuals, families, businesses, non-profit organizations, and/or farms
- Removal of architectural barriers
- Housing rehabilitation

9. HOME ONLY - Indicate either "own" if the units will be owned or "rent" if the units will be rentals next to all activities included in the proposed project.

Write "N/A" for those activities that are not applicable.

Rent	Development of new housing units
N/A	Rehabilitation of existing housing units
Rent	Property acquisition
N/A	Acquisition of existing housing units
8	How many units are planned for HOME assistance
8.00	TOTAL

10. TITLE 29 ONLY - Indicate either "own" if the units will be owned or "rent" if the units will be rentals next to all activities included in the proposed project.

Write "N/A" for those activities that are not applicable. Refer to the Title 29 Ordinance in the Library for more information.

Rent	Development of new housing units
N/A	Rehabilitation of existing housing units
0.00	TOTAL

Additional Requirements

11. CDBG/HOME ONLY - If the project includes temporary or permanent relocation of occupants, it is subject to the Uniform Relocation Act (URA). Initial in the box below to signify that you have read and understand this requirement.

If this question is not applicable, write N/A in the box below. If applicable, upload a completed Relocation Plan under the Documents Requested section below.

N/A

12. HOME ONLY - CONSTRUCTION/REHABILITATION ONLY - Describe how the project will meet ADA and Section 504 standards for accessibility by the disabled. Describe the methods, funding and timetable to be utilized to address the problems.

Section 504 (24 CFR Part 8) applies to new construction of multifamily housing with five or more units, or substantial rehabilitation of multifamily housing projects that have 15 or more units. Please refer to the Library for more information.

This new construction project will be designed and constructed to adhere to all Section 504 and ADA requirements. In addition, we will adhere to the provisions of California Building Code Chapter 11(B) regarding accessibility to privately owned housing made available for public use by providing a minimum of 10% of the units with mobility features, and a minimum of 4% of the units with communications features.

13. HOME ONLY - Please see "Notice to Affordable Housing Projects Receiving HOME Funding" in the Library and initial in the box below that you have read and understand this notice.

JR

14. PLHA ONLY - Identify what type of homeownership activities in which you are applying for.

-answer not presented because of the answer to #1-

Documents Requested *

Required? **Attached Documents ***

Client Intake Form(s) for Limited Clientele (if applicable)	Intake Form
Map for Area Benefit (if applicable)	
CDBG Requirements and Acknowledgements (Please download the template below and upload an initialed document here) download template	CDBG Requirements Acknowledgements
General Liability Insurance	Insurance General Liability Insurance
Relocation Plan - Residential	

Application Questions [top](#)

Some answers will not be presented because they are not part of the selected group of questions based on the answer to #1.

1. Please identify the funding sources being requested:

This question will be used to branch only those questions related to the funding sources requested in this application, so don't worry if your application has skipped question numbers.

- CDBG only
- HOME only
- Title 29 only
- PLHA only
- CDBG and HOME
- CDBG and Title 29
- HOME and Title 29
- CDBG, HOME and Title 29

Project Summary

2. Project Address(es):

If the proposed project has multiple addresses, please upload a map of the specific locations under the Documents tab
405 Atascadero Rd. Morro Bay, CA. APN: 068-323-034,035,036

3. Jurisdiction(s)/Area(s) Served:

Select all that apply. For Title 29 requests, please refer to the Title 29 Market Areas map in the Library.

- Arroyo Grande
- Atascadero
- Morro Bay
- Paso Robles
- Pismo Beach
- City of San Luis Obispo
- County of San Luis Obispo
- TITLE 29 ONLY - North Coast
- TITLE 29 ONLY - North County
- TITLE 29 ONLY - South County
- TITLE 29 ONLY - Central County

4. Brief Project Description:

You will have the chance to expand on your project description further in the application (question 19). Please upload any maps, photos, drawings or plans under the Documents tab

Project consists of new construction of 35 affordable housing rental units on a currently vacant .94 acre site. The project will include a community room with full kitchen. The buildings are two and three story. The 35 parking spaces will all be surface parking. The project will consist of 17 one bedroom units, 9 two bedroom units and 9 three bedroom units. There will be an onsite community laundry room. There will be a large common open space area with a children's play structure and ample room for congregating and include outdoor grills, benches, tables, etc.

5. Please answer the following:

Please mark N/A for all questions not applicable.

- CDBG funding amount requested
- HOME funding amount requested
- Title 29 funding amount requested
- PLHA funding amount requested

	"
1,000,000.00	SUBTOTAL
09/2021	Anticipated start date
07/2023	Anticipated end date
1,000,000.00	TOTAL

6. Type of agency:

- 501(c)(3)
- For Profit
- Gov't/Public
- Other:

Agency Details, Capacity, and Experience**7. Is the organization faith-based?**

- Yes
- No

8. Please answer the following:

If this is your first time applying to the County for funds, please upload your organizations' incorporation documents (including certification for nonprofit organizations) in the Documents tab.

4/30/1990	Date of incorporation
900223	Annual operating budget
1	Number of paid staff
0	Number of volunteers
900,224.00	TOTAL

9. Agency Mission Statement:

This project is a collaboration between San Luis Obispo Nonprofit Corporation (SLONP), a CHDO (Community Housing Development Corporation), the Housing Authority of San Luis (HASLO), and Jim Rendler, a San Luis Obispo based residential developer and builder focusing on public and private partnerships. Jim Rendler has been involved with entitling and building affordable housing opportunities to low income individuals on the west coast since 2006. SLONP is a Community Housing Development Organization (CHDO) whose mission is to serve the local community by acquiring, developing, rehabilitating, owning, and managing affordable housing throughout the County of San Luis Obispo. SLONP will be the Managing General Partner in the limited partnership that is formed to construct and own the project. Since 1990, SLONP has provided over 700 affordable apartments, including many supportive housing units in collaboration with community partners. The mission of HASLO is to provide affordable housing throughout San Luis Obispo County. As the local Housing Authority, we are stewards of certain resources that are able to uniquely serve the poorest of the poor. HASLO plans to commit Project Based Section 8 vouchers to this project, and will provide other long term financing to the project. HASLO will provide housing management, and income certifications to ensure regulatory compliance.

10. Briefly describe the services provided and development projects your organization is CURRENTLY working on (regardless of funding source).

We have completed and operate dozens of projects throughout San Luis Obispo County. Other projects we are CURRENTLY working on include:

- 1) Nipomo Senior 40 - 20 apartments. In Construction
- 2) Arroyo Grande affordable housing - 20 apartments. In construction.
- 3) Pismo Beach Affordable housing - 20 apartments
- 4) Courtyard at the Meadows - 36 apartments, SLO. In construction
- 5) Bishop Street Studios - 34 apartments, SLO. Completed
- 6) Broad Street Mixed Use - 10 mod apartments + commercial. Pre Construction
- 7) Re-development Maxine Lewis Shelter Site - 35 units affordable. Design.
- 8) Scattered site rehab/preservation - \$25 mil rehab, 14 sites. Converting 168 units to 175. In construction.
- 9) Other - Many other sites also in progress.

11. Briefly describe the services and development projects your organization is PROPOSING (regardless of funding source).

12. How does the proposed project complement and collaborate with existing efforts? Does your organization partner with other organizations?

Morro Bay Apartments falls right in line with the Mission of HASLO/Slo Non Profit Housing Corporation to provide high quality housing for all members of our community. We regularly partner with other organizations. We have Memorandums of Understanding around housing and services with RISE, Stand Strong, CAPSLO, 5-Cities Homeless Coalition, ECHO, Restorative Partners and Transitions Mental Health.

13. If the proposed project will serve homeless households, please describe how the project will coordinates with other homeless service providers to connect homeless individuals and families to resources.

If this question is not applicable, write N/A in the box below.

While we have not specifically reserved units for homeless we anticipate significant benefit to this group, as well as to those lower income individuals and families that are at high risk of homelessness due to rising rents and fixed incomes. HASLO has a close working relationship with community homeless agencies and we would work with them to ensure their clients have access. The commitment of the Section 8 vouchers by HASLO ensures affordability to this extremely low income group. However, the Project Based Vouchers that will be provided to the project allow for individuals and families with very low incomes to be housed, including those who have been homeless.

14. Please describe your organization's capacity to implement the proposed project. Who will be involved? List projects of similar size and type that your organization has completed.

San Luis Obispo Nonprofit Housing Corporation (SLONP) has completed and operates nearly 1,000 units, and has a large pipeline in the works, including many supportive housing units in collaboration with community partners..

Scott Smith CEO, Ken Litzinger CFO and Michael Burke Director of Construction and Development will be centrally involved. Together they have over 50 years experience in affordable housing development and management. . Recent projects include 860 on the Wye, a 20 unit project primarily for homeless Veterans completed in 2017, Iron Works, a 46 unit family project, and SLO 55, a major rehabilitation of 55 units of existing affordable housing.

Jim Rendler is a central coast developer and builder that is expert in the finance and construction of affordable housing, including value engineering and construction management that ensures completion of a high quality building process on schedule and within budget. His recent projects include: Taylor Oaks Apartments= 59 units in San Jose, Riverwalk Apartments= 21 units in Santa Cruz, Iron Works Apartments= 46 units in San Luis Obispo, Water Street Apartments= 41 units in Santa Cruz, CA. Jim Rendler is very experienced with the low income housing tax credit program.

15. Briefly describe your agency's record keeping system with relevance to the proposed project.

Refer to Chapter 13 of "Basically CDBG" in the Library for more information on record keeping for CDBG.

San Luis Obispo Nonprofit Housing Corporation (SLONP) owns and operates hundreds of deed restricted housing units in San Luis Obispo County. It is accustomed to keeping detailed records regarding income eligibility for all programs. Our CFO and Accounting Manager are both CPAs (Certified Public Accountants). Additionally, HASLO will be management agent for this housing. HASLO has many years of experience in maintaining record keeping and accounting in conformity with various HUD and State regulations. Staff are certified in low-income housing compliance. Projects are audited annually and reports provided to all funding sources. Detailed accounting records are maintained for all project costs, and audited by independent third party auditing firms.

16. CDBG ONLY - Will the services offered by your organization increase or expand as a result of CDBG assistance?

- Yes
- No

17. CDBG ONLY - IF YES TO ABOVE - What new programs or services will be provided?

If this question is not applicable, write N/A in the box below.

The services we provide of housing all members of our communities will expand to the City of Morro Bay as a result of this project. Additionally, we will provide additional resident services to be determined based on tenant needs but expected to consist of after school tutoring, financial literacy classes, health screenings and education, etc.

18. CDBG ONLY - IF YES TO QUESTION 16 - Describe how existing programs or services will be expanded and what percentage of an increase is expected.

If this question is not applicable, write N/A in the box below.

We do not currently have any housing units nor provide any services to residents living within the City of Morro Bay; we're very excited about this project as this will increase our footprint throughout the county. The last significant affordable housing project in Morro Bay, according to the City, was senior housing constructed in the 1980's/early 1990's, 25-30 years ago.

19. Please describe the proposed project in detail. What activities are to be undertaken? Attachment 2

Please attach a timeline of the project milestones under the Documents tab.

Development of 35 new construction housing apartments for low and very low income clients. PLEASE NOTE THAT THIS IS AN ENTITLED PROJECT APPROVED BY MB PLANNING COMMISSION AND CITY COUNCIL.

Project Milestones:

- June 2019 – HASLO purchased the property for the subject development
- September 2019- Submitted Preliminary Development Application to City of Morro Bay
- June 2020- Received Final City Morro Bay Development Approval at Planning Commission and City Council.
- October 2020 - Apply to the County for HOME, CDBG & Title 29 funds to close development gap
- November 2020- Submit Building Permit Application to City of Morro Bay
- January 2021 - Receive preliminary funding recommendation and commitment letter from the County of San Luis Obispo
- March 2021 - Submit application to the California Tax Credit Allocation Committee (TCAC) for 9% tax credits
- June 2021 - Receive TCAC Award - Preliminary Reservation letter for tax credits.
- June 2021- Receive Building Permit
- September 2021 - Close transaction with the County, investor, and lenders.
- September 2021 - Issue a notice to proceed and begin construction
- July 2023 - Construction complete / Placed into service

The targeted population is low and very low income families. The project will designate 100% of the units as affordable. Furthermore, HASLO will be providing Project Based Vouchers to the project, which allows the projects to house families with much lower income levels than required by HOME and Tax Credit guidelines.

This project is considered "rural" by the California Tax Credit Allocation Committee. Rural projects historically are much easier to get funded by TCAC because compete in a statewide rural competition that historically has much lower tie breaker thresholds than non-rural areas of SLO County. The addition of HASLO project based vouchers makes it an extremely strong competitor for the credits.

Project Details

20. CDBG/HOME ONLY - FOR AQUITIONS ONLY - Identify the following:

If this question is not applicable, write N/A in the boxes below.

- Assessor's parcel number
- acres Parcel size (sq. ft. or acres)
- Cumulative square footage of buildings on-site (if applicable)
- TOTAL**

21. CDBG/HOME/PLHA ONLY - Please estimate the number of unduplicated persons or households to benefit from the proposed project. Write "p" for persons or "hh" for households.

For the HUD grants, please refer to the HUD Income Limits and CDBG guidebooks for information on Presumed Benefit populations. Please enter any presumed benefit households as low-income.

- TOTAL number of persons (p) or households (hh) regardless of income
- Of the total number of persons (p) or households (hh) entered above, how many will be LOW-INCOME (earning 51% - 80% or less of the County median-income)(CDBG&HOME Only)
- Of the total number of persons (p) or households (hh) entered above, how many will be VERY LOW-INCOME (earning 50% or less of the County median-income)(CDBG&HOME Only)
- Of the total number of persons (p) or households (hh) entered above, how many will be earning 60% or less of County median-income(PLHA Only)
- TOTAL**

22. CDBG ONLY - If the project serves any of the presumed benefit populations under the Low/Moderate Income national objective, please describe how the project will directly benefit the populations identified.

If this question is not applicable, write N/A in the box below.

This project will directly benefit 35 individuals and families through the restriction to affordable rental levels.

23. TITLE 29 ONLY - Please estimate the number of households within each eligible income level to benefit from the proposed project.

Please refer to the "Affordable Housing Standards for Title 29" in the Library for eligible income limits.

- Number of very-low income households
- Number of low income households

Number of moderate income households

 Number of workforce income households

 TOTAL

24. Identify the projected target population your proposed project will serve (including age, race, residency, disability status, income level or other unit characteristics or subgroup information) and how that population will benefit from the project.

This project will directly benefit 35 individuals and families through the restriction to affordable rental levels. While there are no specific set asides other than income being 100% of the units, less the manager unit, at 60% AMI or below, it is anticipated that we will also serve individuals with disabilities, seniors, etc.

25. Identify whether or not the site is owned or leased by the applicant. If optioned or owned by another entity, provide their name and contact information.

The site is currently owned by HASLO and will be leased to a to be formed Limited Partnership at Construction Loan Closing

26. CDBG/HOME ONLY - AQUISITIONS ONLY - Please answer the following:

If applicable, submit a current appraisal report (not more than 6 month old). If occupants will be displaced, please upload a preliminary relocation plan.

 What is the proposed purchase amount?

 What is the anticipated escrow closing date?

 Will residential or commercial occupants be displaced by the HUD funded project?

 If yes, will the displacement be temporary or permanent. If temporary, then for how long?

 TOTAL

27. What is the current zoning of the project site? Is the project site zoned correctly for the proposed activity?

If zoning information is not known, contact the local municipality to request assistance.

MCR/R-4/PD/SP. Yes, it is zoned properly provided a conditional use permit was already approved and the project is getting ready to submit construction documents for building permit.

28. If the project is NOT zoned correctly for the proposed activity, provide an explanation of efforts and a timetable to change the zoning or obtain a variance.

If this question is not applicable, write N/A in the box below.

N/A- Project is Fully Approved for the Project

29. Has environmental review been completed (CEQA and/or NEPA)?

- Yes - CEQA review completed
- No - CEQA review not completed
- N/A - CEQA not required
- Yes - NEPA review completed
- No - NEPA review not completed
- N/A - NEPA not required

30. Please answer yes or no to the following:

If applicable, please upload a copy of the Phase I or II environmental assessment under the Documents tab.

 Has a Phase I or Phase II environmental assessment been conducted for the property?

 Are there any known hazards on or around the site (e.g. asbestos, storage tanks – underground, aboveground)?

 Is the project on a property designated or been determined to be potentially eligible for designation as a local, state, or national historic site?

 Are there any building(s)/structure(s) located on a Historic Site or within a Historic District?

 Is the project site located within a 100-year flood plain?

 IF YES TO ABOVE, does your agency have flood insurance?

 Will there be demolition required?

 TOTAL

31. Are there any existing buildings on the project property that were constructed prior to 1978?

Yes No**32. IF YES TO ABOVE, please answer the following questions:**

If this question is not applicable, write N/A in the boxes below. Please upload a copy of the asbestos risk assessment report (s) and/or lead hazard risk assessment report(s) under the Documents tab, if applicable.

 Has an asbestos risk assessment report(s) been prepared for the building(s)?

 Has the building(s) been abated for asbestos?

 Has a lead hazard risk assessment report(s) been prepared for the building(s)?

 Has the building(s) been abated for lead paint?

 Will children occupy the building(s)?

 IF CHILDREN WILL OCCUPY THE BUILDING, indicate the age range of the children. If no children will occupy the building, write N/A.

 TOTAL
33. Identify all permits necessary for the project (local, state or federal).

Building Permit from the City of Morro Bay

34. State whether or not the necessary permits have been issued. If a permit has not yet been issued, indicate when the permit(s) will be applied for or issued.

Please provide proof of permit issuance under the Documents tab.

Full Planning Approvals have been granted. Project is getting ready to submit for building permit in November 2020.

35. Briefly describe your agency's auditing requirements, including those for the proposed project.

Please upload a copy of your most recent audit (prepared by an independent CPA or accounting firm) under the Documents tab.

SLONP is audited annually by a third party, independent auditing firm. The audit specifically includes an assessment of SLONP's internal controls and policies and procedures. A copy of the most recent audit is attached. HASLO is audited annually by a third party independent auditing firm. The audit includes an assessment and opinion on internal controls and processes. Additionally, all individual development projects also have audits to ensure proper tax credit delivery to investors, etc.

Financial**36. 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?**

Operation and Maintenance costs will be funded out of operating revenues. Such revenue will consist of tenant paid and all associated rental subsidies such as the Project Based Rental Housing Vouchers. These funds are not available until the project is placed in service (expected approx July 2023).

37. Identify whether or not the project is required to pay a prevailing wage. If not, briefly explain.

It is anticipated that the project will not be required to pay prevailing wage rates.

38. CONSTRUCTION/REHABILITATION ONLY - The following asks about tax credits.

If this question is not applicable, write N/A in the boxes below.

 If the proposed project will be applying for tax credits, to which round will it be applying for? (1st round/2nd round)

 If applying for 1st round, if your project is identified to receive funds, will your project require a Reservation Letter for the state tax creditors? (YES/NO)

 TOTAL
39. Do you have any CDBG/HOME/T-29 funds remaining from prior Fiscal Year allocations? Yes No**40. IF YES TO ABOVE, please answer the following:**

If this question is not applicable, write N/A in the boxes below.

 What fiscal year(s) did you receive the funding?

What project did you receive the funding for?

How much is remaining?

TOTAL

41. CDBG ONLY - Identify all jurisdictions you are applying to for CDBG funds by indicating the amount applied for at each jurisdiction.

Write N/A for any jurisdictions not being applied to for CDBG funding. Any project being recommended for less than \$8,000 total will not be funded per the Cooperation Agreement between the County and participating cities of the Urban County.

City of Arroyo Grande

City of Atascadero

City of Morro Bay

City of Paso Robles

City of Pismo Beach

City of San Luis Obispo

County of San Luis Obispo

TOTAL

42. CONSTRUCTION/REHABILITATION ONLY - Please upload a pro forma (20 year pro forma for rental housing projects) under the Documents tab.

If this question is not applicable, write N/A in the box below. If applicable, write "uploaded" below once the pro forma has been uploaded under the Documents tab.

Uploaded

Budget [top](#)

Funding Sources/Revenues	Committed	Conditional	Proposed
CDBG (this years' request and previous awards)			\$ 250,000.00
HOME funding (this years' request and previous awards)			\$ 600,000.00
Title 29 funding (this years' request and previous awards)			\$ 150,000.00
PLHA funding (this years' request and previous awards)			
Other Federal Funds (please specify which source):			
State (please specify which source):			
In-kind			
Local/County (non-federal)(please specify which jurisdiction):			
Local/City (non-federal)(please specify which jurisdiction):			
Total	\$ 0.00	\$ 0.00	\$ 1,000,000.00

Funding Uses/Expenses	CDBG	HOME	Title 29	PLHA
Personnel Costs				
Operating Costs				
Professional Services				
Construction Costs		\$ 600,000.00	\$ 150,000.00	
Capital Outlay				
Relocation Expenses				
Permits, Development Fees				
Appraisal Fees				
Property Aquisition	\$ 250,000.00			
Legal and Public Notices				
Other:				
Total	\$ 250,000.00	\$ 600,000.00	\$ 150,000.00	\$ 0.00

Budget Narrative

The project is intended to be financed through multiple sources including 9% low income housing tax credits, taxable construction and permanent debt, City of Morro Bay, County of San Luis Obispo HOME, CDBG and T29 funding, and San Luis Obispo Housing Trust Funds.

Tables [top](#)

HOME Matching Funds

Sources	Amount
Low Income Housing Tax Credits	\$ 8,878,096
	\$
	\$
	\$
	\$
	\$
Total	\$ 8,878,096

Documents [top](#)

Documents Requested *	Required?	Attached Documents *
Incorporation Documents (if applicable)		
Timeline of Project Milestones	✓	Project Milestones
Proof of Permit Issuance (if applicable)		Permit Issuance
Asbestos Risk Assessment (if applicable)		
Lead Hazard Risk Assessment (if applicable)		
Phase I or II Environmental Assessment (if applicable)		
Map of Multiple Project Locations (if applicable)		
Project Photos/Plans/Drawings (if applicable)		Project Plans
Most Recent Audit	✓	Audit 12-31-2019
Commitment Letters for funds (if available)		
Timeline of Expenditures	✓	Timeline of Expenditures
20 year pro forma for rental housing projects		20 Year Proforma

* ZoomGrants™ is not responsible for the content of uploaded documents.

Application ID: 293371

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County of San Luis Obispo

2021 Public Services and Economic Development (CDBG, ESG, HOME, General Fund, ESG-CV, and PLHA)

Deadline: 10/29/2020

Peoples' Self-Help Housing Corporation
**San Luis Obispo Municipal and County Supportive Housing Program for
 Low-Income Households**

Jump to: [Eligibility](#) [Application Questions](#) [Budget](#) [Tables](#) [Documents](#)

\$ 69,193.00 Requested

Submitted: 10/23/2020 7:02:41 AM (Pacific)

Project Contact

Forrest Eastham

grants@pshhc.org

Tel: 805-548-2345

Additional Contacts

none entered

Peoples' Self-Help Housing Corporation

3533 Empleo Street
 San Luis Obispo, CA 93401
 United States

CEO

Kenneth Trigueiro

ceo@pshhc.org

Telephone (805) 781-3088

Fax (805) 544-1901

Web www.pshhc.org

DUNS 096414412

SAM Expires 10/8/2021

Eligibility [top](#)

Some answers will not be presented because they are not part of the selected group of questions based on the answer to #1.

1. Please identify all funding sources being requested:

This question will be used to branch only those questions related to the funding sources requested in this application, so don't worry if your application has skipped question numbers.

- CDBG only
- ESG only
- ESG-CV only
- HOME only
- General Funds only
- PLHA only
- Select this for any combination of grant funding requests (CDBG, ESG/ESG-CV, HOME, PLHA, and General Funds)

National Objectives

2. CDBG ONLY - Please select the national objective that best applies to the proposed project.
Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library for more information regarding CDBG national objectives.

- Low/Moderate Income
- Slums or Blight
- Urgent Need

3. CDBG ONLY - IF LOW/MODERATE INCOME WAS SELECTED: Select which criteria the proposed project intends to qualify under to meet the Low/Moderate Income objective

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library for more information regarding the Low/Moderate Income national objective.

- Area Benefit
- Clientele
- Housing
- Jobs
- N/A - Low/Moderate Income NOT selected

4. CDBG ONLY - IF SLUM OR BLIGHT WAS SELECTED: Select which criteria the proposed project intends to qualify under to meet the Slums or Blight objective

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library tab for information regarding the Slums or Blight national objective.

- Area Basis
- Spot Basis
- N/A - Slums or Blight NOT selected

5. CDBG ONLY - Please explain how the proposed project meets the selected National Objective.

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library tab. Approximately 93% of program beneficiaries are LMI, exceeding the minimum requirement that 51 percent of the beneficiaries of an activity must be LMI persons.

6. ESG/ESG-CV ONLY - Please select all objectives applicable to the proposed project, as established in "Opening Doors: Federal Strategic Plan to Prevent and End Homelessness" or the CARE Act.

-answer not presented because of the answer to #1-

7. ESG/ESG-CV ONLY - Please explain how the proposed project supports the selected objective(s).

-answer not presented because of the answer to #1-

Beneficiary Documentation

8. How will you document and maintain income status or presumed benefit status for CDBG?

Please provide a sample of your Client Intake Form under the Documents Requested section below. Income verification for CDBG beneficiaries must be provided in accordance with 24 CFR Part 5; a link is provided in the Library.

Receiving HUD and USDA funds to build housing for low-income households, PSHH collects and verifies information on family size, income, disability, and senior status in accordance with federal HUD and USDA regulations as part of a household's application process prior to move in at a PSHH property. Once residing at a PSHH rental property, every household's income and size is recertified annually. PSHH retains data on the size and annual income of all families and households living at our properties, including those receiving services through Supportive Housing Program (SHP), for which grant funding is sought. In most cases, household income may not exceed 50% of the Area Median Income (AMI) at move-in. Household size, income, disability, and senior status information is stored in PSHH's resident database, which is easily cross referenced with the client database maintained by the Supportive Housing Program, the program for which funds are sought.

9. How will you collect demographic data on the beneficiaries of the proposed project (i.e. racial/ethnic characteristics)? (General Fund requests are exempt from this requirement)

Please provide a sample of your Client Intake Form under the Documents Requested section below. To qualify for an award of Federal and State funds, the agency must collect race and ethnicity information from all clients.

Race and ethnicity and other demographic data is reported by residents during the tenant application process and is stored in PSHH's resident database, in accordance with HUD and USDA regulations. Application forms for potential residents of rental properties as well as the intake form for new SHP clients are attached.

Eligible Activities

10. CDBG ONLY - Identify all eligible activities that apply to the proposed project

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library tab for information regarding CDBG eligible activities.

- ✓ Public Services (General)
 - ⊖ Operating Costs of Homeless/AIDS patients programs
- ✓ Senior Services
- ✓ Handicapped Services
- ⊖ Legal Services
- ✓ Youth Services
- ✓ Transportation Services
- ✓ Substance Abuse Services
- ✓ Services for Battered and Abused Spouses
- ⊖ Crime Awareness or Neighborhood Cleanups
- ✓ Fair Housing Activities
- ✓ Tenant/Landlord/Housing Counseling
- ⊖ Child Care Services
- ✓ Health Services
- ⊖ Services for Abused and Neglected Children
- ✓ Mental Health Services
- ✓ Subsistence Payments, Homeless Assistance, Rental Housing Subsidies or Security Deposits
- ✓ Job training and job placement services
- ⊖ Assistance to microenterprises (technical assistance, business support services, and other similar services to owners of microenterprises or persons developing microenterprises)

11. ESG ONLY - Identify all eligible activities that apply to the proposed project

-answer not presented because of the answer to #1-

12. GENERAL FUND ONLY - Identify all eligible activities that apply to the proposed project

-answer not presented because of the answer to #1-

13. ESG-CV ONLY - Identify all eligible activities that apply to the proposed project

-answer not presented because of the answer to #1-

14. HOME ONLY - The only activity under the public service application for HOME is Tenant Based Rental Assistance (TBRA)

-answer not presented because of the answer to #1-

15. PLHA ONLY - Identify all eligible activities that apply to the proposed project

-answer not presented because of the answer to #1-

Documents Requested *

Required? **Attached Documents ***

Client Intake Form(s) for Limited Clientele (if applicable)	Tenant application
	SHP new client intake form
Map for Area Benefit (if applicable)	
CDBG Requirements and Acknowledgements (Please download the template below and upload an initialed document here)	CDBG Requirements and Acknowledgements
download template	
General Liability Insurance	PSHH Proof of Insurance SLO County

Application Questions [top](#)

Some answers will not be presented because they are not part of the selected group of questions based on the answer to #1.

1. Please identify the funding sources being requested:

This question will be used to branch only those questions related to the funding sources requested in this application - so don't worry if your application has skipped question numbers.

- CDBG only
- ESG only
- ESG-CV only
- HOME only
- General Funds only
- PLHA only
- Select this for any combination of grant funding requests(CDBG, ESG/ESG-CV, HOME, General Funds, and PLHA)

Project Summary

2. Project Address(es):

If the proposed project has multiple addresses, please upload a map of the specific locations under the Documents tab

240 Oaks Ln
Avila Beach

2835 Schoolhouse Ln
Cambria

1251 & 1351 Los Olivos Ave
Los Osos

999 Las Tablas Rd
1009 Peterson Ranch Rd
Templeton

1261 Belridge St
1720 17th St
Oceano

360 Park Ave
211 Addie St
Pismo Beach

351 S Elm St
119 Juniper St
150 Courtland St
163 S Elm St
Arroyo Grande

7480 Santa Ysabela Ave
Atascadero

2612 Elm St
495 Main St
456 Elena St
375 Sequoia St
Morro Bay

400 Oak Hill Rd
1255 Creston Rd
401 Oak Hill Rd
2940 Spring St
Paso Robles

537 Brizzolara St
3071 S Higuera St
San Luis Obispo

3. Jurisdiction(s)/Area(s) Served:

Select all that apply

- Arroyo Grande
- Atascadero
- Morro Bay
- Paso Robles
- Pismo Beach
- City of San Luis Obispo
- County of San Luis Obispo

4. Brief Project Description:

You will have the chance to expand on your project description further in the application. Please upload any maps, photos, drawings or plans under the Documents tab

PSHH will provide the clinical social services and case management of the Supportive Housing Program (SHP), developing personalized wrap-around services for residents of PSHH's 26 affordable rental properties in San Luis Obispo County. Most households are classified as very-low-income, earning 50% or less of AMI. During COVID-19, services are being provided by telephone and video conferencing. Most program services are provided weekdays between 9 am and 6 pm. Services are provided by licensed and associate clinical social workers with a master's degree in social services. Services are free, confidential, and completely optional. Services are provided in order to prevent homelessness among the region's most vulnerable residents while enhancing household stability and resiliency. Throughout the pandemic, SHP has also helped to residents connect to the resources that offset the health and economic impact that COVID-19 has on low-income and Hispanic households.

5. Please answer the following:

Please write N/A for any questions that are not applicable.

<input type="text" value="\$69,913"/>	CDBG funding requested
<input type="text" value="N/A"/>	ESG funding requested
<input type="text" value="N/A"/>	ESG-CV funding requested
<input type="text" value="N/A"/>	HOME funding requested
<input type="text" value="N/A"/>	General Funds requested
<input type="text" value="N/A"/>	PLHA funding requested "
<input type="text" value="69,913.00"/>	SUBTOTAL
<input type="text" value="7/1/21"/>	Anticipated start date
<input type="text" value="6/30/22"/>	Anticipated end date
<input type="text" value="69,913.00"/>	TOTAL

6. Type of agency:

- 501(c)(3)
- For Profit
- Gov't/Public
- Other:

Agency Details, Capacity, and Experience

7. Is the organization faith-based?

- Yes
- No

8. Please answer the following:

If this is your first time applying to the County for funds, please upload your organizations' incorporation documents in the Documents tab.

<input type="text" value="8/8/1970"/>	Date of incorporation
<input type="text" value="12,942,049"/>	Annual operating budget
<input type="text" value="204"/>	Number of paid staff
<input type="text" value="120"/>	Number of volunteers

9. Agency Mission Statement:

We build permanent, supportive housing with site-based services that offer opportunities to change lives and strengthen communities on California's central coast.

10. Please describe the services your organization is CURRENTLY providing (regardless of funding source).

PSHH builds, owns, rents and manages sliding scale, affordable, permanent supportive housing throughout Santa Barbara, Ventura, and San Luis Obispo counties. Celebrating our 50th anniversary earlier this year, PSHH is the oldest nonprofit provider of affordable housing and related support services on the Central Coast of California. We meet our mission by providing housing to over 5,500 individuals at 53 affordable housing properties in San Luis Obispo, Santa Barbara and Ventura counties.

PSHH has housing programs and communities designed especially for veterans, seniors, those living with physical and developmental disabilities, and those who transitioned out of homelessness when they moved into a PSHH home. Our nonprofit has also helped over 1,200 households become homeowners through its "sweat equity" Home Ownership Program, in which low-income families build their own homes over a one-year period. Supportive service programs include SHP, property management, and Camino Scholars, our student education program. These services are provided at no cost to residents by PSHH staff, onsite where residents live.

Our Property Management department provides services such as maintenance, repairs, and landscaping, as well as rental rate adjustments in response to changes in household income, door-to-door touchless delivery of food bank provisions during COVID-19, and cooperative crisis intervention with SHP to prevent resident evictions.

Camino Scholars, available to our Paso Robles families, provides after-school tutoring for English language learners from low-income households, a college preparatory and retention program that helps first generation college students to graduate from college debt-free, and a resident leadership development program that assists parents as they advocate for their children at area public schools and before school boards.

Residents also have access to the in-house SHP clinical social workers, the program for which funding is requested. PSHH's social workers provide case management and access to a broad network of organizational and community resources as described in this application. During COVID-19, SHP developed the COVID-19 Wellness Checkup, which assesses household access to resources that would be needed should a household member become ill from COVID-19. The Wellness Checkup is reviewed with each new SHP client at intake and monthly for every household at PSHH's properties for seniors. SHP has also provided access to the Resident Assistance Fund, a separate program not funded through this CDBG request, that has provided over \$140,000 in emergency assistance to PSHH residents when no other resources are available. Since the shelter-at-home order was issued, the Resident Assistance Fund has helped low-income households to cover rent and utility payments, access needed medical care, retain critical transportation, and much more, mitigating the financial effects of the pandemic.

11. Please describe the services your organization PROPOSES to provide (regardless of funding source).

PSHH will provide clinical social services and case management through the San Luis Obispo County SHP, developing personalized wrap-around services for those living at PSHH's 26 affordable, sliding-scale rental properties in the County. Households are certified as very-low-income at time of move-in, which typically means they earn 50% or less of Area Median Income. Housing is located in Arroyo Grande, Atascadero, Avila Beach, Cambria, Los Osos, Morro Bay, Oceano, Paso Robles, Pismo Beach, San Luis Obispo, and Templeton. Most services are provided weekdays between 9 am and 6 pm, and always by a licensed or associate clinical social worker.

Services are provided in English and Spanish to any of the 751 households and 1,677 individuals in residence at PSHH properties in the County. SHP services are free, confidential, completely optional, and available to all PSHH residents. Residents are never placed on a waiting list, providing immediate assistance to keep those at risk of homelessness stably housed.

Municipalities:

- 70 of 98 households in Arroyo Grande, including all 28 households at properties for seniors and disabled
- 18 of 18 households in Atascadero
- 99 of 99 households in Morro Bay, including all 61 households at properties for seniors and disabled
- 133 of 197 households in Paso Robles, including all 69 households at properties for seniors and disabled
- 20 of 26 households in Pismo Beach
- 33 of 33 households in San Luis Obispo

Unincorporated areas:

- 83 of 104 households in Los Osos

- 19 of 28 households in Oceano
- 29 of 29 households in Avila Beach
- 10 of 24 households in Cambria
- 95 of 112 in Templeton, including all 29 households at properties for seniors and disabled
- 236 of 297 total households in unincorporated San Luis Obispo County

Our social workers complete assessments of resident needs and work cooperatively with households to develop ongoing case management plans and coordinate services that support and enhance household management. Clinical staff of PSHH also support our residents in crisis situations to prevent homelessness, and work with each household to help them move toward personal resiliency. For senior residents, SHP provides supportive services to help them age in place and maintain a quality of life, and for those living with disabilities, SHP provides the opportunity to enjoy independent living.

Through upgrades to the current SHP client database, the program will capture new and more detailed metrics. Capturing expanded metrics will provide an opportunity to examine new outputs and outcomes and expand possibilities for new services and partnerships that better serve our low-income residents.

12. How does the project complement and collaborate with existing efforts? Does your organization partner with other organizations?

SHP social workers are knowledgeable about regional social services and the requirements for new clients at those organizations and within their aid programs. Social workers collaborate with other agencies through efforts to connect clients to aid programs, social services, and health care. While these relationships are mutually beneficial, streamlining the application and new client onboarding process at local organizations while connecting PSHH residents to needed services, SHP does not generally have a formal partnership or MOU in place.

PSHH does pursue grant funding for SHP from regional and national funders. During COVID-19, PSHH has received grant funding from a number of organizations to several of our programs, while not technically a part of SHP, have benefitted SHP clients. For instance, the California Coalition for Rural Housing provided a \$34,000 grant, which provided grocery gift cards of up to \$183 to households that have experienced a loss of income during COVID-19. A number of other organizations, including NeighborWorks America and the Community Foundation San Luis Obispo have made substantial grants to the Resident Assistance Fund, which is discussed earlier in this application and has assisted residents who have not been able to pay their full rent during the pandemic.

PSHH's property management department also partners with the Veterans Affairs Supportive Housing program, which is administered by HUD and the VA. Through this partnership, homeless veterans are moved to the top of waiting lists for PSHH housing and all background and application fees are waived. This program is part of an overall effort at PSHH to prioritize housing the homeless. While this partnership is not a direct part of SHP, nearly all PSHH residents who transition out of homelessness and into one of our units become SHP clients.

13. If the proposed project will serve homeless households, please describe how the project will coordinates with other homeless service providers to connect homeless individuals and families to resources.

If this question is not applicable, write N/A in the box below.

In Ventura and Santa Barbara Counties, we have two permanent, supportive housing, Single Room Occupancy properties primarily dedicated to serving those who transitioned out of homelessness when they moved into a PSHH home, where residents are also served by SHP's social workers. Residents of these two properties have an exceptional rate of moving on to other stable housing, which led to PSHH deciding to dedicate 10% of units at all new properties we develop to housing those who are transitioning out of homelessness.

Today, 14% of households who live at PSHH properties transitioned out of homelessness when they moved into their home. While this transition to permanent supportive housing means that our residents are no longer served by homelessness service providers, we recognize that that these households do require a high level of service and assistance to prevent recidivism, and we draw on nearly 20 years of providing SHP services to the recently homeless to ensure their transition is successful and permanent.

SHP administers a needs assessment to new clients and then works with residents to co-develop a case management plan to meet their personal goals. Residents stabilize by meeting their immediate needs such as personal care items, food, and a telephone. Next, they are assisted in obtaining resources that will sustain their immediate needs, such as employment, nutritional security, health insurance, and critical transportation. When they are ready, SHP helps the formerly homeless with more personalized needs, such as seeking legal aid, physical and mental health care, reconnecting with family and friends, education, and financial management skills.

While SHP provides these services whenever possible, coordination with outside agencies is required to stabilize these households and help them reach a point at which they can thrive independently. Residents are connected to local food banks, SNAP and MediCal offices, GED testing at the California Department of Education, college counsellors, medical practices accepting new MediCal patients, legal clinics, and to many other service providers. With 98% of formerly homeless

households moving on to other stable housing, SHP's connecting residents to these resources helps them to reach a point where they are thriving and able to contribute to their community in ways that are personally meaningful.

14. Please describe your organization's capacity to implement the proposed project. Who will be involved? List projects of similar size and type that your organization has completed.

SHP has been an ongoing program at PSHH for nearly 20 years. Agency-wide 98% of SHP clients maintain stable housing for six months after initiating program services, meeting the requirement for reaching housing stability as established by HUD, which provides CDBG funding. With 52 affordable rental properties in San Luis Obispo, Santa Barbara and Ventura counties, our provision of affordable housing with on-site supportive services helps to ensure that over 5,500 residents have a safe, healthy, and secure home. Last year, SHP served 1,167 households, 60% of PSHH households, across three counties through over 10,000 hours of service.

SHP is housed in the Department of Neighborhood Development and Resident Services, headed by Rick Gulino, a Licensed Clinical Social Worker, and is staffed by two Clinical Supervisors, six Bilingual Social Workers, and one Social Worker, all licensed or associate clinical social workers. PSHH partners with regional universities and colleges to provide internships to social work graduate students.

15. Briefly describe your agency's record keeping system with relevance to the proposed project.

Refer to Chapter 13 of "Basically CDBG" in the Library for more information on record keeping for CDBG.

PSHH uses two databases that are relevant to the project. The first is the organization's Yardi resident database, which stores information on every PSHH household, including household members, ages, race and ethnicity, income at move-in, and income at time of the most recent annual recertification. This database is maintained by the Property Management Department.

The second database is the SHP client database. This HIPAA compliant database meets security standards for storing patient medical files and is used to store case management records and is maintained by SHP's clinical social workers. Client records include case files and notes, which are tagged for specific services provided during instances of service, and it is easily cross referenced with the resident database. These tags are relevant to various outcomes, outputs, and grantor reports. Examples of service tags include crisis intervention, healthcare services, food assistance, transportation, counseling services, and legal issues.

These databases are housed and maintained by PSHH's IT Department, which maintains up-to-date security protocols and works with software vendors and developers to update and upgrade software as needed.

16. CDBG/ESG ONLY - Will the services offered by your organization increase or expand as a result of CDBG/ESG assistance?

Yes

No

17. CDBG/ESG ONLY - IF YES TO ABOVE - What new programs or services will be provided?

If this question is not applicable, write N/A in the box below.

SHP is constantly modifying our services to meet the needs of individuals and families with low incomes in our communities. In 2020, SHP began providing several new services in response to COVID-19. These included moving to providing services remotely via telephone and video conferencing and the development and launch of the COVID-19 Wellness Checkup. Wellness checkups are discussed in responses to questions 10, 11, and 19. In 2019, SHP staff were certified in Trauma-Informed Care is a treatment framework that involves understanding, recognizing, and responding to the effects of all types of trauma. Trauma-Informed Care also emphasizes physical, psychological, and emotional safety for both patients and providers, and helps survivors rebuild a sense of control and empowerment.

In 2021, SHP will keep abreast of new legislation, regulations, and protocols that determine eligibility for assistance programs. The Department of Neighborhood Development and Resident Services has also budgeted and contracted for an update to the client database, enabling SHP to capture additional outcomes and more detailed records of service provision. It is also likely that SHP clients will be provided access to new services provided by PSHH in response to the effects of COVID-19, such as the grocery gift card program that recently served households that have experienced a loss of income during COVID-19 or the rental forgiveness program that forgave outstanding rental payments for residents who were on a rental repayment plan.

18. CDBG/ESG ONLY - IF YES TO QUESTION 16 - Describe how existing programs or services will be expanded and what percentage of an increase is expected.

If this question is not applicable, write N/A in the box below.

CDBG funding will ensure that SHP is able to continue expanding services to meet the needs of families experiencing the health and financial impacts of COVID-19. Even when the health impacts of COVID-19 subside, the pandemic is forecasted to

continue having an economic impact on low-income families, and we expect SHP to serve at 5-10% more households than the 583 households served in the past twelve months. Households will continue to be served without being placed on a waiting list. During this time, we also anticipate outreach for SHP, which is provided by property management at time of move-in, when an onsite manager becomes aware of a household's challenges, or when residents are unable to make a rental payment, to increase proportionately.

19. Please describe the proposed project in detail (i.e. What activities are to be undertaken? What are the projects' goals?).

Please attach a timeline of the project milestones under the Documents tab.

PSHH proposes the continuation of SHP services at PSHH properties throughout San Luis Obispo County, including the provision of the COVID-19 Wellness Checkup as long as it is needed. SHP will serve approximately 609 households through over 3,500 hours of clinical social work and case management. We estimate the following number of households and clients to be served in the following municipalities and unincorporated areas. These numbers reflect a 5% increase over service numbers from the past twelve months, the minimum program growth forecasted by PSHH.

Services are provided in English and Spanish to any members of any of the households residing at PSHH's affordable supportive housing properties in the County. These include:

- 98 households in Arroyo Grande, including 28 for seniors and disabled
- 18 in Atascadero
- 99 in Morro Bay, including 61 for seniors and disabled
- 197 in Paso Robles, including 69 for seniors and disabled
- 26 in Pismo Beach
- 33 in San Luis Obispo
- 104 in Los Osos
- 28 in Oceano
- 29 in Avila Beach
- 24 in Cambria
- 112 in Templeton, including 29 for seniors and disabled

During the grant period, 98% of SHP clients will maintain stable housing for six months after initiating program services, meeting the requirement for reaching housing stability as established by HUD, which provides CDBG funding.

During the pandemic SHP is also providing COVID-19 Wellness Checkups, which reviews households' access to resources that will be needed if someone in the household becomes ill with COVID-19. These are provided to all new SHP clients on intake and monthly to all households at our senior properties, and social workers assist households in preparing for the possibility of illness due to COVID-19.

Our approach recognizes that just providing affordable housing is not enough. It must be healthy housing which includes easy access to transportation hubs, good paying jobs, healthy activities, and food systems, all of which support a life full of opportunity for vulnerable populations. Our priority is to assist residents in meeting their most basic needs of food, housing, income security, and health. To help residents achieve stability, our social workers provide free and confidential assistance with coordinating medical appointments and mobility, linking residents to community resources, enhancing budgeting skills, assisting with job searches, providing crisis intervention, addressing mental health issues, accessing emergency financial assistance for basic needs, and more.

During the grant period, SHP will continue to evaluate emerging resident needs, including those stemming from the economic impact of COVID-19 on low-income households, in order to better assist residents in addressing household challenges. Evaluation of emerging needs not only guides SHP services, but provides insight for PSHH as a whole, guiding organizational policy development and the establishment of new services.

Project Details

20. Please estimate the number of unduplicated persons or households to benefit from the proposed project. Write "p" for persons or "hh" for households.

Please refer to the Library for HUD Income Limits and information on CDBG Presumed Low/Mod Income populations. Please enter any presumed benefit persons as low-income.

TOTAL number of persons (p) or households (hh) regardless of income

Of the total number of persons (p) or households (hh) entered above, how many will be LOW-INCOME (earning 51% - 80% or less of the County median-income)(HUD funding only)

298hh, 49%

Of the total number of persons (p) or households (hh) entered above, how many will be VERY LOW-INCOME (earning 50% or less of the County median-income)(HUD funding only)

Attachment 3

0 hh

Of the total number of persons (p) or households (hh) entered above, how many will be earning 60% or less of County median-income(PLHA only)

0.00

TOTAL

21. CDBG ONLY - If the project serves any of the presumed benefit populations under the Low/Moderate Income national objective, please describe how the project will directly benefit the populations identified.

If this question is not applicable, write N/A in the box below.

N/A

22. ESG ONLY - FOR EMERGENCY SHELTER ONLY: Please identify the following projected accomplishments and portion of funding requested to go towards each service type for the 12-month contract period.

-answer not presented because of the answer to #1-

23. ESG ONLY - FOR STREET OUTREACH ONLY: Please identify the following projected accomplishments and portion of funding requested to go towards each service type for the 12-month contract period.

-answer not presented because of the answer to #1-

24. ESG ONLY - RAPID RE-HOUSING ONLY - Please identify the following projected accomplishments and portion of funding requested to go towards each service type for the 12-month contract period.

-answer not presented because of the answer to #1-

25. ESG ONLY - FOR HOMELESSNESS PREVENTION ONLY: Please identify the following projected accomplishments and portion of funding requested to go towards each service type for the 12-month contract period.

-answer not presented because of the answer to #1-

26. ESG ONLY - FOR HMIS ONLY: Please identify the portion of funding requested to go towards each service type for the 12-month contract period.

-answer not presented because of the answer to #1-

27. GENERAL FUND ONLY - OVERNIGHT SHELTERS ONLY - Please answer the following:

-answer not presented because of the answer to #1-

28. GENERAL FUND ONLY - Please identify the following projected accomplishments:

-answer not presented because of the answer to #1-

29. Identify the projected target population(s) your proposed project and activities will serve (including age, race, residency, handicap status, income level or other unit characteristics or subgroup information) and how those populations will benefit

The target audience demographics for PSHH's San Luis Obispo County Supportive Housing Program is as follows:

- 100% SLO County residents
- 6% 0-5 years old
- 15% 6-17 years old
- 9% 18-24 years old
- 41% 25-64 years old
- 16% 65+ years old
- 63% Hispanic
- 9% are living with a disability
- 14% were homeless before moving into their PSHH home
- 19% are farmworker households

SHP clients will benefit through the provision of case management provision by clinical social workers, stabilizing households, working through crisis, limiting exposure to and minimizing the effects of COVID-19, and assisting residents in becoming thriving members of their community.

30. Has environmental review been completed (CEQA and/or NEPA)?

- Yes - CEQA review completed
- No - CEQA review not completed
- N/A - CEQA not required
- Yes - NEPA review completed

No - NEPA review not completed

N/A - NEPA not required

31. Please answer yes or no to the following:

If applicable, please upload a copy of the Phase I or II environmental assessment under the Documents tab.

<input type="text" value="N/A"/>	Has a Phase I or Phase II environmental assessment been conducted for the property?
<input type="text" value="None"/>	List and describe any known hazards (e.g. asbestos, storage tanks – underground, aboveground)
<input type="text" value="No"/>	Is the project on a property designated or been determined to be potentially eligible for designation as a local, state, or national historic site?
<input type="text" value="No"/>	Are the building(s)/structure(s) located on a Historic Site or within a Historic District?
<input type="text" value="No"/>	Is the project located within a 100-year flood plain?
<input type="text" value="N/A"/>	IF YES TO ABOVE, does your agency have flood insurance?
<input type="text" value="No"/>	Will there be demolition required?
<input type="text" value="0.00"/>	TOTAL

32. Identify all permits necessary for the project (local, state or federal).

No permits are necessary for the project.

33. State whether or not the necessary permits have been issued. If a permit has not yet been issued, indicate when the permit(s) will be applied for or issued.

Please provide proof of permit issuance under the Documents tab.

N/A

34. Briefly describe your agency's auditing requirements, including those for the proposed project.

Please upload a copy of your most recent audit under the Documents tab.

PSHH is required to have an independent financial audit referred to as a "Single Audit." The annual financials are audited by a third party CPA firm according to OMB uniform practice. The independent Auditor reports annually to the Executive Management Team and the Board's four member Audit Committee on the results of their audit. With a licensed CPA serving as CEO and President, and as a steward of HUD, USDA, and VA funds, PSHH has built a comprehensive and robust fiscal oversight system. The PSHH accounting manual governs the policies and procedures of our accounting department to ensure appropriate segregation of duties and handling of the organization's accounting transactions.

Financial

35. 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?

PSHH funds our programming through various revenue streams, which include rental fees, development and construction fees, individual donations, and grants from public and private grantors. A portion of funds from each of these categories is currently available. The remaining funds will become available on a case-by-case basis throughout the remainder of the FY21-22 fiscal year.

36. Do you have any grant funds remaining from prior Fiscal Year allocations?

Yes

No

37. IF YES TO ABOVE, please answer the following:

If this question is not applicable, write N/A in the boxes below.

<input type="text" value="N/A"/>	What fiscal year(s) did you receive the funding?
<input type="text" value="N/A"/>	What project did you receive the funding for?
<input type="text" value="N/A"/>	How much is remaining?
<input type="text" value="0.00"/>	TOTAL

38. CDBG ONLY - Identify all jurisdictions you are applying to for CDBG funds by indicating the amount applied for at each jurisdiction.

Write N/A for jurisdictions not being applied to for CDBG funds. Note: Any project/program being recommended less than \$8,000 total will not be funded per the Cooperation Agreement between the County and participating cities of the Urban County.

N/A	City of Arroyo Grande
14,825	City of Atascadero
8,637	City of Morro Bay
3,707	City of Paso Robles
8,000	City of Pismo Beach
16,809	City of San Luis Obispo
17,215	County of San Luis Obispo
69,193.00	TOTAL

39. GENERAL FUND ONLY - Please indicate the estimated portion of funding to go towards the following activities:
-answer not presented because of the answer to #1-

40. HOME Only - TBRA Only - Please indicate the amounts to be spent for rental assistance, deposit assistance, and project administration?
-answer not presented because of the answer to #1-

Budget [top](#)

Funding Sources/Revenues	Committed	Conditional	Proposed
CDBG Funding (this request)			\$ 69,193.00
ESG Funding (this request)			\$ 0.00
General Funds (this request)			\$ 0.00
State:			\$ 0.00
Other Federal Funds, HUD & NeighborWorks America			\$ 84,869.00
Local/County, SLO CBO/PHG			\$ 25,000.00
Local/City, Pismo Beach, City of SLO:			\$ 18,000.00
PSHH Property Service and Program Revenue			\$ 210,602.00
Private Donations			\$ 29,888.00
Other, private grantors & Community Foundation:			\$ 26,575.00
Total	\$ 0.00	\$ 0.00	\$ 464,127.00

Funding Uses/Expenses	CDBG	ESG & ESG-CV	General Fund	HOME	PLHA
Personnel Costs, County Unincorporated Areas	\$ 90,499.00				
Personnel Costs, Arroyo Grande	\$ 37,526.00				
Personnel Costs, Atascadero	\$ 21,466.00				
Personnel Costs, Morro Bay	\$ 77,835.00				
Personnel Costs, Paso Robles	\$ 36,916.00				
Personnel Costs, Pismo Beach	\$ 25,848.00				
Personnel Costs, City of San Luis Obispo	\$ 32,849.00				
Professional Services	\$ 1,098.00				
Travel/Training/Meals	\$ 5,151.00				
Office Expenses	\$ 17,047.00				
Depreciation	\$ 2,781.00				
Indirect	\$ 111,441.00				
Total	\$ 460,457.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Budget Narrative

PSHH is requesting funding for salary expenses from the jurisdictions.

PROGRAM INCOME

All funding is proposed, based on income budgets and historical funding.

Unincorporated San Luis Obispo County
 NeighborWorks America (federal funds), \$14,218

County of SLO Preventative Health Grant, \$9,911
 United Way of SLO County, \$2,554
 SLO Community Foundation, \$5,946
 Avila Beach Community Foundation, \$2,000
 Other private grants, \$2,337
 Property Service Revenue, \$59,590
 Donation Revenue, \$15,265

TOTAL: \$111,821

Atascadero

NeighborWorks America (federal funds), \$2,186
 County of SLO Preventative Health Grant, \$1,662
 United Way of SLO County, \$332
 SLO Community Foundation, \$997
 Other Private Grants, \$304
 Property Service Revenue, \$8,313
 Donation Revenue, \$1,987

TOTAL: \$ 15,781

Morro Bay

HUD Service Coordinator Grant, \$51,976
 NeighborWorks America (federal funds), \$7,928
 County of SLO Preventative Health Grant, \$6,026
 United Way of SLO County, \$1,205
 SLO Community Foundation, \$3,615
 Other private grants, \$1,102
 Property Service Revenue, \$23,287
 Donation Revenue, \$7,203

TOTAL: \$ 102,343

Paso Robles

Count of SLO Preventative Health Grant, \$2,858
 SLO Community Foundation, \$1,715
 Property Service Revenue, \$44,356
 TOTAL: \$ 48,929

Pismo Beach

NeighborWorks America (federal funds), \$2,633
 City of Pismo Beach, \$5,000
 County of SLO Preventative Health Grant, \$2,001
 United Way of SLO County, \$400
 SLO Community Foundation, \$1,200
 Other Private Grants, \$366
 Property Service Revenue, \$ 10,871
 Donation Revenue, \$2,392

TOTAL: \$ 24,863

City of San Luis Obispo

NeighborWorks America (federal funds), \$5,928
 City of San Luis Obispo GIA, \$13,000
 County of SLO Preventative Health Grant, \$2,543
 United Way of SLO County, \$509
 SLO Community Foundation, \$1,526
 Other Private Grants, \$465
 Property Service Revenue, \$3,016
 Donation Revenue, \$ 3,040

TOTAL: \$ 30,027

PROGRAM EXPENSES

Unincorporated San Luis Obispo County
 Program Salaries and Benefits: \$90,499
 Non-Salary Operating Expenses: \$6,528
 Indirect Costs: \$31,230
 Depreciation: \$779

TOTAL: \$129,056

Arroyo Grande
 Program Salaries and Benefits: \$37,525
 Non-Salary Operating Expenses: \$2,707
 Indirect Costs: \$12,950
 Depreciation: \$323

TOTAL: \$53,505

Atascadero
 Program Salaries and Benefits: \$21,466
 Non-Salary Operating Expenses: \$1,549
 Indirect Costs: \$7,408
 Depreciation: \$185

TOTAL: \$30,608

Morro Bay:
 Program Salaries and Benefits: \$77,835
 Non-Salary Operating Expenses: \$5,615
 Indirect Costs: \$26,860
 Depreciation: \$670

TOTAL: \$110,980

Paso Robles
 Program Salaries and Benefits: \$36,916
 Non-Salary Operating Expenses: \$2,663
 Indirect Costs: \$12,739
 Depreciation: \$318

TOTAL: \$52,636

Pismo Beach
 Program Salaries and Benefits: \$25,848
 Non-Salary Operating Expenses: \$1,865
 Indirect Costs: \$8,920
 Depreciation: \$223

TOTAL: \$36,856

City of San Luis Obispo
 Program Salaries and Benefits: \$32,849
 Non-Salary Operating Expenses: \$2,370
 Indirect Costs: \$11,336
 Depreciation: \$282

TOTAL: \$46,837

Tables [top](#)

ESG Matching Funds

Sources	Amount
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
Total	\$ 0

Documents [top](#)

Documents Requested *	Required?	Attached Documents *
Incorporation Documents (if applicable)		Articles of incorporation
Timeline of Project Milestones	✓	Timeline of Project Milestones
Proof of Permit Issuance (if applicable)		
Map of Multiple Project Locations (if applicable)		Maps of multiple project locations
Most Recent Audit	✓	PSHH most recent audit
Commitment Letters for funds (if available)		
Timeline of Expenditures	✓	Expenditures Timeline

* ZoomGrants™ is not responsible for the content of uploaded documents.

Application ID: 269082

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County of San Luis Obispo

2021 Public Services and Economic Development (CDBG, ESG, HOME, General Fund, ESG-CV, and PLHA)

Deadline: 10/29/2020

5CITIES HOMELESS COALITION Subsistence Payments, Homeless Assistance, & Security Deposits

Jump to: [Eligibility](#) [Application Questions](#) [Budget](#) [Tables](#) [Documents](#)

\$ 89,000.00 Requested

Submitted: 10/28/2020 11:44:46 AM (Pacific)

Project Contact

Janna Nichols

janna.nichols@5chc.org

Tel: 805-574-1638

Additional Contacts

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5CITIES HOMELESS COALITION

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Web 5chc.org

DUNS 060524497

SAM Expires 2/6/2021

Eligibility [top](#)

Some answers will not be presented because they are not part of the selected group of questions based on the answer to #1.

1. Please identify all funding sources being requested:

This question will be used to branch only those questions related to the funding sources requested in this application, so don't worry if your application has skipped question numbers.

- CDBG only
- ESG only
- ESG-CV only
- HOME only
- General Funds only
- PLHA only
- Select this for any combination of grant funding requests (CDBG, ESG/ESG-CV, HOME, PLHA, and General Funds)

National Objectives

2. CDBG ONLY - Please select the national objective that best applies to the proposed project

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library for more

- Low/Moderate Income
- Slums or Blight
- Urgent Need

3. CDBG ONLY - IF LOW/MODERATE INCOME WAS SELECTED: Select which criteria the proposed project intends to qualify under to meet the Low/Moderate Income objective

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library for more information regarding the Low/Moderate Income national objective.

- Area Benefit
- Clientele
- Housing
- Jobs
- N/A - Low/Moderate Income NOT selected

4. CDBG ONLY - IF SLUM OR BLIGHT WAS SELECTED: Select which criteria the proposed project intends to qualify under to meet the Slums or Blight objective

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library tab for information regarding the Slums or Blight national objective.

- Area Basis
- Spot Basis
- N/A - Slums or Blight NOT selected

5. CDBG ONLY - Please explain how the proposed project meets the selected National Objective.

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library tab.

Assistance will be provided to benefit a clientele who are generally presumed by HUD to be principally L/M income persons - those who are homeless. This population is among those who are currently presumed by HUD to be made up principally of L/M income persons: Reference: §570.208(a)(2)(i)(A)

Additionally, as some assistance will be provided to those of imminent threat of homelessness, 5CHC's program additionally requires information on family size and income so that it is evident that at least 51% of the clientele are persons whose family income does not exceed the L/M income limit. Reference: §570.208(a)(2)(i)(B) and (C)

6. ESG/ESG-CV ONLY - Please select all objectives applicable to the proposed project, as established in "Opening Doors: Federal Strategic Plan to Prevent and End Homelessness" or the CARE Act.

-answer not presented because of the answer to #1-

7. ESG/ESG-CV ONLY - Please explain how the proposed project supports the selected objective(s).

-answer not presented because of the answer to #1-

Beneficiary Documentation

8. How will you document and maintain income status or presumed benefit status for CDBG?

Please provide a sample of your Client Intake Form under the Documents Requested section below. Income verification for CDBG beneficiaries must be provided in accordance with 24 CFR Part 5; a link is provided in the Library.

Attached are our current policies regarding income verification for our current programs. A household's income is any money that goes to, or on behalf of, the head of household or spouse (even if temporarily absent) or to any other household member. When calculating income for eligibility, annual income includes the current gross income of all adult household members and unearned income attributable to a minor (e.g., child support, TANF payments, SSI payment, and other benefits paid on behalf of a minor). Gross income is the amount of income earned before any deductions (such as taxes and health premiums) are made. Current Gross Income is the income that the household is currently receiving at the time of application for assistance. Income recently terminated should not be included. The attached calculation form is used to determine the applicant's income eligibility.

9. How will you collect demographic data on the beneficiaries of the proposed project (i.e. racial/ethnic characteristics)? (General Fund requests are exempt from this requirement)

Please provide a sample of your Client Intake Form under the Documents Requested section below. To qualify for an award of Federal and State funds, the agency must collect race and ethnicity information from all clients.

Eligible Activities

10. CDBG ONLY - Identify all eligible activities that apply to the proposed project

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library tab for information regarding CDBG eligible activities.

- Public Services (General)
- Operating Costs of Homeless/AIDS patients programs
- Senior Services
- Handicapped Services
- Legal Services
- Youth Services
- Transportation Services
- Substance Abuse Services
- Services for Battered and Abused Spouses
- Crime Awareness or Neighborhood Cleanups
- Fair Housing Activities
- Tenant/Landlord/Housing Counseling
- Child Care Services
- Health Services
- Services for Abused and Neglected Children
- Mental Health Services
- Subsistence Payments, Homeless Assistance, Rental Housing Subsidies or Security Deposits
- Job training and job placement services
- Assistance to microenterprises (technical assistance, business support services, and other similar services to owners of microenterprises or persons developing microenterprises)

11. ESG ONLY - Identify all eligible activities that apply to the proposed project

-answer not presented because of the answer to #1-

12. GENERAL FUND ONLY - Identify all eligible activities that apply to the proposed project

-answer not presented because of the answer to #1-

13. ESG-CV ONLY - Identify all eligible activities that apply to the proposed project

-answer not presented because of the answer to #1-

14. HOME ONLY - The only activity under the public service application for HOME is Tenant Based Rental Assistance (TBRA)

-answer not presented because of the answer to #1-

15. PLHA ONLY - Identify all eligible activities that apply to the proposed project

-answer not presented because of the answer to #1-

Documents Requested *

Required? Attached Documents *

Client Intake Form(s) for Limited Clientele (if applicable)	5CHC Intake and Income Verification Forms HOMELESS CERTIFICATION
Map for Area Benefit (if applicable)	
CDBG Requirements and Acknowledgements (Please download the template below and upload an initialed document here) download template	CDBG Requirements Acknowledgement - 5CHC
General Liability Insurance	5CHC Liability Insurance

Some answers will not be presented because they are not part of the selected group of questions based on the answer to #1.

1. Please identify the funding sources being requested:

This question will be used to branch only those questions related to the funding sources requested in this application - so don't worry if your application has skipped question numbers.

- CDBG only
- ESG only
- ESG-CV only
- HOME only
- General Funds only
- PLHA only
- Select this for any combination of grant funding requests(CDBG, ESG/ESG-CV, HOME, General Funds, and PLHA)

Project Summary

2. Project Address(es):

If the proposed project has multiple addresses, please upload a map of the specific locations under the Documents tab
 Services are coordinated out of 5Cities Homeless Coalition's headquarters - currently 1566 W. Grand Ave., Grover Beach. 5CHC's headquarters are soon to be relocated to 100 S. 4th Street, Grover Beach, CA 93433. Mailing address is P.O. Box 558, Grover Beach, CA 93483. Services are provided county-wide (with the exception of Grover Beach for purposes of this CDBG application), As the City of Grover Beach is not a participating jurisdiction of the Urban County of San Luis Obispo, CDBG regulations do not allow the expenditure of CDBG funds to benefit residents of, nor expend these funds within, the City of Grover Beach. Therefore, 5CHC shall not use CDBG funds to benefit clients from the City of Grover Beach or for subsistence payments within the City of Grover Beach.

5CHC receives referrals county-wide from area partners including 40 Prado, ECHO, family resource centers (LINK & CAPSLO); and members of Supportive Housing Consortium.

3. Jurisdiction(s)/Area(s) Served:

Select all that apply

- Arroyo Grande
- Atascadero
- Morro Bay
- Paso Robles
- Pismo Beach
- City of San Luis Obispo
- County of San Luis Obispo

4. Brief Project Description:

You will have the chance to expand on your project description further in the application. Please upload any maps, photos, drawings or plans under the Documents tab

This program will provide emergency subsistence and deposit payments, with case management services. These emergency subsistence payments (rental assistance) and deposits will be provided on behalf of people who are homeless or at risk of becoming homeless as allowed per 24 CFR 570.207(4) of the CDBG regulation. Services will assist those who are homeless and those at risk of homelessness to develop a housing stability plan, and provide short-term emergency homeless prevention rental assistance or move-in deposits. This program will be augmented by other services also provided by 5CHC, including benefits determination and streamlining access, client resource center (mailing address, computer access, printer, phone, internet), transportation and utilities assistance, family reunification opportunities, and documentation assistance.

5. Please answer the following:

Please write N/A for any questions that are not applicable.

<input type="text" value="89000"/>	CDBG funding requested
<input type="text"/>	ESG funding requested
<input type="text"/>	ESG-CV funding requested

	HOME funding requested
	General Funds requested
	PLHA funding requested "
89,000.00	SUBTOTAL
7/1/2021	Anticipated start date
6/30/2022	Anticipated end date
89,000.00	TOTAL

6. Type of agency:

- 501(c)(3)
 For Profit
 Gov't/Public
 Other:

Agency Details, Capacity, and Experience**7. Is the organization faith-based?**

- Yes
 No

8. Please answer the following:

If this is your first time applying to the County for funds, please upload your organizations' incorporation documents in the Documents tab.

3/3/2009	Date of incorporation
\$1,400,000	Annual operating budget
10 FT 10 S	Number of paid staff
500	Number of volunteers
1,400,500.00	TOTAL

9. Agency Mission Statement:

Organization's Mission:

5Cities Homeless Coalition strengthens the southern San Luis Obispo County, California, community by mobilizing resources, fostering hope, and advocating for the homeless and those facing homelessness.

Who We Serve:

5Cities Homeless Coalition is transforming the lives of those who are homeless or facing homelessness. While predominantly focused on assisting those in Southern San Luis Obispo County, our rapid re-housing and homeless prevention services are offered county-wide. Our efforts focus on helping the most vulnerable in our community maintain dignity while working toward a new home (or retaining their home). Through a standardized Coordinated Entry assessment we work to help people identify and resolve their housing challenges, including helping to prevent homelessness.

We work to prioritize services; prevent duplication of repetitive client assessments and services; identify immediate needs (particularly focused on resolving the crisis that caused them to seek services); and develop a "progressive engagement" plan with short- and long-term goals ultimately leading to stable housing and increased economic stability. In this process, services may take the form of limited direct financial assistance that will resolve and prevent further deterioration of their circumstance. Depending on need, additional services for benefit advocacy, counseling and acquisition for public assistance programs (SSI, SSDI, CalFresh, General Assistance) are provided – especially for those who are disabled (mentally or physically). Additionally we provide financial literacy counseling, and linkages to other community support services such drug and alcohol treatment and mental health services to ensure that clients plan for stability and have the resources and support to succeed and maintain their success. The Coalition provides services in both English and Spanish, with community support to translate to Mixteco and Zapoteco as needed.

Core Values:

1. We act with transparency, integrity, and honesty;
2. We see the whole person, not just the barrier or issue they face;
3. We offer hope, support and resources;
4. We are inclusive;

The Coalition is now considered a "go-to" agency for housing and supportive services for those who are homeless or facing homelessness in San Luis Obispo County. Under the guidance of a volunteer board of directors representative of our service area, the agency has a dedicated staff working to address the challenges of homelessness on an individual basis, meeting each client "where they're at." Collectively the staff of 5CHC shares more than 30 years of experience in serving those who are homeless or facing homelessness.

10. Please describe the services your organization is CURRENTLY providing (regardless of funding source).

5Cities Homeless Coalition's housing navigation services assist with identifying immediate and long-term housing solutions, providing crisis management, coordinated entry, accessing benefits that are important to housing stability, case management and housing navigation, and providing on-site access and referrals to medical, mental health and substance use disorder services.

Through its Rapid Re-Housing and Homeless Prevention program, 5CHC receives referrals for housing support from ECHO, CAPSLO and Family Resource Centers located throughout the county, and other community-based organizations, to provide housing case management for those facing homelessness and homeless residents.

Other services provided by 5CHC that are targeted to South County residents include with winter warming center seasonal shelter, benefits determination and streamlining access, street outreach and engagement, client resource center (mailing address, computer access, printer, phone, internet), transportation and utilities assistance, family reunification opportunities, and documentation assistance.

5CHC also offers a countywide Homeless Youth Program which targets homeless youth age 16-24, providing support for immediate needs, education and job development, and housing assistance. Partners in this program include Lucia Mar School District, Cuesta College, County Office of Education, and local law enforcement.

In the last 12 months 5CHC has moved families (Households = HH) into housing, or prevented them from eviction in all areas of the County, providing both case management and financial assistance through subsistence payments and deposits. For this reason are requesting assistance from a broad spectrum of the Cities as well as the County:

Arroyo Grande: 19 HH Housed, 12 HH Eviction Prevention
Atascadero: 2 HH Housed, 2 HH Eviction Prevention
Morro Bay: 1 HH Housed, 1 HH Eviction Prevention
Pismo Beach: 2 HH Housed, 1 HH Eviction Prevention
Paso Robles: 6 HH Housed, 3 HH Eviction Prevention
San Luis Obispo: 7 HH Housed, 3 HH Eviction Prevention
County Unincorporated: 7 HH Housed, 5 HH Eviction Prevention

These services have been provided apart from services to Grover Beach, for which other funds are utilized.

11. Please describe the services your organization PROPOSES to provide (regardless of funding source).

The Rapid Re-Housing and Homelessness Prevention activities proposed in this application (coupling financial assistance for rent with housing stabilization services of case management, benefits advocacy, financial literacy, and housing search and deposit expenses) have been documented to be cost-effective in both preventing the occurrence of homelessness, and ensuring that homelessness is brief and a one-time occurrence. For those who are homeless, this program assists families and individuals who do not need the added support of permanent housing, to obtain housing in the shortest time possible or avoid homelessness due to short-term . 5CHC's housing program has a demonstrated 90% housing retention rate for clients who remain housed one-year after program exit.

It should be noted that this program will also assist those who are veterans. While we have a robust SSVF program in our County, 5CHC has been able to assist homeless veterans who may not qualify for the SSVF program or who are between funding cycles when the SSVF program experience limited funds. With the two SSVF programs offered through CAPSLO and with 5CHC (in partnership with Good Sam), we are able to assist a broader spectrum of clients coming through our doors, and maximize all available resources through various funding streams.

Specific Programs Include

Coordinated Entry & Referral:

Assistance begins with general information and referral to community services coupled with a comprehensive assessment of

needs, identification of barriers and development of an immediate action plan. Access to computer, internet, phone, mailing address, food, clothing and hygiene supplies.

Housing Support Program

Case management and financial assistance for deposit, rent and immediate needs for those who are homeless or facing homelessness. Services provided Countywide. Partnership with Good Samaritan includes Veteran Services.

Immediate Needs:

5CHC assists homeless and low-income families and individuals in South County with limited funds to address their immediate needs, and move them to self-sufficiency. Examples of assistance are utilities, gasoline, bus voucher, auto repairs, clothing, employment readiness, detox/sober living, basic needs, emergency food etc.

Benefits Determination & Streamlining Access:

5CHC clients are offered additional support for client to obtain and retain public benefits to which they are entitled, including SSI, SSDI, Medicare, along with financial literacy and budgeting training.

Outreach

Inreach into area encampments, and working to improve discharge planning with Arroyo Grande Community Hospital, and County Jail, The program serves those who are camping out of doors, in safe parking zones. Also for those leaving the hospital or jail 5CHC offers support to develop a post-release discharge plan.

Homeless Youth:

Outreach and case management targeting homeless youth age 16-24, providing support for immediate needs, education and job developme

12. How does the project complement and collaborate with existing efforts? Does your organization partner with other organizations?

5CHC is a member of the Coordinated Entry collaborative, actively participates with the Homeless Services Oversight Council, is a member of the Supportive Housing Consortium, and regularly meets with local government, South County Chamber of Commerce and with South County service providers (including churches, schools, and other community-based organizations). Efforts of 5CHC staff include outreach with Arroyo Grande Community Hospital, Community Health Centers of the Central Coast, Lucia Mar Unified School District Families In Transition Program; SAFE System of Care, County Drug and Alcohol, County Jail, Dept. of Social Services, State Rangers, Law Enforcement, City Government, business and other community stakeholders.

Services provided through this grant add to the existing collaboration of Coordinated Entry and Rapid Re-Housing providers countywide to provide housing resources coupled with appropriate case management services for those who are homeless or facing homelessness.

13. If the proposed project will serve homeless households, please describe how the project will coordinates with other homeless service providers to connect homeless individuals and families to resources.

If this question is not applicable, write N/A in the box below.

As stated in the previous section, 5CHC works closely with its partners, ECHO in North SLO County, and CAPSLO 40 Prado in SLO and Coastal areas. Through their shared case management data system, the three agencies are able to share basic information on all clients coming through their doors, preventing unnecessary duplication. The three agencies routinely refer appropriate clients to one another and other organizations, including TMHA, HASLO, HomeShare SLO, Transitional Food & Shelter, Los Osos Cares, Paso Cares and the Family Resource Centers throughout the county.

CAPSLO, 5CHC and ECHO all work closely with the countywide Community Action Teams (CAT). This street outreach collaboration has provided tremendous assistance in helping individuals move out of the area and back to their family when appropriate. Adult Protective Services has also played a vital role in personally accompanying frail individuals back to their homes if needed, in order to ensure a safe and smooth transition.

5CHC's case managers regularly participate in county-wide case management meetings to assess client needs, review the County's service priority list. 5CHC participates in the SAFE system of care targeting children and youth and their families. As mentioned previously we are meeting with clients in the Jail, and participate in the Jail to Community case plan meetings (as COVID allows).

14. Please describe your organization's capacity to implement the proposed project. Who will be involved? List projects of similar size and type that your organization has completed.

5CHC, now in its 11th year, has more than seven years experience managing homeless prevention and rapid re-housing efforts in the County. In 2019 5CHC housed 90 households and prevented homelessness for an additional 75 households.

5CHC is now seen as the lead organization in the region for addressing the breadth of challenges facing homeless families.

The efforts of the 5Cities Homeless Coalition are focused on transforming lives, enhancing community awareness through volunteers, faith communities and media communications; expanding client services; and improving the homeless services delivery system in South County. Our strength is in mobilizing community resources, especially utilizing volunteers and in-kind services, and strengthening the network of services. 5Cities Homeless Coalition has a strong history of providing assistance for immediate needs, rapid re-housing and eviction prevention services, with a high success rate of clients remaining housed.

The Coalition, by virtue of name and philosophy, is a community-building and convening organization – whereby we seek to strengthen the service continuum and leverage funding for our community. As an example in 2018 the Coalition assisted Shower The People to launch is program, collaborating on grants, and providing community connections and non-profit governance expertise.

5CHC has or is currently administering a number of similar grants. A sample include:

- City of Grover Beach CDBG (current): \$465,000
- Community Foundation Klaproad Housing: \$800,000
- County CDBG: \$69,999
- County ESG: \$63,000
- County - ESG Pass Through: \$102,000

Personnel Involved Include:

Janna Nichols, Executive Director
Janna Nichols has more than 25 years of nonprofit experience, and has been recognized as a Woman of Distinction in 2017 by Cuesta College and the Women’s Legacy Fund. She currently serves on the Homeless Services Oversight Council; Secretary to the Supportive Housing Consortium; was a founding board member of the San Luis Obispo County Housing Trust Fund; and served 8 years as chair of the City of San Luis Obispo’s Human Relations Commission.

Veronica Cablayan, Director of Programs

Veronica has spent more than 10 years providing housing assistance. She is in charge of ensuring coordination of 5CHC client activities. She also serves as lead case manager for permanent housing placement through ESG and CDBG programs. She is supported in this housing program by the following program staff:

- Michael Azevedo, Case Manager – Unaccompanied Youth Program
- Isela Pena Pena - Coordinated Entry Intake Specialist
- Paul Frankel, Benefits Specialist
- Jorge Gonzales - Housing Case Manager
- Andrea Montes Alvarado - HMIS Specialist
- Devon McQuade - Associate Director, Grants Management

15. Briefly describe your agency’s record keeping system with relevance to the proposed project.

Refer to Chapter 13 of "Basically CDBG" in the Library for more information on record keeping for CDBG.

Programmatically:

Clients initially are asked to complete a coordinated intake that is documented through ClientTrack. Referrals and client files are formatted in specific order to ensure all forms are completed and accounted for, detailing client housing stability plan, income verification, etc.

Lastly all enrolled clients are tracked through the County's Homeless Management Information System (HMIS), both at intake and program exit.

Administratively:

All funding requests are dual tracked through the agency's financial accounting process by class and grant and a program-based master assistance file. All expenditures for the program are verified for eligibility against program budget and HUD requirements and CDBG regulations with appropriate back-up documentation, copies of which are maintained separately for review and monitoring. Matching responsibilities are tracked concurrently against grant expenditures.

5CHC staff have received training in the requirements of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200) and Community Development Block Grants (24 CFR Part 570).

16. CDBG/ESG ONLY - Will the services offered by your organization increase or expand as a result of CDBG/ESG assistance?

- Yes
- No

17. CDBG/ESG ONLY - IF YES TO ABOVE - What new programs or services will be provided?

If this question is not applicable, write N/A in the box below.

N/A

18. CDBG/ESG ONLY - IF YES TO QUESTION 16 - Describe how existing programs or services will be expanded and what percentage of an increase is expected.

If this question is not applicable, write N/A in the box below.

If funded as requested, a greater number of households will receive assistance with eviction prevention and deposit assistance for move-in. Expansion of the program is directly dependent on final award.

Based on our request of \$89,000 compared to a current grant of \$69,000; we anticipate serving not less than 6 additional households. Our current contract calls for serving 16 households (32 people) with \$56,431. With the \$33,000 increase requested, we seek to provide assistance to not less than 24 households. That said, our track record to maximize use of these funds has traditionally resulted in actual outcomes more than 30% above goal. With these funds, we would seek to do the same, while ensuring that families housing is stabilized and they have the resources to maintain their housing. We are anticipating that the CV funds being distributed in early 2021 will be insufficient heading into 2022; and a number of clients will not meet some of the grant restrictions.

19. Please describe the proposed project in detail (i.e. What activities are to be undertaken? What are the projects' goals?).

Please attach a timeline of the project milestones under the Documents tab.

Addressing homelessness has been identified as one of the County's important goals. San Luis Obispo County is consistently one of the least affordable housing markets in California and the nation. The National Association of Home Builders found that this county was the 10th least affordable out of 229 metropolitan housing markets in the nation for the fourth quarter of 2016. The 2010 Census found that 35.8% of the renters in San Luis Obispo County had a severe housing cost burden. This was a higher percentage than in either San Francisco and Los Angeles County. Based on HUD data, our county also had a higher incidence of homelessness than both.

As noted, with rental rates increasing at double-digit rates annually to more than a 50% increase in the last five years, and limited new housing units expected on the market, those who's income qualifies them for this program (very-low and low) are especially challenged, and oftentimes lack the awareness of community resources, budgeting expertise, and financial ability to pay deposit and move-in expenses. Living homeless is financially expensive, with much of one's income spent on motel, prepared food, etc. which makes saving for deposit and move-in virtually impossible.

Following the Housing First model, and recently adopted goals of the Consolidated Plan, an investment in housing subsidies for deposit, and rent for eviction prevention is the most effective method of addressing the challenges of homelessness, and preventing homelessness. 5CHC has a demonstrated 93% success rate for housing retention over the past five years.

Activities include:

- Community Outreach Coordinated Entry assessment
- Diversion - Rapid Resolution Discussion Short-Term Immediate Needs Assistance Short and Long-Term Case Planning
- Housing Search/Landlord Mitigation
- Benefits Advocacy and/or Work Development Resources/Guidance Budgeting
- Financial Literacy Training
- Connection to other Community Resources (food pantries, agencies, health care, education). Direct financial assistance
- Regular and Often case management meetings lasting no less than 3 months.

Exit Interview

HMIS and Client Track Data Tracking

Activities related to grant accounting and admin

Project Details

20. Please estimate the number of unduplicated persons or households to benefit from the proposed project. Write "p" for persons or "hh" for households.

Please refer to the Library for HUD Income Limits and information on CDBG Presumed Low/Mod Income populations. Please enter any presumed benefit persons as low-income.

TOTAL number of persons (p) or households (hh) regardless of income

Of the total number of persons (p) or households (hh) entered above, how many will be LOW-INCOME (earning 51% - 80% or less of the County median-income)(HUD funding only)

Of the total number of persons (p) or households (hh) entered above, how many will be VERY LOW-INCOME (earning 50% or less of the County median-income)(HUD funding only)

Of the total number of persons (p) or households (hh) entered above, how many will be earning 60% or less of County median-income(PLHA only)

0.00 TOTAL

21. CDBG ONLY - If the project serves any of the presumed benefit populations under the Low/Moderate Income national objective, please describe how the project will directly benefit the populations identified.

If this question is not applicable, write N/A in the box below.

Through the Coordinated Entry assessment, clients are asked whether they are homeless, length of time homeless, etc. In addition 5CHC will expand outreach efforts to specifically target the most vulnerable populations including disabled, elderly, single-parent, and youth.

22. ESG ONLY - FOR EMERGENCY SHELTER ONLY: Please identify the following projected accomplishments and portion of funding requested to go towards each service type for the 12-month contract period.

-answer not presented because of the answer to #1-

23. ESG ONLY - FOR STREET OUTREACH ONLY: Please identify the following projected accomplishments and portion of funding requested to go towards each service type for the 12-month contract period.

-answer not presented because of the answer to #1-

24. ESG ONLY - RAPID RE-HOUSING ONLY - Please identify the following projected accomplishments and portion of funding requested to go towards each service type for the 12-month contract period.

-answer not presented because of the answer to #1-

25. ESG ONLY - FOR HOMELESSNESS PREVENTION ONLY: Please identify the following projected accomplishments and portion of funding requested to go towards each service type for the 12-month contract period.

-answer not presented because of the answer to #1-

26. ESG ONLY - FOR HMIS ONLY: Please identify the portion of funding requested to go towards each service type for the 12-month contract period.

-answer not presented because of the answer to #1-

27. GENERAL FUND ONLY - OVERNIGHT SHELTERS ONLY - Please answer the following:

-answer not presented because of the answer to #1-

28. GENERAL FUND ONLY - Please identify the following projected accomplishments:

-answer not presented because of the answer to #1-

29. Identify the projected target population(s) your proposed project and activities will serve (including age, race, residency, handicap status, income level or other unit characteristics or subgroup information) and how those populations will benefit

Current housing programs provided by 5CHC meet the demographic breakdown of the County (including age, race, residency, handicap status, income level). All services provided through this grant will be provided based on income. Additionally 5CHC's website, facebook page, and outreach materials all provide logos for Fair Housing and Accessibility.

As noted above, 5CHC is expanding its outreach and public information efforts particularly with landlords, property management companies, and housing developers to ensure that those eligible are made aware of the program.

30. Has environmental review been completed (CEQA and/or NEPA)?

- Yes - CEQA review completed
- No - CEQA review not completed
- N/A - CEQA not required
- Yes - NEPA review completed
- No - NEPA review not completed
- N/A - NEPA not required

31. Please answer yes or no to the following:

If applicable, please upload a copy of the Phase I or II environmental assessment under the Documents tab.

Has a Phase I or Phase II environmental assessment been conducted for the property?

List and describe any known hazards (e.g. asbestos, storage tanks – underground, aboveground)

<input type="text" value="n/a"/>	Is the project on a property designated or been determined to be potentially eligible for designation as a local, state, or national historic site?
<input type="text" value="n/a"/>	Are the building(s)/structure(s) located on a Historic Site or within a Historic District?
<input type="text" value="na"/>	Is the project located within a 100-year flood plain?
<input type="text" value="n/a"/>	IF YES TO ABOVE, does your agency have flood insurance?
<input type="text" value="n/a"/>	Will there be demolition required?
<input type="text" value="0.00"/>	TOTAL

32. Identify all permits necessary for the project (local, state or federal).

None needed

33. State whether or not the necessary permits have been issued. If a permit has not yet been issued, indicate when the permit(s) will be applied for or issued.

Please provide proof of permit issuance under the Documents tab.

N/A

34. Briefly describe your agency's auditing requirements, including those for the proposed project.

Please upload a copy of your most recent audit under the Documents tab.

5CHC engages an independent auditor annually to review the financial records of the organization. The last one completed, attached, represents calendar year ending Dec. 31, 2019. The level of federal grants administered by 5CHC to-date has not required a secondary federal audit. However, we anticipate augmenting our audit for 2020 to include a federal single audit.

Financial

35. 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?

General maintenance and occupancy expenses are funded through other grants and direct donations. No extraordinary costs are anticipated as a result of this program.

36. Do you have any grant funds remaining from prior Fiscal Year allocations?

- Yes
- No

37. IF YES TO ABOVE, please answer the following:

If this question is not applicable, write N/A in the boxes below.

<input type="text" value="2020-2021"/>	What fiscal year(s) did you receive the funding?
<input type="text" value="Same"/>	What project did you receive the funding for?
<input type="text" value="\$35,000"/>	How much is remaining?
<input type="text" value="35,000.00"/>	TOTAL

38. CDBG ONLY - Identify all jurisdictions you are applying to for CDBG funds by indicating the amount applied for at each jurisdiction.

Write N/A for jurisdictions not being applied to for CDBG funds. Note: Any project/program being recommended less than \$8,000 total will not be funded per the Cooperation Agreement between the County and participating cities of the Urban County.

<input type="text" value="13455"/>	City of Arroyo Grande
<input type="text" value="2200"/>	City of Atascadero
<input type="text" value="900"/>	City of Morro Bay
<input type="text" value="3500"/>	City of Paso Robles
<input type="text" value="5445"/>	City of Pismo Beach
<input type="text" value="3500"/>	City of San Luis Obispo
<input type="text" value="60000"/>	County of San Luis Obispo
<input type="text" value="89,000.00"/>	TOTAL

39. GENERAL FUND ONLY - Please indicate the estimated portion of funding to go towards the following activities:
 -answer not presented because of the answer to #1-

40. HOME Only - TBRA Only - Please indicate the amounts to be spent for rental assistance, deposit assistance, and project administration?
 -answer not presented because of the answer to #1-

Budget [top](#)

Funding Sources/Revenues	Committed	Conditional	Proposed
CDBG Funding (this request)			\$ 89,000.00
ESG Funding (this request)			
General Funds (this request)			
CDBG Funding (previous years)			
Other Federal Funds (please specify which source):			
State (please specify which source):			
Local/County (non-federal)(please specify):			
Local/City (non-federal)(please specify):			
In-kind			
Other (please specify):			
Total	\$ 0.00	\$ 0.00	\$ 89,000.00

Funding Uses/Expenses	CDBG	ESG & ESG-CV	General Fund	HOME	PLHA
Personnel Costs	\$ 26,000.00				
Operating Costs					
Professional Services					
Capital Outlay					
Permits, Development Fees					
Legal and Public Notices					
Other (please specify):					
05Q Rental Assistance	\$ 36,000.00				
05T Deposits	\$ 27,000.00				
Total	\$ 89,000.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Budget Narrative

Rental Assistance at \$3,000 Avg/Household = \$36,000
 Deposits Assistance at \$2,250 Avg/Household = \$27,000
 Case Manager @\$27/hr x 35 hours/Household = \$19,000
 Primary Activity Delivery Cost (Grant Management Specialists) \$23.50/hr X 298 Hours = \$7,000

Tables [top](#)

ESG Matching Funds

Sources	Amount
	\$
	\$
	\$
	\$
	\$
	\$
	\$
Total	\$ 0

Documents Requested *Required? **Attached Documents ***

Incorporation Documents (if applicable)

Timeline of Project Milestones

[Timeline and Milestones](#)

Proof of Permit Issuance (if applicable)

Map of Multiple Project Locations (if applicable)

Most Recent Audit

[5CHC Audit 2019](#)

Commitment Letters for funds (if available)

Timeline of Expenditures

[TIMELINE OF EXPENDITURES](#)

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Application ID: 246911

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County of San Luis Obispo

2021 Housing (CDBG, HOME, Title 29, and PLHA)

Deadline: 10/28/2020

The Salvation Army, a California corporation The Salvation Army SLO County PSH II

Jump to: [Eligibility](#) [Application Questions](#) [Budget](#) [Tables](#) [Documents](#)

\$ 300,000.00 Requested

Submitted: 10/23/2020 12:51:12 PM
(Pacific)

Project Contact

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DUNS 074629460

SAM Expires 2/9/2021

Eligibility [top](#)

Some answers will not be presented because they are not part of the selected group of questions based on the answer to #1.

1. Please identify the funding sources being requested:

This question will be used to branch only those questions related to the funding sources requested in this application, so don't worry if your application has skipped question numbers.

- CDBG only
- HOME only
- Title 29 only
- PLHA only
- CDBG and HOME
- CDBG and Title 29
- HOME and Title 29
- CDBG, HOME and Title 29

CDBG National Objectives

2. CDBG ONLY - Please select the CDBG national objective that best applies to the proposed project.

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library for more information regarding CDBG national objectives.

- Low/Moderate Income
- Slums or Blight
- Urgent Need

3. CDBG ONLY - IF LOW/MODERATE INCOME WAS SELECTED - Select which criteria the proposed project intends to qualify under to meet the Low/Moderate Income objective.

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library for more information regarding the Low/Moderate Income national objective.

- Area Benefit
- Limited Clientele
- Housing
- N/A - Low/Moderate Income NOT selected

4. CDBG ONLY - IF SLUMS OR BLIGHT WAS SELECTED - Select which criteria the proposed project intends to qualify under to meet the Slums or Blight national objective.

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library tab for information regarding the Slums or Blight national objective.

- Area Basis
- Spot Basis
- N/A - Slums or Blight NOT selected

Beneficiary Documentation

5. CDBG ONLY - Please explain how the proposed project meets the selected CDBG National Objective.

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library tab.

The proposed project meets the CDBG national objective of "benefiting low- and moderate-income persons" by helping a population consisting exclusively of homeless persons. Chapter 3 of HUD's "Guide to National Objectives and Eligible Activities for CDBG Entitlement Communities" indicates that homeless persons are "presumed by HUD to be made up principally of L/M income persons."

6. CDBG/HOME/PLHA ONLY - How will you document and maintain income status or presumed benefit status of each beneficiary in compliance with regulations?

Please provide a sample of your Client Intake Form under the Documents Requested section below. Income verification for beneficiaries must be provided in accordance with the respective funding requested (links are provided in the Library).

The proposed project will provide permanent supportive housing to persons who will be referred into the program through San Luis Obispo County's Coordinated Entry System (CES). Multiple agencies around the County, including The Salvation Army, may enter clients into the CES. In order to qualify for referral into the permanent supportive housing program that is the subject of the present proposal, the client must (a) have been assessed through the County's combined Form 815 with Vulnerability Index - Service Prioritization Decision Assistance Tool (VI-SPDAT) with HMIS questionnaire; and (b) receive a sufficiently high vulnerability score on the VI-SPDAT. (Less vulnerable persons might be referred to assistance with rapid placement into standard housing, or lower-level problem solving.) Income and benefits status are addressed to some extent in the HMIS questionnaire, however, The Salvation Army will also ask for details on dollar amounts for income from employment and benefits, as part of a Salvation Army Family Services Intake form. (Both the County's combined Form 815/VI-SPDAT/HMIS questionnaire and The Salvation Army Family Services Intake form have been uploaded as part of the present submission.) Both forms will serve as screening to assure that each prospective resident is CDBG-eligible. All of this information will be accessible through The Salvation Army's internal WellSky client database system, which will in part "sync" with San Luis Obispo County HMIS. Any changes to a resident's income or benefits status over time will subsequently be entered into WellSky, while clients who are on the verge of being CDBG-ineligible will be advised on and aided in exit from the program.

Eligible Activities

7. CDBG/HOME/PLHA ONLY - How will you collect demographic data on the beneficiaries of the proposed project (i.e. racial/ethnic characteristics)?

Please provide a sample of your Client Intake Form under the Documents Requested section below. To qualify for an award of CDBG/HOME/PLHA funds, the agency must collect race and ethnicity information from all clients.

Information on racial/ethnic characteristics, as well as other demographic data, will be collected through the HMIS questionnaire (part of the combined Form 815/VI-SPDAT/HMIS questionnaire that has become standard within San Luis Obispo County), and consequently entered into HMIS. The Salvation Army will be able to access and produce reports on these data whenever desired through its own WellSky database system, which will be bridged to HMIS.

8. CDBG ONLY - Identify all eligible activities that apply to the proposed project.

Please refer to "Basically CDBG" or the "CDBG Guide to National Objectives and Eligible Activities" in the Library tab for information regarding CDBG eligible activities.

- Acquisition of real property
- Disposition of real property
- Relocation of individuals, families, businesses, non-profit organizations, and/or farms

- Removal of architectural barriers
- Housing rehabilitation
- Administrative technical assistance and planning studies (specified)

9. HOME ONLY - Indicate either "own" if the units will be owned or "rent" if the units will be rentals next to all activities included in the proposed project.

-answer not presented because of the answer to #1-

10. TITLE 29 ONLY - Indicate either "own" if the units will be owned or "rent" if the units will be rentals next to all activities included in the proposed project.

-answer not presented because of the answer to #1-

Additional Requirements

11. CDBG/HOME ONLY - If the project includes temporary or permanent relocation of occupants, it is subject to the Uniform Relocation Act (URA). Initial in the box below to signify that you have read and understand this requirement.

If this question is not applicable, write N/A in the box below. If applicable, upload a completed Relocation Plan under the Documents Requested section below.

N/A: The house to be purchased will be owner-occupied or vacant. There will be no tenants to be relocated.

12. HOME ONLY - CONSTRUCTION/REHABILITATION ONLY - Describe how the project will meet ADA and Section 504 standards for accessibility by the disabled. Describe the methods, funding and timetable to be utilized to address the problems.

-answer not presented because of the answer to #1-

13. HOME ONLY - Please see "Notice to Affordable Housing Projects Receiving HOME Funding" in the Library and initial in the box below that you have read and understand this notice.

-answer not presented because of the answer to #1-

14. PLHA ONLY - Identify what type of homeownership activities in which you are applying for.

-answer not presented because of the answer to #1-

Documents Requested *

Required? **Attached Documents ***

Client Intake Form(s) for Limited Clientele (if applicable)

[Client Intake Form \(1 of 2\)](#)

[Client Intake Form \(2 of 2\)](#)

Map for Area Benefit (if applicable)

CDBG Requirements and Acknowledgements
(Please download the template below and upload an initialed document here)
[download template](#)

[CDBG Requirements and Acknowledgements](#)

General Liability Insurance

[General Liability Insurance](#)

Relocation Plan - Residential

Relocation Plan - Business

Other miscellaneous docs

Application Questions [top](#)

Some answers will not be presented because they are not part of the selected group of questions based on the answer to #1.

1. Please identify the funding sources being requested:

This question will be used to branch only those questions related to the funding sources requested in this application, so don't worry if your application has skipped question numbers.

- CDBG only
- HOME only
- Title 29 only
- PLHA only
- CDBG and HOME
- CDBG and Title 29
- HOME and Title 29
- CDBG, HOME and Title 29

Project Summary

2. Project Address(es):

If the proposed project has multiple addresses, please upload a map of the specific locations under the Documents tab
An address is not available as the subject property for the project has not been identified at this time.

Concerning the next item, on jurisdictions/areas served, all CDBG jurisdictions are checked because clients may potentially be referred into the program from anywhere in San Luis Obispo County, while The Salvation Army seeks further discussion with County and jurisdictional officials on what jurisdiction(s) would work best as a site, and perhaps a catchment area, for the proposed program.

3. Jurisdiction(s)/Area(s) Served:

Select all that apply. For Title 29 requests, please refer to the Title 29 Market Areas map in the Library.

- Arroyo Grande
- Atascadero
- Morro Bay
- Paso Robles
- Pismo Beach
- City of San Luis Obispo
- County of San Luis Obispo
- TITLE 29 ONLY - North Coast
- TITLE 29 ONLY - North County
- TITLE 29 ONLY - South County
- TITLE 29 ONLY - Central County

4. Brief Project Description:

You will have the chance to expand on your project description further in the application (question 19). Please upload any maps, photos, drawings or plans under the Documents tab

The proposed project will consist of purchase of a house by The Salvation Army (TSA), at a cost of approximately \$600,000, to provide four units of permanent supportive housing (PSH) for homeless persons who need long-term support to prevent a return to homelessness. Unless the County requests service to a more narrow subpopulation, clients' challenges may variously consist of one or more of long-term addiction, mental illness, one or more disabling medical conditions, and/or insufficient life skills. Each client will have his or her own bedroom. Bathrooms, the kitchen, and other parts of the house will be shared. The house may be restricted to a single sex for safety. A Project Coordinator from TSA (funded separately) will provide case management. The house involved in the present proposal will complement a house to be acquired yet by virtue of partial funding provided by the County of SLO in the previous Community Development Grants round, and that will also provide PSH.

5. Please answer the following:

Please mark N/A for all questions not applicable.

<input type="text" value="300,000"/>	CDBG funding amount requested
<input type="text" value="N/A"/>	HOME funding amount requested
<input type="text" value="N/A"/>	Title 29 funding amount requested
<input type="text" value="N/A"/>	PLHA funding amount requested
<input type="text" value="N/A"/>	"
<input type="text" value="300,000.00"/>	SUBTOTAL
<input type="text" value="3/1/2022"/>	Anticipated start date
<input type="text" value="N/A"/>	Anticipated end date
<input type="text" value="300,000.00"/>	TOTAL

6. Type of agency:

- 501(c)(3)
- For Profit
- Gov't/Public
- Other:

Agency Details, Capacity, and Experience

7. Is the organization faith-based?

- Yes
- No

8. Please answer the following:

If this is your first time applying to the County for funds, please upload your organizations' incorporation documents (including certification for nonprofit organizations) in the Documents tab.

10/19/1914	Date of incorporation
\$172M	Annual operating budget
1,462	Number of paid staff
13,000	Number of volunteers
14,462.00	TOTAL

9. Agency Mission Statement:

AGENCY MISSION STATEMENT: The formal mission statement of The Salvation Army is as follows: "The Salvation Army, an international movement, is an evangelical part of the universal Christian Church. Its message is based on the Bible. Its ministry is motivated by the love of God. Its mission is to preach the gospel of Jesus Christ and to meet human needs in His name without discrimination."

Although it is a religious organization, The Salvation Army does not require religious participation as a condition for receiving services, and operates all programs funded by government in an entirely secular manner.

The Salvation Army also is known and abides by the phrase "Doing the Most Good."

IMPORTANT, RELATED INFORMATION: In 2019, The Salvation Army Western Territory (covers 13 western states) established an initiative, called The Way Out, to double The Salvation Army's services to fight homelessness over a five-year period. The Way Out was established before the COVID-19 pandemic was even imaginable; and now the importance and significance of the initiative is greater than ever. The Salvation Army (TSA) has not in recent years operated large programs in San Luis Obispo County to address homelessness, in contrast to extensive operations in other southern California counties. However, TSA has now commenced a major stepping-up in the organization's activities to address, and have an impact on, homelessness in San Luis Obispo County. This is being backed up by the full support and robust infrastructure of The Salvation Army California South Division (headquartered in Carson and overseeing operations in nine counties) as well as the broader Western Territory.

During the fall of 2020, TSA is submitting four different proposals in response to the current San Luis Obispo County Community Development Grants NOFA, variously addressing homelessness through encampment and street outreach; establishment, and then operation, of permanent supportive housing; and homelessness prevention and rapid re-housing. All of these endeavors, if funded, will fall within The Way Out initiative.

The following additional endeavors will complement the proposals being submitted this fall: •TSA is currently introducing its national Pathway to Hope Program for families at risk of homelessness in San Luis Obispo County. This program seeks to fight inter-generational poverty. •TSA has greatly stepped-up emergency food distribution in San Luis Obispo County: In September 2020 – amid the pandemic crisis – 4.25 times as many emergency food boxes were distributed compared to a year before. •TSA will be starting new street outreach services in San Luis Obispo, Santa Barbara, Ventura, and other certain counties in California in December 2020, through a program called "Street Level" (based on a highly successful program of the same name in Seattle), which is receiving about \$1 million in funding from Dignity Health.

10. Briefly describe the services provided and development projects your organization is CURRENTLY working on (regardless of funding source).

The Salvation Army (TSA) California South Division, of which Salvation Army programming in SLO County is a part, operates extensive service programs for vulnerable populations, with a particular focus on persons who are homeless or at significant risk of homelessness. Services include hundreds of beds of short-term and permanent supportive housing, comprehensive case management, licensed residential substance abuse treatment, recuperative care, employment services, targeted rental assistance, emergency basic needs assistance, and disaster response services. Funding sources include federal agencies such as HUD and VA, the California Department of Housing and Community Development, various county and municipal agencies, foundation grants, and individual donations from community members.

Development projects that are particularly relevant to the current proposal include the following:

- :: TSA Donald and Priscilla Hunt Apartments: 64 units of newly-constructed permanent supportive housing for formerly homeless single adults in Bell, Calif., opened in 2018.
- :: Alegria: Apartments providing permanent supportive and transitional housing for families affected by HIV/AIDS in Los Angeles, newly-constructed and opened in 2001.
- :: Chester Village: A permanent supportive housing (PSH) program for homeless families in Glendale, using four purpose-built townhomes.
- :: Nancy Painter Home: A small transitional housing program for homeless families in Glendale, who live together in a large house.
- :: Scattered-site PSH: TSA is currently managing two scattered-site PSH programs, one for former chronically homeless individuals and families, and the other for former chronically homeless transition-age youth, in Los Angeles County. These programs make use of

rented housing, and feature intensive case management. They serve about 120 residents overall.

:: Anaheim Center of Hope: TSA is currently in pre-development for a proposed multi-feature campus to include 70 newly-constructed PSH units for formerly homeless single adults, plus two additional units for staff. Construction is anticipated to begin in the late summer of 2021.

:: Pasadena Hope Center: Also in pre-development, this project is slated to include 65 newly-constructed units of PSH for formerly homeless single adults, plus one additional unit for staff. Construction is anticipated to begin, also, in the late summer of 2021.

In addition, TSA in SLO County currently fights homelessness through an eviction prevention program offering rental assistance and utility assistance, as well as food assistance for food-insecure persons, who are often also at risk for homelessness. These programs are funded in part by FEMA, and earlier CARES Act funding. TSA provides these services at five locations in SLO County, i.e., at TSA SLO Corps Community Center in the city of SLO, and at Salvation Army Service Extension offices in Paso Robles, Atascadero, Morro Bay, and Arroyo Grande.

11. Briefly describe the services and development projects your organization is PROPOSING (regardless of funding source).

As previously noted, The Salvation Army is initiating a major stepping-up in the organization's activities addressing, and having an impact on, homelessness in San Luis Obispo County. This is being backed up by the full support and robust infrastructure of The Salvation Army California South Division – including its Social Services Department – as well as the broader Western Territory, and informed by the organization's extensive experience in effectively assisting homeless persons in other communities.

The Salvation Army is submitting four different proposals in response to the current SLO County Community Development Grants NOFA. (The latter three proposals will be submitted at a later date in 2020, owing to a deadline extension for proposals seeking ESG-CV funding.):

1. A proposal for funding to support acquisition of a house in which The Salvation Army will operate four units of permanent supportive housing for high-need formerly homeless persons. This will be the second house with this function, adding to a house that was approved for funding support in association with the previous Community Development Grants NOFA. This proposal is the subject of the present submission.
2. A proposal for a new, COVID-19-responsive SLO County Encampment and Street Outreach program.
3. A proposal to operate a new, substantial homelessness prevention and rapid rehousing program throughout San Luis Obispo County, to serve hundreds of households with sharpened needs and vulnerabilities associated with the current COVID-19 pandemic.
4. A proposal for funding for operations of both a house approved for funding support in association with the previous Community Development Grants NOFA, and a second house, per proposal #1 (i.e., the present proposal) above. The houses together will provide eight units of permanent supportive housing; and funding is needed for a Project Coordinator, as well as utilities and maintenance costs. Residents of the houses will also have sharpened needs and vulnerabilities associated with the current COVID-19 pandemic.

The Salvation Army in San Luis Obispo County will also continue, contingent upon funding, its current eviction prevention and food assistance services as described in the preceding item, operating through an infrastructure involving five office sites within the county.

12. How does the proposed project complement and collaborate with existing efforts? Does your organization partner with other organizations?

HOW PROJECT COMPLEMENTS AND COLLABORATES WITH EXISTING EFFORTS: The proposed new Salvation Army SLO County Permanent Supportive Housing II project, which centrally consists of acquisition of a house, will complement an earlier, essentially identical project, for which The Salvation Army was previously awarded funding. The "first house" and the proposed "second house" will be operated together and served by a single Project Coordinator, and will in all provide eight living units for formerly homeless persons. The houses will introduce an extremely valuable placement for some of the most difficult-to-serve homeless persons in the county, i.e., persons who cannot successfully live in standard housing, and typically have multiple challenges, with a history of chronic homelessness. Collaboration will occur through The Salvation Army's continued participation in the San Luis Obispo County Homeless Services Oversight Council and its Housing Committee, staff training on and use of HMIS and the Coordinated Entry System Master List, and expected case conferencing.

PARTNERING WITH OTHER ORGANIZATIONS: In addition to partnering with other organizations through the Coordinated Entry System and HMIS, The Salvation Army enjoys a strong and wide-ranging mutual referral network for services to clients. Categories of services and associated providers include the following:

- PHYSICAL HEALTH:** County of SLO Public Health, Noor Clinic, County Social Services MediCal/Healthy Families, Clinica de Tolosa (dental), CAPSLO Mobile Clinic, Community Health Centers.
- MENTAL HEALTH:** SLO County Mental Health Services, Transitions Mental Health Association.
- SUBSTANCE ABUSE RECOVERY:** SLO County Drug and Alcohol Services, AA/Al-Anon, North County Connection, Central Coast Rescue Mission, The Salvation Army Adult Rehabilitation Center.

•LEGAL: California Rural Legal Assistance, Catholic Charities of Monterey, County of SLO Victim and Witness Assistance, Superior Court of SLO Family Mediation Services, SLO Legal Assistance Foundation, American Consumer Credit Counseling, and all law enforcement agencies.

•EMPLOYMENT: United Staffing Associates, SLO County Unemployment Career Center, Eckerd Connects Workforce Development.

The Salvation Army will hire a Project Coordinator for the permanent supportive housing program (the combination of the "first house" and the "second house") who will work closely with these providers, and others, to ensure that residents of the proposed program have access to the services they need to achieve continual stability.

13. If the proposed project will serve homeless households, please describe how the project will coordinates with other homeless service providers to connect homeless individuals and families to resources.

If this question is not applicable, write N/A in the box below.

The proposed project will provide permanent supportive housing to persons who will be referred into the program through San Luis Obispo County's Coordinated Entry System (CES). Multiple agencies around the County, including The Salvation Army, may serve as a client's access point into the CES. Captain Elaine Mansoor, San Luis Obispo County Coordinator for The Salvation Army, has held conversations with representatives of the major agencies related to integration of The Salvation Army into CES, and use of the CES Master List, while Salvation Army staff have been receiving, and will continue to receive, training in HMIS.

The Salvation Army anticipates that all clients entering the new permanent supportive housing program proposed in the present submission will be referred through the CES subsequent to a VI-SPDAT screening (see the earlier item 6 under Beneficiary Documentation), which may be conducted by a number of possible agencies, including The Salvation Army itself. Clients may come from emergency shelters, warming centers, or transitional housing; or else unsheltered conditions such as living in cars or in encampments. When a client has been served by another agency, Salvation Army staff will coordinate with staff of the other agency to assure a "warm handoff" when a client moves into the permanent housing program.

Coordination to help clients access the supportive service resources listed in the previous item will occur through phone calls, emails, expected case conferencing, and messages posted within HMIS.

14. Please describe your organization's capacity to implement the proposed project. Who will be involved? List projects of similar size and type that your organization has completed.

The Salvation Army in San Luis Obispo County is backed up by all of the resources of The Salvation Army California South Division, which is headquartered in Carson and oversees operations in nine southern California counties, as well as The Salvation Army Western Territory (legally known as "The Salvation Army, a California corporation"), which is headquartered in Rancho Palos Verdes and oversees operations in 13 western states. The Salvation Army has extensive holdings of residential facilities for homeless persons, variously providing short-term housing and permanent supportive housing, as well as apartment buildings providing affordable housing to seniors.

Projects completed and continually operated by The Salvation Army that are most similar to the project proposed in the current submission would probably be two programs in Glendale, which are located within a block of each other: (1) Chester Village, which consists of a set of four purpose-built townhomes that provide permanent supportive housing to formerly homeless families; and (2) the Nancy Painter Home, which provides transitional housing to multiple homeless families within a single large house.

Other completed projects involving permanent supportive housing in the California South Division include the following. (Additional permanent supportive housing projects in Anaheim and Pasadena currently in development were described in item 10, above.)

:: The Salvation Army Donald and Priscilla Hunt Apartments: 64 units of newly-constructed permanent supportive housing for formerly homeless single adults in Bell, California, opened in 2018.

:: Alegria: Apartments providing permanent supportive and transitional housing for families affected by HIV/AIDS in Los Angeles, newly-constructed and opened in 2001.

The Salvation Army has additionally developed residential facilities with hundreds of beds that provide short-term (rather than permanent) housing for homeless persons in southern California. This includes Bell Shelter in Bell, Zahn Emergency Shelter in downtown Los Angeles, Hope Harbor in central Los Angeles, Westwood Transitional Village in West Los Angeles, and Hospitality House in Santa Barbara, plus programs in Ventura, San Diego, and elsewhere.

Key persons involved in implementation of the proposed project will be:

:: Captain Elaine Mansoor, San Luis Obispo County Coordinator for The Salvation Army.

:: Anabel Sanchez, JD, Social Services Director for The Salvation Army California South Division.

:: Pilar Buena, MSW/LCSW, Development Director for The Salvation Army California South Division.

:: Anagelly Badillo, Contracts Manager for The Salvation Army California South Division.

These staff will also receive support from the Finance and Property departments within The Salvation Army California South Division.

15. Briefly describe your agency's record keeping system with relevance to the proposed project.

Refer to Chapter 13 of "Basically CDBG" in the Library for more information on record keeping for CDBG.

FINANCIAL RECORDS: Expenditures associated with the proposed project, as they are requested – including of course the main,

approximately \$600,000 expenditure to buy a house – will be reviewed and documented through a layered approval system within the Finance Department of The Salvation Army California South Division, which is headed by Richard Chalk, MBA, CPA. The Salvation Army's expenditure authorization and accounting policies and procedures are consistent with generally accepted accounting principles and in accordance with the Audit and Accounting Guide - Not-for-Profit Organizations issued by the American Institute of Certified Public Accountants. The Divisional Finance Department uses a robust, tiered, and efficient expenditure approval process that builds in safeguards to protect against fund misuse, fraud, and inaccuracy, with oversight from a Command Finance Council, which meets weekly and includes the Divisional Finance Director and other department heads.

CLIENT RECORDS: The Salvation Army will use an electronic records system for certain information about clients in the permanent supportive housing program. The electronic records will use an internal database system within WellSky software, which will mutually "sync" with San Luis Obispo County HMIS. A limited number of staff will have access to the internal database, and each staff person must use individualized credentials to enter it. Electronic records will otherwise be secured and backed up based on best practices as administered by the Information Technology Department of The Salvation Army California South Division. The Salvation Army will also use certain paper forms or records (e.g., internal intake form) that will be fitting for the small size of the program and the longer-term nature of permanent supportive housing. Paper records will be maintained and saved in accordance with the requirements of funders, and will be secured within a locked filing cabinet inside a locked office.

16. CDBG ONLY - Will the services offered by your organization increase or expand as a result of CDBG assistance?

- Yes
- No

17. CDBG ONLY - IF YES TO ABOVE - What new programs or services will be provided?

If this question is not applicable, write N/A in the box below.

If the current proposal is approved, CDBG assistance would allow The Salvation Army to establish a new four-unit permanent supportive housing program for homeless single adults who require long-term support to avoid returning to homelessness. This will complement four units of permanent supportive housing within another house for which acquisition was approved for CDBG funding by the County for the 2020-21 program year. Between the two houses there will be eight units of permanent supportive housing.

18. CDBG ONLY - IF YES TO QUESTION 16 - Describe how existing programs or services will be expanded and what percentage of an increase is expected.

If this question is not applicable, write N/A in the box below.

The permanent supportive housing program proposed in the present submission (occurring in October 2020) will complement an essentially identical proposal that The Salvation Army submitted to the County of San Luis Obispo in October 2019, and that the County later approved for \$247,380 in CDBG funding. The Salvation Army will immediately begin the process of seeking and acquiring the house approved for funding in connection to the earlier proposal upon execution of all award documents. Once that house is found, purchased, and opened for resident occupancy, there will be four active units of permanent supportive housing. If the present proposal (being submitted in October 2020) is approved for funding, this will allow for a 100% increase in permanent housing supportive units in operation – that is, an increase from four to eight units.

The two houses will otherwise add to The Salvation Army's existing programs that aid persons in San Luis Obispo County who are homeless or threatened with homelessness, which involve eviction prevention assistance and food assistance.

19. Please describe the proposed project in detail. What activities are to be undertaken?

Please attach a timeline of the project milestones under the Documents tab.

The proposed project will consist of purchase of a house by The Salvation Army (TSA), at a cost of approximately \$600,000, to provide four units of permanent supportive housing (PSH) for homeless persons who need long-term support to prevent a return to homelessness. Unless the County requests service to a more narrow subpopulation, clients' challenges may variously consist of one or more of long-term addiction, mental illness, one or more disabling medical conditions, and/or insufficient life skills. Each client will have his or her own bedroom. Bathrooms, the kitchen, and other parts of the house will be shared. The house may be restricted to a single sex for safety.

The house involved in the present proposal will complement a house to be acquired yet by virtue of partial funding provided by the County of SLO in the previous Community Development Grants round. This house will also provide four units of PSH for homeless persons. If the second house is approved through funding, the two houses together will provide eight units of PSH for homeless persons.

A Project Coordinator from TSA – covering both houses, and proposed to be funded through a separate, later 2020 submission to the County – will manage intake, record-keeping, and financial matters. This person will additionally provide individualized case management to each resident, which will include assistance, as needed, with access to supportive services to address health, mental illness, addiction recovery, life skills, etc., as well as public benefits.

The key activities associated with the currently proposed, new CDBG grant, in combination with funding from other sources, will consist of (1) searching for and identifying an available and appropriate (second) house priced at approximately \$600,000 through the use of a real estate agent; and then (2) purchasing the house. Other activities, for both of the two houses, will consist of (3) hiring a Project Coordinator, (4) publicizing the availability of the houses (each in turn) as part of the CES, (5) accepting residents (into each house in turn), and then (6) continually operating each house as supportive housing for residents.

A timeline of project milestones has been uploaded as part of the present submission.

(Please note that TSA is amenable to operation of a different program model at the house for service to homeless or formerly homeless clients, such as transitional housing or sober living, if that would best meet needs in the county, and if viable longer-term funding is available.)

TSA presently requests consideration of a \$300,000 grant from the County of SLO for a portion of acquisition costs. TSA is able to match this \$300,000 for property acquisition, if granted from the County, through a donation from a private individual. The Salvation Army additionally has \$50,000 in funding available to cover various costs to bring the house "on-line" (e.g., closing costs, minor rehabilitation if needed, furniture, etc.)

Project Details

20. CDBG/HOME ONLY - FOR AQUISIONS ONLY - Identify the following:

If this question is not applicable, write N/A in the boxes below.

<input type="text" value="Pending"/>	Assessor's parcel number
<input type="text" value="Pending"/>	Parcel size (sq. ft. or acres)
<input type="text" value="Pending"/>	Cumulative square footage of buildings on-site (if applicable)
<input type="text" value="0.00"/>	TOTAL

21. CDBG/HOME/PLHA ONLY - Please estimate the number of unduplicated persons or households to benefit from the proposed project. Write "p" for persons or "hh" for households.

For the HUD grants, please refer to the HUD Income Limits and CDBG guidebooks for information on Presumed Benefit populations. Please enter any presumed benefit households as low-income.

<input type="text" value="4 + turnover"/>	TOTAL number of persons (p) or households (hh) regardless of income
<input type="text" value="4 + turnover"/>	Of the total number of persons (p) or households (hh) entered above, how many will be LOW-INCOME (earning 51% - 80% or less of the County median-income)(CDBG&HOME Only)
<input type="text" value="4 + turnover"/>	Of the total number of persons (p) or households (hh) entered above, how many will be VERY LOW-INCOME (earning 50% or less of the County median-income)(CDBG&HOME Only)
<input type="text" value="4 + turnover"/>	Of the total number of persons (p) or households (hh) entered above, how many will be earning 60% or less of County median-income(PLHA Only)
<input type="text" value="0.00"/>	TOTAL

22. CDBG ONLY - If the project serves any of the presumed benefit populations under the Low/Moderate Income national objective, please describe how the project will directly benefit the populations identified.

If this question is not applicable, write N/A in the box below.

The project will exclusively serve homeless persons (which per Chapter 3 of HUD's "Guide to National Objectives and Eligible Activities for CDBG Entitlement Communities" are "presumed by HUD to be made up principally of L/M income persons"). The project will benefit homeless persons, in particular those who need long-term support to prevent a return to homelessness, by providing such persons with placement in appealing, well-managed permanent supportive housing.

23. TITLE 29 ONLY - Please estimate the number of households within each eligible income level to benefit from the proposed project.

-answer not presented because of the answer to #1-

24. Identify the projected target population your proposed project will serve (including age, race, residency, disability status, income level or other unit characteristics or subgroup information) and how that population will benefit from the project.

The target population for the proposed project will be single homeless adults who need long-term support to prevent a return to homelessness. All clients will be low income, and will come from San Luis Obispo County. The house will be limited to persons age 18 and older, and may be restricted to a single sex for safety. Race will not be relevant. The target population will benefit from the project by ending their homelessness in the face of their having substantial, abiding risk factors for homelessness.

25. Identify whether or not the site is owned or leased by the applicant. If optioned or owned by another entity, provide their name and contact information.

The future site, which will yet be identified, will be purchased by The Salvation Army from its current owner.

26. CDBG/HOME ONLY - AQUISIONS ONLY - Please answer the following:

If applicable, submit a current appraisal report (not more than 6 month old). If occupants will be displaced, please upload a preliminary relocation plan.

<input type="text" value="\$600,000"/>	What is the proposed purchase amount?
<input type="text" value="Unknown"/>	What is the anticipated escrow closing date?
<input type="text" value="No"/>	Will residential or commercial occupants be displaced by the HUD funded project?
<input type="text" value="N/A"/>	If yes, will the displacement be temporary or permanent. If temporary, then for how long?

27. What is the current zoning of the project site? Is the project site zoned correctly for the proposed activity?

If zoning information is not known, contact the local municipality to request assistance.

The project site has not yet been identified. The site will consist of an existing single-family home in a location with proper zoning already in place.

28. If the project is NOT zoned correctly for the proposed activity, provide an explanation of efforts and a timetable to change the zoning or obtain a variance.

If this question is not applicable, write N/A in the box below.

N/A

29. Has environmental review been completed (CEQA and/or NEPA)?

- Yes - CEQA review completed
- No - CEQA review not completed
- N/A - CEQA not required
- Yes - NEPA review completed
- No - NEPA review not completed
- N/A - NEPA not required

30. Please answer yes or no to the following:

If applicable, please upload a copy of the Phase I or II environmental assessment under the Documents tab.

- No* Has a Phase I or Phase II environmental assessment been conducted for the property?
- No* Are there any known hazards on or around the site (e.g. asbestos, storage tanks – underground, aboveground)?
- No* Is the project on a property designated or been determined to be potentially eligible for designation as a local, state, or national historic site?
- No* Are there any building(s)/structure(s) located on a Historic Site or within a Historic District?
- No* Is the project site located within a 100-year flood plain?
- N/A IF YES TO ABOVE, does your agency have flood insurance?
- No* Will there be demolition required?

0.00 TOTAL

31. Are there any existing buildings on the project property that were constructed prior to 1978?

- Yes
- No

32. IF YES TO ABOVE, please answer the following questions:

If this question is not applicable, write N/A in the boxes below. Please upload a copy of the asbestos risk assessment report(s) and/or lead hazard risk assessment report(s) under the Documents tab, if applicable.

- ** Has an asbestos risk assessment report(s) been prepared for the building(s)?
- ** Has the building(s) been abated for asbestos?
- ** Has a lead hazard risk assessment report(s) been prepared for the building(s)?
- ** Has the building(s) been abated for lead paint?
- No Will children occupy the building(s)?
- N/A IF CHILDREN WILL OCCUPY THE BUILDING, indicate the age range of the children. If no children will occupy the building, write N/A.

0.00 TOTAL

33. Identify all permits necessary for the project (local, state or federal).

*A comment concerning item 30 above: A house/property to be purchased for establishment of four units of permanent supportive housing has not yet been identified. However, The Salvation Army will avoid properties that have environmental hazards, are potentially eligible for an historic site designation, are within an Historic District, and/or are within a 500-year flood plain.

**A comment concerning items 31 and 32 above: Item 31 forced a "Yes" or "No" choice, when the true answer is "This is not yet known, as the building/property has not yet been identified." While there would be advantages to purchasing a house constructed in 1978 or later, purchase of a house constructed prior to 1978 is a possibility. In the latter case, The Salvation Army will assure accomplishment of all appropriate hazard assessments, but then would refrain from actually purchasing any property for which there is a need for abatement of asbestos or lead hazards.

Concerning permits, The Salvation Army intends to purchase an existing house that is in good to excellent condition, and will not need

changes of a sort that would require any permit. Also, no permits for use of the house as permanent supportive housing for four adults are known to be required.

34. State whether or not the necessary permits have been issued. If a permit has not yet been issued, indicate when the permit(s) will be applied for or issued.

Please provide proof of permit issuance under the Documents tab.

Not applicable: As stated in the response to the preceding item, The Salvation Army intends to purchase an existing house that is in good to excellent condition, and will not need rehabilitation of a sort that would require any permit. Also, no permits for use of the house as permanent supportive housing for four adults are known to be required.

35. Briefly describe your agency’s auditing requirements, including those for the proposed project.

Please upload a copy of your most recent audit (prepared by an independent CPA or accounting firm) under the Documents tab.

The Salvation Army California South Division, of which operations in San Luis Obispo County are a part, is audited annually by the independent auditing firm of Freeman & Freeman, CPAs. A copy of their most recent audit is included as a supplemental document with this submission.

Otherwise, expenditures associated with the proposed project, as they are requested, will be reviewed and documented through a layered approval system within the Finance Department of The Salvation Army California South Division, which is headed by Richard Chalk, MBA, CPA. The Salvation Army's expenditure authorization and accounting policies and procedures are consistent with generally accepted accounting principles and in accordance with the Audit and Accounting Guide - Not-for-Profit Organizations issued by the American Institute of Certified Public Accountants. The Divisional Finance Department uses a robust, tiered, and efficient expenditure approval process that builds in safeguards to protect against fund misuse, fraud, and inaccuracy, with oversight from a Command Finance Council, which meets weekly and includes the Divisional Finance Director and other department heads.

Financial

36. 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?

The Salvation Army will submit a proposal later in 2020 to fund operation and maintenance costs associated with a combination of the house to be acquired through funding requested through the present submission, and another house to be acquired through funding granted in a previous award from the County. The two houses will each have four units of permanent supportive housing, with eight units in all, and are proposed to be managed as a single program, under a single Project Coordinator, and with maintenance and utilities managed in a united manner. These funds are not available now, but, if the operations proposal is awarded funding, The Salvation Army understands that the funds will be available by the start of the County’s fiscal year on July 1, 2021.

The first house is expected to be acquired and ready for occupancy prior to July 1, 2021. The Salvation Army will fund operations of the first house up until July 1, 2021 through private donations and/or use of reserves. Funding for operations from July 1, 2021 on will stem from, it is hoped, a County grant using ESG-CV and/or other sources. Private donations, use of reserves, and/or other government funding possibilities will be explored otherwise to fund operations from July 1, 2021 on if necessary.

37. Identify whether or not the project is required to pay a prevailing wage. If not, briefly explain.

The project is not required to pay a prevailing wage because it does not involve “construction, alteration, demolition, installation, or repair work done under contract and paid in whole or in part out of public funds” (Cal Dept of Industrial Relations).

38. CONSTRUCTION/REHABILITATION ONLY - The following asks about tax credits.

If this question is not applicable, write N/A in the boxes below.

If the proposed project will be applying for tax credits, to which round will it be applying for? (1st round/2nd round)

If applying for 1st round, if your project is identified to receive funds, will your project require a Reservation Letter for the state tax creditors? (YES/NO)

TOTAL

39. Do you have any CDBG/HOME/T-29 funds remaining from prior Fiscal Year allocations?

Yes

No

40. IF YES TO ABOVE, please answer the following:

If this question is not applicable, write N/A in the boxes below.

What fiscal year(s) did you receive the funding?

What project did you receive the funding for?

How much is remaining?

TOTAL

41. CDBG ONLY - Identify all jurisdictions you are applying to for CDBG funds by indicating the amount applied for at each jurisdiction.

Write N/A for any jurisdictions not being applied to for CDBG funding. Any project being recommended for less than \$8,000 total will not be funded per the Cooperation Agreement between the County and participating cities of the Urban County.

seebudgnar	City of Arroyo Grande
seebudgnar	City of Atascadero
seebudgnar	City of Morro Bay
seebudgnar	City of Paso Robles
seebudgnar	City of Pismo Beach
seebudgnar	City of San Luis Obispo
seebudgnar	County of San Luis Obispo
0.00	TOTAL

42. CONSTRUCTION/REHABILITATION ONLY - Please upload a pro forma (20 year pro forma for rental housing projects) under the Documents tab.

If this question is not applicable, write N/A in the box below. If applicable, write "uploaded" below once the pro forma has been uploaded under the Documents tab.

N/A

Budget [top](#)

Funding Sources/Revenues	Committed	Conditional	Proposed
CDBG (this years' request and previous awards)			\$ 300,000.00
HOME funding (this years' request and previous awards)			
Title 29 funding (this years' request and previous awards)			
PLHA funding (this years' request and previous awards)			\$ 0.00
Other Federal Funds (please specify which source):			
State (please specify which source):			
In-kind			
Local/County (non-federal)(please specify which jurisdiction):			
Local/City (non-federal)(please specify which jurisdiction):			
Salvation Army Private Donor Funds	\$ 350,000.00		
Total	\$ 350,000.00	\$ 0.00	\$ 300,000.00

Funding Uses/Expenses	CDBG	HOME	Title 29	PLHA
Personnel Costs				
Operating Costs				
Professional Services				
Construction Costs				
Capital Outlay				
Relocation Expenses				
Permits, Development Fees				
Appraisal Fees				
Property Aquisition	\$ 300,000.00			
Legal and Public Notices				
Other:				
**Property Acquisition: Additional \$300K from private donation already in hand. Total acquisition will be \$600K.	\$ 300,000.00			
**Minor Rehab/FFE: \$50K from private donation already in hand.	\$ 50,000.00			
Total	\$ 650,000.00	\$ 0.00	\$ 0.00	\$ 0.00

Budget Narrative

The Salvation Army is requesting a total of \$300,000 in CDBG funds to purchase a house (i.e. property acquisition) priced at approximately \$600,000. The Salvation Army is able to leverage requested CDBG funds through a donation from a private local party, with funding already in hand, up to a maximum of \$300,000, in order to meet the anticipated purchase price. Additionally,

The Salvation Army will utilize donor funds for any additional expenditures needed to bring the house "on-line" including acquisition closing costs; minor rehabilitation which may be needed post-acquisition, such as new paint, new flooring, etc.; and purchase of furniture, fixtures, and equipment needed to provide furnished living accommodations for single adult residents.

The Salvation Army seeks consideration of an award of \$300,000 in CDBG funds through the County of San Luis Obispo. The Salvation Army is open to identifying and purchasing a house in any of the jurisdictions identified under Question #42, based on the availability and cost of housing available at the time of contract award. The proposed permanent supportive housing will be available to formerly homeless single adults from throughout the County.

The Salvation Army has the financial, staffing, and programmatic resources to implement the proposed permanent supportive housing within any jurisdiction within San Luis Obispo County, and is more than willing to discuss various options with County and jurisdictional parties.

Tables [top](#)

HOME Matching Funds

Sources	Amount
N/A	\$
	\$
	\$
	\$
	\$
	\$
Total	\$ 0

Documents [top](#)

Documents Requested *	Required?	Attached Documents *
Incorporation Documents (if applicable)		The Salvation Army Incorporation Documents
Timeline of Project Milestones	✓	Timeline of Project Milestones
Proof of Permit Issuance (if applicable)		
Asbestos Risk Assessment (if applicable)		
Lead Hazard Risk Assessment (if applicable)		
Phase I or II Environmental Assessment (if applicable)		
Map of Multiple Project Locations (if applicable)		
Project Photos/Plans/Drawings (if applicable)		
Most Recent Audit	✓	The Salvation Army Audit FYs 2019 & 2018
Commitment Letters for funds (if available)		The Salvation Army Commitment Letter
Timeline of Expenditures	✓	Timeline of Expenditures
20 year pro forma for rental housing projects		

* ZoomGrants™ is not responsible for the content of uploaded documents.

Application ID: 276810

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City of Morro Bay City Council

Community Development Block Grant (CDBG) Program

Review and Adopt Draft Funding
Recommendations for 2021 Program Year

CDBG Program

- Federal entitlement funding via participation with the Urban County consortium
- Funding availability for 2021 year is \$59,858 plus \$41,880 from 2020 year
- Draft funding recommendations are forwarded to County Board of Supervisors followed by public comment period and final funding recommendations early 2021.
- Four applications for funding received.

CDBG Program

Application Name	Brief Project Description	Amount Requested	Amount Recommended
Morro Bay Family Apartments, 405 Atascadero by SLONP	Acquisition of property to assist with construction of 35 new affordable rentals	\$250,000	\$89,766
Supportive Housing Program by PSHH	Provide supportive services to 4 existing affordable rental developments in Morro Bay	\$8,637	0
Subsistence Payments, Homeless Assistance by 5CHC	Provide emergency rental payment assistance for homeless or people at risk of homelessness	\$900	0
Salvation Army SLO County PSH II	Funding for acquisition of property to provide 4 units of supportive housing for homeless	\$300,000	0

CDBG Staff Recommendation

- Recommendation: Morro Bay Family Apartment project at 405 Atascadero by SLONP for \$89,766 to provide assistance for new 35-unit affordable rental development and City administration at \$4,190 for a total 2021 funding allocation of \$93,956.
- Additionally, authorize the City Manager to make pro rata adjustments to the allocation based on any HUD budgetary changes to the approved final 2021 CDBG funding amount from San Luis Obispo County.

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AGENDA NO: III

MEETING DATE: November 17, 2020

Staff Report

TO: Honorable Mayor and City Council DATE: November 12, 2020

FROM: Scot Graham, Community Development Director

SUBJECT: Adoption of Resolution No. 100-20 Declaring Gulls at Bayshore Village Have Become So Numerous or Destructive as to Constitute a Menace and Danger to the Public Health, Safety or Property, and Therefore Providing an Exemption from Morro Bay Municipal Code Section 7.16.025 Authorizing the Homeowners Association to Haze and Harass Gulls, to Remove Gull Nests from their Property and to Carryout Addling of Gull Eggs.

RECOMMENDATION

Council review the report and adopt Resolution No. 100-20 declaring the existence of Gulls at the Bayshore Village have become so numerous or destructive as to constitute a menace and danger to the public health, safety or property, authorizing an exemption for Bayshore Village from Morro Bay Municipal Code (MBMC) section 07.16.025, and authorizing the Homeowner's Association's request to haze and harass Gulls, to remove Gull nests from their property and carryout addling of Western Gull eggs.

ALTERNATIVES

Deny the request to allow the Bayshore Village Homeowner's Association to haze and harass Gulls and to remove Gull nests from their property and carryout addling of Western Gull eggs.

FISCAL IMPACT

None.

SUMMARY

In September of 2020, Staff received a request from the Bayshore Village Homeowner's Association (HOA) to extend the 2015 Council authorization to remove Gull nests from the roofs of the condominium units at Bayshore Village, and to expand the authorization to also allow the harassment and hazing of Gulls, and addling or Gull eggs. The City Council adopted Resolution No. 76-15 on December 8, 2015, finding the Gulls located within the Bayshore Village complex to be a public nuisance and thereby allowing removal of the Gull nests for a period of five years, expiring on December 31, 2020. (Resolution No. 76-15 is provided in Attachment 2).

DISCUSSION/BACKGROUND

The HOA continues to experience problems with the number of nesting Gulls on the property. The HOA indicates that the guano damages roof shingles and creates a health hazard. Section 7.16.025 of the MBMC, allows the City Council, by Resolution, to determine that birds, otherwise protected by the chapter, have become so numerous or destructive as to constitute a danger or public health hazard,

Prepared By: <u> SG </u>	Dept Review: <u> SG </u>
City Manager Review: <u> SC </u>	City Attorney Review: <u> CFN </u>

thereby allowing Council to approve measures to mitigate the issue. Section 7.16.025 of the Municipal Code is provided below:

7.16.025 - Molesting wild birds—Nuisance remedies.

No person shall trap, shoot, hunt, molest, injure or kill any wild birds, or tamper, damage or destroy the nests or eggs of any wild birds within the city. Should the city council determine by resolution that birds protected under this chapter have become so numerous or destructive in any particular location or area as to constitute a menace and danger to the public health, safety or property, the council may provide for such remedies appropriate under the circumstances.

In addition to obtaining authorization from the City for removal of the Gull nests, The Bayshore Village HOA is also required to obtain a predation permit from the United States Fish and Wildlife Services (USFWS). The HOA has obtained such approvals in each of the past five years. The predation permits are typically good for one year, and copies of the permits covering the last five years are provided in Attachment 3 of the staff report. The USFWS permit allows for the addling of Gull eggs (coating the eggs in oil), nest destruction, while also promoting non-lethal harassment of Gulls. The HOA does undertake Gull harassment through use of whirly birds, spiders, spikes, bird wire, mylar tape, electrified tape, coiled wire, distress calls and use of laser lights. A condition is included in Resolution No. 100-20 requiring the HOA to provide copies of the USFWS predation permits to the City of Morro Bay Community Development Department. (See Attachment 1 for the condition).

CONCLUSION

The Gull issue at Bayshore Village has persisted for over 15-years and without City authorization, the HOA will have no ability to mitigate the adverse impacts from the large number of Gulls that nest in the area. Staff, therefore, recommends Council adopt Resolution No. 100-20 declaring the existence of the Gulls at Bayshore Village exempt from MBMC section 7.16.025.

ATTACHMENTS

1. Resolution No. 100-20
2. CC Resolution No. 76-15
3. Copies of USFWS Predation Permits for last 5-years

RESOLUTION NO. 100-20

**A RESOLUTION OF CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
DECLARING THE EXISTENCE OF GULLS AT BAYSHORE VILLAGE HAVE BECOME SO
NUMEROUS OR DESTRUCTIVE AS TO CONSTITUTE A MENACE AND DANGER TO THE
PUBLIC HEALTH, SAFETY OR PROPERTY AND FINDING BAYSHORE VILLAGE
EXEMPT FROM MORRO BAY MUNICIPAL CODE SECTION 7.16.025 AND
AUTHORIZING THE HOMEOWNERS ASSOCIATION TO HAZE AND HARASS
GULLS AND REMOVE GULL NESTS AND TO CARRY OUT ADDLING OF
GULL EGGS ON THEIR PROPERTY**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, the Morro Bay Municipal Code Section 7.16.025 states that it is unlawful to damage or destroy the nests or eggs of any wild birds, or harm wild birds, within the City unless the City Council determines by resolution that the birds protected by the Ordinance have become so numerous or destructive as to constitute a menace and danger to the public health, safety or property; and

WHEREAS, in 2015, Council provided authorization to remove Gull nests from the roofs of the condominium units at Bayshore Village and adopted Resolution No. 76-15 on December 8, 2015, finding the Gulls located within the Bayshore Village complex to be a public nuisance and thereby allowing removal of the Gull nests for a period of five years, expiring on December 31, 2020; and

WHEREAS in September of 2020, the City received a request from Bayshore Village Homeowner's Association requesting that the Gulls located within their complex be declared a public nuisance and requesting an exemption to Morro Bay Municipal Code section 7.16.025 be granted by City Council allow hazing and harassment of gulls, removal of Gull nests and the ability to carry out addling of Gull eggs; and

WHEREAS, on November 17, 2020 the public was given the opportunity to appear and provide comment on the item; and

WHEREAS, the City Council has duly considered all evidence and determined that the presence of Gulls and their nests at Bayshore Village development are hazardous, unsafe, unsightly, unsanitary and constitute a nuisance detrimental to the public health, safety, and welfare and the property of others; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay:

Section 1. Findings. The City Council determines consistent with the requirements of Morro Bay Municipal Code section 7.16.025 that the Gulls and their nests located at the Bayshore Village in Morro Bay, CA have become so numerous or destructive as to constitute a menace and danger to the public health, safety or property, and the City Council therefore provides for the remedies contained herein which are determined to be appropriate under the circumstances as presented to Council.

Section 2. Exemption Granted. The City Council hereby conditionally grants the Bayshore Village Homeowners Association an exemption from the Morro Bay Municipal Code section 7.16.025 and allows them to haze and harass Gulls, to remove Gull nests from their roofs, and to carry out addling of Gull eggs in a safe and humane manner, for a period of 5-years terminating on December 31, 2025; provided that the exemption applies only to Morro Bay Municipal Code Section 7.16.025 and does not relieve the Bayshore Village Homeowner's Association from complying with all other local, state and federal laws.

Section 3. Action. The City Council does hereby condition the foregoing authorization for Bayshore Village to haze and harass Gulls, to remove Gull nests from their roofs, and to carry out addling of Gull eggs as follows:

- A. Prior to hazing or harassing Gulls or removing any Gull nests, or addling Gull eggs, the Bayshore Village Homeowner's Association shall provide evidence satisfactory to the City's Community Development Director that the U.S. Department of Fish and Wildlife has reissued/extended the Gull predation perm/it and to each calendar year thereafter while that grant is in effect.
- B. The foregoing grant is effective only through December 31, 2025.

PASSED AND ADOPTED by the City Council of the City of Morro Bay, at a special meeting thereof held on this 17th day of November 2020, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

JOHN HEADDING, Mayor

ATTEST

DANA SWANSON, City Clerk

RESOLUTION NO. 76-15

**RESOLUTION OF THE MORRO BAY CITY COUNCIL
DECLARING THE EXISTENCE OF GULLS AT BAYSHORE VILLAGE
EXEMPT FROM MORRO BAY MUNICIPAL CODE SECTION 7.16.025 AND
AUTHORIZING THE HOMEOWNERS ASSOCIATION TO
REMOVE GULL NESTS FROM THEIR PROPERTY**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, Morro Bay Municipal Code section 7.16.025 states it is unlawful to damage or destroy the nests or eggs of any wild birds within the City unless the City Council determines by resolution the birds protected by that Section have become so numerous or destructive as to constitute a menace and danger to the public health, safety or property; and

WHEREAS on August 17, 2015, the City received correspondence from Bayshore Village Homeowners Association requesting the Gulls located within their complex be declared a public nuisance and requesting an exemption to allow for the removal of Gull nests from their roofs be granted by the City Council pursuant to Morro Bay Municipal Code 7.16.025; and

WHEREAS, on December 8, 2015, the public was given the opportunity to appear and provide comment on the item; and

WHEREAS, the City Council has duly considered all evidence and determined the presence of Gulls and their nests at Bayshore Village development are hazardous, unsafe, unsightly, unsanitary and constitute a nuisance detrimental to the public health, safety, and welfare and the property of others.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay:

Section 1. Exemption Granted. The City Council hereby conditionally grants the Bayshore Village Homeowners Association an exemption from Morro Bay Municipal Code section 7.16.025 and allows them to remove Gull nests from their roofs in a safe and humane manner for a period of five full calendar years after the effective date of this Resolution; provided, that this exemption applies only to Morro Bay Municipal Code section 7.16.025 and does not relieve the Bayshore Village Homeowners Association from complying with all other local, state and federal laws.

Section 2. Conditions. The City Council does hereby condition the foregoing authorization for Bayshore Village to remove Gull nests from the property roofs as follows:

1. Prior to harassing Gulls or removing any Gull nests, the Bayshore Village Homeowners Association shall provide evidence, satisfactory to the City's Community Development Manager, the U.S. Department of Fish and Wildlife has reissued/extended the Gull

predation permit for the Bayshore Village complex to 2016 and to each calendar year thereafter while that grant is in effect.

2. The foregoing grant is effective only through December 31, 2020.

PASSED AND ADOPTED by the City Council of the City of Morro Bay, at a regular meeting thereof held on this 8th day of December, 2015, by the following vote:

AYES: Irons, Headding, Johnson, Makowetski, Smukler
NOES: None
ABSENT: None
ABSTAIN: None



JAMIE L. IRONS, Mayor

ATTEST



DANA SWANSON, City Clerk

Fax Cover Sheet

To: Scot Graham
Community Development Director

Fax #: 805 - 772 - 6268

From: Bill Albrecht
Bayshore Village HOA



Total Pages = 20, including cover.

9/29/2020

Mail - Bill Albrecht - Outlook

Bayshore Village Gull Issue

Scot Graham <sgraham@morrobayca.gov>

Fri 9/25/2020 2:56 PM

To: avantibn@msn.com <avantibn@msn.com>

1 attachments (100 KB)
20200925145445747.pdf

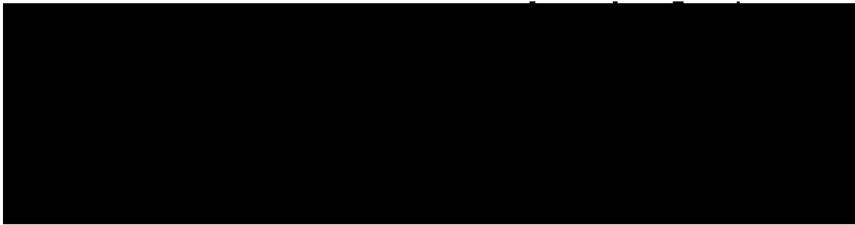
Hi Bill,

I was able to look into the Resolution we issued to exempt Bayshore Village from section 7.16.025 of the Morro Bay Municipal code and it includes a requirement that you furnish proof that US Fish and Wild Life has reissued/extended the gull predation permit to 2016 and to each calendar year thereafter. See condition 2 of the attached Resolution 76-15. It does not appear that Bayshore Village furnished the aforementioned predation permit information to the City after approval of the Resolution. It will be necessary for Bayshore Village to furnish copies for each of the 5 years the resolution was valid. Once I have those documents in hand, I will be able to schedule the item for City Council review.

Regards,

Scot Graham
Community Development Director
City of Morro Bay
(805) 772-6291

BILL ALBRECHT
BAYSHORE HOA



Scot: Hope THIS IS ALL
YOU NEED.

THANKS, BILL



* WE ARE NOT
REMOVING NESTS OR
EGGS. WE ARE
ADDLING AS PER
OUR PERMIT.

Visit nest sites no more than 14 days apart due to the 14-day limit on humanely addling eggs. If visits are longer apart than 14 days, it is much more likely addlers will find some eggs too old to disturb. The ideal timing would be to remove nests between 7 and 14 days of incubation, long enough incubation to reduce re-nesting but not so long that eggs are too old to remove.

In addition to the supplies needed for all addling methods, teams will need:

- containers for the eggs. ~~SEAGULLS~~ SAME AS GESSZ
SEAGULLS

Oiling Method. Oiling is a widely used addling method with a long record of success. Coat eggs that are young enough to addle humanely with corn oil. This keeps air from passing through the shell so the embryo cannot develop. Oiling is reported to be highly effective (between 95 and 100 percent) in studies. However, in field use oiled nests have hatched goslings on rare occasions.

Only use 100-percent food-grade corn oil to oil eggs. This is a USFWS regulation. Although they may seem more convenient, do not use aerosol spray cooking oil, even corn oil. These products have other ingredients added so the oil will not clog the spray head and will spread over the cooking surface. These additional ingredients may interfere with the oil's effectiveness in blocking air movement through the shell. Since these spray products are not 100 percent corn oil, they do not comply with USFWS regulation.

Addlers can rub oil onto eggs, dip eggs in a container of oil, or spray oil from pump-type (non-aerosol) containers. If spraying, be sure to oil all surfaces of each egg, not just the exposed surface as the egg lies in the nest. You will need to turn each egg to expose and spray the entire surface. Disposable gloves are very useful to keep hands clean when applying oil. **Change them between nests to prevent spreading disease between birds.** Whatever coating method you use, the goal is an even coat with a light to moderate amount of oil over the entire egg.

Phase 1
Phase 2
LOT: 25° 20' 41" N, 60m, 120° 50' 55" W



Sandpiper Circle

Sandpiper Lane

Bayshore Drive

Google earth

© 2020 Google LLC. All rights reserved. 35° 21' 15.00" N, 120° 50' 55.00" W

2014



DEPARTMENT OF THE INTERIOR
U.S. FISH AND WILDLIFE SERVICE

FEDERAL FISH AND WILDLIFE PERMIT

1. PERMITTEE

BAYSHORE VILLAGE HOMEOWNERS ASSOCIATION
168 BAYSHORE DR.
MORRO BAY, CA 93442
U.S.A.

2. AUTHORITY-STATUTES

16 USC 703-712

REGULATIONS

50 CFR Part 13
50 CFR 21.41

3. NUMBER

MB20289A-0

4. RENEWABLE

YES
 NO

5. MAY COPY

YES
 NO

6. EFFECTIVE

11/03/2013

7. EXPIRES

10/31/2014

8. NAME AND TITLE OF PRINCIPAL OFFICER (if #1 is a business)

WILLIAM ALBRECHT
PRESIDENT

9. TYPE OF PERMIT

DEPREDAATION

10. LOCATION WHERE AUTHORIZED ACTIVITY MAY BE CONDUCTED

72 Units: 150-188 Bayshore Dr., 154-190 Sandpiper Lane, 117-148 Sandpiper Circle
Morro Bay, CA 93442
San Luis Obispo County

11. CONDITIONS AND AUTHORIZATIONS:

A. GENERAL CONDITIONS SET OUT IN SUBPART D OF 50 CFR 13, AND SPECIFIC CONDITIONS CONTAINED IN FEDERAL REGULATIONS CITED IN BLOCK #2 ABOVE, ARE HEREBY MADE A PART OF THIS PERMIT. ALL ACTIVITIES AUTHORIZED HEREIN MUST BE CARRIED OUT IN ACCORD WITH AND FOR THE PURPOSES DESCRIBED IN THE APPLICATION SUBMITTED. CONTINUED VALIDITY, OR RENEWAL, OF THIS PERMIT IS SUBJECT TO COMPLETE AND TIMELY COMPLIANCE WITH ALL APPLICABLE CONDITIONS, INCLUDING THE FILING OF ALL REQUIRED INFORMATION AND REPORTS.

B. THE VALIDITY OF THIS PERMIT IS ALSO CONDITIONED UPON STRICT OBSERVANCE OF ALL APPLICABLE FOREIGN, STATE, LOCAL, TRIBAL, OR OTHER FEDERAL LAW.

C. VALID FOR USE BY PERMITTEE NAMED ABOVE.

D. You are authorized to treat up to **50 Western Gull nests and the eggs contained within using 100% Corn Oil.**

Lethal take is not to be the primary means of control. You are authorized to haze and harass birds throughout the year and remove active and inactive nests and nesting material. Active hazing, harassment or other non-lethal techniques must continue in conjunction with any lethal take of migratory birds. Demonstration of new and continued hazing, harassment, and exclusion construction during the term of this permit will be necessary to renew. An effective outreach program for residents and neighbors strongly recommended.

E. Any person who is (1) employed by or under contract to you for the activities specified in this permit, or (2) otherwise designated a subpermittee by you in writing, may exercise the authority of this permit. You are legally responsible to ensure that any yourself and any subpermittee correctly identify Western Gulls and do not take any other Migratory Bird Species.

F. You and any subpermittees must comply with the attached Standard Conditions for Migratory Bird Depredation Permits.

For suspected illegal activity, immediately contact USFWS Law Enforcement at: 310-328-1516

ADDITIONAL CONDITIONS AND AUTHORIZATIONS ALSO APPLY

12. REPORTING REQUIREMENTS

ANNUAL REPORT DUE: 11/10

You must submit a report to your Regional Migratory Bird Permit Office, even if you had no activity. Report form is at: www.fws.gov/forms/3-202-9.pdf.

ISSUED BY

TITLE

WILDLIFE BIOLOGIST, REGION 8

DATE

11/05/2013



FEDERAL FISH AND WILDLIFE PERMIT

16 USC 703-712

2015

REGULATIONS
50 CFR Part 13
50 CFR 21.41

1. PERMITTEE

INSHORE VILLAGE HOMEOWNERS ASSOCIATION
168 BAYSHORE DR.
MORRO BAY, CA 93442
U.S.A.

3. NUMBER
MB20299A-0

4. RENEWABLE
 YES
 NO

5. MAY COPY
 YES
 NO

6. EFFECTIVE
11/01/2014

7. EXPIRES
10/31/2015

8. NAME AND TITLE OF PRINCIPAL OFFICER (if not a business)

WILLIAM ALBRECHT
PRESIDENT

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DEPREDAATION

10. LOCATION WHERE AUTHORIZED ACTIVITY MAY BE CONDUCTED

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C. VALID FOR USE BY PERMITTEE NAMED ABOVE.

D. You are authorized to treat up to 50 Western Gull nests and the eggs contained within using 100% Corn Oil.

Lethal take is not to be the primary means of control. You are authorized to haze and harass birds throughout the year and remove active and inactive nests and nesting material. Active hazing, harassment or other non-lethal techniques must continue in conjunction with any lethal take of migratory birds. Demonstration of new and continued hazing, harassment, and exclusion construction during the term of this permit will be necessary to renew. An effective outreach program for residents and neighbors strongly recommended.

E. Any person who is (1) employed by or under contract to you for the activities specified in this permit, or (2) otherwise designated a subpermittee by you in writing, may exercise the authority of this permit. You are legally responsible to ensure that any yourself and any subpermittee correctly identify Western Gulls and do not take any other Migratory Bird Species.

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ANNUAL REPORT DUE: 11/10

You must submit a report to your Regional Migratory Bird Permit Office, even if you had no activity. Report form is at: www.fws.gov/forms/3-202-9.pdf.

ISSUED BY

TITLE
WILDLIFE BIOLOGIST, REGION 8

DATE
10/21/2014

U.S. DEPARTMENT OF AGRICULTURE
ANIMAL AND PLANT HEALTH INSPECTION SERVICE
WILDLIFE SERVICES

MIGRATORY BIRD DAMAGE PROJECT REPORT

1. COOPERATOR NAME, ADDRESS, AND TELEPHONE NUMBER <i>(Include business/agency name if appropriate)</i> Bayshore Village HOA, Attn: Bill Albrecht 168 Bayshore Dr. Morro Bay, CA 93442 TELEPHONE [REDACTED]	2. LOCATION OF DAMAGE 72 units on Bayshore Dr, Sandpiper Circle, and Sandpiper Lane	
	3. COUNTY San Luis Obispo	4. STATE California

5. RESOURCE		
A. RESOURCE CATEGORY <input type="checkbox"/> Agricultural <input type="checkbox"/> Natural Resource <input checked="" type="checkbox"/> Property <input checked="" type="checkbox"/> Human Health/ Safety	B. SPECIFIC RESOURCE(S) DAMAGED Residence getting sick from feces	C. NATURE OF DAMAGE droppings

6. DAMAGE ESTIMATE		
A. QUANTITY OF LOSS AND UNIT OF MEASURE <i>(Pounds, acres, each, etc.)</i> 29 condos with nests built on roofs	B. DOLLAR LOSS <i>(if available)</i> <input type="checkbox"/> Per Unit <input checked="" type="checkbox"/> Total \$ 4,000	C. LOSS CONFIRMED BY WS <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
D. DURATION /TIME PERIOD OF DAMAGE April through August	E. DATE ASSISTANCE REQUEST RECEIVED August 29, 2014	F. DATE OF INVESTIGATION August 29, 2014
G. INVESTIGATION TYPE <input type="checkbox"/> Site Visit <input checked="" type="checkbox"/> Telephone <input type="checkbox"/> Letter <input type="checkbox"/> Other		

7. MIGRATORY BIRD SPECIES		
A. DEPREDATING SPECIES	B. NUMBER INVOLVED	C. COMMENTS
1. Western Gull nests	50	Renewal permit # MB20289A-0 Contact person: Bill Albrecht
2. Western Gulls	200	
3.		
4.		

8. WS ASSISTANCE PROVIDED		
A. TYPE OF ASSISTANCE PROVIDED <input type="checkbox"/> Direct Control <input type="checkbox"/> Equipment Loan <input type="checkbox"/> Other (specify) <input checked="" type="checkbox"/> Technical Assistance <input type="checkbox"/> Supplies		
B. RECOMMENDED ACTION(S) <input checked="" type="checkbox"/> Harassment or hazing techniques <input type="checkbox"/> Lethal trapping <input type="checkbox"/> Trap and relocate <input type="checkbox"/> Habitat alteration and/or barriers <input type="checkbox"/> Shooting <input checked="" type="checkbox"/> Other -- remove nests before inhabited		
C. METHODS ATTEMPTED, RESULTS, COMMENTS Whirly birds, spiders, spikes on chimney caps, pokey wires on ridge lines of building, mylar tape, coiled wire in behind sky lights, excluded sky lights, wires above swimming pool, distress calls. Residences became sick from inhaling feces particles (ornithosis).		

9. DEPREDATION PERMIT	
WS RECOMMENDS PERMIT BE ISSUED: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If "YES" suggested conditions of permit: Wildlife Service's recommends egg addling of all Western Gull nests present

10. WS INVESTIGATOR NAME AND ADDRESS <i>(Print)</i> Valerie Burton PO Box 957 Taft, CA 93268 TELEPHONE (AC) (661)765-2511	12. FOR USE BY DEPREDATION PERMIT AGENCY
11. WS INVESTIGATOR'S SIGNATURE: 	



FEDERAL FISH AND WILDLIFE PERMIT

16 USC 703-712

2016

REGULATIONS
50 CFR Part 13
50 CFR 21.41

1. PERMITTEE

✓ **BAYSHORE VILLAGE HOMEOWNERS ASSOCIATION**
168 BAYSHORE DR.
MORRO BAY, CA 93442
U.S.A.

3. NUMBER
MB20289A-0

4. RENEWABLE
 YES
 NO

5. MAY COPY
 YES
 NO

6. EFFECTIVE
11/01/2014

7. EXPIRES
10/31/2015

8. NAME AND TITLE OF PRINCIPAL OFFICER (If not a business)

WILLIAM ALBRECHT
PRESIDENT

9. TYPE OF PERMIT
DEPREDAATION

10. LOCATION WHERE AUTHORIZED ACTIVITY MAY BE CONDUCTED

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Morro Bay, CA 93442
San Luis Obispo County

11. CONDITIONS AND AUTHORIZATIONS:

A. GENERAL CONDITIONS SET OUT IN SUBPART D OF 50 CFR 13, AND SPECIFIC CONDITIONS CONTAINED IN FEDERAL REGULATIONS CITED IN BLOCK #2 ABOVE, ARE HEREBY MADE A PART OF THIS PERMIT. ALL ACTIVITIES AUTHORIZED HEREIN MUST BE CARRIED OUT IN ACCORD WITH AND FOR THE PURPOSES DESCRIBED IN THE APPLICATION SUBMITTED. CONTINUED VALIDITY OR RENEWAL OF THIS PERMIT IS SUBJECT TO COMPLETE AND TIMELY COMPLIANCE WITH ALL APPLICABLE CONDITIONS, INCLUDING THE FILING OF ALL REQUIRED INFORMATION AND REPORTS.

B. THE VALIDITY OF THIS PERMIT IS ALSO CONDITIONED UPON STRICT OBSERVANCE OF ALL APPLICABLE FOREIGN, STATE, LOCAL, TRIBAL, OR OTHER FEDERAL LAW.

C. VALID FOR USE BY PERMITTEE NAMED ABOVE.

D. You are authorized to treat up to 50 Western Gull nests and the eggs contained within using 100% Corn Oil.

Lethal take is not to be the primary means of control. You are authorized to haze and harass birds throughout the year and remove active and inactive nests and nesting material. Active hazing, harassment or other non-lethal techniques must continue in conjunction with any lethal take of migratory birds. Demonstration of new and continued hazing, harassment, and exclusion construction during the term of this permit will be necessary to renew. An effective outreach program for residents and neighbors strongly recommended.

E. Any person who is (1) employed by or under contract to you for the activities specified in this permit, or (2) otherwise designated a subpermittee by you in writing, may exercise the authority of this permit. You are legally responsible to ensure that any yourself and any subpermittee correctly identify Western Gulls and do not take any other Migratory Bird Species.

F. You and any subpermittees must comply with the attached Standard Conditions for Migratory Bird Depredation Permits.

For suspected illegal activity, immediately contact USFWS Law Enforcement at: 310-328-1516

ADDITIONAL CONDITIONS AND AUTHORIZATIONS ALSO APPLY

12. REPORTING REQUIREMENTS

ANNUAL REPORT DUE: 11/10

You must submit a report to your Regional Migratory Bird Permit Office, even if you had no activity. Report form is at: www.fws.gov/forms/3-202-9.pdf

ISSUED BY

TITLE

WILDLIFE BIOLOGIST, REGION 8

DATE

10/21/2014

U.S. DEPARTMENT OF AGRICULTURE
ANIMAL AND PLANT HEALTH INSPECTION SERVICE
WILDLIFE SERVICES
MIGRATORY BIRD DAMAGE PROJECT REPORT

COOPERATOR NAME, ADDRESS, AND TELEPHONE NUMBER <i>(include business/agency name if appropriate)</i> Bayshore Village HOA 8 Bayshore Drive Morro Bay, CA 93442 TELEPHONE <input type="checkbox"/> Home <input checked="" type="checkbox"/> Work [REDACTED]	2. LOCATION OF DAMAGE 72 units on Bayshore Drive, Sandpiper Circle and Sandpiper Lane <hr/> 3. COUNTY San Luis Obispo	4. STATE CA
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5. RESOURCE		
RESOURCE CATEGORY <input type="checkbox"/> Agricultural <input type="checkbox"/> Natural Resource <input checked="" type="checkbox"/> Property <input checked="" type="checkbox"/> Human Health/ Safety	B. SPECIFIC RESOURCE(S) DAMAGED Residences getting sick from feces and droppings on buildings and property.	C. NATURE OF DAMAGE Droppings

6. DAMAGE ESTIMATE			
QUANTITY OF LOSS AND UNIT OF MEASURE <i>(Pounds, acres, each, etc.)</i> units	B. DOLLAR LOSS <i>(if available)</i> <input type="checkbox"/> Per Unit <input checked="" type="checkbox"/> Total \$ 13,000.00	C. LOSS CONFIRMED BY WS <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
DURATION /TIME PERIOD OF DAMAGE April through August	E. DATE ASSISTANCE REQUEST RECEIVED 7/27/2015	F. DATE OF INVESTIGATION 7/27/2015	G. INVESTIGATION TYPE <input type="checkbox"/> Site Visit <input checked="" type="checkbox"/> Telephone <input type="checkbox"/> Letter <input type="checkbox"/> Other

7. MIGRATORY BIRD SPECIES		
DEPREDATING SPECIES Western Gulls	B. NUMBER INVOLVED 52	C. COMMENTS Renewal permit # MB20289A-0 Contact person: Bill Albrecht

8. WS ASSISTANCE PROVIDED
TYPE OF ASSISTANCE PROVIDED <input type="checkbox"/> Direct Control <input type="checkbox"/> Equipment Loan <input type="checkbox"/> Other (specify) <input checked="" type="checkbox"/> Technical Assistance <input type="checkbox"/> Supplies

RECOMMENDED ACTION(S) <input checked="" type="checkbox"/> Harassment or hazing techniques <input type="checkbox"/> Lethal trapping <input type="checkbox"/> Trap and relocate <input checked="" type="checkbox"/> Habitat alteration and/or barriers <input type="checkbox"/> Shooting <input checked="" type="checkbox"/> Other (specify) Egg/nest destruction

METHODS ATTEMPTED, RESULTS, COMMENTS
 Applicant reports using whirly birds, spiders, spikes, bird wire, mylar tape, electrified tape, coiled wire, frames above sky lights, distress calls and laser lights with limited success.

9. DEPREDATION PERMIT
RECOMMENDS PERMIT BE ISSUED: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "YES" suggested conditions of permit: recommends a permit be issued to oil eggs of existing Western Gull nests to help reduce the population of Western Gulls nesting on buildings and disturbing residents to become ill. Conditions of the permit should include continuation of non-lethal attempts that are currently being implemented.

WS INVESTIGATOR NAME AND ADDRESS <i>(Print)</i> Covington Box 937 CA 93268 TELEPHONE (AC) (661)765-2511	12. FOR USE BY DEPREDATION PERMIT AGENCY
---	--

WS INVESTIGATOR'S SIGNATURE: *[Signature]*

SENT - 9-3-15 For 20 PER



United States Department of the Interior FISH AND WILDLIFE SERVICE



Pacific Southwest Region
Migratory Bird Permit Office
2800 Cottage Way, Room ~~W-1916~~ W-2606
Sacramento, California 95825-0509

AS JENNIFER BROWN
@ OFFICE

IN REPLY REFER TO:
FWS/RB/MB&SP/Permits

July 7, 2015

Dear Permittee:

On behalf of the Migratory Bird Permit Office, I am writing to apologize for how long our current permit processing times are. Due to our limited staff we are currently six months behind on processing permit requests. We ask your patience and understanding.

As stated in the enclosed renewal letter, if your permit expires before we process your renewal and you submitted your renewal request by the date specified on your renewal letter, your permit will remain valid until we are able to act on your request. Please keep a copy of all renewal materials that you submit to our office and note the date that you mail them. Special agents with our Office of Law Enforcement have been made aware of our difficulty processing permit renewals in a timely manner. If the Office of Law Enforcement has any questions, please ask them to contact me, Jennifer C. Brown in the Migratory Bird Permit Office.

Please use the enclosed renewal letter as a checklist to ensure your application is complete. If any items are missing from your application, we are required to mail your application back to you for completion and will delay processing times even further. Please check that your application includes the list of required items described on the renewal letter before submitting your renewal application.

Please assist us by minimizing the number of calls and e-mails to our office for status updates as it will give us more time to process permits, but if you have any questions, please do not hesitate to write to this office at the above address or call (916) 978-6183. Thank you for your cooperation and your understanding.

Sincerely,

Jennifer Brown
Migratory Bird Permit Biologist

Enclosures

cc: U.S. Fish and Wildlife Service, Office of Law Enforcement, California and Nevada



Permit Number: MB20289A-0
Effective: 04/06/2017 Expires: 03/31/2018

Issuing Office:

Department of the Interior
U.S. FISH AND WILDLIFE SERVICE
Migratory Bird Permit Office
2800 Cottage Way - Room W-2808
Sacramento, CA 95825
Tel: 916-978-6183 Fax: 916-978-6183
Email: permitsR6MB@fws.gov

2017

OLIVIA BAEZ
Digitally signed by Olivia Baez
Date: 2017.04.06 13:41:11 -0700
Wildlife Biologist, Pacific Southwest Region

Permittee:

BAYSHORE VILLAGE HOMEOWNERS ASSOCIATION
168 BAYSHORE DR.
MORRO BAY, CA 93442
U.S.A.

Name and Title of Principal Officer:
WILLIAM ALBRECHT - PRESIDENT

Authority: Statutes and Regulations: 16 USC 703-712; 50 CFR Part 13, 50 CFR 21.41.

Location where authorized activity may be conducted:

72 Units: 150-188 Bayshore Dr., 154-190 Sandpiper Lane, 117-148 Sandpiper Circle
Morro Bay, CA 93442
San Luis Obispo County

Reporting requirements:

ANNUAL REPORT DUE: 4/10

You must submit an annual report to your Regional Migratory Bird Permit Office each year even if you had no activity. Your Annual Report must be submitted with a Renewal Application AND within 10 days after your permit expires to cover the rest of the permit year. You can obtain this form here: www.fws.gov/forms/3-202-9.pdf

Conditions and Authorizations:

- A. General conditions set out in Subpart B of 50 CFR 13, and specific conditions contained in Federal regulations cited above, are hereby made a part of this permit. All activities authorized herein must be carried out in accord with and for the purposes described in the application submitted. Continued validity, or renewal of this permit is subject to complete and timely compliance with all applicable conditions, including the filing of all required information and reports.
- B. The validity of this permit is also conditioned upon strict observance of all applicable foreign, state, local tribal, or other federal law.
- C. Valid for use by permittee named above.
- D. You are authorized to destroy 25 Western Gull nests and the eggs contained within. Eggs may be treated by oiling (using 100% food grade corn oil). Lethal take of eggs must not be the primary means of control. Egg destruction is a last resort only if breeding adults cannot be scared away by aggressive non-lethal control efforts. Active hazing, harassment or other non-lethal techniques must continue in conjunction with nest removals. Methods may include netting rooftops, stringing narrowly spaced wires over rooftops, utilizing high-powered green and red lasers that are visible in all but the brightest daylight hours, or raptors under the control of a Special Purpose - Abatement permittee. Please contact the Regional Migratory Bird Permit Office if you would like a list of Special Purpose - Abatement permittees.

You are not authorized to destroy any nests containing live chicks. You are not authorized to lethally take live birds under this permit.



Permit Number: MB20289A-0
Effective: 04/08/2017 Expires: 03/31/2018

E. A subpermittee is an individual to whom you have provided written authorization to conduct some or all of the permitted activities in your absence. Subpermittees must be at least 18 years of age.

As the permittee, you are legally responsible for ensuring that your subpermittees are in compliance with the terms and conditions of this permit, are qualified to perform these authorized activities and adhere to the terms of your permit. You are also responsible for maintaining current records of anyone you have designated as a subpermittee, including copies of letters you have provided to the subpermittees authorizing them to conduct the permitted activities on your behalf.

Subpermittees include: contractor from Goetz Manderley Management Company and any other person who is (1) employed by or under contract to you for the activities specified in this permit, or (2) otherwise designated a subpermittee by you in writing, may exercise the authority of this permit.

F. Permittee and any subpermittees must comply with all attached Standard Conditions for Migratory Bird Depredation Permits. These standard conditions are a continuation of your permit conditions and must remain with your permit.

For suspected illegal activity, immediately contact USFWS Law Enforcement at: 310-328-1516 (Torrance).



Permit Number: MB20289A-0
Effective: 04/06/2017 Expires: 03/31/2018

Issuing Office:

Department of the Interior
U.S. FISH AND WILDLIFE SERVICE
Migratory Bird Permit Office
2800 Cottage Way - Room W-2806
Sacramento, CA 95825
Tel: 916-978-6183 Fax: 916-978-6183
Email: permitsR6MB@fws.gov

EXTENDED TO UNTIL 8-22-18

2018

OLIVIA BAEZ
Digitally signed by OLIVIA BAEZ
Date: 2017.04.06 12:49:11 -0700
Wildlife Biologist, Pacific Southwest Region

Permittee:

BAYSHORE VILLAGE HOMEOWNERS ASSOCIATION
168 BAYSHORE DR.
MORRO BAY, CA 93442
U.S.A.

Name and Title of Principal Officer:
WILLIAM ALBRECHT - PRESIDENT

Authority: Statutes and Regulations: 16 USC 703-712; 50 CFR Part 13, 50 CFR 21.41.

Location where authorized activity may be conducted:

77 Units: 150-188 Bayshore Dr., 154-180 Sandpiper Lane, 117-148 Sandpiper Circle
Morro Bay, CA 93442
San Luis Obispo County

Reporting requirements:

ANNUAL REPORT DUE: 4/10

You must submit an annual report to your Regional Migratory Bird Permit Office each year even if you had no activity. Your Annual Report must be submitted with a Renewal Application AND within 10 days after your permit expires to cover the rest of the permit year. You can obtain this form here: www.fws.gov/forms/3-202-9.pdf

Conditions and Authorizations:

A. General conditions set out in Subpart B of 50 CFR 13, and specific conditions contained in Federal regulations cited above, are hereby made a part of this permit. All activities authorized herein must be carried out in accord with and for the purposes described in the application submitted. Continued validity, or renewal of this permit is subject to complete and timely compliance with all applicable conditions, including the filing of all required information and reports.

B. The validity of this permit is also conditioned upon strict observance of all applicable foreign, state, local tribal, or other federal law.

C. Valid for use by permittee named above.

D. You are authorized to destroy 25 Western Gull nests and the eggs contained within. Eggs may be treated by oiling (using 100% food grade corn oil). Lethal take of eggs must not be the primary means of control. Egg destruction is a last resort only if breeding adults cannot be scared away by aggressive non-lethal control efforts. Active hazing, harassment or other non-lethal techniques must continue in conjunction with nest removals. Methods may include netting rooftops, stringing narrowly spaced wires over rooftops, utilizing high-powered green and red lasers that are visible in all but the brightest daylight hours, or raptors under the control of a Special Purpose - Abatement permittee. Please contact the Regional Migratory Bird Permit Office if you would like a list of Special Purpose - Abatement permittees.

You are not authorized to destroy any nests containing live chicks. You are not authorized to lethally take live birds under this permit.



Permit Number: MB20289A-0
Effective: 08/22/2018 Expires: 07/31/2019

Issuing Office:

Department of the Interior
U.S. FISH AND WILDLIFE SERVICE
Migratory Bird Permit Office
2800 Cottage Way - Room W-2808
Sacramento, CA 95825
Tel: 916-978-6183 Fax: 916-978-6183
Email: permitsR8MB@fws.gov

2019

OLIVIA BAEZ Digitally signed by OLIVIA BAEZ
Date: 2018.08.22 14:52:29 -07'00'
Wildlife Biologist, Pacific Southwest Region

Permittee:

BAYSHORE VILLAGE HOMEOWNERS ASSOCIATION



Name and Title of Principal Officer:

WILLIAM G ALBRECHT - VICE PRESIDENT

Authority: Statutes and Regulations: 16 USC 703-712; 50 CFR Part 13, 50 CFR 21.41.

Location where authorized activity may be conducted:

...ities and records maintained at 72 Units: 150-188 Bayshore Dr., 154-190 Sandpiper Lane, 117-148 Sandpiper Circle Morro Bay, CA
42
San Luis Obispo County

Reporting requirements:

ANNUAL REPORT DUE: 4/10

You must submit an annual report to your Regional Migratory Bird Permit Office each year even if you had no activity. Your Annual Report must be submitted with a Renewal Application AND within 10 days after your permit expires to cover the rest of the permit year. You can obtain this form here: www.fws.gov/forms/3-202-9.pdf

Authorizations and Conditions:

- A. General conditions set out in Subpart B of 50 CFR 13, and specific conditions contained in Federal regulations cited above, are hereby made a part of this permit. All activities authorized herein must be carried out in accord with and for the purposes described in the application submitted. Continued validity, or renewal of this permit is subject to complete and timely compliance with all applicable conditions, including the filing of all required information and reports.
- B. The validity of this permit is also conditioned upon strict observance of all applicable foreign, state, local tribal, or other federal law.
- C. Valid for use by permittee named above.
- D. You are authorized to destroy 25 Western Gull nests and the eggs contained within. Eggs may be treated by oiling (using 100% food grade corn oil). Lethal take of eggs must not be the primary means of control. Egg destruction is a last resort only if breeding adults cannot be scared away by aggressive non-lethal control efforts. Active hazing, harassment or other non-lethal techniques must continue in conjunction with nest removals. Methods may include netting rooftops, stringing narrowly spaced wires over rooftops, utilizing high-powered green and red lasers that are visible in all but the brightest daylight hours, or raptors under the control of a Special Purpose - Abatement permittee. Please contact the Regional Migratory Bird Permit Office if you would like a list of Special Purpose - Abatement permittees.

You are not authorized to destroy any nests containing live chicks. You are not authorized to lethally take live birds under this permit.



Permit Number: MB20289A-0
Effective: 08/22/2018 Expires: 07/31/2019

E. A subpermittee is an individual to whom you have provided written authorization to conduct some or all of the permitted activities in your absence. Subpermittees must be at least 18 years of age.

As the permittee, you are legally responsible for ensuring that your subpermittees are in compliance with the terms and conditions of this permit, are qualified to perform these authorized activities and adhere to the terms of your permit. You are also responsible for maintaining current records of anyone you have designated as a subpermittee, including copies of letters you have provided to the subpermittees authorizing them to conduct the permitted activities on your behalf.

Subpermittees Include: contractor from Goetz Manderley Management Company and any other person who is (1) employed by or under contract to you for the activities specified in this permit, or (2) otherwise designated a subpermittee by you in writing, may exercise the authority of this permit.

F. Permittee and any subpermittees must comply with all attached Standard Conditions for Migratory Bird Depredation Permits. These standard conditions are a continuation of your permit conditions and must remain with your permit.

For suspected illegal activity, immediately contact USFWS Law Enforcement at: 310-328-1516 (Torrance).



Standard Conditions Migratory Bird Depredation Permits 50 CFR 21.41

All of the provisions and conditions of the governing regulations at 50 CFR part 13 and 50 CFR part 21.41 are conditions of your permit. Failure to comply with the conditions of your permit could be cause for suspension of the permit. The standard conditions below are a continuation of your permit conditions and must remain with your permit. If you have questions regarding these conditions, refer to the regulations or, if necessary, contact your migratory bird permit issuing office. For copies of the regulations and forms, or to obtain contact information for your issuing office, visit: <http://www.fws.gov/migratorybirds/mbpermits.html>.

1. To minimize the lethal take of migratory birds, you are required to continually apply non-lethal methods of harassment in conjunction with lethal control.
[Note: Explosive Pest Control Devices (EPCDs) are regulated by the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF). If you plan to use EPCDs, you require a Federal explosives permit, unless you are exempt under 27 CFR 555.141. Information and contacts may be found at www.atf.gov/explosives/how-to/become-an-fel.htm.]
2. Shotguns used to take migratory birds can be no larger than 10-gauge and must be fired from the shoulder. You must use nontoxic shot listed in 50 CFR 20.21(j).
3. You may not use blinds, pits, or other means of concealment, decoys, duck calls, or other devices to lure or entice migratory birds into gun range.
4. You are not authorized to take, capture, harass, or disturb bald eagles or golden eagles, or species listed as threatened or endangered under the Endangered Species Act found in 50 CFR 17, without additional authorization.

For a list of threatened and endangered species in your state, visit the U.S. Fish and Wildlife Service's Threatened and Endangered Species System (TESS) at: <http://www.fws.gov/cndanagred>.

5. If you encounter a migratory bird with a Federal band issued by the U.S. Geological Survey Bird Banding Laboratory, Laurel, MD, report the band number to 1-800-327-BAND (2263) or <http://www.reportband.gov>.
6. This permit does not authorize take or release of any migratory birds, nests, or eggs on Federal lands without additional prior written authorization from the applicable Federal agency, or on State lands or other public or private property without prior written permission or permits from the landowner or custodian.
7. Unless otherwise specified on the face of the permit, migratory birds, nests, or eggs taken under this permit must be:
 - (a) turned over to the U.S. Department of Agriculture for official purposes, or
 - (b) donated to a public educational or scientific institution as defined by 50 CFR 10, or
 - (c) completely destroyed by burial or incineration, or
 - (d) with prior approval from the permit issuing office, donated to persons authorized by permit or regulation to possess them.

(page 1 of 2)

8. A subpermittee is an individual to whom you have provided written authorization to conduct some or all of the permitted activities in your absence. Subpermittees must be at least 18 years of age. As the permittee, you are legally responsible for ensuring that your subpermittees are adequately trained and adhere to the terms of your permit. You are responsible for maintaining current records of who you have designated as a subpermittee, including copies of designation letters you have provided.
9. You and any subpermittees must carry a legible copy of this permit, *including these Standard Conditions*, and display it upon request whenever you are exercising its authority.
10. You must maintain records as required in 50 CFR 13.46 and 50 CFR 21.41. All records relating to the permitted activities must be kept at the location indicated in writing by you to the migratory bird permit issuing office.
11. Acceptance of this permit authorizes the U.S. Fish and Wildlife Service to inspect any wildlife held, and to audit or copy any permits, books, or records required to be kept by the permit and governing regulations.
12. You may not conduct the activities authorized by this permit if doing so would violate the laws of the applicable State, county, municipal or tribal government or any other applicable law.

(DPRD - 12/3/2011)

(page 2 of 2)



Permit Number: MB20289A-0
Effective: 08/22/2018 Expires: 07/31/2019

EXTENDED UNTIL 7-31-2020

COVID - OFFICE CLOSED
2020

Issuing Office:

Department of the Interior
U.S. FISH AND WILDLIFE SERVICE
Migratory Bird Permit Office
2800 Cottage Way - Room W-2608
Sacramento, CA 95825
Tel: 916-978-6183 Fax: 916-978-6183
Email: permitsRMB@fws.gov

OLIVIA BAEZ Digitally signed by OLIVIA BAEZ
Date: 2018.08.22 14:52:29 -0700
Wildlife Biologist, Pacific Southwest Region

Permittee:

BAYSHORE VILLAGE HOMEOWNERS ASSOCIATION



Name and Title of Principal Officer:

WILLIAM G ALBRECHT - VICE PRESIDENT

Authority: Statutes and Regulations: 16 USC 703-712; 50 CFR Part 13, 50 CFR 21.41.

Location where authorized activity may be conducted:

Units and records maintained at 72 Units: 150-188 Bayshore Dr., 154-190 Sandpiper Lane, 117-148 Sandpiper Circle Morro Bay, CA 94042
San Luis Obispo County

Reporting requirements:

ANNUAL REPORT DUE: 4/10

You must submit an annual report to your Regional Migratory Bird Permit Office each year even if you had no activity. Your Annual Report must be submitted with a Renewal Application AND within 10 days after your permit expires to cover the rest of the permit year. You can obtain this form here: www.fws.gov/forms/3-202-9.pdf

Authorizations and Conditions:

- A. General conditions set out in Subpart B of 50 CFR 13, and specific conditions contained in Federal regulations cited above, are hereby made a part of this permit. All activities authorized herein must be carried out in accord with and for the purposes described in the application submitted. Continued validity, or renewal of this permit is subject to complete and timely compliance with all applicable conditions, including the filing of all required information and reports.
- B. The validity of this permit is also conditioned upon strict observance of all applicable foreign, state, local tribal, or other federal law.
- C. Valid for use by permittee named above.
- D. You are authorized to destroy 25 Western Gull nests and the eggs contained within. Eggs may be treated by oiling (using 100% food grade corn oil). Lethal take of eggs must not be the primary means of control. Egg destruction is a last resort only if breeding adults cannot be scared away by aggressive non-lethal control efforts. Active hazing, harassment or other non-lethal techniques must continue in conjunction with nest removals. Methods may include netting rooftops, stringing narrowly spaced wires over rooftops, utilizing high-powered green and red lasers that are visible in all but the brightest daylight hours, or raptors under the control of a Special Purpose - Abatement permittee. Please contact the Regional Migratory Bird Permit Office if you would like a list of Special Purpose - Abatement permittees.

You are not authorized to destroy any nests containing live chicks. You are not authorized to lethally take live birds under this permit.

RESERVED	RESERVED
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UNITED STATES DEPARTMENT OF AGRICULTURE ANIMAL AND PLANT HEALTH INSPECTION SERVICE WILDLIFE SERVICES	USFWS MIGRATORY BIRD PERMIT APPLICATION OR REVIEW	<input type="checkbox"/> NEW <input checked="" type="checkbox"/> RENEWAL PERMIT NO. MB-20289A-0 <input type="checkbox"/> WITHOUT CHANGE
---	--	---

1. REQUESTER INFORMATION	2. LOCATION OF DAMAGE	
A. NAME AND ADDRESS Bayshore Village HOA 166 Bayshore Drive Morro Bay, CA 93442	A. LOCATION 72 Units on Bayshore Drive, Sandpiper Circle and Sandpiper Lane in Morro Bay, CA	
B. TELEPHONE HOME WORK	B. COUNTY San Luis Obispo	C. STATE CA
C. FAX OR EMAIL		

3. RESOURCE/DAMAGE ESTIMATE		C. DESCRIPTION OF DAMAGE
A. RESOURCES DAMAGED (select all that apply)	<input type="checkbox"/> AGRICULTURE <input type="checkbox"/> NATURAL RESOURCES <input checked="" type="checkbox"/> HEALTH & SAFETY <input checked="" type="checkbox"/> PROPERTY	
B. LIST SPECIFIC RESOURCES Residents getting sick from feces and droppings on buildings and property.		Droppings

4. MIGRATORY BIRD SPECIES		5. PERMIT RECOMMENDATION		
A. DEPREDATING SPECIES	B. NUMBER INVOLVED	A. TAKE RECOMMENDATION	B. NUMBER RECOMMENDED	C. METHODS
(1) Western Gull	30	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	30	Egg Oiling
(2)		<input type="checkbox"/> YES <input type="checkbox"/> NO		
(3)		<input type="checkbox"/> YES <input type="checkbox"/> NO		
(4)		<input type="checkbox"/> YES <input type="checkbox"/> NO		

6. ACTIONS
A. PREVIOUS ACTIONS TO ADDRESS PROBLEM AND RESULTS OF THOSE ACTIONS Applicant reports using whirly birds, spiders, spikes, bird wire, mylar tape, electrified tape coiled wire, frames above sky lights, distress calls and laser lights with limited success.

B. COMMENTS
WS recommends a permit be issued to oil eggs of existing Western Gull nests to help reduce the population of Western Gulls nesting on buildings and causing residents to become ill. Conditions of the permit should include continuations of non-lethal attempts that are currently being implemented.

7. RECOMMENDED ACTIONS
<input checked="" type="checkbox"/> HARASSMENT <input checked="" type="checkbox"/> HABITAT ALTERATION <input type="checkbox"/> HUSBANDRY <input checked="" type="checkbox"/> EXCLUSION <input type="checkbox"/> LETHAL TRAPPING <input type="checkbox"/> CHEMICAL REPELLENT <input type="checkbox"/> CAPTURE AND RELOCATION <input checked="" type="checkbox"/> EGG/NEST DESTRUCTION <input type="checkbox"/> SHOOTING <input type="checkbox"/> OTHER:

8. WS INVESTIGATOR INFORMATION	
A. WS INVESTIGATOR NAME AND CONTACT INFORMATION Eric Covington PO Box 957 Taft, CA 93268 TELEPHONE NUMBER (661)765-2511 EMAIL ADDRESS Eric.L.Covington@usda.gov	B. WS INVESTIGATOR SIGNATURE ERIC COVINGTON Digitally signed by ERIC COVINGTON Date: 2019.08.08 10:40:26 -07'00' 9. DATE OF INVESTIGATION (use this date as MIS entry date) 8/8/2019

Applying for
2021

RESERVED

RESERVED

UNITED STATES DEPARTMENT OF AGRICULTURE
ANIMAL AND PLANT HEALTH INSPECTION SERVICE
WILDLIFE SERVICES

**USFWS MIGRATORY BIRD
PERMIT APPLICATION
OR REVIEW**

- NEW
 RENEWAL
 PERMIT NO.
 MB-20289A-0
 WITHOUT CHANGE

1. REQUESTER INFORMATION

A. NAME AND ADDRESS
 Bayshore Village HOA
 168 Bayshore Drive
 Morro Bay, CA 93442

B. TELEPHONE HOME [REDACTED]
 WORK [REDACTED]

C. FAX OR EMAIL

2. LOCATION OF DAMAGE

A. LOCATION
 72 Units on Bayshore Drive, Sandpiper Circle and Sandpiper Lane in Morro Bay, CA

B. COUNTY
 San Luis Obispo

C. STATE
 CA.

3. RESOURCE/DAMAGE ESTIMATE

A. RESOURCES DAMAGED (select all that apply)
 AGRICULTURE HEALTH & SAFETY
 NATURAL RESOURCES PROPERTY

C. DESCRIPTION OF DAMAGE
 Droppings

B. LIST SPECIFIC RESOURCES
 Residents getting sick from feces and droppings on buildings and property.

4. MIGRATORY BIRD SPECIES

5. PERMIT RECOMMENDATION

A. DEPREDATING SPECIES	B. NUMBER INVOLVED	A. TAKE RECOMMENDATION	B. NUMBER RECOMMENDED	C. METHODS
(1) Western Gull	30	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	30	Egg Oiling
(2)		<input type="checkbox"/> YES <input type="checkbox"/> NO		
(3)		<input type="checkbox"/> YES <input type="checkbox"/> NO		
(4)		<input type="checkbox"/> YES <input type="checkbox"/> NO		

6. ACTIONS

A. PREVIOUS ACTIONS TO ADDRESS PROBLEM AND RESULTS OF THOSE ACTIONS
 Applicant reports using whirly birds, spiders, spikes, bird wire, mylar tape, electrified tape coiled wire, frames above sky lights, distress calls and laser lights with limited success.

B. COMMENTS
 WS recommends a permit be issued to oil eggs of existing Western Gull nests to help reduce the population of Western Gulls nesting on buildings and causing residents to become ill. Conditions of the permit should include continuations of non-lethal attempts that are currently being implemented.

7. RECOMMENDED ACTIONS

- HARASSMENT HABITAT ALTERATION HUSBANDRY EXCLUSION LETHAL TRAPPING CHEMICAL REPELLENT
 CAPTURE AND RELOCATION EGG/NEST DESTRUCTION SHOOTING OTHER:

8. WS INVESTIGATOR INFORMATION

A. WS INVESTIGATOR NAME AND CONTACT INFORMATION
 Barry Lowry
 P.O. BOX 957
 Taft, CA. 93268

B. WS INVESTIGATOR SIGNATURE
BARRY LOWRY Digitally signed by BARRY LOWRY
 Date: 2020.09.23 11:09:54 -07'00'

TELEPHONE NUMBER (661) 765-2511
 EMAIL ADDRESS

9. DATE OF INVESTIGATION
 (use this date as MIS entry date)
 9/23/2020



AGENDA NO: IV

MEETING DATE: November 17, 2020

Staff Report

TO: Honorable Mayor and City Council **DATE:** November 12, 2020

FROM: Scott Collins, City Manager
Scot Graham, Community Development Director

SUBJECT: Status Report on Efforts to Review and Improve the Planning and Development Review Process

RECOMMENDATION

City Council receive a report from the Morro Bay Chamber of Commerce on the planning and development review process survey they conducted during the summer of 2020; review recommendations to improve the planning and development review process; and, provide direction to City staff as appropriate.

ALTERNATIVES

None.

FISCAL IMPACT

Approval of this recommendation will have no fiscal impact on the City. However, the continued review of the planning and development review process may reveal a need for City investment in new technologies, staffing, etc. to implement improvements to the process. Any recommended investments would be brought to City Council's attention during the Fiscal Year 2021/2022 Budget process for review and consideration.

BACKGROUND

Residential and commercial development can be aided or hindered by a local government's community development/planning review process. That key review process includes the submission of plans by a resident/architect/developer, review of plans by City staff (planners, engineers, fire marshal and building inspector/plans examiner), modifications to plans, environmental review and, depending upon the level of development, review by the Planning Commission for approval, potential appeals to the City Council and, depending upon the scale and location of the project, review by the California Coastal Commission and other outside agencies. Following planning approval, building plans are submitted for review and then construction can begin with the building inspector review of the construction for compliance with approved plans and City adopted codes. Depending upon the type of project, this process can take several weeks to several years.

An efficient planning and development review process ensures projects move through the pipeline in a consistent and predictable manner. Without an efficient and predictable process, developments face greater risk and potential higher costs, which may ward off development in those communities.

Prepared By: <u>SC</u>	Dept Review: <u>SG</u>
City Manager Review: <u>SC</u>	City Attorney Review: <u>CFN</u>

The benefits of an efficient process extend beyond that to include generating new revenues from development for a community and developing a brand for a city as a good place to do business. Most cities reevaluate their development processes every 5 to 10 years with the intent to improve, update, and streamline the process. Those evaluations often include engagement with the builder/developer/business community, internal process evaluation, staff/tech resource assessments, etc. The purpose of these exercises is to quantitatively analyze how efficient the process is, compare to neighboring jurisdictions, and identify areas where the process can be improved.

During the City goal setting process for 2019 and 2020, the Morro Bay City Council identified as a priority reviewing our community development/planning review process to ensure it is efficient and effective. According to Council, this is a key action item for the goal of achieving fiscal and economic sustainability.

As part of this process, the City contracted with the Morro Bay Chamber of Commerce (“Chamber”) to, in part, conduct a review of our planning/development review process. In order to meet this contractual objective, Chamber staff conducted a survey of the following key stakeholder groups: City representatives, builders/contractors, real estate agents, and the Chamber Government Affairs Committee. This is seen as an important first phase of the review process.

DISCUSSION

The Chamber survey asked a series of questions to a variety of stakeholders to gauge their perceptions on how the City’s planning and development review process functions, how we compare to other communities, and our performance aspirations moving forward. While not a quantitative analysis that looks at how we actually perform, the survey results reflect the perceptions and experiences of those who work in this space, on both sides of the planning counter. Chamber staff shared results of the survey with City staff earlier this fall (see attachment). In short, the survey results demonstrate that the City planning and development review process has ample room for improvement. The findings are similar across the various stakeholder groups surveyed: developers, real estate agents, City Council, Planning Commissioners, City staff and Chamber representatives. The results of the survey and Chamber’s thoughtful recommended next steps serve as an important jumping off point for the next set of tasks to improve our process.

Given the importance to the City of having an efficient process and making continuous improvements, the City has begun to implement some of the Chamber recommendations. Here is what we have done to date:

- 1) Updating the outdated General Plan/Local Coastal Program and Zoning Code. The 1,100 page existing GP/LCP is confusing and challenging for City staff to use, even more so for developers. “Plan Morro Bay” update to the GP/LCP which presents a community vision for Morro Bay through 2040 intends to eliminate the confusion, create certainty and predictability for developers and connect all efforts to our overall goals of creating a sustainable community that retains our small town feel. Plan Morro Bay is currently under review by the Planning Commission and will likely be brought to Council for review in early 2021. From there, it would go to the Coastal Commission for review and certification. City staff is optimistic that the entire process, including adoption of the implementation document (Zoning code) will be completed sometime in 2021.

- 2) We have a core group of staff dedicated to this process, including planners, administrative staff, interns, building inspector/plans examiner, fire marshal, and engineers. This group has committed itself to a new mantra, after going through a training on developing their “Why” statement. Through that “Why” process, the interdepartmental group, which spans the

Community Development, Public Works, and Fire departments, has committed itself (and the City) to the following:

“We are responsive and dedicated to the needs of the community for a safer and resilient Morro Bay.”

In short, this core planning/development review team has committed itself to serving the customers’ needs. We intend to continue to offer trainings like the “Why” statement to staff to ensure we offer excellent customer service and commit ourselves to continuous improvement.

3) The City has included Erica Crawford, Chamber CEO, into the weekly Development Review Team (DRT) meetings. The DRT team, which includes all core staff in the development process, reviews plans and projects that have been submitted to City as a team. This way, they can discuss at the high-level coordination of review and identify early on in the process any significant challenges and opportunities for individual projects. By adding Ms. Crawford into the process, the City is benefited by having a business perspective on the project evaluations.

City staff further recommends implementation of the other recommendations outlined in Morro Bay Chamber report. Staff finds the following recommendations to be the highest priority as next steps to continue this move toward improving the process:

- Conduct a quantitative measurement/analysis of the process – evaluate processing times, and comparisons to nearby jurisdictions
- Conduct internal process analysis – look at each stage of the process and handoffs to determine if efficiencies can be gained.
- Evaluate resources – do we have the right pieces, the right number, technology
- Education/training – of customers and City staff
- Establish a working group of local architects, contractors, etc. to review progress on the process review
- Work closely with the Morro Bay Chamber staff and Government Affairs Committee on these efforts
- City Council adopt resolution that commits City to continuous improvement of its planning and development review process (if approved, staff will bring this forward for the next Council meeting)

City staff is committed to presenting a status update on the recommended improvement efforts to the Chamber’s Government Affairs Committee and then City Council within six months. When reporting to Council, City staff will discuss needs to help achieve greater improvements, which could include trainings, technological advancements and/or additional staffing, to coincide with the annual budget process.

ATTACHMENT

1. Chamber Report

Morro Bay Chamber of Commerce Development Permit Process Evaluation Phase 1 Final Report: Applicant and Community Surveys

Introduction and Summary

In 2019 the Morro Bay City Council adopted a list of Goals and Objectives for the 2019 and 2020 Fiscal Years (Attachment A). Goals include: 1) Achieve Economic and Fiscal Sustainability; 2) Improve Public Infrastructure; 3) Complete Updates to City Land Use Plans and Zoning Policies and Address Affordable Housing Issues; and 4) Improve Communication and Engagement with Community. Implementation Action 4 under Goal 1 includes “Review and make improvements, where feasible, to the permitting process.” In order to implement this action item, the City of Morro Bay contracted with the Morro Bay Chamber of Commerce as part of the Chamber’s Economic Development Contract to “...lead a review and revision of the City’s development permit processes. There are two components to this proposed service. The first is for the Chamber to conduct surveys with past and prospective commercial developers to identify issues associated with permit processing including cost, predictability, timeliness, and the objectiveness of the application of development standards. [The second is for] the Chamber to convene a community and stakeholder working group in association with its Governmental Affairs Committee to assess opportunities for expediting commercial permits. The Chamber will also assess and recommend “best practices” used by other jurisdictions in the County to expedite permits.”

According to the Chamber’s Economic Development contract, the Chamber is to first prepare a Draft Phase 1 Report on its findings and consult with City staff on its initial findings, and then to provide a Final Phase 1 Report for review by the City Council. The purpose of the initial consultation on the Draft Phase 1 Report is to provide City staff with a fair opportunity for review and comment on the legitimacy of the results, and to arrive at strategic alignment and organizational “mutual aid” between the City and Chamber. The Chamber’s customers are the City’s customers. We both engage with inceptive small businesses making tenant improvements, investors seeking to alter or intensify the use on a parcel of land, and architects and engineers looking to get plans stamped and projects built. Our shared customers may leverage our organizations differently, we know that the Chamber doesn’t issue permits nor regulate land use, but they want the same thing from us both: results that are delivered quickly with as straight a line to completion as possible, because time is money.

Subsequent to the review of the Phase 1 Draft Report by City staff, the Chamber has prepared this Final Report for the City Council. Following the preparation of this Final Report, the Chamber is to identify an implementation and action plan to assist businesses with pre-planning and assist the City in reviewing and making improvements to the permitting process for commercial/business development. These subsequent steps should be taken jointly between the Chamber and the City. In order that the process improvement identified have maximum impact and derive maximum community benefit, the City and Chamber should work in close coordination at every stage.

Key Deliverables for Development Review Process: Draft and Final Report and an Implementation Plan.

This Final Phase 1 Report addresses the first evaluation phase described above. It included conducting surveys of past and prospective commercial developers and a determination of the level of satisfaction or dissatisfaction with the City development permit processing services. In addition to the surveys called for in the Chamber's Economic Development Work Program, the Chamber also surveyed local community leaders, and the City organization itself. These additional surveys were conducted to provide a "360-degree" view of the development permit process by its customers—developers, agents, and representatives—by the service providers—the City staff, Council, and Planning Commission—and by Community Leaders who are involved in local community affairs. The Chamber's surveys not only inquired about the current level of satisfaction with different aspects of the permit process in Morro Bay from the four groups, but also how the City's permit processing services compare to the same services provided by other agencies in the County. The surveys for the developers, real estate agents, and the agents of the applicants were a simple assessment of the level of satisfaction with Morro Bay's services, and how that level of satisfaction compared with the County and other cities in the county. The surveys for the local Community Leaders and the City staff, City Council, and Planning Commission included questions on their desired level of service as well as their assessment of the current level of service. The results of the surveys on the desired level of service are intended to tell the City staff and electeds the degree of community support for improvements to and acceleration of the development permit process.

A list of potential survey respondents was developed from members of the Governmental Affairs Committee and from the City's Community Development Department, which provided a list of applicants and developers for commercial development projects that have occurred over the past five years. Overall, there were seventy-nine total responses, with an approximate 50 percent response rate in each of the respondent categories. Summary responses from each of the respondent categories are shown in Attachments to this report. The responses are summarized into areas of overall satisfaction with the City of Morro Bay as a preferred place for new commercial development projects and whether Morro Bay is perceived as a "business-friendly" community. For the purposes of this report, the responses are grouped into three categories: 1) overall and summary ratings for opinions and beliefs about Morro Bay as a place to do commercial development projects (survey questions 1-5 in Attachments B and C, survey questions 3-7 in Attachments D and E); 2) comparisons of Morro Bay to other permitting agencies in the County in the areas of ability to complete projects in a timely manner, providing consistent and reliable information on development requirements, accurately and timely updating applicants on the status of their applications, and whether or not staff was supportive of applicants (survey questions 6-9 and 8-11, respectively); and, 3) customer service metrics. The survey also asked open-ended questions about the reason for any issues with permit processing and needed changes to improve Morro Bay's ratings.

Overall Summary Ratings

The Overall Summary Ratings are presented in graphical form in Figures 1-5. These figures show the ratings desired by the City (Service Providers including City staff, City Council and Planning Commission) and the Community Leaders, as well as the service ratings from the four respondent groups. At this juncture, it is important to establish that commercial project investors, a numbers-oriented group, make important investment decisions based on their own experience and information from others that they consider reliable and credible. They rely on real estate brokers and real estate agents to present them

with properties and investment opportunities, and they judge the likelihood of the success of a project based on data, estimated financial return, and a “risk” assessment. Especially after the economic carnage of the Great Recession, perceived and quantified “risk” is a dominant factor in the investment decision-making process. And, with the added COVID-19 financial instability that is now underway, developers and investors are becoming more risk-averse and are seeking investments that involve fewer uncertainties.

The predictability of processing a development permit is a significant risk factor. In the absence of confidence that a development permit can be secured in a timely (or at least predictable) way, the risk is considered to be "high" (plan for the worst, and hope it is better). Therefore, consider the ratings herein to be "beliefs" that drive investment decisions in the same way that data does, perhaps more so. Development investors do not seek uncertainty and unquantified risk, they place capital in projects where there is a potential for an adequate return and the relative certainty of that return.

The Overall Summary Ratings indicate that while the Community Leaders and City respondent groups have high expectations for the quality of permit processing services that are provided to those investing in commercial projects in the community, those who are consuming those services rate them significantly below City and community expectations.

The City and Community Leader respondent groups also rated those services lower than their own expectations. The reason for these low ratings should be assumed to be personal past experience by developers with City, and that experience that has accumulated over time. Those on the Governmental Affairs Committee who have significant history in the community indicate that these issues predate current or immediate past Councils and management. **The beliefs represented by these ratings negatively affect the City's ability to achieve economic development and economic sustainability goals. In fact, several developer/agent respondents stated that they would not do projects in Morro Bay unless there was a material and substantial change in the permit processing conditions.** Perhaps most importantly, the City staff, electeds and Planning Commission reveal that they, themselves, want to do better.

Figure 1 Ratings for a Supportive and Receptive Staff

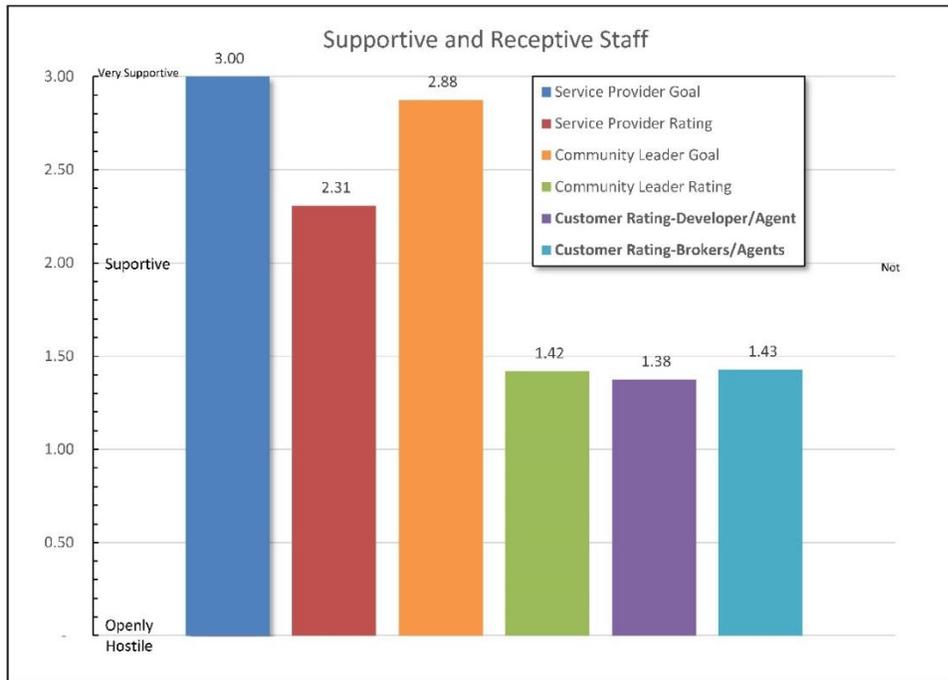


Figure 2 Helpfulness of Staff

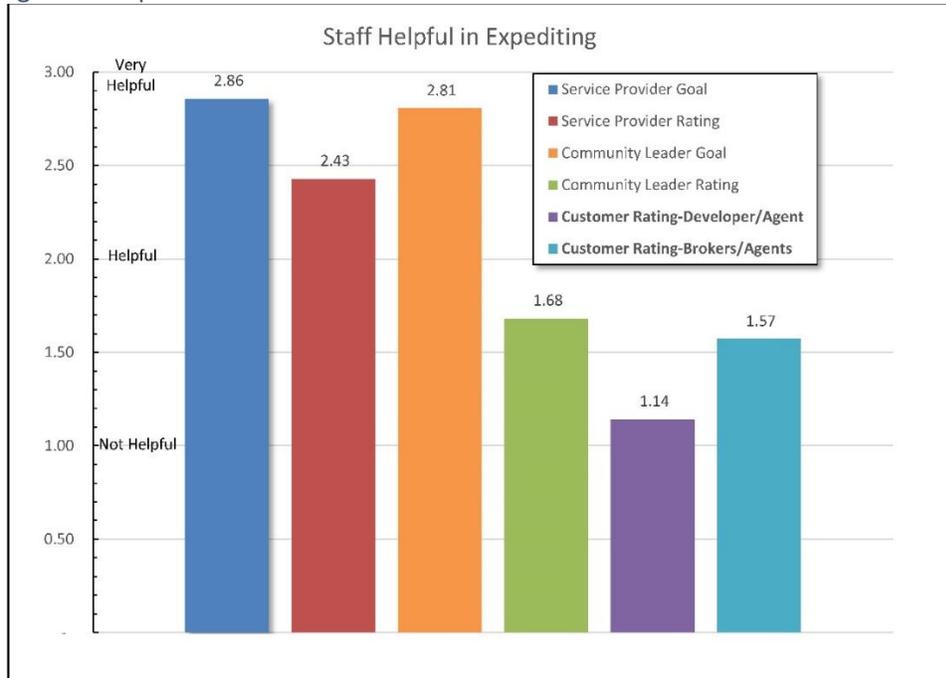


Figure 3 Political Stability of Community

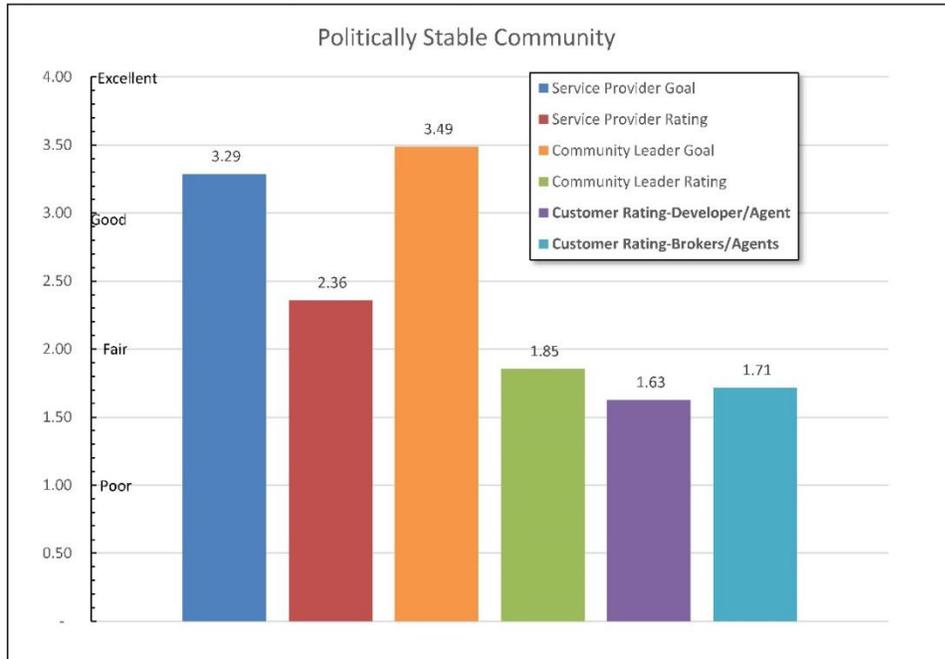
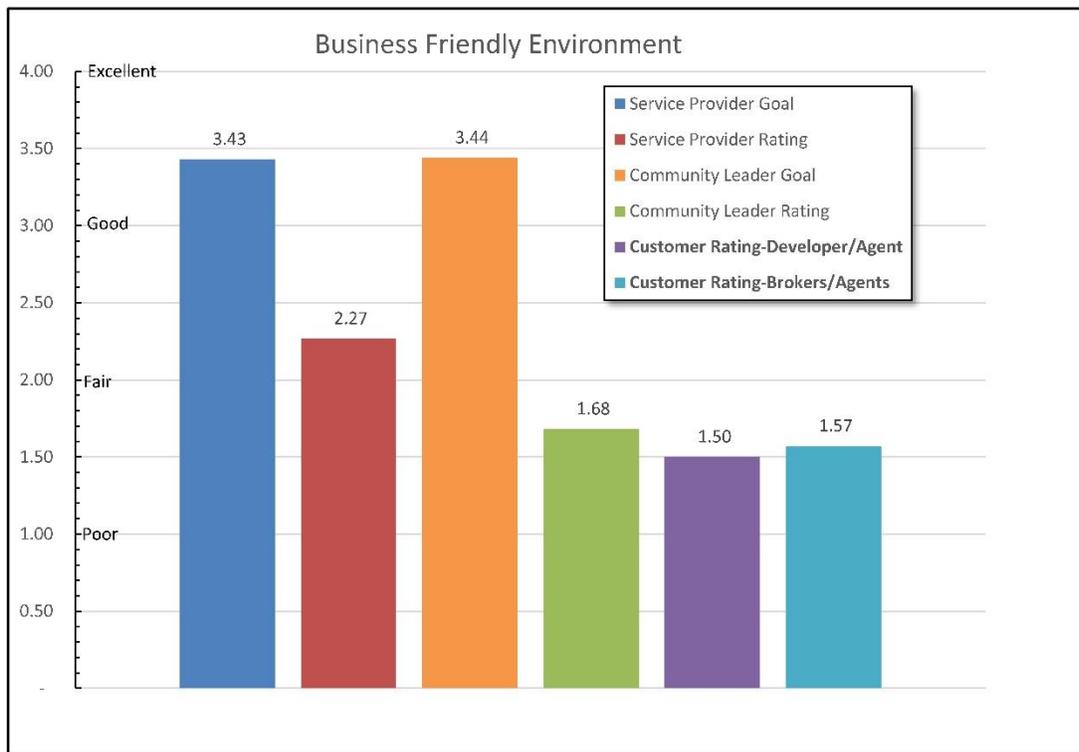


Figure 2 Ratings for Opportunity for Development



Figure 3 Ratings for Business-Friendly Environment



Comparisons to Other Communities

Investment capital is mobile and liquid. It easily moves from community to community and from region to region depending on where investors believe they can best balance their risk/reward equation. Investment capital is also limited, especially in “secondary” investment markets like San Luis Obispo County and northern Santa Barbara County. The pool of investors is relatively small, and their resources are finite. Therefore, knowing how Morro Bay compares to other jurisdictions in the County is important because it tells us how we stack up against our competition and our ability to compete for those finite investment dollars. Resident investors are usually very knowledgeable of local development processes and timelines, and their beliefs about the efficacy of permit processing procedures in each jurisdiction in San Luis Obispo County were surveyed as part of this process. It is also important to consider that these investors often rely on outside financing themselves such as pension funds, “hedge funds,” or Real Estate Investment Trusts (“REITs”). These outside financing sources are often more skeptical about local processes and conditions and are generally more risk-averse. Many of these funds lost significant amounts in the Great Recession and will not repeat that.

It is also important to note that City is involved in a regulatory as well as advocacy process that cannot be easily or validly compared to business providing consumer goods or services. Therefore, the comparison to other communities with both “regulators” and business advocates is important to provide a true comparison of Morro Bay’s permit processing services. Other public agencies administer building codes, zoning codes, and process permits that have substantial oversight and control by other agencies such as the Airport Land Use Commission, Coastal Commission, Community Services Districts, Regional Water Quality Control Board, State Department of Fish and Wildlife and other oversight agencies. Therefore, this comparison to other agencies tells us how well Morro Bay is doing compared to its peer group in the same way as comparing one soft goods retailer to another soft goods retailer.

Survey responses from the City respondents indicated that Morro Bay should be at least the same or better than other communities, with about one-third of the City respondents (Service Providers) stating that their goal was for the City be rated “the Same” as other jurisdictions, and two-thirds indicating that Morro Bay should be “Better” than the rest. The Community Leader respondents had a one-third/two-thirds preference split, although there were 3.5 percent of those respondents who wanted Morro Bay to provide permit processing services that were “Worse” or “Much Worse” than other communities. These responses match the responses from Questions 1-6 that indicated that Morro Bay should be considered a “Good” to “Excellent” place for commercial development projects.

One of the more common measures of relative consumer satisfaction, and the one used in this report, is the “Net Promoter Score,” or “NPS.” The NPS measures the number or percent of total responses that are above average, or above a satisfaction norm, to those below that same average. It provides a metric of the number of “supporters” less the number of “detractors.” Responses in the middle are taken out. “Acceptable” Net Promoter Scores start at +25 (meets expectations most of the time and are achieved by companies such as Oracle, Ford, and IBM), to “Very Good” with an NPS of 26 to 50 (exceeding expectations most of the time, by companies such as BMW, Apple, and Honda), and to the “Best” with NPS of 51 to NPS 80 (companies Costco, Starbucks, Samsung and Sony that consistently and overwhelmingly exceed expectation almost all of the time). High-performing organizations have a minimum NPS of +25, and that goal seems consistent with the City’s desired ratings.

While the public sector is funded through a variety of means unavailable to the private sector (i.e. taxes), it does transact with the private sector through various fees for services identified as “personal choice.” Further, that all seven cities and the County of San Luis Obispo have published fee schedules for such services, and that jurisdictions in the County are ultimately governed by the same California Constitution and all have statutory requirements related to permit processing, the NPS is a reasonable metric to use in this report.

To meet the City’s apparent metric of Morro Bay being “Better” than other jurisdictions, an NPS of +25 to +50 should be achieved. An NPS that is equally distributed around a “Same” rating with just as many detractors and supporters yields an NPS of 0. The Table 1 below shows a number of ways an NPS of +25 or greater can be achieved. Higher NPS scores are achieved by minimizing the "Worse" and "Much Worse" scores, have a solid number of "Same" scores, and at least one-third of customers believing that you provide "Better" services.

Table 1 Various Ways to Achieve an NPS 25+ Score

Rating	Option			
	1	2	3	4
Better	30	20	40	35
Same	35	50	10	37
Worse	7	2	22	0
Much Worse	0	0	0	0
Total	72	72	72	72
NPS	31.9	25.0	25.0	48.6

Morro Bay’s ratings, in comparison to other jurisdictions in the County, do not match its expectations. The surveys indicate that there are twice as many Developer and Real Estate Agent respondents that rate Morro Bay as “Worse” or “Much Worse” than other communities than rate it as “Better” than other communities. As shown in Table 2 on the next page, approximately one-fifth of the total responses rated Morro Bay as “Better,” one-third rated it as the “Same,” and almost one half rated it as “Worse” or “Much Worse.” This data, expressed as a “Net Promoter Score,” is -23.8. As a review and validation of these ratings, the Governmental Affairs Committee performed its own evaluation and concluded that it agreed with the overall conclusions of the surveys. They further agreed that Morro Bay should set a target of being “Better than the Rest.” The committee also recognized that these ratings, perceptions, and beliefs about Morro Bay’s services have developed over time, and cannot be immediately rectified.



It recommends actions that will serve to improve those ratings (see recommendations below) through comparisons of actual processing times between communities in our county.

These ratings indicate that as a choice for commercial investors, Morro Bay does not meet investors' expectations, nor that of the Community Leader respondents and the City Service Provider respondents.

Table 2 Morro Bay Net Promoter Score

Survey Question						
(Attachments B, C / D, E)						
Rating	6 / 8	7 / 9	8 / 10	9 / 11	Total	Percent
Better	15	14	14	15	58	21.6%
Same	22	25	23	19	89	33.1%
Worse	26	26	25	32	109	40.5%
Much Worse	9	4	0	0	13	4.8%
	72	69	62	66	269	100.0%
					NPS	-23.8%

Customer Service Metrics

The final area for review in this report are several particular customer service metrics, including providing “reliable and consistent information on development regulations”, “providing accurate and prompt communications”, “ability and willingness to expedite projects”, and “ability to complete projects in a timely manner.” Questions 7-9 and 11-13, respectively, of the surveys addressed these issues and suggests that there is significant opportunity for improvements. In particular, there were low ratings for the ability to provide consistent and timely information on development regulations and City policies, perhaps as a result of the City’s unresolved hodge-podge of an old General Plan, and out-of-date Local Coastal Plan, and a Byzantine Zoning Ordinance, or other factors. Developers are also not provided with a clear and legible permit processing path or timelines for completion. About one-fourth of the Developer/Real Estate Agent respondents rated staff as being “Very Supportive and Helpful” with the balance rating the staff as “Not Supportive” (60 percent) or “Openly Hostile” (13%). The staff also received lower ratings on their actions to keep Developers and applicants apprised on the status of their projects.



Among the recommendations below to improve these ratings is designating a management-level liaison/advocate who keeps in regular communication with an applicant throughout the process.

Recommendations

This Phase 1 Final Report was to be a status check “...to conduct surveys of past and prospective commercial developers and to determine the level of satisfaction or dissatisfaction with the community.” That task has been completed and the results are summarized above. The Chamber also included suggestions and comments in the surveys on what types of changes are necessary to improve the ratings so that they are more in line with community expectations and the customer's service expectations. Each survey respondent group provided its own suggestions, and the GAC developed its own recommendations based on the survey responses and its own experience and knowledge of the community's needs.

It is important to note about the foregoing that the surveys provide the community with its starting benchmarks. We know that bad ratings won't continue as long as there is a consistent and dedicated effort to correct them. While we do subscribe to the belief that there may be unforeseen snags in process, that every organization experiences hiccups from time to time, and that not every customer is the “ideal” customer, we do also believe that, if nothing is done, the ratings will not change. And the ratings can be reversed and the NPS can be put into a positive range. **There CAN BE a “New Day in Morro Bay.”** The Chamber is committed, both philosophically and contractually, to working alongside the City to make these changes.

The recommendations are broken down into items that should be done immediately, those that should be done within the next six months, and those that should be completed within the next 18 months. They are:

Immediate – Process and Organizational Items

1. Assign the Community Development Director to coordinate an internal review process as the “Innovation Ambassador” to implement a process such as the transformgov.org's Alliance Innovation. This is a “DRIVEN” process, meaning that its purpose is to **D**eliver outstanding customer service, **R**espond to evolving market demands, **I**nitiate collaborative solutions, **V**alue customer partnerships and collaboration, **E**mpower team members, and **N**ever stop learning and improving. It is understood that the internal review process will necessitate an investigation of current processes and that all staff involved in permit processing should be engaged in such an investigation in order that outcomes achieve maximum “buy-in” from the practitioners reviewing and issuing permits. Proposals for improvements should be brought back to Council in increments, not all at once, because immediate improvements build momentum and establish credibility to the improvement effort.
2. Commence a permit processing benchmark study with the Chamber of Commerce to identify how long typical permits take in other communities, and to establish how long they should take in Morro Bay.
3. City Council should formally adopt a resolution establishing the performance metrics desired for permit processing and approving the work program for its improvement. Performance metrics

should include completion benchmarks that commit Morro Bay to complete projects faster than other jurisdictions.

4. Designate the Chamber CEO as the development ombudsman.
5. Designate a management-level liaison/advocate for each significant project who keeps in contact with the applicant, the Community Development Director and the development ombudsman throughout the process. Depending on the size and importance of the project, there should be regular monthly applicant check-ins by the City Manager and/or Mayor.
6. Establish routine oversight by the department head to make sure projects are handled consistently.
7. Add on a component to the weekly City Development Review Team (DRT) meeting that would provide a potential commercial investor an opportunity for concept review and feedback in an informal, question and answer format with all staff engaged in permit processing. This “all-hands-on-deck” approach would pre-emptively clarify potential pitfalls and staff self-described “gotchas” within our at-present outdated long-range planning documents such as the GP/LCP and Zoning Code and could be phased out once those documents are certified and adopted.
8. Start to create an online permit checklist and forms for projects, so that applicants can self-certify how their projects comply with City development regulations.
9. Establish a set number of days for each department's review. If it's not back in time and is compliant with Morro Bay Municipal Code and CA Building Code, it's deemed approved.

Immediate – Culture and Communication Items

10. Commence customer service training and project management training for staff.
11. Reward and recognize staff contributing to a "yes-we-can" and "here's-how-to-get-there" workplace culture, especially as it relates to customer relations improvement.
12. Promote staff-level pre-planning meetings with applicants and create checklists for expedited permit processing that go above and beyond completeness checklists. Make the road to completion easier to navigate and more customer-focused.
13. Educate all parts of the community (staff, public, contractors) on changes that have already been made.
14. Publish a completion schedule for the General Plan/LCP update, and a schedule for the Zoning Ordinance and Sign Ordinance updates following the GP/LCP adoption (they should NOT be concurrent).
15. Establish a Stakeholder/Focus Group of permit customers led by the Chamber to provide feedback to City staff on proposed changes in the DRIVEN process as those changes are proposed and before they are incrementally brought back to Council.

In 6 months

16. Complete the DRIVEN improvement process identified above.
17. Complete the benchmark process and establish a timeline for each permit type. Identify the critical path items for completion and prepare a management plan to eliminate delays. Benchmarks and timelines should include early City Manager or City Council authorization for outsourcing environmental reviews or other work, and early consultation with other permitting entities such as the Regional Board or Coastal Commission, and any other measures that expedite the process.
18. Complete GP/LCP update and re-commit to a schedule for the Zoning Ordinance and Sign Ordinance updates to come before Council for adoption.
19. Amend the CDP appeal or review areas consistent with the adopted LCP.
20. Complete a permit requirements checklist for each type of project so that applicants can self-certify their compliance with City regulations.
21. Create and perform an “exit interview” for development applicants to assess the level of satisfaction with services delivered at the completion of the complete process (planning, engineering and building).
22. Work with City Council regarding marketing commercial properties to appropriate businesses.
23. Publish and advertise the City’s commitment to excellent customer service and adherence to competitive development permit timelines. This should be sustained and wide-reaching, including presentations to the local Board of Realtors, Home Builders Association, Cal Poly Economic Development agency, Morro Bay Rotary Club, Morro Bay Planning Commission, and other local advisory boards.

In 18 months

1. Conduct a new survey of Developers, Real Estate Agents, and Real Estate Brokers similar to the one performed for this report to see if, in fact, there is a New Day in Morro Bay.

2019 - 2020 City Council Goals and Objectives

City Council adopted a strategic planning framework in 2016 in order to create a methodology to prioritize our efforts, while connecting the City's work plans and budget decision-making to the overall community goals. The strategic framework provides a platform for the City to communicate to the community, partners and staff what it is trying to achieve at the high-level. In addition, the framework allows for the City to measure progress toward achieving the important community goals and reporting outcomes to the community.



The four City Council goals for 2019-2020 are as follows:

Goal #1: Achieve Economic and Fiscal Sustainability

Goal #2: Improve Public Infrastructure

Goal #3: Complete Updates to City Land Use Plans and Zoning Policies and Address Affordable Housing Issues

Goal #4: Improve Communication and Engagement with Community

City Council originally adopted 10 goals and 80 objectives in 2016 to help guide its efforts toward meeting the objectives of the strategic framework. Those goals and objectives were refined over the past year, and led to adoption of 4 primary goals this year.

In May 2019, City Council approved the 2019 - 2020 goals, and 26 discreet and measurable action items to drive the work toward achieving the goals. The City intends to accomplish these action items between July 2019 through the end of 2020.

The City has already made significant progress on the goals (click [here](#) to link to summary report). The document below provides an overview of each of the goals and the corresponding action items.



Goal 1: Achieve Financial and Economic Sustainability

The City faces financial challenges in the next several years as it prepares for significant increases in employee pension costs (CalPERS), while also attempting to fund important capital improvements. In addition, the City and partners have embarked on implementing economic development plans to maintain and

enhance the community's overall economic prosperity. The action items around this goal include efforts to boost economic activity, thoughtfully control City expenditures and enhance revenues.

Action 1: Complete and implement the fee study and cost allocation plan.

Action 2: Review option to revise the City's cannabis ordinance to allow for the sale of adult-use (recreational) cannabis in Morro Bay.

Action 3: Redevelop the City-owned Market Street Plaza parcels for visitor serving accommodations, with significant community benefit to include public improvements to the adjacent Centennial Plaza.

Action 4: Review and make improvements, where feasible, to the permitting process.

Action 5: Bring forward a comprehensive set of revenue enhancement options for City Council consideration.

Action 6: Conduct outreach on the current opportunity sites within Morro Bay, including, but not limited to the decommissioned power plant.

Action 7: In support of achieving economic development goals and limiting City costs in that pursuit, contract with an outside agency to fulfill economic development ombudsmen duties on behalf of the City.

Action 8: Continue to pursue locating a new aquarium in the waterfront area, in partnership with CalPoly and Central Coast Aquarium.

Action 9: Establish Waterfront Lease site policies and implementation plan.

Action 10: Continue to pursue offshore windfarm development, with a short-term focus on ensuring the Federal Government approves a least site near Morro Bay.

Action 11: Review opportunity to include vacation rentals and recreational vehicle parks into the Tourism Business Improvement District (TBID).

Action 12: Facilitate coordination and development of a business incubator/co-working space in Morro Bay.

Action 13: Complete a detailed review of the CalPERs pension liability / other post-employment benefits (OPEB) and employee health care liability and determine specific action to minimize the financial impact to the City.

(CONTINUES ON TO NEXT PAGE)



Goal 2: Improve Public Infrastructure

The City is focused on improving its streets, transportation infrastructure, water/sewer/stormwater systems, facilities and public spaces. While the City has invested significantly in its streets, parks and restrooms, more work is needed to ensure the longevity of our infrastructure. The action items related to this goal for 2019-2020 include completing permitting and beginning construction of the

[Water Reclamation Facility \(WRF\) project](#) and implementing other components of the [OneWater plan](#), as well as seeking a request for proposals to conduct a feasibility study for bringing a marine services facility (boatyard) to Morro Bay.

Action 1: WRF project implementation, which includes completing design of the treatment facility, pipeline conveyance and injection systems, permitting and securing low-interest loan financing and grants for the entire project and beginning construction.

Action 2: Include local labor provision on major City capital improvement projects (CIP), with the WRF being the initial project.

Action 3: Complete and bring to Council a parking management plan to address parking issues in the downtown and waterfront areas.

Action 4: Direct Harbor Advisory Board to pursue grants for a request for proposal (RFP) for marine services facility (boatyard) feasibility study and bring forward information to City Council for next steps.

Action 5: Pursue a public-private partnership to increase business and residential access to hi-speed internet in Morro Bay.

Action 6: Implement City Council approved capital improvement projects (CIPs).



Goal 3: Improve Communication and Community Engagement

The City is working to improve communication and engagement with the community, to ensure that members of the public are informed and that there is a broad community participation in the City decision-making process. Action items for this goal include strengthening partnerships with community groups and stakeholders.

Action 1: Work to develop stronger coordination, and processes, with community groups in support of advancing mutually beneficial initiatives and goals.

Action 2: Revise the partnership policy, and related polices, in conjunction with the fee study update (and include review by Tourism staff).



Goal 4: Land Use Plans and Zoning Policies Updates

“[Plan Morro Bay](#)” is the City's update of its General Plan / Local Coastal Program, as required by California state law. These long-range planning documents, including the Zoning code, guide development and conservation policies within the City, and help set the vision for the community for the next twenty years. In addition, like most other coastal communities in California, Morro Bay is dealing with affordability issues related to housing. This goal includes the update project also includes an update to the Zoning Code.

Action 1: Complete the General Plan/Local Coastal Plan rewrite.

Action 2: Complete the zoning code update.

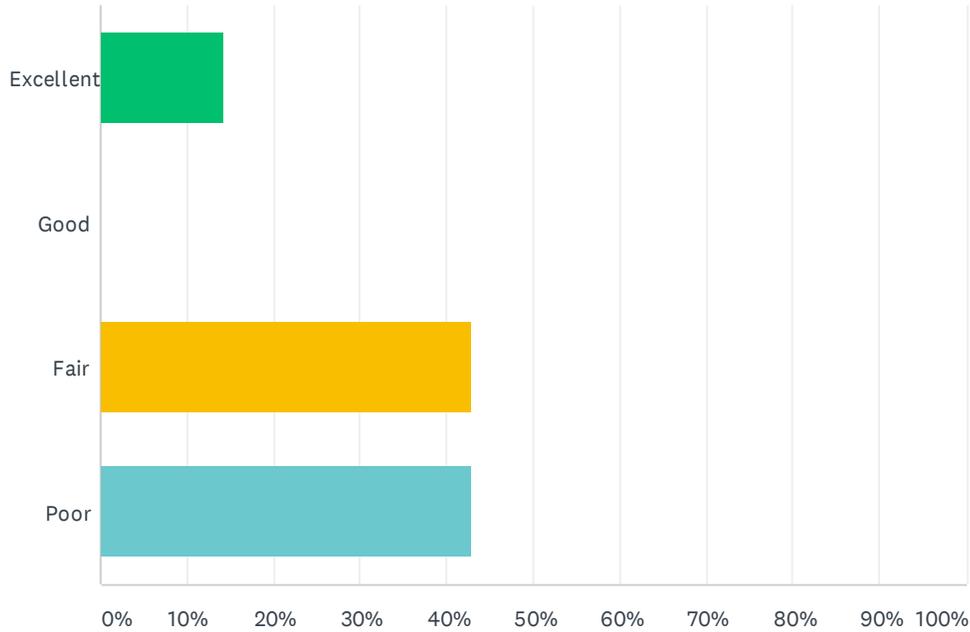
Action 3: Revise the short-term vacation rental policy.

Action 4: Work with San Luis Obispo and cities therein on a regional partnership and solutions to housing issues.

Action 5: Pursue grant funding to develop an emergency warming shelter in Morro Bay.

Q1 Based on your personal experience or based on other information that you deem reliable; how would you rate the community of Morro Bay as an opportunity for new development projects:

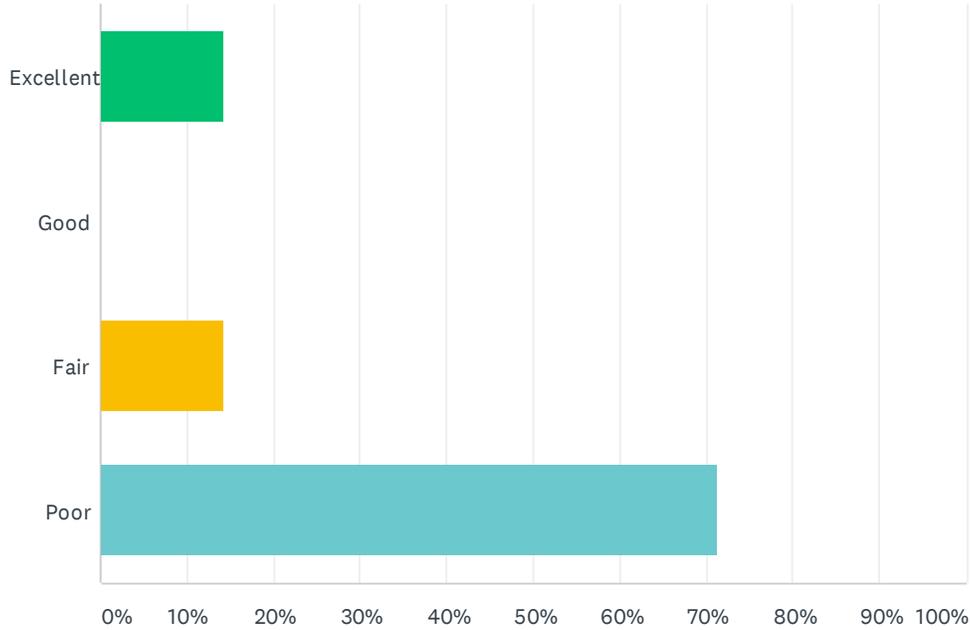
Answered: 7 Skipped: 0



ANSWER CHOICES	RESPONSES
Excellent	14.29% 1
Good	0.00% 0
Fair	42.86% 3
Poor	42.86% 3
TOTAL	7

Q2 Based on your personal experience or based on other information that you deem reliable; how would you rate the reputation of the community of Morro Bay as a business-friendly community for real estate development projects:

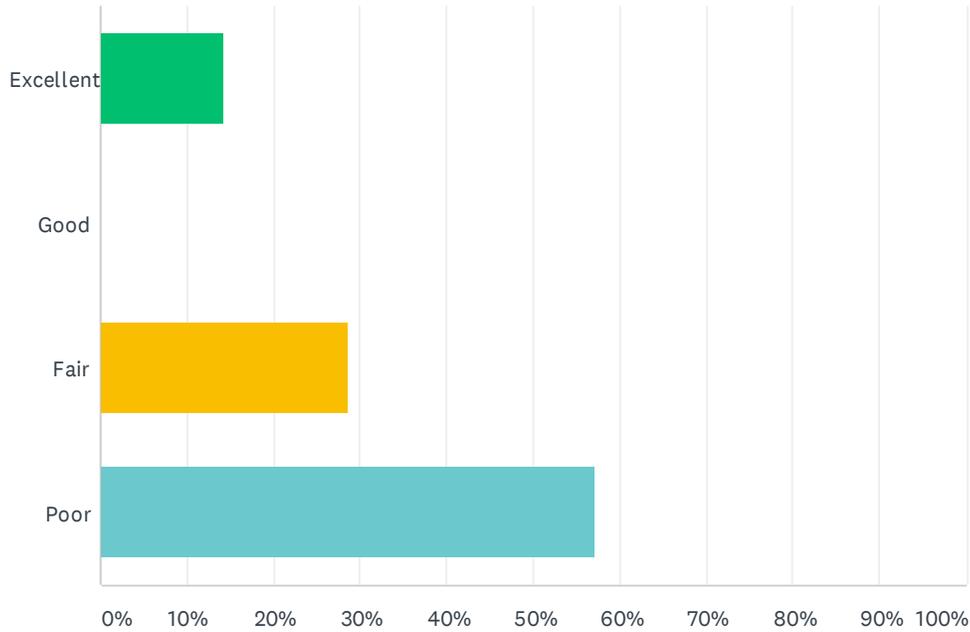
Answered: 7 Skipped: 0



ANSWER CHOICES	RESPONSES	
Excellent	14.29%	1
Good	0.00%	0
Fair	14.29%	1
Poor	71.43%	5
TOTAL		7

Q3 Based on your personal experience or based on other information that you deem reliable; how would you rate the reputation of the community of Morro Bay as a politically stable community for real estate development projects:

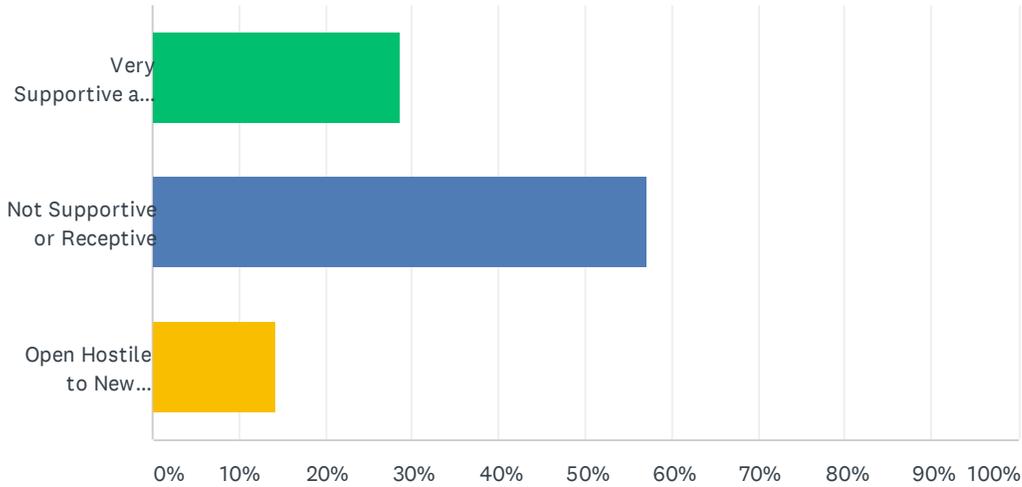
Answered: 7 Skipped: 0



ANSWER CHOICES	RESPONSES	
Excellent	14.29%	1
Good	0.00%	0
Fair	28.57%	2
Poor	57.14%	4
TOTAL		7

Q4 Based on your personal experience or based on other information that you deem reliable; how would you rate the staff of the City of Morro Bay as receptive and supportive of new real estate development projects:

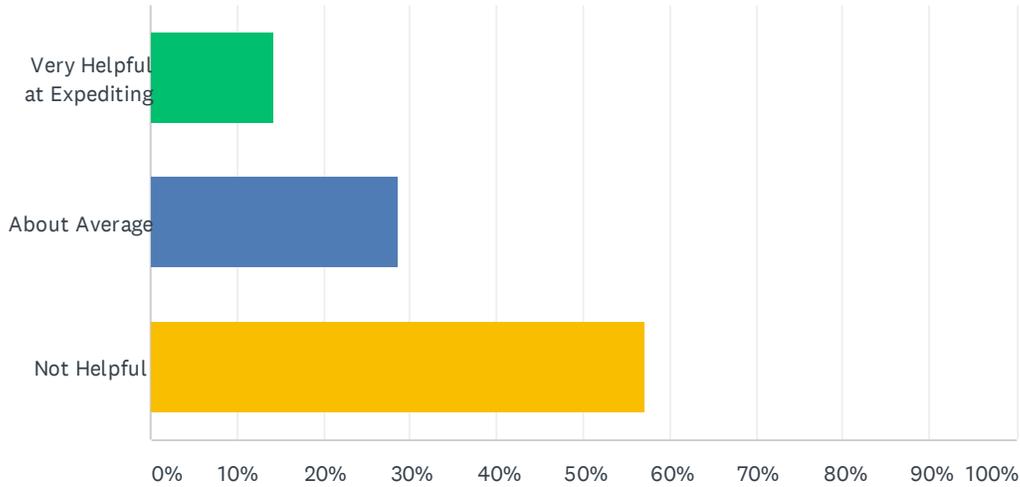
Answered: 7 Skipped: 0



ANSWER CHOICES	RESPONSES	
Very Supportive and Receptive	28.57%	2
Not Supportive or Receptive	57.14%	4
Open Hostile to New Development	14.29%	1
TOTAL		7

Q5 Based on your personal experience or based on other information that you deem reliable; how would you rate the staff of the City of Morro Bay as helpful in expediting projects through the approval process:

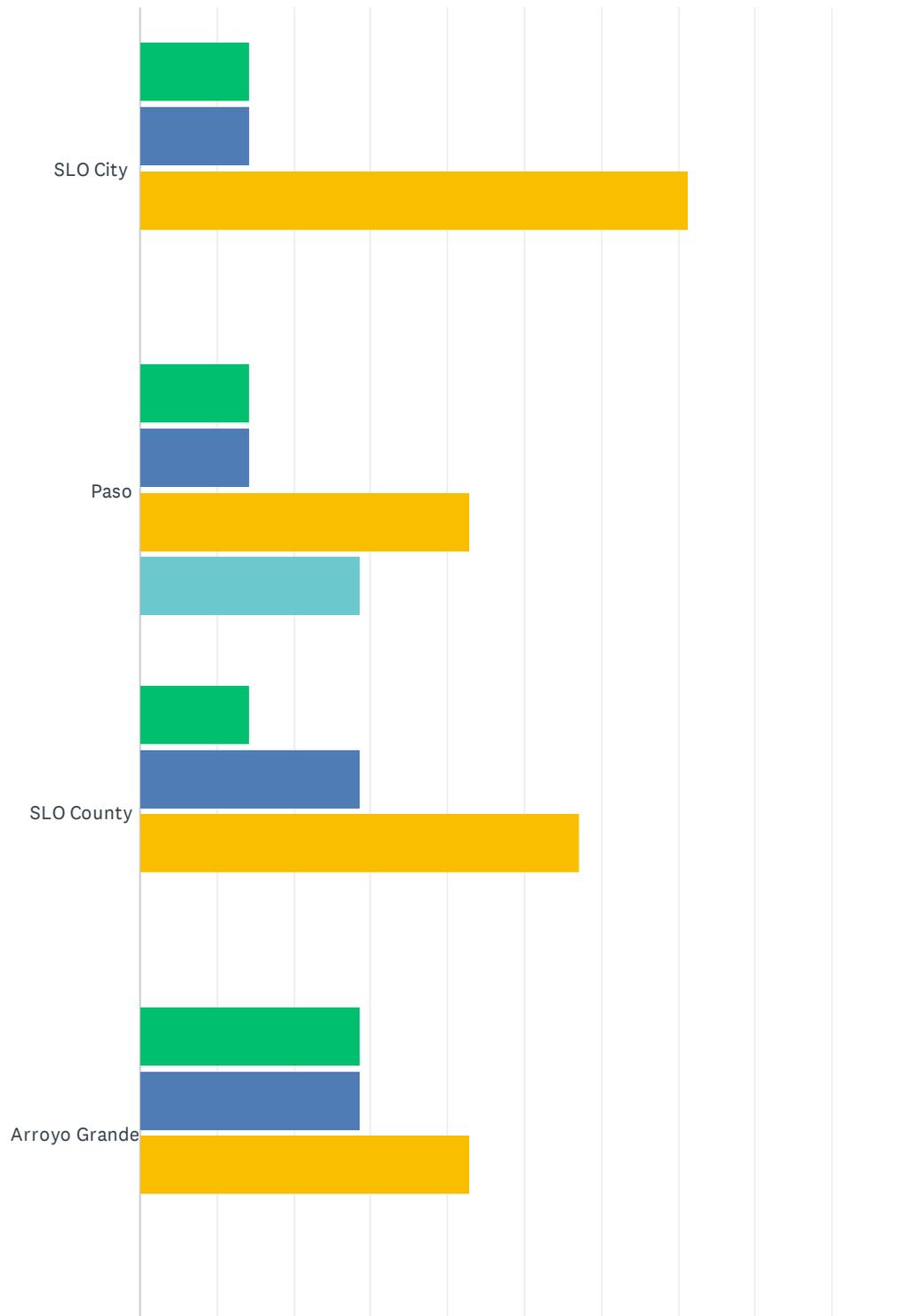
Answered: 7 Skipped: 0



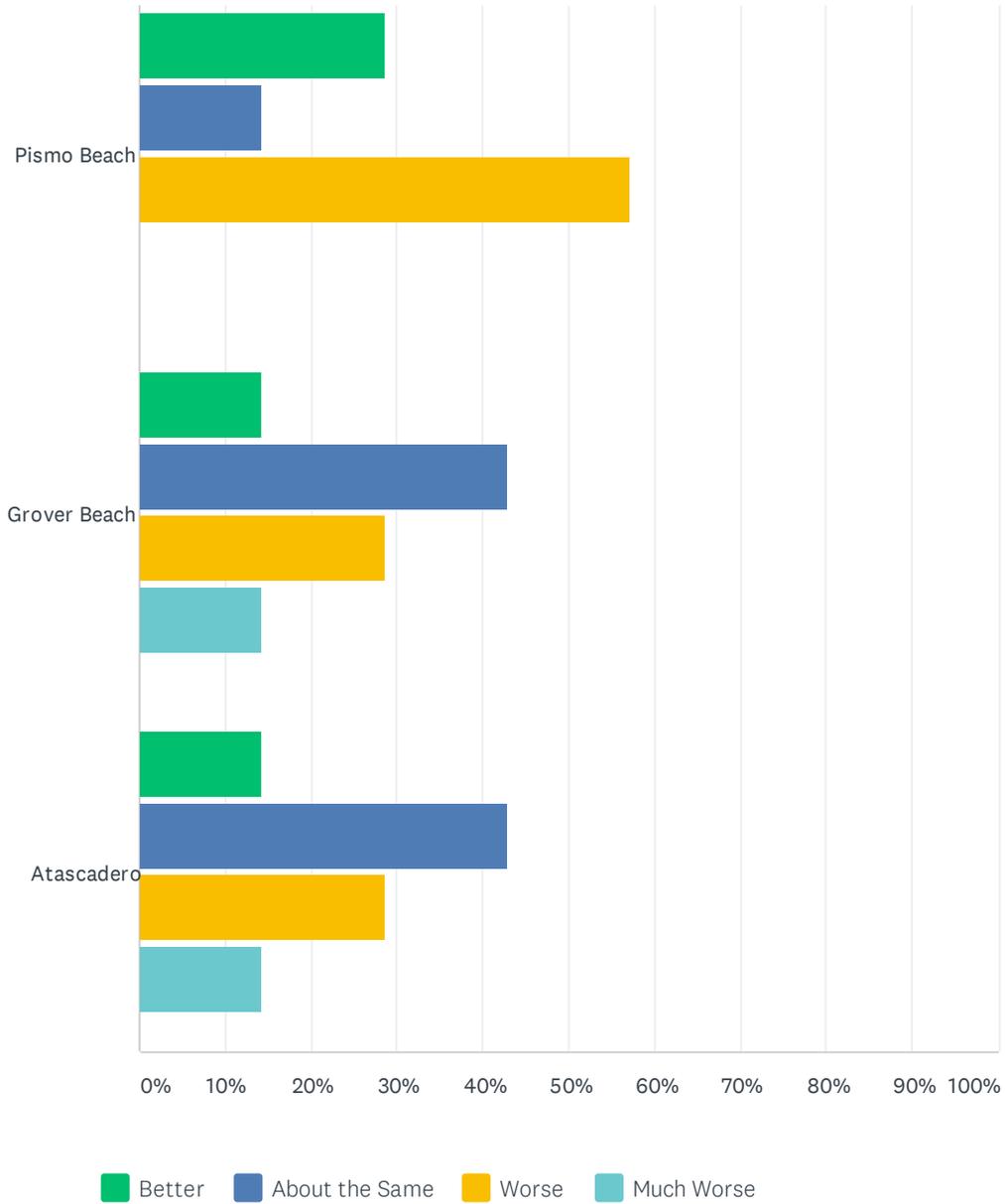
ANSWER CHOICES	RESPONSES	
Very Helpful at Expediting	14.29%	1
About Average	28.57%	2
Not Helpful	57.14%	4
TOTAL		7

Q6 Based on your personal experience or based on other information that you deem reliable, and based on your knowledge of the processes involved in other agencies in SLO County how would you rate the staff of the City of Morro Bay in comparison to those communities to complete projects in a timely manner? Morro Bay is:

Answered: 7 Skipped: 0



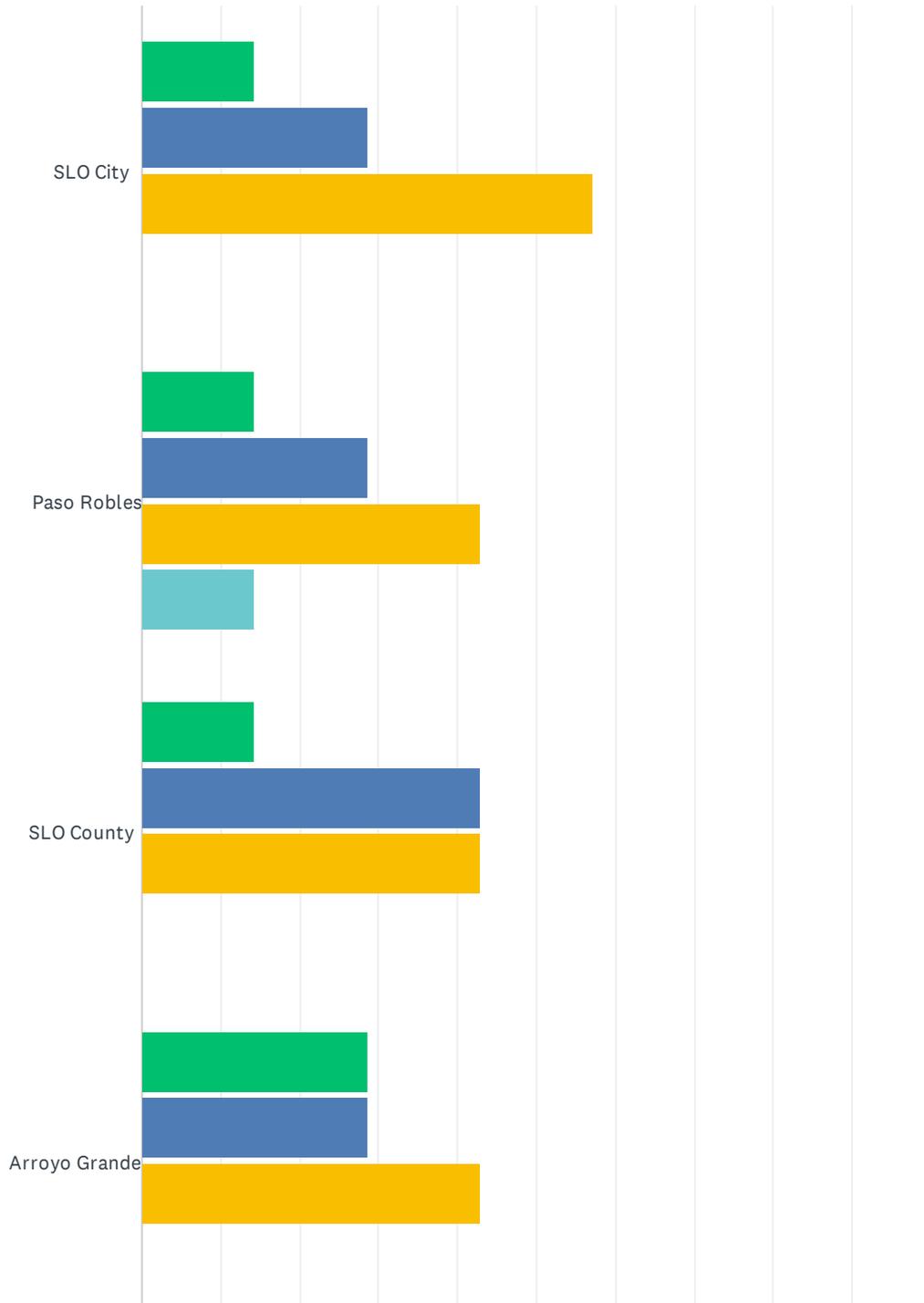
Brokers and Agents Questionnaire



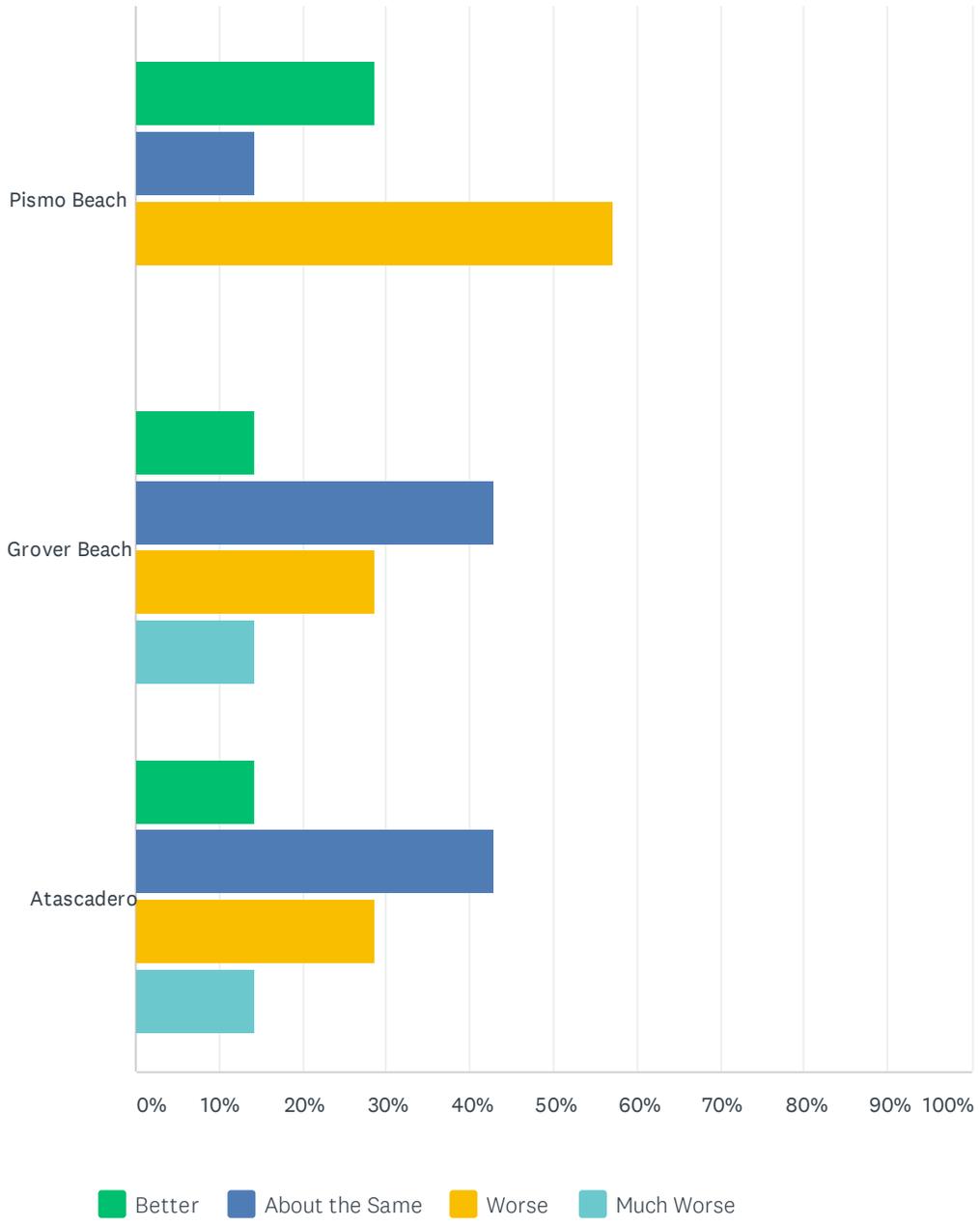
	BETTER	ABOUT THE SAME	WORSE	MUCH WORSE	TOTAL	WEIGHTED AVERAGE
SLO City	14.29% 1	14.29% 1	71.43% 5	0.00% 0	7	2.57
Paso	14.29% 1	14.29% 1	42.86% 3	28.57% 2	7	2.86
SLO County	14.29% 1	28.57% 2	57.14% 4	0.00% 0	7	2.43
Arroyo Grande	28.57% 2	28.57% 2	42.86% 3	0.00% 0	7	2.14
Pismo Beach	28.57% 2	14.29% 1	57.14% 4	0.00% 0	7	2.29
Grover Beach	14.29% 1	42.86% 3	28.57% 2	14.29% 1	7	2.43
Atascadero	14.29% 1	42.86% 3	28.57% 2	14.29% 1	7	2.43

Q7 Based on your personal experience or based on other information that you deem reliable, and based on your knowledge of the processes involved in other agencies in SLO County how would you rate the staff of the city of Morro Bay in comparison to those communities in providing reliable and consistent information regarding the conditions of approval and development requirements?Morro Bay is:

Answered: 7 Skipped: 0



Brokers and Agents Questionnaire

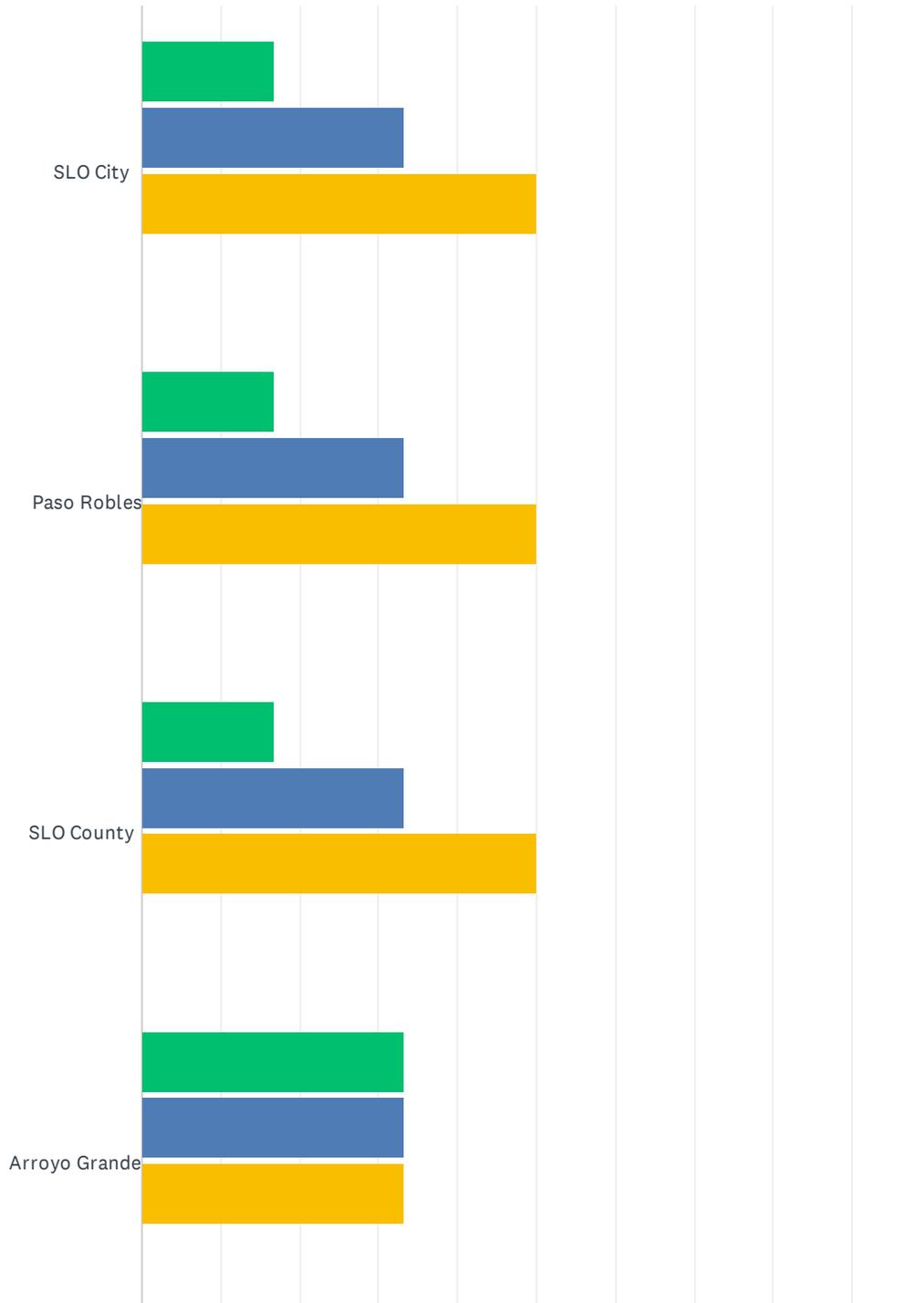


Brokers and Agents Questionnaire

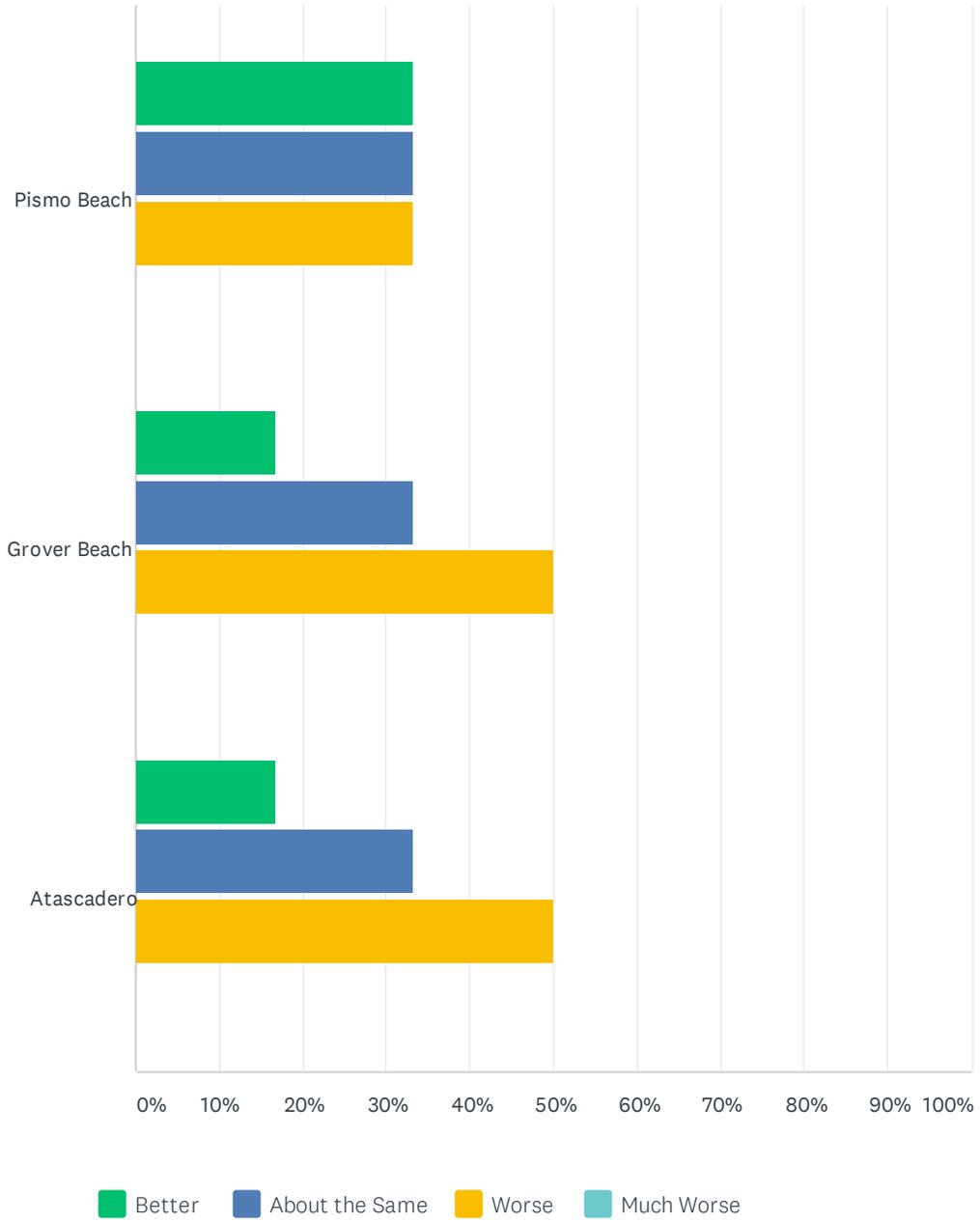
	BETTER	ABOUT THE SAME	WORSE	MUCH WORSE	TOTAL	WEIGHTED AVERAGE
SLO City	14.29% 1	28.57% 2	57.14% 4	0.00% 0	7	2.43
Paso Robles	14.29% 1	28.57% 2	42.86% 3	14.29% 1	7	2.57
SLO County	14.29% 1	42.86% 3	42.86% 3	0.00% 0	7	2.29
Arroyo Grande	28.57% 2	28.57% 2	42.86% 3	0.00% 0	7	2.14
Pismo Beach	28.57% 2	14.29% 1	57.14% 4	0.00% 0	7	2.29
Grover Beach	14.29% 1	42.86% 3	28.57% 2	14.29% 1	7	2.43
Atascadero	14.29% 1	42.86% 3	28.57% 2	14.29% 1	7	2.43

Q8 Based on your personal experience or based on other information that you deem reliable, and based on your knowledge of the processes involved in other agencies in SLO County how would you rate the staff of the City of Morro Bay in comparison to those communities in accurately and promptly communicating with development applicants about the status and needs of their projects?Morro Bay is:

Answered: 6 Skipped: 1



Brokers and Agents Questionnaire

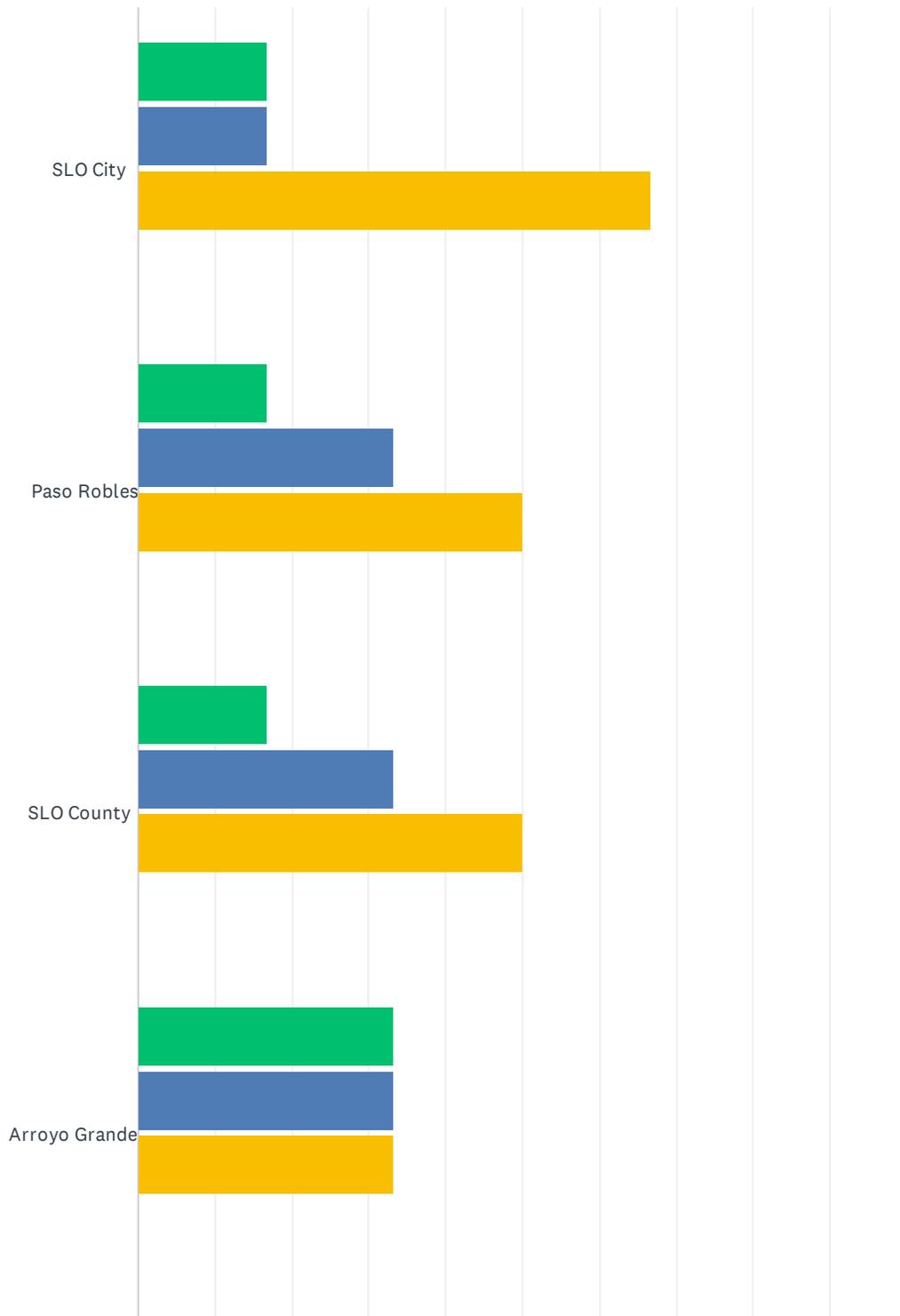


Brokers and Agents Questionnaire

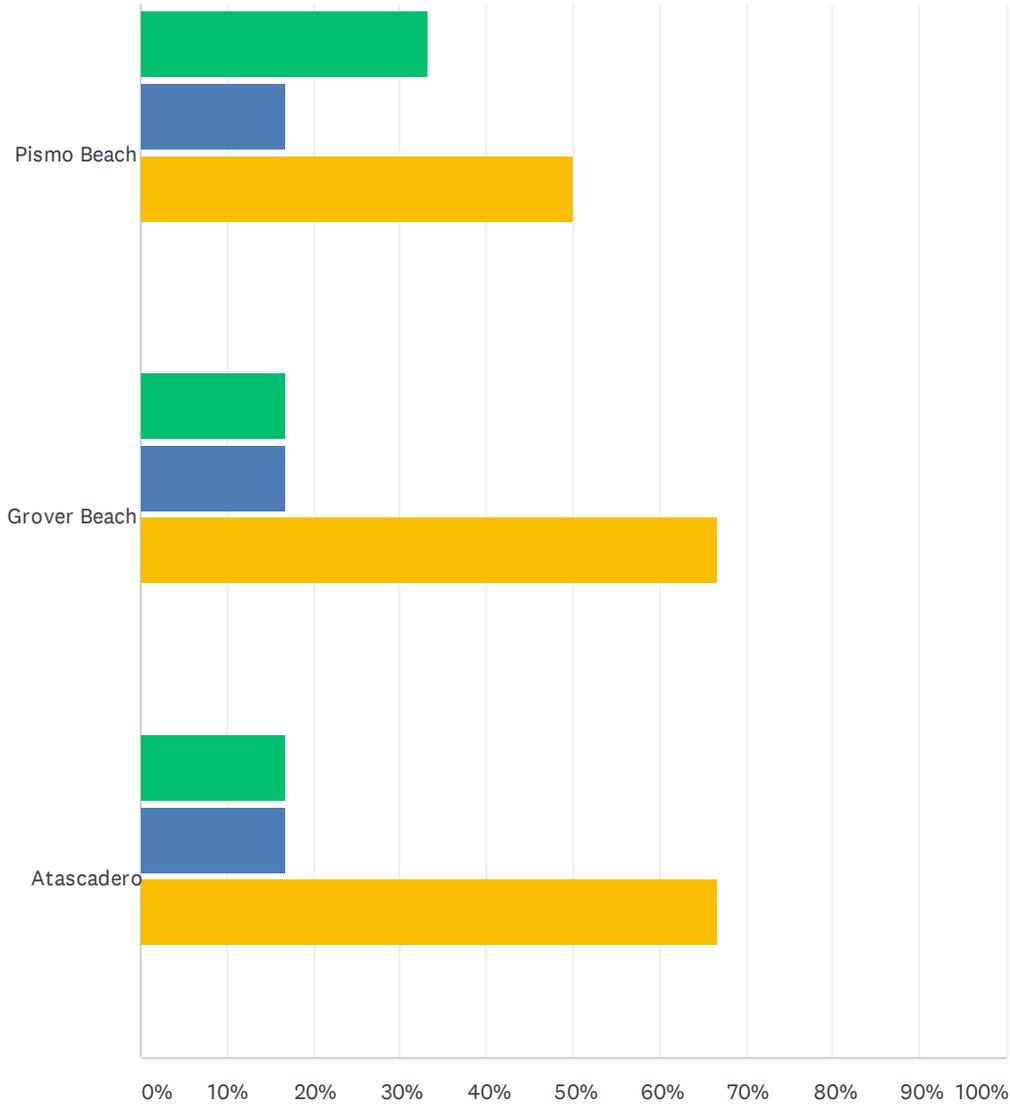
	BETTER	ABOUT THE SAME	WORSE	MUCH WORSE	TOTAL	WEIGHTED AVERAGE
SLO City	16.67% 1	33.33% 2	50.00% 3	0.00% 0	6	2.33
Paso Robles	16.67% 1	33.33% 2	50.00% 3	0.00% 0	6	2.33
SLO County	16.67% 1	33.33% 2	50.00% 3	0.00% 0	6	2.33
Arroyo Grande	33.33% 2	33.33% 2	33.33% 2	0.00% 0	6	2.00
Pismo Beach	33.33% 2	33.33% 2	33.33% 2	0.00% 0	6	2.00
Grover Beach	16.67% 1	33.33% 2	50.00% 3	0.00% 0	6	2.33
Atascadero	16.67% 1	33.33% 2	50.00% 3	0.00% 0	6	2.33

Q9 Based on your personal experience or based on other information that you deem reliable, and based on your knowledge of the processes involved in other agencies in SLO County how would you rate the staff of the City of Morro Bay in comparison to those communities as supportive and helpful in completing real estate development project?Morro Bay is:

Answered: 6 Skipped: 1



Brokers and Agents Questionnaire

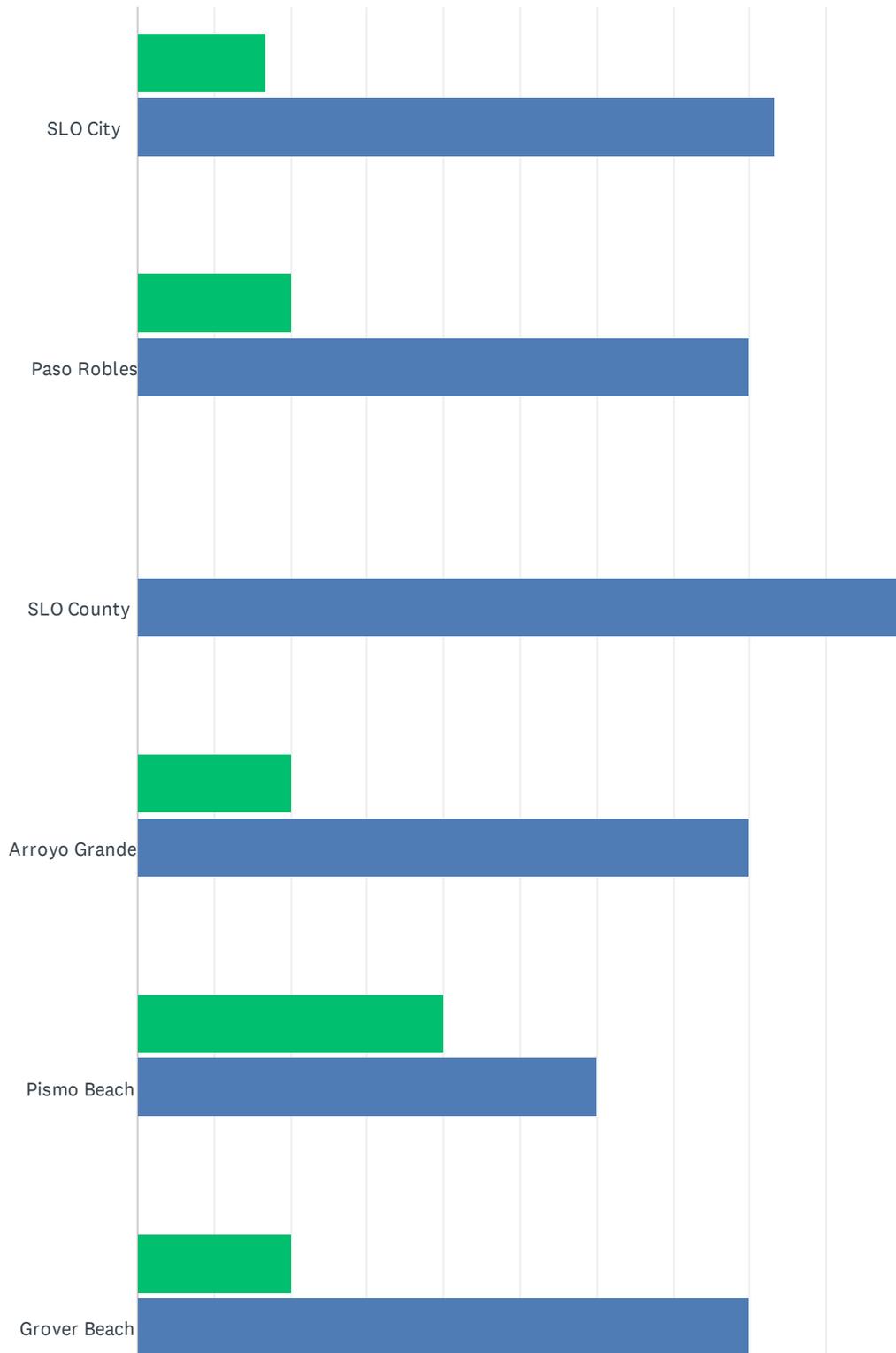


■ Better
 ■ About the Same
 ■ Worse
 ■ Much Worse

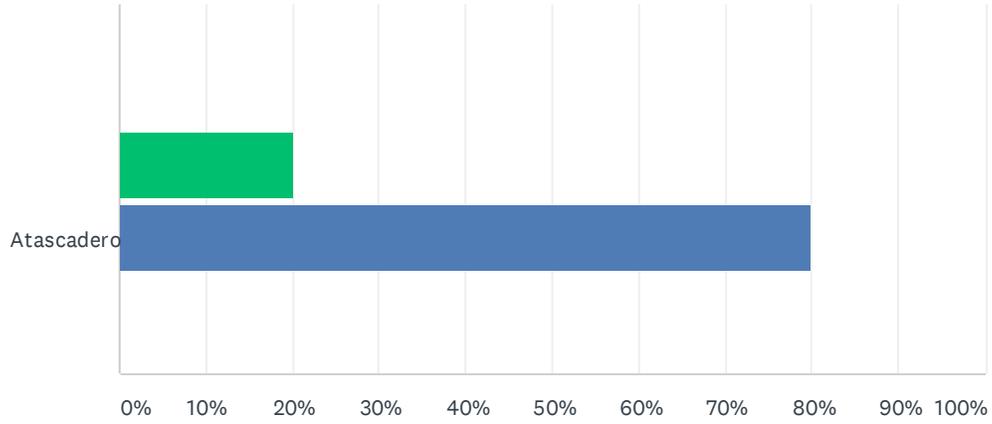
	BETTER	ABOUT THE SAME	WORSE	MUCH WORSE	TOTAL	WEIGHTED AVERAGE
SLO City	16.67% 1	16.67% 1	66.67% 4	0.00% 0	6	2.50
Paso Robles	16.67% 1	33.33% 2	50.00% 3	0.00% 0	6	2.33
SLO County	16.67% 1	33.33% 2	50.00% 3	0.00% 0	6	2.33
Arroyo Grande	33.33% 2	33.33% 2	33.33% 2	0.00% 0	6	2.00
Pismo Beach	33.33% 2	16.67% 1	50.00% 3	0.00% 0	6	2.17
Grover Beach	16.67% 1	16.67% 1	66.67% 4	0.00% 0	6	2.50
Atascadero	16.67% 1	16.67% 1	66.67% 4	0.00% 0	6	2.50

Q10 Based on your personal experience or based on other information that you deem reliable, and based on your knowledge of other agencies in SLO County how would you rate the development impact fees in Morro Bay compared to other communities? Morro Bay is:

Answered: 6 Skipped: 1



Brokers and Agents Questionnaire

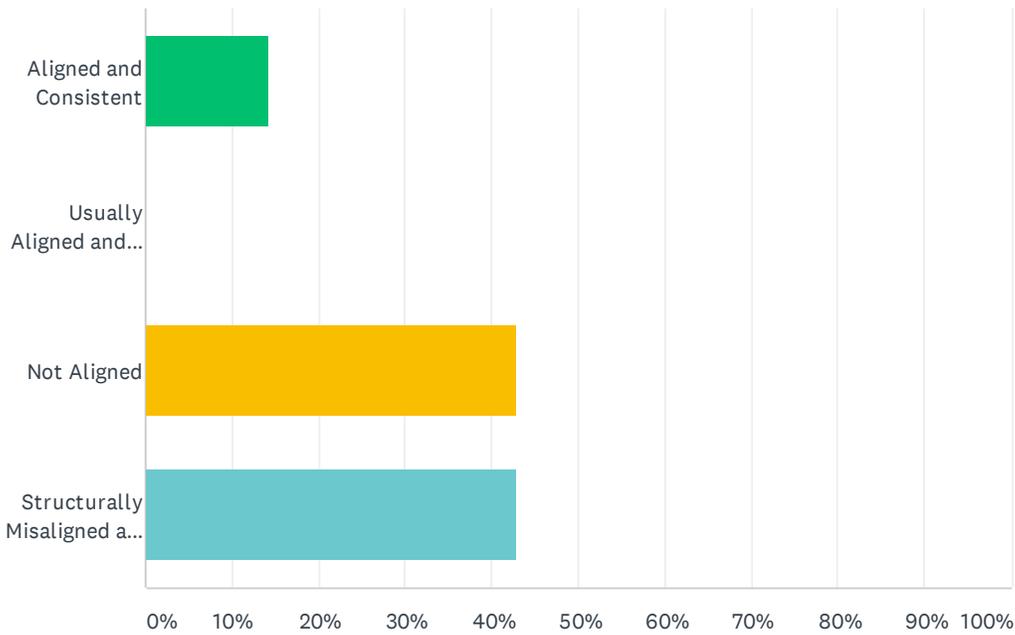


■ Higher
 ■ About the Same
 ■ Lower

	HIGHER	ABOUT THE SAME	LOWER	TOTAL	WEIGHTED AVERAGE
SLO City	16.67% 1	83.33% 5	0.00% 0	6	1.83
Paso Robles	20.00% 1	80.00% 4	0.00% 0	5	1.80
SLO County	0.00% 0	100.00% 5	0.00% 0	5	2.00
Arroyo Grande	20.00% 1	80.00% 4	0.00% 0	5	1.80
Pismo Beach	40.00% 2	60.00% 3	0.00% 0	5	1.60
Grover Beach	20.00% 1	80.00% 4	0.00% 0	5	1.80
Atascadero	20.00% 1	80.00% 4	0.00% 0	5	1.80

Q11 Based on your personal experience or based on other information that you deem reliable, and based on your knowledge of the processes involved in other agencies in SLO County how would you rate the degree of alignment between staff, Planning and City Council with regard to conditions of approval and development requirements:

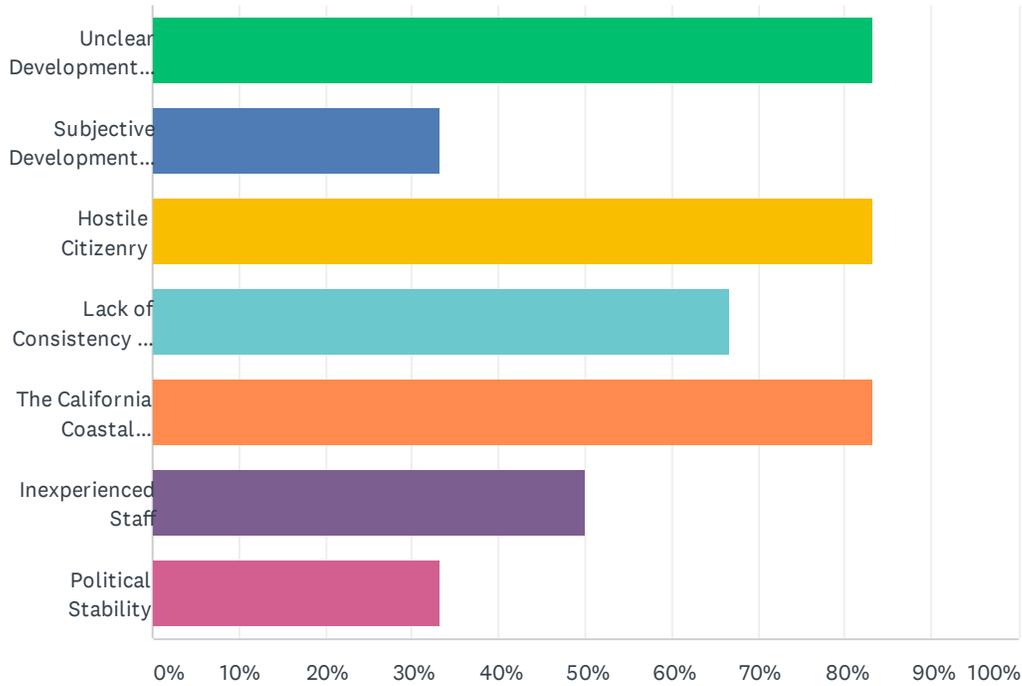
Answered: 7 Skipped: 0



ANSWER CHOICES	RESPONSES	
Aligned and Consistent	14.29%	1
Usually Aligned and Consistent	0.00%	0
Not Aligned	42.86%	3
Structurally Misaligned and Inconsistent	42.86%	3
TOTAL		7

Q12 Based on your personal experience or based on other information that you deem reliable, the root of any problems with permit processing and development in Morro Bay is (mark all that apply):

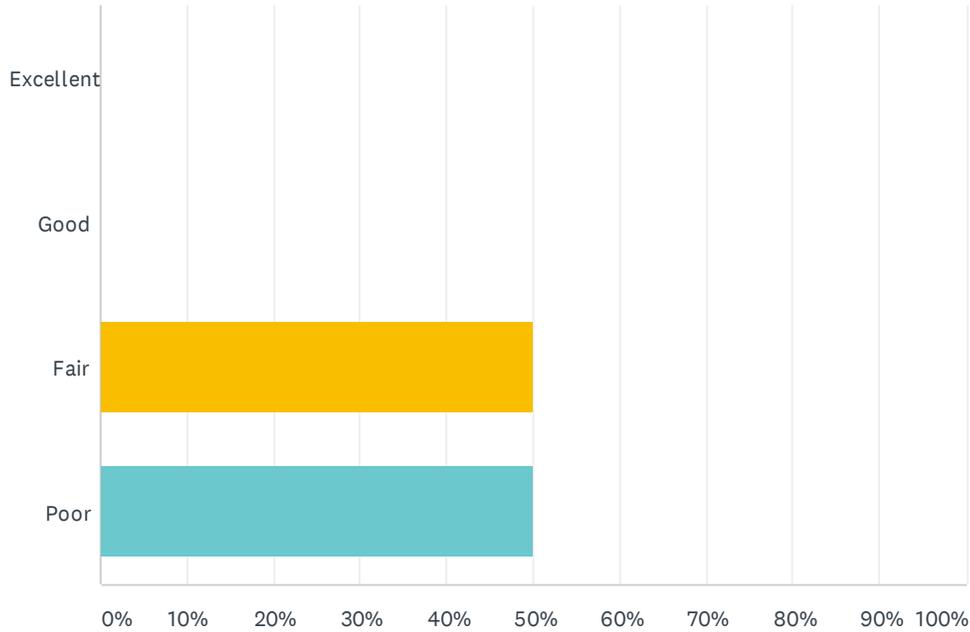
Answered: 6 Skipped: 1



ANSWER CHOICES	RESPONSES	
Unclear Development Standards	83.33%	5
Subjective Development Standards	33.33%	2
Hostile Citizenry	83.33%	5
Lack of Consistency in Development Regulations (General Plan/Zoning/LCP, etc.)	66.67%	4
The California Coastal Commission	83.33%	5
Inexperienced Staff	50.00%	3
Political Stability	33.33%	2
Total Respondents: 6		

Q1 Based on your personal experience or based on other information that you deem reliable, how would you rate the community of Morro Bay as an opportunity for new development projects:

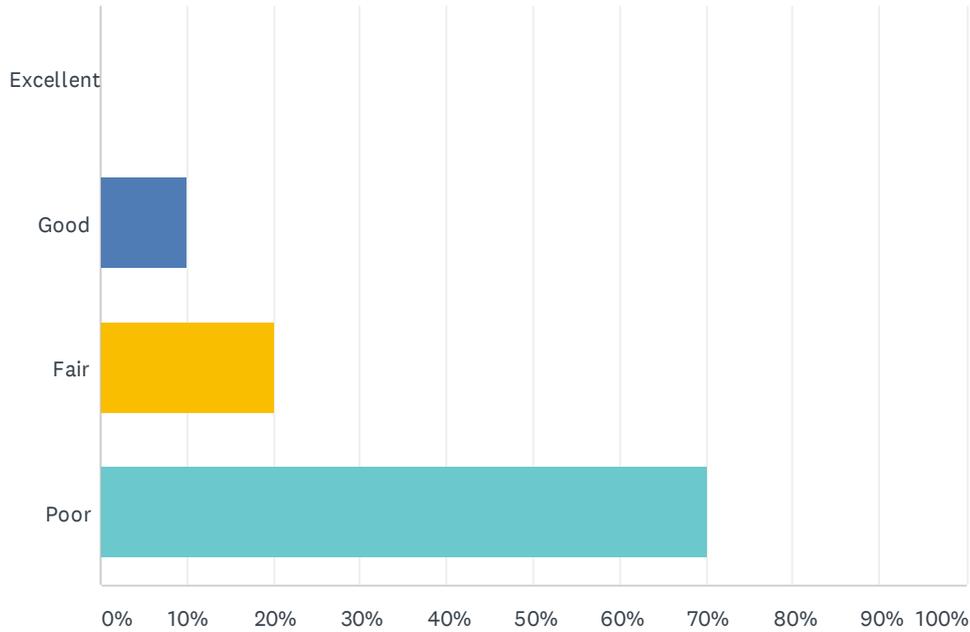
Answered: 10 Skipped: 0



ANSWER CHOICES	RESPONSES
Excellent	0.00% 0
Good	0.00% 0
Fair	50.00% 5
Poor	50.00% 5
TOTAL	10

Q2 Based on your personal experience or based on other information that you deem reliable, how would you rate the reputation of the community of Morro Bay as a business-friendly community for real estate development projects:

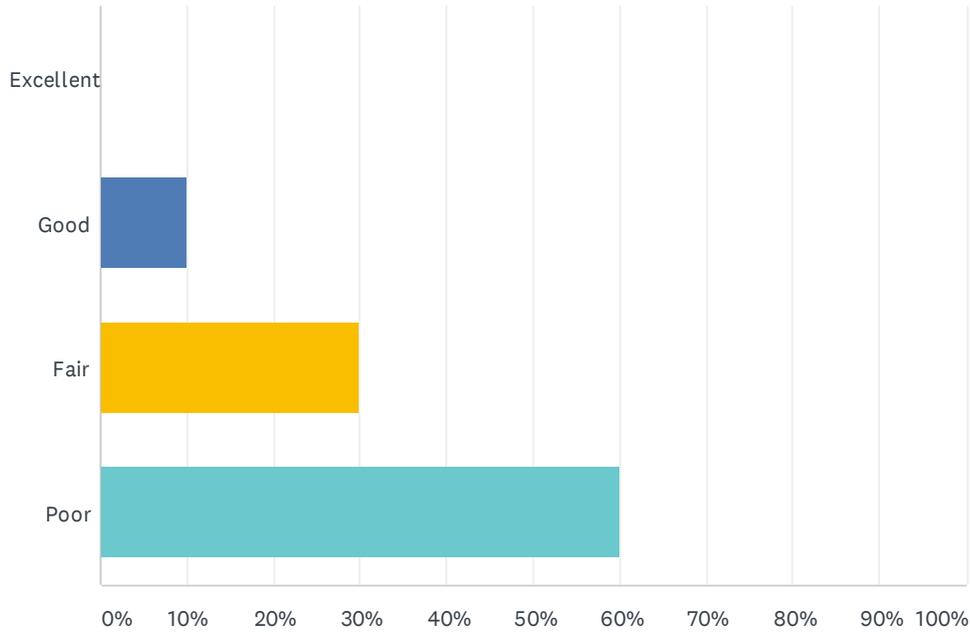
Answered: 10 Skipped: 0



ANSWER CHOICES	RESPONSES
Excellent	0.00% 0
Good	10.00% 1
Fair	20.00% 2
Poor	70.00% 7
TOTAL	10

Q3 Based on your personal experience or based on other information that you deem reliable, how would you rate the reputation of the community of Morro Bay as a politically stable community for real estate development projects:

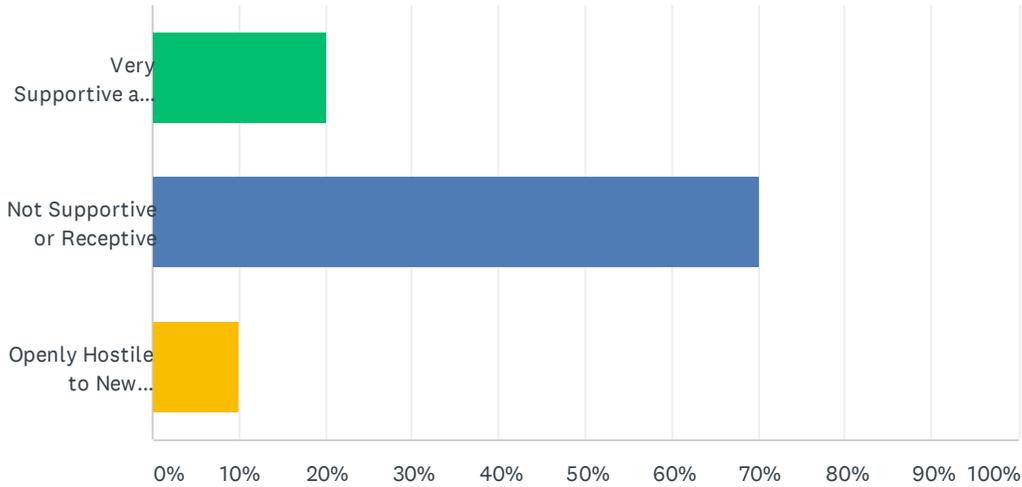
Answered: 10 Skipped: 0



ANSWER CHOICES	RESPONSES
Excellent	0.00% 0
Good	10.00% 1
Fair	30.00% 3
Poor	60.00% 6
TOTAL	10

Q4 Based on your personal experience or based on other information that you deem reliable, how would you rate the staff of the city of Morro Bay as receptive and supportive of new real estate development projects:

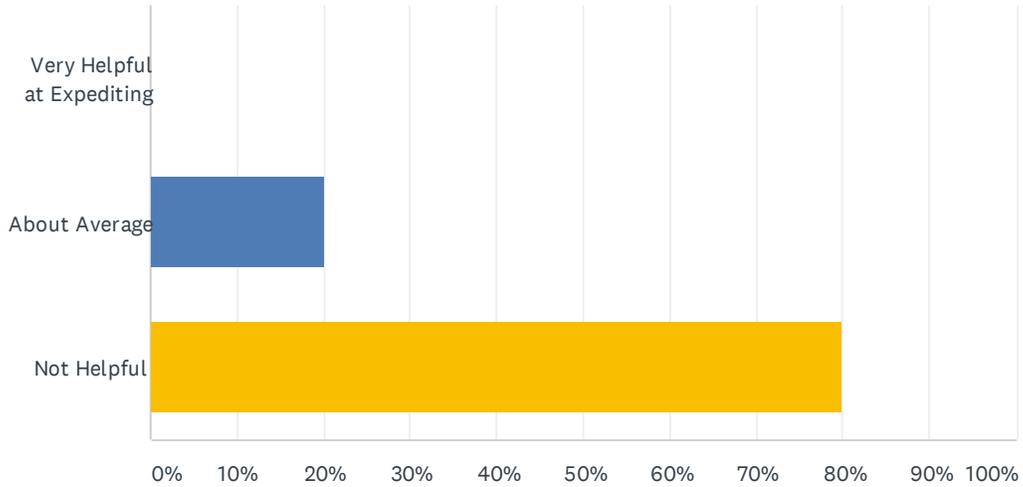
Answered: 10 Skipped: 0



ANSWER CHOICES	RESPONSES	
Very Supportive and Receptive	20.00%	2
Not Supportive or Receptive	70.00%	7
Openly Hostile to New Development	10.00%	1
TOTAL		10

Q5 Based on your personal experience or based on other information that you deem reliable, how would you rate the staff of the city of Morro Bay as helpful in expediting projects through the approval process:

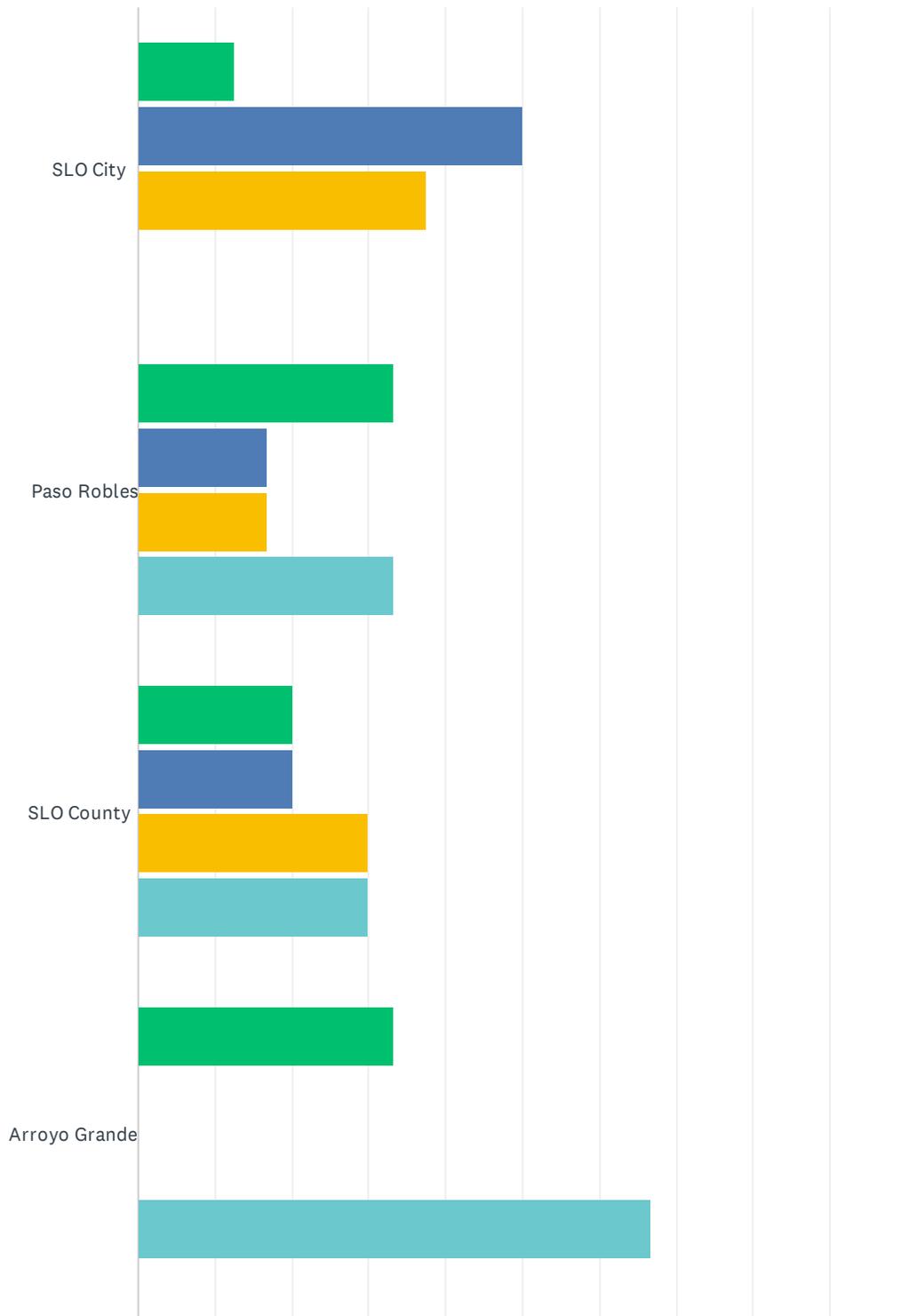
Answered: 10 Skipped: 0



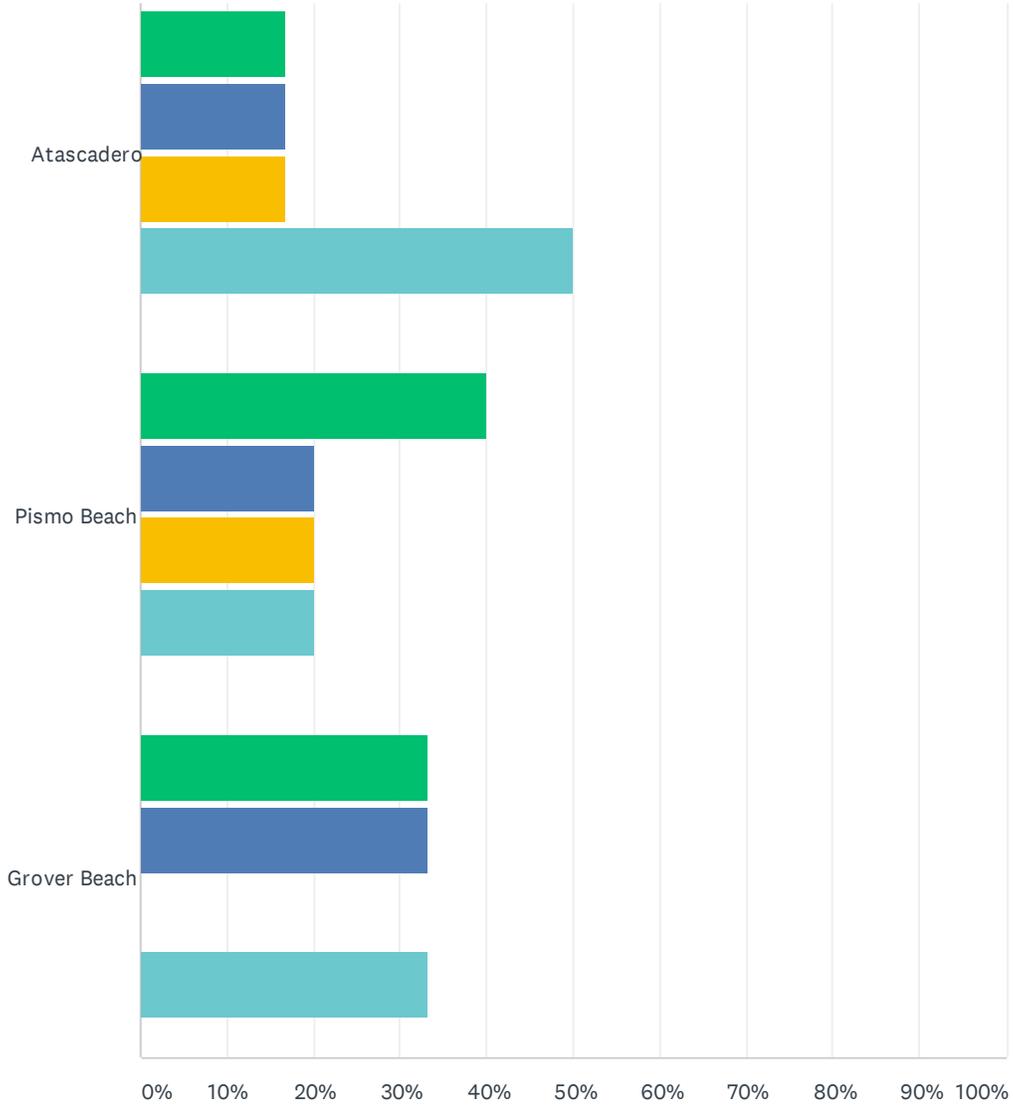
ANSWER CHOICES	RESPONSES
Very Helpful at Expediting	0.00% 0
About Average	20.00% 2
Not Helpful	80.00% 8
TOTAL	10

Q6 Based on your personal experience or based on other information that you deem reliable, and based on your knowledge of the processes involved in other agencies in SLO County, how would you rate the staff of the city of Morro Bay in comparison to those communities to complete projects in a timely manner:

Answered: 10 Skipped: 0



Developers and Agents

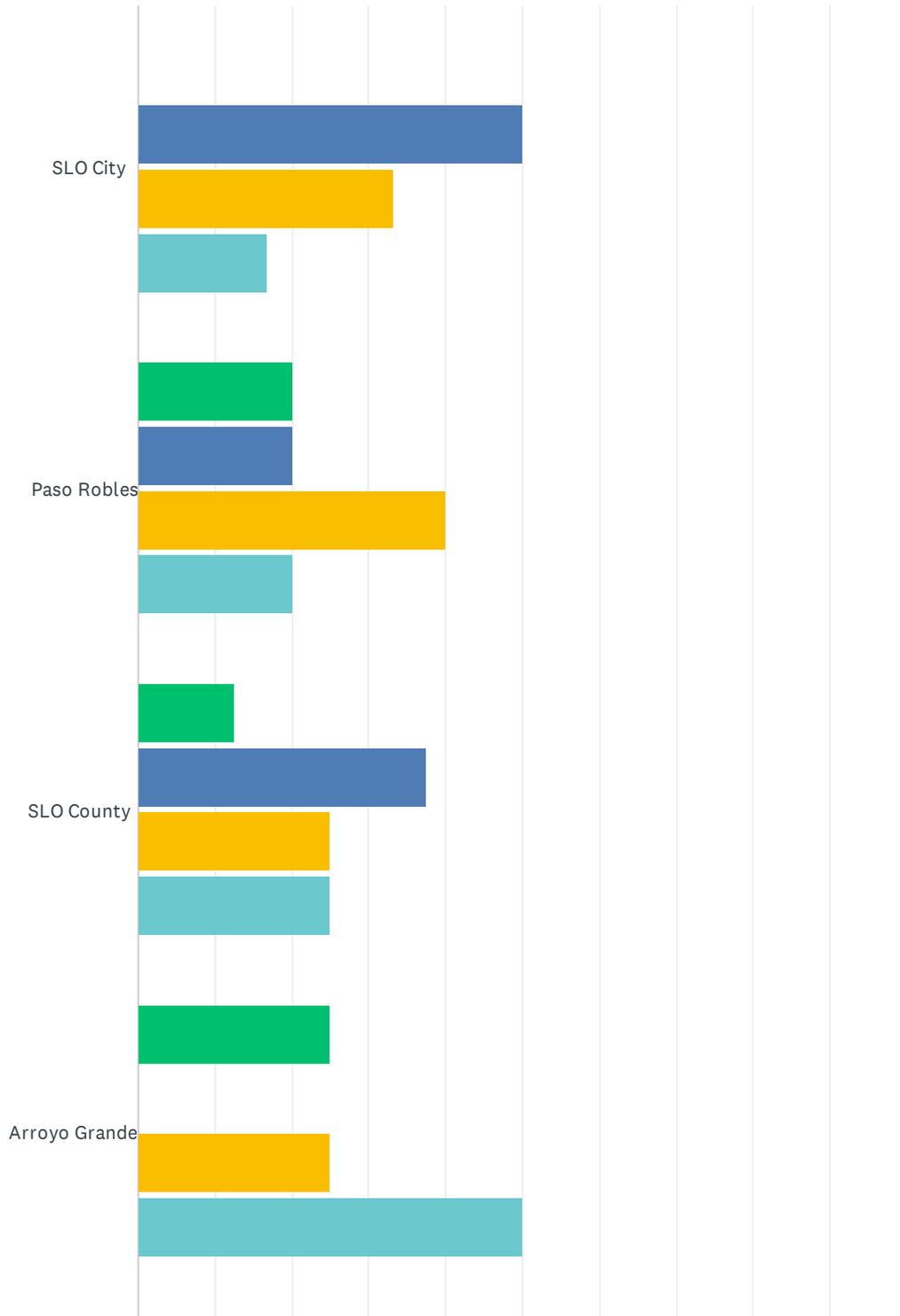


■ Better
 ■ About the Same
 ■ Worse
 ■ Much Worse

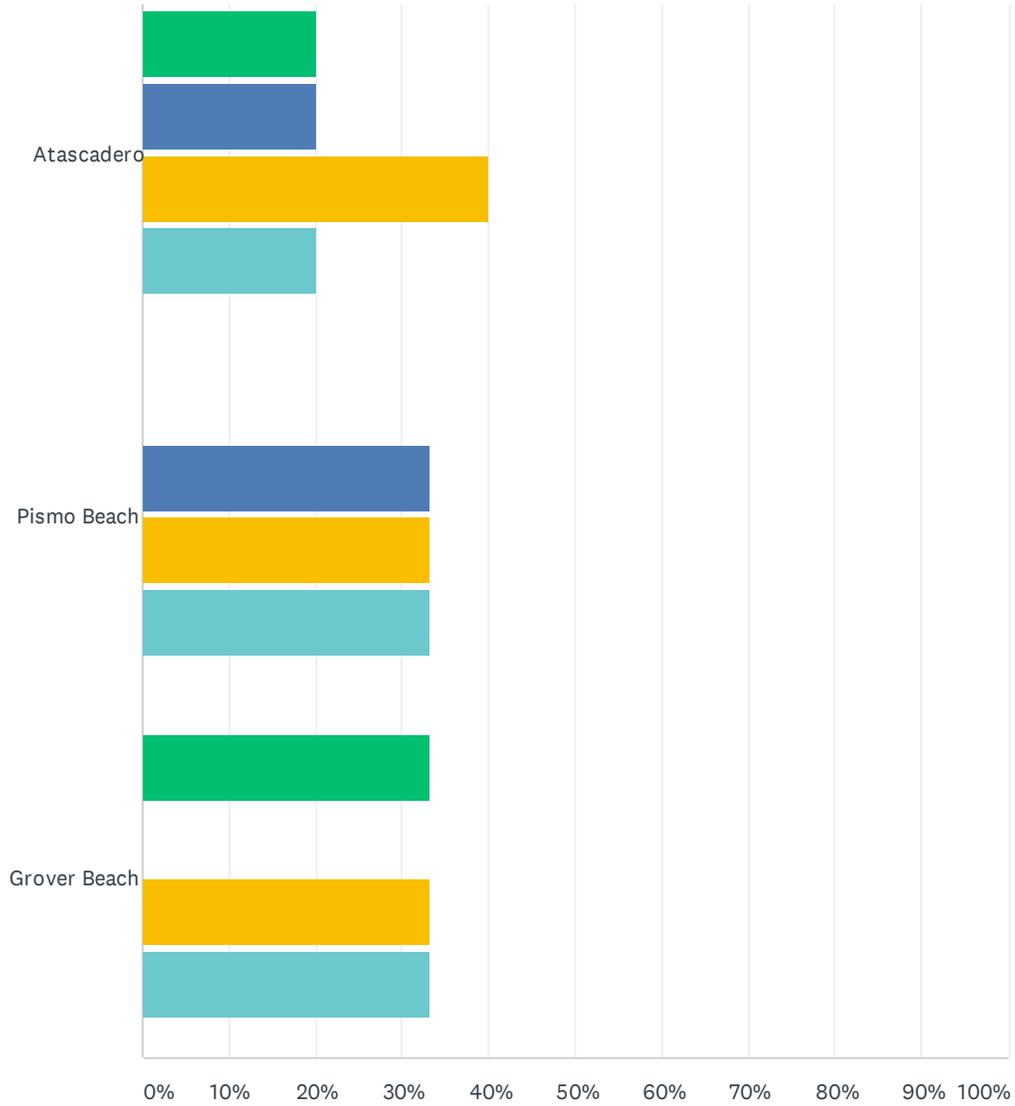
	BETTER	ABOUT THE SAME	WORSE	MUCH WORSE	TOTAL	WEIGHTED AVERAGE
SLO City	12.50% 1	50.00% 4	37.50% 3	0.00% 0	8	2.25
Paso Robles	33.33% 2	16.67% 1	16.67% 1	33.33% 2	6	2.50
SLO County	20.00% 2	20.00% 2	30.00% 3	30.00% 3	10	2.70
Arroyo Grande	33.33% 1	0.00% 0	0.00% 0	66.67% 2	3	3.00
Atascadero	16.67% 1	16.67% 1	16.67% 1	50.00% 3	6	3.00
Pismo Beach	40.00% 2	20.00% 1	20.00% 1	20.00% 1	5	2.20
Grover Beach	33.33% 1	33.33% 1	0.00% 0	33.33% 1	3	2.33

Q7 Based on your personal experience or based on other information that you deem reliable, and based on your knowledge of the processes involved in other agencies in SLO County, how would you rate the staff of the city of Morro Bay in comparison to those communities as supportive and helpful in completing real estate development project:

Answered: 8 Skipped: 2



Developers and Agents

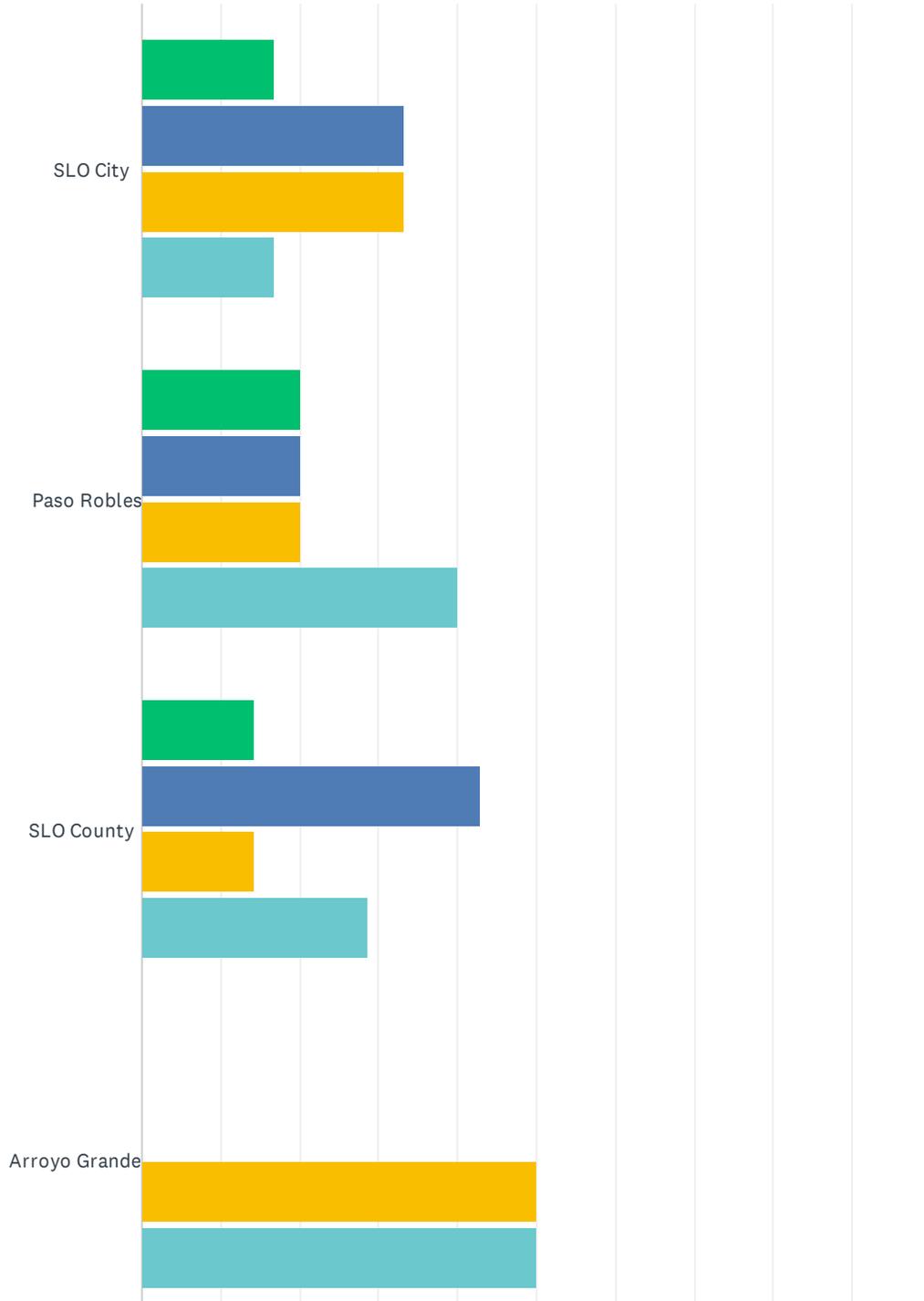


■ Better
 ■ About the Same
 ■ Worse
 ■ Much Worse

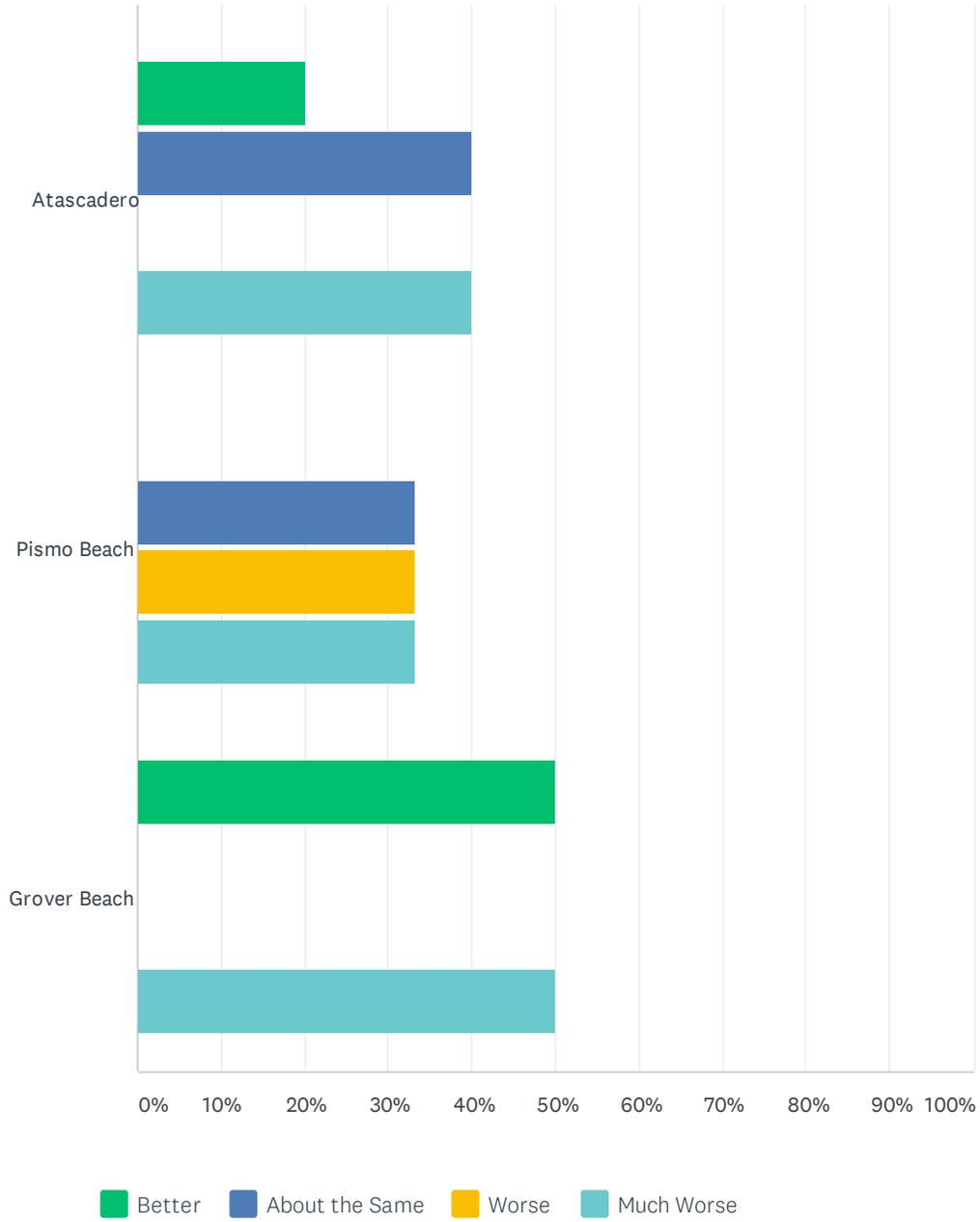
	BETTER	ABOUT THE SAME	WORSE	MUCH WORSE	TOTAL	WEIGHTED AVERAGE
SLO City	0.00% 0	50.00% 3	33.33% 2	16.67% 1	6	2.67
Paso Robles	20.00% 1	20.00% 1	40.00% 2	20.00% 1	5	2.60
SLO County	12.50% 1	37.50% 3	25.00% 2	25.00% 2	8	2.63
Arroyo Grande	25.00% 1	0.00% 0	25.00% 1	50.00% 2	4	3.00
Atascadero	20.00% 1	20.00% 1	40.00% 2	20.00% 1	5	2.60
Pismo Beach	0.00% 0	33.33% 1	33.33% 1	33.33% 1	3	3.00
Grover Beach	33.33% 1	0.00% 0	33.33% 1	33.33% 1	3	2.67

Q8 Based on your personal experience or based on other information that you deem reliable, and based on your knowledge of the processes involved in other agencies in SLO County, how would you rate the staff of the city of Morro Bay in comparison to those communities in providing reliable and consistent information regarding development requirements (GP, Zoning, LCP, etc.) and conditions of approval:

Answered: 8 Skipped: 2



Developers and Agents

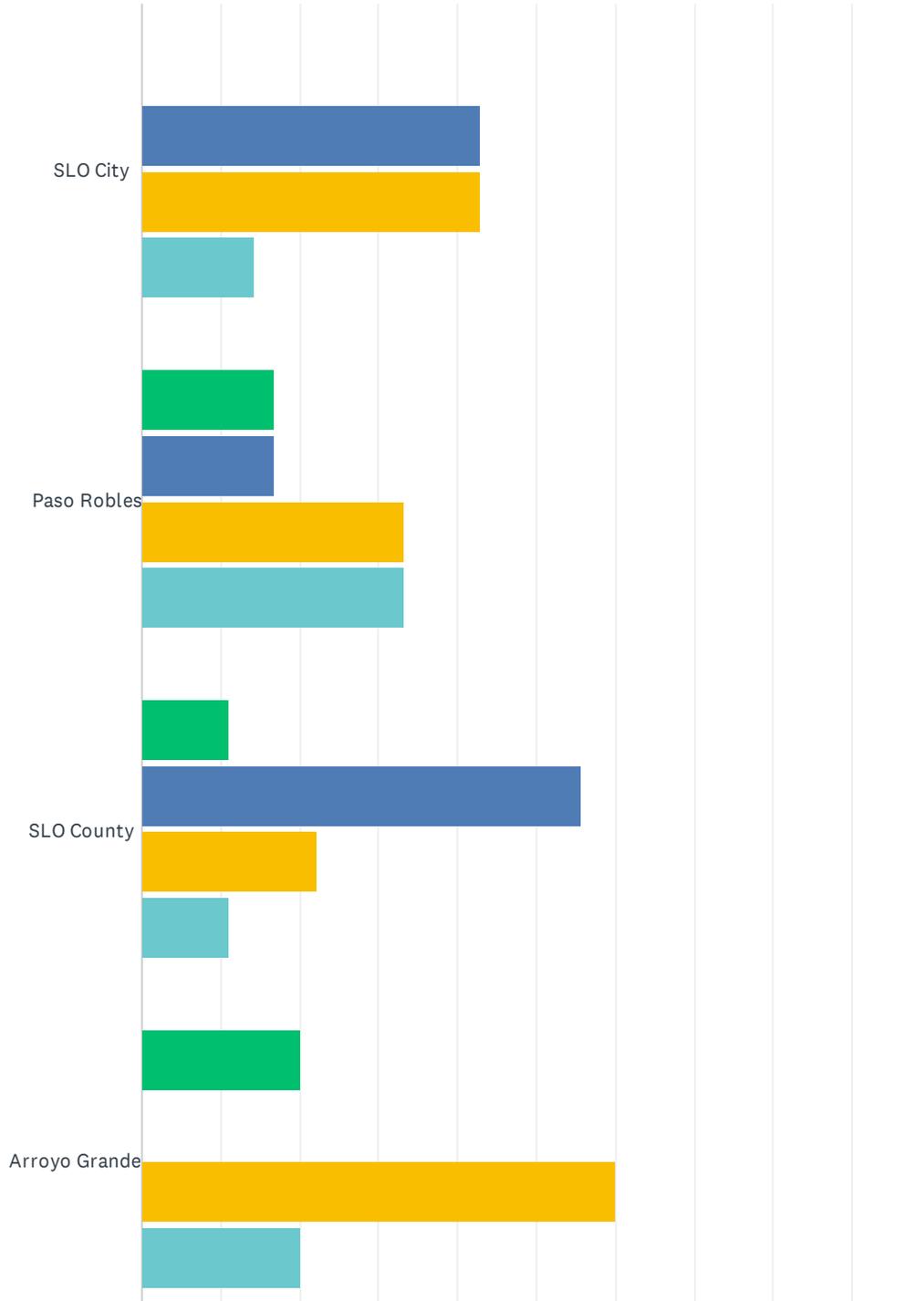


Developers and Agents

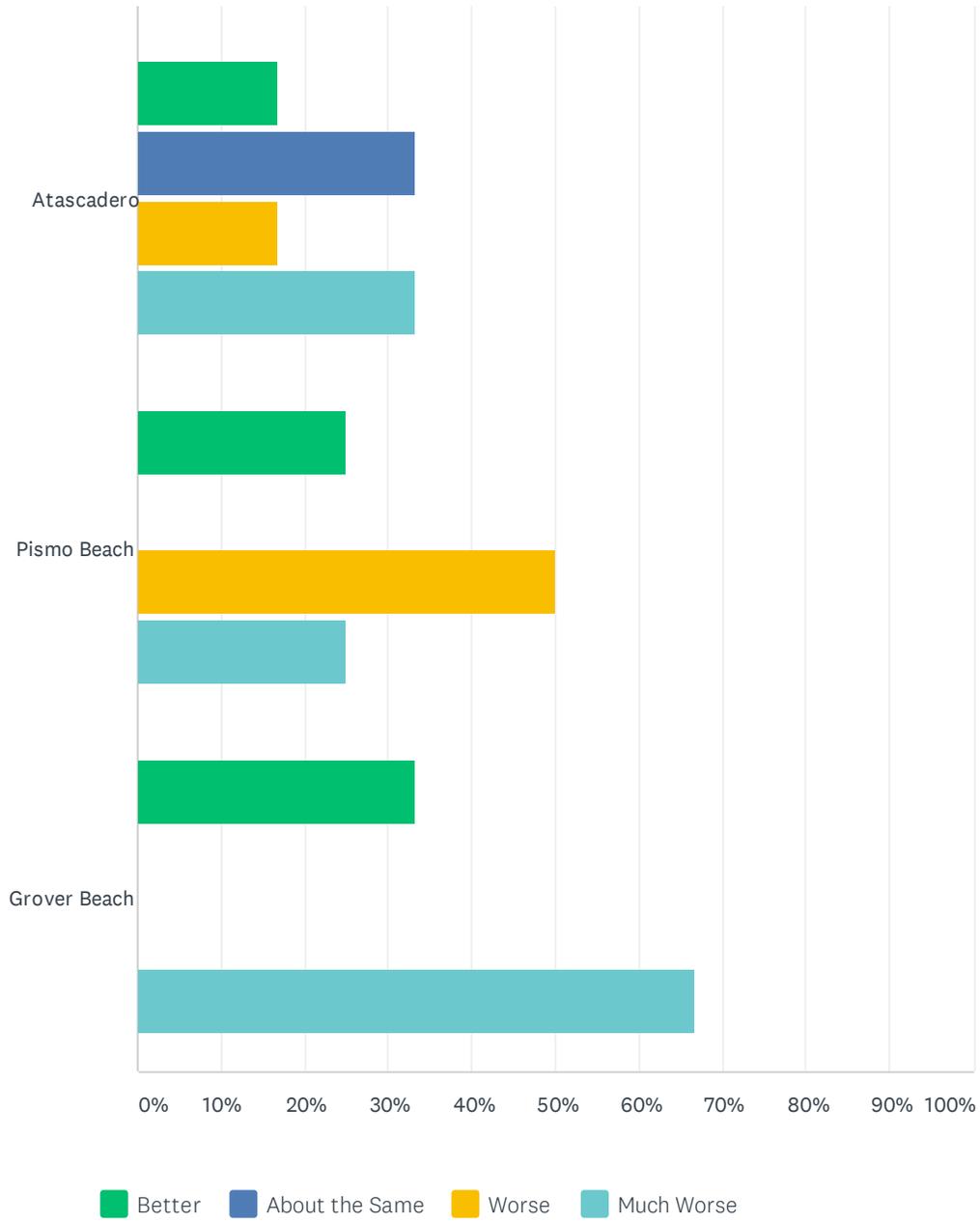
	BETTER	ABOUT THE SAME	WORSE	MUCH WORSE	TOTAL	WEIGHTED AVERAGE
SLO City	16.67% 1	33.33% 2	33.33% 2	16.67% 1	6	2.50
Paso Robles	20.00% 1	20.00% 1	20.00% 1	40.00% 2	5	2.80
SLO County	14.29% 1	42.86% 3	14.29% 1	28.57% 2	7	2.57
Arroyo Grande	0.00% 0	0.00% 0	50.00% 1	50.00% 1	2	3.50
Atascadero	20.00% 1	40.00% 2	0.00% 0	40.00% 2	5	2.60
Pismo Beach	0.00% 0	33.33% 1	33.33% 1	33.33% 1	3	3.00
Grover Beach	50.00% 1	0.00% 0	0.00% 0	50.00% 1	2	2.50

Q9 Based on your personal experience or based on other information that you deem reliable, and based on your knowledge of the processes involved in other agencies in SLO County, how would you rate the staff of the city of Morro Bay in comparison to those communities in accurately and promptly communicating with development applicants about the status and issues related to their projects:

Answered: 9 Skipped: 1



Developers and Agents

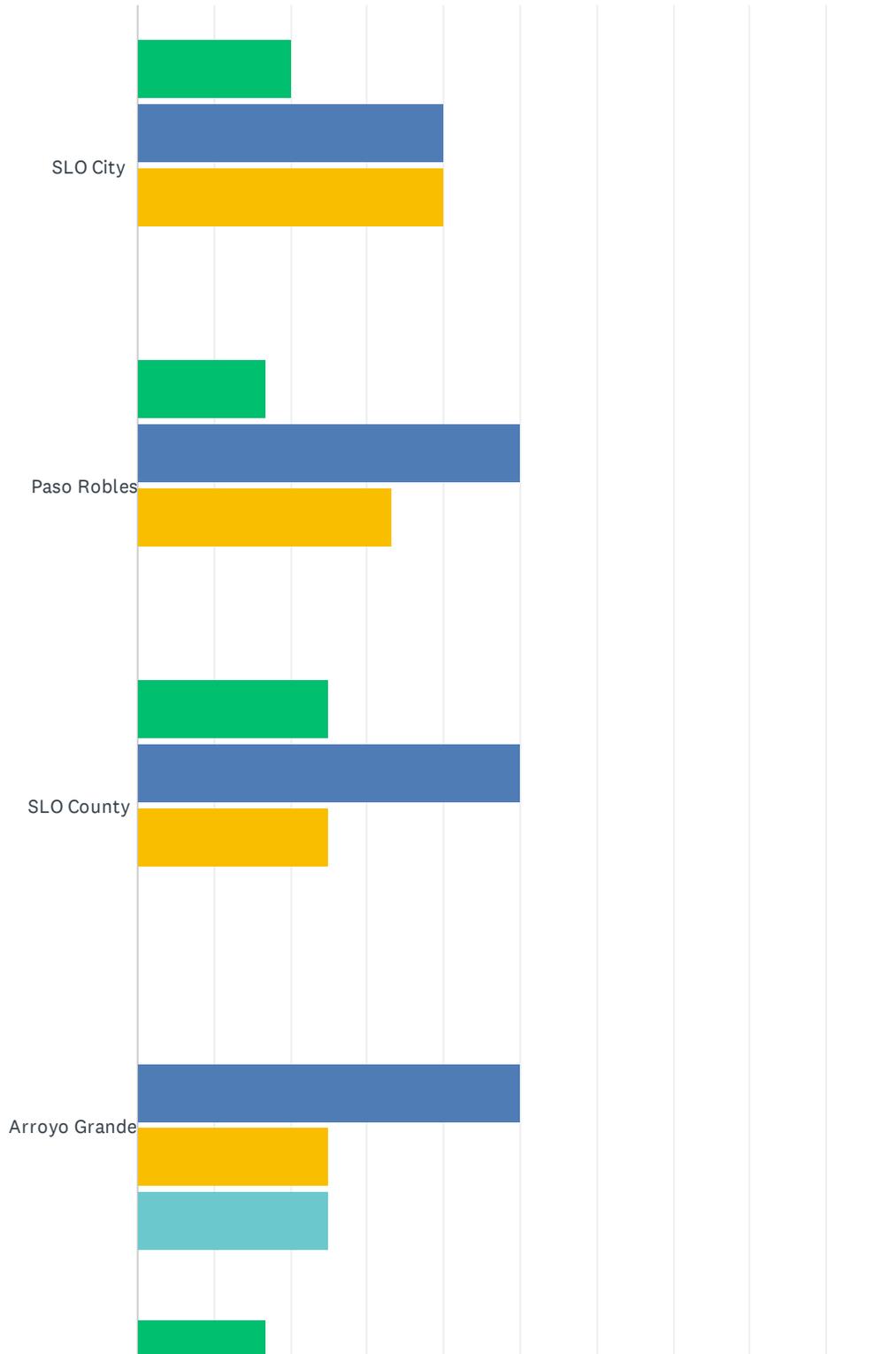


Developers and Agents

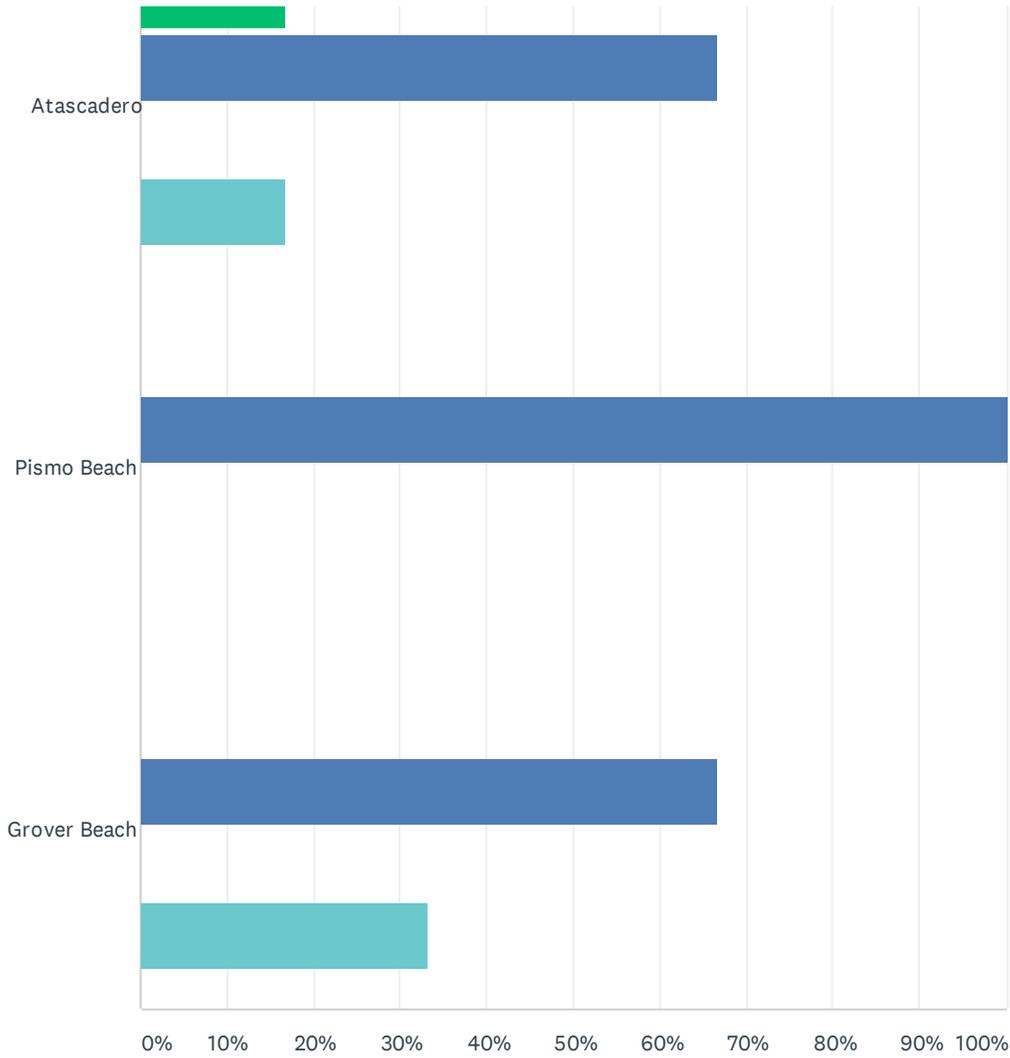
	BETTER	ABOUT THE SAME	WORSE	MUCH WORSE	TOTAL	WEIGHTED AVERAGE
SLO City	0.00% 0	42.86% 3	42.86% 3	14.29% 1	7	2.71
Paso Robles	16.67% 1	16.67% 1	33.33% 2	33.33% 2	6	2.83
SLO County	11.11% 1	55.56% 5	22.22% 2	11.11% 1	9	2.33
Arroyo Grande	20.00% 1	0.00% 0	60.00% 3	20.00% 1	5	2.80
Atascadero	16.67% 1	33.33% 2	16.67% 1	33.33% 2	6	2.67
Pismo Beach	25.00% 1	0.00% 0	50.00% 2	25.00% 1	4	2.75
Grover Beach	33.33% 1	0.00% 0	0.00% 0	66.67% 2	3	3.00

Q10 Based on your personal experience or based on other information that you deem reliable, and based on your knowledge of other agencies in SLO County, how would you rate the permit processing costs for projects in Morro Bay:

Answered: 9 Skipped: 1



Developers and Agents

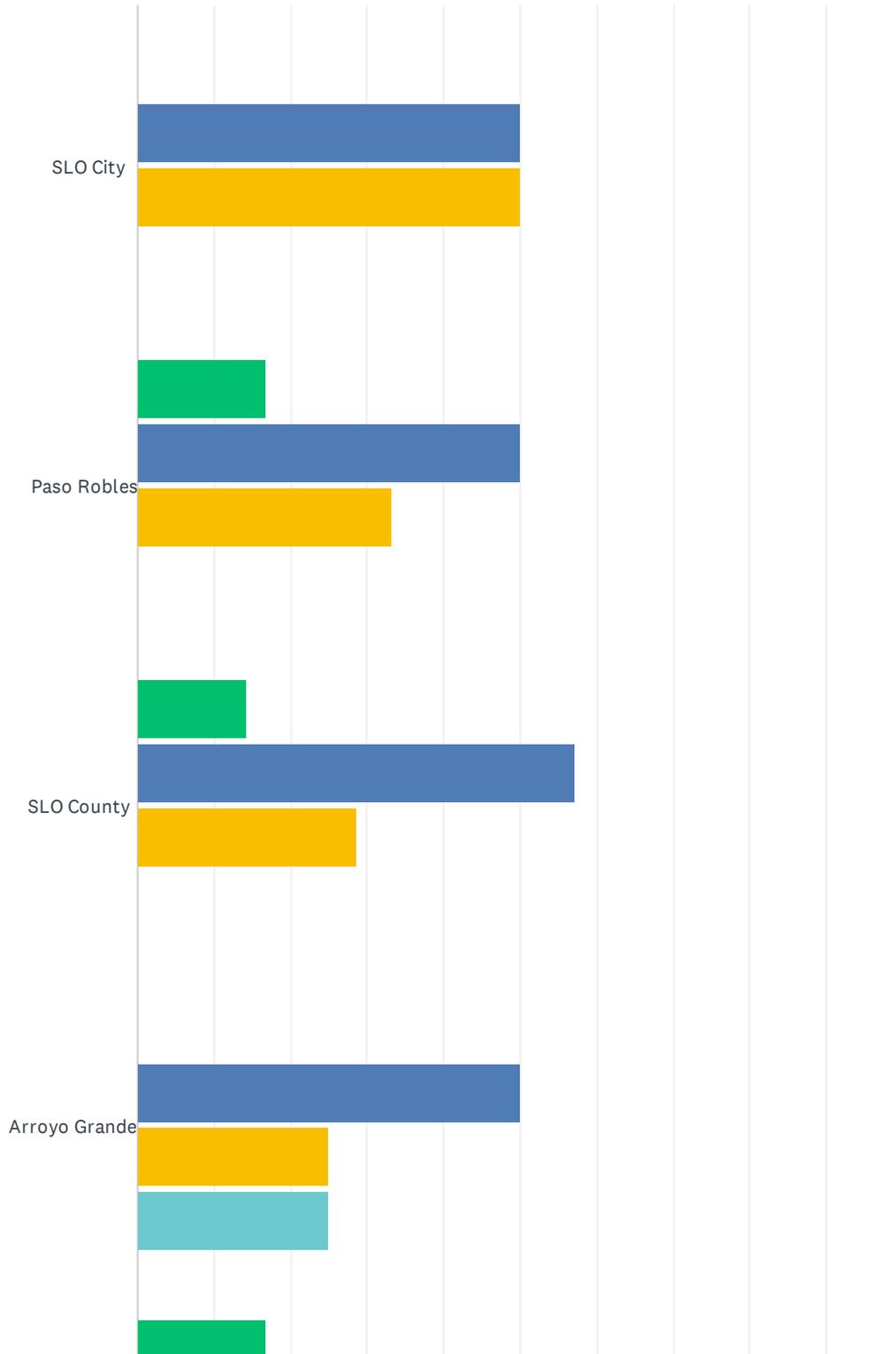


■ Much Higher
 ■ About the Same
 ■ Lower
 ■ Much Lower

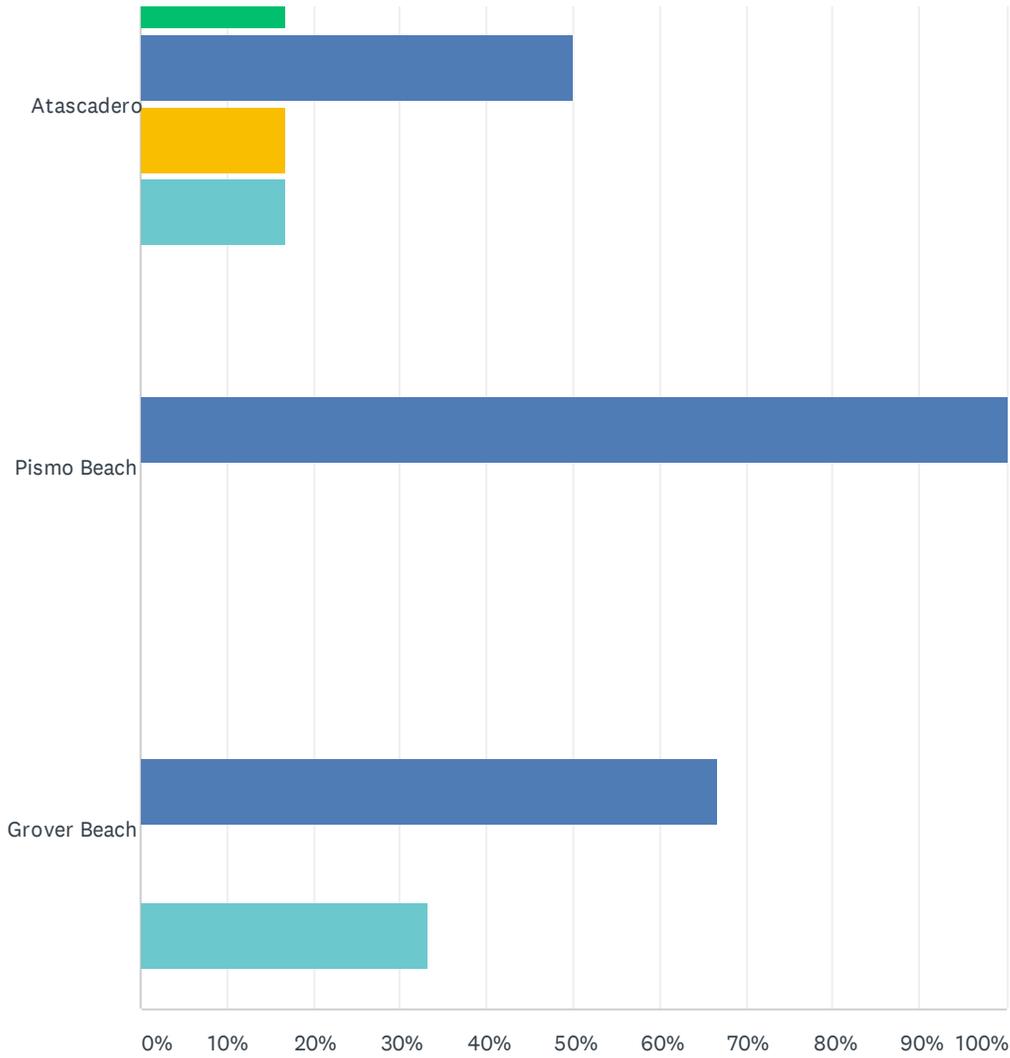
	MUCH HIGHER	ABOUT THE SAME	LOWER	MUCH LOWER	TOTAL	WEIGHTED AVERAGE
SLO City	20.00% 1	40.00% 2	40.00% 2	0.00% 0	5	2.20
Paso Robles	16.67% 1	50.00% 3	33.33% 2	0.00% 0	6	2.17
SLO County	25.00% 2	50.00% 4	25.00% 2	0.00% 0	8	2.00
Arroyo Grande	0.00% 0	50.00% 2	25.00% 1	25.00% 1	4	2.75
Atascadero	16.67% 1	66.67% 4	0.00% 0	16.67% 1	6	2.17
Pismo Beach	0.00% 0	100.00% 3	0.00% 0	0.00% 0	3	2.00
Grover Beach	0.00% 0	66.67% 2	0.00% 0	33.33% 1	3	2.67

Q11 Based on your personal experience or based on other information that you deem reliable, and based on your knowledge of other agencies in SLO County, how would you rate the development impact fees in Morro Bay compared to other communities:

Answered: 9 Skipped: 1



Developers and Agents

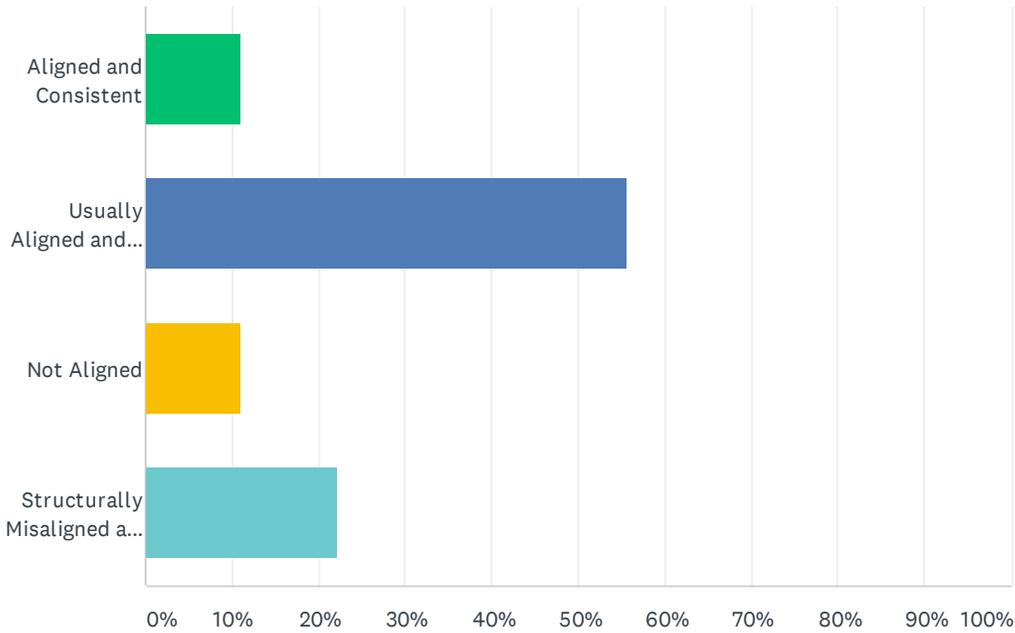


■ Much Higher
 ■ About the Same
 ■ Lower
 ■ Much Lower

	MUCH HIGHER	ABOUT THE SAME	LOWER	MUCH LOWER	TOTAL	WEIGHTED AVERAGE
SLO City	0.00% 0	50.00% 2	50.00% 2	0.00% 0	4	2.50
Paso Robles	16.67% 1	50.00% 3	33.33% 2	0.00% 0	6	2.17
SLO County	14.29% 1	57.14% 4	28.57% 2	0.00% 0	7	2.14
Arroyo Grande	0.00% 0	50.00% 2	25.00% 1	25.00% 1	4	2.75
Atascadero	16.67% 1	50.00% 3	16.67% 1	16.67% 1	6	2.33
Pismo Beach	0.00% 0	100.00% 3	0.00% 0	0.00% 0	3	2.00
Grover Beach	0.00% 0	66.67% 2	0.00% 0	33.33% 1	3	2.67

Q12 Based on your personal experience or based on other information that you deem reliable, and based on your knowledge of the processes involved in other agencies in SLO County, how would you rate the degree of alignment between staff, Planning and City Council with regard to conditions of approval and development requirements:

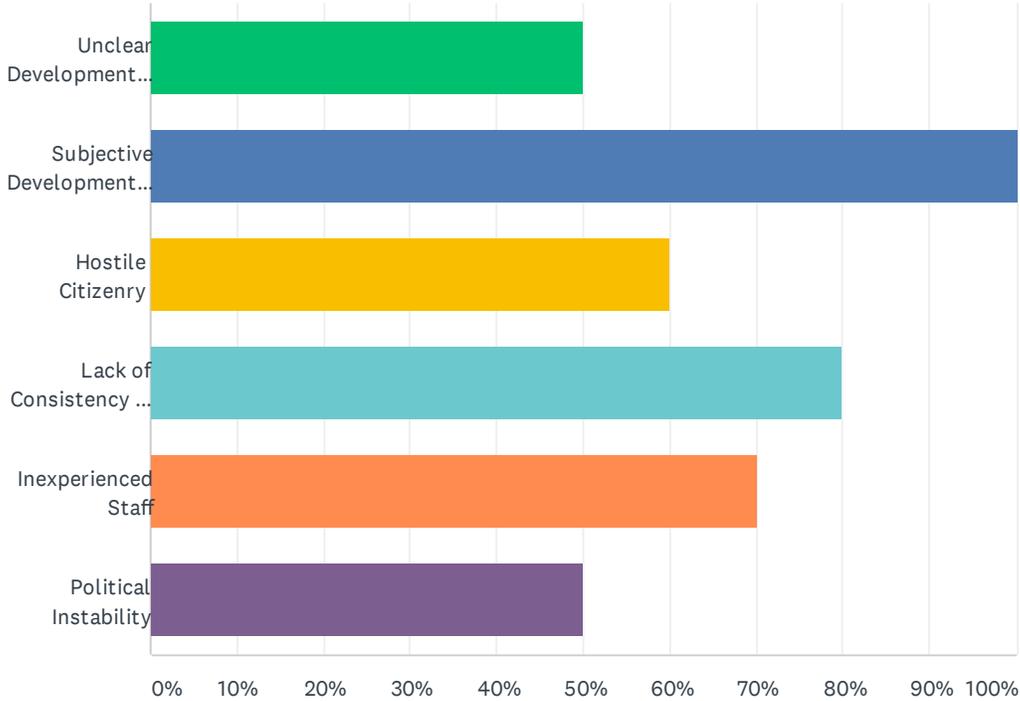
Answered: 9 Skipped: 1



ANSWER CHOICES	RESPONSES	
Aligned and Consistent	11.11%	1
Usually Aligned and Inconsistent	55.56%	5
Not Aligned	11.11%	1
Structurally Misaligned and Inconsistent	22.22%	2
TOTAL		9

Q13 Based on your personal experience or based on other information that you deem reliable, the causes of permit processing problems in Morro Bay are (mark all that apply):

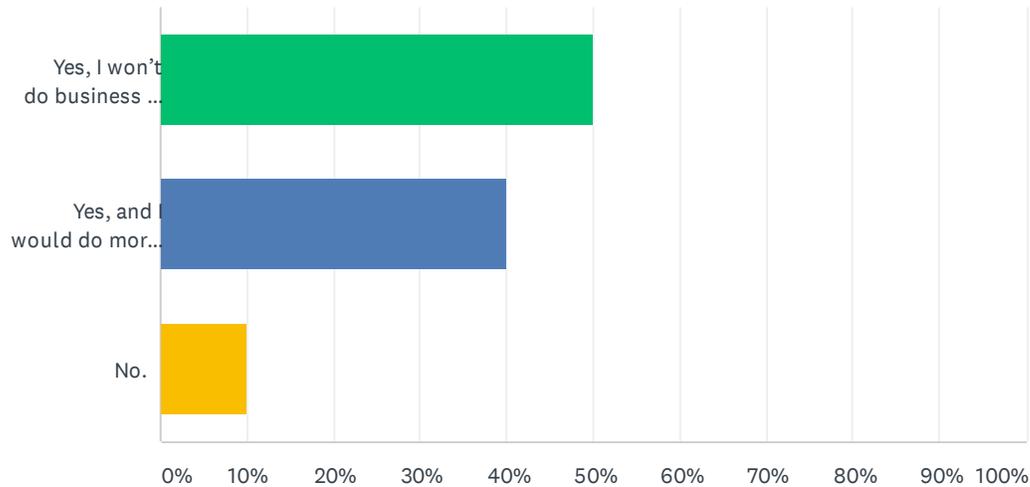
Answered: 10 Skipped: 0



ANSWER CHOICES	RESPONSES	
Unclear Development Standards	50.00%	5
Subjective Development Standards	100.00%	10
Hostile Citizenry	60.00%	6
Lack of Consistency in Development Regulations (General Plan/Zoning/LCP, etc.)	80.00%	8
Inexperienced Staff	70.00%	7
Political Instability	50.00%	5
Total Respondents: 10		

Q14 If you identified issues with the city of Morro Bay’s permit processing, have those issues discouraged you from undertaking real estate development projects in the community?

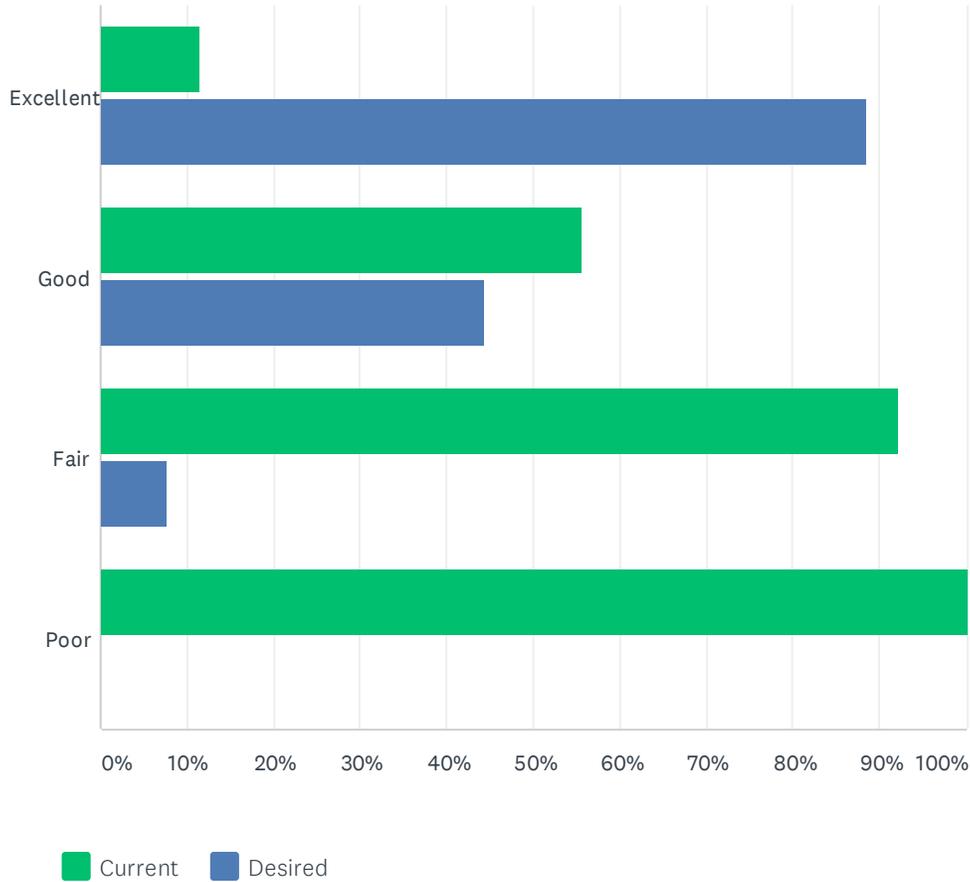
Answered: 10 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes, I won't do business in Morro Bay under the current conditions.	50.00%	5
Yes, and I would do more business in Morro Bay if the conditions were improved.	40.00%	4
No.	10.00%	1
TOTAL		10

Q3 What are the current and desired ratings for Morro Bay as an opportunity for new development projects: If your ratings are the same, please answer only in the "current" column.

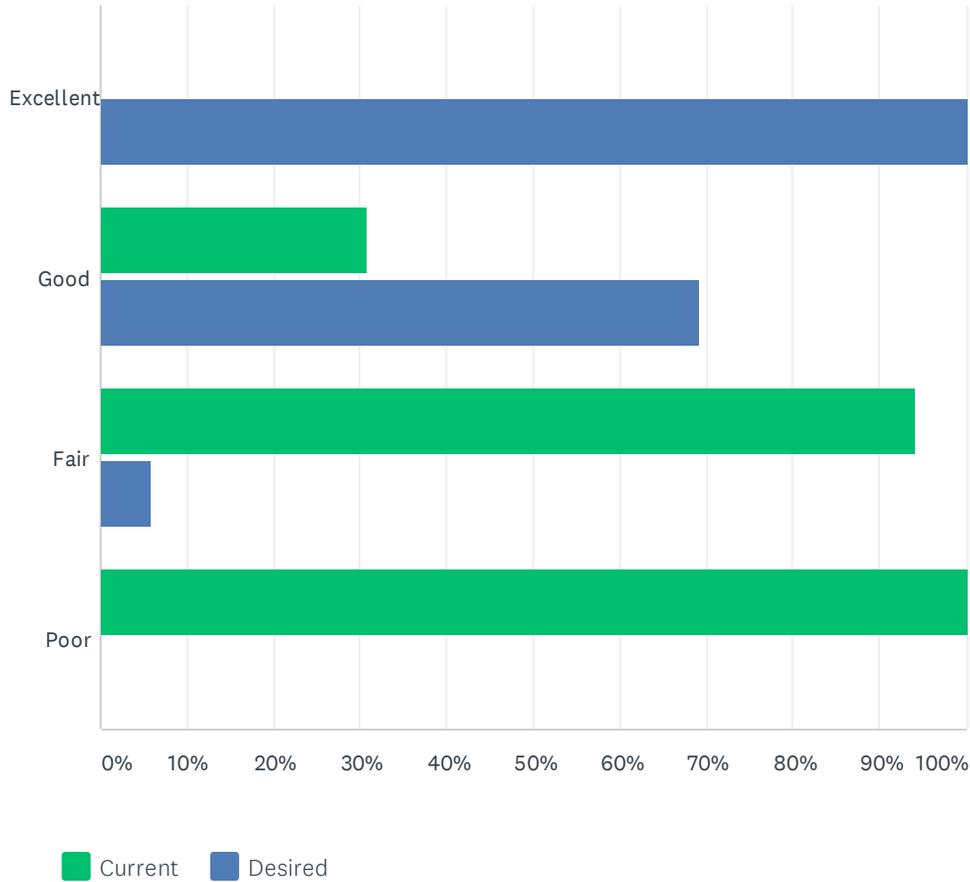
Answered: 47 Skipped: 2



	CURRENT	DESIRED	TOTAL	WEIGHTED AVERAGE
Excellent	11.54% 3	88.46% 23	26	1.88
Good	55.56% 10	44.44% 8	18	1.44
Fair	92.31% 12	7.69% 1	13	1.08
Poor	100.00% 21	0.00% 0	21	1.00

Q4 What are the current and desired ratings of Morro Bay as a business-friendly community for real estate development projects: If your ratings are the same, please answer only in the "current" column.

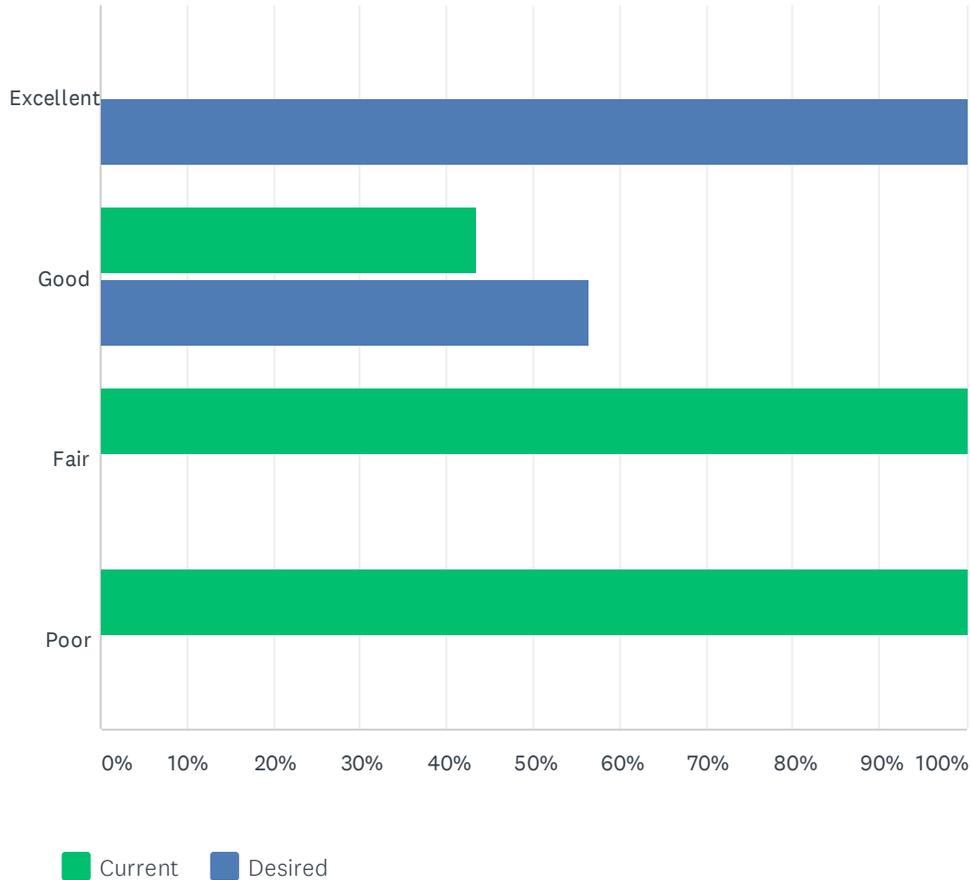
Answered: 47 Skipped: 2



	CURRENT	DESIRED	TOTAL	WEIGHTED AVERAGE
Excellent	0.00% 0	100.00% 18	18	2.00
Good	30.77% 8	69.23% 18	26	1.69
Fair	94.12% 16	5.88% 1	17	1.06
Poor	100.00% 23	0.00% 0	23	1.00

Q5 What are the current and desired ratings for Morro Bay as a politically stable community for real estate development projects: If your ratings are the same, please answer only in the "current" column.

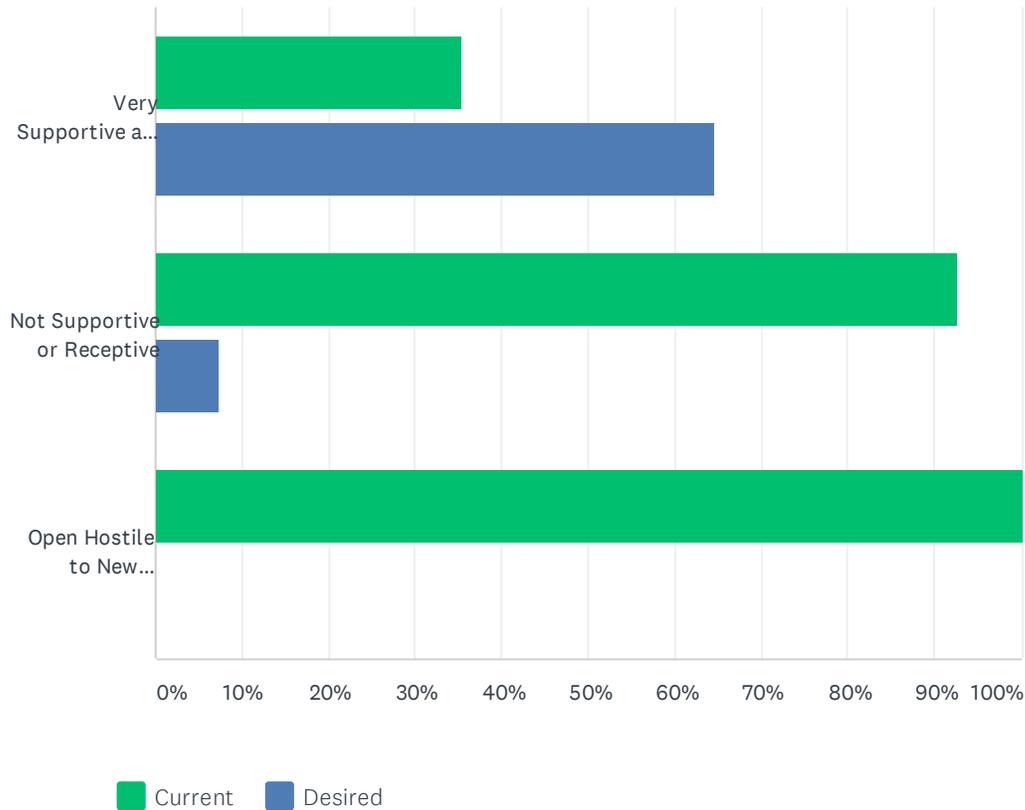
Answered: 48 Skipped: 1



	CURRENT	DESIRED	TOTAL	WEIGHTED AVERAGE
Excellent	0.00% 0	100.00% 19	19	2.00
Good	43.48% 10	56.52% 13	23	1.57
Fair	100.00% 21	0.00% 0	21	1.00
Poor	100.00% 17	0.00% 0	17	1.00

Q6 What are the current and desired rating for staff of the city of Morro Bay as receptive and supportive of new real estate development projects: If your ratings are the same, please answer only in the "current" column.

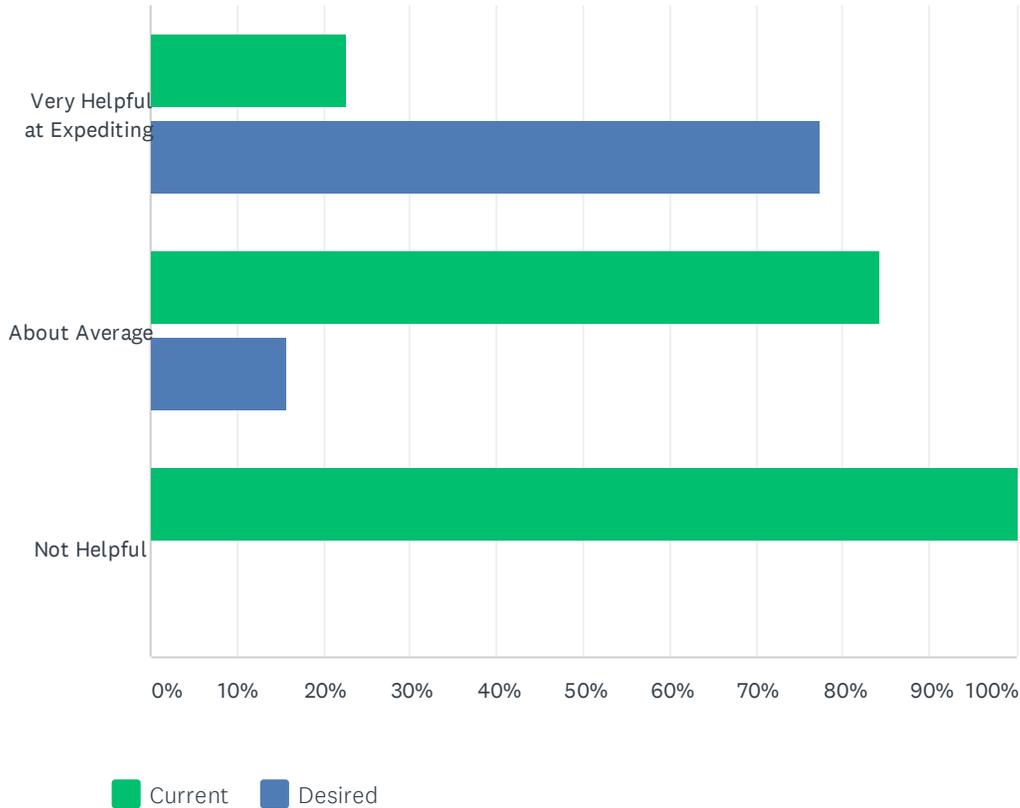
Answered: 45 Skipped: 4



	CURRENT	DESIRED	TOTAL	WEIGHTED AVERAGE
Very Supportive and Receptive	35.29% 12	64.71% 22	34	1.65
Not Supportive or Receptive	92.59% 25	7.41% 2	27	1.07
Open Hostile to New Development	100.00% 6	0.00% 0	6	1.00

Q7 What are the current and desired ratings of City staff as helpful in expediting projects through the approval process: If your ratings are the same, please answer only in the "current" column.

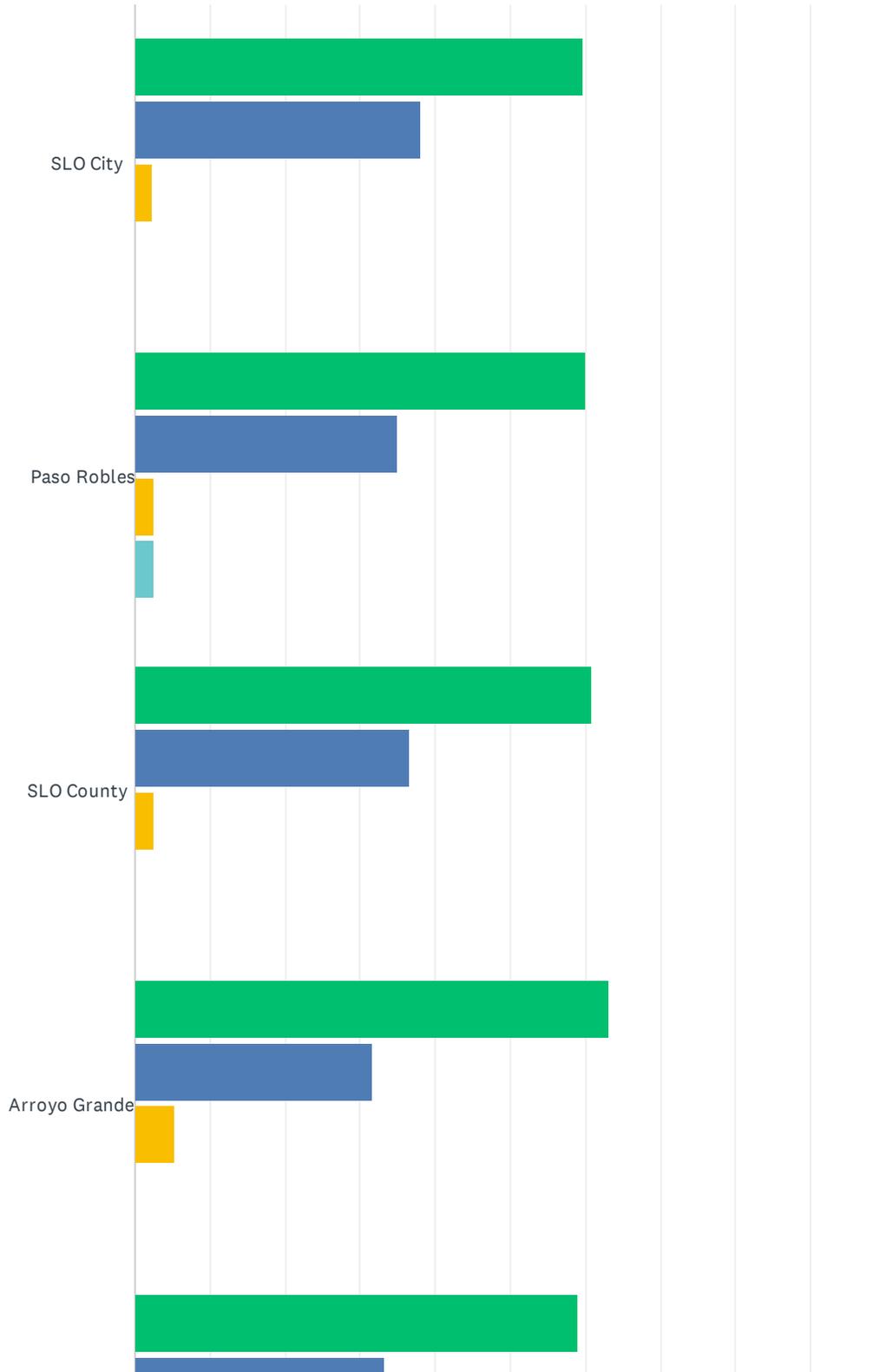
Answered: 46 Skipped: 3

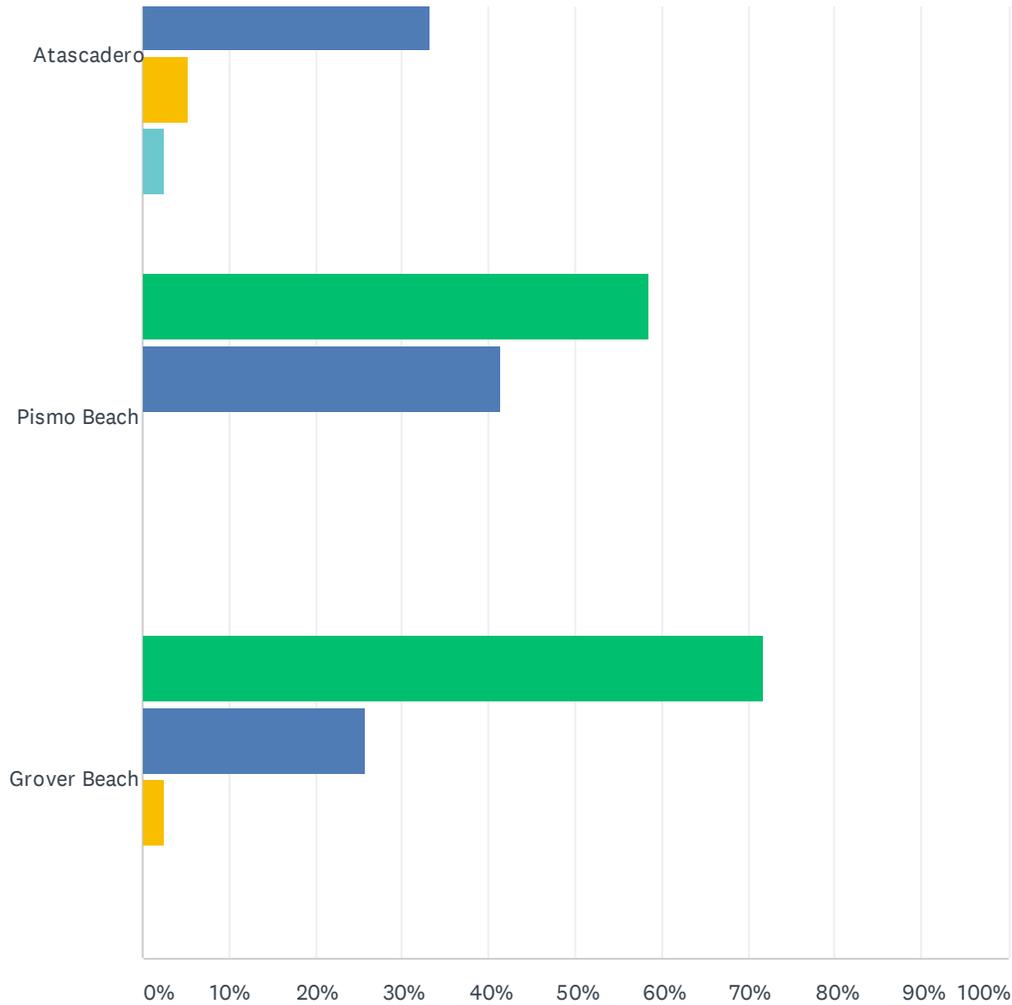


	CURRENT	DESIRED	TOTAL	WEIGHTED AVERAGE
Very Helpful at Expediting	22.58% 7	77.42% 24	31	1.77
About Average	84.21% 16	15.79% 3	19	1.16
Not Helpful	100.00% 21	0.00% 0	21	1.00

Q8 How do you want the community to compare to other communities in the County for being able to complete projects in a timely manner? I want Morro Bay to be:

Answered: 43 Skipped: 6



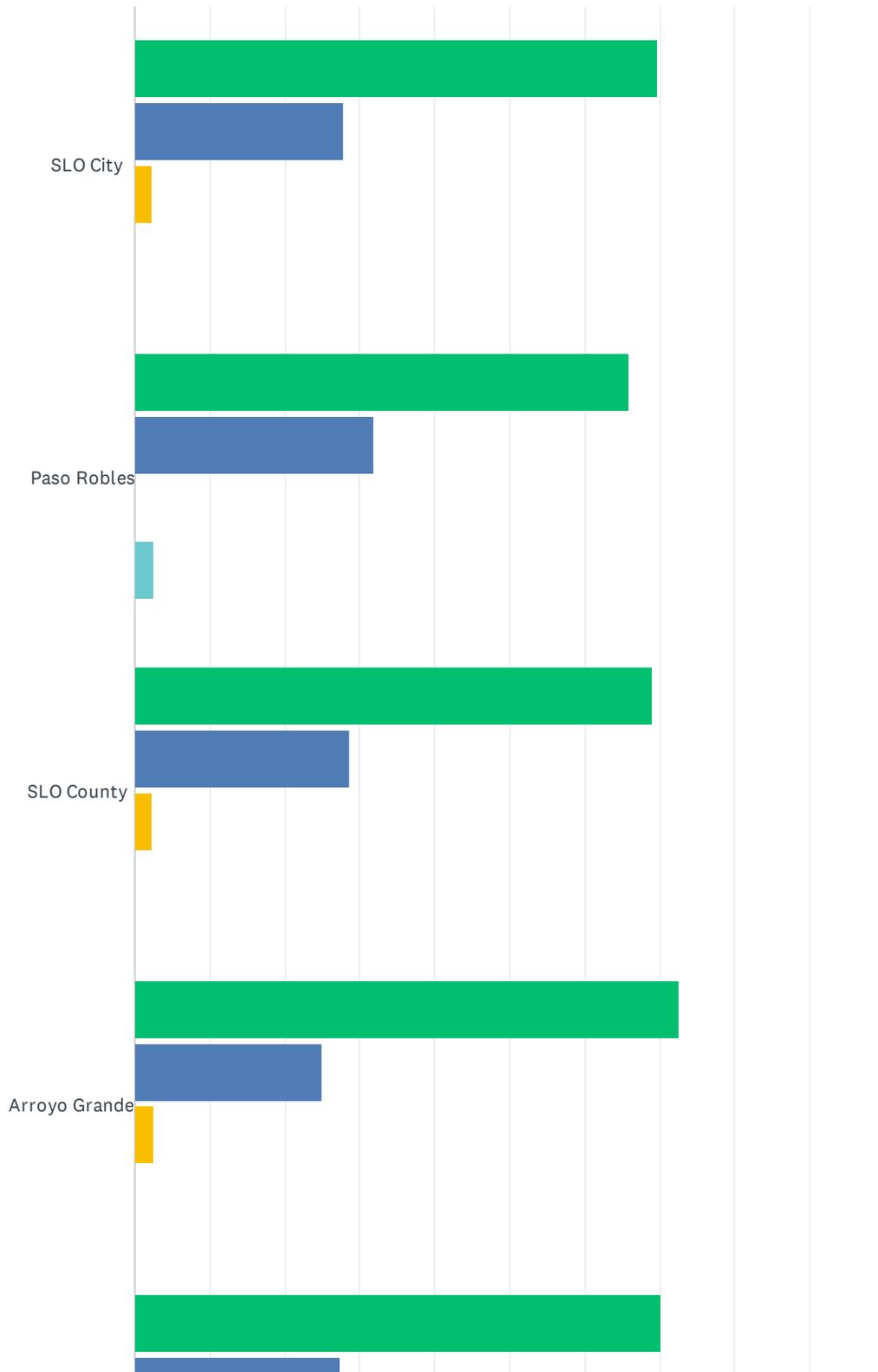


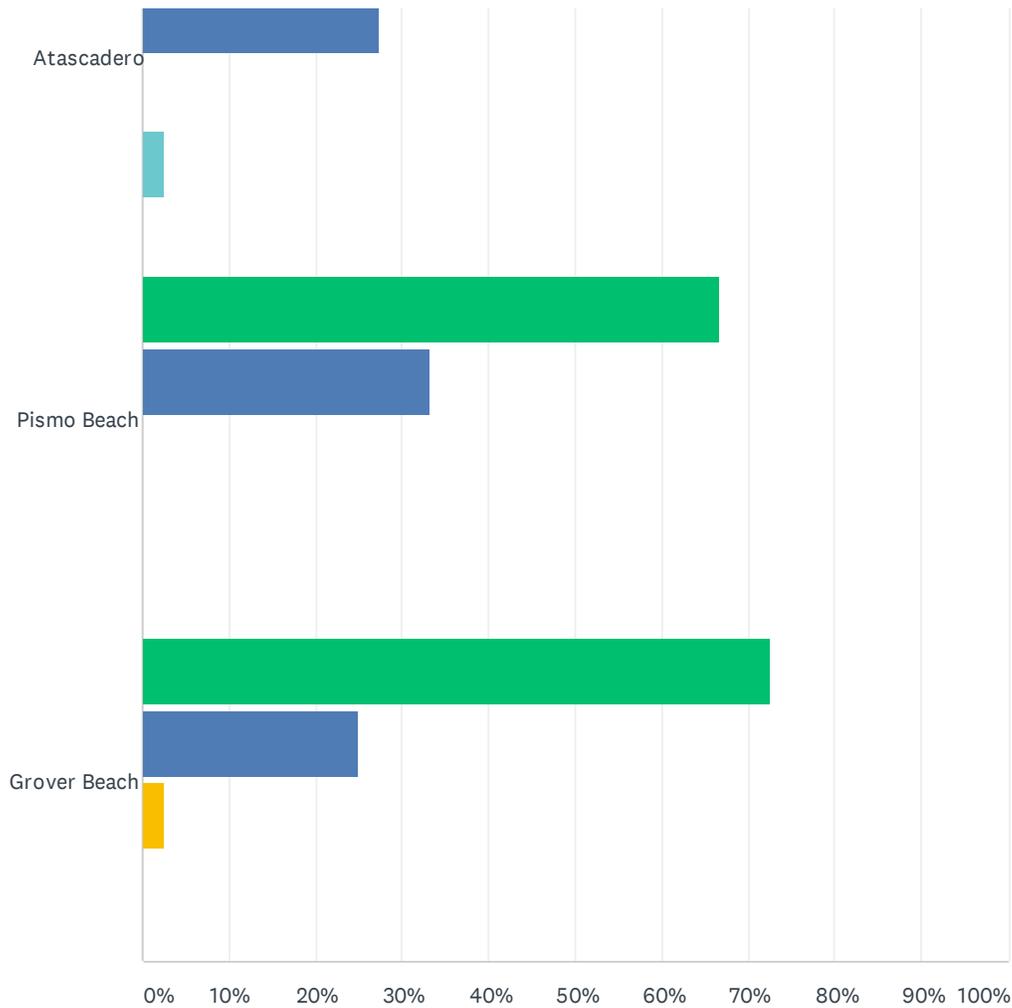
■ Better
 ■ About the Same
 ■ Worse
 ■ Much Worse

	BETTER	ABOUT THE SAME	WORSE	MUCH WORSE	TOTAL	WEIGHTED AVERAGE
SLO City	59.52% 25	38.10% 16	2.38% 1	0.00% 0	42	1.43
Paso Robles	60.00% 24	35.00% 14	2.50% 1	2.50% 1	40	1.48
SLO County	60.98% 25	36.59% 15	2.44% 1	0.00% 0	41	1.41
Arroyo Grande	63.16% 24	31.58% 12	5.26% 2	0.00% 0	38	1.42
Atascadero	58.97% 23	33.33% 13	5.13% 2	2.56% 1	39	1.51
Pismo Beach	58.54% 24	41.46% 17	0.00% 0	0.00% 0	41	1.41
Grover Beach	71.79% 28	25.64% 10	2.56% 1	0.00% 0	39	1.31

Q9 How do you want the staff of the City of Morro Bay to compare to other communities in the County for being supportive and helpful in completing real estate development project? I want Morro Bay to be:

Answered: 44 Skipped: 5



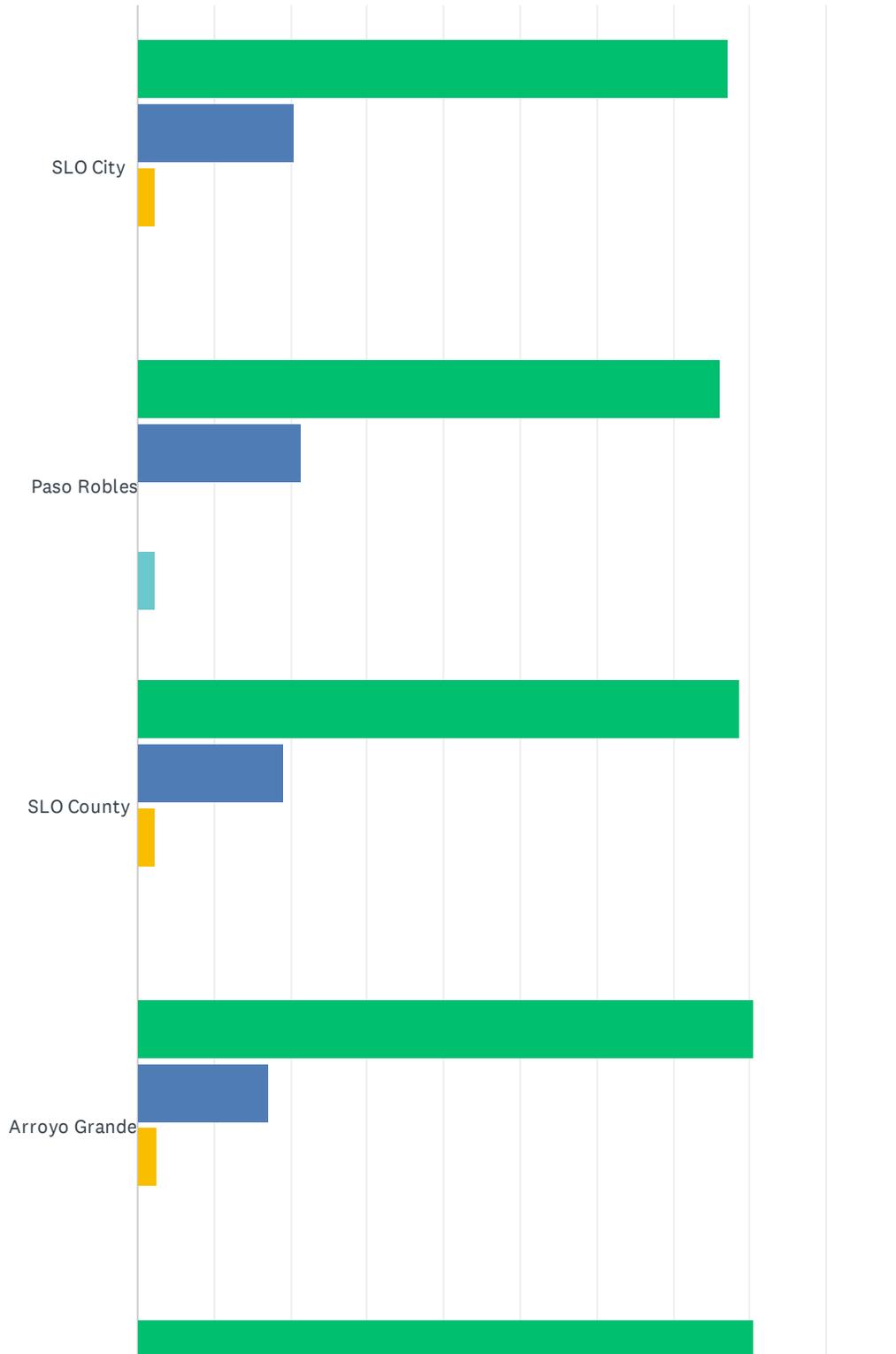


■ Better
 ■ About the Same
 ■ Worse
 ■ Much Worse

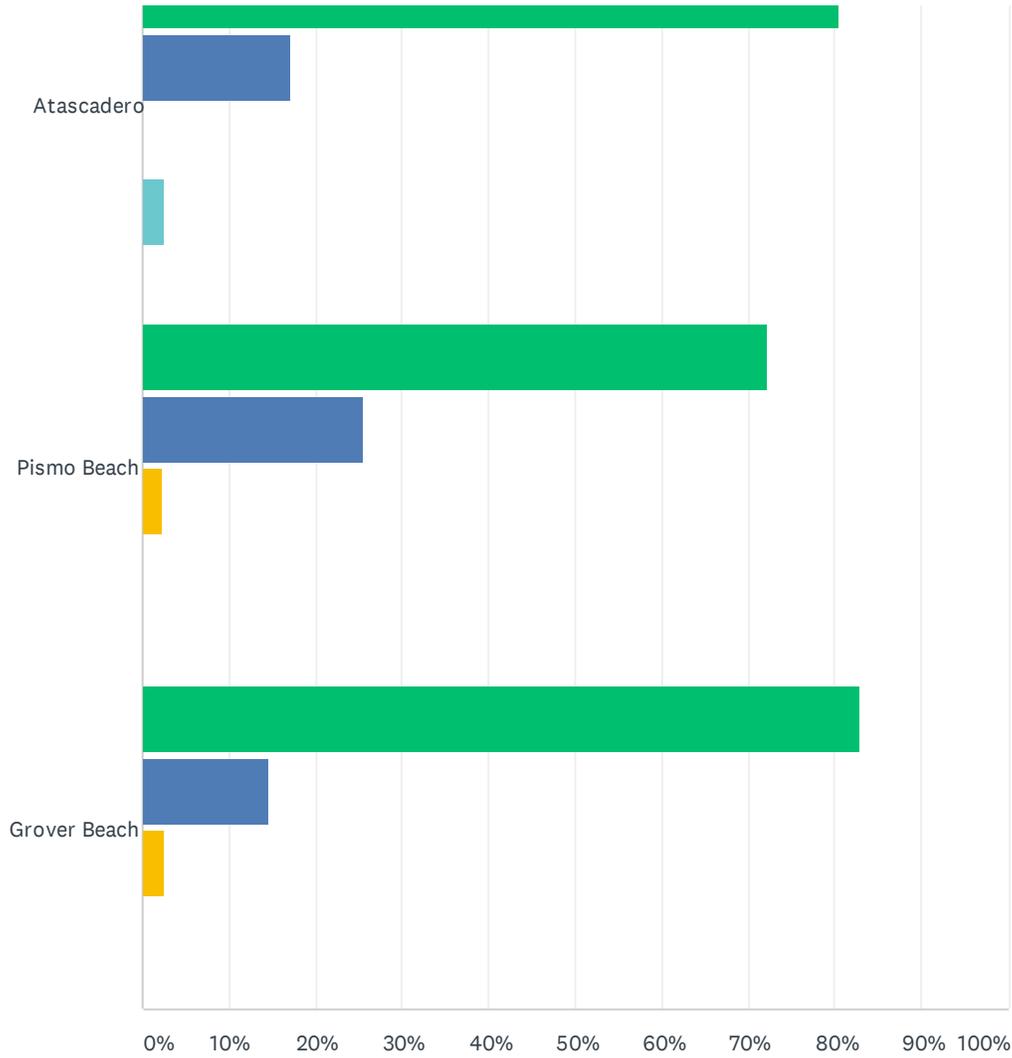
	BETTER	ABOUT THE SAME	WORSE	MUCH WORSE	TOTAL	WEIGHTED AVERAGE
SLO City	69.77% 30	27.91% 12	2.33% 1	0.00% 0	43	1.33
Paso Robles	65.85% 27	31.71% 13	0.00% 0	2.44% 1	41	1.39
SLO County	69.05% 29	28.57% 12	2.38% 1	0.00% 0	42	1.33
Arroyo Grande	72.50% 29	25.00% 10	2.50% 1	0.00% 0	40	1.30
Atascadero	70.00% 28	27.50% 11	0.00% 0	2.50% 1	40	1.35
Pismo Beach	66.67% 28	33.33% 14	0.00% 0	0.00% 0	42	1.33
Grover Beach	72.50% 29	25.00% 10	2.50% 1	0.00% 0	40	1.30

Q10 How do you want the staff of the City of Morro Bay to be perceived for providing reliable and consistent information regarding development requirements (GP, Zoning, LCP, etc.), in comparison to other communities in the County? I want Morro Bay to be:

Answered: 45 Skipped: 4



Perception Survey

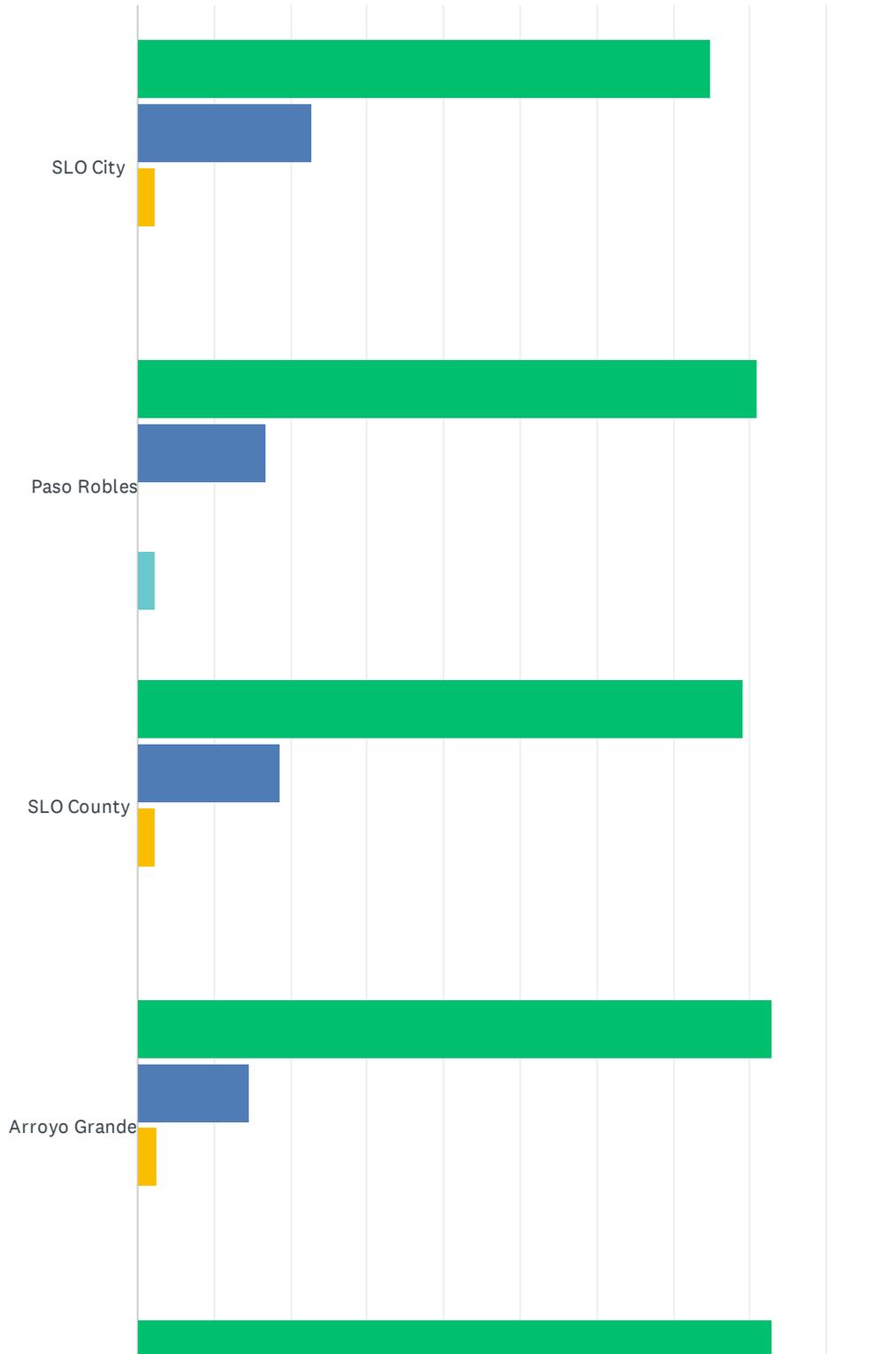


■ Better
 ■ About the Same
 ■ Worse
 ■ Much Worse

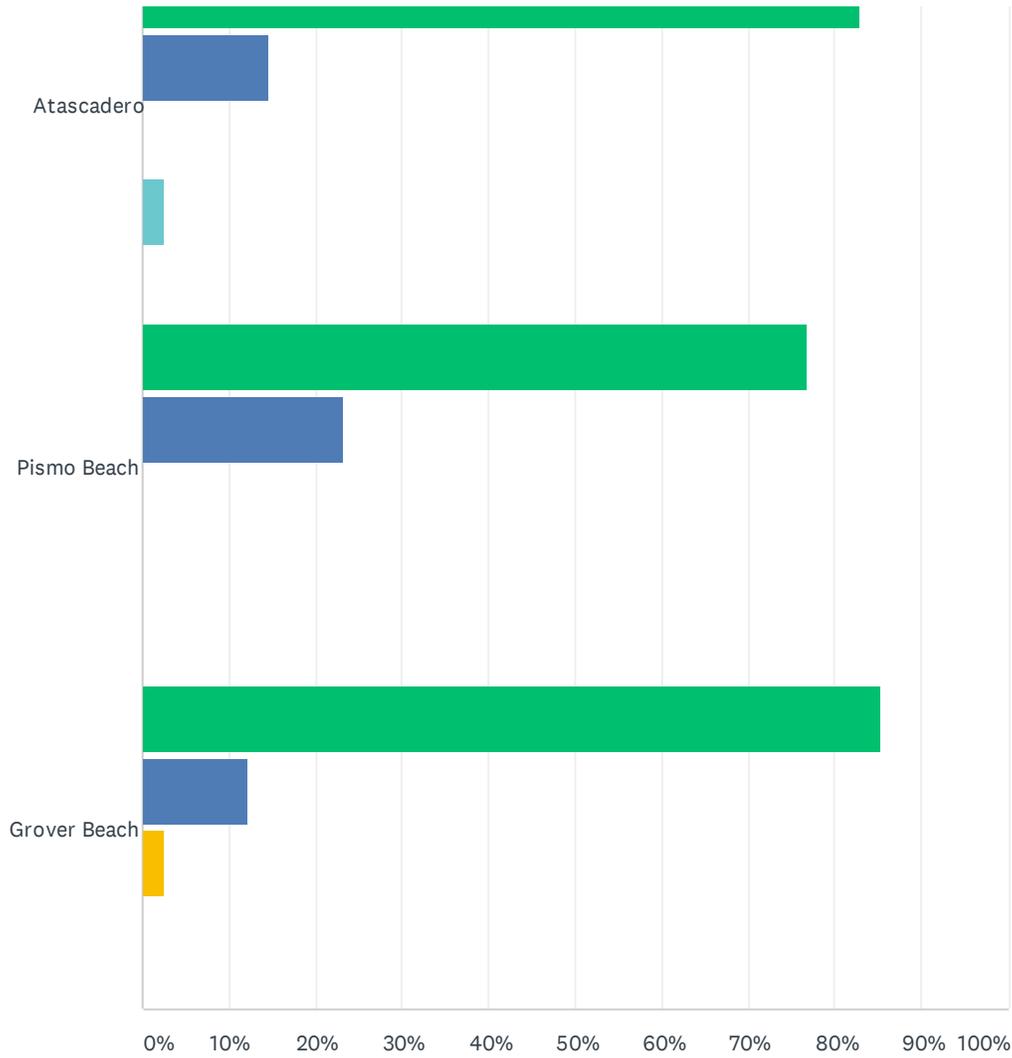
	BETTER	ABOUT THE SAME	WORSE	MUCH WORSE	TOTAL	WEIGHTED AVERAGE
SLO City	77.27% 34	20.45% 9	2.27% 1	0.00% 0	44	1.25
Paso Robles	76.19% 32	21.43% 9	0.00% 0	2.38% 1	42	1.29
SLO County	78.57% 33	19.05% 8	2.38% 1	0.00% 0	42	1.24
Arroyo Grande	80.49% 33	17.07% 7	2.44% 1	0.00% 0	41	1.22
Atascadero	80.49% 33	17.07% 7	0.00% 0	2.44% 1	41	1.24
Pismo Beach	72.09% 31	25.58% 11	2.33% 1	0.00% 0	43	1.30
Grover Beach	82.93% 34	14.63% 6	2.44% 1	0.00% 0	41	1.20

Q11 How do you want the staff of the City of Morro Bay to be rated for accurately and promptly communicating with development applicants about the status and issues related to their projects, in comparison to other communities in the County? I want Morro Bay to be:

Answered: 45 Skipped: 4



Perception Survey

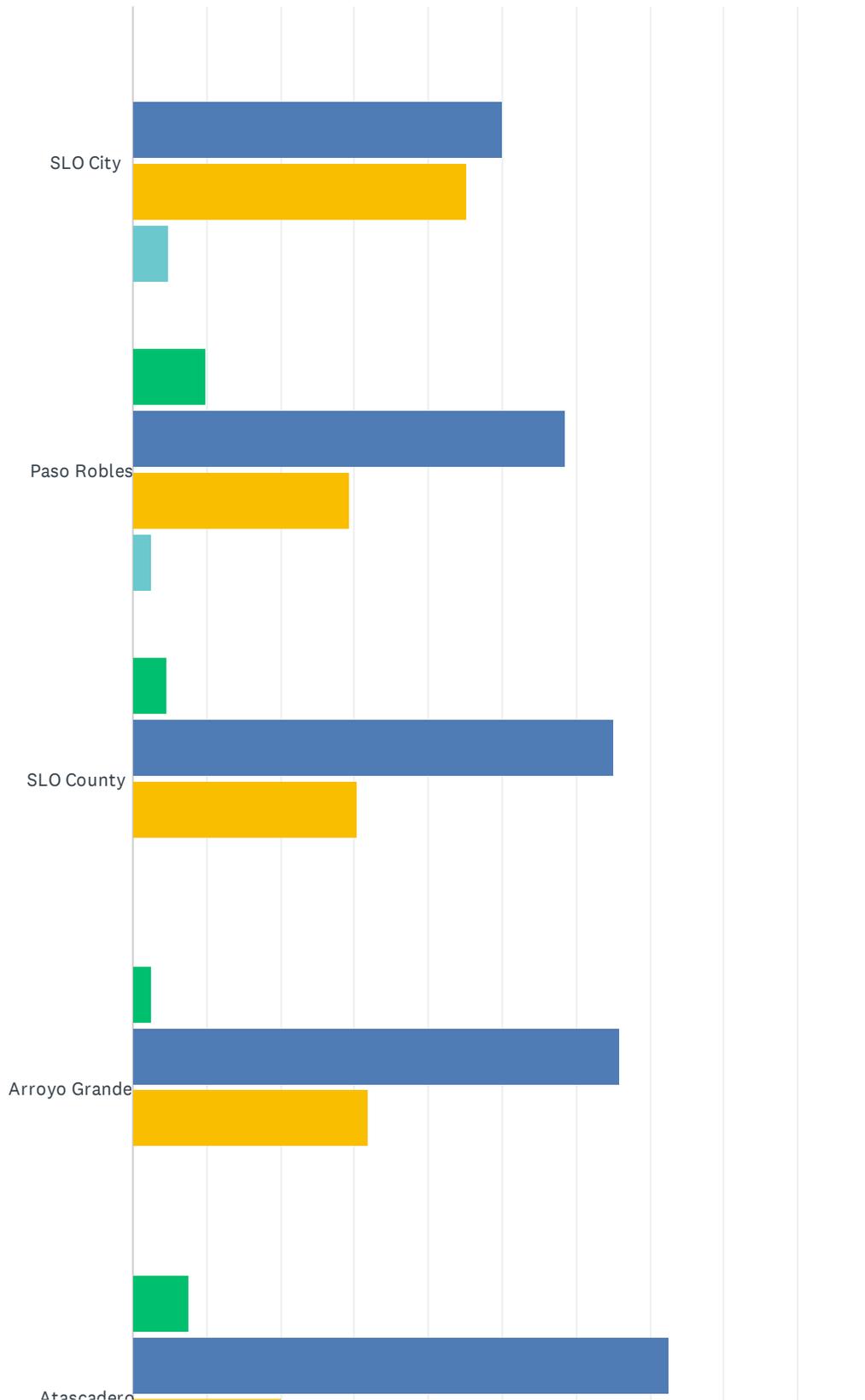


■ Better
 ■ About the Same
 ■ Worse
 ■ Much Worse

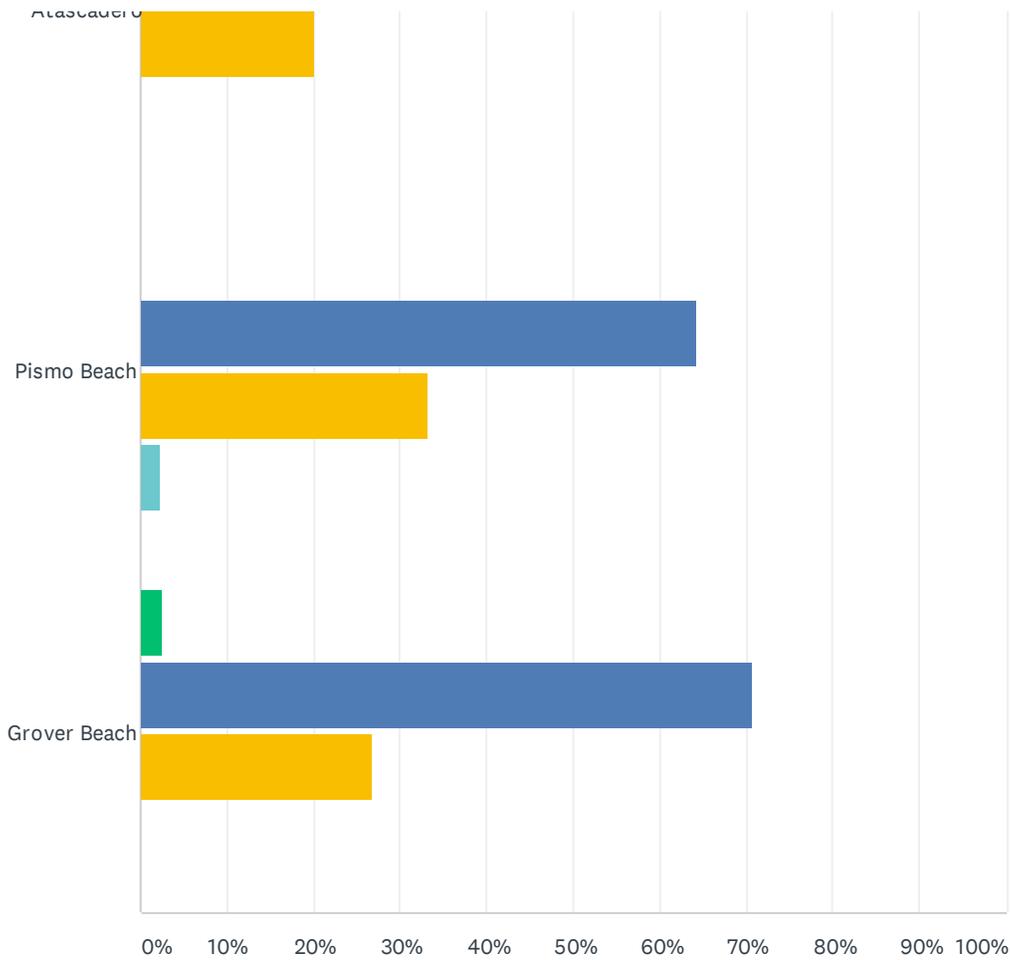
	BETTER	ABOUT THE SAME	WORSE	MUCH WORSE	TOTAL	WEIGHTED AVERAGE
SLO City	75.00% 33	22.73% 10	2.27% 1	0.00% 0	44	1.27
Paso Robles	80.95% 34	16.67% 7	0.00% 0	2.38% 1	42	1.24
SLO County	79.07% 34	18.60% 8	2.33% 1	0.00% 0	43	1.23
Arroyo Grande	82.93% 34	14.63% 6	2.44% 1	0.00% 0	41	1.20
Atascadero	82.93% 34	14.63% 6	0.00% 0	2.44% 1	41	1.22
Pismo Beach	76.74% 33	23.26% 10	0.00% 0	0.00% 0	43	1.23
Grover Beach	85.37% 35	12.20% 5	2.44% 1	0.00% 0	41	1.17

Q12 In comparison to other communities and agencies in the County, permit processing costs for projects in Morro Bay should be:

Answered: 44 Skipped: 5



Perception Survey

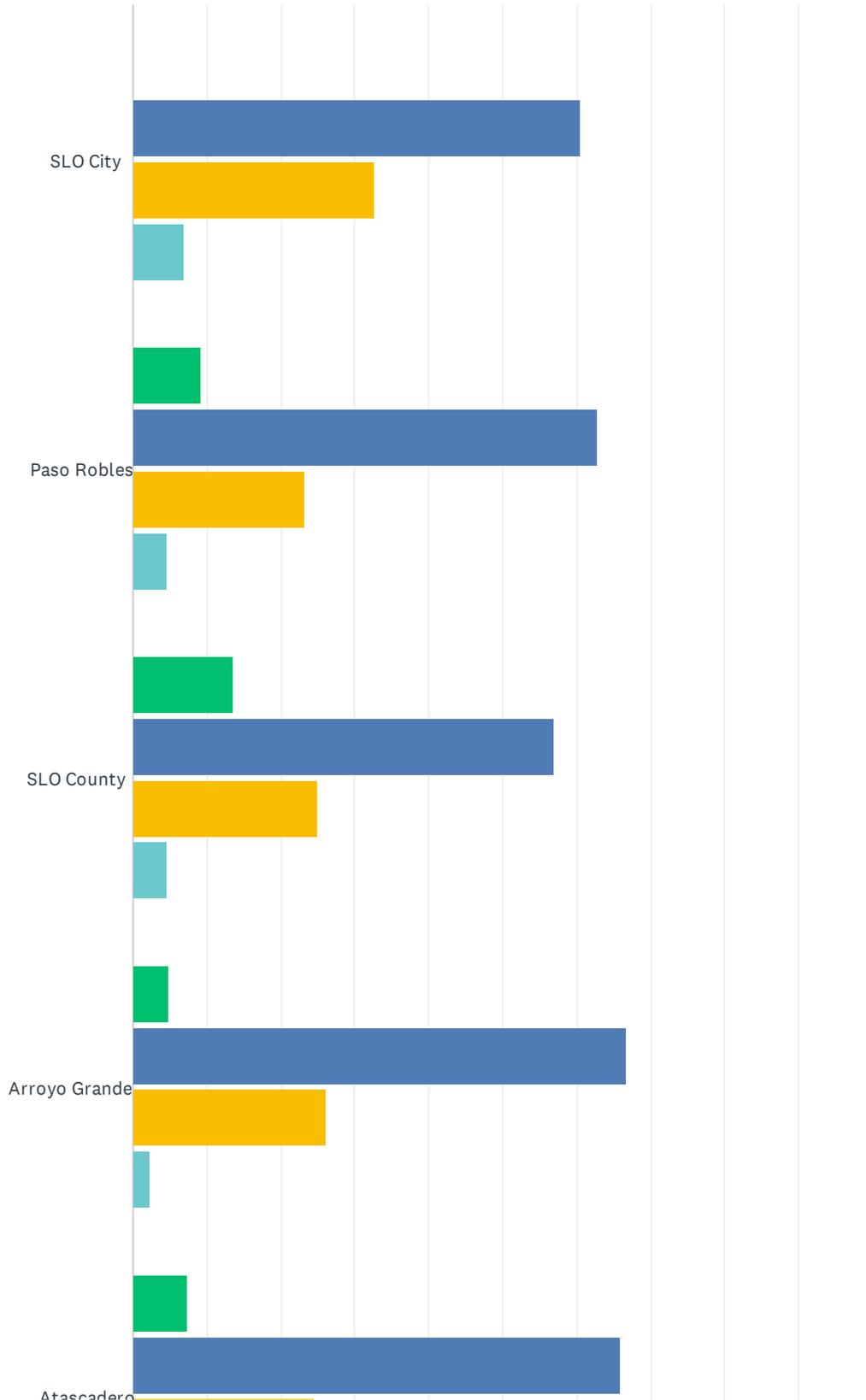


■ Much Higher
 ■ About the Same
 ■ Lower
 ■ Much Lower

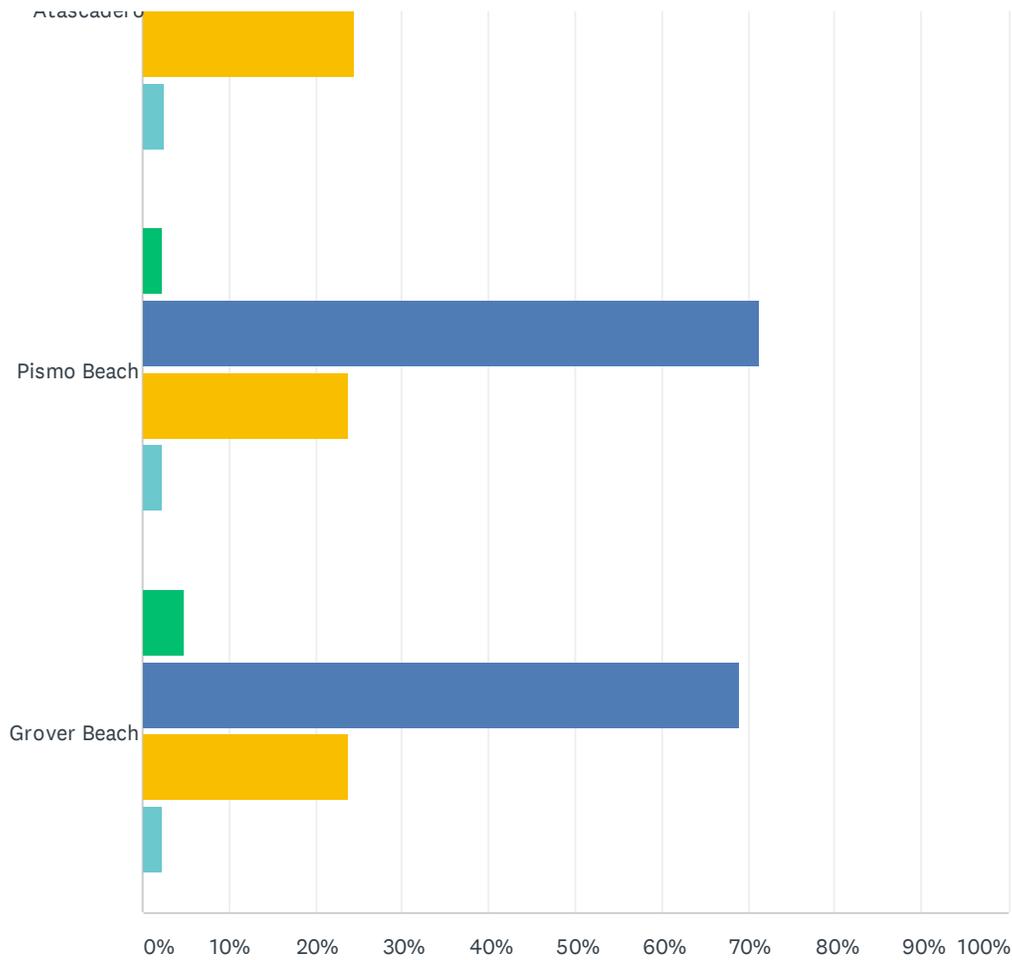
	MUCH HIGHER	ABOUT THE SAME	LOWER	MUCH LOWER	TOTAL	WEIGHTED AVERAGE
SLO City	0.00% 0	50.00% 21	45.24% 19	4.76% 2	42	2.55
Paso Robles	9.76% 4	58.54% 24	29.27% 12	2.44% 1	41	2.24
SLO County	4.65% 2	65.12% 28	30.23% 13	0.00% 0	43	2.26
Arroyo Grande	2.44% 1	65.85% 27	31.71% 13	0.00% 0	41	2.29
Atascadero	7.50% 3	72.50% 29	20.00% 8	0.00% 0	40	2.13
Pismo Beach	0.00% 0	64.29% 27	33.33% 14	2.38% 1	42	2.38
Grover Beach	2.44% 1	70.73% 29	26.83% 11	0.00% 0	41	2.24

Q13 In comparison to other communities and agencies in the County, development impact fees in Morro Bay should be:

Answered: 44 Skipped: 5



Perception Survey

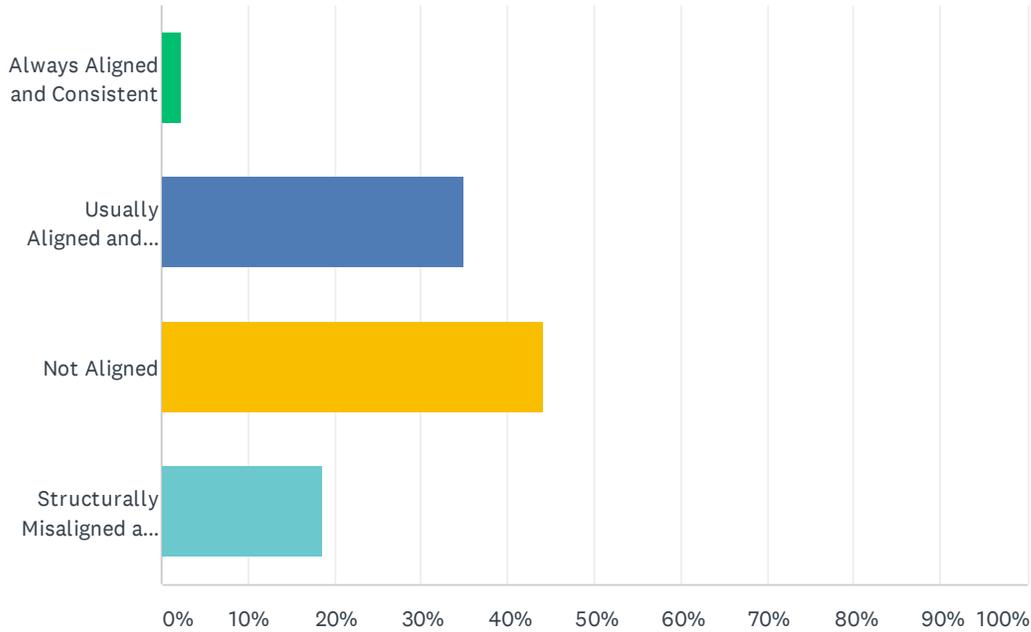


■ Much Higher
 ■ About the Same
 ■ Lower
 ■ Much Lower

	MUCH HIGHER	ABOUT THE SAME	LOWER	MUCH LOWER	TOTAL	WEIGHTED AVERAGE
SLO City	0.00% 0	60.47% 26	32.56% 14	6.98% 3	43	2.47
Paso Robles	9.30% 4	62.79% 27	23.26% 10	4.65% 2	43	2.23
SLO County	13.64% 6	56.82% 25	25.00% 11	4.55% 2	44	2.20
Arroyo Grande	4.76% 2	66.67% 28	26.19% 11	2.38% 1	42	2.26
Atascadero	7.32% 3	65.85% 27	24.39% 10	2.44% 1	41	2.22
Pismo Beach	2.38% 1	71.43% 30	23.81% 10	2.38% 1	42	2.26
Grover Beach	4.76% 2	69.05% 29	23.81% 10	2.38% 1	42	2.24

Q14 How would you rate the current and the desired degree of alignment between staff, Planning Commission and City Council with regard to conditions of approval and development requirements:

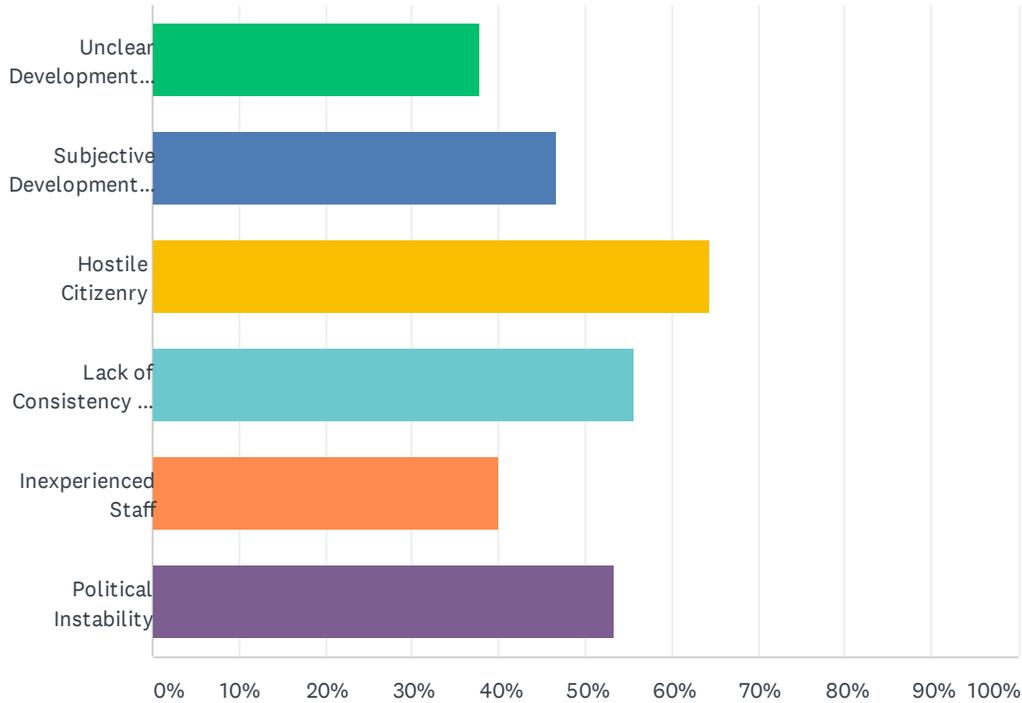
Answered: 43 Skipped: 6



ANSWER CHOICES	RESPONSES	
Always Aligned and Consistent	2.33%	1
Usually Aligned and Consistent	34.88%	15
Not Aligned	44.19%	19
Structurally Misaligned and Inconsistent	18.60%	8
TOTAL		43

Q15 Based on your personal experience or based on other information that you deem reliable, the causes of permit processing problems in Morro Bay are (mark all that apply):

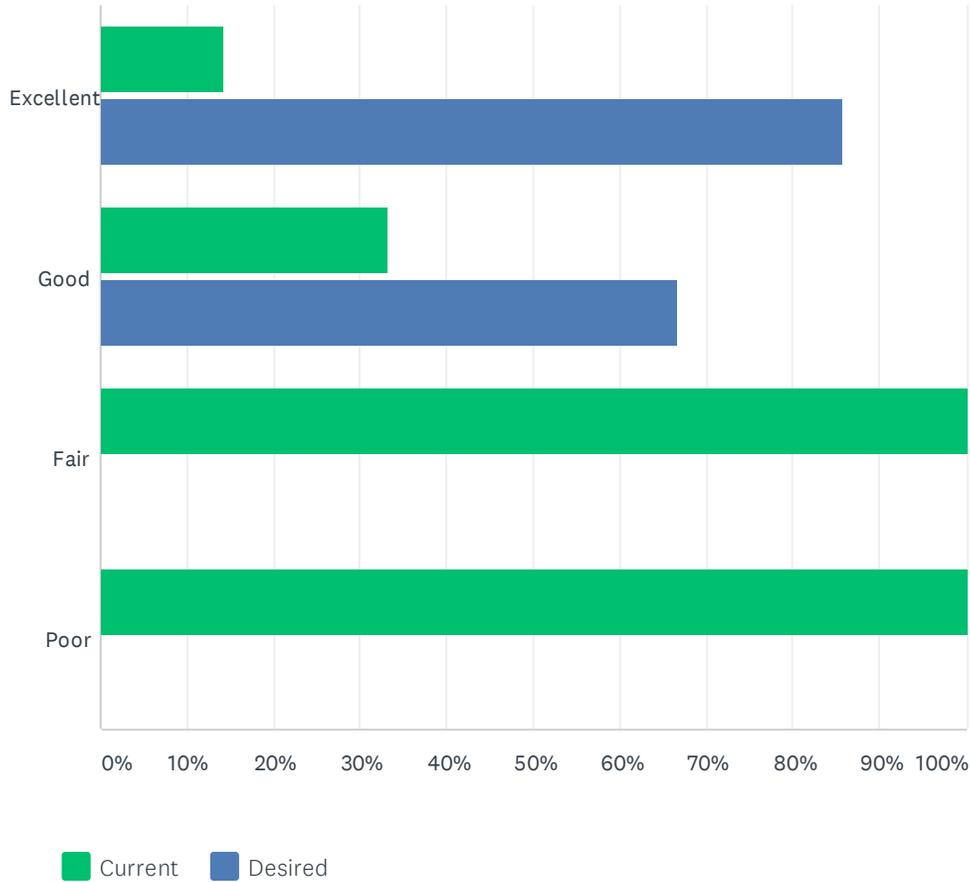
Answered: 45 Skipped: 4



ANSWER CHOICES	RESPONSES	
Unclear Development Standards	37.78%	17
Subjective Development Standards	46.67%	21
Hostile Citizenry	64.44%	29
Lack of Consistency in Development Regulations (General Plan/Zoning/LCP, etc.)	55.56%	25
Inexperienced Staff	40.00%	18
Political Instability	53.33%	24
Total Respondents: 45		

Q3 What are the current and desired ratings for Morro Bay as an opportunity for new development projects: If your ratings are the same, please answer only in the "current" column.

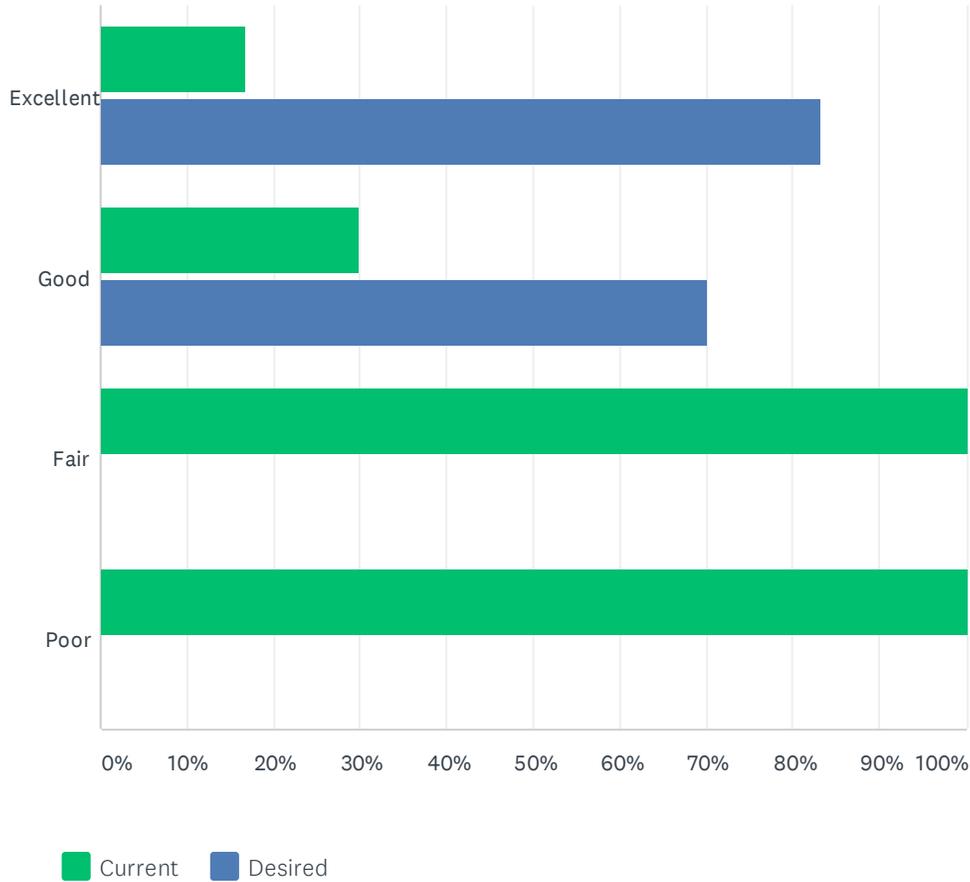
Answered: 14 Skipped: 0



	CURRENT	DESIRED	TOTAL	WEIGHTED AVERAGE
Excellent	14.29% 1	85.71% 6	7	1.86
Good	33.33% 3	66.67% 6	9	1.67
Fair	100.00% 6	0.00% 0	6	1.00
Poor	100.00% 3	0.00% 0	3	1.00

Q4 What are the current and desired ratings of Morro Bay as a business-friendly community for real estate development projects: If your ratings are the same, please answer only in the "current" column.

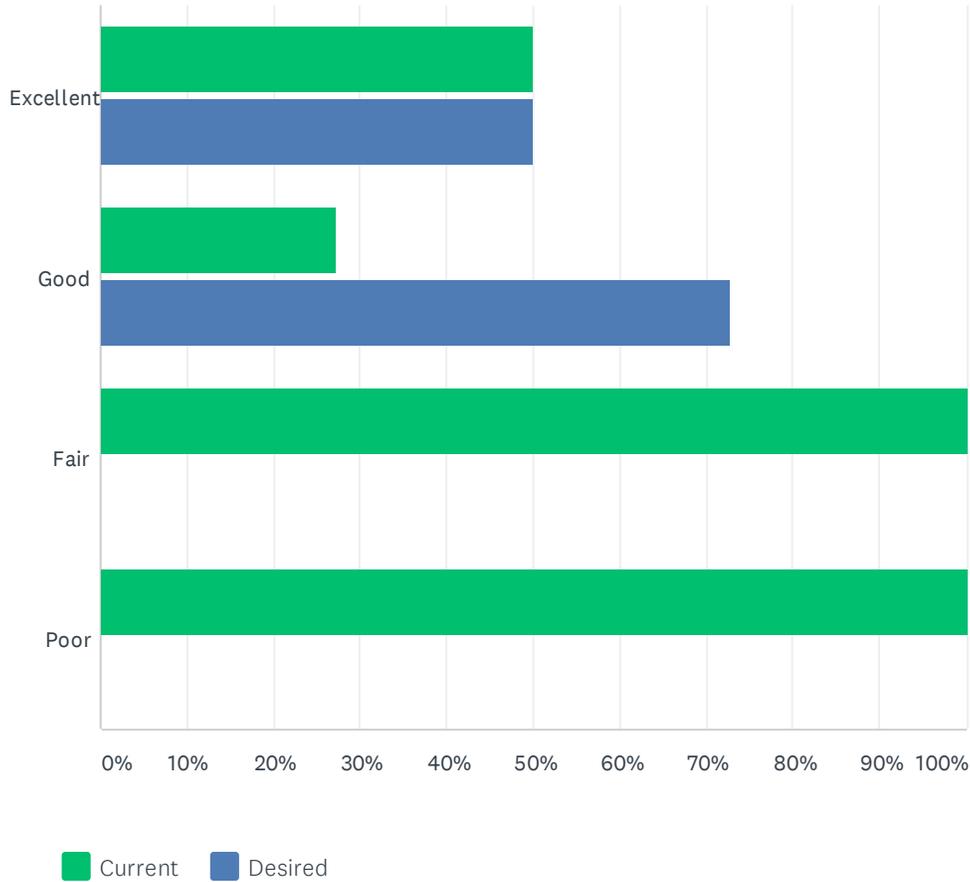
Answered: 14 Skipped: 0



	CURRENT	DESIRED	TOTAL	WEIGHTED AVERAGE
Excellent	16.67% 1	83.33% 5	6	1.83
Good	30.00% 3	70.00% 7	10	1.70
Fair	100.00% 8	0.00% 0	8	1.00
Poor	100.00% 2	0.00% 0	2	1.00

Q5 What are the current and desired ratings for Morro Bay as a politically stable community for real estate development projects: If your ratings are the same, please answer only in the "current" column.

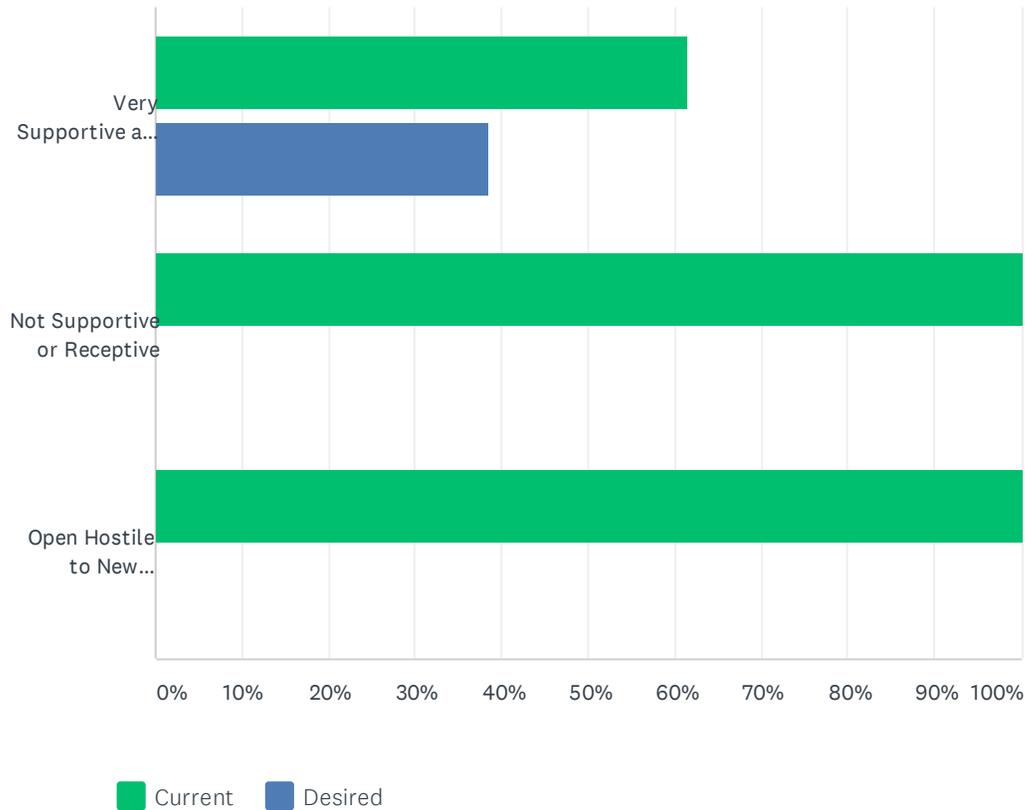
Answered: 14 Skipped: 0



	CURRENT	DESIRED	TOTAL	WEIGHTED AVERAGE
Excellent	50.00% 2	50.00% 2	4	1.50
Good	27.27% 3	72.73% 8	11	1.73
Fair	100.00% 5	0.00% 0	5	1.00
Poor	100.00% 3	0.00% 0	3	1.00

Q6 What are the current and desired rating for staff of the city of Morro Bay as receptive and supportive of new real estate development projects: If your ratings are the same, please answer only in the "current" column.

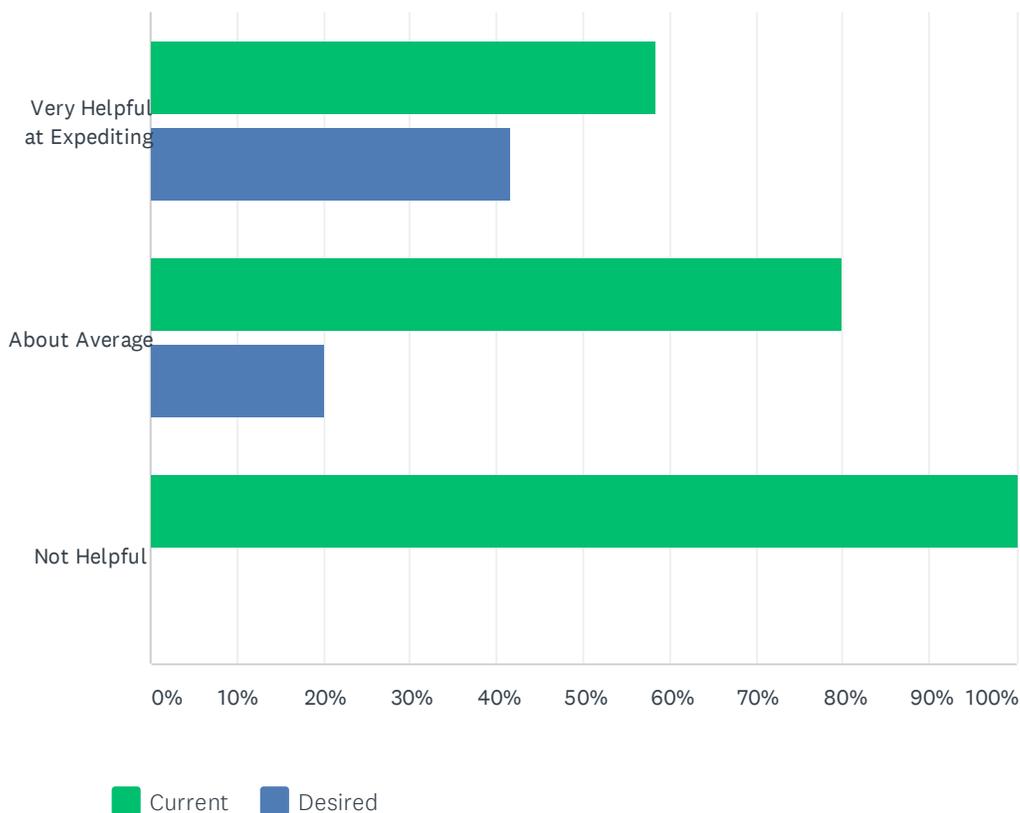
Answered: 13 Skipped: 1



	CURRENT	DESIRED	TOTAL	WEIGHTED AVERAGE
Very Supportive and Receptive	61.54% 8	38.46% 5	13	1.38
Not Supportive or Receptive	100.00% 3	0.00% 0	3	1.00
Open Hostile to New Development	100.00% 1	0.00% 0	1	1.00

Q7 What are the current and desired ratings of City staff as helpful in expediting projects through the approval process: If your ratings are the same, please answer only in the "current" column.

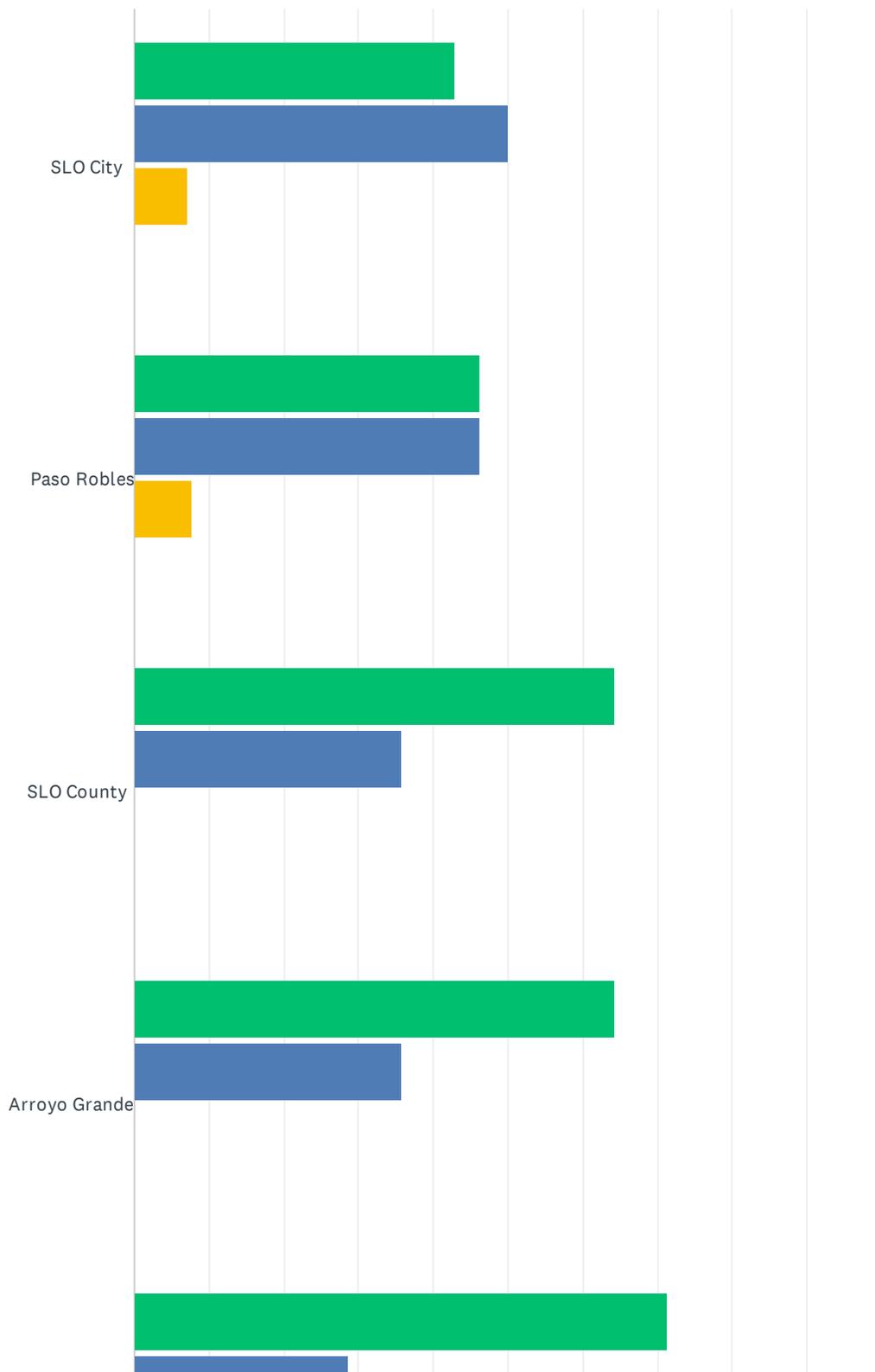
Answered: 14 Skipped: 0



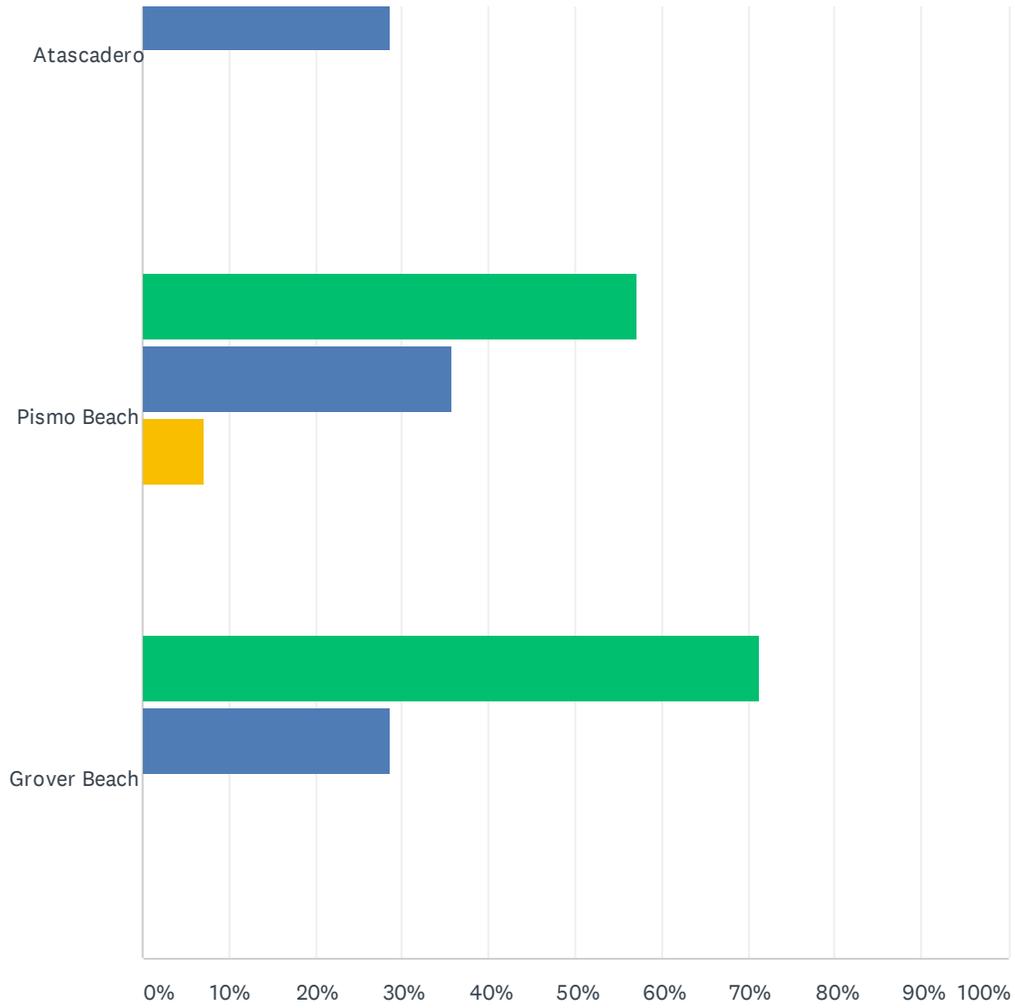
	CURRENT	DESIRED	TOTAL	WEIGHTED AVERAGE
Very Helpful at Expediting	58.33% 7	41.67% 5	12	1.42
About Average	80.00% 4	20.00% 1	5	1.20
Not Helpful	100.00% 2	0.00% 0	2	1.00

Q8 How do you want the community to compare to other communities in the County for being able to complete projects in a timely manner? I want Morro Bay to be:

Answered: 14 Skipped: 0



Perception Survey

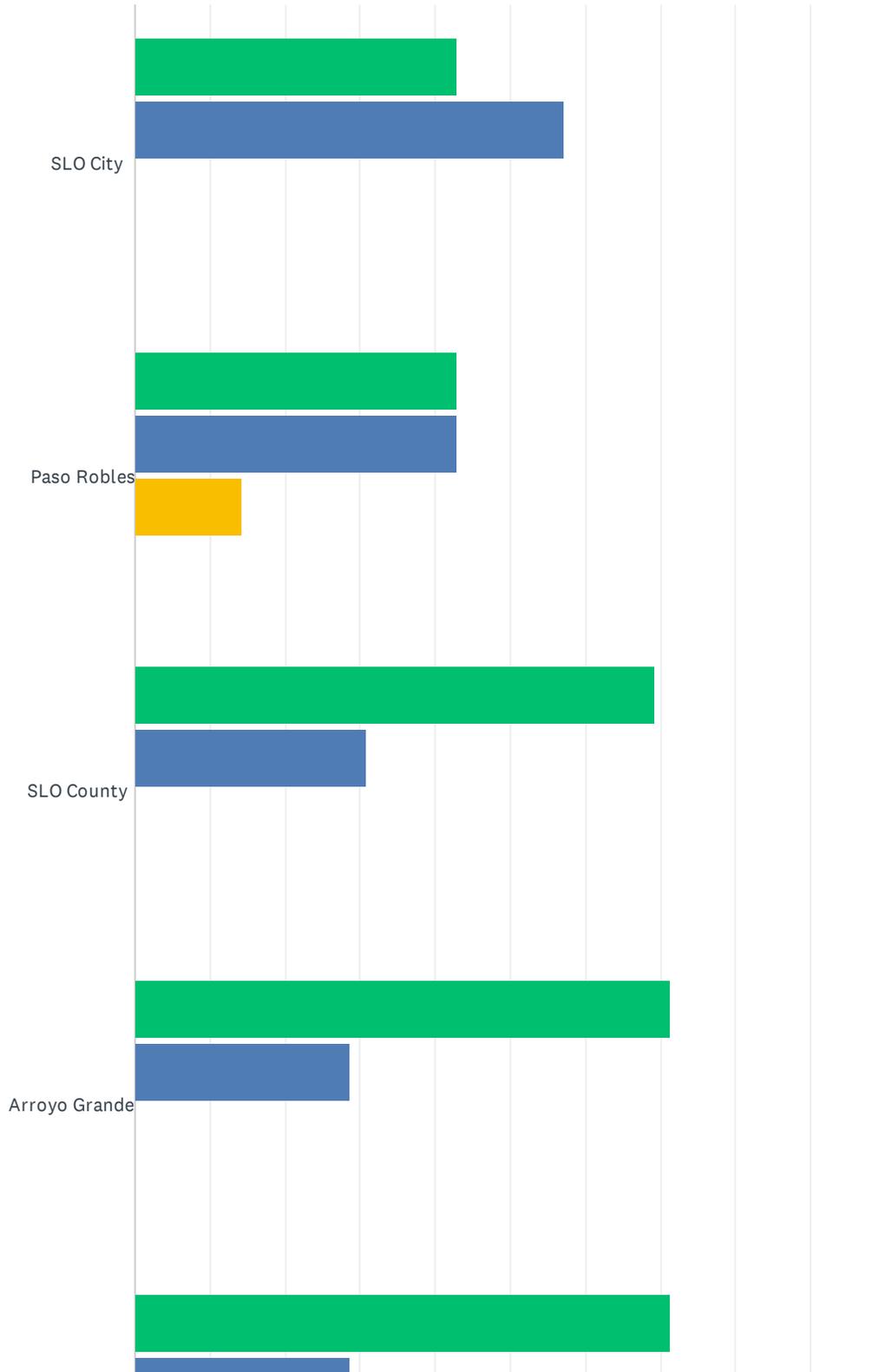


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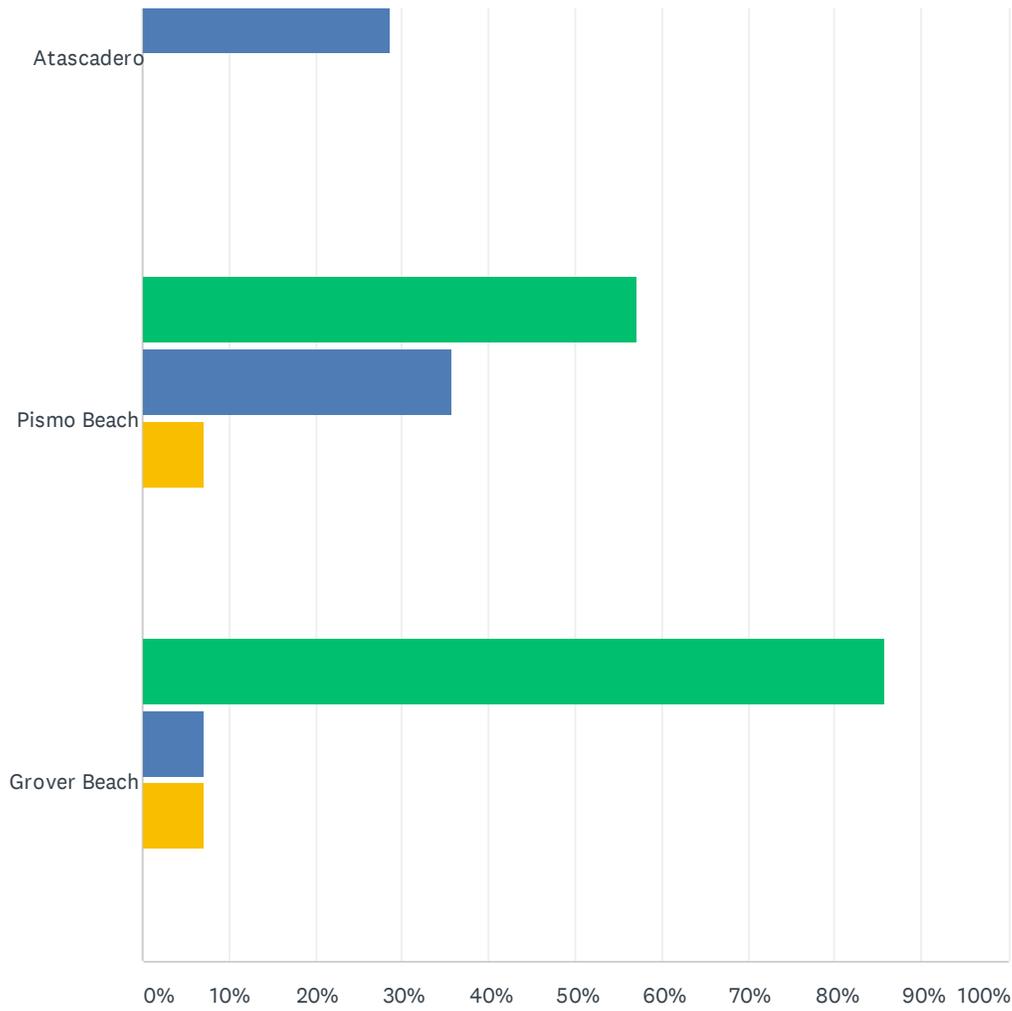
	BETTER	ABOUT THE SAME	WORSE	MUCH WORSE	TOTAL	WEIGHTED AVERAGE
SLO City	42.86% 6	50.00% 7	7.14% 1	0.00% 0	14	1.64
Paso Robles	46.15% 6	46.15% 6	7.69% 1	0.00% 0	13	1.62
SLO County	64.29% 9	35.71% 5	0.00% 0	0.00% 0	14	1.36
Arroyo Grande	64.29% 9	35.71% 5	0.00% 0	0.00% 0	14	1.36
Atascadero	71.43% 10	28.57% 4	0.00% 0	0.00% 0	14	1.29
Pismo Beach	57.14% 8	35.71% 5	7.14% 1	0.00% 0	14	1.50
Grover Beach	71.43% 10	28.57% 4	0.00% 0	0.00% 0	14	1.29

Q9 How do you want the staff of the City of Morro Bay to compare to other communities in the County for being supportive and helpful in completing real estate development project? I want Morro Bay to be:

Answered: 14 Skipped: 0



Perception Survey

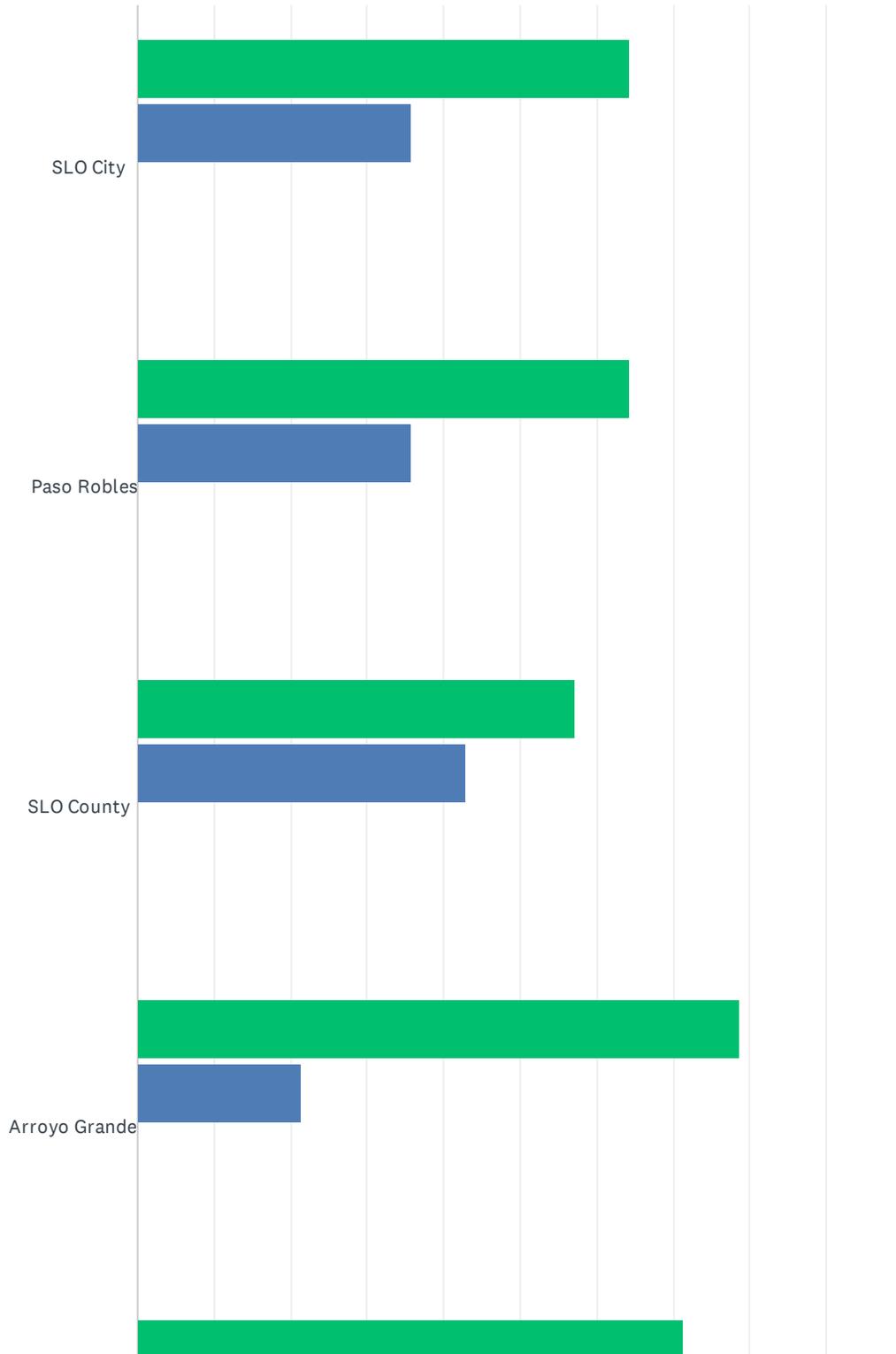


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 ■ Worse
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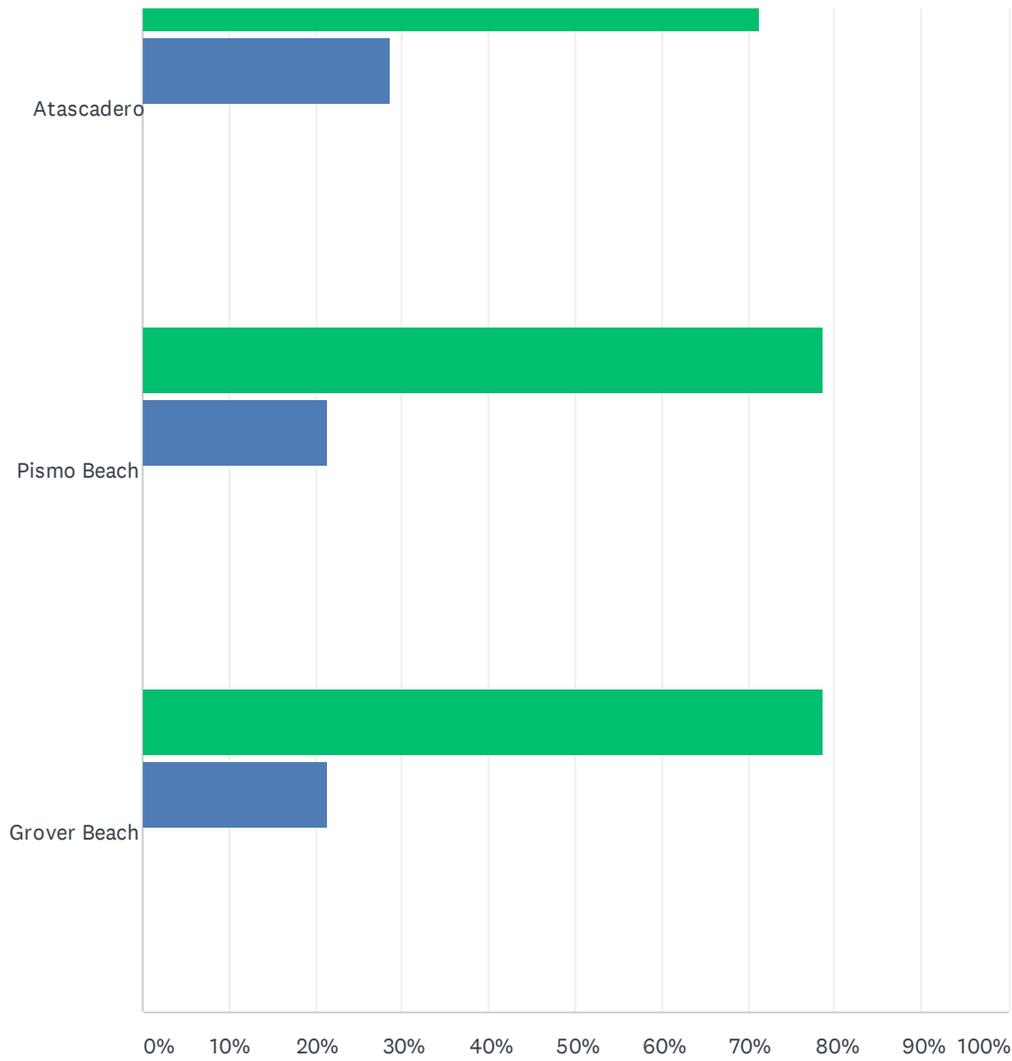
	BETTER	ABOUT THE SAME	WORSE	MUCH WORSE	TOTAL	WEIGHTED AVERAGE
SLO City	42.86% 6	57.14% 8	0.00% 0	0.00% 0	14	1.57
Paso Robles	42.86% 6	42.86% 6	14.29% 2	0.00% 0	14	1.71
SLO County	69.23% 9	30.77% 4	0.00% 0	0.00% 0	13	1.31
Arroyo Grande	71.43% 10	28.57% 4	0.00% 0	0.00% 0	14	1.29
Atascadero	71.43% 10	28.57% 4	0.00% 0	0.00% 0	14	1.29
Pismo Beach	57.14% 8	35.71% 5	7.14% 1	0.00% 0	14	1.50
Grover Beach	85.71% 12	7.14% 1	7.14% 1	0.00% 0	14	1.21

Q10 How do you want the staff of the City of Morro Bay to be perceived for providing reliable and consistent information regarding development requirements (GP, Zoning, LCP, etc.), in comparison to other communities in the County? I want Morro Bay to be:

Answered: 14 Skipped: 0



Perception Survey

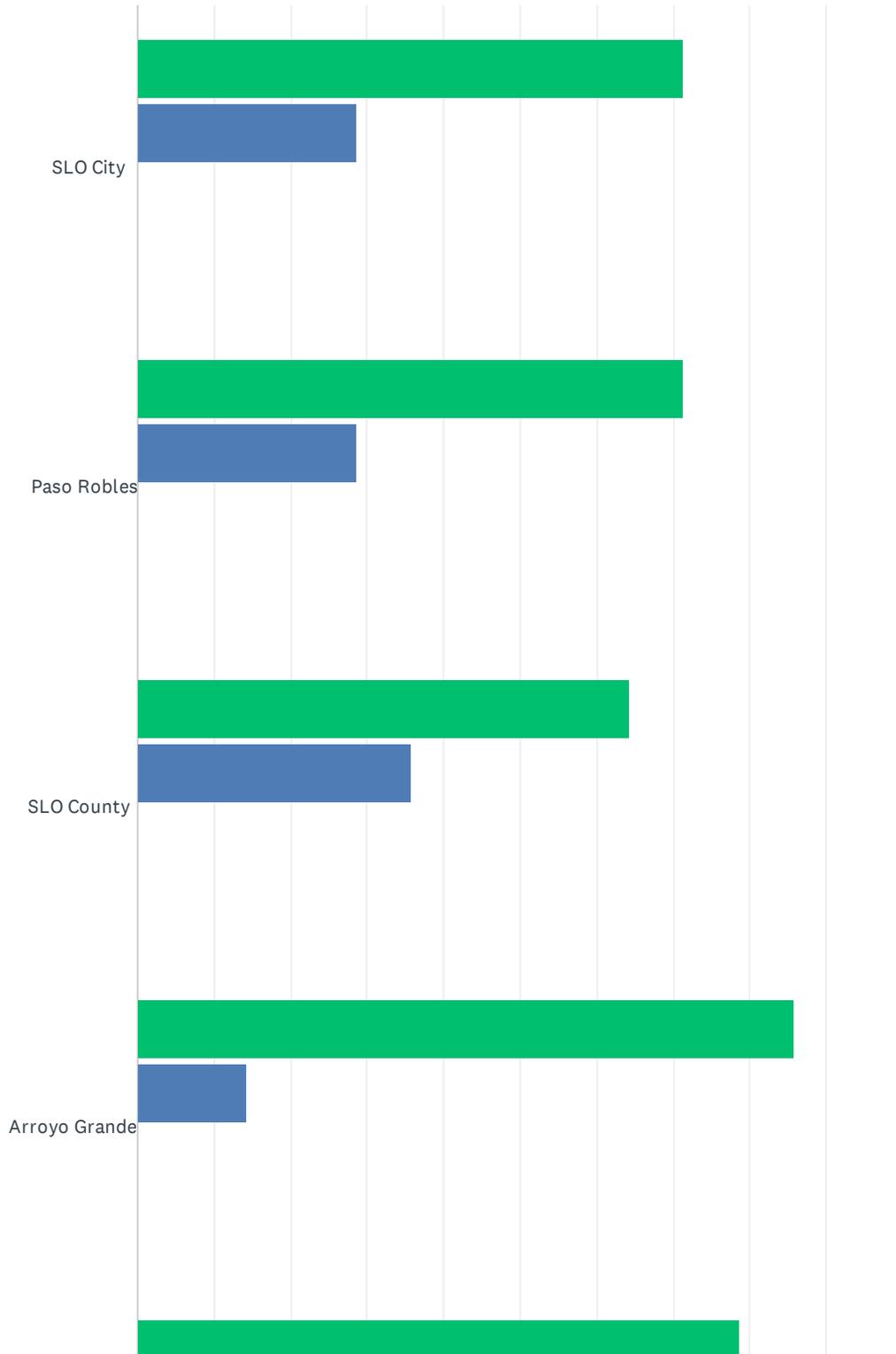


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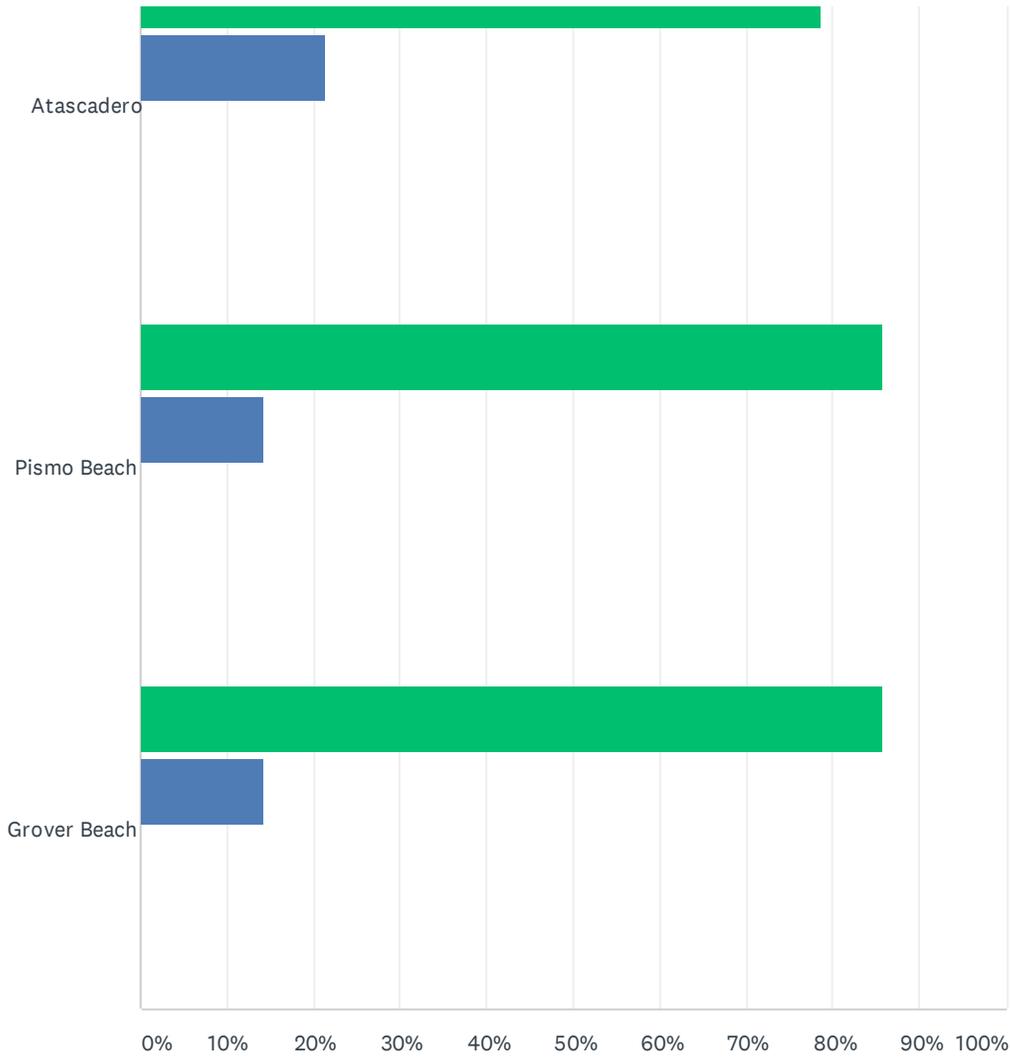
	BETTER	ABOUT THE SAME	WORSE	MUCH WORSE	TOTAL	WEIGHTED AVERAGE
SLO City	64.29% 9	35.71% 5	0.00% 0	0.00% 0	14	1.36
Paso Robles	64.29% 9	35.71% 5	0.00% 0	0.00% 0	14	1.36
SLO County	57.14% 8	42.86% 6	0.00% 0	0.00% 0	14	1.43
Arroyo Grande	78.57% 11	21.43% 3	0.00% 0	0.00% 0	14	1.21
Atascadero	71.43% 10	28.57% 4	0.00% 0	0.00% 0	14	1.29
Pismo Beach	78.57% 11	21.43% 3	0.00% 0	0.00% 0	14	1.21
Grover Beach	78.57% 11	21.43% 3	0.00% 0	0.00% 0	14	1.21

Q11 How do you want the staff of the City of Morro Bay to be rated for accurately and promptly communicating with development applicants about the status and issues related to their projects, in comparison to other communities in the County? I want Morro Bay to be:

Answered: 14 Skipped: 0



Perception Survey

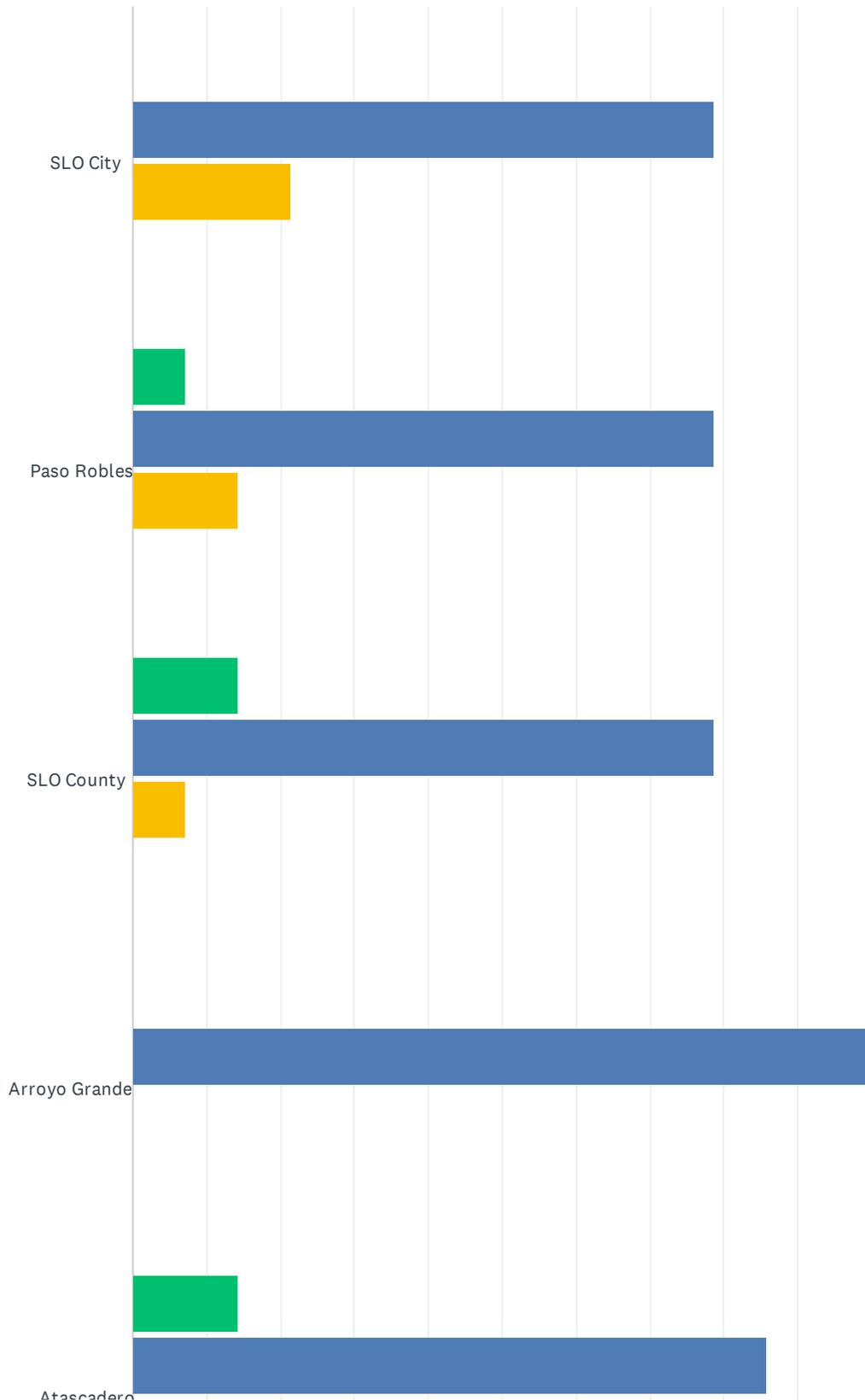


■ Better
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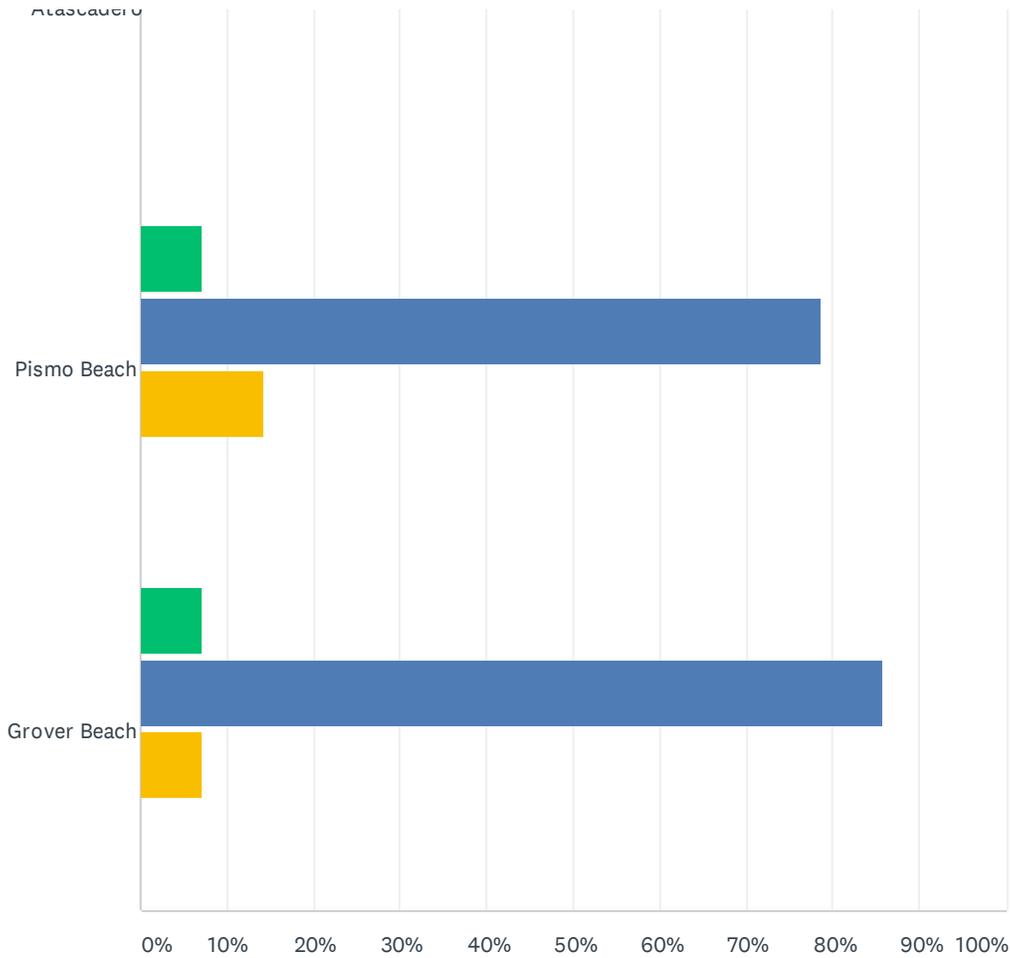
	BETTER	ABOUT THE SAME	WORSE	MUCH WORSE	TOTAL	WEIGHTED AVERAGE
SLO City	71.43% 10	28.57% 4	0.00% 0	0.00% 0	14	1.29
Paso Robles	71.43% 10	28.57% 4	0.00% 0	0.00% 0	14	1.29
SLO County	64.29% 9	35.71% 5	0.00% 0	0.00% 0	14	1.36
Arroyo Grande	85.71% 12	14.29% 2	0.00% 0	0.00% 0	14	1.14
Atascadero	78.57% 11	21.43% 3	0.00% 0	0.00% 0	14	1.21
Pismo Beach	85.71% 12	14.29% 2	0.00% 0	0.00% 0	14	1.14
Grover Beach	85.71% 12	14.29% 2	0.00% 0	0.00% 0	14	1.14

Q12 In comparison to other communities and agencies in the County, permit processing costs for projects in Morro Bay should be:

Answered: 14 Skipped: 0



Perception Survey

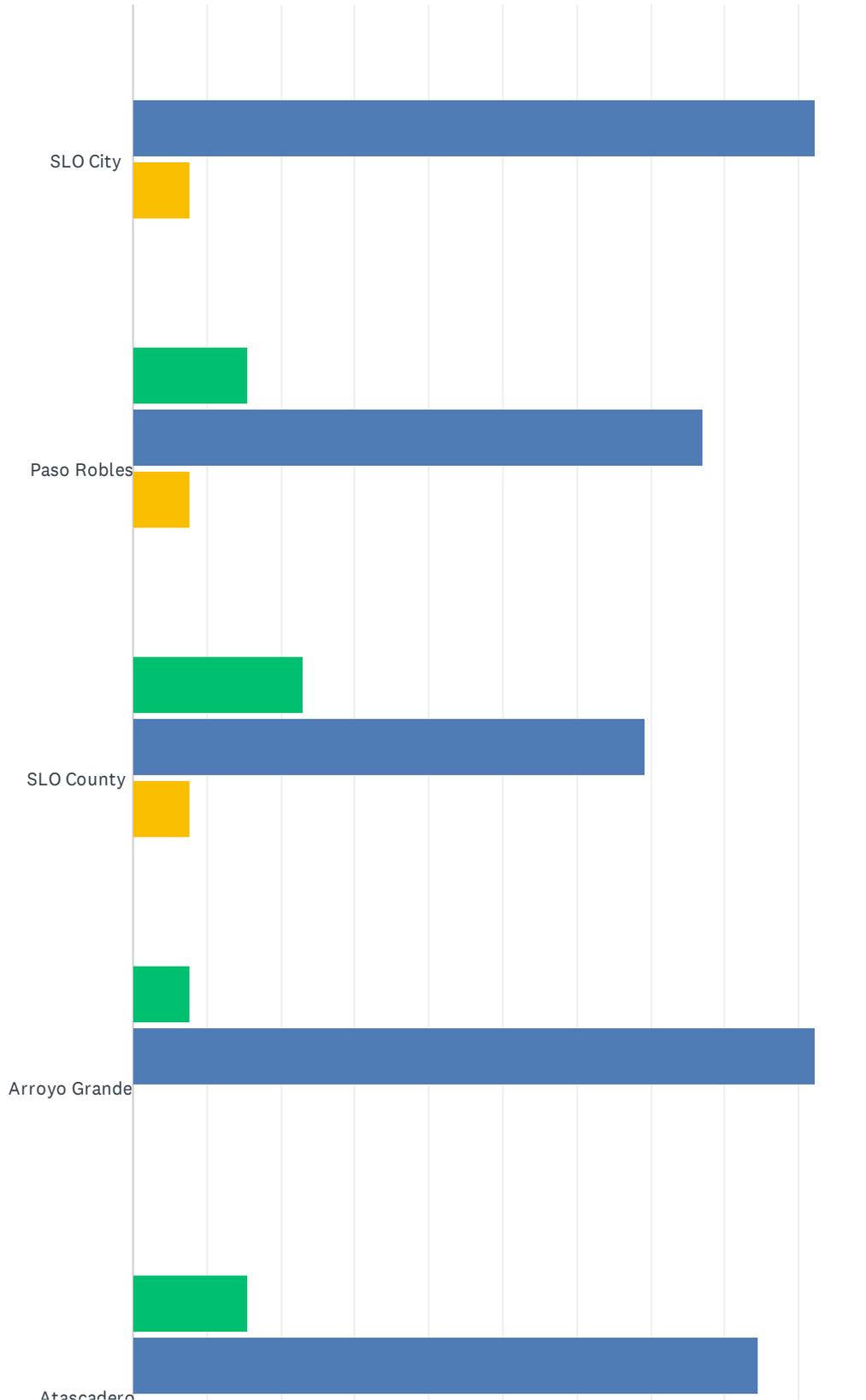


■ Much Higher
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 ■ Much Lower

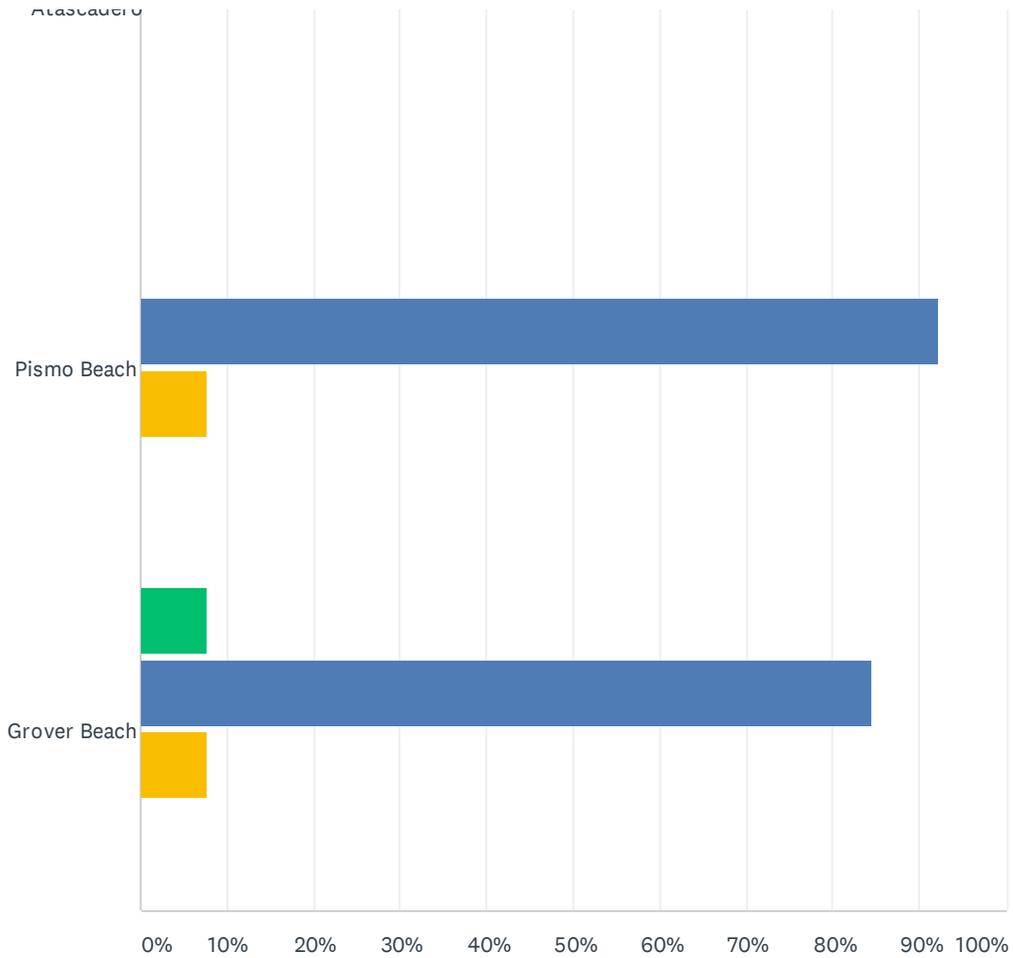
	MUCH HIGHER	ABOUT THE SAME	LOWER	MUCH LOWER	TOTAL	WEIGHTED AVERAGE
SLO City	0.00% 0	78.57% 11	21.43% 3	0.00% 0	14	2.21
Paso Robles	7.14% 1	78.57% 11	14.29% 2	0.00% 0	14	2.07
SLO County	14.29% 2	78.57% 11	7.14% 1	0.00% 0	14	1.93
Arroyo Grande	0.00% 0	100.00% 14	0.00% 0	0.00% 0	14	2.00
Atascadero	14.29% 2	85.71% 12	0.00% 0	0.00% 0	14	1.86
Pismo Beach	7.14% 1	78.57% 11	14.29% 2	0.00% 0	14	2.07
Grover Beach	7.14% 1	85.71% 12	7.14% 1	0.00% 0	14	2.00

Q13 In comparison to other communities and agencies in the County, development impact fees in Morro Bay should be:

Answered: 13 Skipped: 1



Perception Survey

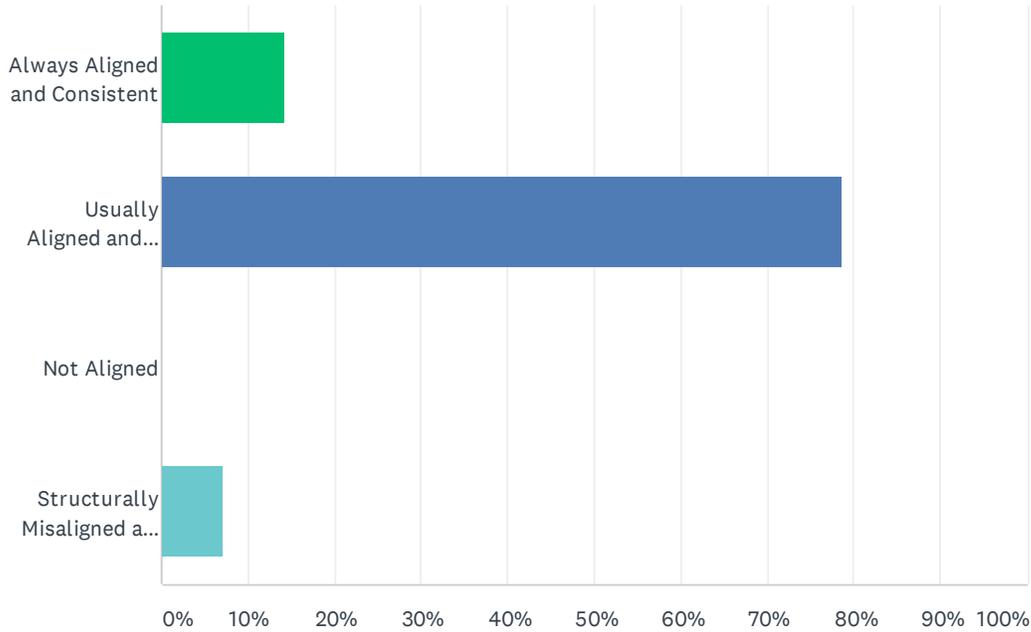


■ Much Higher
 ■ About the Same
 ■ Lower
 ■ Much Lower

	MUCH HIGHER	ABOUT THE SAME	LOWER	MUCH LOWER	TOTAL	WEIGHTED AVERAGE
SLO City	0.00% 0	92.31% 12	7.69% 1	0.00% 0	13	2.08
Paso Robles	15.38% 2	76.92% 10	7.69% 1	0.00% 0	13	1.92
SLO County	23.08% 3	69.23% 9	7.69% 1	0.00% 0	13	1.85
Arroyo Grande	7.69% 1	92.31% 12	0.00% 0	0.00% 0	13	1.92
Atascadero	15.38% 2	84.62% 11	0.00% 0	0.00% 0	13	1.85
Pismo Beach	0.00% 0	92.31% 12	7.69% 1	0.00% 0	13	2.08
Grover Beach	7.69% 1	84.62% 11	7.69% 1	0.00% 0	13	2.00

Q14 How would you rate the current and the desired degree of alignment between staff, Planning Commission and City Council with regard to conditions of approval and development requirements:

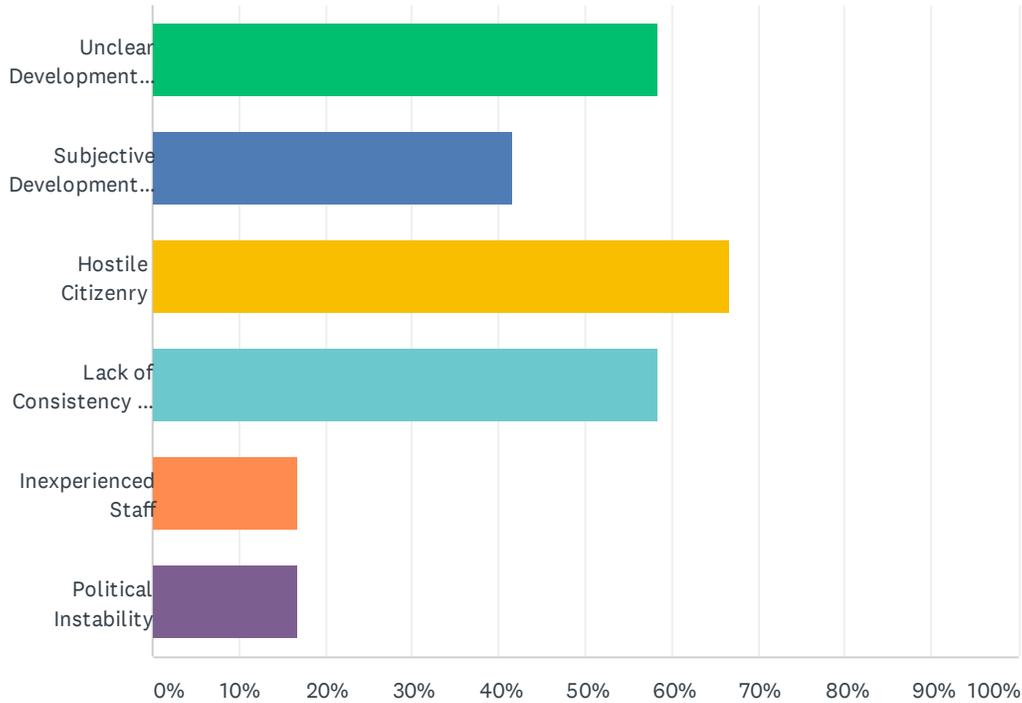
Answered: 14 Skipped: 0



ANSWER CHOICES	RESPONSES	
Always Aligned and Consistent	14.29%	2
Usually Aligned and Consistent	78.57%	11
Not Aligned	0.00%	0
Structurally Misaligned and Inconsistent	7.14%	1
TOTAL		14

Q15 Based on your personal experience or based on other information that you deem reliable, the causes of permit processing problems in Morro Bay are (mark all that apply):

Answered: 12 Skipped: 2



ANSWER CHOICES	RESPONSES	
Unclear Development Standards	58.33%	7
Subjective Development Standards	41.67%	5
Hostile Citizenry	66.67%	8
Lack of Consistency in Development Regulations (General Plan/Zoning/LCP, etc.)	58.33%	7
Inexperienced Staff	16.67%	2
Political Instability	16.67%	2
Total Respondents: 12		



AGENDA NO: V

MEETING DATE: November 17, 2020

Staff Report

TO: Honorable Mayor and City Council

DATE: November 12, 2020

FROM: Eric Casares, PE – WRF Program Manager
Lydia Holmes, PE – Permitting Deputy (Carollo)
Rob Livick, PE/PLS – City Engineer
Joe Mueller – Acting Public Works Director

SUBJECT: Review and Provide Input regarding Proposed Sewer Use Ordinance Revisions – Morro Bay Municipal Code Chapter 13.12

RECOMMENDATION

Staff recommends the City Council provide input regarding the proposed draft Sewer Use Ordinance.

FISCAL IMPACT

The Sewer Use Ordinance gives the City the legal authority to implement and enforce the new Enhanced Source Control Program (ESCP) (Attachment 1). The annual operational costs for the ESCP for the first year and subsequent years is \$245,000 and \$161,000, respectively. These operational costs will be partially offset by inspection fees paid by permitted businesses. These fees were adopted by Council in the Master Fee Schedule and will be collected through the City's "Business License" program. The remaining revenue for operational costs will come from user rates.

BACKGROUND

The City's new Water Reclamation Facility (WRF) Project will include advanced treatment to produce purified water for indirect potable reuse (IPR) via subsurface groundwater replenishment to augment the City's water supply. Per Title 22 of the California Code of Regulations (22 CCR) §60320.206, potable water reuse systems must administer and maintain an industrial pretreatment program (IPP) and pollutant source control program. The combined effort is referred to as ESCP, which is attached to this staff report (Attachment 1). The purpose of an ESCP is both 1) to prevent interference and pass-through of pollutants at the wastewater treatment plant (WWTP), thus protecting the effluent, biosolids, and environment; and 2) to protect drinking water quality by controlling the discharge of constituents of concern (COC) to the WWTP and WRF.

An ESCP is a guidance document that is typically developed to supplement an existing IPP. The United States Environmental Protection Agency (USEPA) developed the National Pretreatment Program to protect water quality by controlling and limiting the discharge of pollutants by industry and other non-domestic wastewater sources into publicly owned treatment works (POTWs). By preventing the introduction of pollutants into the POTW, an IPP can improve opportunities to recycle and reclaim wastewaters and biosolids and prevent worker health and safety problems.

The Code of Federal Regulations, Title 40, Part 403 (40 CFR 403) requires POTWs to implement an IPP if the design capacity is greater than 5.0 million gallons per day (mgd) or if other circumstances

Prepared By: EC

Dept Review:

City Manager Review: SC

City Attorney Review: JWP

warrant one for smaller POTWs (such as the presence of industries that must be controlled or prior pollution incidents impacting the POTW). In California, the Regional Water Quality Control Board (RWQCB) is the designated Approval Authority for the National Pretreatment Program and is responsible for administering the program. If the RWQCB determines a POTW needs a formal IPP, then the program must contain the following six elements: 1) Legal Authority, 2) Procedures, 3) Funding, 4) Local Limits, 5) Enforcement Response Plan (ERP), and 6) a List of Significant Industrial Users (SIUs). For information purposes, a draft of the ERP has been provided as Attachment 3. The ERP will be established administratively by the City Manager and Public Works Director for on-going implementation of the Sewer Use Ordinance (SUO).

Because of the City's small size (less than 1 mgd) and scarce industrial base, the City has not been required to establish an IPP in the past. Implementation of a formal program exceeds what is reasonably needed to protect the WWTP and WRF and would impose an unnecessary and substantial burden on the City. Short of obtaining formal RWQCB approval under the National Pretreatment Program, we have developed an ESCP that includes the relevant pretreatment program elements.

As part of the ESCP development, the SUO, contained in Chapter 13.12 of the Morro Bay Municipal Code (MBMC), has been updated to give the City legal authority to implement and enforce all elements of the ESCP. The SUO is included as Appendix B of the ESCP. Discharge prohibitions have been expanded and policies for IU permitting and monitoring requirements have been established in the updated SUO.

Major changes to the SUO include:

- Authorizes the City to issue wastewater discharge permits
- Provides monitoring, reporting and compliance requirements for industrial users
- Establishes the City's enforcement policies
- Establishes discharge limits for industrial users
- Incorporates the City's Fats, Oils and Grease program (FOG)

The Public Works Advisory Board (PWAB) reviewed this item on August 19, 2020. PWAB officially received and filed the item and offered input. In particular, they wanted to understand which businesses would be impacted by this ordinance and if outreach had been conducted by City representatives with those businesses. City staff have been in contact with potentially impacted businesses and will keep them apprised of City Council review and action.

The first step in adoption of changes to the SUO is this workshop. City staff intends bringing the draft ordinance amending Chapter 13.12 of the Morro Bay Municipal Code to update and expand the City's sewer regulations for first reading in early 2021, with adoption at the subsequent meeting.

ATTACHMENTS

1. Link to [Enhanced Source Control Program](#)
2. Draft Ordinance Amending Chapter 13.12 of the Morro Bay Municipal Code
3. Draft ERP

ORDINANCE NO. XXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, RESTATING AND AMENDING CHAPTER 13.12 OF THE MORRO BAY MUNICIPAL CODE UPDATE AND EXPAND THE CITY'S SEWER REGULATIONS

WHEREAS, the City of Morro Bay (City) provides infrastructure and facilities for the collection and treatment of wastewater to promote the health and safety and convenience of its residents, businesses and visitors and for the safeguarding of water resources common to all (Sewer System); and

WHEREAS, the Environmental Protection Agency (EPA) established the National Pretreatment Program as a core part of the Clean Water Act's National Pollutant Discharge Elimination System (NPDES) regulations, which mandate stringent and continuous control of the quality of wastewater discharged to Publicly Owned Treatment Works (POTWs); and has

WHEREAS, the City is constructing the new Morro Bay Water Reclamation Facility (WRF) which will produce purified water through indirect potable reuse to supplement the City's water supply; and

WHEREAS, the State Water Resources Control Board requires agencies implementing indirect potable reuse to administer an industrial pretreatment and pollutant source control program (enhanced source control program); and

WHEREAS, the City does not currently have and has not heretofore been required to have an industrial pretreatment program; and

WHEREAS, the City is developing an industrial pretreatment and enhanced source control program to prevent the introduction of pollutants into the Sewer System and the WRF, and hence to protect the quality of finished water and drinking water supply produced by the WRF.

THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA DOES HEREBY FIND AND ORDAIN AS FOLLOWS:

SECTION 1. Chapter 13.12 of the Morro Bay Municipal Code is hereby restated and amended, in its entirety, to read as set forth in Exhibit A, attached hereto and made a part hereof.

SECTION 2. This ordinance shall be in full force and effect thirty (30) days after its passage.

SECTION 3. The consideration, introduction and adoption of this ordinance are exempt from environmental analysis pursuant to 14 CCR § 15061(b)(3). A Notice of Exemption shall be filed within five days after the adoption of this ordinance.

SECTION 4. The City Clerk shall certify to the adoption of this ordinance, and shall cause the same to be posted and codified in the manner required by law.

INTRODUCED at a regular meeting of the City Council held on the ____ day of _____ 2020, by motion of Council Member _____ and seconded by Council Member _____.

PASSED AND ADOPTED on the ____ day of _____ 2020, by the following vote:

AYES:
NOES:
ABSENT:

JOHN HEADDING, Mayor

ATTEST:

DANA SWANSON, City Clerk

APPROVED AS TO FORM:

CHRIS F. NEUMEYER, City Attorney

STATE OF CALIFORNIA)
COUNTY OF SAN LUIS OBISPO)
CITY OF MORRO BAY)

I, Dana Swanson, CITY CLERK OF THE CITY OF MORRO BAY, DO HEREBY CERTIFY Ordinance XXX was duly adopted by the City Council of the City of Morro Bay at a regular meeting of the Council on the ___ day of _____, 2020; and it was so adopted by the following vote:

AYES:
NOES:
ABSENT:

IN WITNESS WHEREOF I have hereunto set my hand and affixed the official seal of the City of Morro Bay, California, this _____ day of _____, 2016.

City Clerk of the City of Morro Bay



City of Morro Bay
Enhanced Source Control Program

ENFORCEMENT RESPONSE PLAN

FINAL | May 2020





City of Morro Bay
Enhanced Source Control Program

ENFORCEMENT RESPONSE PLAN

FINAL | MAY 2020



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Abbreviations

City	City of Morro Bay
EPA	Environmental Protection Agency
ERP	Enforcement Response Plan
Guide	Enforcement Response Guide
IU	Industrial User
MBMC	Morro Bay Municipal Code
NOV	Notice of Violation
POTW	Publicly Owned Treatment Works
SIU	Significant Industrial User
USEPA	United States Environmental Protection Agency
WRF	Water Recycling Facility
WWTP	Wastewater Treatment Plant

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ENFORCEMENT RESPONSE PLAN

1.1 INTRODUCTION

In accordance with Chapter 13.12 of the MBMC, the Utilities Division/Department Manager and City Manager of the City have developed an ERP for the POTW including the planned WRF. The ERP contains detailed procedures identifying how the City will investigate and respond to instances of IU noncompliance. The ERP is intended for use by City personnel to assist enforcement actions for pretreatment violations and does not create any rights or obligations nor should it be used or relied upon by non-City personnel for any purpose. The City reserves the right to act at variance with the ERP if deemed necessary to comply with the objectives of the ERP.

This document includes three items that will be available for by City personnel to implement the Pretreatment Program.

1. The ERP, which summarizes the general types of enforcement actions available to the City for investigating and responding to pretreatment violations;
2. The Guide, provided in Appendix A, which is a reference tool listing guidance responses to varying pretreatment violations;
3. Examples of forms and notices, provided in Appendix B, that may be used by the City to carry out enforcement and inspection actions;

The legal authority to implement this ERP is contained in the MBMC Chapter 13.12. Applicable sections of Chapter 13.12 may be referenced herein.

1.2 INFORMAL AND FORMAL ENFORCEMENT ACTIONS

The purpose of this section is to describe the range of available enforcement actions for the City. The enforcement philosophy to try to have problems addressed at the lowest level and with the least formality possible, consistent with the specific problem. However, no enforcement action is contingent upon the completion of any less formal procedure. Depending upon the factual scenario presented, a formal procedure may be needed for the initial action. Listed below are available enforcement actions.

1.2.1 Informal Actions:

- Informal notice to IU (such as telephone call or site visit, followed up in writing).
- NOV.
- Automatic resampling by IU for effluent violations.
- Unannounced inspection and/or City sampling for effluent violations.
- Review Meeting.

1.2.2 Formal Actions:

- Consent Order.
- Show Cause Hearing.
- Compliance Order.
- Cease and Desist Order.
- Administrative Remedies, including penalties.

- Criminal and civil proceedings.
- Termination or restriction of service.
- Suspension or revocation of permit.

1.2.3 Delivery of Written Enforcement Actions

Except as provided below, all written notices of enforcement actions should be sent by certified mail with return receipt requested, as well by regular mail. Copies should be maintained in the IU file. The return receipt will serve as proof that the IU did in fact receive the notice, but is not required to evidence that receipt.

The enforcement action notices may be hand-delivered. In such cases, the notice should contain the following information at the top of the notice:

Received by User Representative

Signature: _____ Date: _____

Name: _____ Title: _____

A copy of the notice should be brought with the original when delivering the notice and the representative's signature, date, name, and title should be obtained on the copy and taken back to the office and placed in the user's file.

1.3 RESPONSE TIMES FOR ENFORCEMENT ACTIONS

Table 1 presents general time frames for the enforcement responses. EPA recommends no more than 30 days elapse between the detection of the violation(s) and the initiation of an enforcement response. If the appropriate response is an informal notice or warning, or an NOV with penalty, then the response time should be much shorter.

Table 1 EPA's General Time Frames for Enforcement Responses

Time Frame for Enforcement Response ⁽¹⁾	
A	All violations will be identified and documented within five days of receiving compliance information from the IU.
B	Initial enforcement responses [involving contact with the IU and requesting information on corrective or preventative action(s)] will occur within 30 days after violation detection.
C	Follow-up actions for continuing or recurring violations will be taken within 30 to 90 days after the initial enforcement response. For all continuing violations, the response will include a compliance schedule.
D	Violations which threaten health, property or environmental quality are considered emergencies and will receive immediate responses such as halting the discharge or terminating service.

Notes:

(1) Source: United States Environmental Protection Agency (USEPA) (1981). "Guidance for Developing Control Authority Enforcement Response Plans".

1.3.1 Initial actions include:

- Phone call, informal meeting, or a letter requiring corrections.
- NOV.
- Requirement for automatic resampling by the IU.
- Unannounced inspection and/or City sampling for parameter violated.
- Notice of Review Meeting.

If additional enforcement is needed, then follow-up compliance activities should begin no later than 30 to 90 days after the initial enforcement response is taken. When follow-up activities indicate the violation persists or satisfactory progress is not being made, the City will escalate its enforcement response.

1.3.2 Follow-up actions include:

- Confirmation or failure to respond letter.
- NOV with penalty if the initial response was an informal phone call or meeting.
- Notice of Review Meeting.
- Issue Consent Order or Compliance Order.
- Initiate Show Cause Hearing.
- Contact City Attorney for possible criminal or civil action.
- Issue administrative citations and fines.
- Initiate termination of service.
- Initiate suspension or revocation of permit.

1.4 ENFORCEMENT RESPONSIBILITIES

The following list identifies the staff positions and their areas of responsibility to implement the ERP. An organizational chart for the Pretreatment Program is provided in Figure 1.

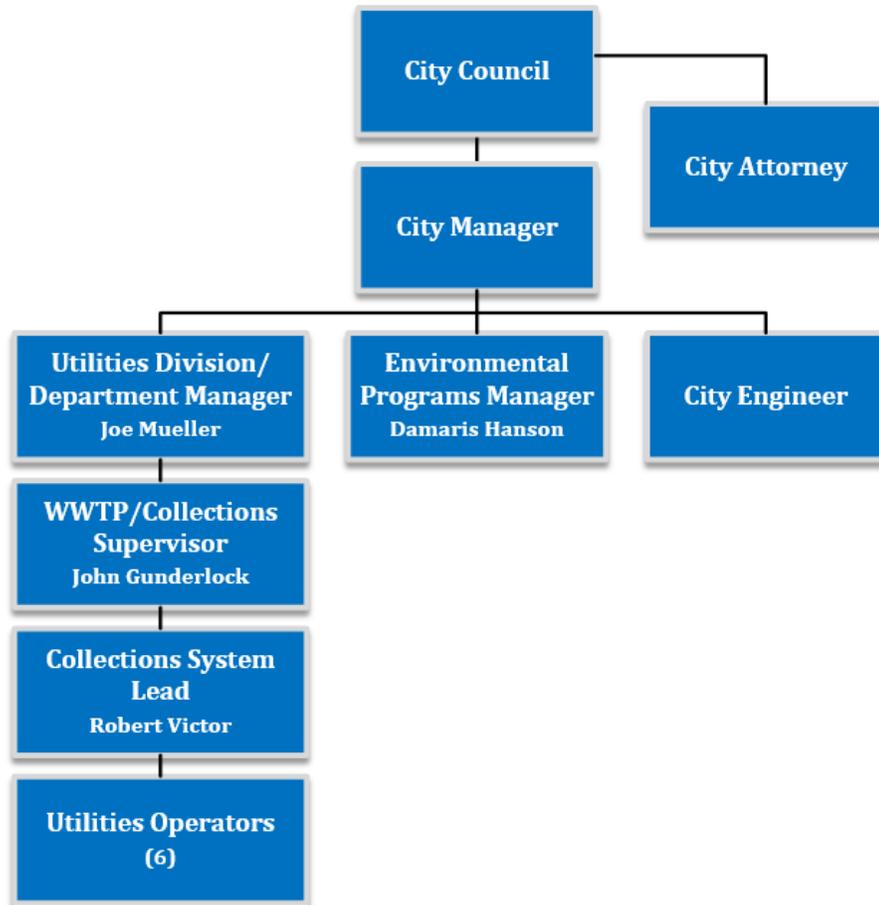


Figure 1 Organization Chart for the City of Morro Bay Utilities Division/Department

Utilities Operator:

- Screen IU data.
- Determine compliance status.
- Inform WWTP/Collections Supervisor of violations.
- Develop and supervise compliance monitoring schedules.
- Draft enforcement response.
- Issue NOV.
- Conduct review meetings.

WWTP/Collections Supervisor:

- Review enforcement response.
- Approve enforcement actions, as appropriate.
- Develop compliance sampling schedule, as appropriate.
- Inform Utilities Division/Department Manager of violations and recommend enforcement response.
- Supervise compliance monitoring schedules.
- Conduct review meetings.
- Supervise monitoring activities of Utilities Operator.
- Track enforcement response times.
- Issue NOV and compliance schedules.
- Seek administrative penalties for noncompliance.

Utilities Division/Department Manager:

- Review enforcement response.
- Approve enforcement actions, as appropriate.
- Provide consistency of program application.
- Develop compliance sampling schedule, as appropriate.
- Inform City Manager of violations and enforcement response.
- Conduct review meetings.
- Issue NOVs, compliance schedules, and cease and desist orders.
- Issue consent orders, initiate show cause hearings, and issue compliance orders.
- Initiate termination of service.
- Suspend or revoke permit.
- Recommend legal action be taken.
- Seek monetary penalties for noncompliance.

City Manager:

- Approve formal enforcement actions, as appropriate.
- Designate hearing officer.

City Attorney:

- Provide assistance and counsel on proposed program developments and changes.
- Advise both technical and management staff on enforcement matters.
- File, prosecute and manage criminal actions, both misdemeanors and infractions.
- Seek Council direction on civil matters.
- Manage civil litigation on behalf of the City Council based on its direction.

- Attend hearings or review meetings as the City's representative.
- Seek Council appointment of a neutral party to advise the decision-maker during any due process hearing

1.5 INFORMAL NOTICE OR MEETING

Informal notice is the least aggressive of the enforcement actions. Informal notice may consist of a telephone call, a "reminder" letter to an appropriate official (*e.g.*, Utilities Operator, WWTP/Collections Supervisor) of an IU or site visit. Such a call or letter may be used to notify officials of a less significant violation (*e.g.*, a report not having any effluent violations submitted a few days late), seek an explanation, suggest the exercise of more due care, and/or notify the "violation" subsequent violations of the same type will be dealt with more severely. Such informal notice may be used to correct insignificant, inconsistent compliance and to demonstrate to the IU that the City will take action on all instances of noncompliance.

Irrespective of the type of informal notice used, all communications will be documented in writing, and the documentation placed in the IU's file. The notice should require the IU to correct the violation and respond within a specified timeframe.

1.6 NOTICE OF VIOLATION (NOV)

The City's authority to issue NOVs to industries is contained in the MBMC, Section 13.12.1015. The NOV is a written notice to the IU indicating the City has found a violation of pretreatment standards or requirements and expects the noncompliance to be corrected and explained. The NOV also can require specific corrective actions and schedules to which the City expects the IU to adhere and a statement indicating additional enforcement action may be pursued if corrective actions are not satisfactorily accomplished as scheduled. The NOV should also make it clear compliance with the requirements of the letter does not excuse prior violations nor prevent collection of administrative, civil or criminal penalties or damages at a later time.

1.6.1 Response to Notice of Violation

The IU shall respond in writing to the NOV within the specified time. This should be no longer than 10 days from the receipt of the notice by the user.

1.6.2 Resolution of Notice of Violation

Upon review of a response to an NOV, the Utilities Operator may accept the response as complete and satisfactory. If this is the case, the Utilities Operator shall consider the issue regarding the NOV closed. The Utilities Operator will notify the IU in writing regarding the closure of the NOV. The closure of the NOV does not preclude further action.

1.6.3 Unsatisfactory or Incomplete Response to Notice of Violation

Upon review of a response to an NOV, the Utilities Operator may determine the response to be unsatisfactory or incomplete. In that event, the Utilities Operator may recommend further action such as: require any incomplete information, suspend, or revoke the IU's permit, order the IU to cease discharge, and/or seek penalties and fines as they apply to the violations.

1.7 AUTOMATIC IU RESAMPLING FOR EFFLUENT VIOLATIONS

If sampling performed by an IU indicates a violation, then the IU shall notify the City within 24 hours after becoming aware of the violation. The IU shall repeat the sampling and analysis and

submit the results of the repeat analysis to the City within 30 days after becoming aware of the violation. This requirement is contained in Section 13.12.650 of the MBMC. The IU is not required to resample if:

- The City performs sampling at the IU's facility at a frequency of at least once per month or
- The City performs sampling at the IU's facility between the time when the IU performs its initial sampling and the time when the IU receives the results of this sampling.

1.8 COMPLIANCE STATUS REVIEW MEETINGS

If an informal Notice or NOV does not produce compliance or an adequate explanation of the reason for the noncompliance, then a compliance status review meeting between City staff and the IU may help to produce the desired results.

Review meetings are appropriate for the following types of situations:

- Waste streams are diluted in lieu of treatment, initial violation.
- Failure to report additional monitoring, initial violation.
- Inadequate sampling, initial violation.
- Missed milestone in an enforceable compliance schedule, initial violation.
- If any required report is late 45 days or less.

At the meeting, the IU should respond to, and provide an explanation of, the violations and describe the means to prevent future violations and may be accompanied by anyone deemed necessary by the same. In addition, the City staff should emphasize the importance of maintaining compliance.

The Utilities Division/Department Manager, WWTP/Collections Supervisor, and the Utilities Operator responsible for the IU may conduct review meetings and may be accompanied by anyone deemed necessary by the same.

Discussion items may include:

- Complete introductions of all persons present and obtain names, titles and telephone numbers.
- Discuss the background and history of the City's Pretreatment Program.
- Review the City's enforcement policies and practices.
- Explain the City's authority for seeking penalties.
- Review the IU's violations.
- Increase the IU's frequency for self-monitoring, if appropriate.
- Establish a compliance schedule for the IU, as appropriate.

Follow-up to the review meeting includes the following:

- City representative prepares meeting minutes describing the discussion and results of the review meeting. The minutes are distributed to the meeting attendees.
- Follow-up inspections and review meetings may be scheduled after compliance was supposed to have been achieved to verify compliance.
- Refusal or failure to meet Compliance Schedule milestones or reporting requirements without approved extensions will impose administrative citations and/or escalate directly to a Cease and Desist Order or other formal enforcement actions.

1.9 CONSENT ORDER

The City has the authority to enter into consent orders, assurances of voluntary compliance, or other similar documents establishing an agreement with any user responsible for noncompliance. The Consent Order is an agreement between the City and the IU normally containing three elements: compliance schedules, stipulated fines or remedial actions, and signatures of City and IU representatives.

A Consent Order is appropriate when the IU assumes responsibility for its noncompliance and is willing to correct its cause(s). The IU need not admit the noncompliance in the text of the order. Thus, signing the order is neither an admission of liability for purposes of administrative citation and fines nor a guilty plea for criminal action nor finding of liability or fault in the civil action. However, the City must make sure the Consent Order prohibits future violations and provides for corrective action on the part of the IU.

In determining the terms to include in the Consent Order, the City may take an IU's extenuating circumstances (e.g., financial difficulties, technical problems, and other impediments to necessary corrective action) into consideration. The Consent Order should address every identified deficiency in the IU's compliance status.

After consultation with the City Attorney, the Utilities Division/Department Manager or the City Manager can implement this action. The City's authority to issue consent orders is specified in Section 13.12.1020 of the MBMC.

1.10 SHOW CAUSE HEARING

The City has the authority to order the IU to appear before the City, explain its noncompliance, and show cause why more severe enforcement actions against the IU should not go forward (Section 13.12.1025 of the MBMC). A Show Cause Hearing is typically called after informal contacts or NOV's have failed to resolve the noncompliance. The hearing can also be used to investigate violations of previous orders.

The Utilities Division/Department Manager or the City Manager can conduct the Show Cause Hearing. The hearing may be formal and open to the public or informal and closed to the public.

If a formal hearing is held, then the City will put forth evidence of noncompliance. In response, the IU may admit or deny noncompliance, explain mitigating circumstances, demonstrate its eventual compliance, and describe all other corrective measures. During the hearing, the City can explore the circumstances surrounding the noncompliance and evaluate the sufficiency of the evidence for subsequent administrative or criminal actions. If the IU does not understand the violation's nature, then the hearing can serve to educate the IU while saving the City enforcement expenses.

The City must then determine whether further action is warranted and, if so, its nature and extent. If the hearing results in an impasse between the IU and the City, then the City may follow up the meeting by issuing a compliance order, including a schedule, impose a fine or refer the case to the City Attorney for criminal action or to seek direction from the City Council on whether to pursue a civil remedy.

1.11 COMPLIANCE ORDER

A Compliance Order directs the IU to achieve or restore compliance by a date specified in the order. It is issued unilaterally and its terms need not be discussed with the IU in advance. The Compliance Order is usually issued when noncompliance cannot be resolved without construction, repair, or process changes. Compliance Orders are also frequently used to require IUs to develop management practices, spill prevention programs, and related City pretreatment program requirements.

The Compliance Order should document the noncompliance and state required actions to be accomplished by specific dates, including interim and final reporting requirements. In drafting the compliance schedule, the City should be firm but reasonable, taking into consideration all factors relevant to an appropriate schedule duration. Once these milestones are set, the City must track the IU's performance against them and escalate its enforcement response as needed.

After consultation with the City Attorney, the Utilities Division/Department Manager or the City Manager can issue a Compliance Order. The City's authority to issue Compliance Orders is specified in section 13.12.1030 of the MBMC.

1.12 CEASE AND DESIST ORDERS

The City has the authority to direct an IU to cease and desist all such violations to immediately comply with all requirements and take appropriate remedial or preventive actions to properly address a continuing or threatened violation. These actions could include halting operations and/or terminating the discharge.

After consultation with the City Attorney, the Utilities Division/Department Manager or the City Manager can implement this action. The City's authority to issue Cease and Desist Orders is specified in Section 13.12.1035 of the MBMC.

1.13 DISCHARGE PERMIT SUSPENSION OR REVOCATION

The City has the authority to immediately halt any actual or threatened discharge to the sewerage works that may represent an endangerment to the public health, the environment, or the POTW. (MBMC Section 13.12.1045).

The City may change the restrictions or conditions of a permit from time to time as circumstances may require (MBMC Section 13.12.530). A permit may be revoked or suspended for reasons specified in MBMC Section 13.12.550. After consultation with the City Attorney, the Utilities Division/Department Manager or the City Manager can implement this action.

1.14 PENALTIES

If the IU fails to comply with the any provision of Chapter 13.12, then the City may pursue administrative remedies and penalties as specified in MBMC Sections, 1.16.010, and 1.16.020. Monetary fines are established in Section 13.12.1040. They are assessed on a per-violation per-day, or portion thereof, basis.

Violations of any provisions of Chapter 13.12 of the MBMC constitute a misdemeanor and may be punishable by monetary penalties and/or imprisonment (MBMC Section 1.16.010 and 1.16.020). Section 1.16.010 of the MBMC specifies the range of monetary penalties and imprisonment. Several factors may be considered when determining which violations should be referred to the City Attorney for pursuing these penalties. These factors include:

- The willfulness of the violation.
- Knowledge of the violation.
- Nature and seriousness of the offense.
- Need for deterrence.
- Compliance history of the violator.
- Adequacy of the facts.
- Other remedies available through administrative enforcement actions.

1.15 APPEALS

Provisions for appealing administrative citations, penalties and fines imposed on an IU by the City are specified in Sections 1.03.070, 1.03.080, and 1.03.090 of the MBMC. There is no appeal of decisions by the City Attorney to file a criminal misdemeanor action or infraction or the City Council to pursue a civil lawsuit.

1.16 PROCEDURES FOR USING THE ENFORCEMENT RESPONSE GUIDE (GUIDE)

The Guide is contained in Appendix A. It was prepared using guidelines contained in EPA's "Pretreatment Compliance Monitoring and Enforcement Guidance" (July 1986), and the "Guidance for Developing Control Authority Enforcement Response Plans" (September 1989).

The Guide is intended to serve three main purposes:

- To cover enforcement responses that may be appropriate in relation to the nature and severity of the violation and the overall degree of noncompliance.
- To encourage a uniform application of enforcement responses to comparable levels and types of violations.
- As a mechanism to review the appropriateness of responses.

The Guide is intended as a quick, ready reference tool to address violations. It should be used in conjunction with the written material contained in this ERP and the MBMC. City pretreatment staff should use the Guide to determine what enforcement actions are appropriate given varying situations of noncompliance.

When making a determination on the level of the enforcement response, the Utilities Operator should consider the degree of variance from the pretreatment standards or legal requirements, the duration of the violation, previous enforcement actions taken against the violator, and the deterrent effect of the response on similar facilities in the regulated community. Equally important are considerations of fairness, equity and consistency of application as well as the integrity of the Pretreatment Program.

Table 2 lists the seven basic steps for using the Guide.

Table 2 Instructions for Using the Enforcement Response Guide (Guide)

Seven Steps for Using the Guide	
1	Locate the type of noncompliance in the first column.
2	Using column two, identify the most accurate description of the nature of the violation.
3	Assess the appropriateness of the recommended response(s) in column three. First offenders or those demonstrating good faith may merit a more lenient response. Similarly, repeat offenders or those demonstrating willful conduct may require a more stringent response. The City may want to use what would normally be reserved as a follow-up response against particularly difficult IUs.
4	Document the rationale for selecting the particular enforcement response.
5	Apply the enforcement response to the IU. Specify corrective action or the response required from the IU.
6	Document IU responses and resolution of noncompliance.
7	Follow-up with escalated enforcement action if the IU's response is not received or if violations continue.

1.17 FORMS

Appendix B contains examples of form letters and notices that may be issued by the City to an industry for enforcement purposes.

1.18 IU COMPLIANCE EVALUATION PROCEDURES

Compliance data are collected two ways: 1) self-monitoring by the IUs and 2) inspections and direct sampling by the City.

SIUs are required to self-monitor their discharges, evaluate compliance, and submit compliance reports to the City (MBMC Sections 13.12.600 and 13.12.610). The actual time frames for these monitoring and reporting requirements will be specified in each industry's discharge permit.

The City samples the discharge of each SIU to monitor compliance on a routine basis. The laboratory results are recorded and should be maintained in a database. The data entry and the screening of each IU for compliance is the responsibility of the Utilities Operator.

Lab data and other information (either generated by the IU or the City) should be screened no later than five working days after receiving the information. Screening procedures must identify all violations, including non-discharge violations, whether they are major or minor. Examples of violations and the City's enforcement responses are provided in the Guide (Appendix A).

Appendix A
ENFORCEMENT RESPONSE GUIDE (GUIDE)

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CITY OF MORRO BAY
ENFORCEMENT RESPONSE GUIDE
 (responses are not mutually exclusive)

May 2020

I. UNAUTHORIZED DISCHARGES (No permit)

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT RESPONSES	PERSONNEL	
A. Unpermitted Discharge	1. IU unaware of requirement; no harm to POTW, environment, advanced treatment facility, finished water, or water supply	- Informal Notice; NOV w/wo administrative fine and application form	UO, W, UDM	
		- Consent Order w/wo administrative fine - Compliance Order w/wo administrative fine	UDM	
			UDM	
	2. IU unaware of requirement; harm to POTW, environment, advanced treatment facility, finished water, or water supply	- Civil Action	CM, A	
		3. Failure to comply continues after notice by the POTW	- Cease and desist order with administrative fine	UDM
			- Civil Action	CM, A
			- Criminal Action	A
	B. Unpermitted discharge (failure to renew)	1. IU has not submitted application within 10 days of due date.	- Terminate service	CM, UDM
			- Informal Notice; NOV w/administrative fine	UO, W, UDM
2. Failure to renew continues after notice by the POTW.		- Administrative fine	UDM	
		- Cease and desist order with administrative fine	UDM	
		- Civil action	CM, A	
		- Terminate service	CM, UDM	
- Revoke permit	UDM			

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CITY OF MORRO BAY
ENFORCEMENT RESPONSE GUIDE (cont)
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May 2020

II. DISCHARGE LIMIT VIOLATIONS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT RESPONSES	PERSONNEL
A. Exceedance of Local or Federal Standard (permit limit)	1. Isolated	- Informal Notice; NOV w/wo administrative fine	UO, W, UDM
		- Automatic IU resampling	UO, W
		- Unannounced inspection	UO, W, UDM
		- Unannounced City sampling	UO, W, UDM
	2. Recurring, 2 or more violations within any consecutive 90-day period; or 3 or more violations within 4 consecutive calendar quarters	- Administrative fine	UDM
		- Automatic IU resampling	UO, W
		- Unannounced inspection	UO, W, UDM
		- Unannounced City sampling	UO, W, UDM
		- Review Meeting	UO, W, UDM
		- Consent Order	UDM
		- Show Cause Hearing	UDM
		- Compliance Order	UDM
		- Cease and Desist Order with administrative fine	UDM
		- Civil Action	CM, A
		- Terminate Service	UDM
		- Suspend/Revoke Permit	UDM
		- Criminal Action	A

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Abbreviations for Personnel: UO = Utilities Operator, W = WWTP/Collections Supervisor, UDM = Utilities Division/Department Manager, CM = City Manager, A = City Attorney (Any Civil Action requires authorization from the City Council.)

CITY OF MORRO BAY
ENFORCEMENT RESPONSE GUIDE (cont)
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II. DISCHARGE LIMIT VIOLATIONS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT RESPONSES	PERSONNEL
	3. Harm to POTW or environment.	– Administrative fine	UDM
		– Automatic IU resampling	UO, W
		– Unannounced inspection	UO, W, UDM
		– Unannounced City sampling	UO, W, UDM
		– Consent Order	UDM
		– Show Cause Hearing	UDM
		– Compliance Order	UDM
		– Cease and Desist Order with administrative fine	UDM
		– Civil Action	CM, A
		– Terminate Service	CC, A, UDM,
		– Suspend/Revoke Permit	UDM
		– Criminal Action	A

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II. DISCHARGE LIMIT VIOLATIONS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT RESPONSES	PERSONNEL
	4. Harm to advanced treatment facility process	<ul style="list-style-type: none"> - Administrative fine - Automatic IU resampling - Unannounced inspection - Unannounced City sampling - Consent Order - Show Cause Hearing - Compliance Order - Cease and Desist Order with administrative fine - Civil Action - Terminate Service - Suspend/Revoke Permit - Criminal Action 	<ul style="list-style-type: none"> UDM UO, W UO, W, UDM UO, W, UDM UDM UDM UDM UDM CM, A UDM UDM A

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II. DISCHARGE LIMIT VIOLATIONS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT RESPONSES	PERSONNEL
	5. Disrupts delivery of finished water to the water supply	<ul style="list-style-type: none"> - Administrative fine - Automatic IU resampling - Unannounced inspection - Unannounced City sampling - Consent Order - Show Cause Hearing - Compliance Order - Cease and Desist Order with administrative fine - Civil Action - Terminate Service - Suspend/Revoke Permit - Criminal Action 	<ul style="list-style-type: none"> UDM UO, W UO, W, UDM UO, W, UDM UDM UDM UDM UDM CM, A UDM UDM A

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II. DISCHARGE LIMIT VIOLATIONS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT RESPONSES	PERSONNEL
	6. Exceedance of Drinking Water Standards	– Administrative fine	UDM
		– Automatic IU resampling	UO, W
		– Unannounced inspection	UO, W, UDM
		– Unannounced City sampling	UO, W, UDM
		– Review Meeting	UO, W, UDM
		– Consent Order	UDM
		– Show Cause Hearing	UDM
		– Compliance Order	UDM
		– Cease and Desist Order with administrative fine	UDM
		– Civil Action	CM, A
		– Terminate Service	UDM
		– Suspend/Revoke Permit	UDM
		– Criminal Action	A

III. MONITORING AND REPORTING VIOLATIONS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT RESPONSES	PERSONNEL
A. Reporting Violation	1. Report is improperly signed or certified.	– Informal Notice; NOV	UO, W

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III. MONITORING AND REPORTING VIOLATIONS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT RESPONSES	PERSONNEL
	2. Report is improperly signed or certified after notice by City.	<ul style="list-style-type: none"> - Compliance Order w/wo administrative fine - Show Cause Hearing - Cease and Desist Order 	<ul style="list-style-type: none"> UDM UDM UDM
	3. Late reporting, not significant, (e.g. 5 days late)	<ul style="list-style-type: none"> - Informal Notice 	<ul style="list-style-type: none"> UO, W
	4. Any single report 30 days or more late	<ul style="list-style-type: none"> - Review meeting - Consent Order with administrative fine - Compliance Order with administrative fine 	<ul style="list-style-type: none"> UO, W, UDM UDM UDM
	5. Reports are always late or no report at all.	<ul style="list-style-type: none"> - NOV with administrative fine - Cease and Desist with administrative fine - Civil Action 	<ul style="list-style-type: none"> UDM UDM CM, A
	6. Failure to report spill or changed discharge; IU unaware of requirement.	<ul style="list-style-type: none"> - Informal Notice; NOV w/wo administrative fine 	<ul style="list-style-type: none"> UO, W
	7. Failure to report spill or changed discharge; IU aware of requirement	<ul style="list-style-type: none"> - Compliance Order with administrative fine - Cease and Desist - Civil Action 	<ul style="list-style-type: none"> UDM UDM CM, A

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III. MONITORING AND REPORTING VIOLATIONS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT RESPONSES	PERSONNEL
	8. Repeated failure to report spills	<ul style="list-style-type: none"> - Administrative fine - Show Cause Hearing - Cease and Desist Order with administrative fine - Civil Action - Terminate Service - Suspend/Revoke Permit 	<ul style="list-style-type: none"> UDM UDM UDM CM, A UDM UDM
	9. Falsification.	<ul style="list-style-type: none"> - Administrative fine - Civil Action - Criminal Action - Terminate Service - Suspend/Revoke Permit 	<ul style="list-style-type: none"> UDM CM, A A UDM UDM
	10. Missing or incomplete information.	<ul style="list-style-type: none"> - Informal Notice; NOV 	<ul style="list-style-type: none"> UO, W
	11. Failure to correct report with missing or incomplete information	<ul style="list-style-type: none"> - Administrative fine - Show Cause Hearing - Compliance Order - Cease and Desist Order - Civil Action 	<ul style="list-style-type: none"> UDM UDM UDM UDM CM, A

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III. MONITORING AND REPORTING VIOLATIONS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT RESPONSES	PERSONNEL
B. Failure to Monitor Correctly	1. Failure to monitor all pollutants as required by permit	- NOV w/wo administrative fine	UO, W
		- Review Meeting	UO, W, UDM
		- Consent Order with fine	UDM
		- Compliance Order with fine	UDM
		- Cease and Desist Order	UDM
C. Improper Sampling	1. Evidence of Intent	- Civil Action	CM, A
		- Criminal Action	A
		- Terminate Service	UDM
		- Suspend/Revoke Permit	UDM
		D. Failure to install monitoring equipment	1. Delay of less than 30 days.
- Compliance Order with administrative fine for each additional day.	UDM, CM		
2. Delay of 30 days or more.	- Civil Action		CM, A
	- Criminal Action		A
	- Terminate Service		UDM
	- Civil Action		CM, A

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III. MONITORING AND REPORTING VIOLATIONS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT RESPONSES	PERSONNEL
E. Compliance Schedules (in permit)	1. Missed milestone by less than 30 days, or will not affect final milestone.	- NOV	UO, W
	2. Missed milestone by more than 30 days, or will affect final milestones (good cause for delay)	- Review meeting; Consent Order or Compliance Order with administrative fine for each additional day	W, UDM, CM
	3. Missed milestone by more than 30 days, or will affect final milestone (no good cause for delay).	- Show Cause Hearing	UDM
		- Cease and Desist Order	UDM
- Civil Action		CM, A	
4. Recurring violation or violation of schedule.	- Terminate Service	UDM	
	- Civil Action	CM, A	
	- Criminal Action	A	
		- Terminate Service	UDM

IV. OTHER PERMIT VIOLATIONS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT OF RESPONSES	PERSONNEL
A. Wastestreams are diluted in lieu of treatment	1. Initial violation.	- Review Meeting; Consent Order or Compliance Order with administrative fine	W, UDM

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IV. OTHER PERMIT VIOLATIONS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT OF RESPONSES	PERSONNEL
	2. Recurring	<ul style="list-style-type: none"> - Show Cause Hearing - Cease and Desist Order - Civil Action - Terminate Service - Suspend/Revoke Permit 	<ul style="list-style-type: none"> UDM UDM CM, A UDM UDM
B. Failure to mitigate noncompliance or halt production.	1. Does not result in harm to POTW, environment, advanced treatment facility, finished water, or water supply.	<ul style="list-style-type: none"> - NOV 	<ul style="list-style-type: none"> W
	2. Results in harm to POTW, environment, advanced treatment facility, finished water, or water supply	<ul style="list-style-type: none"> - Compliance Order with administrative fine - Cease and Desist Order - Civil Action - Terminate Service - Suspend/Revoke Permit 	<ul style="list-style-type: none"> UDM UDM CM, A UDM UDM
	3. Failure to comply with a requirement to cease discharge	<ul style="list-style-type: none"> - Civil Action - Criminal Action - Terminate Service - Suspend/Revoke Permit 	<ul style="list-style-type: none"> CM, A A UDM UDM

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Abbreviations for Personnel: UO = Utilities Operator, W = WWTP/Collections Supervisor, UDM = Utilities Division/Department Manager, CM = City Manager, A = City Attorney
(Any Civil Action requires authorization from the City Council.)

CITY OF MORRO BAY
ENFORCEMENT RESPONSE GUIDE (cont)
 (responses are not mutually exclusive)

May 2020

IV. OTHER PERMIT VIOLATIONS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT OF RESPONSES	PERSONNEL
C. Failure to properly operate and maintain pretreatment facility.	1. Initial Violation.	– Review Meeting	W, UDM, CM
		– Consent Order with administrative fine	W, UDM
		– Compliance Order with administrative fine	UDM
D. Failure to properly operate and maintain oil, grease, or sand interceptor.	2. Recurring.	– Show Cause Hearing	UDM
		– Cease and Desist Order	UDM
		– Civil Action	CM, A
		– Criminal Action	A
		– Terminate Service	UDM
		– Suspend/Revoke Permit	UDM
	1. Failure to clean interceptor (initial violation).	– NOV	UO
	2. Failure to clean interceptor (recurring)	– NOV with administrative fine	UO, W, UDM
	3. Discharge indirectly causes sewer backup	– NOV	UO
	4. Discharge directly causes sewer backup	– NOV with administrative fine	UO, W, UDM

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Abbreviations for Personnel: UO = Utilities Operator, W = WWTP/Collections Supervisor, UDM = Utilities Division/Department Manager, CM = City Manager, A = City Attorney (Any Civil Action requires authorization from the City Council.)

**CITY OF MORRO BAY
ENFORCEMENT RESPONSE GUIDE (cont)**

(responses are not mutually exclusive)

May 2020

IV. OTHER PERMIT VIOLATIONS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT OF RESPONSES	PERSONNEL
	5. Discharge indirectly or directly causes sewer backup into the plumbing of another private property	<ul style="list-style-type: none"> - NOV with administrative fine - Review meeting - Cease and Desist Order - Suspend/Revoke permit 	<ul style="list-style-type: none"> UO, W, UDM UO, W, UDM UDM UDM
	6. Discharge causes more frequent sewer cleaning	<ul style="list-style-type: none"> - NOV with administrative fine - Review meeting - Cease and Desist Order - Suspend/Revoke permit 	<ul style="list-style-type: none"> UO, W, UDM UO, W, UDM UDM UDM
	7. Discharge causes Category 1 sewer system overflow (SSO) – Overflow reaches a surface water or MS4 discharge point and is not fully recovered.	<ul style="list-style-type: none"> - NOV with administrative fine - Review meeting - Cease and Desist Order - Suspend/Revoke permit 	<ul style="list-style-type: none"> UO, W, UDM UO, W, UDM UDM UDM
	8. Discharge causes Category 2 SSO – Overflow is greater than 1000 gallons but does not reach a surface water, drainage channel, or MS4	<ul style="list-style-type: none"> - NOV with administrative fine - Review meeting - Cease and Desist Order with administrative fine - Suspend/Revoke permit 	<ul style="list-style-type: none"> UO, W, UDM UO, W, UDM UDM UDM

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**Abbreviations for Personnel: UO = Utilities Operator, W = WWTP/Collections Supervisor, UDM = Utilities Division/Department Manager, CM = City Manager, A = City Attorney
(Any Civil Action requires authorization from the City Council.)**

CITY OF MORRO BAY
ENFORCEMENT RESPONSE GUIDE (cont)
 (responses are not mutually exclusive)

May 2020

IV. OTHER PERMIT VIOLATIONS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT OF RESPONSES	PERSONNEL
	9. Discharge causes Category 3 SSO – All other SSO discharges (does not reach surface water, etc.)	– NOV with administrative fine – Review meeting – Cease and Desist Order with administrative fine – Suspend/Revoke permit	UO, W, UDM UO, W, UDM UDM UDM

V. VIOLATIONS DETECTED DURING SITE VISITS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT OF RESPONSES	PERSONNEL
A. Entry Denial	1. Entry denied or consent withdrawn. Copies of records denied.	– Obtain warrant and return to IU	W, UDM
B. Failure to Provide Free Access	1. Initial Violation.	– Review Meeting; NOV	UO, W, UDM
	2. Recurring.	– Consent Order with administrative fine – Compliance Order with administrative fine	W, UDM UDM
C. Improper Sampling	1. Unintentional sampling at incorrect location.	– NOV	UO, W

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Abbreviations for Personnel: UO = Utilities Operator, W = WWTP/Collections Supervisor, UDM = Utilities Division/Department Manager, CM = City Manager, A = City Attorney
(Any Civil Action requires authorization from the City Council.)

CITY OF MORRO BAY
ENFORCEMENT RESPONSE GUIDE (cont)
 (responses are not mutually exclusive)

May 2020

V. VIOLATIONS DETECTED DURING SITE VISITS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT OF RESPONSES	PERSONNEL
	2. Intentional sampling at incorrect location.	– Compliance Order with administrative fine	UDM
		– Cease and Desist Order with administrative fine	UDM
		– Civil Action	CM, A
		– Criminal Action	A
		– Terminate Service	UDM
		– Suspend/Revoke Permit	UDM
	3. Unintentionally using incorrect sample type.	– NOV	UO, W
	4. Unintentionally using incorrect sample collection techniques	– NOV	UO, W
D. Inadequate Recordkeeping	1. Inspector finds files incomplete to missing (no evidence of intent)	– NOV	UO, W
	2. Recurring	– Compliance Order with administrative fine	UDM
E. Failure to report additional monitoring	1. Inspection finds additional files.	– Informal Notice; NOV	UO, W
		– Review Meeting	UO, W, UDM
	2. Recurring	– Compliance Order with administrative fine	UDM

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Abbreviations for Personnel: UO = Utilities Operator, W = WWTP/Collections Supervisor, UDM = Utilities Division/Department Manager, CM = City Manager, A = City Attorney (Any Civil Action requires authorization from the City Council.)

CITY OF MORRO BAY
ENFORCEMENT RESPONSE GUIDE (cont)
 (responses are not mutually exclusive)

May 2020

V. VIOLATIONS DETECTED DURING SITE VISITS

NONCOMPLIANCE	NATURE OF THE VIOLATION	RANGE OF ENFORCEMENT OF RESPONSES	PERSONNEL
F. Illegal Discharge	1. No harm to POTW, environment, advanced treatment facility, finished water, or water supply	- NOV	UO, W, UDM
		2. Harm to POTW, environment, advanced treatment facility, finished water, or water supply	UDM
		- Cease and Desist Order with administrative fine	CM, A
		- Civil Action	A
		- Criminal Action	UDM
		- Terminate Service	UDM
		- Suspend/Revoke Permit	
	3. Evidence of intent/negligence	- Cease and Desist Order with administrative fine	UDM
		- Civil Action	CM, A
		- Criminal Action	A
		- Terminate Service	UDM
		- Suspend/Revoke Permit	UDM
	4. Recurring	- Cease and Desist Order with administrative fine	UDM
		- Civil Action	CM, A
		- Criminal Action	A
		- Terminate Service	UDM
- Suspend/Revoke Permit		UDM	

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Abbreviations for Personnel: UO = Utilities Operator, W = WWTP/Collections Supervisor, UDM = Utilities Division/Department Manager, CM = City Manager, A = City Attorney (Any Civil Action requires authorization from the City Council.)

Appendix B

EXAMPLE FORMS

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CITY OF MORRO BAY

CITY HALL

595 Harbor Street
Morro Bay, CA 93442

[Date]

VIA CERTIFIED MAIL

[Contact_Person_Name]

[Facility_Name]

[Mailing_Address]

[City], [State] [Zip]

**RE: CLOSURE OF VIOLATION NOTIFICATION
WASTEWATER DISCHARGE PERMIT NO. _____**

We have received your response for the [Violation_Type] violation which occurred on [Violation_Date]. Based upon our review, your response dated [Response_Date] is complete and satisfactory.

The violation noted above is considered closed. Closure of this violation does not excuse prior violations nor prevent collection of penalties or damages at a later time.

If you have any questions regarding this matter, please call my office at 805-772-6200.

Very truly yours,

Utilities Division/Department Manager

cc:

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CITY OF MORRO BAY

CITY HALL
595 Harbor Street
Morro Bay, CA 93442

[Date]

VIA CERTIFIED MAIL

[Contact_Person_Name]
[Facility_Name]
[Mailing_Address]
[City], [State] [Zip]

**RE: FAILURE TO RESPOND
WASTEWATER DISCHARGE PERMIT NO. _____**

Our records indicate that your facility has failed to respond in writing or to provide written documentation of the following requirements:

DATE(S) RESPONSE
WAS DUE:

- 1. Wastewater Discharge Permit Condition Number: _____
- 2. Notice of Violation, Dated: _____
- 3. Compliance Schedule Progress Report: _____
- 4. Letter Dated: _____
- 5. Administrative Order Dated: _____
- 6. Morro Bay Municipal Code Section Number: _____
- 7. Code of Federal Regulations: _____

Description: _____

Please submit the requested information by [RequestBy_Date] to: City of Morro Bay, 595 Harbor Street, Morro Bay, CA 93442.

Warning: Continued failure to respond will lead to progressive enforcement actions.

If you have any questions regarding this matter, please call my office at 805-772-6200.

Very truly yours,

Utilities Division/Department Manager

cc:

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CITY OF MORRO BAY

CITY HALL
595 Harbor Street
Morro Bay, CA 93442

[Date]

VIA CERTIFIED MAIL

[Contact_Person_Name]
[Facility_Name]
[Mailing_Address]
[City], [State] [Zip]

**RE: NOTICE OF VIOLATION
WASTEWATER DISCHARGE PERMIT NO. _____**

LEGAL AUTHORITY

The following findings are made and Notice issued pursuant to the authority vested in the Utilities Division/Department Manager of the City of Morro Bay (City), under Section 13.12.1015 of the Morro Bay Municipal Code. This notice is based on findings of violation of conditions of Chapter 13.12 of the Morro Bay Municipal Code and/or the industrial wastewater discharge permit issued to the facility.

FINDINGS

On [Violation_Found_Date], [Facility_Name] has been found in violation of:

- Industrial Wastewater Discharge Permit Condition: _____
- Morro Bay Municipal Code Section: _____
- Code of Federal Regulations: _____
- _____
- _____
- _____

NOTICE

[Facility_Name] is required to submit the following items to the City for approval:

- A report explaining the circumstances surrounding this violation and corrective actions taken to prevent recurrence.
- A report of the corrective actions taken to resolve this violation.
- Materials required and not previously submitted whose nature is stated in this notice of violation.
- A compliance schedule of corrective actions to be taken.

This Notice shall be effective upon receipt by [Facility_Name]. The requirements in this Notice must be submitted to the City within 10 days of the receipt of this Notice.

Compliance with the requirements of this Notice does not excuse prior violations nor prevent collection of penalties or damages at a later time.

If you have any questions regarding this matter, please call my office at 805-772-6200.

Very truly yours,

Utilities Division/Department Manager

cc:



CITY OF MORRO BAY

CITY HALL
595 Harbor Street
Morro Bay, CA 93442

[Date]

VIA CERTIFIED MAIL

[Contact_Person_Name]
[Facility_Name]
[Mailing_Address]
[City], [State] [Zip]

**RE: CEASE AND DESIST ORDER
WASTEWATER DISCHARGE PERMIT NO. _____**

The following findings are made and order issued pursuant to the authority vested in the Utilities Division/Department Manager of the City of Morro Bay (City), under Section 13.12.1035 of the Morro Bay Municipal Code. This order is based on findings of violation of conditions of Chapter 13.12 of the Morro Bay Municipal Code and/or the industrial wastewater discharge permit issued to the facility.

1. [Facility_Name] discharges nondomestic wastewater containing pollutants into the sanitary sewer system of the City of Morro Bay.
2. [Facility_Name] was issued a wastewater discharge permit on [Permit_Issue_Date] which contains prohibitions, restrictions, and other limitations on the quality of the wastewater it discharges to the sanitary sewer.

 [Facility_Name] is subject to the requirements of Chapter 13.12 of the Morro Bay Municipal Code but is operating without a discharge permit. *[If selected, delete line containing "Wastewater Discharge Permit No. ___ from subject line]*
3. Pursuant to the ordinance and the above-referenced permit, data are routinely collected or submitted on the compliance status of [Facility_Name].
4. [Facility_Name] has violated the Morro Bay Municipal Code Section No. [_____] in the following manner:

THEREFORE, BASED ON THE ABOVE FINDINGS, [Facility_Name] IS HEREBY ORDERED TO:

1. Within 24 hours of receiving this order, cease all nondomestic discharges into the City sewer. Such discharges shall not recommence until such time as [Facility_Name] is able to demonstrate that it will comply with its current permit limits. Any facility without a discharge permit must comply with Chapter 13.12 of the Morro Bay Municipal Code.

2. Failure to comply with this order may subject [Facility_Name] to having its connection to the City sewer sealed by the City and assessed the costs therefore.
3. Failure to comply with this order shall also constitute a further violation of Morro Bay Municipal Code Section No. [____], and may subject [Facility_Name] to penalties or such other enforcement response as may be appropriate.
4. This order, entered this [____] day of [Month], [Year], shall be effective upon receipt by [Facility_Name].

If you have any questions regarding this matter, please call my office at 805-772-6200.

Very truly yours,

Utilities Division/Department Manager

cc:



CITY OF MORRO BAY

CITY HALL
595 Harbor Street
Morro Bay, CA 93442

[Date]

VIA CERTIFIED MAIL

[Contact_Person_Name]
[Facility_Name]
[Mailing_Address]
[City], [State] [Zip]

**RE: SHOW CAUSE ORDER
WASTEWATER DISCHARGE PERMIT NO. _____**

LEGAL AUTHORITY

The following findings are made and order issued pursuant to the authority vested in the City of Morro Bay, under Chapter 13.12 of the Morro Bay Municipal Code (MBMC). This order is based on findings of violation of the conditions of the wastewater discharge permit issued under Section 13.12.[_____] *[Specify section which relates to the specific type of permit issued]* of the MBMC.

FINDINGS

1. [Facility_Name] discharges non-domestic wastewater containing pollutants into the public sewer system of the City of Morro Bay (hereafter, "City").
2. [Facility_Name] was issued a wastewater discharge permit on [Permit_Issue_Date] which contains prohibitions, restrictions, and other limitations on the quality of the wastewater it discharges to the public sewer.
3. Pursuant to the MBMC and the above-referenced permit, data are routinely collected or submitted on the compliance status of [Facility_Name].
4. That data show one or more violations of the MBMC and above-referenced permit have occurred at [Facility_Name] in the following manner:
 - a. Permit limits for [Parameter(s)] in each sample collected between [Sample_Date_Start], and [Sample_Date_End] have been exceeded for a total of [_____] separate violations of the permit.
 - b. A periodic compliance report due [Report_Due_Date] for [Facility Name] has not been submitted.

ORDER

THEREFORE, BASED ON THE ABOVE FINDINGS, THE OWNER AND OPERATOR OF [Facility_Name] IS/ARE HEREBY ORDERED TO:

1. Appear at a meeting with the Utilities Division/Department Manager and/or City Manager to be held on [Meeting_Date] at [Meeting_Time] at City Hall in [_____][Specify meeting room].
2. At this meeting, the Owner and Operator pf [Facility_Name] must demonstrate why the City should not pursue any and all available remedies against the Owner and Operator of [Facility_Name] to enforce the referenced permit and MBMC.
3. This meeting will be closed to the public.
4. The Owner and Operator of [Facility_Name] may be accompanied by legal counsel if they so choose.
5. Failure to comply with this order shall constitute a further violation of the MBMC and may subject the Owner and Operator of [Facility_Name] to enforcement responses the City deems appropriate.
6. This order, entered this [____] day of [Month], [Year], shall be effective upon receipt by [Facility_Name].

Signed: _____ Date: _____
Utilities Division/Department Manager



CITY OF MORRO BAY

CITY HALL
595 Harbor Street
Morro Bay, CA 93442

[Date]

VIA CERTIFIED MAIL

[Contact_Person_Name]

[Facility_Name]

[Mailing_Address]

[City], [State] [Zip]

**RE: COMPLIANCE ORDER
WASTEWATER DISCHARGE PERMIT NO. _____**

LEGAL AUTHORITY

The following findings are made and order issued pursuant to the authority vested in the City of Morro Bay, under Chapter 13.12 of the Morro Bay Municipal Code. This order is based on findings of violation of the conditions of the wastewater discharge permit issued under Section 13.12. [____] *[Specify section which relates to the specific type of permit issued]* of the Morro Bay Municipal Code.

FINDINGS

1. [Facility_Name] discharges non-domestic wastewater containing pollutants into the public sewer system of the City of Morro Bay (hereafter, "City").
2. [Facility_Name] was issued a wastewater discharge permit on [Permit_Issue_Date] which contains prohibitions, restrictions, and other limitations on the quality of the wastewater it discharges to the public sewer.
3. Pursuant to the Morro Bay Municipal Code and the above-referenced permit, data are routinely collected or submitted on the compliance status of [Facility_Name].
4. These data show that [Facility_Name] has violated its wastewater discharge permit in the following manner:
 - a. [Facility_Name] has violated its permit limits for [Parameter(s)] in each sample collected between [Sample_Date_Start], and [Sample_Date_End] for a total of [____] separate violations of the permit.
 - b. [Facility_Name] has failed to submit a periodic compliance report due [Report_Due_Date].

ORDER

THEREFORE, BASED ON THE ABOVE FINDINGS, (Industry) IS HEREBY ORDERED TO:

1. Within [____] days, install pretreatment technology which will adequately treat [Facility_Name]'s wastewater to a level which will comply with its wastewater discharge permit.

2. Within [____] days, submit all periodic compliance reports due since [Report_Due_Date].
3. Within [____] days, pay to the City of Morro Bay, a fine of [Fine_Amount] for the above-described violations in accordance with Section 13.12.1040 of the Morro Bay Municipal Code.
4. Report, on a monthly basis, the wastewater quality and corresponding flow and production information as described on page [____] of the wastewater discharge permit for a period of one year from the effective date of this order.
5. All reports and notices required by this order shall be sent, in writing, to the following address:
Utilities Division/Department Manager
City of Morro Bay, Department of Public Works
595 Harbor Street, Morro Bay, CA 93442
6. This order does not constitute a waiver of the wastewater discharge permit which remains in full force and effect. The City of Morro Bay reserves the right to seek any and all remedies available to it under Chapter 13.12 of the Morro Bay Municipal Code for any violation cited by this order.
7. Failure to comply with the requirements of this order shall constitute a further violation of the Morro Bay Municipal Code and subject [Facility_Name] to civil or criminal penalties or such other appropriate response as may be appropriate.
8. This order, entered this [____] day of [Month], [Year], shall be effective upon receipt by [Facility_Name].

Signed: _____ Date: _____
Utilities Division/Department Manager



CITY OF MORRO BAY

CITY HALL
595 Harbor Street
Morro Bay, CA 93442

[Date]

VIA CERTIFIED MAIL

[Contact_Person_Name]
[Facility_Name]
[Mailing_Address]
[City], [State] [Zip]

**EMERGENCY SUSPENSION OF WASTEWATER DISCHARGE NOTICE
WASTEWATER DISCHARGE PERMIT NO. _____**

Date of Notice: _____

Business or Individual: _____

Address: _____

Person Contacted/Title: _____

Morro Bay Municipal Code Section Violation: _____

Results of Analysis: _____

Due to the serious nature of your violation, the City of Morro Bay (City) is ordering you to immediately stop the discharge of the effluent (in violation), and to eliminate any further industrial discharging by 5:00 pm on [Stop_Date].

In the event of your failure to voluntarily comply with this suspension order, the City shall take such steps as deemed necessary including, but not limited to, immediate severance of your connection, to prevent or minimize damage to our POTW system or endangerment to any individuals.

This action is made pursuant to the authority vested in the Utilities Division/Department Manager under Section 13.12.1045 of the Morro Bay Municipal Code.

Utilities Division/Department Manager

cc:

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CITY OF MORRO BAY

CITY HALL
595 Harbor Street
Morro Bay, CA 93442

[Date]

VIA CERTIFIED MAIL

[Contact_Person_Name]
[Facility_Name]
[Mailing_Address]
[City], [State] [Zip]

TERMINATION OF DISCHARGE NOTICE WASTEWATER DISCHARGE PERMIT NO. _____

LEGAL AUTHORITY

The following findings are made and Notice issued pursuant to the authority vested in the Utilities Division/Department Manager of the City of Morro Bay, under Section 13.12.1050 of the Morro Bay Municipal Code. This notice is based on findings of violation of conditions of Chapter 13.12 of the Morro Bay Municipal Code and/or the industrial wastewater discharge permit issued to the facility.

FINDINGS

The following findings are made and order issued pursuant to the authority vested in the Utilities Division/Department Manager of the City of Morro Bay, under Section 13.12.1035 of the Morro Bay Municipal Code. This order is based on findings of violation of conditions of Chapter 13.12 of the Morro Bay Municipal Code and/or the industrial wastewater discharge permit issued to the facility.

1. [Facility_Name] discharges nondomestic wastewater containing pollutants into the sanitary sewer system of the City of Morro Bay.
2. [Facility_Name] was issued a wastewater discharge permit on [Permit_Issue_Date] which contains prohibitions, restrictions, and other limitations on the quality of the wastewater it discharges to the sanitary sewer.

 [Facility_Name] is subject to the requirements of Chapter 13.12 of the Morro Bay Municipal Code but is operating without a discharge permit. *[If selected, delete line containing "Wastewater Discharge Permit No. ___ from subject line]*
3. [Facility_Name] has violated the Morro Bay Municipal Code Section No. [_____] in the following manner:

NOTICE

THEREFORE, BASED ON THE ABOVE FINDINGS:

1. The City of Morro Bay will terminate sewer service for [Facility_Name] at [Termination_Time] on [Termination_Date]. Sewer service will be terminated using the following method:
 - Plug line
 - Sever Connection
 - Other: _____

2. A hearing is scheduled for [Hearing_Time] on [Hearing_Date] at [Hearing_Location] to:
 - a. Give you the opportunity to show cause under Section 13.12.1025 of the Morro Bay Municipal Code why the proposed action should not be taken. Exercise of this option by the Utilities Division/Department Manager shall not be a bar to, or a prerequisite for, taking any other action against you.
 - b. Determine whether service may be restored. If service is restored, you will be subject to all charges involving reconnect fees and deposit requirements in order to restore service.

This Notice shall be effective upon receipt by [Facility_Name].

Utilities Division/Department Manager

cc:



CITY OF MORRO BAY

CITY HALL

595 Harbor Street
Morro Bay, CA 93442

[Date]

VIA CERTIFIED MAIL

[Contact_Person_Name]

[Facility_Name]

[Mailing_Address]

[City], [State] [Zip]

**RE: CONSENT ORDER
WASTEWATER DISCHARGE PERMIT NO. _____**

Whereas, The City of Morro Bay (City) pursuant to the powers, duties, and responsibilities vested in and imposed upon the Utilities Division/Department Manager by provisions of the Morro Bay Municipal Code, have conducted ongoing investigations of [Facility_Name] and have determined that:

1. The City owns and operates a wastewater treatment plant which is adversely impacted by discharges from industrial users, including [Facility_Name], and has implemented a pretreatment program to control such discharges.
2. [Facility_Name] has consistently violated the pollutant limits in its wastewater discharge permit as forth in Exhibit 1, attached hereto.
3. Therefore, to ensure the [Facility_Name] is brought into compliance with its permit limits at the earliest possible date, IT IS HEREBY AGREED AND ORDERED, BETWEEN [Facility_Name] AND THE CITY OF MORRO BAY, THAT [Facility_Name] SHALL:
 - a. By [LicensedPE_Date], obtain the services of a licensed professional engineer specializing in wastewater treatment for the purpose of designing a pretreatment system which will bring [Facility_Name] into compliance with its wastewater discharge permit.
 - b. By [SubmitPlans_Date] submit plans and specifications for the proposed pretreatment system to the City for review.
 - c. By [Compliance_Date] achieve compliance with the limits set forth in Exhibit 1.
 - d. [Facility_Name] shall pay [Fine_Amount] per day for each and every day it fails to comply with the schedule set out in items a-d above. The [Fine_Amount] per day shall be paid to the City of Morro Bay through the Utilities Division/Department Manager within 5 days of being demanded by the City.
4. In the event [Facility_Name] fails to comply with any of the deadlines set forth, [Facility_Name] shall, within one (1) working day after expiration of the deadline, notify the City in writing. This notice shall describe the reasons for [Facility_Name]'s failure to comply, the additional amount of time needed to complete the remaining work, and the steps to be taken to avoid future delays. This notification in no way excuses [Facility_Name] from its responsibility to meet any later milestones required by this Consent Order.

