

AGENDA ITEM: A- 1

DATE: December 5, 2012

ACTION: APPROVED

SYNOPSIS MINUTES - MORRO BAY PLANNING COMMISSION  
REGULAR MEETING – NOVEMBER 7, 2012  
VETERANS MEMORIAL HALL – 6:00 P.M.

Chairperson Grantham called the meeting to order at 6:00 p.m.

PRESENT:	Rick Grantham	Chairperson
	John Solu	Vice-Chairperson
	Paul Nagy	Commissioner
	Jessica Napier	Commissioner
	John Fennacy	Commissioner
STAFF:	Rob Livick	Public Services Director
	Kathleen Wold	Planning Manager
	Cindy Jacinth	Assistant Planner

ESTABLISH QUORUM AND CALL TO ORDER  
MOMENT OF SILENCE / PLEDGE OF ALLEGIANCE  
PLANNING COMMISSIONER ANNOUNCEMENTS

PUBLIC COMMENT

Chairperson Grantham opened Public Comment period and hearing none closed public comment period.

PRESENTATIONS – None.

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

A. CONSENT CALENDAR

A-1 Approval of minutes from Planning Commission meeting of October 17, 2012  
**Staff Recommendation:** Approve minutes as submitted.

MOTION: Commissioner Napier moved to approve the Consent Calendar. Commissioner Solu seconded and the motion passed unanimously. (5-0).

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B. PUBLIC HEARINGS

B-1 **Case No.:** #SP0-153

**Site Location:** 780 Quintana

**Proposal:** The applicant is seeking approval for a Sign Exception Permit to allow 159.35 square footage of signage for McDonald's of which approximately 30 square feet will be new signage.

**CEQA Determination:** Categorically Exempt 15301, Class 1

**Staff Recommendation:** Conditionally approve sign exception permit #SP0-153

**Staff Contact:** Cindy Jacinth, Assistant Planner, (805) 772-6577

Jacinth presented the staff report.

Chairperson Grantham opened Public Comment period.

Steve Iadipaolo, Applicant's representative, stated he is available to answer questions.

Chairperson Grantham asked for clarification regarding McDonald's new operating hours. Iadipaolo clarified the drive-through would likely be open 24 hours.

Commissioner Nagy stated concern that the proposed project exceeds the allowable amount of signage, and this may be unfair to other Morro Bay businesses. Chairperson Grantham noted the current sign policy is in a state of flux and thus difficult to interpret and enforce.

Chairperson Grantham stated it is important for the public to know the new hours of the business, especially because it will be the only restaurant in town to be open 24 hours. He stated support for the argument that the new signage will increase activity in the shopping center as a whole, which would in turn support the other businesses. Grantham stated he was in favor of approval of the project.

Commissioner Napier stated she is concerned the new sign may not be in conformance with the sign ordinance when updated, which would create issues for both McDonald's and the City. She stated the new sign would probably not increase traffic because the existing signage is sufficient to inform people of the restaurant's location. Napier stated she is not in favor of approval of the project.

Commissioner Fennacy stated increased signage is necessary to inform the public the restaurant will be open 24 hours since it will attract travelers along Highway 1. He stated it may not be in conformance with the City's sign ordinance, but because the current ordinance is difficult to interpret and enforce, he stated he is in support of the project.

Commissioner Solu discussed the visibility of the building from Highway 1 as well as some of the design standards set forth by the franchisor, McDonald's. He stated McDonald's is one of the top five producers of sales tax for the City of Morro Bay. He noted the potential issues of nonconformance that could arise if the City were to approve the project before the sign ordinance is updated.

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Wold stated McDonald's current sign program is nonconforming; the Sign Ordinance allows for a Sign Exception process in these instances. She noted Taco Bell is also over the base limit of allowable signage. In order to ensure equitable treatment of businesses in the community, Wold offered to provide Commissioners with information regarding what other franchises have been afforded in the past in terms of signage. Wold stated McDonald's must adhere to the policies of both the shopping center and the City for frontage signage.

Livick provided an example illustrating how the Planning Commission granted a sign exception for Fitness Works which is also in a shopping center.

Commissioner Solu clarified the approval of the Taco Bell signs was not necessarily the right decision. He also stated the Fitness Works project and the proposed project are two very different projects that should not be compared. Solu stated the Applicant should work within the requirements of the Sign Ordinance.

Commissioner Nagy asked for clarification regarding the lineal footage of the building and the allowable sign area based on the square footage of the building. Jacinth confirmed the lineal square footage of the building is 68.75 square feet and clarified the sign ordinance calculates sign allowances based on the building length, not the property line.

**MOTION:** Chairperson Grantham moved to approve the Sign Exception Permit #SP0-153.

Commissioner Fennacy seconded the motion for discussion and the motion failed with Commissioners Napier, Nagy, and Solu voting no. (2-3).

Wold stated with the denial, findings for denial were required. Wold stated Item B of the Sign Exception Findings on page 5 of the staff report should be amended to read "the signs *are* excessive or poorly designed" and they "over-illuminate the area."

Commissioner Solu stated he does not think it is poorly designed, but it is excessive.

**MOTION:** Commissioner Nagy moved to deny the Sign Exception Permit #SP0-153, given the following findings:

- A. The current sign ordinance is in flux
- B. The proposed signs are excessive and do not meet the current standards

Commissioner Solu seconded the motion for discussion and the motion passed with Chairperson Grantham and Commissioner Fennacy voting no. (3-2).

B-2 **Case No.:** #UP0-342

**Site Location:** 901-915 Embarcadero

**Proposal:** The applicant is requesting a Conditional Use Permit to modify an existing commercial facility, which includes a proposal to increase the land lease and water leases and add the following improvements: 1) construct a new retail unit; 2) remodel and enlarge two existing restrooms 3) convert the existing glass court enclosed outdoor dining area to general public seating; 4) enlarge the existing harbor walkway and add a view

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deck; 5) install six floating docks and a gangway; 6) remove an existing aggregate sidewalk and replace with a concrete sidewalk to connect to an existing sidewalk; 7) modify existing parking spaces; and 8) construct two new posts to support an extension of the existing awning across the front of the building.

**CEQA Determination:** Mitigated Negative Declaration, State Clearinghouse #2012091063

**Staff Recommendation:** Conditionally approve Conditional Use Permit #UP0-342 and adopt Mitigated Negative Declaration

**Staff Contact:** Mary Reents, Contract Planner, (805) 772-6270

Wold presented the staff report.

Chairperson Grantham clarified the restrooms will be designated public restrooms. He stated concern about the maintenance of the restrooms, and wanted to ensure the City designates responsibility for the upkeep of the facility due to the potentially high use of the facility.

Commissioner Nagy asked for clarification regarding the allowable uses of the dock. Wold explained the parking code for vessels and stated the dock is approved for general boat docking, and not for commercial uses.

Wold stated Aesthetic Conditions A-F satisfactorily mitigate illumination, glare, or over-illumination of the site. She stated she would like Condition G to be eliminated, primarily because it unnecessarily restricts the type of signage on the site.

Commissioner Solu stated he received a letter from a concerned citizen regarding the proposed project.

Chairperson Grantham opened Public Comment period.

Cathy Novak, Applicant's representative, stated the building is not old enough to warrant complete demolition or major remodeling, hence the applicant has proposed a project to incorporate as many new amenities to the existing site as possible. The proposed plan is a concept plan; specific details will be presented to the Commission at a later time. Novak described the proposed additions and remodels associated with the project, and stated the project has been designed to enhance and support the visitor-serving uses along the waterfront and will generate additional revenues for the City.

Novak responded to questions from the general public regarding the following issues:

- Educational panels or signs explaining the "natural wonders" of the bay – Novak stated the City and Coastal Commission require new projects on the waterfront to post educational signs along the harbor walk areas. The Applicant will work with the Coastal Commission to determine appropriate locations and content of the signs, and will then bring the proposals to the Planning Commission for review.
- Proposed posts supporting the awnings and whether they will obstruct the walkway – Novak clarified there would not be any interference with the pedestrians.

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- Development extending into the channel itself – Novak stated the lease line will not go to the navigation channel, and since the docks are inside the new lease line, there will not be any interfere into the navigation channel.
- Mitigation for the fiberglass walkway does not address the shading of eel grass for the docks and boats in the surrounding area – Novak stated an eel grass study has been performed, and more studies will be performed during the different stages of construction and post-construction. She stated there is an ongoing mitigation program which will be enforced throughout the process.
- Novak explained the pile driving process and stated there will be an otter watcher which is a regular condition.
- Parking – Novak stated the City directed the Applicant to restripe Harbor Street to include compact spaces. She stated there are extra parking credits on the site because of the general public seating designation and because of the historical dock credits. The parking credits cannot be sold or transferred, and must remain with the land.

Novak clarified the approval process for the proposed project.

Novak addressed Chairperson Grantham's question regarding janitorial services on site, stating the services will continue after the remodel is completed. She stated the tables and chairs in the general seating area will be redone as part of the remodel project.

Chairperson Grantham closed Public Comment period.

Commissioner Fennacy stated he is in support of the project because it will enhance the area. He stated he has no concerns with the post and awning issues which were discussed by Novak.

Commissioner Solu further clarified the parking issue and explained how the parking credits were generated in the past. He expressed concern about the posts reducing the amount of walkable space, and suggested the applicant consider alternative designs.

Chairperson Grantham stated he is in support of the project, citing the new sidewalks and retail stores, remodeled restrooms, and new floating docks will enhance the area. He stated there is sufficient City benefit for the lease request.

Commissioner Nagy stated he is in support of the project. He expressed concern the posts would be a safety issue and suggested the applicant cantilever the awning instead of installing the posts.

Commissioner Napier stated she is in support of creating a cantilever.

Chairperson Grantham reopened Public Comment period.

Mark Allen, Applicant's project designer, stated his rationale for including the four posts in the design. He stated the posts support the canopy and incorporate the porch elements; the posts are consistent with the current theme of the building.

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Smith Held, Applicant, stated the posts are not structural, but are intended be aesthetically pleasing.

Chairperson Grantham closed Public Comment period.

Commissioners Nagy, Solu, Napier, and Fennacy expressed support for the project.

**MOTION:** Chairperson Grantham moved to adopt the Mitigated Negative Declaration, including the monitoring program in Exhibit “D,” with the elimination of Aesthetic Condition G, adopt the findings included as Exhibit “A” and approve the Conditional Use Permit #UP0-342, subject to the Conditions included as Exhibit “B.”

The motion was seconded by Commissioner Fennacy and the motion passed unanimously. (5-0).

B-3 **Case No.:** #CP0-363

**Site Location:** 460 Olive Street

**Proposal:** The applicant is seeking Coastal Development Permit approval to demolish an existing single family residence and detached garage and construct a single family home and secondary unit.

**Staff Contact:** Cindy Jacinth, Assistant Planner, (805) 772-6577

Chairperson Grantham stated this item has been pulled from the agenda and is being processed as an Administrative Coastal Development permit.

UNFINISHED BUSINESS

C-1 Current and Advanced Planning Processing List

**Staff Recommendation:** Receive and file.

Wold stated 1215 Embarcadero will not be ready for the next Planning Commission meeting. Instead, 2760 Alder will be added to the next meeting’s agenda.

Chairperson Grantham asked for clarification on the Chevron project and the purpose of removing the pipes. Wold stated the pipes are old and the site needs to be remediated. Livick further clarified the property owner must to clean up the site in order to market the property.

NEW BUSINESS – None

DECLARATION OF FUTURE AGENDA ITEMS - None

ADJOURNMENT

The meeting adjourned at 7:15 pm to the next regularly scheduled Planning Commission meeting at the Veteran’s Hall, 209 Surf Street, on Wednesday, December 5, 2012 at 6:00 pm.

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Rick Grantham, Chairperson

ATTEST:

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Rob Livick, Secretary