

APPENDIX B

PART I	City of Morro Bay Work Program	B-1
PART II	Chapter 3 of the Coastal Act of 1976	B-11

STATE OF CALIFORNIA

EDMUND G. BROWN JR. Governor

California Coastal Commission
SOUTH CENTRAL COAST REGIONAL COMMISSION
4 COAST VILLAGE CIRCLE, SUITE 36
SANTA BARBARA, CALIFORNIA 93108
(805) 969-5823



September 12, 1978

TO: INTERESTED PARTIES
FROM: CARL C. HETRICK, EXECUTIVE DIRECTOR *CH*
RE: CITY OF MORRO BAY ISSUE IDENTIFICATION AND PHASE II
WORK PROGRAM FOR THE LOCAL COASTAL PROGRAM

Attached is a copy of the preliminary joint staff analysis and recommendation prepared by the Regional and State staff for the City of Morro Bay Issue Identification and Phase II Work Program. A public hearing before the South Central Coast Regional Commission will be held on September 22, 1978 beginning at 9:00 a.m. in the San Luis Obispo County Board of Supervisors Hearing Room, 1035 Palm Street, San Luis Obispo, California. A second public hearing, with possible action on the documents, is tentatively scheduled before the South Central Coast Regional Commission for October 13, 1978.

Any person interested in this matter may attend the public hearings and present testimony or may submit letters to the South Central Coast Regional Commission on or before the hearing date at the Regional Commission office. For further information contact Mark Capelli in the Regional Commission office.

CCH/MC/cm

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CITY OF MORRO BAY

CITY OF MORRO BAY LOCAL COASTAL PROGRAM
ISSUE IDENTIFICATION AND PHASE II WORK PROGRAM

Introduction

The City of Morro Bay is seeking Regional Coastal Commission approval for its Issue Identification document and the Phase II Work Program for the preparation of the Land Use Phase of the Local Coastal Program. Additionally the City of Morro Bay is requesting approval of a grant application for \$39,984.25 to complete Phase II of the Local Coastal Program.

The Regional and State Commission staffs reviewed and commented upon the Issue Identification and Phase II Work Program drafts prior to their formal submittal to the City of Morro Bay for adoption. The Issue Identification, Phase II Work Program, and funding request were approved by the Morro Bay City Council on August 28, 1978.

On September 5, 1978, the State Coastal Commission approved an interim funding request from the City of Morro Bay for \$5,252 to fund three months of work covering the tasks in Subcategory 106: Environmentally Sensitive Habitat Areas/Water and Marine Resources.

A. Preliminary Staff Recommendation

1. General Fundings and Declarations

The preliminary staff recommendation is that the Regional Commission recommend to the State Coastal Commission (a) approval of the proposed Issue Identification and Phase II Work Program, as conditioned; and (b) that the proposed Issue Identification Phase II Work Program, as conditioned, meets the following requirements of Section 00023(d) of the LCP regulations:

(1) Policies of Chapter 3 of the 1976 Coastal Act are adequately addressed, including uses of more-than-local importance and potential cumulative impacts or conflicts with other jurisdictions; (2) the costs of undertaking such tasks are reasonably related to the amount of work needed to resolve coastal planning issues; (3) tasks to be contracted for under such grants are not already required under other statutes or more appropriately undertaken by other agencies; and (4) the work program includes programs for involving the public and other agencies which are responsive and innovative. The public and agency participation programs are in compliance with Coastal Act policies and with the requirements of the funding authority.

2. Conditions

No special conditions have developed at this time. Based upon public testimony, and Regional Commission direction, conditions may be incorporated into the final staff recommendation.

B. Staff Summary

1. General Area Description

The City of Morro Bay is located along the central California

Coast between the unincorporated areas of Cayucos and Baywood Park/ Los Osos in the northern half of the County of San Luis Obispo. Highway #1 links the City of Morro Bay, with the City of San Luis Obsipo, and divides the City along its north/south axis. It is approximately six (6) square miles in size including a large portion of the Morro Bay lagoon and Morro Bay State Park and Atascadero Beach State Park. The current population is approximately 8830.

Almost the entire City of Morro Bay is included within the coastal zone (see Map #1). The City has been divided into seven (7) major areas for planning purposes. (see map #2).

2. Issue Identification Summary

a. Recreation and Visitor Serving Facilities/Coastal Access

Morro Bay provides a large number of important visitor serving and recreational facilities, and is a popular visitor destination point along the central coast. Most of these facilities are concentrated along the bayfront area know as the Embarcadero which abuts a commercial fishing and recreational boating harbor.

Two state parks lay within the city boundaries; Morro Bay State Park to the south provides both day use and overnight camping facilities as well as direct access to Morro Bay Estuary. Atascadero State Beach to the north provides day use and overnight facilities as well as direct access to the ocean.

An analysis will be made of existing public and private recreational facilities to determine type, (including lower cost facilities), capacity, level of use, and condition. The data developed will be used to determine land use policies and designations which will insure the protection of existing visitor serving facilities and the maximum provision of future facilities consistent with the development and resource protection policies of the Coastal Act. Additionally, an analysis will be made of existing public and private accessways to determine existing levels and types of use. This analysis will be used to establish land use policies and designations which will insure maximum public access to the coastline consistent with public safety, resource protection and other restraints set forth in the Coastal Act.

b. Housing

Morro Bay presently provides significant low and moderate income housing opportunities. However, existing low and moderate income housing stock (which is generally older and less bulky than higher cost housing) is in the process of being recycled with higher cost housing, usually at increased density.

c. Environmentally Sensitive Habitat Areas/Water and Marine Resources

Morro Bay encompasses a number of important environmentally sensitive habitat areas: these include the Morro Bay Estuary, Morro Rock surrounding wetland complex, Morro and Chorro Creeks,

upland foothill areas, the Morro Bay sand spit and dune complex, and the Eucalyptus groves along the southeast border of Morro Bay. All of these habitats provide valuable feeding, nesting, and breeding sites for a wide variety of fish and wildlife. Their continued biological productivity, however, is dependent upon careful management, and in some cases, restrictions on development of the habitats and the immediately adjacent and upland areas. Specifically, the introduction of silt into the Morro Bay Estuary through agricultural and urban developments in the Morro Bay Watershed will be a major area of concern. Allowable land uses adjacent to sensitive environmental habitat areas, and the introduction of pollutants from boating and related activities will also be a major consideration in the development of land use policies and designations for Morro Bay.

d. Diking, Dredging, Filling, and Shoreline Protective Works

Morro Bay Estuary contains recreational boating and commercial fishing facilities and is an important harbor of refuge along the Central Coast. To support these functions and activities, it has been and will continue to be necessary to periodically dredge existing navigation channels and mooring areas. Additionally, the harbor facilities include significant bulkheads and other shoreline protective works, while the harbor entrance itself has been created through the construction of two land-linked jetties. There is also a potential for diking or dredging in the wetland areas surrounding the Morro Bay area. These dredging operations and shoreline protective works can impact marine and other resources if not carefully controlled and designed.

e. Commercial Fishing and Recreational Boating

As noted, the Morro Bay Estuary contains important recreational boating and commercial fishing activities, and is an important harbor of refuge along the central coast. In addition, there is a man-made small boat marina within the boundaries of the Morro Bay State Park. The boating facilities and related activities are an important industrial component in the economy of Morro Bay. These features also contribute to the picturesque character of Morro Bay and are an important factor in the tourist appeal of the City. There are indications that the current boating and related support facilities (including fish processing facilities) may not be adequate to serve existing and future demands. Additionally, there is competition between recreational boating and commercial facilities, and between these facilities and other uses (such as restaurants) for the limited water frontage along the northeastern shore of Morro Bay. The priority of commercial fishing facilities established in the Coastal Act must be reflected in local land use policies and designations. The impact on water quality in the Bay from intensified development of all types along the bayfront is another area of major concern.

f. Agriculture

The major portion of the City of Morro Bay is developed with urban uses, or is in uncultivated open space. There are, however, some cultivated prime and non-prime agricultural lands in the Morro and

Chorro Valleys which lay within the City's current boundaries; the foothills in the eastern portion of the City also support limited cattle grazing operations. Additionally, the City's sphere of influence and general planning area encompass substantial prime and non-prime agricultural lands within the Morro and Chorro Valleys. Present planning for these agricultural lands includes urban uses which would conflict with the continued and potential agricultural productivity of these lands.

g. Hazards

Morro Bay is bounded by low coastal foothills, some of which have been developed with residential structures, and others which have been or may be proposed for future development. Portions of these foothills are geologically unstable and prone to land slides. The City is also bisected by two creeks, Morro and Chorro Creeks, which have a potential for flooding. Additionally, the harbor and adjacent development are subject to damage from a significant tsunami. The foothills and the Pacific Gas and Electric Company's power generating station pose the most significant fire hazards.

h. Public Works

The City's water and sewage systems are limited and are presently being utilized close to their maximum capacity. The safe-yield of the shallow groundwater basins has in recent years been exceeded by annual withdrawals and is inadequate to supply the potential buildout of all existing parcels within the city limits. Increased annual withdrawals from the basins could adversely effect groundwater quality, fish and wildlife resources, and agricultural operations. These potential impacts will be analysed as part of a special Morro Bay Watershed Study being conducted as part of the San Luis Obispo County Local Coastal Program. The impacts of achieving proposed water importation schemes must also be evaluated. The City's existing sewage treatment plant is presently not capable of meeting Regional Water Quality Control Board waste discharge standards, and is rapidly reaching its design capacity which is below the sewage demands which would be generated by the potential buildout of all existing parcels. The City has applied for a Coastal Development Permit to extend the existing ocean outfall line, upgrade the treatment capacity of the plant, increase its design capacity, and develop a partial reclamation scheme. This application has been withdrawn from active consideration pending an analysis of an alternative reclamation scheme. Consideration of the sewage treatment plant applications must be integrated with the preparation of the Local Coastal Plan. Where limited public services are identified, allocations must be established to insure adequate services to priority uses, and protection of natural resources.

Transportation and parking facilities serving coastal recreational and visitor serving areas such as the Embarcadero are often congested during peak load periods. Provision of adequate circulation facilities will be, therefore, a major concern.

i. Locating and Planning New Development

Much of the area within Morro Bay's existing boundaries is already developed with residential and commercial structures. There is however, potential for new development in the foothill areas and in Morro and Chorro Valleys, and along a stretch of beach front property adjacent to Atascadero State in the central section of the city, there are also a significant number of vacant parcels which under present zoning could accommodate high density development that would be out of character with the existing older structures. There is also a strong likelihood that many of the older residential structures throughout the city could be replaced with larger units. Presently the City has no specific land use controls which insure that new or rehabilitated structures conform to the development priorities and resource protection policies of the California Coastal Act. Additionally, the City will need to coordinate planned new development with the capacities of present and planned public works facilities. Archaeological and paleontological resources are not presently protected under current local land use controls, and mitigation standards must therefore be incorporated into present development review procedures.

j. Coastal Visual Resources and Special Communities

Morro Bay contains significant coastal visual resources including Morro Rock, Morro Bay Estuary, and the surrounding foothills. Additionally, developed portions of Morro Bay, particularly the harbor facilities along the Embarcadero and the older small scale residential neighborhoods constitute significant scenic aspects of the City. Public view of these scenic resources must be protected from inappropriately designed development. Also, the inherent scenic qualities of existing developed areas must be protected and where possible restored through the establishment of design standards.

k. Industrial Development and Energy Facilities

Morro Bay is the site of a major electrical energy generating facility. This facility is located at the north end of the Embarcadero and visually dominates the surrounding harbor and downtown tourist commercial area. Other facilities related to the electrical generating plant include a large oil storage tank farm and an off-shore oil loading system. The Texaco bulk plant and marine terminal have recently been demolished. With the exception of the Navy jet fuel storage tanks in the foothills and some miscellaneous light industrial business such as sheet metal shops in the northwestern section of the City, the only other significant industrial land uses within the City are related to the commercial fishing and recreational boating activities. The potential expansion of the existing energy development facilities and the provision of adequate coastal dependent and coastal related industrial development (particularly, commercial fishing operations) will be major issues to be addressed.

MC/cm

ESTIMATED STAFF TIME REQUIREMENTS AND COSTS

<u>SUBCATEGORY</u>	<u>STAFF TIME</u>	<u>COSTS</u>
101 Program Administration	1.750	\$ 2,453.50
102 Coordination	1.000	1,402.00
103 Public Participation	1.750	2,453.50
104 Recreation and Visitor-Serving Facilities/Access	2.500	3,505.00
105 Housing	.750	1,051.50
106 Environmentally Sensitive Habitat Areas/Water and Marine Resources	2.500	3,505.00
107 Diking, Dredging, Filling and Shoreline Protective Works	.750	1,051.50
108 Commercial Fishing and Recreational Boating	1.500	2,103.00
109 Agriculture	1.000	1,402.00
110 Hazard Areas	.250	350.50
111 Public Works	1.000	1,402.00
112 Locating and Planning New Development	1.500	2,103.00
113 Coastal Visual Resources and Special Communities	.375	525.75
114 Industrial Development and Energy Facilities	.750	1,051.50
115 Preparation and Certification of the Land Use Plan	3.500	4,907.00
116 Mapping	2.500	3,505.00
117 Preparation of the Phase III Work Program	<u>.250</u>	<u>350.50</u>
TOTAL	Months: 23.625	\$33,122.25

RELATIVE STAFFING TIME AND COSTS

PROFESSIONAL TIME:

<u>Staff Person</u>	<u>Percentage of Professional Staff Month</u>	<u>Monthly Salary Incl. Benefits</u>	<u>Actual Costs Per Professional Staff Month</u>
Department Heads	5%	\$2,131/month	\$ 107
Coastal Planner	70%	\$1,550/month	\$1,085
Planning Aide	25%	\$ 840/month	\$ 210
			\$1,402 x 23 = \$32,246

CLERICAL TIME:

3.5 months (15% of 23 professional months) at \$1,092/month = \$3,822

ESTIMATED TOTAL COSTS - PHASE II

Professional Staff*

Coastal Planner.....	\$25,633.125	
Department Heads.....	2,527.875	
Planning Aide.....	4,961.250	
	<u>\$33,122.250</u>	<u>\$33,122.25</u>

<u>Clerical Staff*</u>	<u>\$ 3,822.000</u>	<u>\$36,944.25</u>
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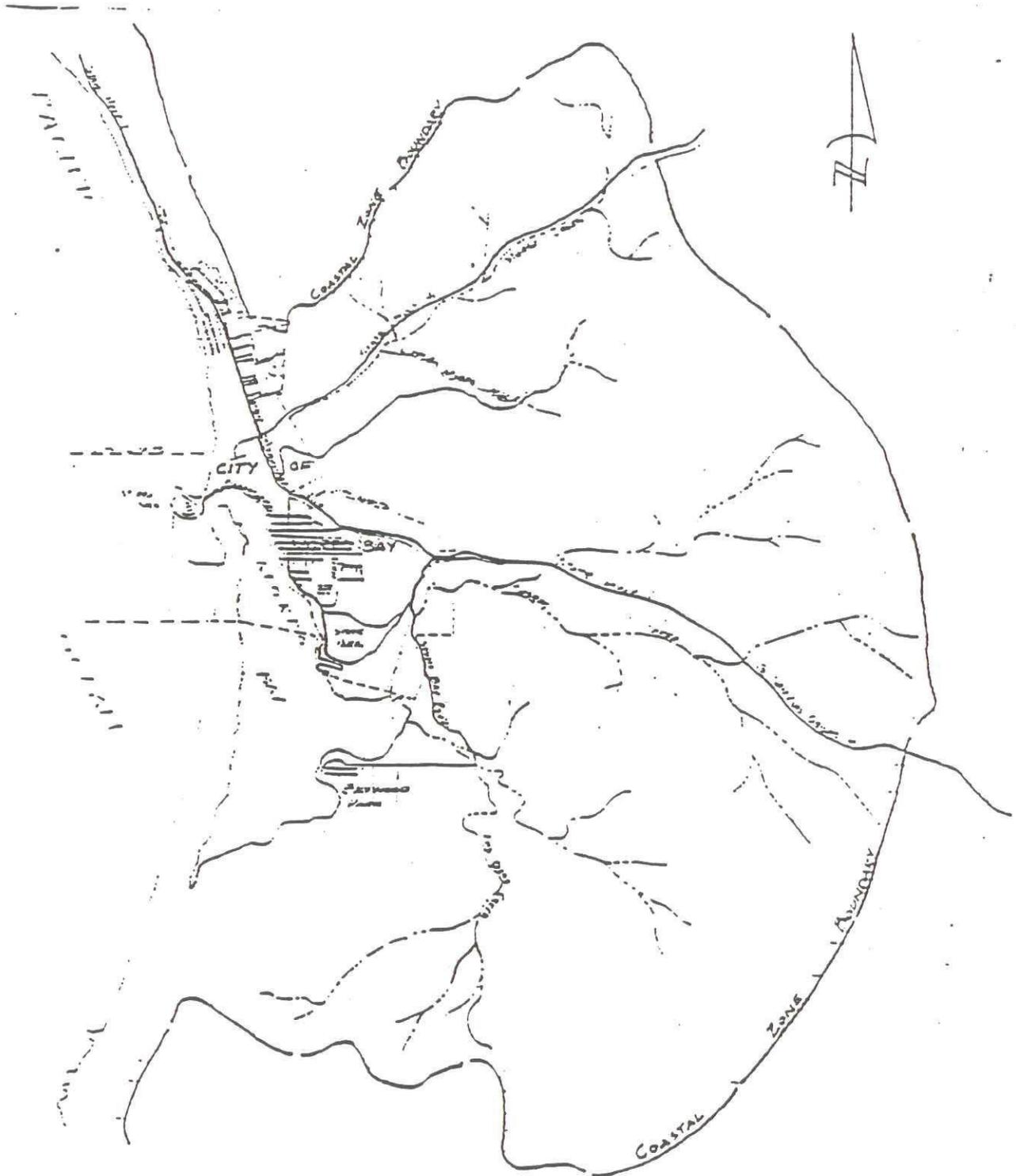
Operating Expenses

Xerox.....	\$ 160.000	
Telephone	480.000	
Travel.....	500.000	
Postage.....	250.000	
Notices.....	350.000	
Materials.....	250.000	
Printing.....	1,050.000	
	<u>\$ 3,040.000</u>	<u>\$39,984.25</u>

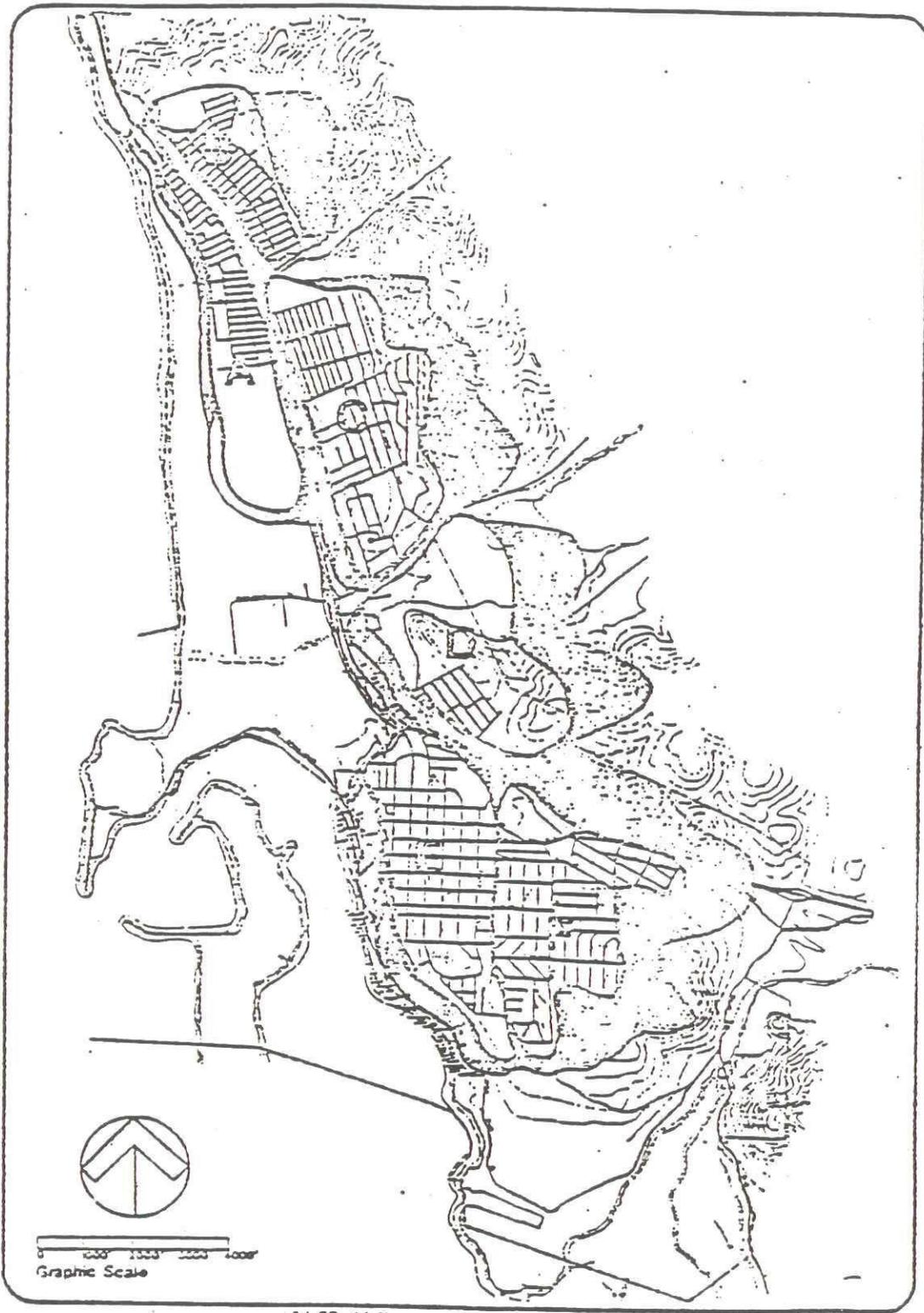
TOTAL PHASE II FUNDING REQUEST \$39,984.25

* Includes all benefits.

work program 5,665,00
\$45,649.25



• Coastal Zone Boundary
Map #1



COASTAL STUDY AREAS

MAP # 2