CITY OF MORRO BAY
COMMUNITY DEVELOPMENT DEPARTMENT
955 SHASTA AVENUE ◆ MORRO BAY, CA 93442
805-772-6261

MITIGATED NEGATIVE DECLARATION

CEQA: CALIFORNIA ENVIRONMENTAL QUALITY ACT

CITY OF MORRO BAY
955 Shasta Avenue
Morro Bay, California 93442
805-772-6261

March 3, 2022

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

CASE NO.: MAJ21-002

PROJECT TITLE: Seashell Cove Residential Project General Plan Amendment/Local Coastal Plan Land Use Plan Amendment and Rezone

APPLICANT / PROJECT SPONSOR:

Owner/Applicant:

John Hinchey
Steiner Development Inc.
3368 N Highway 59 Suite L
Merced, CA 95348
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Agent:

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PREPARED BY:

SWCA ENVIRONMENTAL CONSULTANTS
1422 Monterey Street, Suite B200
San Luis Obispo, CA 93401
T 805-543-7095

SUMMARY PROJECT DESCRIPTION

Steiner Development Inc., the project applicant, is proposing a General Plan and Local Coastal Plan (LCP) Coastal Land Use Plan land use designation change from Low Density Residential to High Density Residential to facilitate the future development of a multi-family residential project on a currently vacant project site in the city of Morro Bay (city). The General Plan/LCP Coastal Land Use Plan amendment would necessitate a rezone of project site from R-A/PD (Suburban Residential/Planned Development) to R-4/PD (Multifamily Residential-Hotel-Professional/Planned Development)[1]. The project site includes ten existing parcels (Assessor Parcel Numbers 068-412-001 through 068-412-010) ranging in size from 0.32 acres to 0.61 acres for a total project site size of 4.7 acres (gross). The land use and zoning designation changes would increase the allowable density of the project site from up to 4 dwelling units per acre to up to 27 dwelling units per acre. No development has proposed at this time.

FINDINGS OF THE ENVIRONMENTAL COORDINATOR

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

[1] The City of Morro Bay is in the process of updating its Zoning Code and Coastal Implementation Plan. In the proposed draft Zoning Code, the project site's current density corresponds to the Residential Low Density (RL) designation and the proposed density would correspond to the Residential High Density (RH) designation. The proposed draft Zoning Code does not include a Planned Development (PD) overlay.

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INITIAL STUDY AND CHECKLIST

I. PROJECT INFORMATION

Project Title:	Seashell Cove Project		
Project Location:	301-390 Seashell Cove (068-412-001 through 068-412-010)		
Case Number:	MAJ21-002		
Lead Agency:	City of Morro Bay	**Phone:**	(805) 772-6577
	955 Shasta Ave.	**Email:**	cjacinth@morrobayca.gov
	Morro Bay, CA 93442		
	Contact: Cindy Jacinth		
Project Applicant/Agent:	Steiner Development Inc.	**Phone:**	(209) 722-6400
	3368 N Highway 59 Suite L	**Email:**	jbhinchey@fahrensparkplaza.com
	Merced, CA 95348		
Project Landowner:	Seashell Estates LLC	**Phone:**	(951) 275-2169
	541 E Chapman	**Email:**	mail4kz@gmail.com
	Orange, CA 92866		
General Plan Designation:	Low Density Residential		
Zoning Designation:	R-A/PD (Suburban Residential/Planned Development)		

PROJECT LOCATION

The 4.73-acre project site is located in the city of Morro Bay (city) in western San Luis Obispo County. The addresses on the project site are 301 – 390 Seashell Cove (Assessor's Parcel Number 068-412-001 through 068-412-010). The project site is located on the east and west sides of Teresa Road, directly northwest of the State Route 1 (SR 1)/South Bay Boulevard intersection in the eastern part of the city. Teresa Road is an existing 2-lane road that extends west of South Bay Boulevard and would provide direct access to the project site. SR 1 is a divided 4-lane regional highway that extends north through the city of Morro Bay towards the Cambria area and southeast towards San Luis Obispo. SR 1 would provide regional access to the project site via the SR 1/South Bay Boulevard interchange. Figure 1 shows the project's regional location within the city and Figure 2: Project Location shows the immediate vicinity of the project site, including surrounding land uses. The project site is bounded by Teresa Road and SR 1 approximately 50 feet to the south, a 5.27-acre property containing senior resident facilities Bayside Care Center and Casa de Flores to the east, and the Morro Bay Water Reclamation Facility on the eastern side of these facilities. The parcels to the north and west are currently vacant and zoned R-A.

Figure 1. Project vicinity map.

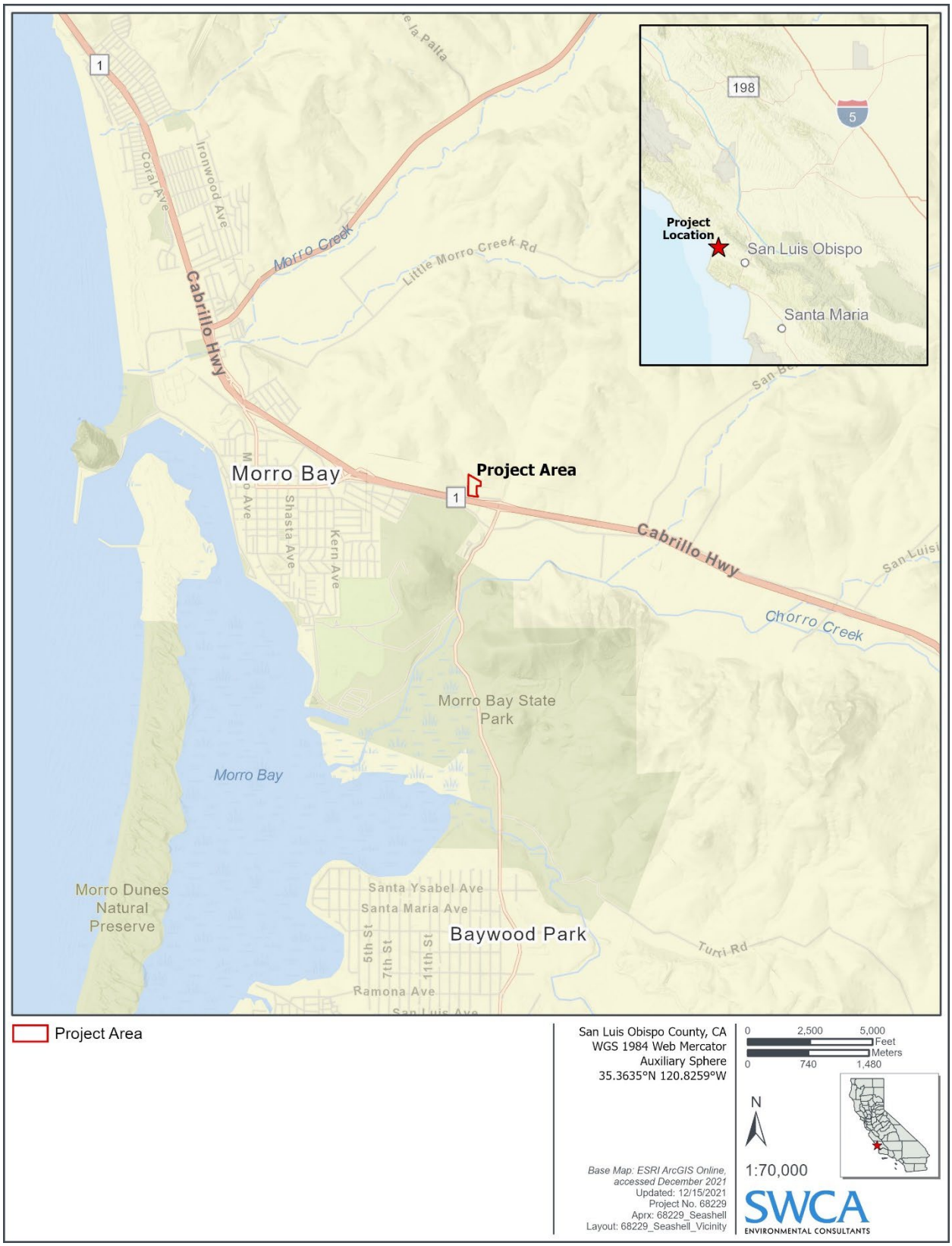

Figure 2. Project location map.

PROJECT BACKGROUND

The City of Morro Bay (City) adopted a Mitigated Negative Declaration on June 15, 2009 for Case No. S00-062/UP0-138/CP0-207 (Tract 2870). This prior project subdivided the 4.7-acre project site into 10 residential lots ranging in size from 0.32 acre to 0.61 acres, although no homes were proposed at the time and no homes were built.

The following supporting information and technical studies were prepared for the proposed project and are included as appendices to this Initial Study/Mitigated Negative Declaration (IS/MND):

- Appendix A: *Traffic and Circulation Study* (Associated Transportation Engineers, May 2021)

PROJECT DESCRIPTION

Steiner Development Inc., the project applicant, is proposing a General Plan/LCP Coastal Land Use Plan land use designation change from Low Density Residential to High Density Residential to facilitate the future development of a multi-family residential project on a currently vacant project site in the City of Morro Bay (City; see Figures 3 and 4). The General Plan/LCP Coastal Land Use Plan amendment would necessitate a rezone of project site from R-A/PD (Suburban Residential/Planned Development) to R-4/PD (Multifamily Residential-Hotel-Professional/Planned Development; see Figures 5 and 6). The project site includes ten existing parcels (Assessor Parcel Numbers 068-412-001 through 068-412-010) ranging in size from 0.32 acres to 0.61 acres for a total project site size of 4.7 acres. The land use and zoning designation changes would increase the allowable density of the project site from up to 4 dwelling units per acre to up to 27 dwelling units per acre. No development has been proposed at this time.

The project site currently has a Low Density Residential land use designation in the City's General Plan/LCP Coastal Land Use Plan and is zoned R-A (Suburban Residential) with a PD (Planned Development) overlay. The City's General Plan/LCP Coastal Land Use Plan describes the Low Density Residential land use designation as detached single-family homes and some group housing uses (City of Morro Bay 2021). The City Zoning Code describes the purpose of the R-A zone as to permit estate lot homes and small-scale agricultural uses; to provide an area for people to have parcels of land larger than more typical single-family residential lots, where livestock, poultry and small animals may be raised in limited number for home use, or for pleasure. The PD overlay zone requires additional detailed and substantial analysis of development on parcels which, because of location, size or public ownership, warrant special review. This overlay zone is also intended to allow for the modification of or exemption from the development standards of the primary zone which would otherwise apply if such action would result in better design or other public benefit.

The City of Morro Bay is in the process of updating its Zoning Code and Coastal Implementation Plan. In the proposed draft Zoning Code, the project site's current density corresponds to the Residential Low Density (RL) designation and the proposed density would correspond to the High Density (RH) designation. The proposed draft Zoning Code does not include a Planned Development (PD) overlay. It is anticipated that the Zoning Code will still be in unadopted draft form at the time this project is considered by City Council.

The City's General Plan/LCP Coastal Land Use Plan describes the High Density Residential land use designation as multifamily housing, including apartments, townhomes, condominiums, and some group housing uses. Single-family homes are allowed where the site's characteristics, such as size or topography, would preclude multifamily development. The City's current Zoning Code describes the R-4 zone as intended to apply in those areas of the city where it is reasonable to permit a mixture of hotels and motels along with apartment, condominiums, and other similar uses. The purpose of the R-4 district is to allow higher density apartment projects and, where appropriate, hotel, motel, community housing developments, and professional offices, ensuring that the R-4 district will be free of excessive traffic and other uses causing congestion, noise, confusion, and interference in the pattern of higher density family living and visitor serving uses. The proposed draft Zoning Code describes the RH zone as intended to provide for a variety of medium to high-density residential development. Housing types include single-unit

attached, townhouses, condominiums, and apartment buildings at densities between 15.1 and 27 dwelling units per acre. Detached single-unit dwellings are allowed where site characteristics such as size or topography, preclude multi-unit development. The RH district also provides for uses such as schools, daycare centers, parks, and community facilities that may be appropriate in a higher density residential environment.

No specific development has been proposed at this time, though the applicant has expressed a desire to develop residential housing. Based on the allowed densities of the proposed land use and zoning designations, the project site would be eligible to be developed with up to 127 dwelling units. However, the City's Zoning Code calculates allowable density on the net buildable project area, which is the total project area exclusive of any unbuildable areas, including mitigatable hazard areas, areas in excess of percentage slope requirements, waterways, submerged lands, and other similar unbuildable areas, such as easements. The project site is encumbered by a Pacific Gas and Electric (PG&E) easement along the northern property line; a 10-foot-wide drainage easement along the eastern property line; a 50-foot-wide easement for access road and utility purposes along the southern property line (Teresa Road); access, utility, and drainage easements north of Teresa Road, a 25-foot-wide drainage easement along the western property line, riparian buffers across Lots 1 through 3, an open space and conservation easement on each of the 10 lots, and a Tract Map restriction that establishes a maximum building envelope on each lot of 6,600 square-feet and restricts any future subdivision of the lots. Given these restrictions, the project site's existing net buildable area for purposes of calculating density is 1.5 acres, or 41 units. This document evaluates impacts resulting from a maximum of 70 units, as the applicant has indicated that with future applications for development, they may seek to amend the maximum building envelope of each lot to achieve this density. Based on previous grading on the site, it is assumed that future residential units would likely be distributed in ten apartment or condominium style units across the site. Both the existing Zoning Code and proposed draft Zoning Code identify a 25-foot height limit from average natural grade and a maximum lot coverage of 50%. Future development is anticipated to require some level of disturbance over each lot, but outside the open space and conservation easement areas.

PROJECT ENTITLEMENTS REQUESTED

City approvals for a General Plan and LCP Coastal Land Use Plan Amendment and Rezone, and future Building Permit, Stormwater Construction Permit, and tract map (optional) are required for construction of the project.

OTHER PUBLIC AGENCIES WHOSE APPROVAL IS REQUIRED (E.G., PERMITS, FINANCING APPROVAL, OR PARTICIPATION AGREEMENT)

The City is the lead agency for the proposed project. Responsible and trustee agencies may include, but are not limited to:

- California Coastal Commission (appealable jurisdiction)
- San Luis Obispo County Air Pollution Control District (SLOAPCD)
- Central Coast Regional Water Quality Control Board (CCRWQCB)
- California Department of Fish and Wildlife (CDFW)
- United States Army Corps of Engineers (ACOE)

Figure 3. Existing General Plan/LCP Coastal Land Use Plan designation

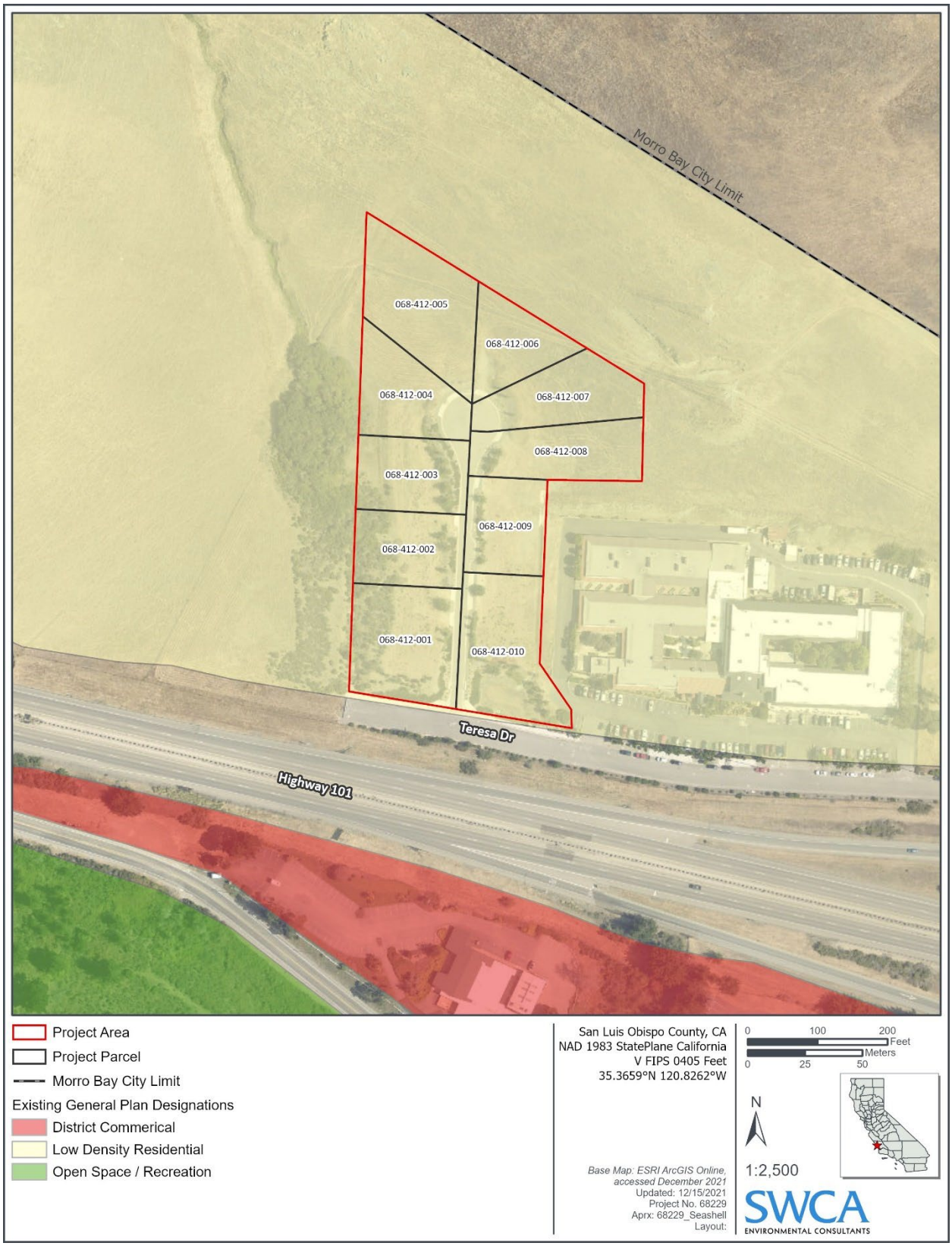

Figure 4. Proposed General Plan/LCP Coastal Land Use Plan designation

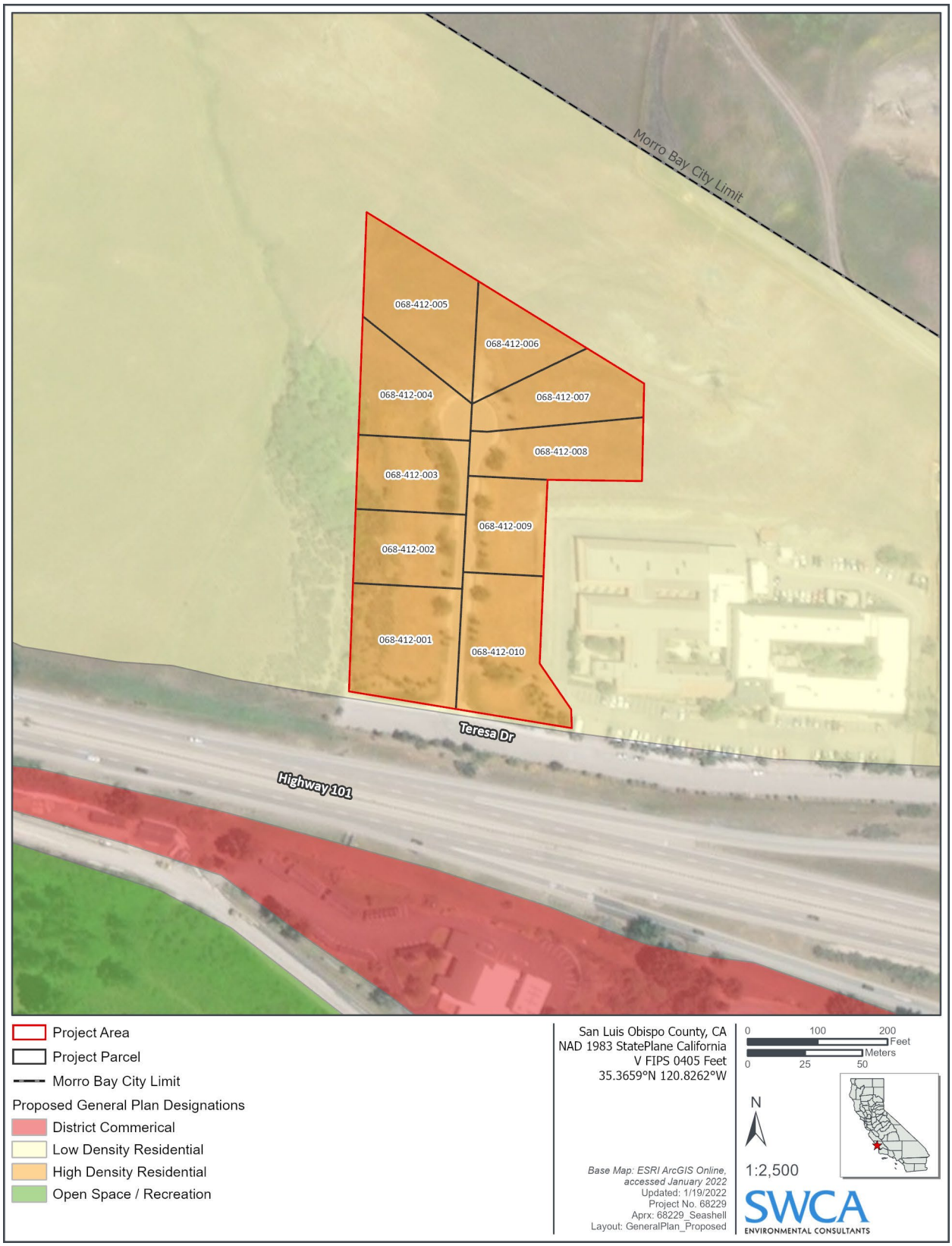

Figure 5. Existing zoning designation

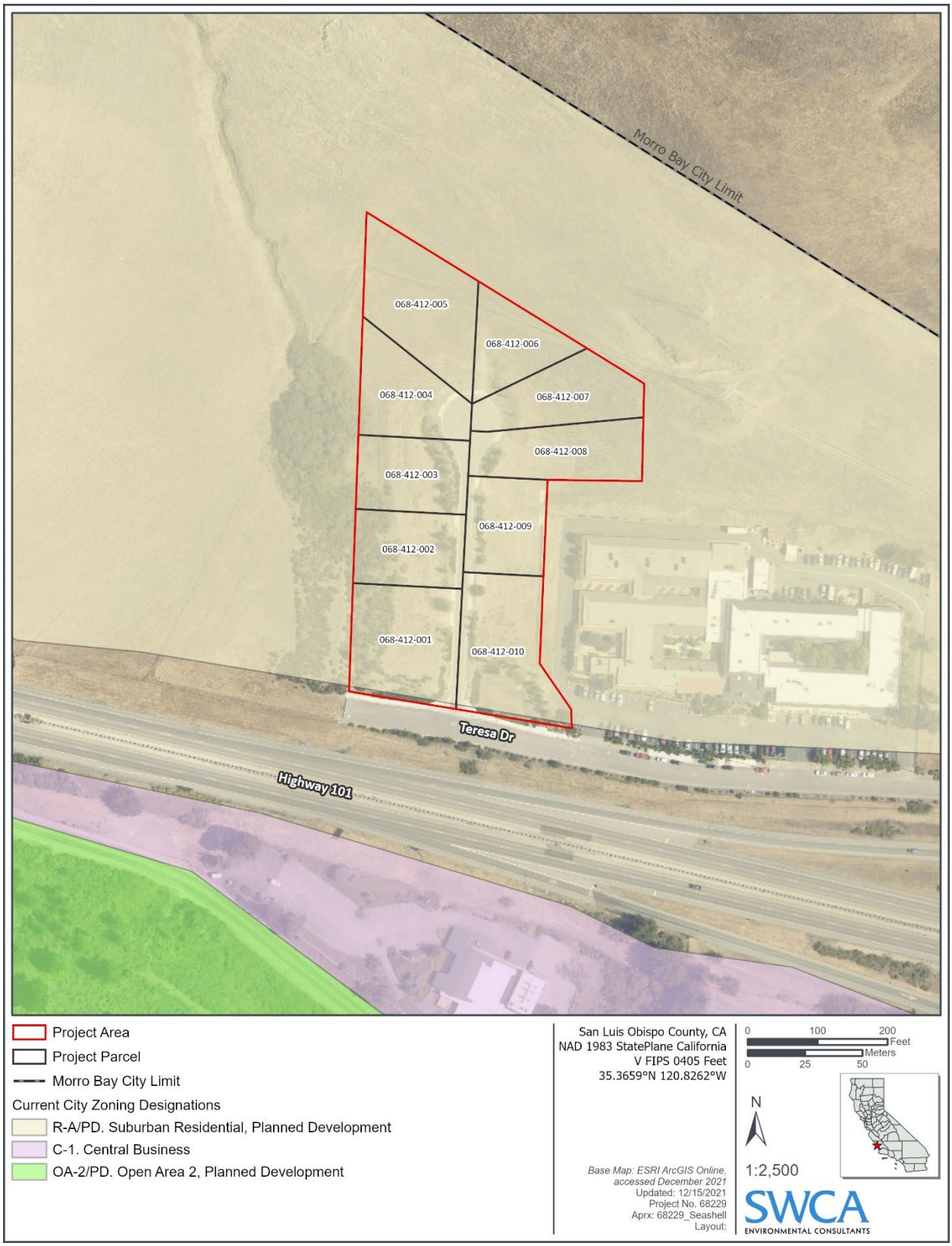

Figure 6. Proposed zoning designation

II. ENVIRONMENTAL SETTING AND IMPACTS

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the Environmental Checklist on the following pages.

X	1. Aesthetics	X	11. Land Use and Planning
	2. Agriculture and Forestry Resources		12. Mineral Resources
X	3. Air Quality		13. Noise
X	4. Biological Resources		14. Population and Housing
X	5. Cultural Resources		15. Public Services
	6. Energy		16. Recreation
	7. Geology and Soils		17. Transportation
X	8. Greenhouse Gas Emissions		18. Tribal Cultural Resources
	9. Hazards and Hazardous Materials		19. Utilities and Service Systems
	10. Hydrology and Water Quality		20. Wildfire

Fish and Game Fees

	The Department of Fish and Wildlife has reviewed the CEQA document and written no effect determination request and has determined that the project will not have a potential effect on fish, wildlife, or habitat (see attached determination).
X	The project has potential to impact fish and wildlife resources and shall be subject to the payment of Fish and Game fees pursuant to Section 711.4 of the California Fish and Game Code. This initial study has been circulated to the California Department of Fish and Wildlife for review and comment.

State Clearinghouse

X	This environmental document must be submitted to the State Clearinghouse for review by one or more State agencies (e.g., Cal Trans, California Department of Fish and Wildlife, Department of Housing and Community Development). The public review period shall not be less than 30 days (CEQA Guidelines 15073(a)).

III. DETERMINATION (To be completed by the Lead Agency):

On the basis of this initial evaluation:

	I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
X	I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made, by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
	I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
	I find that the proposed project MAY have a "potentially significant" impact(s) or "potentially significant unless mitigated" impact(s) on the environment, but at least one effect (1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and (2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed
	I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (1) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (2) have been avoided or mitigated pursuant to that earlier EIR of NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Signature

3/29/2022
Date

Cindy Jacinth
Senior Planner

For: Scot Graham
Community Development Director

[X] With Public Hearing [ ] Without Public Hearing

Previous Document: CASE NO. S00-062/UP0-138/CP0-207

Evaluation of Environmental Impacts:

1. A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).

2. All answers must take account of the whole action involved, including offsite as well as onsite, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.

3. Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact' is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.

4. "Negative Declaration: Less Than Significant with Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from Section 19, "Earlier Analysis," as described in (5) below, may be cross-referenced).

5. Earlier analysis may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration (Section 15063 (c) (3) (D)). In this case, a brief discussion should identify the following:

    a) Earlier Analysis Used. Identify and state where they are available for review.

    b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.

    c) Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they addressed site-specific conditions for the project.

6. Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.

7. Supporting Information Sources: A source list should be attached, and other sources used, or individuals contacted should be cited in the discussion.

8. The explanation of each issue should identify:

    a) The significance criteria or threshold, if any, used to evaluate each question; and

    b) The mitigation measure identified, if any, to reduce the impact to less than significance.

IV. ENVIRONMENTAL CHECKLIST

1. Aesthetics

	Except as provided in Public Resources Code Section 21099, would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Have a substantial adverse effect on a scenic vista?			X	
b.	Substantially damage scenic resources, including but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?		X		
c.	In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?		X		
d.	Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?		X		

ENVIRONMENTAL SETTING

The project site is located at the western terminus of Teresa Road, approximately 800 feet west of the intersection of SR 1 and South Bay Boulevard near the eastern section of Morro Bay, approximately 2.5 miles from the Pacific Ocean. SR 1 is a major north-south state highway running along the Pacific coastline of California. Adjacent to the project site, to the east, is the Bayside Care Facility, an approximately 75,000 square-foot, white, two-story residential care home that due to topography, sits elevated above SR 1 by 10-20 feet. The facility is sited in a manner so that the structures do not silhouette against the ridgeline as viewed either northbound or southbound on SR 1. On the south side of SR 1, across from Bayside Care Facility, is a church located in two, white, A-framed buildings, and west of the church, across from the project site, is a mortuary, located in two, beige and green single-story buildings. The church sits nearly level with SR 1, while the mortuary sits several feet below SR 1. A pair of high-voltage transmission lines run behind the project site, on the ridge.

Regulatory Context and Viewer Sensitivity

The City of Morro Bay General Plan/LCP Coastal Land Use Plan (together known as Plan Morro Bay) contain policies that protect the city's visual resources. The waterfront and Embarcadero are designated as scenic view areas in the General Plan/LCP Coastal Land Use Plan. Morro Rock, the sand spit, the harbor, and navigable waterways are all considered significant scenic resources. SR 1, which is located adjacent to the project site, is an Officially Designated State Scenic Highway as well as a National Scenic Byway and All-American Road. The following visual policies and programs not only provide a regulatory framework but are also indicators of sensitivity to visual changes proposed at the project site.

State and National Scenic Designations

In 1999 Highway 1 was designated by the State of California as an Officially Designated Scenic Highway. The County of San Luis Obispo (County) and the City promoted the designation based on the high level of existing visual quality along the corridor as well as the desire to protect its visual resources in the future. The highway is also designated as a scenic corridor in the County's Estero Area Plan. In 2003 SR 1 was also bestowed the title of "All-American Road" in the National Scenic Byway program. This designation recognizes the visual characteristics

of the SR 1 corridor as being among the highest quality in the nation. These designations illustrate the highest level of concern and sensitivity for the aesthetics within the project area and beyond.

General Plan/LCP Coastal Land Use Plan, Chapter 4B

The General Plan/LCP Coastal Land Use Plan includes a section on visual resources to address the visual quality concerns in the city. The General Plan/LCP Coastal Land Use Plan identifies several policies and goals related to protecting and enhancing views within the city:

POLICY C-9.2: Public View Protection. Public views to and along the ocean and scenic coastal areas shall be protected and enhanced, and alteration of natural landforms shall be minimized. Additionally, development in visually prominent settings, including all development seen from Highway 1, shall be sited and designed to avoid blocking or having a significant adverse impact on public views. Methods to achieve this may include building and road siting, building size, design and lighting that is integrated with the environment, and clustering of development.

POLICY C-9.3: Protection of Ridgeline Views. New development shall be sited below ridgelines on the least visually prominent portion of the site. New development shall not be allowed on top of, within at least 300 feet horizontally, or within at least 100 feet vertically of visually prominent ridgelines, whichever is more restrictive. In all cases, development shall be sited and designed to protect and enhance ridgelines, and to limit public view impacts to the maximum extent feasible (including through landscaping and screening). Work with key community groups to identify and map visually prominent ridgelines, both developed and undeveloped.

POLICY C-9.4: Viewshed Protection Guidelines. Designate and protect official viewsheds through viewshed protection design guidelines. The guidelines shall include special siting and design criteria including placing accessory development such as fences away from public view as much as possible, height and story limitations, bulk and scale limitations, screening and landscaping requirements, natural materials and color requirements, minimizing lighting that spills into nighttime public views, avoiding glares from windows and reflective surfaces, and requirements to prepare landscaping plans using drought-tolerant and native plants that protect and enhance scenic resources; minimizing land coverage, grading, and structure height; and maximizing setbacks from adjacent open space areas.

POLICY C-9.5: Lighting Standards. Development shall be sited and designed to avoid illuminating, reduce glare, protect and enhance skyward nighttime public views, and minimize lighting in open spaces and natural areas. New lighting fixtures shall be mounted at low elevations and fully shielded to direct lighting downward. Lighting along walkways should be mounted on low bollards or ground buttons. Lighting shall be focused on targeted use areas and shall be limited to what is necessary for public safety. Floodlighting shall be prohibited. Exterior lighting fixtures should complement the architectural style of structures.

POLICY C-9.7: Massing, Height, and Orientation Requirements. Require massing, height, and orientation of new development or construction to be sited and designed to preserve public coastal views to and along the ocean and scenic areas.

POLICY C-9.12: Public and Private Landscaping. Ensure new public or private landscaping considers public views and vistas, and encourage landscape installations that protect or enhance those views and vistas, including ensuring that such landscaping does not obstruct public scenic views and vistas at maturity.

Project Visibility

No development is proposed on the project site at this time. Based on the allowed densities of the proposed land use and zoning designations and the buildable area of the project site from which density is calculated, the project site could be developed with up to 70 dwelling units and given the project site's tract map conditions limiting each

lot to a 6,600 square-foot building envelope, it is assumed that these units would likely be distributed in ten apartment or condominium style buildings across the site.

Both the existing Zoning Code and proposed draft Zoning Code identify a 25-foot height limit from average natural grade of the site, which is roughly equivalent to a two-story structure. The project site is moderately sloping from south to north, ranging from approximately 80 feet above mean sea level (amsl) to 140 amsl, with an average slope of 14%. Based on the slope, the average grade is towards the middle of the slope, meaning future structures could be taller than 25 feet at the southern end of the project site, closest to SR 1.

IMPACT DISCUSSION

a. Scenic vistas are generally defined as high-quality views displaying good aesthetic and compositional value that can be seen from public viewpoints. If the project substantially degrades the scenic landscape as viewed from public roads, or in particular designated scenic routes, or from other public or recreation areas, this would be considered a potentially significant impact on the scenic vista. The primary visual resource contributing to scenic vistas in the project vicinity is Morro Rock, approximately 1 mile southwest of the project site, and Cerro Cabrillo, Hollister Peak, and the Santa Lucia Mountain Range, east of the project site and viewed when travelling southbound on SR 1. Other visual resources along the SR 1 corridor that contribute to scenic vistas often include views of the Pacific Ocean, the beach and shoreline, bluffs and cliffs, mature trees and other native vegetation, and the hillsides and ridges to the inland from SR 1.

   According to The General Plan/LCP Coastal Land Use Plan, there are no officially designated scenic vistas in the City, though views northward toward Morro Rock, southward toward Morro Bay Estuary and the sandspit, southward toward Los Osos and the Irish Hills, and northward toward Cayucos both along the coastline and looking northeast toward the hills, serve as scenic vistas in the city. The project site is not designated as a scenic vista or a scenic corridor; therefore, impacts would be *less than significant.*

b. A scenic resource is a specific feature or element with a high degree of memorability or landmark characteristics that contribute to the high visual quality of the corridor. In general, coastal scenic resources along Highway 1 include the Pacific Ocean, the rugged cliffs and shoreline, rock outcroppings and inland hills, vegetated creek ways, and patterns of mature native vegetation. Morro Rock is among the most memorable and iconic natural features and coastal scenic resources as seen from SR 1 through Morro Bay and the coastal communities of northern San Luis Obispo county. The project would result in a significant impact if it were to damage or have a substantial negative effect on views of any of the specific resources identified above, as seen from Highway 1, an Officially Designated State and National Scenic Highway.

   Views of the Pacific Ocean and Morro Rock are not readily visible from the immediate project area because of topography, distance, and intervening vegetation and development. As seen traveling northbound on SR 1, the project site is visible and backdropped by a hill. As seen from southbound SR 1, the project site occupies the foreground. The elevation of the SR 1 travel lanes is approximately level with the base of the project site adjacent to Teresa Road and is approximately 40-50 feet below the top of the project site, with an upward viewing angle, though the further northbound on SR 1 this elevation difference decreases.

   Depending on development proposed under the requested conversion from Low Density to High Density Residential, the project has the potential to significantly impact the scenic resources that contribute to the State and National scenic highway designations. Future development may silhouette above the ridgelines of the hills and mountains to the east of the project site, result in large cut and fill slopes in the serpentine soil/rock, remove trees that were planted as part of the previous subdivision improvments, or through design features, detract from views of prominent peaks on the south side of SR 1. As a result of these viewing conditions, potential impacts to the scenic resources within the viewshed of the scenic highway would be potentially significant.

Mitigation Measure AES-1 would require a visual impact assessment to be prepared at the time specific development is proposed to determine and document project visibility, aesthetic resources impacts, and mitigation measures specific to the project. This assessment cannot be prepared until such time an actual development plan is put forth as the development plan will identify density, height, grading, cut, fill, landscaping, architectural style, building materials, and other project features that will directly affect the type of impacts identified and the type of mitigation measures needing to be implemented. Mitigation measures may include, but not necessarily limited to, reducing the natural grade of the site, reducing building heights, stepping back the development from Highway and Teresa Drive, revegetation of cut and fill slopes, minimizing night-lighting, etc. so as to eliminate silhouetting above ridgelines and staying with the visual quality of the area, as seen from SR 1. With implementation of AES-1, potential impacts to the scenic resources as seen from the Officially Designated State Scenic Highway would be *less than significant with mitigation.*

c. The General Plan/LCP Coastal Land Use Plan identifies the community character of the project site as Agriculture East of Highway 41. The character of this area is mostly agricultural, with one residential neighborhood located adjacent to the highway. The northern portion of the area is primarily used for crop farming, while the southern portion is used for grazing. It is important to the community to maintain these agricultural lands, including to protect their function as a natural buffer from urban development and framing the City's urban-rural boundary, and to protect public views.

Project-related actions would be considered to have a significant impact on the visual character of the site if they altered the area in a way that substantially changed, detracted from, or degraded the visual quality of the site or the surrounding area. The degree to which that change reflects documented community values and meets viewers' aesthetic expectations is the basis for determining levels of significance. Visual contrast and compatibility may be used as a measure of the potential impact that the project may have on the visual quality of the site. If a strong contrast occurred where project features or activities attract attention and dominate the landscape setting, this would be considered a potentially significant impact on visual character or quality of the site.

General Plan/LCP Coastal Land Use Plan Policy CD-1.8 requires that structures, including fences, shall be subordinate to and blended into the environment, including by using appropriate materials that will achieve that effect. Where necessary, modifications shall be required for siting, structural design, shape, lighting, color, texture, building materials, access, and screening to protect public views and ensure development protects the public viewshed. Public views shall be protected and enhanced as a matter of great public importance, particularly related to public views that include Morro Bay proper, the sandspit, and Morro Rock, and all development shall be sited and designed to be subordinate to such views.

The visual character of the project site and its surroundings is defined by both built and natural elements. The immediate project setting is characterized by vacant hillsides, the Bayside Care Center, a church across from the project site on the southside of SR 1, and cypress trees. Views southbound include prominent views of the Black Hill, Cerro Cabrillo, and Hollister Peak which are part of a chain of unique volcanic peaks, connecting ridges and associated hills that stretch from San Luis Obispo to Morro Bay and separate the Los Osos and Chorro Valleys. These features combine for a high visual quality and character.

Future multi-family development would be up to 25 feet tall above the average natural grade of the site, which could result in buildings taller than 25 feet at the south end of the site closest to SR 1. These two-story structures may be visually consistent with the two-story care center to the east, but would contrast with the undeveloped hillsides to the west due to the prominence of the site (in contrast to care center which is situated at an elevation that is approximate 20 to 40-feet lower). While no development has been proposed at this time, future structures may lack articulated features and varied materials, or may result in visual massing that would be deemed visually obtrusive as seen from SR 1. Depending on building heights,

structures have a high probability of silhouetting above the ridgelines in the backdrop and detract from the natural agricultural character of the area.

The visual impact assessment required by AES-1 would identify design requirements to reduce impacts relative to the overall landscape context including surrounding land use, visual harmony with the existing landform and landcover, and consistency with existing landscape character. After implementation of identified mitigation, residual impacts would be *less than significant.*

d. The project would result in a significant impact if it subjected viewers from public viewpoints to a substantial amount of point-source lighting visibility at night, or if the collective illumination of the project resulted in a noticeable spillover effect into the nighttime sky, increasing the ambient light over the region. The placement of lighting, source of illumination, and fixture types combined with viewer locations, adjacent reflective elements, and atmospheric conditions can affect the degree of change to nighttime views.

General Plan/LCP Coastal Land Use Plan Policy C-9.5 requires that development shall be sited and designed to avoid illuminating, reduce glare, protect and enhance skyward nighttime public views, and minimize lighting in open spaces and natural areas. New lighting fixtures shall be mounted at low elevations and fully shielded to direct lighting downward. Lighting along walkways should be mounted on low bollards or ground buttons. Lighting shall be focused on targeted use areas and shall be limited to what is necessary for public safety. Floodlighting shall be prohibited. Exterior lighting fixtures should complement the architectural style of structures.

Night lights are sparse in the area and are primary associated with the Bayside Care Center. Future development may include a range of outdoor lighting, including parking lot pole lighting, and bollards and sconces on the building. With compliance with the General Plan/LCP Coastal Land Use Plan Policy C-9.5, impacts related to lighting would be *less than significant*.

CONCLUSION

Potentially significant impacts to aesthetic resources associated with the proposed project would be less than significant with implementation of mitigation.

MITIGATION AND MONITORING

Mitigation Measure AES-1: At the time of application for future development, the applicant shall retain a qualified consultant (e.g., a licensed landscape architect with a background in CEQA analysis) to prepare a visual impact assessment (VIA) to determine and document project visibility and to identify impacts and mitigation measures specific to the proposed development, as measured against the above CEQA thresholds of significance. The VIA shall provide photo-simulations of the proposed development as seen from public view corridors that are based on 3D photo-realistic simulations and actual development models, final grading elevations, and architectural elevations. The VIA shall include written inventory of existing site conditions and document the overall extent and quality of project visibility. The VIA shall identify the visual resources and any other features which are of significance from key viewing areas and shall provide photo simulations from the key viewing areas.

If the VIA determines that the project would result in silhouetting, the report shall identify project design alterations that eliminate silhouetting, including, but not limited to height reduction or alternative siting. The report shall also identify any potential impacts related to visual massing, cut and fill slopes, and lighting, and identify project design alternatives that reduce massing. These measures could include, but not limited to, recessing and projecting elements to avoid flat monotonous facades, setbacks to upper levels to achieve an appropriate height-to-width ratio across the street and encourage sunlight into open spaces, reducing site overall site elevation, or landscape plantings that achieve screening of visually obtrusive elements of the project. Other design recommendations, such as building orientation, color and materials that visually blend with the landscape, may also be recommended.

All recommendations of the report shall be implemented.

2. Agricultural Resources

	In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocol adopted by the California Air Resources Board. **Would the project:**	**Potentially Significant Impact**	**Less Than Significant with Mitigation Incorporated**	**Less Than Significant Impact**	**No Impact**
a.	Convert prime farmland, unique farmland, or farmland of statewide importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				X
b.	Conflict with existing zoning for agricultural use, or a Williamson Act contract?				X
c.	Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?				X
d.	Result in the loss of forest land or conversion of forest land to non-forest use?				X
e.	Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or conversion of forest land to non-forest use?				X

ENVIRONMENTAL SETTING

The project site and adjacent lands are currently designated Low Density Residential in the General Plan/LCP Coastal Land Use Plan and zoned R-A (Suburban Residential) with a PD overlay. The project site is vacant and previous development was limited to rough grading and road and utility improvements associated with the previously approved Tract 2870. No agricultural activities are present within or proximate to the project site. Based on review of the California Department of Conservation (DOC) California Important Farmland 2016 map (DOC 2016), the project site is split between designations of Urban and Built-up Land, Farmland of Local Potential, and Grazing Land. The DOC defines Farmland of Local Potential as "lands having the potential for farmland, which have Prime or Statewide characteristics and are not cultivated" (DOC 2016). The project site is not subject to a Williamson Act contract and the nearest contracted land is within the unincorporated county, approximately 1,000 feet east of the project site.

The project site does not meet the definition of forest land, which includes land that can support 10 percent native tree cover of any species, including hardwoods, under natural conditions, and that allows for management of one or more forest resources, including timber, aesthetics, fish and wildlife, biodiversity, water quality, recreation, and other public benefits, or the definition of timber land, which includes land that is available for, and capable of, growing a crop of trees of any commercial species used to produce lumber and other forest products, including Christmas trees.

IMPACT DISCUSSION

a. There is no active farmland on the project site or in the project vicinity. The project site is designated as Urban and Built-up Land, Farmland of Local Potential, and Grazing Land; it does not contain soils classified as Prime Farmland, Unique Farmland, or Farmland of Statewide Importance pursuant to the DOC California Important Farmland map. Therefore, the project would not result in the conversion of Farmland pursuant to the FMMP to a non-agricultural use and *no impact* would occur.

b. The project site does is not designated for Agriculture use under the City's General Plan/LCP Coastal Land Use Plan or Zoning Code and is not subject to a Williamson Act contract. Therefore, the project would not result in a conflict with existing zoning for agricultural use or a Williamson Act contract and *no impact* would occur.

c., d. The project site does not include land use designations or zoning for forest land or timberland, nor does the project site support forest land or timberland; therefore, the project would not result in the loss or conversion of these lands to non-forest use. *No impact* would occur.

e. The project is not located near Farmland or forest land and the nature of the project would not conflict with existing agricultural uses in the region. The project would not substantially increase demand on agricultural water supplies and would not indirectly affect any proximate agricultural support facilities. Therefore, the project would not result in changes in the existing environment that could result in the conversion of Farmland to non-agricultural uses or forest land to non-forest uses. *No impact* would occur.

CONCLUSION

The project would not directly or indirectly result in the conversion of farmland, forest land, or timber land to non-agricultural uses or non-forest uses and would not conflict with agricultural zoning or otherwise adversely affect agricultural resources or uses. No significant impacts to agricultural resources would occur and no mitigation measures are necessary.

MITIGATION AND MONITORING

Mitigation measures are not required.

3. Air Quality

	Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. **Would the project:**	**Potentially Significant Impact**	**Less Than Significant with Mitigation Incorporated**	**Less Than Significant Impact**	**No Impact**
a.	Conflict with or obstruct implementation of the applicable air quality plan?			X	

	Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. **Would the project:**	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
b.	Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?		X		
c.	Expose sensitive receptors to substantial pollutant concentrations?		X		
d.	Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?			X	

ENVIRONMENTAL SETTING

Morro Bay is in San Luis Obispo County, which is part of the South-Central Coast Air Basin (SCCAB) and within the jurisdiction of the San Luis Obispo County Air Pollution District (SLOAPCD). The climate of the SCCAB is strongly influenced by its proximity to the Pacific Ocean. Airflow around and within the basin plays an important role in the movement and dispersion of pollutants. The speed and direction of local winds are controlled by the location and strength of the Pacific high-pressure system and other global weather patterns, topographical factors, and circulation patterns that result from temperature differences between the land and the sea.

Air quality within the SCCAB is regulated by several jurisdictions including the U.S. Environmental Protection Agency (EPA), California Air Resources Board (CARB), and SLOAPCD. Each of these jurisdictions develops rules, regulations, and policies to attain the goals or directives imposed upon them through legislation.

San Luis Obispo County is currently designated as "nonattainment" for the state standards for ozone, partial nonattainment (in eastern San Luis Obispo County, outside of the project area) for federal ambient standards for ground-level ozone (O3), and nonattainment for the state standards for particulate matter less than 10 microns in diameter (PM10). The COSE identifies goals and policies to achieve and maintain air quality that supports health and enjoyment for those who live, work, and visit the city. These goals and policies include meeting federal and state air quality standards, reducing dependency on gasoline- or diesel-powered motor vehicles, and encouraging walking, biking, and public transit use.

The major sources of PM10 in the SCCAB are agricultural operations, vehicle dust, grading, and dust produced by high winds. Additional sources of particulate pollution include diesel exhaust; mineral extraction and production; combustion products from industry and motor vehicles; smoke from open burning; paved and unpaved roads; condensation of gaseous pollutants into liquid or solid particles; and wind-blown dust from soils disturbed by demolition and construction, agricultural operations, off-road vehicle recreation, and other activities. Ozone is a secondary pollutant that is formed by a reaction between nitrogen oxides (NOx) and reactive organic gases (ROGs) in the presence of sunlight. Therefore, ozone levels are dependent on the amount of these precursors. In the SCCAB, the major sources of ROGs are motor vehicles, organic solvents, petroleum production, and pesticides. The major sources of NOx are motor vehicles, public utility power generation, and fuel combustion by various industrial sources.

The SLOAPCD is the agency primarily responsible for ensuring that federal and state ambient air quality standards are not exceeded and that air quality conditions within the region are maintained. Responsibilities of the SLOAPCD include, but are not limited to, preparing plans for the attainment of ambient air quality standards, adopting and enforcing rules and regulations concerning sources of air pollution, issuing permits for stationary sources of air pollution, inspecting stationary sources of air pollution and responding to citizen complaints, monitoring ambient

air quality and meteorological conditions, and implementing programs and regulations required by the federal and state Clean Air Acts.

As part of the California Clean Air Act, the SLOAPCD is required to develop a plan to achieve and maintain the state ozone standard by the earliest practicable date. The SLOAPCD's 2001 Clean Air Plan (CAP) addresses the attainment and maintenance of federal and state ambient air quality standards. The CAP was adopted by SLOAPCD on March 26, 2002, and outlines strategies to reduce ozone-precursor pollutants (i.e., reactive organic gas [ROG] and nitrogen oxide [NOx]) from a wide variety of sources. The CAP includes a stationary-source control program, which includes control measures for permitted stationary sources, as well as transportation and land use management strategies to reduce motor vehicle emissions and use. The stationary-source control program is administered by SLOAPCD. Transportation and land use control measures are implemented at the regional or local level by promoting and facilitating the use of alternative transportation options, increased pedestrian access and accessibility to community services and local destinations, reductions in vehicle miles traveled, and promotion of congestion management efforts. In addition, local jurisdictions also prepare population forecasts, which are used by SLOAPCD to forecast population-related emissions and air quality attainment, including those contained in the CAP.

The SLOAPCD has developed and updated their California Environmental Quality Act (CEQA) Air Quality Handbook (most recently updated with a November 2017 Clarification Memorandum and GHG Interim Guidance in January 2021) to help local agencies evaluate project-specific impacts and determine if air quality mitigation measures are needed, or if potentially significant impacts could result.

The SLOAPCD has established thresholds for both short-term construction emissions and long-term operational emissions. Use of heavy equipment and earth-moving operations during project construction can generate fugitive dust and engine combustion emissions that may have substantial temporary impacts on local air quality and climate change. Combustion emissions, such as NOx, ROG, greenhouse gases (GHGs), and diesel particulate matter (DPM), are most significant when using large, diesel-fueled scrapers, loaders, bulldozers, haul trucks, compressors, generators, and other heavy equipment. The SLOAPCD has established thresholds of significance for each of these contaminants.

Operational impacts are focused primarily on the indirect emissions (e.g., motor vehicles) associated with residential, commercial, and industrial development. Certain types of projects can also include components that generate direct emissions, such as power plants, gasoline stations, dry cleaners, and refineries (source emissions).

Sensitive receptors are people that have an increased sensitivity to air pollution or environmental contaminants, such as the elderly, children, asthmatics, and others who are at a heightened risk of negative health outcomes due to exposure to air pollution. Some land uses are considered more sensitive to changes in air quality than others, due to the population that occupies the uses and the activities involved. Sensitive receptor locations include schools, parks and playgrounds, day care centers, nursing homes, hospitals, and residences. The project site is located in a sparsely developed area and the nearest sensitive land uses to the project site is Bayside Care Center, an assisted living and nursing home facility, located immediately east of the project site.

Naturally Occurring Asbestos (NOA) has been identified as a toxic air contaminant by the CARB. Any ground disturbance or demolition of existing structures in an area identified as having the potential to contain NOA must comply with the CARB Airborne Toxics Control Measure (ATCM) for Construction, Grading, Quarrying, and Surface Mining Operations. The SLOAPCD NOA Map indicates that the project site is located within an area identified as having a potential for NOA to occur.

IMPACT DISCUSSION

a. According to the SLOAPCD's CEQA Air Quality Handbook (2012), a consistency analysis with the 2001 San Luis Obispo County CAP is required for a program-level environmental review and may be necessary

for a larger project-level environmental review, depending on the project being considered. Project-level environmental reviews that may require consistency analysis with the CAP include large residential developments and large commercial/industrial developments. For such projects, evaluation of consistency is based on a comparison of the proposed project with the land use and transportation control measures and strategies outlined in the CAP. If the project is consistent with these measures, the project is considered consistent with the CAP.

Adopted land use planning strategies include, but are not limited to, planning compact communities with higher densities, providing for mixed land use, and balancing jobs and housing. The project does not include development of retail or commercial uses that would be open to the public; therefore, land use planning strategies such as mixed-use development and planning compact communities are generally not applicable.

The project would facilitate the construction of up to 70 residential units, which is not a significant increase that would significantly affect the local area's jobs/housing balance. Implementation of the proposed project would be consistent with the air quality goals and/or objectives of the County's 2001 CAP; therefore, impacts related to consistency with applicable air quality plans would be *less than significant*.

b. Construction of future development would result in the temporary generation of emissions associated with site grading and excavation, paving, and motor vehicle exhaust associated with construction equipment and worker trips, as well as the movement of construction equipment on unpaved surfaces. Short-term construction emissions would result in increased emissions of ozone-precursor pollutants (i.e., ROG and NOx) and emissions of PM. Emissions of ozone precursors would result from the operation of on- and off-road motorized vehicles and equipment. Emissions of airborne PM are largely dependent on the amount of ground disturbance associated with site preparation activities and can result in increased concentrations of PM that can adversely affect nearby sensitive land uses. Long-term emissions associated with future residential uses would be predominantly associated with mobile sources. To a lesser extent, emissions associated with area sources, such as landscape maintenance activities, as well as use of electricity and natural gas would also contribute to increased operational emissions.

   The SLOAPCD CEQA Air Quality Handbook provides thresholds of significance for construction related emissions. The SLOAPCD CEQA Air Quality Handbook also provides preliminary screening construction emission rates based on the proposed volume of soil to be moved and the anticipated area of disturbance and clarifies that any project that would require grading of 4.0 acres or more can exceed the 2.5-ton PM10 quarterly threshold.

   Construction of future development may disturb 4.0 acres of soil, depending on final grading plans, or result in earthwork quantities that could exceed the SLOAPCD ROG, NOx, and/or DPM thresholds. The General Plan/LCP Coastal Land Use Plan EIR requires implementation of SLOAPCD standard construction mitigation for ROG, NOx, and DPM for all projects, regardless of earthwork proposed. SLOAPCD requires applying Best Available Control Technology (BACT) for construction equipment is required when the SLOAPCD Quarterly Tier 1 construction significance threshold of 2.5 tons per quarter ROG + NOx is exceeded or .13 tons per quarter of DPM are exceeded. Tier 1 thresholds would be exceeded when earthwork quantities (cut + fill) exceed 43,936 cubic yards. Applying BACT for construction equipment, implementing a Construction Activity Management Plan (CAMP), and implementing offsite mitigation is required when the SLOAPCD Quarterly Tier 2 construction significance thresholds of 6.3 tons per quarter ROG + NOx or 0.32 tons per quarter DPM are exceeded. Tier 2 thresholds would be exceeded when earthwork quantities (cut + fill) exceed 110,720 cubic yards. Mitigation Measure AQ-1 would be required when earthwork quantities exceed these thresholds, in order to reduce impacts to less than significant. With implementation of AQ-1, impacts would be *less than significant with mitigation.*

c. Nearby sensitive receptors include the Bayside Care Center, located adjacent to the project site to the east. As noted above, the project could result in emissions of sensitive pollutants in quantities that exceed the

SLOAPCD thresholds and expose sensitive receptors to harmful concentrations. With implementation of AQ-1, impacts would be *less than significant with mitigation.*

The SLOAPCD NOA Map indicates that the project site is located within an area identified as having a potential for NOA to occur. Mitigation Measure AQ-2 requires that for future development, in accordance with CARB Airborne Toxic Control Measures (ATCMs), prior to any grading activities a geologic evaluation be conducted to determine if NOA is present within the area that will be disturbed. If NOA is not present, an exemption request form, along with a copy of the geologic report, must be filed with the SLOAPCD. If NOA is found at the site, the applicant must comply with all requirements outlined in the Asbestos ATCM. With implementation of AQ-2, impacts would be *less than significant with mitigation.*

d. Future development associated with the proposed project would likely not result in the installation of any equipment or processes that would be considered major odor-emission sources. However, construction of the proposed project would involve the use of a variety of gasoline or diesel-powered equipment that would emit exhaust fumes. Exhaust fumes, particularly diesel exhaust, may be considered objectionable by some people. In addition, pavement coatings and architectural coatings used during project construction would also emit temporary odors. However, construction-generated emissions would occur intermittently throughout the workday and would dissipate rapidly with increasing distance from the source. As a result, short-term construction activities would not expose a substantial number of people to frequent odorous emissions. For these reasons, potential exposure of sensitive receptors to odorous emissions would be considered *less than significant*.

CONCLUSION

Implementation of the proposed project may result in emissions exceeding thresholds of significance, as identified by the SLOAPCD, and could result in the disturbance of naturally occurring asbestos. Mitigation has been identified to reduce potential impacts. With incorporation of the mitigation detailed below, the project would result in less-than-significant impacts on air quality.

MITIGATION AND MONITORING

Implement General Plan/LCP Coastal Land Use Plan EIR Mitigation Measure AQ-2 (SLOAPCD Standard Mitigation for Construction Equipment).

Mitigation Measure AQ-1:

a. The project shall implement the following mitigation measures to minimize nuisance impacts and to significantly reduce fugitive dust emissions:

   i. Reduce the amount of the disturbed area where possible;
   ii. Use of water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site. Increased watering frequency would be required whenever wind speeds exceed 15 mph. Reclaimed (non-potable) water should be used whenever possible;
   iii. All dirt stock pile areas should be sprayed daily as needed;
   iv. Permanent dust control measures identified in the approved project revegetation and landscape plans should be implemented as soon as possible following completion of any soil disturbing activities;
   v. Exposed ground areas that are planned to be reworked at dates greater than one month after initial grading should be sown with a fast germinating, non-invasive grass seed and watered until vegetation is established;
   vi. All disturbed soil areas not subject to revegetation should be stabilized using approved chemical soil binders, jute netting, or other methods approved in advance by the APCD;

vii. All roadways, driveways, sidewalks, etc. to be paved should be completed as soon as possible. In addition, building pads should be laid as soon as possible after grading unless seeding or soil binders are used;
viii. Vehicle speed for all construction vehicles shall not exceed 15 mph on any unpaved surface at the construction site;
ix. All trucks hauling dirt, sand, soil, or other loose materials are to be covered or should maintain at least two feet of freeboard (minimum vertical distance between top of load and top of trailer) in accordance with CVC Section 23114;
x. Install wheel washers where vehicles enter and exit unpaved roads onto streets, or wash off trucks and equipment leaving the site;
xi. Sweep streets at the end of each day if visible soil material is carried onto adjacent paved roads. Water sweepers with reclaimed water should be used where feasible;
xii. All of these fugitive dust mitigation measures shall be shown on grading and building plans; and
xiii. The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust complaints, reduce visible emissions below 20% opacity, and to prevent transport of dust offsite. Their duties shall include holidays and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the APCD Compliance Division prior to the start of any grading, earthwork or demolition.

b. If future construction activities exceed the SLOAPCD Tier 1 construction emission thresholds (approximately 43,936 cubic yards of cut + fill), the project shall apply BACT for construction equipment. The BACT measures can include: Further reducing emissions by expanding use of Tier 3 and Tier 4 off-road and 2010 on-road compliant engines; Repowering equipment with the cleanest engines available; and Installing California Verified Diesel Emission Control Strategies. These strategies are listed at: http://www.arb.ca.gov/diesel/verdev/vt/cvt.htm.

c. If future construction activities exceed the SLOAPCD Tier 2 construction emission thresholds (approximately 110,720 cubic yards of cut + fill), the project shall implement BACT measures identified above, and a CAMP shall be submitted to the SLOAPCD for review and approval prior to the start of construction. The CAMP shall include, but not be limited to, the following elements: a Dust Control Management Plan that encompasses all, but is not limited to, dust control measures that were listed above in the "dust control measures" section; tabulation of on and off-road construction equipment (age, horse-power and miles and/or hours of operation); schedule construction truck trips during non-peak hours to reduce peak hour emissions; limit the length of the construction work-day period, if necessary; and, phase construction activities, if appropriate.

d. If implementation of measures (a) through (c), above do not reduce emissions to less than significant, the project shall coordination with SLOAPCD regarding offsite mitigation. The applicant shall pay the current offsite mitigation rate and may use the required funds to implement SLOAPCD approved emission reduction projects near the project site or may pay that funding level plus an administration fee (2012 rate is 15%) to the SLOAPCD to administer emission reduction projects in close proximity to the project. The applicant shall provide this funding at least two (2) months prior to the start of construction to help facilitate emission offsets that are as real-time as possible. Examples off-site mitigation strategies include, but are not limited to, the following: fund a program to buy and scrap older heavy-duty diesel vehicles or equipment; replace/repower transit buses; replace/repower heavy-duty diesel school vehicles (i.e. bus, passenger or maintenance vehicles); retrofit or repower heavy-duty construction equipment, or on-road vehicles; repower or contribute to funding clean diesel locomotive main or auxiliary engines; purchase VDECs for local school buses, transit buses or construction fleets; install or contribute to funding alternative fueling infrastructure (i.e. fueling stations for CNG, LPG, conductive and inductive electric vehicle charging, etc.); fund expansion of existing transit services; and, replace/repower marine diesel engines.

Mitigation Measure AQ-2: A geologic evaluation shall be prepared to determine if NOA is present prior to any grading activities at the project site. If NOA is found at the site the project shall comply with all requirements outlined in the Asbestos ATCM for Quarrying, and Surface Mining Operations. These requirements may include but are not limited to development of an Asbestos Dust Mitigation Plan which must be approved by the SLOAPCD before operations begin and development and approval of an Asbestos Health and Safety Program (required for some projects). If NOA is not present, an exemption request shall be filed with SLOAPCD. More information on NOA can be found at http://www.slocleanair.org/business/asbestos.asp.

4. Biological Resources

	Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?		X		
b.	Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?		X		
c.	Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?			X	
d.	Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?			X	
e.	Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?			X	
f.	Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional or state habitat conservation plan?				X

ENVIRONMENTAL SETTING

The project is located on a previous disturbed parcel composed of weedy annual grasses and forbs. Based on previous biological surveys and assessments prepared for the project site, the site is known to contain several serpentine rock outcrops and sensitive plant species, including Cambria morning glory (*calystegia subacaulis ssp. episcopalis*), Jones' layia (*layia jonesii*), Blochman's dudleya (*dudleya blochmaniae ssp. blochmaniae*), and club-haired mariposa lily (*calochortus clavatus var. clavatus*). The site also contains purple needlegrass/serpentine bunchgrass grassland (*nassella pulchra*), a sensitive habitat community. Areas adjacent to the roadway that runs through the project site are ornamentally landscaped with cypress trees and ceanothus shrubs. The City's General Plan/LCP Coastal Land Use Plan identifies the habitat type of the site as herbaceous, shrubland, and riparian. The riparian habitat corresponds with a seasonal drainage that traverses adjacent to the project site along the western

side and is identified by the General Plan/LCP Coastal Land Use Plan as Aquatic Resources & Wetland Habitats Environmentally Sensitive Habitat Area (ESHA).

According to the California Natural Diversity Database (CNDDB), there are documented occurrences of eleven special-status plant species and six special-status wildlife species within 1 mile of the project site. The special-status wildlife species include California black rail (*laterallus jamaicensis coturniculus*), tidewater goby (*eucyclogobius newberryi*), California steelhead (*28rctostaphyl mykiss irideus*), California monarch (*danaus plexippus*), pallid bat (*antrozous pallidus*), and Northern California legless lizard (*anniella pulchra*). The special-status plant species include Cambria morning glory, Miles' milk vetch (*astragalus didymocarpus var. milesianus*), San Luis Obispo owls clover (*28rctostaph densiflora var. obispoensis*), San Joaquin spearscale (*extriplex joaquinana*), Jones' layia, Blochman's dudleya, Betty's dudleya (*dudleya abramsii ssp. bettinae*), dune larkspur (*delphinium parryi ssp. blochmaniae*), Kellogg's horkelia (*horkelia cuneata var. sericea*), Oso manzanita (*28rctostaphylos osoensis*), and mouse-gray dudleya (*dudleya abramsii ssp. murina*).

As part of the tract improvements for Tract 2870, the developer impacted or removed portions of the site containing serpentine bunchgrass grassland, Cambria morning glory, Jones' layia, club haired mariposa lily, and Blochman's dudleya. To mitigate for these impacts the project placed an open space easement over onsite sensitive habitat outside of the impact areas and building envelopes, and through a combination of preservation and replanting, offset the impacts to these species at a 1:1 ratio. With the exception of Blochman's dudleya, the three plant species and sensitive habitat community were all successfully mitigated. As of 2019, Blochman's dudleya has not met all the success criteria for successful mitigation.

IMPACT DISCUSSION

a. The CNDDB identified eleven special-status plant species with potential to occur onsite, including four species known previously to occur onsite and documented as present onsite in 2019. As of 2019, Miles' milk vetch, San Luis Obispo owls' clover, San Joaquin spearscale, Betty's dudleya, dune larkspur, Kellogg's horkelia, Oso manzanita, and mouse-gray dudleya have not been identified onsite. The timing and extent of future development is unknown at this time. Any future development would include grading and ground disturbing activities that could result in removal of Cambria morning glory, Jones' layia, Blochman's dudleya, and club-haired mariposa lily, or of any of the other seven special-status plant species known to the area that could occupy the site before construction. Mitigation Measure BIO-1 requires pre-construction surveys to identify the extent of special-status species onsite and mitigation to offset any that would be impacted by future development. With implementation to BIO-1, impacts would be *less than significant with mitigation.*

   The CNDDB also identified six wildlife species with the potential to occur in the project vicinity; however, due to project site conditions and habitat requirements of these species, none are expected to occur onsite. Tidewater goby and California steelhead have highly specialized aquatic habitat requirements that are not present on-site, and therefore would not be impacted by the project. Given the proximity of the site to the Pacific Ocean, the CNDDB search included coastal species that are known from coastal sand dunes to the west of the project site. Therefore, the coastal-dependent California black rail is also not expected to occur onsite. Monarch butterflies are known to overwinter in the Morro Bay area, in cypress and eucalyptus trees. However, the cypress trees present onsite are arranged in a linear fashion, similar to a windrow, and therefore lack the more complex structure needed to protect butterflies and buffer them from wind and cold temperatures during winter storm events. Therefore, monarch butterflies are not expected to overwinter onsite. Pallid bats prefer dry areas ideal for foraging with rocky outcrops for roosting and are also found regularly in oak and pine woodlands where they roost in caves, mines, rock crevices, hollow trees and buildings. While the project site provides suitable foraging habitat for pallid bat, the cypress trees are not sufficient to provide roosting opportunities and the rock outcrops consist of smaller, granular stones that lack the crevices needed for protected roosting. Northern California legless lizard are a burrowing species that require sandy or loose loamy soils or ample leaf litter for burrowing under. As discussed in Section 7,

Geology and Soils, soils of the project site include hard clay and rock varieties, and vegetation on the site is not sparse and not conducive for sufficient leaf litter. Therefore, no special-status wildlife species are expected to occur onsite and impacts would be *less than significant.*

Suitable habitat for nesting birds protected under the Migratory Bird Treaty Act (MBTA) and California Fish and Game Code (CFGC) may be present in the Monterey cypress trees onsite. Nesting birds could be present on a seasonal basis in these trees, and construction activities as well as trimming or removing trees could adversely affect their nesting activities. Mitigation Measure BIO-2 would require preconstruction nesting surveys to avoid impacts to birds protected under the MBTA and CFCG.

With implementation of Mitigation Measure BIO-1 and BIO-2, the project would not have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special-status species in regional or local plans, policies, or regulations, or by the CDFW or U.S. Fish and Wildlife Service (USFWS). Therefore, impacts would be *less than significant with mitigation.*

b. The project site is adjacent to riparian habitat to the west that is considered ESHA. Per Section 17.40.040(D)(4) of the City's Zoning Code, future development would be required to be setback a minimum of 100 feet from the wetland ESHA, and 50 feet from riparian habitat and stream corridors. The greatest potential for onsite erosion to occur would be during the initial site preparation and grading during construction. Future development on the project site would require surface grading and deeper cuts for foundation and utility installation. Grading permits are required for projects, excavations, or fills exceeding 50 cubic yards in volume and require implementation of standard Best Management Practices (BMPs) to ensure substantial erosion, siltation, and/or sedimentation are avoided. The project's future development would be required to comply with the Central Coast Regional Water Quality Control Board (RWQCB) requirements set forth in their Post-Construction Stormwater Management Requirements for Development Projects in the Central Coast region. Future physical improvements of the project site would also be required to prepare a Stormwater Pollution Prevention Plan (SWPPP) and implement BMPs that are designed to further prevent soil erosion during construction and incorporate Low Impact Development (LID) techniques that would help manage stormwater and prevent soil erosion. Compliance with existing regulations would ensure potential erosion impacts would be *less than significant.*

c. The drainage that traverses adjacent to the project site along the western side is identified as aquatic resources/wetland habitat in the City's General Plan/LCP Coastal Land Use Plan. Per Section 17.40.040(D)(4) of the City's Zoning Code, future development would be required to be setback a minimum of 100-feet. Given the setback, future development is not expected to remove, fill, or hydrologically interrupt the wetland. Additionally, as noted above, implementation of a SWPPP and Post-Construction Stormwater Management Requirements would ensure erosion would not impact the wetland. Therefore, impacts would be *less than significant.*

d. The project would occur within an area that bound to the south by SR 1. The project area does not support any surface water resources, migratory corridors, or nursery sites. Therefore, based on the location of the project site and habitat conditions, impacts to movement of native and migratory species would be *less than significant*.

e. The project would be located in the Coastal Zone and is subject to the City's LCP, which includes polices related to the preservation of ESHA and other sensitive biological resources. Future development would be required to be setback a minimum of 100-feet from the drainage to the west of the project site that is considered ESHA. Therefore, impacts would be *less than significant.*

f. The project site is not subject to any adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved state, regional, or local habitat conservation plan. Therefore, *no impacts* related to conflicts would occur.

CONCLUSION

Potentially significant impacts to biological resources associated with the proposed project would be less than significant with implementation of mitigation to reduce impacts to sensitive plant species and avoid impacts to nesting birds.

MITIGATION AND MONITORING

Mitigation Measure BIO-1: Prior to any site disturbance, the applicant shall conduct seasonally-appropriate floristic surveys to identify the presence or absence of Cambria morning glory, Miles' milk vetch, San Luis Obispo owls clover, San Joaquin spearscale, Jones' layia, Blochman's dudleya, Betty's dudleya, dune larkspur, Kellogg's horkelia, Oso manzanita, mouse-gray dudleya, and serpentine bunchgrass grassland. Surveys shall be conducted during the appropriate blooming period in order to evaluate the extent and the abundance of the population within the proposed ground disturbance area, and a 50-foot buffer. The results of these surveys shall be submitted to the City and the United States Fish and Wildlife Service and/or California Department of Fish and Wildlife, as applicable, within 30 days of completing the survey. In the event of a below-average rainfall year, the applicant shall submit the results of the surveys to the to the City and the United States Fish and Wildlife Service and/or California Department of Fish and Wildlife, as applicable, within 30 days of completing the survey, and the City may elect to use the best available data from an average rainfall year.

If special status plant species are present within the proposed ground disturbance area, or within a 50-foot buffer, the applicant shall avoid all impacts to the greatest extent feasible. All plans that are submitted to the City shall include specifications for the installation of protective fencing to prevent any inadvertent impacts to all sensitive plants or their habitat. The protective fencing shall be installed prior to any ground disturbing activities, at the direction of the qualified biologist, and shall be maintained by the applicant throughout the entire construction work period at the subject location. Photos of installed fencing shall be submitted prior to grading permits and included in the submitted bi-monthly reports.

Should project activities at a site location extend beyond one-year, additional floristic surveys shall be conducted at the location on an annual basis until project construction activities are completed. The results of these surveys shall be submitted to the City, United States Fish and Wildlife, and California Department of Fish and Wildlife.

Prior to issuance of permits, the applicant shall submit a restoration plan prepared by a qualified biologist for special status plant species and submit to the City for review and approval, in consultation with the United States Fish and Wildlife (USFWS), and California Department of Fish and Wildlife (CDFW), if necessary. At a minimum, the plan shall include:

1. Identification of locations, amounts, size and types of plants to be replanted, as well as any other necessary components (e.g., temporary irrigation, amendments, etc.) to ensure successful reestablishment. Restoration areas shall be located within open space and conservation easements onsite.

2. Provide for a native plant salvage and seed collection effort prior to ground disturbing activities. Salvaged plants shall include, but not be limited to, special status plant species that may be affected.

3. Quantification of impact based on finalized plans and quantification of mitigation areas such that the replacement criteria are met.

4. A program schedule and success criteria for a minimum five-year monitoring and reporting program that is structured to ensure the success of the restoration plan.

5. All individuals that are removed or impacted shall be replaced in-kind at a 2:1 ratio (based on square feet cover) within the designated restoration area with 100% success in 5 years.

6. Identification of access and methods of materials transport to the restoration area, including personnel, vehicles, tools, plants, irrigation equipment, water, and all other similar supplies. Access shall not result in new or additional impacts to habitat and special-status species.

7. Incorporation of an invasive species control program, which would include the following at a minimum:

    a. To avoid the spread of invasive species, the contractor will stockpile topsoil and redeposit the stockpiled soil on the slopes after construction is complete, or if heavily infested with invasive species, transport the topsoil to a certified landfill for disposal.

    b. During construction, the project will make all reasonable efforts to limit the use of imported soils for fill. Soils currently existing on-site should be used for fill material. If the use of imported fill material is necessary, the imported material must be obtained from a source that is known to be free of invasive plant species; or the material must consist of purchased clean material such as crushed aggregate, sorted rock, or similar.

    c. The restoration planting plans must emphasize the use of native species expected to occur in the area. Project plans must avoid the use of plant species that the Cal-IPC, Cal-EPPC, CDFW, or other resource organizations considers to be invasive or potentially invasive. Prior to issuance of grading permits, the City shall verify that restoration plans do not include the use of any species considered invasive by the Cal-IPC, Cal-EPPC, or CDFW.

    d. If performance standards detailed in the final restoration plan are not achieved in any restoration area, the applicant shall submit and implement an alternative or adaptive mitigation strategy during the restoration and monitoring phase for approval to the City, in consultation with other appropriate resource agencies including the United States Fish and Wildlife and/or the California Department of Fish and Wildlife.

Mitigation Measure BIO-2: To avoid impacts to nesting birds for construction activities occurring between February 15 and August 31, a preconstruction survey for active bird nests shall be conducted by a qualified biologist. Surveys shall be conducted within 2 weeks prior to construction activities. If no active nests are located, construction activities can proceed. If active nests are located, then all construction work shall be conducted outside a non-disturbance buffer zone to be developed by the project biologist based on the species (i.e., 50 feet for common species and up to 250 feet for raptors), slope aspect and surrounding vegetation in proximity to the nest site. No direct disturbance to nests shall occur until the young are no longer reliant on the nest site as determined by the project biologist. The biologist shall conduct monitoring of the nest until all young have fledged. The qualified biologist shall document all active nests and submit a letter report to the City of Morro Bay documenting project compliance with the Migratory Bird Treaty Act, California Fish and Game Code, and applicable project mitigation measures, within 14 days of survey completion or prior to first inspection, whichever occurs first.

5. Cultural Resources

	Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Cause a substantial adverse change in the significance of a historical resource pursuant to 15064.5?				X
b.	Cause a substantial adverse change in the significance of an archaeological resource pursuant to 15064.5?		X		
c.	Disturb any human remains, including those interred outside of dedicated cemeteries?		X		

ENVIRONMENTAL SETTING

The project site is located in an area historically occupied by the Obispeño Chumash and is considered by some to include the southern boundary of the Playano Salinan people. During prehistoric times, the areas surrounding the Morro Bay inlet and estuary were rich in terrestrial, littoral, and estuarine resources, which directly correlate to the high frequency of prehistoric cultural sites identified in the Morro Bay region. Several locations along the coast and Morro Creek are designated Archaeologically Sensitive (AS) by the City and the County.

A Phase 1 Archaeological Report (Conway 2000) was prepared for the project site as part of the previously proposed development. The report did not identify any known archaeological resources within the project site.

IMPACT DISCUSSION

a. The project site is undeveloped and does not contain any resources listed on the National Register of Historical Places or California Register of Historic Resources and there are no listed resources on surrounding properties. Future development would be limited to the project site and would not cause a substantial adverse change in the significance of regional historical resources. Therefore, there would be *no impact*.

B, c. Based on the discussion above, and information documented in the Phase I Archaeological Report, no known archaeological resources, including human remains, are known to be present within the project site. However, the project is located in an archaeologically sensitive area and there is potential for the presence of unknown buried and/or obscured archaeological resources. In the event of accidental discovery of archeological resources, including human remains, Mitigation Measure CUL-1 would require work within the vicinity of the find to cease until an archaeologist can address the find. Implementation of this mitigation measure would ensure impacts to archaeological resources, including human remains, are avoided and minimized. Therefore, potential impacts associated with archaeological resources and the disturbance of human remains would be *less than significant with mitigation*.

CONCLUSION

Potentially significant impacts to cultural resources associated with the proposed project would be less than significant with implementation of identified mitigation.

MITIGATION AND MONITORING

To minimize the potential significant impacts to cultural resources, the following mitigation measure would be implemented.

Mitigation Measure CUL-1: In the event of any inadvertent discovery of archaeological resources, all work within 100 feet of the discovery shall immediately cease. The Applicant and/or contractor shall immediately contact a

City-approved archaeologist and notify the City Community Development Department. The City-approved archaeologist shall evaluate the significance of the discovery pursuant to State CEQA Guidelines Section 15064.5 and PRC Section 21083.2. Should the discovery be determined to not be significant, the City-approved archaeologist, in consultation with the City, shall determine what, if any, measures are appropriate. Work may resume in the area upon approval of the City-approved archaeologist.

Should the City-approved archaeologist determine an inadvertent discovery is significant, the Applicant, in discussion with the City and the City-approved archeologist, shall determine if avoidance of the site is feasible. If avoidance is not feasible, a Data Recovery Plan shall be prepared and submitted to the City for review. The Data Recovery Plan shall include, at a minimum:

1. Mapping of the resource boundary;
2. Quantification of the volume of impact to the resource;
3. Excavation of a sample of the resource to characterize the nature of the site and retrieve a representative sample of artifacts within the impacted area;
4. Monitoring of excavations by a tribal representative;
5. Technical analysis of the recovered samples, including radiocarbon dating, typological and technical analysis of tools and debris, identification and analysis of preserved faunal and floral remains, and other studied appropriate to research questions outlined in the research design;
6. Cataloguing and curation of all artifacts and records detailing the results of the investigations at a City-approved curation facility or to a Native American Tribe; and
7. Submission of a final technical report detailing the results of the investigations.

6. Energy

	Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Result in a potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?			X	
b.	Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?			X	

ENVIRONMENTAL SETTING

Energy use is typically associated with transportation, construction, and the operation of land uses. Transportation energy use is generally categorized by direct and indirect energy. Direct energy relates to energy consumption by vehicle propulsion. Indirect energy relates to the long-term indirect energy consumption of equipment, such as maintenance activities. Energy is also consumed by construction and routine operation and maintenance of land use. Construction energy relates to a direct one-time energy expenditure primarily associated with the consumption of fuel use to operate construction equipment. Energy related to land use is normally associated with direct energy consumption for heating, ventilation, and air conditioning of buildings.

The city currently receives electricity from Central Coast Community Energy (3CEnergy, formerly Monterey Bay Community Power), a Community Choice Energy agency that provides carbon-free electricity. 3CEnergy energy resources consist largely of solar, wind, and hydroelectric. Roughly 31% of 3CEnergy's 2020 total electric power mix came from renewable energy sources and 56% came from hydroelectric sources and has plans for 100% GHG free and renewable sources by 2030 (3CEnergy 2022). The city is served by the Southern California Gas Company (SoCalGas) for natural gas needs. In 2017, natural gas throughput provided by SoCalGas totaled 236 billion cubic

feet (Bcf). Natural gas demand has decreased over the past few years and is expected to continue to decline at a rate of 0.5% per year.

The California Building Code (CBC) contains standards that regulate the method of use, properties, performance, or types of materials used in the construction, alteration, improvement, repair, or rehabilitation of a building or other improvement to real property. The CBC includes mandatory green building standards for residential and nonresidential structures, the most recent version of which are referred to as the 2019 Building Energy Efficiency Standards. These standards focus on four key areas: smart residential photovoltaic systems, updated thermal envelope standards (preventing heat transfer from the interior to the exterior and vice versa), residential and nonresidential ventilation requirements, and non-residential lighting requirements.

IMPACT DISCUSSION

a., b. Construction of future development of allowed land uses would require electricity, gasoline, and diesel fuel for the use of construction equipment. Future construction would not be anticipated to require the use of construction equipment that would be less energy efficient than those commonly used for the construction of similar land uses. Idling of on-site equipment during construction would be prohibited when equipment is not in use in accordance with SLOAPCD requirements. Energy use associated with construction of the future development would be temporary and would not be anticipated to result in the need for additional capacity, nor would construction be anticipated to result in increased peak-period demands for electricity. As a result, construction of future development associated with the proposed project would not result in an inefficient, wasteful, or unnecessary consumption of energy.

Future development is anticipated to include high-density residential development, such as apartments, condominiums, or townhouses. This type of development typically requires electricity and natural gas usage for lighting, space and water heating, appliances, water conveyance, and landscaping maintenance equipment. Future structures would be required to comply with Title 24 standards for energy-efficiency, which would include increased building insulation and energy-efficiency requirements, including the use of energy-efficient lighting, energy-efficient appliances, and use of low-flow water fixtures. Mobile-source energy consumption would be associated with vehicle trips to and from the residences. Vehicles associated with future residential uses would adhere to Federal and State regulations that include, but are not limited to, the Low-Carbon Fuel Standard, Advanced Clean Car Program, and Low-Emission Vehicle Program, which would contribute to reductions in future fuel usage.

The anticipated future uses are not uses that would be considered to result in wasteful, inefficient, or unnecessary consumption of energy resources, and would be similar in nature to the existing allowed uses. Future development would be required to comply with existing regulations related to energy efficiency; therefore, impacts would be *less than significant.*

CONCLUSION

Implementation and buildout of the proposed project would result in additional residential units on the project site. Energy would be sourced from GHG-free sources and would be subject to green building and CBC standards for energy efficiency. The project would not result in excessive energy use during construction or operation. Therefore, impacts would be less than significant, and no mitigation is necessary.

MITIGATION MONITORING

Mitigation measures are not required**.**

7. Geology and Soils

	Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:				
(i)	Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Publication 42.			X	
(ii)	Strong Seismic ground shaking?			X	
(iii)	Seismic-related ground failure, including liquefaction?			X	
(iv)	Landslides?			X	
b.	Result in substantial erosion or the loss of topsoil?			X	
c.	Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?			X	
d.	Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?			X	
e.	Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				X
f.	Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?		X		

ENVIRONMENTAL SETTING

The City of Morro Bay is located within the Coast Range Geomorphic Province, which extends along the coastline from central California to Oregon. This region is characterized by extensive folding, faulting, and fracturing of variable intensity. In general, the folds and faults of this province comprise the pronounced northwest trending ridge-valley system of the central and northern coast of California. According to the City's General Plan/LCP Coastal Land Use Plan, the nearest seismically active fault to the project site is the Cambria fault, located approximately 1.5 miles to the north.

The City's General Plan/LCP Coastal Land Use Plan identifies the project site as being low risk for liquefaction and high risk for landslide. The project site is not located within a flood hazard zone.

Soils on the project site include 128 Cropley clay, 129 Diablo clay, 158 Los Osos loam, and 183 Obispo-Rock outcrop complex:

> 128. Cropley clay, 2-9% slopes. This very deep, moderately well drained, gently sloping and moderately sloping soil has slow permeability and surface runoff is slow or medium. The hazard of water erosion is slight or moderate and the shrink swell potential is high. If used for urban development, foundation and footing designs need to compensate for the high shrink-swell and low strength of this soil. Septic tank

absorption fields do not function properly because of the slow permeability. This soil has a CA Storie Index Rating of Grade 3 – Fair.

129. Diablo clay, 5-9% slopes. This deep, well drained, gently rolling soil has slow permeability and surface runoff is medium. The hazard of water erosion is slight or moderate and the shrink swell potential is high. This soil is increasingly important for urban development. The main limitations are high shrink swell potential, low strength, and slow permeability. The soil is also hard to pack due to the high clay content. These limitations can require special design considerations for urban development and most other engineering practices. Local road and street design can require that the base material be replaced or covered with more suitable material so that maintenance is minimized. This soil has a CA Storie Index Rating of Grade 3 – Fair.

158. Los Osos loam, 5-9% slopes. This moderately steep, well drained, gently rolling soil has slow permeability and surface runoff is medium. The hazard of water erosion is moderate. This soil has high shrink swell potential in the subsoil. Foundations and footings should be designed to offset the high shrink swell potential of the clay subsoil. The low strength of the subsoil can require that the subgrade be removed and replaced with a more suitable material and that a high degree of compaction and moisture control be maintained before constructing foundations. Septic tank absorption fields do not function properly because of the slow permeability of the subsoil and the depth to rock. This soil has a CA Storie Index Rating of Grade 2 – Good.

183. Obispo-Rock outcrop complex, 15-75% slopes. This moderately steep to very steep soil and Rock outcrop is shallow and well drained. Permeability is slow, surface runoff is rapid or very rapid, and the hazard of water erosion is high or very high. The Rock outcrop is exposed, hard serpentine at or near the soil surface. This soil is subject to sheet erosion. Most engineering practices require special design considerations because of the slope, shallow depth, and high clay content. Septic tank absorption fields do not function properly because of the high clay content and shallow depth of this soil. This soil has a CA Storie Index Rating of Grade 5 – Very Poor.

IMPACT DISCUSSION

a-i. The nearest potentially capable fault is the Cambria fault located approximately 1.5 miles northeast of the project site. Based on the Alquist-Priolo Earthquake Fault Zone Maps and information available from the California Department of Conservation's website, the project site is not located within an identified Alquist-Priolo Earthquake Hazard Zone. Future development associated with the proposed project would be subject to professional engineering standards and California Building Code (CBC) requirements to ensure buildings are constructed to withstand the magnitude of earthquakes that could potentially occur in that zone. The project would not expose people or structures to the rupture of any known active faults, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map. Therefore, impacts would be *less than significant.*

a-ii. San Luis Obispo County is located in a geologically complex and seismically active region. The project site is located in area with moderately high potential for seismic activity, ground shaking, and seismic settlement. According to Section 1613 of the 2019 CBC, all structures and portions of structures are required to be designed to resist the effects of seismic loadings caused by earthquake ground motions. With compliance with the CBC, impacts related to future development would be *less than significant*.

a-iii. The project site is at low risk for liquefaction. The project would be required to design the project to be consistent with professional engineering standards and CBC requirements to withstand seismic events that could result in liquefaction. With incorporation of professional engineering standards and CBC requirements potential impacts related to seismically induced liquefaction would be *less than significant*.

a-iv. According to the City's General Plan/LCP Coastal Land Use Plan, the project site is within an area identified as high landslide risk. General Plan/LCP Coastal Land Use Plan Policy PS-2.9 requires new development in high landslide risk areas to be sited and constructed in a manner that minimizes risk to life and property. Future developments would comply with the CBC, which requires, at a minimum, a soils report for new residential development, and other applicable regulations to reduce the potential for the project to result in substantial adverse effects involving landslides to *less than significant*.

b. The greatest potential for onsite erosion to occur would be during the initial site preparation and grading during construction. Future development on the project site would require surface grading and deeper cuts for foundation and utility installation. Grading permits are required for projects, excavations, or fills exceeding 50 cubic yards in volume and require implementation of standard Best Management Practices (BMPs) to ensure substantial erosion, siltation, and/or sedimentation are avoided. The project's future development would be required to comply with the Central Coast Regional Water Quality Control Board (RWQCB) requirements set forth in their Post-Construction Stormwater Management Requirements for Development Projects in the Central Coast region. Future physical improvements of the project site would also be required to prepare a Stormwater Pollution Prevention Plan (SWPPP) and implement BMPs that are designed to further prevent soil erosion during construction and incorporate Low Impact Development (LID) techniques that would help manage stormwater and prevent soil erosion. Compliance with existing regulations would ensure potential erosion impacts would be *less than significant*.

c. The project would be required to design the project to be consistent with professional engineering standards and CBC requirements to withstand seismic events that could result in off-site landslide, lateral spreading, subsidence, liquefaction or collapse. Therefore, potential impacts would be *less than significant*.

d. As described above, the soils on the project site have high potential for expansion (shrink-swell). Expansive soils tend to swell with seasonal increases in moisture and shrink during the dry season as subsurface moisture decreases. The volume changes that these materials undergo in this cyclical pattern can stress and damage slabs and foundations if precautionary measures are not incorporated into the design and construction procedures. Review of a soils report prepared by a qualified engineer is required upon review of the building permit to address the nature of the subsurface soils in accordance with CBC Chapter 18. Any issues identified in the report will be addressed through standard site construction techniques, as required by the CBC. Typical precautionary measures would likely include premoistening the underlying soil in conjunction with placement of non-expansive material beneath slabs, and a deepened and more heavily reinforced foundation. In addition, the project would be required to be designed in compliance with standard seismic design criteria established in the CBC to reduce risk associated with ground failure, including from expansive soils. Therefore, based on compliance with existing regulations, impacts related to expansive soils would be *less than significant*.

e. The project would connect with the City's municipal wastewater system and does not propose the use of septic tanks or alternative wastewater disposal systems. Therefore, *no impacts* would occur.

f. The project site is underlain by Franciscan rock mélange. According to the General Plan/LCP Coastal Land Use Plan EIR, the Pismo Formation and Pleistocene-aged alluvial deposit geologic units in the vicinity of Morro Bay are known to contain substantial paleontological resources. Additionally, quaternary older alluvium (Pleistocene-age), mapped in the city, is highly sensitive for paleontological resources in California. Consequently, damage to or destruction of fossils could occur as a result of development under the proposed General Plan and LCP Coastal Land Use Plan Update. However, there is no mapped Pismo Formation within city limits, and fossil-bearing sediments in the Morro Bay area are predominantly located on State parks land and offshore. There are no known unique paleontological resources or unique geological features located within the project site and the area has a low potential for encountering important fossils. Therefore, impacts would be *less than significant*.

CONCLUSION

Potentially significant impacts related to geology and soils associated with the proposed project would be less than significant.

MITIGATION MONITORING

Mitigation measures are not required.

8. Greenhouse Gas Emissions

	Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?			X	
b.	Conflict with an applicable plan, policy of regulation adopted for the purpose of reducing the emissions of greenhouse gases?			X	

ENVIRONMENTAL SETTING

Greenhouse gasses (GHGs) are any gases that absorb infrared radiation in the atmosphere. The primary GHGs that are emitted into the atmosphere as a result of human activities are carbon dioxide (CO2), methane (CH4), nitrogen oxides (NOx), and fluorinated gases. These are most commonly emitted through the burning of fossil fuels (oil, natural gas, and coal), agricultural practices, decay of organic waste in landfills, and a variety of other chemical reactions and industrial processes (e.g., the manufacturing of cement). Carbon dioxide (CO2) is the most abundant GHG and is estimated to represent approximately 80–90% of the principal GHGs that are currently affecting the earth's climate. According to the California Air Resources Board (CARB), transportation (vehicle exhaust) and electricity generation are the main sources of GHGs in the state.

In October 2008, the CARB published the Climate Change Proposed Scoping Plan, which is the state's plan to achieve GHG reductions in California required by Assembly Bill (AB) 32. The Scoping Plan included CARB-recommended GHG reductions for each emissions sector of the state's GHG inventory. The largest proposed GHG reduction recommendations were associated with improving emissions standards for light-duty vehicles, implementing the Low Carbon Fuel Standard program, implementation of energy efficiency measures in buildings and appliances, the widespread development of combined heat and power systems, and developing a renewable portfolio standard for electricity production.

Senate Bill (SB) 32 and Executive Order (EO) S-3-05 extended the state's GHG reduction goals and require CARB to regulate sources of GHGs to meet the following goals:

- Reduce GHG emissions to 1990 levels by 2020;
- Reduce GHG emissions to 40% below 1990 levels by 2030;
- Reduce GHG emissions to 80% below 1990 levels by 2050.

The initial Scoping Plan was first approved by CARB on December 11, 2008, and is updated every 5 years. The first update of the Scoping Plan was approved by the CARB on May 22, 2014, which looked past 2020 to set mid-term goals (2030–2035) toward reaching the 2050 goals. The most recent update released by CARB is the 2017

Climate Change Scoping Plan, which was released in November 2017. The 2017 Climate Change Scoping Plan incorporates strategies for achieving the 2030 GHG-reduction target established in SB 32 and EO S-3-05.

When assessing the significance of potential impacts for CEQA compliance, an individual project's GHG emissions will generally not result in direct significant impacts because the climate change issue is global in nature. However, an individual project could be found to contribute to a potentially significant cumulative impact. Projects that have GHG emissions above the noted thresholds may be considered cumulatively considerable and require mitigation. Accordingly, in March 2012, the SLOAPCD approved thresholds for GHG impacts which were incorporated into their 2012 CEQA Air Quality Handbook. The Handbook recommended applying a 1,150 MTCO2e per year Bright Line Threshold for commercial and residential projects and included a list of general land uses and estimated sizes or capacities of uses expected to exceed this threshold. According to the SLOAPCD, this threshold was based on a 'gap analysis' and was used for CEQA compliance evaluations to demonstrate consistency with the state's GHG emission reduction goals associated with AB32 and the 2008 Climate Change Scoping Plan which have a target year of 2020. However, in 2015, the California Supreme Court issued an opinion in the case of Center for Biological Diversity vs California Department of Fish and Wildlife ("Newhall Ranch") that determined that AB 32 based thresholds derived from a gap analysis are invalid for projects with a planning horizon beyond 2020. Since the bright-line and service population GHG thresholds in the Handbook are AB 32 based, and project horizons are now beyond 2020, the SLOAPCD no longer recommends the use of these thresholds in CEQA evaluations. Instead, the following threshold options are recommended by the SLOAPCD for consideration by the lead agency (SLOAPCD Interim CEQA Greenhouse Gas Guidance for the San Luis Obispo County Air Pollution Control District's 2012 CEQA Air Quality Handbook):

- Consistency with a Qualified Climate Action Plan (CAP): CAPs conforming to CEQA Guidelines § 15183 and 15183.5 would be qualified and eligible for project streamlining under CEQA6. SLO County APCD recommends reviewing the Newhall Ranch case, where the California Supreme Court identified that compliance with a local qualified CAP is one potentially acceptable method for meeting CEQA requirements. The SLO County APCD also recommends reviewing guidance from other existing and future relevant court cases.

- No-net Increase: The 2017 Scoping Plan states that no-net increase in GHG emissions relative to baseline conditions "is an appropriate overall objective for new development" consistent with the Court's direction provided by the Newhall Ranch case. Although a desirable goal, the application of this threshold may not be appropriate for a small project where it can be clearly shown that it will not generate significant GHG emissions (i.e., di minimus: too trivial or minor to merit consideration).

- Lead Agency Adopted Defensible GHG CEQA Thresholds: Under this approach, a lead agency may establish SB 32-based local operational thresholds. As discussed above, SB 32 requires the state to reduce GHG levels by 40 percent below 1990 levels by the year 2030. According to the California Greenhouse Gas Emissions for 2000 to 2017, Trends of Emissions and Other Indicators published by the California Air Resources Board, emissions of GHG statewide in 2017 were 424 million MMTCO2e, which was 7 million MTCO2e below the 2020 GHG target of 431 MMTCO2e established by AB 32. Therefore, application of the 1,150 MTCO2e Bright Line Threshold in San Luis Obispo County, together with other local and State-wide efforts to reduce GHG emissions, proved to be an effective approach for achieving the reduction targets set forth by AB 32 for the year 2020. It should be noted that the 1,150 MTCO2e per year Bright Line Threshold was based on the assumption that a project with the potential to emit less than 1,150 MTCO2e per year would result in impacts that are less than significant and less than cumulatively considerable impact and would be consistent with state and local GHG reduction goals.

  Since SB 32 requires the state to reduce GHG levels by 40 percent below 1990 levels by the year 2030, the application of an interim "bright line" SB32-based working threshold that is 40 percent below the 1,150 MTCO2e Bright Line threshold (1,150 x 0.6 = 690 MTCO2e) would be expected to produce comparable

GHG reductions "in the spirit of" the targets established by SB32. Therefore, for the purpose of evaluating the significance of GHG emissions for a project after 2020, emissions estimated to be less than 690 MTCO2e per year GHG are considered de minimus (too trivial or minor to merit consideration), and will have a less than significant impact that is less than cumulatively considerable and consistent with state and local GHG reduction goals. Impact Discussion

Estimated GHG emissions attributable to future development would be primarily associated with increases of CO2 from mobile sources. To a lesser extent, other GHG pollutants, such as CH_4 and N_2O, would also be generated.

a. During future construction activities, fossil fuels and natural gas would be used by construction vehicles and equipment. Federal and state regulations in place require fuel-efficient equipment and vehicles and prohibit wasteful activities, such as diesel idling. Construction contractors, in an effort to ensure cost efficiency, would not be expected to engage in wasteful or unnecessary energy and fuel practices.

Operational emissions would come primarily from vehicle trips to and from the project site and residential energy use. Additional residential units onsite would result in an increase in vehicle trips to and from the project site. Energy for the project would be supplied by 3CEnergy which sources approximately 31% of electricity from renewable resources, 56% from hydroelectricity, resulting in approximately 87% GHG-free energy (3CEnergy 2022). Operational energy use is not anticipated to generate a significant amount of GHGs because it is sourced primarily from GHG-free resources.

GHG emissions were estimated using CalEEMod version 2020.4.0, which estimates emissions based on land use information input by the user. Per SLOAPCD guidance, the construction related GHG emissions are amortized over a 25-year period. Based on the CalEEMod reporting, the project is expected to generate 542.51 MTCO2e, which is less than the reduced Bright Line threshold identified above of 690 MTCO2e. Therefore, the project would result in a de minimus contribution to GHG emissions; in addition, Mitigation Measure AQ-1 identifies diesel idling restrictions during construction activities that would further reduce potential GHG emissions during construction activities. Therefore, impacts related to generation of GHG emissions would be *less than significant with mitigation.*

b. As noted above, the project would generate emissions that are less than 40% of the SLOAPCD Bright Line threshold, and therefore would be consistent with AB 32, SB 32, and the goals of the CARB Climate Change Proposed Scoping Plan. The City of Morro Bay CAP is a long-range plan to reduce GHG emissions from City government operations and community activities within Morro Bay and prepare for the anticipated effects of climate change. The CAP will also help achieve multiple community goals such as lowering energy costs, reducing air pollution, supporting local economic development, and improving public health and quality of life. To help achieve these goals, the CAP includes a "Consistency Worksheet", which identifies various mandatory and voluntary actions designed to reduce GHG emissions. Mitigation Measure GHG-1 includes all "mandatory" GHG-reduction measures, as identified in the City's CAP Consistency Worksheet. With mitigation, which incorporates GHG-reduction measures beyond the applicable "mandatory" measures, the proposed project would be considered consistent with the City's CAP. As a result, the project's consistency with plans designed to reduce GHG emissions would be *less than significant with mitigatio*n.

CONCLUSION

The project would be result in less emissions than the reduced Bright Line threshold, and would be consistent with City of Morro Bay's CAP by implementing mandatory GHG reduction measures. With implementation of mitigation identified below, future development associated with the project would not result in significant impacts related to greenhouse gas emissions.

MITIGATION MONITORING

Mitigation Measure GHG-1: The proposed project shall implement the following GHG-reduction measures, consistent with the "mandatory" measures identified in the City's CAP:

a. The project shall install high efficiency lights (i.e., sodium, light-emitting diode [LED]) in parking lots, streets, and other public areas. (Note: this measure was included per previous SLOAPCD recommendations and is not a CAP mandatory measure but is a requirement in the recently updated building standards that took effect on January 1, 2020).

b. The project shall provide on-site bicycle parking and/or amenities in accordance with the California Green Building Standards Code and related facilities to support long-term use (lockers, or a locked room with standard racks and access limited to bicyclists only). (CAP Measure TL-1)

c. The project shall incorporate a pedestrian access network that internally links all uses and connects all existing or planned external streets and pedestrian facilities contiguous with the project site. (CAP Measure TL-2)

d. The project shall be designed to minimize barriers to pedestrian access and interconnectivity. (CAP Measure TL-2)

e. The project shall incorporate traffic calming improvements as appropriate (e.g., marked crosswalks, count-down signal timers, curb extensions, speed tables, raised crosswalks, median islands, mini-circles, tight corner radii, etc.). (CAP Measure TL-2)

f. Three percent of construction vehicles and equipment shall be electrically powered or use alternative fuels such as compressed natural gas. (CAP Measure O-1)

g. Idling of all on and off-road diesel-fueled vehicles shall not be permitted when not in use. Signs shall be posted in the designated queuing areas and or job site to remind drivers and operators of the no idling limitation. (SLOAPCD Diesel Idling Restrictions for Construction Phases)

9. Hazards/Hazardous Materials

	Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			X	
b.	Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?			X	
c.	Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X
d.	Be located on a site which is included on a list of hazardous materials sites complied pursuant to Government Code Section 65962.5 and, as a result, would create a significant hazard to the public or the environment?				X

	Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
e.	For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?				X
f.	Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?			X	
g.	Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?			X	

ENVIRONMENTAL SETTING

The Hazardous Waste and Substances Site (Cortese) List is a planning document used by the State, local agencies, and developers to comply with CEQA requirements related to the disclosure of information about the location of hazardous materials release sites. Government Code section 65962.5 requires the California EPA to develop at least annually an updated Cortese List. Various state and local government agencies are required to track and document hazardous material release information for the Cortese List. The California Department of Toxic Substance Control's (DTSC) EnviroStor database tracks DTSC cleanup, permitting, enforcement and investigation efforts at hazardous waste facilities and sites with known contamination, such as federal superfund sites, state response sites, voluntary cleanup sites, school cleanup sites, school investigation sites, and military evaluation sites. The State Water Resources Control Board's (SWRCB) GeoTracker database contains records for sites that impact, or have the potential to impact, water in California, such as Leaking Underground Storage Tank (LUST) sites, Department of Defense sites, and Cleanup Program Sites. Review of these databases indicates that the project site is not located in a site that is considered to contain hazardous materials pursuant to Government Code Section 65962.5. Based on a search of these databases, the nearest site that could post an environmental concern is an abandoned well at the Morro Bay Water Reclamation Facility 3,500 feet to the west. The Morro Bay Water Reclamation Facility site also lists a leaking underground storage tank case that was closed in 1995.

The project is not located within 2 miles of any public airport or private airstrip; the nearest airport to the project is the San Luis Obispo County Airport, located approximately 13 miles southeast. There nearest school is Family Partnership Charter School located approximately 1.25 miles west of the project site.

IMPACT DISCUSSION

a. The project proposes a land use change from Low Density Residential to High Density Residential and a zone change from R-A/PD (Suburban Residential/Planned Development) to R-4/PD (Multifamily Residential-Hotel-Professional/Planned Development) to facilitate the future development of a multi-family residential project (up to 70 units) with associated parking and landscaping. Construction of the proposed project is anticipated to require limited quantities of hazardous substances, including gasoline, diesel fuel, hydraulic fluid, solvents, oils, paints, etc. Temporary storage containers (bulk above-ground storage tanks, 55-gallon drums, sheds/trailers, etc.) may be used by the project contractor for equipment refueling and maintenance purposes during construction. The transport, use, handling, and disposal of hazardous materials during construction would occur pursuant to local, state, and federal regulations to minimize risk and exposure and impacts would be *less than significant*.

b. Construction of future development on the project site is anticipated to require limited quantities of hazardous substances, including gasoline, diesel fuel, hydraulic fluid, solvents, oils, paints, etc. Temporary

storage containers (bulk above-ground storage tanks, 55-gallon drums, sheds/trailers, etc.) may be used by the project contractor for equipment refueling and maintenance purposes during construction. The transport, use, handling, and disposal of hazardous materials during construction would occur pursuant to local, state, and federal regulations to minimize risk and exposure. The level of risk associated with the accidental release of hazardous substances is not considered significant due to the limited nature and duration of construction activities and the small volume and low concentration of materials that would be utilized during construction. The contractor would be required to use standard construction controls and safety procedures, which would avoid and minimize the potential for accidental release of such substances into the environment and mitigate impacts in the event of a spill or accidental release. Standard construction practices would be implemented such that any materials released are appropriately contained and remediated as required by local, state, and federal law. The long-term use of the project site would be residential units that would not use hazardous materials other than commonly used household hazardous substances within the project site (e.g., cleaners, solvents, oils, paints, etc.). Therefore, potential impacts related to an accidental release of hazardous materials would be *less than significant*.

c. The nearest school, Family Partnership Charter School, is located approximately 1.25 miles west of the project site. Therefore, the project would not result in release of hazardous materials within a quarter mile of a school, and there would be *no impact.*

d. The project site is currently undeveloped and there are no known historical uses on the site that would result in hazardous material contamination, such as previous development, agricultural use, or industrial storage. The project site is not included on a list of hazardous materials sites complied pursuant to Government Code Section 65962.5 and, as a result, would not create a significant hazard to the public or the environment. There are no recognized environmental conditions or concerns that have impacted, or pose a significant environmental threat to subsurface soil, soil vapor, or groundwater beneath the project site. Therefore, there would be *no impact*.

e. The proposed facility is not located near any public airports or designated Airport Review Areas. The closest public airport is the San Luis Obispo County Airport, located approximately 13 miles southeast of the facility. The proposed project would not result in a safety hazard related to airport operations, flight patterns, or other airport uses or resources that would create a safety hazard for people residing or working in the project area. Therefore, *no impacts* would occur.

f. Implementation of the proposed project would not have a permanent impact on any adopted emergency response plans or emergency evacuation plans, including the City of Morro Bay Multi-Hazard Emergency Response Plan or County of San Luis Obispo's Multi-Jurisdictional Local Hazard Mitigation Plan. During short-term construction, large vehicles may be accessing the project site; however, access to neighboring properties including the adjacent senior care facilities would be maintained during all construction activities. Therefore, the project would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan and impacts would be *less than significant*.

g. As outlined in Section 20. Wildfire, the project is within a Local Responsibility Area (LRA) and would be served by the Morro Bay Fire Department located approximately 1.5 miles west. The project is not within a mapped fire hazard severity zone. According to the City of Morro Bay's General Plan/LCP Coastal Land Use Plan, wildfires are not a significant concern based on the location of development in proximity to wildland areas. Based on the location and relatively low risk of wildfires near the project site, the project would not expose people or structures to a significant risk of fire, and impacts would be *less than significant*.

CONCLUSION

The proposed project would not result in significant adverse impacts to Hazards and Hazardous Materials. The limited nature and duration of disturbance substantially reduces and avoids the potential for significant effects

related to hazardous material contamination, emergency evacuation, and fire risk. Therefore, potential impacts would be less than significant, and no mitigation is necessary.

MITIGATION AND MONITORING

Mitigation measures are not required.

10. Hydrology and Water Quality

	Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?			X	
b.	Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?			X	
c.	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:				
(i)	Result in substantial erosion or siltation on- or off-site;			X	
(ii)	Substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site;			X	
(iii)	Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or			X	
(iv)	Impede or redirect flood flows?			X	
d.	In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?				X
e.	Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?			X	

ENVIRONMENTAL SETTING

The Central Coast Regional Water Quality Control Board's (RWQCB) Water Quality Control Plan for the Central Coast Basin describes how the quality of surface water and groundwater in the Central Coast Region should be managed to provide the highest water quality reasonably possible. The Basin Plan outlines the beneficial uses of streams, lakes, and other water bodies for humans and other life. The Regional Board implements the Basin Plan by issuing and enforcing waste discharge requirements to individuals, communities, or businesses whose discharges can affect water quality.

The existing site is a vacant lot with weedy annual grasses and forbs. The existing site topography is relatively moderately sloping with an average slope around 14%, and previous subdivision improvements have resulted in graded building pads. Historical flows from the project site's 99.5-acre tributary area flow into a concrete drainage and through a culvert that runs underneath SR 1 towards Chorro Creek. A 6,720 cubic-foot detention basin was

constructed in the southeast corner of the project site as part of the previous subdivision improvements and includes an overflow outlet that connects to the culvert running beneath SR 1. The project site does not contain and surface water features. The closest drainage feature is a seasonal drainage that traverses adjacent to the project site along the western side and is identified by the General Plan/LCP Coastal Land Use Plan as Aquatic Resources & Wetland Habitats Environmentally Sensitive Habitat Area (ESHA). According to the City's General Plan/LCP Coastal Land Use Plan, the project is not located within a flood zone.

IMPACT DISCUSSION

a. The project site is located within the jurisdiction of the CCRWQCB and would be required to comply with all regulatory requirements designed to minimize and control discharges to surface and groundwater. Future development would require onsite grading which could result in the erosion of onsite soils and sedimentation during heavy wind or rain events. Future development would likely require over one-acre of disturbance, requiring a state Construction General Permit and a Storm Water Pollution Prevention Plan (SWPPP), which would include BMPs to control the discharge of pollutants into local surface water drainages. Compliance with the Construction General Permit is enforced in Section 14.48 of the Municipal Code, which regulates storm water discharge in the city and requires the development of an erosion and sediment control plan or Stormwater Control Plan (SWP). The City has prepared the Stormwater Management and Guidance Manual for Low Impact Development (LID) and Post-Construction Requirements, and individual projects within the city that disturb more than one acre are required to obtain NPDES coverage under the Construction General Permit. Chapter 17.45 of the Municipal Code provides regulatory standards to ensure erosion associated with seismic and geologic hazards are minimized. Compliance with existing regulations would ensure the project would not violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality. Therefore, potential impacts would be *less than significant.*

b. The project would receive water from the City of Morro Bay, which receives a majority of its water from the State Water Project (SWP), which is derived from various rivers around the state. A small portion of the City's water is supplemented by two local groundwater basins, Morro and Chorro Basins. While most of the project's future water supply would not be derived from groundwater resources, the project would increase the potential density of the project site and place an increased demand on the City's water supply. Because most of the project's future water supply would largely be derived from the SWP and not groundwater, the project would not substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin. Therefore, impacts would be *less than significant*.

c-i. Future development would result in an increase in impervious surfaces on the site, which can contribute to stormwater runoff and erosion. The project would be required to comply with the City's engineering standards, water pollution control plan requirements, Post-Construction Stormwater Requirements, and adopted building and grading codes for water quantity/quality analysis. Compliance with these requirements will ensure impacts are *less than significant.*

c-ii., iii. This project is not located immediately near surface water and is in an area subject to the City's MS-4 Stormwater Management Permit and would be required to prepare a Stormwater Control Plan, which requires projects to be designed so that post-development site drainage does not significantly exceed pre-development run-off. Similarly, the project would not create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff. Therefore, impacts would be *less than significant*.

c-iv. The project site is primarily upland and does not include any surface water features and is not within a flood hazard area. Therefore, impacts would be *less than significant.*

d. As show in General Plan/LCP Coastal Land Use Plan Figure P-5 FEMA Flood Zones, the project is not located in FEMA's 100-year flood hazard zone or in an area designated as a 100-year floodplain by the City's LCP. In addition, according to General Plan/LCP Coastal Land Use Plan Figure P-6 Tsunami Inundation Zone, the project would not be located in a tsunami inundation zone. Furthermore, the project is not located within a potential sea level rise hazard area, as depicted in General Plan/LCP Coastal Land Use Plan Figure P-7 Potential Sea Level Hazard Areas. Therefore, there would be *no impact*.

e. As discussed above, water would be supplied to the site primarily from the SWP and further supplemented by groundwater wells. According to the City's 2018 OneWater Morro Bay Plan, there are sufficient water sources to serve the City and anticipated development until 2050 or later. Future development would not place an excessive demand on the City's water supplies or conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan. Therefore, impacts would be *less than significant.*

CONCLUSION

Impacts related to hydrology and water quality associated with the proposed project would be less than significant.

MITIGATION AND MONITORING

Mitigation measures are not required.

11. Land Use and Planning

	Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Physically divide an established community?				X
b.	Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?			X	

ENVIRONMENTAL SETTING

The site is currently a vacant, undeveloped lot located within the R-A/PD zoning district and designated by the General Plan/LCP Coastal Land Use Plan as Low Density Residential. The project would result in a zoning change to R-4/PD and a General Plan/LCP Coastal Land Use Plan designation of High Density Residential. The project site is located within the Coastal Zone boundary.

As noted above, the project is located in a Planned Development (PD) zoning overlay. Pursuant to the city of Morro Bay Municipal Code section 17.40.030, the purpose of the Planned Development, (PD) overlay zone is to provide for detailed and substantial analysis of development on parcels which, because of location, size, or public ownership, warrant special review. This overlay zone is also intended to allow for the modification of or exemption from the development standards of the primary zone which would otherwise apply if such action would result in better design or other public benefit.

IMPACT DISCUSSION

a. Future development on the project site would be required to be consistent with the General Plan/LCP Coastal Land Use Plan. The General Plan/LCP Coastal Land Use Plan includes strategies, goals, and policies that would provide for orderly development and would not physically divide an established community. The project would not divide an existing community; therefore, *no impact* would occur.

b. Future residential development would be required to be consistent with the City's Zoning Code in effect at the time of application and would be required to follow design regulations for the zoning district. Future development would also be consistent with the General Plan/LCP Coastal Land Use Plan and other applicable regulations. Mitigation measures identified throughout this Initial Study would reduce environmental impacts that could conflict with existing regulations and ensure that future development would be consistent with applicable land use standards and regulations. Therefore, project impacts would be *less that significant with mitigation.*

CONCLUSION

The proposed project would not divide an established community and identified mitigation measures would ensure future development is consistent with applicable land use plans. Therefore, no mitigation is necessary, and impacts to land use and planning would be less than significant.

MITIGATION AND MONITORING

Implement mitigation measures identified in other sections of this Initial Study.

12. Mineral Resources

	Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				X
b.	Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				X

ENVIRONMENTAL SETTING

The General Plan/LCP Coastal Land Use Plan and the California Geological Survey have not designated a mineral resource area of statewide or regional significance pursuant to Sections 2710 et seq. of the Public Resources Code (the Surface Mining and Reclamation Act) in the City (City of Morro Bay 2020). Similarly, the County of San Luis Obispo has not designated any Extractive Resource Areas in or adjacent to the City of Morro Bay. According to the Division of Oil, Gas & Geothermal Resources well data, there are no existing or historic petroleum wells in the city.

IMPACT DISCUSSION

a., b. The proposed project is not in an area where significant sand and gravel mining has occurred or will occur and there are no oil wells within the area where the project is located. In addition, the project site is not delineated as a mineral resource recovery site in the General Plan/LCP Coastal Land Use Plan, any specific plan or other land use plan. This area of the city is predominantly built with urban uses and the City's General Plan/LCP Coastal Land Use Plan does not provide for mining. The project will not result in the loss of a known mineral resource of value to the region. Therefore, *no impact* would occur.

CONCLUSION

Implementation of the proposed project would not result in impacts to mineral resources.

MITIGATION AND MONITORING

Mitigation measures are not required.

13. Noise

	Would the project result in:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?			X	
b.	Generation of excessive groundborne vibration or groundborne noise levels?			X	
c.	For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				X

ENVIRONMENTAL SETTING

Community noise levels are typically measured in terms of A-weighted decibels (dBA). A-weighting is a frequency correction that correlates overall sound pressure levels with the frequency response of the human ear. The duration of noise and the time of day at which it occurs are important factors in determining the impact of noise on communities. The Community Noise Equivalent Level (CNEL) and Day-Night Average Level (Ldn) account for the time of day and duration of noise generation. These indices are time-weighted average values equal to the amount of acoustic energy equivalent to a time-varying sound over a 24-hour period.

Title 21, Chapter 6, Article 1 of the California Administrative Code requires that all habitable rooms shall have an interior CNEL of 45 dBA or less. The City's General Plan/LCP Coastal Land Use Plan has a CNEL threshold for noise exposure of 60 dBA for most land uses. Additionally, the City's Zoning Ordinance contains noise limitations and specifies operations hours.

The proposed project would be located northwest of the intersection of South Bay Boulevard and Highway 1, approximately 120 feet from the southbound lanes and directly adjacent to the southbound offramp. Based on the project's proximity to Highway 1, which is a significant noise source, a majority of the project site is within the 65 dBA noise contour, and the southern two parcels (APN 068-412-001 and 068-413-010) are within the 70 dBA noise contour.

IMPACT DISCUSSION

a. According to the California Supreme Court's decision in *California Building Industry Association v Bay Area Air Quality Management District* (S213478, December 17, 2015), CEQA generally does not require public agencies to analyze the impact existing environmental conditions might have on a project's future users or residents. However, an agency must analyze how environmental conditions might adversely affect a project's residents or users only where the project itself might worsen existing environmental hazards in a way that will adversely affect them.

   Future residential construction and uses would occur in an area that currently experiences excessive noise levels. The City requires an acoustical analysis to demonstrate how dwelling units have been designed to meet the CBC interior noise standard of 45 dBA on sites where the ambient exterior noise level exceeds 60 dBA, which includes the entire project site.

Future construction and residential uses would contribute to the moderately high noise levels in the area, exacerbating ambient noise levels in the project vicinity. The nearest sensitive land use is Bayside Care Center located directly east of the project. Construction activities associated with the proposed project would generate short-term increased noise levels due to the use of heavy construction equipment and vehicles. Mobile equipment such as dozers, excavators, loaders, etc., operate in a cyclic fashion in which a period of full power is followed by a period of reduced power, causing a difference in perceived noise levels over time. Other equipment such as generators and compressors, considered to be stationary when operating, typically don't have different noise levels that vary over time, rather they produce sound at a steady state.

The City's General Plan/LCP Coastal Land Use Plan does not specifically address construction related noise nor are there established thresholds defining overall maximum acceptable noise levels (Lmax) or acceptable time averaged hourly levels (Leq(h)) during construction activities. The City's Municipal Code limits noise from construction activities to 7:00 a.m. to 7:00 p.m. on weekdays, and 8:00 a.m. to 7:00 p.m. on weekends.

Noise associated with future residential uses would include on-site traffic patterns as well as typical roof-mounted HVAC systems commonly used for heating and cooling. Noise from these activities would be consistent with noise from other nearby uses (senior care facility, water treatment facility) and would considerably attenuate before reaching nearby sensitive receptors. The project would not significantly exacerbate existing noise levels nor result in the generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the General Plan/LCP Coastal Land Use Plan, or applicable standards of other agencies. Therefore, impacts would be *less than significant*.

b. Excavation and other groundwork would generate groundbourne vibration and noise during project construction. However, while some construction activities may result in perceptible vibration, the project-generated vibration levels would be well below the thresholds identified as having the potential to adversely affect surrounding buildings and the substantial majority of construction activities and resulting vibration would not be at levels perceptible to humans. Additionally, General Plan/LCP Coastal Land Use Plan Policies NOI-3.5 and NOI-3.6 would require the project developer to notify neighbors of construction activities that would produce vibration (e.g., the use of vibratory rollers, caisson drills, large bulldozers) and to schedule such activities during the least disruptive times. Therefore, project impacts on groundbourne noise would be *less than significant*.

c. The nearest airport to the project is the San Luis Obispo County Airport, located approximately 13 miles southeast. The project is not located within the vicinity of a private airstrip or an airport land use plan or within two miles of a public airport or public use airport and the project would not expose people residing or working in the project area to excessive noise levels. Therefore, *no impact* would occur.

CONCLUSION

Potentially significant impacts related to noise associated with the proposed project would be less than significant.

MITIGATION AND MONITORING

Mitigation measures are not required.

14. Population and Housing

	Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?			X	
b.	Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?				X

ENVIRONMENTAL SETTING

The U.S. Census Bureau's 2020 population estimate for the city of Morro Bay is 10,757 (U.S. Census Bureau 2020). The estimated persons per household in the City is 2.13. The General Plan/LCP Coastal Land Use Plan presents forecasts of population and development square footage through 2040. Full buildout of the General Plan/LCP Coastal Land Use Plan in 2040 could result in an estimated increase of 1,348 new residents (a total of 12,062 residents) and 881 new dwelling units in the City, a total of 7,295 dwelling units. The maximum possible number of residential units is determined by the maximum densities allowed for each land use designation and the amount of land area within that designation. However, this maximum number of units is unlikely to be reached because every residential parcel in Morro Bay would need to be developed to its maximum potential density, which is not anticipated for all parcels under actual buildout conditions due to site constraints and other factors.

In 1984, the citizens of Morro Bay enacted Measure F, a voter initiative that set the maximum population for the city at 12,200 and requires voter approval to increase the population above this limit. In response to Measure F, the City adopted a growth management ordinance (Ordinance No. 266) to allow fair distribution of scarce water resources and protect the city's small-town character and surrounding open space. Ordinance No. 266 mandated that building permits would be limited to a number permitting an annual increase in population that would have achieved the 12,200-person goal by the year 2000. No further residential building will be permitted after a population of 12,200 has been reached unless an increase has been approved by a majority vote at a regular or special election (City of Morro Bay Housing Element Update 2019). General Plan/LCP Coastal Land Use Plan policy proposes to undertake a process to either affirm, amend, or repeal Measure F at the point where the City's population reaches 11,700 (City of Morro Bay 2021).

IMPACT DISCUSSION

a. The project proposes a zoning district change from R-A/PD to R-4/PD District. This rezone would allow for a greater density of residential development. The project site could contain up to 70 new residential units. Given the average occupancy rate of 2.13 persons per household, the project would add approximately 150 new residents to the City, or 128 additional residents beyond the currently approved development on the site. The project would not add population beyond that anticipated by the SLOCOG growth forecast. The level of growth associated with the project is anticipated in the City's long-term forecast and would not cumulatively exceed the official regional population projections.

The project does not propose any other road or infrastructure improvements that would increase the area's capacity for population growth or development; the prior subdivision project in 2009 previously extended Teresa Road and utilities through the project site. It is anticipated that jobs associated with construction of future development would come from the local labor pool and would not result in a population increase

within the city. Based on the type and scale of the project, it would not substantially induce unplanned population growth within the area. Therefore, impacts would be *less than significant*.

b. The project would be built on a vacant parcel zoned R-A/PD (Residential Suburban/Planned Development). The project site is zoned for residential use and would not displace people or housing that would necessitate the construction of replacement housing elsewhere. Therefore, *no impacts* would occur.

CONCLUSION

Implementation of the proposed project would not result in significant impacts related to population and housing.

MITIGATION AND MONITORING

Mitigation measures are not required.

15. Public Services

	Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Would the project result in a substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the following public services:				
	Fire protection?			X	
	Police protection?			X	
	Schools?			X	
	Parks?			X	
	Other public facilities?			X	

ENVIRONMENTAL SETTING

The City provides most of the public services, including fire and police protection, in the project area. Fire protection services are provided by the Morro Bay Fire Department, with the closest fire station located approximately 1.5 miles west at 715 Harbor Street, with an average response time of 5 minutes. Police services would be provided by the Morro Bay Police Department, located approximately 1.4 miles west at 850 Morro Bay Boulevard.

The City of Morro Bay is served by the San Luis Coastal Unified School District (SLCUSD), which is responsible for managing fifteen pre-schools to twelfth-grade schools that serve approximately 7,500 students. Two SLCUSD schools are located in Morro Bay: Morro Bay High School located 2.5 miles northwest to the project site at 235 Atascadero Road and Del Mar Elementary located 3.7 miles north at 501 Sequoia Street.

The City manages numerous parks within the city including Morro Rock Beach, Monte Young Park, Del Mar Park, Anchor Street Park, Keiser Park, Morro Bay City Park, Centennial Park, Coleman Park, Bayshore Bluffs, Tidelands Park, North Point, and Cloisters Park. In addition, Morro Bay is home to Morro Strand State Beach and Morro Bay State Park, which are managed by the California Department of Parks and Recreation, and a state marine recreational management area. Together, these recreational resources total over 5,000 acres of recreation and open

space area, including 10 miles of ocean and bay front shoreline (City of Morro Bay, 2017). Approximately 95 percent of this shoreline has public lateral access, which provides active recreational opportunities for residents. The nearest recreation opportunities to the project site are the Black Hill Lookout trailhead in Morro Bay State Park, 0.7 miles south, and Morro Bay Park, approximately 1 mile west of the project site. Public access to the beach/ocean is located 1.5 miles west of the project site.

A development impact fee program has been adopted to address impacts related to public facilities (City) and schools (State Government Code 65995 et seq.). The fee amounts are assessed annually by the City based on the type of proposed development and the development's proportional impact and are collected at the time of building permit issuance. Development impact fees are used as needed to finance the construction of and/or improvements to public facilities required to the serve new development, including fire protection, law enforcement, schools, parks, and roads.

IMPACT DISCUSSION

a. Fire Protection

The project site is surrounded by existing development and would be served by the city of Morro Bay Fire Department located approximately 1.5 miles west of the of the project. The project is located in a Local Responsibility Area (LRA) and is does not have a mapped severity zone. The project is easily accessible by emergency vehicles and is not immediately surround by wildlands or any other features that inherently increases the risk of fire. Future construction and development of residential uses would be required to comply with applicable building and fire codes and there are no design features or activities that are proposed that would otherwise increase the risk of fire.

Additionally, the project would be required to pay its fair share of development impact fees, which would offset the development's proportional impact to fire protection services. Therefore, the project would a have a less than significant impact on fire protection services.

Police Protection

The project would continue to be served by the Morro Bay Police Department located approximately 1.4 miles west of the project. Activities associated with the development of residential uses are consistent with the adjacent land use (care facility) and there are no unusual design features or activities proposed that would require additional security or a significant increase in police or emergency services.

Additionally, the project would be required to pay its fair share of development impact fees, which would offset the development's proportional impact to police protection services. Therefore, the project would a have a less than significant impact on police protection services. Therefore, the project would have less than significant impact on police services.

Schools

The project site is located within the SLCUSD and would be subject to payment of SLCUSD developer fees to offset the potential marginal increase in student attendance in the district's schools as a result of the project. These fees would be directed towards maintaining sufficient service levels, which include incremental increases in school capacities. Local schools have the capacity to support additional students that may cumulate from future residential development plans and impacts would be *less than significant*.

Parks

Future development plans for the project site have the potential to facilitate population growth and slightly increase demand on local parks. The General Plan/LCP Coastal Land Use Plan outlines the importance of public recreation and future population growth induced by future residential development would be

supported by current facilities. The project would be subject to required developer impact fees established to address direct demand for new facilities associated with new development. Therefore, project impacts on parks would be *less than significant.*

Other Public Facilities

The project would not induce substantial population growth and would result in a negligible effect on use of other public facilities, such as roadways and public libraries. The project would be subject to the City's standard development fees, which would offset the project's marginal contribution to increased use of City facilities. Therefore, potential project impacts on public facilities would be less than significant.

CONCLUSION

Implementation of the project would result in less than significant impacts on public services.

MITIGATION AND MONITORING

Mitigation measures are not required.

16. Recreation

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?			X	
b.	Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?			X	

ENVIRONMENTAL SETTING

A variety of recreational activities including hiking, sightseeing, birdwatching, etc. are available within Morro Bay. Within the boundary of Morro Bay city limits, there are over 10 miles of ocean and bay front shoreline. Approximately 95% of the shoreline has public lateral access. These walkways provide active recreational activities for visitors and residents. There are also multiple improved parks and playgrounds throughout the city, as discussed above.

IMPACT DISCUSSION

a. Future residential development on the project site has the potential to facilitate population growth of approximately 150 persons and slightly increase demand on local parks. The project would be subject to required developer impact fees established to address direct demand and upkeep of facilities associated with the new development. Therefore, project impacts on parks would be *less than significant*.

b. Future development on the project site would include multi-family residential units. While private open space areas would likely be provided for residents, consistent with City development standards, no public recreational facilities would be created. Therefore, there would be *no impact.*

CONCLUSION

Implementation of the proposed project would not result in impacts related to recreation facilities.

MITIGATION MONITORING

Mitigation measures are not required.

17. Transportation

	Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?			X	
b.	Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?			X	
c.	Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?			X	
d.	Result in inadequate emergency access?			X	

ENVIRONMENTAL SETTING

The following section is based on a Traffic and Circulation Study prepared for the project by Associated Transportation Engineers (ATE; 2021). The study evaluated potential transportation impacts related to the rezone of the project site to high density residential which would allow future development of up to 70 apartment units, the maximum density allowed by the High Density Residential land use designation and the R-4/PD zone designation and the overall buildable area of the project site (net area).

The existing road network near the project includes four main roads. Regional access for the project site is provided by SR 1 and local access is provided by South Bay Boulevard and Teresa Road. SR 1, located immediately south of the site, is a regional State Highway that extends north through the City of Morro Bay towards the Cambria area and southeast towards San Luis Obispo. SR 1 is a divided 4-lane highway within the Morro Bay area. South Bay Boulevard, designated as a minor arterial by the City, is a 2-lane road that extends south from SR 1 to the Los Osos community. Quintana Road, designated as a collector by the City, is 2-lane road that extends east and west of South Bay Boulevard. The segment west of South Bay Boulevard connects to the downtown area of Morro Bay. Teresa Road is a 2-lane road that extends west of South Bay Boulevard. Teresa Road, which currently serves the Bayside Care Center and Casa de Flores, would provide direct access to the project site. A pedestrian sidewalk runs along the eastern side of Teresa Road.

The Morro Bay Transit operates fixed route, Call-A-Ride, and trolley services. The closest fixed route bus stop is Morro Bay City Park at Harbor Street, approximately 1.4 miles west. Morro Bay Transit connects with the Regional Transit Authority (RTA) Routes 12 and 15 at City Park. RTA Route 12 runs north-south on Highway 1; there is a bus stop at South Bay Boulevard and Quintana, approximately 0.3 mile south of the project site.

IMPACT DISCUSSION

a. The General Plan/LCP Coastal Land Use Plan identifies that the City will use both level of service (LOS) and vehicle miles traveled (VMT) to evaluate impacts to the existing system. VMT is used as the CEQA threshold of significance, while proposed development or reuse project will be assessed for impacts to LOS

as part of determining a project's consistency with the General Plan/LCP Coastal Land Use Plan. The City has yet to formally adopt a LOS standard, and has historically used the Caltrans target of LOS C or better. or acceptable roadway operations on roadway segments and intersections.

The Traffic and Circulation Study determined that a future 70-unit apartment project would result in 512 average daily trips, including 39 PM peak-hour trips. With this level of traffic, the nearby intersections are forecast to operate at LOS C or better with the addition of project traffic. Therefore, future development would be consistent with the City's LOS C standard for intersections both in the near term and under the General Plan/LCP Coastal Land Use Plan buildout conditions (ATE 2021).

Therefore, the proposed project would not conflict with a program, plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities and potential impacts would be l*ess than significant.*

b. In 2013, Senate Bill 743 was signed into law with the intent to "more appropriately balance the needs of congestion management with statewide goals related to infill development, promotion of public health through active transportation, and reduction of greenhouse gas emissions" and required the Governor's Office of Planning and Research (OPR) to identify new metrics for identifying and mitigating transportation impacts within CEQA. As a result, in December 2018, the California Natural Resources Agency certified and adopted updates to the State CEQA Guidelines. The revisions included new requirements related to the implementation of Senate Bill 743 and identified VMT per capita, VMT per employee, and net VMT as new metrics for transportation analysis under CEQA. Currently, the City of Morro Bay has not yet adopted new standards or threshold targets for VMT reduction; therefore, the VMT impact analyses prepared for the project is based on criteria developed by the San Luis Obispo Council of Governments (SLOCOG) for San Luis Obispo County and cities within the County. Using available technical guidance in conjunction with the Regional Travel Demand Model (RTDM), SLOCOG staff develop regional VMT thresholds as well as baseline VMT information for the incorporated cities and county communities. The threshold for residential projects follows the criteria mandated by the State, which states that a residential project may indicate a significant impact if the project's VMT per capita exceeds 15% below the existing VMT per capita (ATE 2021).

   The existing SLO County VMT is 13.43 per capita. Thus, 15% below the existing VMT equates to 11.42 VMT per capita (13.43 x 0.85 = 11.42). The SLOCOG modeling analysis found that residential units in the City of Morro Bay generate 10.53 VMT per capita, which falls below the 11.42 VMT per capita impact threshold (ATE 2021). The project effects on VMT were tested by adding the project to the SLOCOG Travel Demand Model and extracting the residential VMT per capita for the project. The project VMT per capita is 11.41, which is below the threshold in the SLOCOG document (Central Coast Transportation Consultants 2021). Therefore, the project would have a *less than significant* impact on VMT.

c. Previous subdivision improvements created a cul-de-sac at the terminus of Teresa Road for access to the project site. This access was designed in compliance with City improvement standards that guide the construction of new transportation facilities to minimize design hazards for all users of the transportation system. The City does not anticipate that future residential development on the site would require additional offsite circulation improvements. Therefore, impacts would be *less than significant*.

d. Future on-site circulation improvements would be reviewed by the City, including Morro Bay Fire Department, to ensure adequate emergency access. No additional offsite improvements are anticipated with future development. Therefore, the project would not result in inadequate emergency access and impacts would be *less than significant*.

CONCLUSION

No potentially significant impacts related to transportation and circulation were identified.

MITIGATION AND MONITORING

Mitigation measures are not required.

18. Tribal Cultural Resources

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Would the project cause a substantial adverse change in the significance of a tribal cultural resources, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:				
(i)	Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or			X	
(ii)	A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.			X	

ENVIRONMENTAL SETTING

Approved in 2014, Assembly Bill (AB) 52 added tribal cultural resources to the categories of resources that must be evaluated under CEQA. Tribal cultural resources are defined as either of the following:

- Sites, features, cultural landscapes, sacred places, and objects with cultural value to a California Native American tribe that are either of the following:
- Included or determined to be eligible for inclusion in the California Register of Historical Resources; or
- Included in a local register of historical resources as defined in subdivision (k) of California Public Resources Code Section 5020.1.

A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of California Public Resources Code Section 5024.1. In applying these criteria for the purposes of this paragraph, the lead agency shall consider the significance of the resource to a California Native American Tribe.

Recognizing that tribes may have expertise with regard to their tribal history and practices, AB 52 requires lead agencies to provide notice to tribes that are traditionally and culturally affiliated with the geographic area of a proposed project if they have requested notice of projects proposed within that area. If the tribe requests consultation within 30 days upon receipt of the notice, the lead agency must consult with the tribe regarding the

potential for adverse impacts on tribal cultural resources as a result of a project. Consultation may include discussing the type of environmental review necessary, the presence and/or significance of tribal cultural resources, the level of significance of a project's impacts on the tribal cultural resources, and available project alternatives and mitigation measures recommended by the tribe to avoid or lessen potential impacts on tribal cultural resources.

California Government Code Section 65352.3 (adopted pursuant to the requirements of Senate Bill [SB] 18) requires local governments to coordinate and consult with tribal organizations prior to making a decision to adopt or amend a general or specific plan. The tribal organizations would be considered eligible to consult on a project if they were to have traditional lands in a local government's jurisdiction, and are identified, upon request, by the NAHC. As noted in the California Office of Planning and Research (OPR) Tribal Consultation Guidelines (OPR 2005), "The intent of SB 18 is to provide California Native American tribes an opportunity to participate in local land use decisions at an early planning stage, for the purpose of protecting, or mitigating impacts to, cultural places."

The City of Morro Bay (the CEQA Lead Agency) provided notification to Native American tribes affiliated with the project area pursuant to AB 52 and SB 18. The City received emails from the yak tityu tityu yak tiłhini – Northern Chumash Tribe, the Santa Ynez Band of Chumash Indians, and the Xolon Salinan Tribe. No consultation was requested, and no known tribal cultural resources were identified.

IMPACT DISCUSSION

a. The proposed project does not contain any known tribal cultural resources that have been listed or are eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k). Therefore, impacts would be less than significant.

b. The Phase 1 Archaeological Report, the pedestrian survey, and notification to affiliated tribes per AB 52 concluded that there are no known significant tribal cultural resources in the project area. Therefore, potential impacts associated with tribal cultural resources would be less than significant.

CONCLUSION

Potentially significant impacts to tribal cultural resources associated with the proposed project would be less than significant.

MITIGATION AND MONITORING

Mitigation measures are not required.

19. Utilities and Service Systems

	Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?				X
b.	Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?			X	

	Would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
c.	Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?			X	
d.	Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?			X	
e.	Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?			X	

ENVIRONMENTAL SETTING

Future development associated with the project would be required to hook-up to the City's municipal water system, which would be provided by the Morro Bay Public Works Water Division. The majority of the water supplied to the City is from the State Water Project (SWP) and further supplemented by two local groundwater basins, Morro and Chorro Basins, and a desalination plant during emergencies. Based on the City's 2018 OneWater Morro Bay Plan, projected water supply is estimated to remain relatively constant through 2050.

Wastewater services within the city are currently provided by the Morro Bay Wastewater Treatment Plant which is rated for an average daily flow of 2.06 million gallons a day, serving approximately 13,300 people. Due to the existing facility's aging infrastructure, a new wastewater treatment facility is under construction and is expected to be completed by 2023.

The City contracts with Morro Bay Garbage Service to provide residential and commercial garbage, recycling, and green waste collection services for Morro Bay. All of the City's waste is taken to Cold Canyon Landfill, which has a permitted capacity of approximately 23 million cubic yards, with an anticipated closure date of 2040.

IMPACT DISCUSSION

a. Future development associated with the project would be required to connect to the City's water and wastewater services. Water to the project would be supplied by the City's Public Works Department and would not require the development of additional infrastructure to supply water. Wastewater services would be provided by the Morro Bay wastewater treatment plant, which will be located near the project site on South Bay Blvd. and will serve the City and the project when it becomes operational, by March of 2023.

   The project is located on a site previously improved with utility connections, and the project would not require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects. Therefore, impacts would be *less than significant*.

b. The City's water supply is mainly derived from the SWP and further supplemented by two local groundwater basins. When water is not available during SWP shutdowns and emergencies, water is further supplemented by Morro Bay's desalination plant. Contractually, Morro Bay is entitled to 1,313 acre-feet a year (AFY) of SWP water, plus an additional 174 percent "drought buffer" to ensure reliability when the SWP reduces deliveries during dry years. The "drought buffer", detailed in the Drought Buffer Water Agreement for 2,290 AFY, allows Morro Bay to receive its full 1,313 AFY allocation when the SWP can deliver at least 36.44 percent of contracted allocations.

According to the OneWater Morro Bay Plan, which provides a forecast of the city's water demand, the city is expected to have available water supply in excess of projected demand through 2050, and the 2020 Urban Water Management Plan shows the City will have enough supply to meet demand even during prolonged dry years. In addition, the new water reclamation facility that is being constructed to replace the aging wastewater treatment plant would also involve a water purification facility that would further supplement the city's water needs. Based on the city's current water supply and the OneWater Morro Bay Plan water demand projections, future development would have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years. Therefore, impacts would be *less than significant.*

c. As discussed above, wastewater treatment services would be provided to the project by the Morro Bay wastewater treatment plant. However, due to its aging infrastructure, a new facility is being constructed and would serve the city and the proposed project when operational. The new facility has been designed to meet the city's current wastewater needs and includes construction of a new one million gallon per day advanced treatment facility that would further supplement the city's water demand. The project and proposed use are consistent with the city's anticipated level of development and the new facility would have adequate capacity to serve the project and existing commitments. Therefore, impacts would be *less than significant*.

d. Sanitary services would be provided by Morro Bay Garbage Service and waste would be disposed of at the Cold Canyon Landfill. The Cold Canyon Landfill currently has a capacity of 1,650 tons per day and an estimated remaining capacity of 14,500,000 cubic yards. Currently, the estimated closure date for this landfill is December 31, 2040 (CalRecycle 2018), which has adequate permit capacity to serve the project. Based on proposed use and the existing capacity of landfill serving the project, the project would not generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals. Therefore, impacts would be *less than significant.*

e. Solid waste associated with the project would be similar to that of similar residential uses. The project does not propose any uses or activities that would otherwise result in the generation of solid waste that would conflict with federal, state, and local management and reduction statutes and regulations related to solid waste. Therefore, impacts would be *less than significant*.

CONCLUSION

Implementation of the proposed project would not result in significant impacts related to utilities and service systems.

MITIGATION AND MONITORING

Mitigation measures are not required.

20. Wildfire

	If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a.	Substantially impair an adopted emergency response plan or emergency evacuation plan?			X	
b.	Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?			X	

	If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
c.	Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?			X	
d.	Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?			X	

ENVIRONMENTAL SETTING

Fire Hazard Severity Zones (FHSZ) are defined by the California Department of Forestry and Fire Protection (CALFIRE) based on the presence of fire-prone vegetation, climate, topography, assets at risk (e.g., high population centers), and a fire protection agency's ability to provide service to the area (CAL FIRE 2007). The project is located in a Locally Responsible Area (LRA), meaning the City is responsible for fire prevention and suppression. The majority of the developed portion of Morro Bay is located outside of a mapped fire hazard severity zone, with the exception of a very high fire hazard zone located at the southern end of the planning area adjacent to State Park Road (City of Morro Bay 2020). The project site is not within a mapped fire hazard severity zone.

IMPACT DISCUSSION

a. The project is located on vacant parcels within the City, surrounded by vacant land and urban development to the east. Access to the site provided directly from SR 1 and South Bay Boulevard. The project would be served by the Morro Bay Fire Department with the nearest station located at 715 Harbor St, which is approximately 1.5 miles west with an estimated response time of 5 minutes. The project would rezone the project site to R-4 (Multifamily Residential-Hotel-Professional) which would allow for the construction of up to 70 residential units based on the net overall site area. Future development would not change the circulation system in the project area in a way that could impede emergency response, does not include any structures or features any activities or design elements that would physically interfere with implementation of emergency response or evacuation plans. During all construction activities, access to neighboring properties along South Bay Boulevard and Teresa Road would be maintained. Therefore, the project would not substantially impair an adopted emergency response plan or emergency evacuation plan and impacts would be *less than significant*.

b. The project would be developed on vacant parcels surrounded by vacant land and urban development to the east. Future residential structures built on the parcels would be conditioned to comply with building and fire code regulations. The project is not located in an area where slope, prevailing winds, and other factors, would exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire. Therefore, *impacts would be less than significant*.

c. The project would be required to comply with General Plan/LCP Coastal Land Use Plan Policy PS-2.7 Additional Fire Protection Standards for All Development, which requires new development to meet all applicable fire safety standards and shall be sited and designed to minimize fuel modification and brush clearance to the maximum feasible extent, and to avoid such activities within ESHA and ESHA buffers on-site and on neighboring property, as well as parkland. The proposed project would rely on an existing roadway for access and would not require the installation or maintenance of a road, a fuel break, an emergency water source, power lines, or other utilities that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment. Therefore, impacts would be less than significant.

d. The project is within a Local Responsibility Area (LRA) and would be served by the Morro Bay Fire Department located approximately 1.5 miles west. The project is not within a mapped fire hazard severity zone. According to the City of Morro Bay's General Plan/LCP Coastal Land Use Plan, wildfires are not a significant concern based on the location of development in proximity to wildland areas. Based on the location and relatively low risk of wildfires near the project site, the project would not expose people or structures to a significant risk of fire, and impacts would be less than significant.

CONCLUSION

The proposed project and associated activities would not result in a significant adverse impact related to wildfire.

MITIGATION MONITORING

Mitigation measures are not required.

21. Mandatory Findings of Significance (Section 15065)

A project may have a significant effect on the environment and thereby require a focused or full environmental impact report to be prepared for the project where any of the following conditions occur (CEQA Sec. 15065):

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a. ***Potential to degrade*:** Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?		X		
b. ***Cumulative:*** Does the project have impacts that are individually limited but cumulatively considerable? ("Cumulatively considerable" means that incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?			X	
c. ***Substantial adverse*:** Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?			X	

IMPACT DISCUSSION

a. **Potential to Degrade.** The proposed project would not substantially degrade or threaten the quality of the environment, habitat, or populations of any fish or wildlife species, or important examples of California history or prehistory. The project does not propose to remove any trees as part of the project; however, nesting birds could be present on a seasonal basis in nearby trees, and construction activities as well as trimming or removing trees could adversely affect their nesting activities. Mitigation measures have been proposed to prevent or reduce potential impacts. Refer to Section 1, Aesthetics; Section 4, Biological Resources; Section 6, Geology and Soils; and Section 8, Hazards/Hazardous Materials, for additional information.

b. **Cumulative.** Project-specific impacts, when considered along with, or in combination with, other impacts, do not rise to a level of significance. Project impacts are limited and no substantial cumulative impacts resulting from other projects were identified.

c. **Substantial Adverse.** The project does not have environmental effects that could cause substantial adverse effects on human beings, either directly or indirectly. Project impacts are limited, and standard mitigation measures would be incorporated that would reduce any potential impacts to a less-than-significant level.

V. INFORMATION SOURCES:

A. County/City/Federal Departments Consulted:

City of Morro Bay Community Development Department (Planning and Building Divisions), Public Works Department, Fire Department.
San Luis Obispo Air Pollution Control District
California Department of Toxic Substances Control

B. General Plan/LCP Coastal Land Use Plan

x	Land Use Element	x	Community Design
x	Economic Development	x	Circulation Element
x	Noise Element	x	Housing Element
x	Zoning Ordinance and Map	x	Climate Action Plan

C. References

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VI. ATTACHMENTS

- Attachment A: Summary of Mitigation Measures and Applicant's Consent to Incorporate Mitigation into the Project Description.

ATTACHMENT A:
MITIGATION AND MONITORING PROGRAM

Mitigation Measure AES-1: At the time of application for future development, the applicant shall retain a qualified consultant (e.g., a licensed landscape architect with a background in CEQA analysis) to prepare a visual impact assessment (VIA) to determine and document project visibility and to identify impacts and mitigation measures specific to the proposed development, as measured against the above CEQA thresholds of significance. The VIA shall provide photo-simulations of the proposed development as seen from public view corridors that are based on story-poles placed on the project site, final grading elevations, and architectural elevations. The VIA shall include written inventory of existing site conditions and document the overall extent and quality of project visibility. The VIA shall identify the visual resources and any other features which are of significance from key viewing areas and shall provide photo simulations from the key viewing areas.

If the VIA determines that the project would result in silhouetting, the report shall identify project design alterations that eliminate silhouetting, including, but not limited to height reduction or alternative siting. The report shall also identify any potential impacts related to visual massing, cut and fill slopes, and lighting, and identify project design alternatives that reduce massing. These measures could include, but not limited to, recessing and projecting elements to avoid flat monotonous facades, setbacks to upper levels to achieve an appropriate height-to-width ratio across the street and encourage sunlight into open spaces, reducing site overall site elevation, or landscape plantings that achieve screening of visually obtrusive elements of the project. Other design recommendations, such as building orientation, color and materials that visually blend with the landscape, may also be recommended.

All recommendations of the report shall be implemented.

Mitigation Measure AQ-1:

a. The project shall implement the following mitigation measures to minimize nuisance impacts and to significantly reduce fugitive dust emissions:

   i. Reduce the amount of the disturbed area where possible;
   ii. Use of water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site. Increased watering frequency would be required whenever wind speeds exceed 15 mph. Reclaimed (non-potable) water should be used whenever possible;
   iii. All dirt stock pile areas should be sprayed daily as needed;
   iv. Permanent dust control measures identified in the approved project revegetation and landscape plans should be implemented as soon as possible following completion of any soil disturbing activities;
   v. Exposed ground areas that are planned to be reworked at dates greater than one month after initial grading should be sown with a fast germinating, non-invasive grass seed and watered until vegetation is established;
   vi. All disturbed soil areas not subject to revegetation should be stabilized using approved chemical soil binders, jute netting, or other methods approved in advance by the APCD;
   vii. All roadways, driveways, sidewalks, etc. to be paved should be completed as soon as possible. In addition, building pads should be laid as soon as possible after grading unless seeding or soil binders are used;
   viii. Vehicle speed for all construction vehicles shall not exceed 15 mph on any unpaved surface at the construction site;
   ix. All trucks hauling dirt, sand, soil, or other loose materials are to be covered or should maintain at least two feet of freeboard (minimum vertical distance between top of load and top of trailer) in accordance with CVC Section 23114;

x. Install wheel washers where vehicles enter and exit unpaved roads onto streets, or wash off trucks and equipment leaving the site;
xi. Sweep streets at the end of each day if visible soil material is carried onto adjacent paved roads. Water sweepers with reclaimed water should be used where feasible;
xii. All of these fugitive dust mitigation measures shall be shown on grading and building plans; and
xiii. The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust complaints, reduce visible emissions below 20% opacity, and to prevent transport of dust offsite. Their duties shall include holidays and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the APCD Compliance Division prior to the start of any grading, earthwork or demolition.

b. If future construction activities exceed the SLOAPCD Tier 1 construction emission thresholds (approximately 43,936 cubic yards of cut + fill), the project shall apply BACT for construction equipment. The BACT measures can include: Further reducing emissions by expanding use of Tier 3 and Tier 4 off-road and 2010 on-road compliant engines; Repowering equipment with the cleanest engines available; and Installing California Verified Diesel Emission Control Strategies. These strategies are listed at: http://www.arb.ca.gov/diesel/verdev/vt/cvt.htm.

c. If future construction activities exceed the SLOAPCD Tier 2 construction emission thresholds (approximately 110,720 cubic yards of cut + fill), the project shall implement BACT measures identified above, and a CAMP shall be submitted to the SLOAPCD for review and approval prior to the start of construction. The CAMP shall include, but not be limited to, the following elements: a Dust Control Management Plan that encompasses all, but is not limited to, dust control measures that were listed above in the "dust control measures" section; tabulation of on and off-road construction equipment (age, horse-power and miles and/or hours of operation); schedule construction truck trips during non-peak hours to reduce peak hour emissions; limit the length of the construction work-day period, if necessary; and, phase construction activities, if appropriate.

d. If implementation of measures (a) through (c), above do not reduce emissions to less than significant, the project shall coordination with SLOAPCD regarding offsite mitigation. The applicant shall pay the current offsite mitigation rate and may use the required funds to implement SLOAPCD approved emission reduction projects near the project site or may pay that funding level plus an administration fee (2012 rate is 15%) to the SLOAPCD to administer emission reduction projects in close proximity to the project. The applicant shall provide this funding at least two (2) months prior to the start of construction to help facilitate emission offsets that are as real-time as possible. Examples off-site mitigation strategies include, but are not limited to, the following: fund a program to buy and scrap older heavy-duty diesel vehicles or equipment; replace/repower transit buses; replace/repower heavy-duty diesel school vehicles (i.e. bus, passenger or maintenance vehicles); retrofit or repower heavy-duty construction equipment, or on-road vehicles; repower or contribute to funding clean diesel locomotive main or auxiliary engines; purchase VDECs for local school buses, transit buses or construction fleets; install or contribute to funding alternative fueling infrastructure (i.e. fueling stations for CNG, LPG, conductive and inductive electric vehicle charging, etc.); fund expansion of existing transit services; and, replace/repower marine diesel engines.

Mitigation Measure AQ-2: A geologic evaluation shall be prepared to determine if NOA is present prior to any grading activities at the project site. If NOA is found at the site the project shall comply with all requirements outlined in the Asbestos ATCM for Quarrying, and Surface Mining Operations. These requirements may include but are not limited to development of an Asbestos Dust Mitigation Plan which must be approved by the SLOAPCD before operations begin and development and approval of an Asbestos Health and Safety Program (required for some projects). If NOA is not present, an exemption request shall be filed with SLOAPCD. More information on NOA can be found at http://www.slocleanair.org/business/asbestos.asp.

Mitigation Measure BIO-1: Prior to any site disturbance, the applicant shall conduct seasonally-appropriate floristic surveys to identify the presence or absence of Cambria morning glory, Miles' milk vetch, San Luis Obispo owls clover, San Joaquin spearscale, Jones' layia, Blochman's dudleya, Betty's dudleya, dune larkspur, Kellogg's horkelia, Oso manzanita, mouse-gray dudleya, and serpentine bunchgrass grassland. Surveys shall be conducted during the appropriate blooming period in order to evaluate the extent and the abundance of the population within the proposed ground disturbance area, and a 50-foot buffer. The results of these surveys shall be submitted to the City and the United States Fish and Wildlife Service and/or California Department of Fish and Wildlife, as applicable, within 30 days of completing the survey. In the event of a below-average rainfall year, the applicant shall submit the results of the surveys to the City and the United States Fish and Wildlife Service and/or California Department of Fish and Wildlife, as applicable, within 30 days of completing the survey, and the City may elect to use the best available data from an average rainfall year.

If special status plant species are present within the proposed ground disturbance area, or within a 50-foot buffer, the applicant shall avoid all impacts to the greatest extent feasible. All plans that are submitted to the City shall include specifications for the installation of protective fencing to prevent any inadvertent impacts to all sensitive plants or their habitat. The protective fencing shall be installed prior to any ground disturbing activities, at the direction of the qualified biologist, and shall be maintained by the applicant throughout the entire construction work period at the subject location. Photos of installed fencing shall be submitted prior to grading permits and included in the submitted bi-monthly reports.

Should project activities at a site location extend beyond one-year, additional floristic surveys shall be conducted at the location on an annual basis until project construction activities are completed. The results of these surveys shall be submitted to the City, United States Fish and Wildlife, and California Department of Fish and Wildlife.

Prior to issuance of permits, the applicant shall submit a restoration plan prepared by a qualified biologist for special status plant species and submit to the City for review and approval, in consultation with the United States Fish and Wildlife (USFWS), and California Department of Fish and Wildlife (CDFW), if necessary. At a minimum, the plan shall include:

1. Identification of locations, amounts, size and types of plants to be replanted, as well as any other necessary components (e.g., temporary irrigation, amendments, etc.) to ensure successful reestablishment. Restoration areas shall be located within open space and conservation easements onsite.

2. Provide for a native plant salvage and seed collection effort prior to ground disturbing activities. Salvaged plants shall include, but not be limited to, special status plant species that may be affected.

3. Quantification of impact based on finalized plans and quantification of mitigation areas such that the replacement criteria are met.

4. A program schedule and success criteria for a minimum five-year monitoring and reporting program that is structured to ensure the success of the restoration plan.

5. All individuals that are removed or impacted shall be replaced in-kind at a 2:1 ratio (based on square feet cover) within the designated restoration area with 100% success in 5 years.

6. Identification of access and methods of materials transport to the restoration area, including personnel, vehicles, tools, plants, irrigation equipment, water, and all other similar supplies. Access shall not result in new or additional impacts to habitat and special-status species.

7. Incorporation of an invasive species control program, which would include the following at a minimum:

a. To avoid the spread of invasive species, the contractor will stockpile topsoil and redeposit the stockpiled soil on the slopes after construction is complete, or if heavily infested with invasive species, transport the topsoil to a certified landfill for disposal.

b. During construction, the project will make all reasonable efforts to limit the use of imported soils for fill. Soils currently existing on-site should be used for fill material. If the use of imported fill material is necessary, the imported material must be obtained from a source that is known to be free of invasive plant species; or the material must consist of purchased clean material such as crushed aggregate, sorted rock, or similar.

c. The restoration planting plans must emphasize the use of native species expected to occur in the area. Project plans must avoid the use of plant species that the Cal-IPC, Cal-EPPC, CDFW, or other resource organizations considers to be invasive or potentially invasive. Prior to issuance of grading permits, the City shall verify that restoration plans do not include the use of any species considered invasive by the Cal-IPC, Cal-EPPC, or CDFW.

d. If performance standards detailed in the final restoration plan are not achieved in any restoration area, the applicant shall submit and implement an alternative or adaptive mitigation strategy during the restoration and monitoring phase for approval to the City, in consultation with other appropriate resource agencies including the United States Fish and Wildlife and/or the California Department of Fish and Wildlife.

Mitigation Measure BIO-2: To avoid impacts to nesting birds for construction activities occurring between February 15 and August 31, a preconstruction survey for active bird nests shall be conducted by a qualified biologist. Surveys shall be conducted within 2 weeks prior to construction activities. If no active nests are located, construction activities can proceed. If active nests are located, then all construction work shall be conducted outside a non-disturbance buffer zone to be developed by the project biologist based on the species (i.e., 50 feet for common species and up to 250 feet for raptors), slope aspect and surrounding vegetation in proximity to the nest site. No direct disturbance to nests shall occur until the young are no longer reliant on the nest site as determined by the project biologist. The biologist shall conduct monitoring of the nest until all young have fledged. The qualified biologist shall document all active nests and submit a letter report to the City of Morro Bay documenting project compliance with the Migratory Bird Treaty Act, California Fish and Game Code, and applicable project mitigation measures, within 14 days of survey completion or prior to first inspection, whichever occurs first.

Mitigation Measure CUL-1: In the event of any inadvertent discovery of archaeological resources, all work within 100 feet of the discovery shall immediately cease. The Applicant and/or contractor shall immediately contact a City-approved archaeologist and notify the City Community Development Department. The City-approved archaeologist shall evaluate the significance of the discovery pursuant to State CEQA Guidelines Section 15064.5 and PRC Section 21083.2. Should the discovery be determined to not be significant, the City-approved archaeologist, in consultation with the City, shall determine what, if any, measures are appropriate. Work may resume in the area upon approval of the City-approved archaeologist.

Should the City-approved archaeologist determine an inadvertent discovery is significant, the Applicant, in discussion with the City and the City-approved archeologist, shall determine if avoidance of the site is feasible. If avoidance is not feasible, a Data Recovery Plan shall be prepared and submitted to the City for review. The Data Recovery Plan shall include, at a minimum:

1. Mapping of the resource boundary;
2. Quantification of the volume of impact to the resource;
3. Excavation of a sample of the resource to characterize the nature of the site and retrieve a representative sample of artifacts within the impacted area;

4. Monitoring of excavations by a tribal representative;
5. Technical analysis of the recovered samples, including radiocarbon dating, typological and technical analysis of tools and debris, identification and analysis of preserved faunal and floral remains, and other studied appropriate to research questions outlined in the research design;
6. Cataloguing and curation of all artifacts and records detailing the results of the investigations at a City-approved curation facility or to a Native American Tribe; and
7. Submission of a final technical report detailing the results of the investigations

Mitigation Measure GHG-1: The proposed project shall implement the following GHG-reduction measures, consistent with the "mandatory" measures identified in the City's CAP:

a. The project shall install high efficiency lights (i.e., sodium, light-emitting diode [LED]) in parking lots, streets, and other public areas. (Note: this measure was included per previous SLOAPCD recommendations and is not a CAP mandatory measure but is a requirement in the recently updated building standards that took effect on January 1, 2020).

b. The project shall provide on-site bicycle parking and/or amenities in accordance with the California Green Building Standards Code and related facilities to support long-term use (lockers, or a locked room with standard racks and access limited to bicyclists only). (CAP Measure TL-1)

c. The project shall incorporate a pedestrian access network that internally links all uses and connects all existing or planned external streets and pedestrian facilities contiguous with the project site. (CAP Measure TL-2)

d. The project shall be designed to minimize barriers to pedestrian access and interconnectivity. (CAP Measure TL-2)

e. The project shall incorporate traffic calming improvements as appropriate (e.g., marked crosswalks, count-down signal timers, curb extensions, speed tables, raised crosswalks, median islands, mini-circles, tight corner radii, etc.). (CAP Measure TL-2)

f. Three percent of construction vehicles and equipment shall be electrically powered or use alternative fuels such as compressed natural gas. (CAP Measure O-1)

Idling of all on and off-road diesel-fueled vehicles shall not be permitted when not in use. Signs shall be posted in the designated queuing areas and or job site to remind drivers and operators of the no idling limitation. (SLOAPCD Diesel Idling Restrictions for Construction Phases)

Acceptance of Mitigation Measures by Project Applicant:

Laing J. Steiner
Applicant

3/25/2020
Date