



CITY OF MORRO BAY
COMMUNITY DEVELOPMENT DEPARTMENT

955 Shasta Avenue
Morro Bay, CA 93442

April 13, 2026

Applicant: Richard P. Kelter, Morro Bay LLC
19332 Ocean Heights Ln
Huntington Beach, CA, 92648
rvw@retlek.com

RE: 1124-A Front Street
Planning Permit No. CDP26-004; Notice of Permit Approval

Project Description: After-the-fact Administrative Coastal Development Permit for the conversion of a retail unit to a 1400 sf 2-bed, 2-bath ADU, processed under AB2533. This project is in the Visitor Serving Commercial (VSC) zoning district and located inside the Coastal Appeals Jurisdiction.

Dear Applicant,

The City of Morro Bay Community Development Department has conditionally approved CDP26-004. ***Please return the enclosed Acceptance of Conditions Form, signed, no later than April 27, 2026, to the Community Development Department at 955 Shasta Avenue, Morro Bay, CA 93442 or by email.***

The California Environmental Quality Act (CEQA) requires the City of Morro Bay to consider the environmental consequences of their actions before approving plans and policies to a course of action on a project. This project, however, has been deemed 'exempt' from CEQA. With this exemption, the City will file the attached Notice of Exemption (NOE) no later than 5 days after the issuance of this permit, or by April 20, 2026. NOE filing starts a 35-day statute of limitations period on legal challenges to the exemption determination.

Sincerely,

Lee Ackerman
Assistant Planner

Attachments:

- Findings of Approval
- Conditions of Approval
- Acceptance of Conditions Form
- Administrative Coastal Development Permit
- Notice of Final Action
- NOE Form



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COMMUNITY DEVELOPMENT DEPARTMENT
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ADMINISTRATIVE COASTAL DEVELOPMENT PERMIT
Planning Permit No. CDP26-004
Site location: 1124-A Front Street

FINDINGS OF APPROVAL, Page 1 of 2

The Community Development Director may approve an application for a Coastal Development Permit only after making findings found under Morro Bay Zoning Code Section 17.39.070. Below are recommended determinations of the required findings:

Coastal Development Permit Findings:

1. **LCP Consistency.** *The project is consistent with the LCP.*

Plan Morro Bay was adopted in 2021, encompassing both the City's General Plan and Coastal Land Use Plan (LCP). The project falls within the General Plan's land use designation of Visitor Serving Commercial (VSC), which is described as follows: Visitor-oriented services and uses located at easily accessible locations and tourist destinations within the coastal zone. In general, ground-floor development should be reserved for retail shops, restaurants and bars, and visitor accommodations, with the upper floors reserved for additional visitor accommodations and offices.

2. **Public Views.** *The project protects or enhances public views.*

Plan Morro Bay includes various policies related to the protection and enhancement of coastal public views. This project, however, is not located along the coast and therefore does not negatively impact coastal public views.

3. **Habitat Protection.** *The project protects vegetation, natural habitats and natural resources consistent with LCP.*

The Conservation Element of Plan Morro Bay addresses the use and preservation of natural resources to improve the environmental quality of Morro Bay. This project is not located within mapped known environmentally sensitive habitat areas or habitat locations within the Conservation Element and therefore is not expected to compromise existing vegetation, natural habitats or natural resources.

4. **Design Consistency.** *The design, location, size, and operating characteristics of the proposed development is consistent with applicable LCP design requirements, including design plans and area plans incorporated into the LCP.*

Plan Morro Bay designates the City of Morro Bay Zoning Code as the regulatory authority for implementation of coastal requirements including allowed uses, development standards, and coastal resource protection standards. The design, size, location, and operating characteristics of this project are consistent with Sections 17.08 and 17.23 of the Morro Bay Zoning Code.

5. **Coastal Access.** *The project protects or enhances public access to and along the coast.*

Plan Morro Bay includes various policies related to the protection and enhancement of public access to and along the coast. This project, however, is not located along the coast and therefore does not negatively public access to and along the coast.



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FINDINGS OF APPROVAL, Page 2 of 2

6. **Visitor Serving.** *The project supports the LCP goal of providing for visitor-serving needs as appropriate, including providing low and no cost visitor and recreational facilities.*

Plan Morro Bay includes various policies related to visitor-serving needs. This project, however, is the replacement of an existing residential use and is therefore not required to provide low and no cost visitor and recreational facilities.

7. **Appropriate Use.** *The project is consistent with the allowed LCP uses associated with the property.*

Plan Morro Bay was adopted in 2021, encompassing both the City's General Plan and Coastal Land Use Plan (LCP). The project falls within the General Plan's land use designation of Visitor Serving Commercial (VSC), which is described as follows: Visitor-oriented services and uses located at easily accessible locations and tourist destinations within the coastal zone. In general, ground-floor development should be reserved for retail shops, restaurants and bars, and visitor accommodations, with the upper floors reserved for additional visitor accommodations and offices.

Plan Morro Bay designates the City of Morro Bay Zoning Code as the regulatory authority for implementation of coastal requirements including allowed uses, development standards, and coastal resource protection standards. The design, size, location, and operating characteristics of this project are consistent with Sections 17.08 and 17.23 of the Morro Bay Zoning Code.

8. **Coastal Resources.** *The proposed development protects or enhances coastal resources, where applicable.*

Plan Morro Bay includes various policies related to the protection or enhancement of coastal resources. This project site, however, does not contain coastal resources and is therefore exempt from protecting or enhancing such resources.

9. **Environmental Justice.** *The project addresses whether proposed development results in environmental justice impacts, consistent with LCP environmental justice policies. When relevant, the project includes mitigation measures to minimize or eliminate potential adverse and/or disproportionate impacts of development on environmental justice communities.*

The project does not trigger environmental justice impacts. No mitigation measures are required to minimize or eliminate potential adverse and/or disproportionate impacts of development on environmental justice communities.

10. **Hazards.** *The proposed development is consistent with the LCP's coastal hazards provisions.*

Coastal hazards include, but are not limited to, episodic and long-term shoreline retreat and coastal erosion, high seas, ocean waves, storms, tsunamis, coastal flooding, landslide, bluff and geologic instability, and the interaction of same, and all is impacted by sea level rise. This project, however, is not located along the coast and therefore is not subject to the LCP's coastal hazards provisions.



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FINDINGS OF APPROVAL, Page 3 of 3

Zoning Ordinance Standards: VSC		
	Standards	Existing (no change proposed)
Front Setback	0'	0'
Interior Side-Yard Setback	0'	0'
Rear Setback	10' (4' for ADU)	Approx. 112' to West Ave
Height	30'	16'5"



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CONDITIONS OF APPROVAL, Page 1 of 6

The Community Development Director has reviewed this Coastal Development Permit application materials and finds the following:

STANDARD CONDITIONS

1. Permit. This permit is granted for the land described on Assessor Parcel Number 066-034-009 for the attached ADU as shown on plans date-stamped and approved on April 13, 2026 and on file with the Community Development Department, as modified by these conditions of approval. Site development, including all buildings and other features, shall be located and designed substantially as shown on plans, unless otherwise specified herein.
2. Inaugurate Within Two Years: Unless the construction or operation of the structure, facility, or use is commenced not later than two (2) years after the effective date of this approval and is diligently pursued thereafter, this approval will automatically become null and void; provided, however, that upon the written request of the applicant, prior to the expiration of this approval, the applicant may request up to two extensions for not more than one (1) additional year each. Said extensions may be granted by the Director, upon finding that the project complies with all applicable provisions of the Morro Bay Municipal Code, General Plan and Local Coastal Program Land Use Plan (LCP) in effect at the time of the extension request.
3. Changes: Any minor change may be approved by the Community Development Director. Any substantial change will require the filing of an application for an amendment.
4. Compliance with the Law: All requirements of any law, ordinance or regulation of the State of California, City of Morro Bay, and any other governmental entity shall be complied with in the exercise of this approval.
5. Hold Harmless: The applicant, as a condition of approval, hereby agrees to defend, indemnify, and hold harmless the City, its agents, officers, and employees, from any claim, action, or proceeding against the City as a result of the action or inaction by the City, or from any claim to attack, set aside, void, or annul this approval by the City of the applicant's project; or applicant's failure to comply with conditions of approval. This condition and agreement shall be binding on all successors and assigns.
6. Compliance with Conditions: Compliance with and execution of all conditions listed hereon shall be necessary, unless otherwise specified, prior to obtaining final building inspection clearance. Deviation from this requirement shall be permitted only by written consent of the Planning and Building Director and/or as authorized by the Planning Commission. Failure to comply with these conditions shall render this entitlement, at the discretion of the Director, null and void. Continuation of the use without a valid entitlement will constitute a violation of the Morro Bay Municipal Code and is a misdemeanor.
7. Archaeology: In the event of the unforeseen encounter of subsurface materials suspected to be of an archaeological or paleontological nature, all grading or excavation shall immediately cease in the immediate area, and the find should be left untouched until a qualified professional archaeologist or paleontologist, whichever is appropriate, is contacted and called in to evaluate and make recommendations as to disposition, mitigation and/or salvage. The developer shall be liable for costs associated with the professional investigation.
8. Compliance with Morro Bay Standards: This project shall meet all applicable requirements under the Morro Bay Municipal Code, and shall be consistent with all programs and policies contained in the certified Coastal Land Use plan and General Plan for the City of Morro Bay.



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PLANNING CONDITIONS

9. Construction Hours: Pursuant to section 9.28.030.I, Construction or Repairing of Buildings. The erection (including excavating), demolition, alteration or repair of any building or general land grading and contour activity using equipment in such a manner as to be plainly audible at a distance of fifty feet from the building other than between the hours of seven a.m. and seven p.m. on weekdays and eight a.m. and seven p.m. on weekends except in case of urgent necessity in the interest of public health and safety, and then only with a permit from the community development department, which permit may be granted for a period not to exceed three days or less while the emergency continues and which permit may be renewed for a period of three days or less while the emergency continues.
10. Dust Control: Prior to issuance of any grading permit, a method of control to prevent dust and windblown earth problems shall be submitted for review and approval by the Building Official.
11. Conditions of Approval on Building Plans: Prior to the issuance of a Building Permit, the final Conditions of Approval shall be attached to the set of approved plans. The sheet containing Conditions of Approval shall be the same size as other plan sheets and shall be the last sheet in the set of Building Plans.
12. Short-Term Vacation Rental: The ADU shall not be used as short-term vacation rental. Rental terms shall be a minimum of 30 consecutive days.
13. Sale Limitations: Accessory dwelling units may be rented separately from the primary residence but may not be sold or otherwise conveyed separate from the primary residence, except as allowed pursuant to Government Code Section 65852.2.

BUILDING CONDITIONS

A. PRIOR TO ISSUANCE OF A BUILDING PERMIT:

14. Building permit plans shall be submitted by a California licensed architect or engineer when required by the Business & Professions Code, except when otherwise approved by the Chief Building Official.
15. The owner shall designate on the building permit application a registered design professional who shall act as the Registered Design Professional in Responsible Charge. The Registered Design Professional in Responsible Charge shall be responsible for reviewing and coordinating submittal documents prepared by others including phased and staggered submittal items, for compatibility with design of the building.
16. The owner shall comply with the City's Structural Observation Program. The owner shall employ the engineer or architect responsible for the structural design, or another engineer or architect designated by the engineer of record or architect responsible for the structural design, to perform structural observation as defined in Section 220. Observed deficiencies shall be reported in writing to the owner's representative, special inspector, contractor and the building official. The structural observer shall submit to the building official a written statement that the site visits have been made and identify any reported deficiencies that, to the best of the structural observer's knowledge, have not been resolved.
17. The owner shall comply with the City's Special Inspection Program. Special inspections will be required by Section 1704 of the California Building Code. All Special Inspectors shall first be approved by the Building Official to work in the jurisdiction. All field reports shall be provided to the City Building Inspector when requested at specified increments in order for the construction to proceed. All final reports from Special Inspectors shall be provided to the Building Official when they are complete and prior to final inspection.
18. BUILDING PERMIT APPLICATION. To apply for building permits, submit three (3) sets of construction plans to the Building Division.



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19. The Title sheet of the plans shall include:
- Street address, lot, block, track and Assessor Parcel Number.
 - Description of use.
 - Type of construction.
 - Maximum Height of the building allowed and proposed.
 - Floor area of the building(s).
 - Vicinity map.
 - Minimum building set back per zoning designation or conditional use approval.

All construction will conform to Section 17920.3 of the Health and Safety Code, per California Assembly Bill (AB) 2533.


B. CONDITIONS TO BE MET DURING CONSTRUCTION

20. **SITE MAINTENANCE.** During construction, the site shall be maintained so as to not infringe on neighboring property, such as debris and dust. A storm water management plan shall be maintained through the duration of the project. The storm water management measures such as fiber rolls, silt fencing, etc. will be enforced by City staff by random site visits.
21. **ARCHAEOLOGICAL MATERIALS.** In the event unforeseen archaeological resources are unearthed during any construction activities, all grading and or excavation shall cease in the immediate area and the find left untouched. The Building Official shall be notified so that the extent and location of discovered materials may be recorded by a qualified archaeologist, Native American, or paleontologist, whichever is appropriate. The qualified professional shall evaluate the find and make reservations related to the preservation or disposition of artifacts in accordance with applicable laws and ordinances. If discovered archaeological resources are found to include human remains, or in any other case when human remains are discovered during construction, the Building Official shall notify to county coroner. If human remains are found to be of ancient age and of archaeological and spiritual significance, the Building Official shall notify the Native American Heritage Commission. The developer shall be liable for costs associated with professional investigation.
22. **EXISTING BUILDINGS:** Where windows are required to provide emergency escape and rescue openings, replacement windows shall comply with the maximum sill height requirements of section R310.2.2 and the minimum opening area requirements of section R310.2.1 of the 2022 California Residential Code.

C. CONDITIONS TO BE MET PRIOR TO FINAL INSPECTION AND ISSUANCE OF CERTIFICATE OF OCCUPANCY

23. Prior to building division final approval all required inspections from the other various divisions must have been completed and verified by a city inspector. All required final inspection approvals must be obtained from the various departments and documented on the permit card. This permit card shall then be turned into the building division for scheduling of the final building inspection.
24. Any as-built drawings that were required by the building inspector or plans examiner must be submitted for approval prior to the request for final inspection.
25. If structural observations were required, the final structural observation report shall be submitted to the building division prior to issuance of the certificate of occupancy or final inspection approval.
26. If special inspections were required, the final special inspection report shall be submitted to the building division prior to the issuance of the certificate of occupancy or final inspection approval.

Approved:


Airlin Singewald
Community Development Director



CITY OF MORRO BAY
COMMUNITY DEVELOPMENT DEPARTMENT

955 Shasta Avenue
Morro Bay, CA 93442

ACKNOWLEDGEMENT AND ACCEPTANCE OF CONDITIONS OF APPROVAL

Planning Permit No. CDP26-004

Site location: 1124-A Front St.

APPLICANT: _____ Richard Kelter
APN/LEGAL: _____ 066-034-009
DATE APPROVED: _____ April 13, 2026
APPROVED BY: _____ Lee Ackerman, Assistant Planner, for Community Development Director

I, _____ the undersigned, have read and reviewed
(Applicant's Name - Please Print)

the conditions of approval imposed by the City of Morro Bay in its action approving the above-referenced permit.

I HAVE READ, UNDERSTAND, AND ACCEPT RESPONSIBILITY FOR THE CONDITIONS OF APPROVAL. I AGREE TO ABIDE BY AND CONFORM TO THE REQUIREMENTS OF THE CONDITIONS OF APPROVAL AS WELL AS TO ALL PROVISIONS OF THE MORRO BAY MUNICIPAL CODE.

APPLICANT'S SIGNATURE

DATE



CITY OF MORRO BAY
COMMUNITY DEVELOPMENT DEPARTMENT
955 Shasta Avenue
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Administrative Coastal Development Permit

This approval is based upon the attached findings and is valid only if the attached conditions are met and only after the applicable appeal period. Per Municipal Code Section 17.48.080, this permit may be revoked or revised for cause if any of the conditions or terms of the permit are violated or if any law or ordinance is violated.

CASE NO: CDP26-004

THIS PERMIT IS HEREBY APPROVED AND ISSUED FOR:

SITE ADDRESS: 1124-A Front St
APPLICANT: Richard Kelter
APN/LEGAL: 066-034-009
DATE APPROVED: April 13, 2026
APPROVED BY: Lee Ackerman, Assistant Planner, for Community Development Director
CEQA DETERMINATION: Categorically Exempt per Section 15303(B)

After-the-fact Administrative Coastal Development Permit for the conversion of a retail unit to a 1,400 sf 2-bed, 2-bath ADU, processed under AB2533. This project is in the Visitor Serving Commercial (VSC) zoning district and located inside the Coastal Appeals Jurisdiction.

THIS PROPERTY IS LOCATED IN THE JURISDICTION OF THE CITY OF MORRO BAY. An appeal period of ten (10) calendar days applies, within which time this permit is appealable to the City Council/Planning Commission.

THIS PROPERTY IS LOCATED IN THE COASTAL COMMISSION APPEALS JURISDICTION. This City decision is appealable to the California Coastal Commission pursuant to Section 30603 of the California Public Resource Code. The applicant or any aggrieved person may appeal this decision to the Coastal Commission within TEN (10) *Working days* following Commission receipt of this notice and after expiration of the City of Morro Bay appeal period. Appeals must be in writing and addressed to: California Coastal Commission, 725 Front Street, Suite 300, Santa Cruz, CA 95060, Phone: 831-427-4863. Please call the City of Morro Bay Community Development Department at 805-772-6264 with any questions.

IF NOT APPEALED, YOUR PERMIT WILL BE EFFECTIVE: April 23, 2026

ATTEST: *L Ackerman* Lee Ackerman, Assistant Planner DATE: April 13, 2026

THIS IS AN ADMINISTRATIVE APPROVAL AND DOES NOT CONSTITUTE A BUILDING PERMIT



CITY OF MORRO BAY
COMMUNITY DEVELOPMENT DEPARTMENT
955 Shasta Avenue
Morro Bay, CA 93442

NOTICE OF FINAL ACTION ON COASTAL DEVELOPMENT PERMIT

DATE OF NOTICE: APRIL 23, 2026

NOTICE OF FINAL CITY ACTION on Coastal Development Permit No. CDP26-004

THE FOLLOWING PROJECT IS LOCATED IN THE MORRO BAY COASTAL ZONE AND A COASTAL PERMIT APPLICATION HAS BEEN ACTED ON BY THE CITY.

Applicant: Richard Kelter

Address: 1124-A Front St, Morro Bay, CA 93442

Project Description: After-the-fact Administrative Coastal Development Permit for the conversion of a retail unit to a 1,400 sf 2-bed, 2-bath ADU, processed under AB2533. This project is in the Visitor Serving Commercial (VSC) zoning district and located inside the Coastal Appeals Jurisdiction.

Project Location: 1124-A Front St, Morro Bay, CA 93442

APN: 066-034-009

Zoning: VSC

Land Use Plan/General Plan: Visitor-Serving Commercial

Lot Area: 14,640 sf

Filing Date: 3/24/2026

Approval Body: Community Development Director

Action Taken: Approve with Conditions

Action Date: 4/13/2026

THIS SITE IS OUTSIDE OF THE COASTAL COMMISSION APPEAL JURISDICTION

This City decision is appealable to the California Coastal Commission pursuant to the California Public Resource Code, Section 30603. The applicant or any aggrieved person may appeal this decision to the Coastal Commission within TEN (10) working days following Commission receipt of this notice. Appeals must be in writing and should be addressed to: California Coastal Commission, 725 Front Street, #300, Santa Cruz, CA 95060, 831-427-4863.



CITY OF MORRO BAY
 COMMUNITY DEVELOPMENT DEPARTMENT
 955 Shasta Avenue
 Morro Bay, CA 93442

CITY OF MORRO BAY NOTICE OF EXEMPTION

TO: San Luis Obispo Co. Clerk
 County Government Center
 San Luis Obispo CA 93401

Office of Planning & Research
 1400 Tenth Street
 Sacramento, CA 95814

FROM: City of Morro Bay
 Community Development Department
 955 Shasta Avenue
 Morro Bay, CA 93442

Project Title: CDP26-004

Project Location - Specific: 1124-A Front St (APN 066-034-009)

Project Location - City: MORRO BAY **County:** SAN LUIS OBISPO

Description of Project: After-the-fact Administrative Coastal Development Permit for the conversion of a retail unit to a 1,400 sf 2-bed, 2-bath ADU, processed under AB2533. This project is in the Visitor Serving Commercial (VSC) zoning district and located inside the Coastal Appeals Jurisdiction.

Name of Public Agency Approving the Project: CITY OF MORRO BAY, 955 SHASTA AVE, MORRO BAY, CA 93442
 Contact: lackerman@morrobayca.gov, Lee Ackerman, Assistant Planner, 805-772-6277

Name of Applicant: Richard Kelter, Morro Bay LLC, 19332 Ocean Heights Ln, Huntington Beach, CA, 92648
(714)654-4658, rvw@retlek.com

Exempt Status: (Check One)

Reasons why project is exempt:

- Ministerial (Sec. 21080(b)(1); 15268);
- Categorical Exemption:
Type and Section Number: 15303(B)
- Declared Emergency (Sec. 21080(b)(3); 15269(a))
- Declared Emergency (Sec. 21080(b)(3); 15269(a))
- Statuary Exemption Code No. _____

Lead Agency: City of Morro Bay, 955 Shasta Ave, Morro Bay, CA 93442

Contact Person: Lee Ackerman, Assistant Planner **Telephone:** 805-772-6277

Email: lackerman@morrobayca.gov

Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Certification:

I hereby certify that the public agency has made the above finding and that the project is categorically exempt from CEQA.

Signature: *Lackerman* Title: Assistant Planner Date: 4/13/2026