

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – JUNE 28, 2016
VETERAN’S MEMORIAL HALL – 6:00 P.M.

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|----------|-------------------|----------------------------------|
| PRESENT: | Jamie Irons | Mayor |
| | Matt Makowetski | Councilmember |
| | Christine Johnson | Councilmember |
| | Noah Smukler | Councilmember |
| ABSENT: | John Headding | Councilmember |
| STAFF: | Dave Buckingham | City Manager |
| | Joe Pannone | City Attorney |
| | Dana Swanson | City Clerk |
| | Susan Slayton | Administrative Services Director |
| | Rob Livick | Public Works Director |
| | Scot Graham | Community Development Manager |
| | Whitney McIlvaine | Contract Planner |
| | Steve Knuckles | Fire Chief |

ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 6:01 p.m., with all but Councilmember Headding present.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

RECOGNITION - City Manager Buckingham presented a framed yellow jersey provided to the City by Amgen in honor of the Stage 4 start held on May 18, 2016.

<https://youtu.be/eLA0S-X6cDU?t=2m32s>

CLOSED SESSION REPORT - No Closed Session meeting was held.

MAYOR AND COUNCILMEMBERS’ REPORTS, ANNOUNCEMENTS & PRESENTATIONS

<https://youtu.be/eLA0S-X6cDU?t=4m41s>

CITY MANAGER REPORTS, ANNOUNCEMENTS & PRESENTATIONS - None

PRESENTATIONS - None

PUBLIC COMMENT

<https://youtu.be/eLA0S-X6cDU?t=12m27s>

Cherise Hansson of Under the Sea Gallery, located at 833 Embarcadero, provided the business spot. Under the Sea Gallery also has locations in Avila Beach and Kauai, and recently opened a second gallery in Morro Bay located at 725 Embarcadero.

Susan Stewart, Morro Bay resident and business owner, announced a meeting for business owners to review the draft General Plan Vision and Values statement will be held at Coalesce Bookstore on Wednesday, July 6 at 5:30 p.m. Also, Art in the Park will be held the July 4th weekend at City Park. Proceeds from that event support the Art Center and scholarships for high school and college students.

Joe Wallick, Morro Bay resident and small business owner, raised concern about illegal activity in the area behind the Teen Center and Skate Park and urged the City to address the issues.

Rick Morse, MedMar Clinic in Fresno, California, hoped the issue of medical marijuana in everyone's mind and looks forward to conversations early next year.

Eric Daniels, PG&E, announced the State Lands Commission approved PG&E's request to extend the lease and allow the Diablo Power Plant to operate to the end of its original operating licenses in 2024-2025. This was a critical first step for successful implementation of a joint proposal to increase investment in energy efficiency, renewables, and storage while phasing out PG&E's production of nuclear power in California by 2025.

The comment period was closed.

A. CONSENT AGENDA
<https://youtu.be/eLA0S-X6cDU?t=27m30s>

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

A-1 APPROVAL OF MINUTES FROM THE MAY 31, 2016 SPECIAL CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FROM THE JUNE 1, 2016 CLOSED SESSION CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF MINUTES FROM THE JUNE 14, 2016 CLOSED SESSION CITY COUNCIL MEETING; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-4 ADOPTION OF RESOLUTION 50-16 ESTABLISHING THE ANNUAL PROPOSITION 4 APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2016/17; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Adopt Resolution 50-16.

A-5 ADOPTION OF RESOLUTION 51-16 SUPPORTING THE NATIONAL REVENUE NEUTRAL CARBON FEE AND DIVIDEND PROGRAM; (ADMINISTRATION)

RECOMMENDATION: Adopt Resolution 51-16.

A-6 AUTHORIZATION TO FILE NOTICE OF COMPLETION FOR PROJECT NO. MB2016-WW06, MMRP: BLENDING VALVES REPLACEMENT; (PUBLIC WORKS)

RECOMMENDATION: Receive and file.

A-7 APPROVAL OF LICENSE AGREEMENT FOR 570 DUNES STREET; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-8 ADOPT RESOLUTION NO. 55-16 ESTABLISHING THE COMPENSATION AND BENEFITS FOR UNREPRESENTED CONFIDENTIAL EMPLOYEES OF THE CITY OF MORRO BAY; (ADMINISTRATIVE SERVICES DIRECTOR)

RECOMMENDATION: Adopt Resolution No. 55-16.

A-9 ADOPTION OF RESOLUTION NO. 56-16 AMENDING THE EARLY RETIREMENT MANAGEMENT PROGRAM FOR THE FISCAL YEAR 2016/17 APPROVED BY RESOLUTION NO. 22-16; (ADMINISTRATION)

RECOMMENDATION: Adopt Resolution No. 56-16

The public comment period for the Consent Agenda was opened.

Tyler Conrad, Morro Bay resident and volunteer with Citizens Climate Lobby, spoke in support of the National Revenue Neutral Carbon Fee and Dividend Program.

George Garrigues, Morro Bay, urged the Council to adopt Resolution 51-16 supporting the Carbon Fee and Dividend Program.

Sharon Rippner, San Luis Obispo, urged the Council to adopt Resolution 51-16 supporting the Carbon Fee and Dividend Program.

The public comment period for the Consent Agenda was closed.

MOTION: Councilmember Smukler moved the Council approve all items on the Consent Agenda. The motion was seconded by Councilmember Johnson and carried 4-0-1, with Councilmember Headding absent.

City Policy requires Public Hearing items not begin before 7:00 p.m. and therefore the Council moved to hear Item C-1 next.

C. BUSINESS ITEMS

- C-1 ADOPTION OF RESOLUTION NO. 54-16 MEMORIALIZING THE HISTORIC PARKING CREDITS INTERPRETATION, TEMPORARILY SUSPENDING PARKING IN-LIEU FEES FOR THE EMBARCADERO AND DOWNTOWN AREAS, AND DIRECTING THE EVALUATION OF THE COMMERCIAL PARKING PROGRAM; (COMMUNITY DEVELOPMENT)
<https://youtu.be/eLA0S-X6cDU?t=33m32s>

Mayor Irons voluntarily recused himself from Items C-1 due to a conflict of interest based on his ownership of commercial property in the downtown area, and left the meeting at 6:37 p.m.

Community Services Manager Graham presented the staff report and responded to Council inquiries.

The public comment period for Item C-1 was opened.

Erica Crawford, Morro Bay Chamber of Commerce, supported the proposed resolution noting parking in-lieu fees are the number one issue impeding business growth and development.

Jamie Irons, Morro Bay, speaking as a private citizen, supported grandfathering historic parking credits but was concerned waiving parking in-lieu fees would impact the City's ability to maintain infrastructure. He suggested parking in-lieu funds be used to update the parking management program or implement part of the current plan.

Rafael Torres, San Luis Obispo, business owner in the downtown area shared he recently expanded his business to include a deli and was asked to pay \$120k for required parking. He hoped for a policy that encourages business expansion.

Roger Ewing, Morro Bay, recommended in-lieu fees be lowered but not waived, as that would be unfair to both residents and businesses who have paid in-lieu fees in the past.

The public comment period for Item C-1 was closed.

There was Council consensus to recognize historic parking credits on the Embarcadero and develop a comprehensive parking management solution as part of the GP/LCP update.

The Council discussed staff recommendation to limit the parking waiver to a maximum of seven for staff level review, require Planning Commission review of any parking in lieu fee waiver request exceeding seven spaces, and that the number of waived spaces be capped at 15 or 20 spaces before Council review is required. There was concern about the appropriateness of waiving in-lieu fees entirely and discussion about lowering fees to an amount that would demonstrate support for current business expansion yet be respectful of infrastructure and planning needs. It was agreed that even a nominal fee could help pay for ADA or bike parking needs.

MOTION: Councilmember Smukler moved for adoption of Resolution No. 54-16 memorializing historic parking credits, waiving in-lieu fees entirely for the first four spaces, reducing in-lieu fees to \$500 per space for any additional spaces required beyond the initial four, authorizing staff to administer the in-lieu fee program for approvals involving seven or fewer in-lieu spaces, requiring Planning Commission review for eight to fifteen in-lieu spaces, with Council review required for 16 or more in-lieu spaces. The motion was seconded by Councilmember Johnson and carried 3-0-2 with Councilmember Heading absent and Mayor Irons abstaining due to a conflict of interest.

MOTION: Councilmember Smukler moved to direct staff to bring to the Planning Commission for public review the striping component from the 2007 Parking Management Plan and return to Council with recommendations. The motion was seconded by Councilmember Makowetski and carried 3-0-2 with Councilmember Heading absent and Mayor Irons abstaining due to a conflict of interest.

B. PUBLIC HEARINGS

B-1 INTRODUCTION AND FIRST READING OF ORDINANCE 601, AS AMENDED, TO ENABLE THE USE OF SECONDARY DWELLING UNITS AS VACATION RENTALS SUBJECT TO CERTAIN CONDITIONS: LOCAL COASTAL PROGRAM AND ZONING TEXT AMENDMENT (#A00-029) AMENDING TITLE 17 PROVISIONS RELATED TO SECONDARY DWELLING UNITS AND GUESTHOUSES/QUARTERS AND ACCESSORY LIVING AREAS; (COMMUNITY DEVELOPMENT)

<https://youtu.be/eLA0S-X6cDU?t=1h59m27s>

Mayor Irons recused himself from Item B-1 due to a conflict of interest based on having an application to build a guest house recently approved by the City.

Contract Planner McIlvaine presented the staff report and responded to Council inquiries.

The public comment period for Item B-1 was opened; seeing none, the public comment period was closed.

The Council expressed appreciation for Planning Commission's work on this item and supported the recommendation for additional language in subsection 17.48.320.H.1 providing the exemption would no longer apply upon sale of the property or upon any expansion of a secondary dwelling unit allowed to be used as a vacation rental. The proposed language was presented on page 2 of the staff report.

MOTION: Councilmember Johnson moved the Council accept the Planning Commission recommendation including revisions to subsection 17.48.320.H.1 providing the exemption would no longer apply upon sale of the property or upon any expansion of a secondary dwelling unit allowed to be used as a vacation rental, and move for introduction and first reading of Ordinance No. 601, an Ordinance of the City Council of the City of Morro Bay, California announcing findings and adopting amendments to Title 17 of the Morro Bay Municipal Code to establish provisions

for review of secondary dwelling units and guesthouses, and waive further reading; and direct staff to submit a Local Coastal Program (LCP) Amendment to Coastal Commission after second reading and adoption. The motion was seconded by Councilmember Makowetski and carried unanimously, 3-0-2 with Councilmember Headding absent and Mayor Irons abstaining due to a conflict of interest.

Mayor Irons rejoined the meeting at 8:12pm.

B-2 ADOPTION RESOLUTION 52-16 DIRECTING LEVY OF THE ANNUAL ASSESSMENT FOR THE CLOISTERS LANDSCAPING AND LIGHTING MAINTENANCE DISTRICT; (PUBLIC WORKS)
<https://youtu.be/eLA0S-X6cDU?t=2h9m11s>

Public Works Director Livick presented the staff report.

The public comment period for Item B-2 was opened.

Dawn Beattie, Morro Bay, expressed appreciation for how the City is managing the assessment funds.

The public comment period for Item B-2 was closed.

MOTION: Councilmember Makowetski moved for adoption of Resolution No. 52-16 directing levy of the annual assessment for the Cloisters Landscaping and Lighting Maintenance District. The motion was seconded by Councilmember Smukler and carried 4-0-1 with Councilmember Headding absent.

B-3 ADOPTION RESOLUTION 53-16 DIRECTING LEVY OF THE ANNUAL ASSESSMENT FOR THE NORTH POINT NATURAL AREA LANDSCAPING AND LIGHTING MAINTENANCE DISTRICT; (PUBLIC WORKS)
<https://youtu.be/eLA0S-X6cDU?t=2h15m15s>

Public Works Director Livick presented the staff report.

The public comment period for Item B-3 was opened; seeing none, the public comment period was closed.

MOTION: Councilmember Johnson moved for adoption of Resolution No. 53-16 directing levy of the annual assessment for the North Point Natural Area Landscaping and Lighting Maintenance District. The motion was seconded by Councilmember Smukler and carried 4-0-1 with Councilmember Headding absent.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
<https://youtu.be/eLA0S-X6cDU?t=2h18m27s>

Councilmember Smukler requested a presentation or discussion regarding the closure of Diablo Power Plant and potential impacts on Morro Bay. It was agreed the timing of that would likely be after the Public Utilities Commission meeting. There was unanimous support for this item.

E. ADJOURNMENT

The meeting adjourned at 8:21pm. The next Regular Meeting will be held on Tuesday, July 12, 2016 at 6:00 p.m. at the Veteran's Memorial Hall located at 209 Surf Street, Morro Bay, California.

Recorded by:



Dana Swanson,
City Clerk