

City Council conducted this meeting in accordance with Section 3 of California Governor Newsom's Executive Order N-29-20 issued on March 17, 2020 in response to the present State of Emergency in existence due to the threat of COVID-19. This meeting was held via teleconference for all participants.

PRESENT:	John Headding	Mayor
	Dawn Addis	Council Member
	Laurel Barton	Council Member
	Robert Davis	Council Member
	Jeff Heller	Council Member
ABSENT:	None	
STAFF:	Scott Collins	City Manager
	Chris Neumeyer	City Attorney
	Dana Swanson	City Clerk
	Katie Lichtig	Interim Finance Director
	Scot Graham	Community Development Director
	Steve Knuckles	Fire Chief
	Eric Endersby	Harbor Director
	Matt Vierra	Fire Marshal
	Rob Livick	City Engineer
	Cindy Jacinth	Senior Planner
	Michael Wambolt	Tourism Contractor

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Headding called the meeting to order at 5:30 p.m., with all but Council Member Barton present. Council Member Barton joined the meeting at 5:40 p.m.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

RECOGNITION – None

CLOSED SESSION REPORT – City Attorney Neumeyer stated no reportable action was taken by the City Council in accordance with the Brown Act.

MAYOR & COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

<https://youtu.be/1cg1OkKkGws?t=186>

CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS - None

<https://youtu.be/1cg1OkKkGws?t=700>

PRESENTATIONS

<https://youtu.be/1cg1OkKkGws?t=800>

- Assistance with Utilities Presentation by CPUC Local Government Liaison, Christopher Moore
- Recreation Program Update by Kirk Carmichael

PUBLIC COMMENT

<https://youtu.be/1cg1OkKkGws?t=2243>

Betty Winholtz, Morro Bay, objected to tree trimming being allowed during bird nesting season, recommended a public service announcement regarding appropriate use of throw-away wipes and their impact on sewer plants, suggested more diversity is needed on advisory committees, and requested transparency regarding WRF pipeline construction.

Joan Solu, Morro Bay, spoke in favor of Agenda item C-1 regarding the reformation of the TBID.

Michael Martz spoke regarding Item B-1, requesting the City consider the owners' request to re-zone Sheperd property adjacent to the retirement center and water reclamation facility to increase density and allow for multi-family units.

Mayor Headding closed public comment.

A. CONSENT AGENDA
<https://youtu.be/1cg1OkKkGws?t=2917>

Unless an item is pulled for separate action by the City Council, the following actions are approved without discussion. The public will also be provided an opportunity to comment on consent agenda items.

- A-1 PROGRESS CHECK #2 FOR TLC FAMILY ENTERPRISES' REDEVELOPMENT PROJECT OF LEASE SITE 87-88/87W-88W, LOCATED AT 833 EMBARCADERO ROAD; (HARBOR DEPARTMENT)

RECOMMENDATION: Progress Check #2 for TLC Family Enterprises' Redevelopment Project of Lease Site 87-88/87W-88W, Located at 833 Embarcadero Road

- A-2 AUTHORIZATION TO ACCEPT, IF AWARDED, STAFFING FOR ADEQUATE FIRE AND EMERGENCY RESPONSE (SAFER) GRANT, TO FUND FOUR LIMITED TERM FIREFIGHTERS FOR THE MBFD, WITH NO MATCHING FUNDS REQUIRED FROM THE CITY; (FIRE DEPARTMENT)

RECOMMENDATION: Authorization for the Fire Department to accept, if awarded, a grant from the Department of Homeland Security and Federal Emergency Management Agency for funding under the Staffing for Adequate Fire and Emergency Response (SAFER) Grant for the hiring of up to four limited term firefighters.

- A-3 ADOPTION OF RESOLUTION NO. 19-21 AUTHORIZING THE CITY MANAGER TO FILE AN APPLICATION AND EXECUTE A GRANT AGREEMENT, IF AWARDED, WITH THE UNITED STATES BUREAU OF RECLAMATION FOR A GRANT OF UP TO \$20 MILLION, PURSUANT TO THE WATER INFRASTRUCTURE IMPROVEMENTS TO THE NATION ACT, FOR THE WATER RECLAMATION FACILITY PROJECT; (PUBLIC WORKS DEPARTMENT/FINANCE DEPARTMENT)

RECOMMENDATION: Staff recommends City Council adopt Resolution No. 19-21 entitled "A Resolution of the City Council of City of Morro Bay, California, authorizing the City Manager to file an application and execute a grant agreement with the United States Bureau of Reclamation for a grant pursuant to the Water Infrastructure Improvements to the Nation Act (Public Law 114-322), for the Water Reclamation Facility project."

Specifically, Resolution No. 19-21 authorizes the following action: 1) Approves the application and authorizes the City Manager to File the Application to the U.S.

Bureau of Reclamation (Reclamation) for a Title XVI Grant under the Water Infrastructure Improvements to the Nation Act; 2) Authorizes the City Manager to negotiate and sign the Grant Agreement and related documents; 3) Represents that the City has sufficient funds of its own in addition to the Grant.

- A-4 APPROVAL OF SECOND AGREEMENT BETWEEN THE SAN LUIS OBISPO COUNTY INTEGRATED WASTE MANAGEMENT AUTHORITY (“IWMA”), THE CAYUCOS SANITARY DISTRICT (“CSD”) AND THE CITY OF MORRO BAY (“CITY”) FOR THE OPERATION OF A HOUSEHOLD HAZARDOUS WASTE COLLECTION FACILITY AT 170 ATASCADERO ROAD; (CITY MANAGER)

RECOMMENDATION: Staff recommends the Council approve and authorize the City Manager to execute the Second Agreement between the San Luis Obispo County Integrated Waste Management Authority (“IWMA”), the Cayucos Sanitary District (“CSD”) and the City of Morro Bay for the continued operation of a household hazardous waste collection facility at 170 Atascadero Road through August 5, 2022.

Mayor Heading opened the public comment for the Consent Agenda; seeing none, the public comment period was closed.

MOTION: Council Member Addis moved approval of all items on the Consent Agenda. The motion was seconded by Council Member Barton and carried 5-0 by roll call vote.

B. PUBLIC HEARINGS

- B-1 PUBLIC HEARING FOR CONSIDERATION OF PLAN MORRO BAY: GENERAL PLAN / LOCAL COASTAL PROGRAM UPDATE AND THE FINAL ENVIRONMENTAL IMPACT REPORT AND RELATED DOCUMENTS AND TO PROVIDE DIRECTION, AS DEEMED APPROPRIATE; (COMMUNITY DEVELOPMENT)
<https://youtu.be/1cg1OKKkGws?t=3014>

Community Development Director Graham and Senior Planner Jacinth provided the report and, along with Amy Sinsheimer of Placeworks Inc., responded to Council inquiries.

Council Member Davis announced ex parte communications with the Harbor Lease Group and Erica Crawford, Morro Bay Chamber of Commerce.

Mayor Heading opened the Public Hearing and Public Comment.

Kristen Headland, Morro Bay, spoke regarding land use density for 3300 Panorama Drive and asked the Council to correct the record and change the land use designation back to moderate or low-medium density residential.

Betty Winholtz, Morro Bay, objected to not dealing with the environmental document first, Regarding the Blueprint, she appreciated Policies 1.2 and 1.4 identify realistic development while balancing needs of tourists with residents; questioned Policy 3.7 which discusses outward expansion but has no implementation items; opined the language in Policies 4.2 and 4.5 does not honor Measure D as it allows for modifying and interim uses; was concerned the language in 8.15 related to design flexibility is too broad; and suggested the bicycle/pedestrian connector to Cayucos be mentioned in both the Blueprint and Greenprint documents.

Smith Held, Vice President of Embarcadero Leaseholder’s Group, expressed concern the Plan diminishes the ability to achieve new development on the lease sites. He interpreted

Policy LU-8.3 to require a new discretionary permit every 20 years and developers cannot recoup their investment in that timeframe. He suggested the documents provided too much specificity and City needs flexibility to grant variances to approve the lease site projects it desires.

Cherise Hansson, Morro Bay, requested the Council direct the Harbor Advisory Board to review the document and provide recommendations related to lease site development prior to final acceptance.

Bob Fowler submitted written comments and recommendations related to shoreline protective language and requested clarification this does not apply to the Embarcadero. He also expressed concern about the 25% requirement for lower-cost accommodations, and stated language related to lateral access and sea level rise was too specific for this level of document.

The public comment period and public hearing were closed.

The Council took a brief recess at 7:34 p.m. The meeting reconvened at 7:40 p.m. with all members present. Due to technical difficulties, Council Member Barton was present but was unable to provide comment during this portion of the meeting.

The City Council reviewed and provided comments on the Blueprint document. In response to concerns raised in agenda correspondence and public comment, the Council directed staff to follow up with Coastal Commission staff regarding the requirement to provide 25% of the rooms at affordable rates for lease site properties along the waterfront.

Mayor Heading announced this agenda item will be continued as a public hearing item to a date certain on May 11, 2021, at 5:30 p.m.

The Council did not take any formal action on this item.

C. BUSINESS ITEMS

- C-1 PUBLIC MEETING TO RECEIVE PUBLIC TESTIMONY ON (RE)FORMATION OF THE MORRO BAY TOURISM BUSINESS IMPROVEMENT DISTRICT AND LEVY OF ASSESSMENTS; (CITY MANAGER)
<https://youtu.be/1cg1OkKkGws?t=12128>

City Manager Collins provided the report.

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

Chuck Davison, President and CEO of Visit SLOCal, spoke in favor of transitioning to the 5-year renewal process.

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

The Council did not take any formal action on this item.

- D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
<https://youtu.be/1cg1OkKkGws?t=12742>

Council Member Heller proposed staff bring forward funding options for public improvements along the waterfront and received full support for the item.

Council Member Addis asked when items from the last meeting would come back for review. Staff offered to review and advise the Council via email.

E. ADJOURNMENT

The meeting adjourned at 9:07 p.m.

Recorded by:

Dana Swanson
City Clerk