



CITY OF MORRO BAY CITY COUNCIL AGENDA

The City of Morro Bay provides essential public services and infrastructure to maintain a safe, clean and healthy place for residents and visitors to live, work and play.

Regular Meeting Tuesday, December 13, 2022 – 5:30 P.M. Veterans Memorial Hall 209 Surf St., Morro Bay, CA

Pursuant to Assembly Bill 361 (2021-22) and Government Code section 54953 this Meeting will be conducted in a hybrid format with both in-person and virtual public participation. Ways to watch this meeting and submit public comment are provided below.

Public Participation:

Public participation is allowed in the following ways:

- Community members may attend the meeting in person at the Morro Bay Veterans Hall.
- Alternatively, members of the public may watch the meeting and speak during general Public Comment or on a specific agenda item by logging in to the Zoom webinar using the information provided below. Please use the “raise hand” feature to indicate your desire to provide public comment.

Please click the link below to join the webinar:

- <https://us02web.zoom.us/j/82722747698?pwd=aWZpTzcwTHlRTk9xaTlmWVNWRFUQT09>

Password: 135692

- Or Telephone Attendee: 1 (408) 638-0968 or 1 (669) 900 6833 or 1 (346) 248 7799; Webinar ID: 827 2274 7698; Password: 135692; Press *9 to “Raise Hand” for Public Comment

- Members of the public may watch the meeting either on cable Channel 20 or as streamed on the City [website](#).
- Community members are encouraged to submit agenda correspondence in advance of the meeting via email to the City Council at council@morrobayca.gov prior to the meeting. Agenda Correspondence received at council@morrobayca.gov by 10 a.m. on the meeting day will be posted on the City website.

ESTABLISH QUORUM AND CALL TO ORDER
MOMENT OF SILENCE
PLEDGE OF ALLEGIANCE
RECOGNITION
CLOSED SESSION REPORT
MAYOR & COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS
CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS

PRESENTATIONS

- **Service Pin Presentation to employees who were recognized for their years of service:**
Marcus Green, 10 years, Harbor Department
Sam Watson, 10 years, Fire Department
Travis Hasch, 10 years, Fire Department
Jody Cox, 10 Years, Police Department
Nicole Taylor, 10 years, Police Department
Matt Bishop, 10 years, Public Works Department
Josh Whitcomb, 10 years, Public Works Department
Chad Rocha, 10 years, Public Works Department
Dylan Pruitt, 10 years, Public Works Department
Damaris Hanson, 15 years, Public Works Department
Lori Stilts, 15 years, Harbor Department
Micah Szopinski, 15 years, Fire Department
Dana Swanson, 15 years, Administration
Walter Roza, 20 years, Public Works Department
Steve Doerr, 25 years, Administrative Services Department

PUBLIC COMMENT

Members of the audience wishing to address the Council on City business matters not on the agenda may do so at this time. For those desiring to speak on items on the agenda, but unable to stay for the item, may also address the Council at this time.

Public comment is an opportunity for members of the public to provide input to the governing body. To increase the effectiveness of the Public Comment Period, the City respectfully requests the following guidelines and expectations be followed:

- Those desiring to speak are asked to complete a speaker slip, which are located at the entrance, and submit it to the City Clerk. However, speaker slips are not required to provide public comment.
- When recognized by the Mayor, please come forward to the podium to speak. Though not required, it is helpful if you state your name, city of residence and whether you represent a business or group. Unless otherwise established by the Mayor, comments are to be limited to three minutes.
- All remarks should be addressed to Council, as a whole, and not to any individual member thereof.
- The Council respectfully requests that you refrain from making slanderous, profane or personal remarks against any elected official, commission and/or staff.
- Please refrain from public displays or outbursts such as unsolicited applause, comments or cheering.
- Any disruptive activities that substantially interfere with the ability of the City Council to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.
- Your participation in City Council meetings is welcome and your courtesy will be appreciated.
- The Council in turn agrees to abide by its best practices of civility and civil discourse according to Resolution No. 07-19.

A. CONSENT AGENDA

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 APPROVAL OF MINUTES FOR THE OCTOBER 25, 2022, CITY COUNCIL MEETING;
(CITY CLERK)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE NOVEMBER 22, 2022, CITY COUNCIL SPECIAL
CLOSED SESSION MEETING; (CITY CLERK)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF MINUTES FOR THE NOVEMBER 22, 2022, CITY COUNCIL MEETING;
(CITY CLERK)

RECOMMENDATION: Approve as submitted.

A-4 RESOLUTION MAKING FINDINGS RELATED TO THE CONTINUED EXISTENCE OF A
STATE OF EMERGENCY DUE TO COVID-19 AND RE-AUTHORIZING FOR PUBLIC
HEALTH AND SAFETY THE CONDUCT OF PUBLIC MEETINGS OF THE LEGISLATIVE
BODIES OF THE CITY VIA REMOTE TELECONFERENCING (INCLUDING PARTIALLY
REMOTE) FOR A 30-DAY PERIOD PURSUANT TO THE RALPH M. BROWN ACT AS
AMENDED BY ASSEMBLY BILL NO. 361; (CITY ATTORNEY)

**RECOMMENDATION: Staff recommends Council consider adoption of attached
Resolution No. 105-22 reauthorizing for public health and safety the conduct of
public meetings of the legislative bodies of the City via remote teleconferencing
(including partially remote) for 30 days, thereby allowing the City Council and the
City's advisory bodies to meet remotely (including partially remote) through
January 12, 2023.**

**With approval of this motion and until such further notice, City Council and advisory
bodies will continue to hold their meetings in public at the Veterans Hall, with the
option for individual Councilmembers and advisory body members to
teleconference.**

A-5 ADOPTION OF RESOLUTION NO. 97-22 APPROVING AMENDMENT NO. 4 TO THE
MORRO BAY TRANSIT AND TROLLEY OPERATIONS AND MANAGEMENT
AGREEMENT WITH MV TRANSPORTATION, INC. (PUBLIC WORKS DEPARTMENT)

**RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 97-
22 approving Amendment No. 4 to the Morro Bay Transit and Trolley Operations
and Management Agreement with MV Transportation, Inc.**

A-6 RESOLUTION NO. 106-22 DECLARING RESULTS OF THE NOVEMBER 8, 2022
GENERAL MUNICIPAL ELECTION; (CITY CLERK)

**RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 106-
22 declaring the results of the November 8, 2022, General Municipal Election.**

B. PUBLIC HEARING ITEMS

B-1 REVIEW AND ADOPT DRAFT FUNDING RECOMMENDATIONS FOR THE 2023
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM; (COMMUNITY
DEVELOPMENT DEPARTMENT)

**RECOMMENDATION: Staff recommends the City Council conduct a public hearing
to review and adopt Resolution No. 107-22 approving draft funding
recommendations for the 2023 Community Development Block Grant (CDBG) funds**

and forward recommendations to the San Luis Obispo County Board of Supervisors for inclusion with the other draft funding requests from the Urban County Consortium. The funding recommendation is for the applications received from 5 Cities Homeless Coalition and City of Morro Bay Public Works Department along with City program administration of \$3,667 for a total funding allocation of \$52,383, plus prior 2022 CDBG year rollover amount of 37,477 (Total = \$89,860). Additionally, staff recommends the City Council authorize the City Manager to make pro rata adjustments to the allocation based on the final funding amount from San Luis Obispo County based on the approval of the federal budget and HUD's final grant amount to the County.

C. BUSINESS ITEMS

C-1 COMMENTS BY CURRENT MAYOR AND COUNCIL MEMBERS

C-2 PRESENTATIONS TO MAYOR HEADING AND COUNCIL MEMBER HELLER

C-3 OATH OF OFFICE FOR MAYOR-ELECT, CARLA WIXOM, AND COUNCIL MEMBERS-ELECT, ZARA LANDRUM AND CYNDEE EDWARDS

C-4 COMMENTS BY NEWLY ELECTED MAYOR AND COUNCIL MEMBERS

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

E. ADJOURNMENT

The next Regular Meeting will be held on **Tuesday, January 10, 2023 at 5:30 p.m.**

THIS AGENDA IS SUBJECT TO AMENDMENT UP TO 72 HOURS PRIOR TO THE DATE AND TIME SET FOR THE MEETING. PLEASE REFER TO THE AGENDA POSTED AT CITY HALL, 595 HARBOR ST, MORRO BAY, CA 93442 FOR ANY REVISIONS OR CALL THE CLERK'S OFFICE AT 805-772-6205 FOR FURTHER INFORMATION.

MATERIALS RELATED TO AN ITEM ON THIS AGENDA SUBMITTED TO THE CITY COUNCIL AFTER DISTRIBUTION OF THE AGENDA PACKET ARE AVAILABLE FOR PUBLIC INSPECTION UPON REQUEST BY CALLING THE CITY CLERK'S OFFICE AT 805-772-6205.

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN A CITY MEETING, PLEASE CONTACT THE CITY CLERK'S OFFICE AT LEAST 24 HOURS PRIOR TO THE MEETING TO INSURE REASONABLE ARRANGEMENTS CAN BE MADE TO PROVIDE ACCESSIBILITY TO THE MEETING.

Pursuant to Assembly Bill 361 (2021-22) and Government Code section 54953 this Meeting will be conducted in a hybrid format with both in-person and virtual public participation.

PRESENT:	John Headding	Mayor
	Dawn Addis	Council Member
	Laurel Barton	Council Member
	Jennifer Ford	Council Member
	Jeff Heller	Council Member
ABSENT:	None	
STAFF:	Scott Collins	City Manager
	Chris Neumeyer	City Attorney
	Dana Swanson	City Clerk
	Emily Conrad	Acting Assistant City Manager/Admin Services Dir.
	Greg Kwolek	Public Works Director
	Scot Graham	Community Development Director
	Daniel McCrain	Fire Chief
	Jody Cox	Police Chief
	Eric Endersby	Harbor Director
	Cindy Jacinth	Senior Planner

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 5:35 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/VG5wg7-3yk4?t=157>

CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS - None

<https://youtu.be/VG5wg7-3yk4?t=654>

PRESENTATIONS

<https://youtu.be/VG5wg7-3yk4?t=659>

- National Adoption Month Proclamation presented to Social Worker Rochelle Greenberg.
- National Apprenticeship Week Proclamation presented to Workforce Development Board Director Dawn Boulanger and Pipelines Trades Business Manager David Baldwin.

PUBLIC COMMENT

<https://youtu.be/VG5wg7-3yk4?t=1438>

Bill Luffee, Morro Bay, spoke in favor of Measure B-22, Harbor Infrastructure Parcel Tax initiative on the November ballot.

Aaron Ochs, Morro Bay, spoke in opposition to Measure B-22.

Judi Brown, Morro Bay, urged residents to vote no on Measure B-22.

Terry Simons, Morro Bay, spoke against the proposed lithium battery project in Morro Bay.

Rigmor, Morro Bay, spoke regarding the proposed Zoning Code changes, expressing concern about up-zoning in some areas while others were down-zoned to a less intensive use.

Mania Bedikian re-stated comments submitted as agenda correspondence regarding down-zoning of 1149 Market Ave.

Jan Goldman, Morro Bay resident and member of Morro Bay Open Space Alliance, urged the Council to approve their grant funding request to purchase technology to conduct hybrid meetings.

Garry Johnson, Morro Bay, spoke regarding the proposed lithium battery storage facility.

Lynda Merrill, Morro Bay, spoke in favor of the Harbor Infrastructure Parcel Tax Measure B-22, and requested Council approval of Items A-3, A-6, A-8, and C-1.

Linda Winters, Morro Bay, urged mobile home residents to keep their voter registration current and stay informed about local issues.

Barbara Doerr, Morro Bay, spoke regarding a proposed zoning change and potential loss of affordable housing, opposed Measure B-22 and the battery storage project.

Casey Cordes, Morro Bay, commented on the need to improve the audio/video quality for public meetings, provide email notifications of upcoming meetings and events, and address written correspondence during the meeting.

David Durringer, Morro Bay, urged the Council to repeal Ordinance No. 644 regulating gun storage.

Bob Keller, Morro Bay, announced Maritime Museum and Morro Bay High School events.

David Yaeger announced Vistra will host a public meeting regarding the proposed battery storage project on November 16th at the Morro Bay Community Center from 5:30 – 7:30 p.m.

Sharon O'Leary, Morro Bay resident and volunteer at Community Resource Connections, thanked Rock Harbor Church for hosting a recent food distribution event and suggested the City develop more community dinners and food distribution centers.

Jon Elliott announced the upcoming Trick-or-Treat event to be held Saturday, October 29th from 2:00 – 5:00 p.m. in downtown Morro Bay.

Steve Ray spoke regarding environmental impacts of the proposed battery project.

Seychelle Cannes, Morro Bay, expressed concerns about proposed battery storage project and urged Vistra to move the project away from the coast.

Rachel Wilson, Cayucos, spoke against the proposed battery storage project.

Betsy Gaudette-Cross, Morro Bay, opposed the proposed battery energy storage project in Morro Bay.

An unknown individual spoke in opposition to the proposed battery storage project.

Adrian Frost, Morro Bay, inquired about the town's vision and asked for improved communication.

Judy Setting, Morro Bay, asked whether Plan Morro Bay would re-zone the Vistra property for industrial uses and encouraged the Council to not give away negotiating tools by re-zoning the property.

Betty Winholtz, Morro Bay, commented on the City website and difficulties with the municipal code search function and suggested public comment for Item B-1 be broken up into topics to allow more public comment.

Kris Roudebush, We are the Care Initiative, announced recent activities and an upcoming workshop hosted by the Atascadero Chamber of Commerce. For more information visit www.sanluischildcare.org.

Melanie Williams-Mahan spoke against Measure B-22.

Chris Swim, Morro Bay, voiced his support for increased 37' height limit in the downtown area and opportunity it provides to build housing and mixed use projects.

Glenn Silloway, Morro Bay resident and President of the Morro Bay Historical Society, thanked the City for providing a community grant program and asked the Council to consider the request to upgrade Franklin Riley Park.

Mayor Heading closed public comment.

The Council and staff responded to issues raised during public comment.

The Council took a brief recess at 7:16 p.m. The meeting reconvened at 7:23 p.m. with all members present.

A. CONSENT AGENDA
<https://youtu.be/VG5wg7-3yk4?t=6822>

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 APPROVAL OF MINUTES FOR THE SEPTEMBER 27, 2022, CITY COUNCIL MEETING; (CITY CLERK)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE OCTOBER 11, 2022, CITY COUNCIL SPECIAL CLOSED SESSION MEETING; (CITY CLERK)

RECOMMENDATION: Approve as submitted.

A-3 CONSIDER ADOPTION OF RESOLUTION NO. 91-22 APPROVING THE CREATION OF THE UTILITY DIVISION SUPERVISOR CLASSIFICATION AND JOB DESCRIPTION AND RESOLUTION NO. 92-22 APPROVING THE REVISED COMBINED MASTER SALARY SCHEDULE; (PUBLIC WORKS DEPARTMENT/CITY CLERK/HUMAN RESOURCES MANAGER)

RECOMMENDATION: Staff recommends the City Council take the following action:

1) Adopt Resolution No. 91-22 approving the creation of the Utility Division Supervisor classification and job description; and 2) Adopt Resolution No. 92-22 approving the revised Combined Master Salary Schedule.

A-4 APPROVAL OF FISCAL YEAR 2021-22 YEAR-END BUDGET AMENDMENTS; (ADMINISTRATIVE SERVICES DEPARTMENT)

RECOMMENDATION: Staff recommends that the City Council adopt Resolution No. 93-22 approving Fiscal Year (FY) 2021-22 Year-End Budget Adjustments.

A-5 APPROVAL OF CONTRACT WITH SAN LUIS OBISPO COUNTY FOR ANIMAL CARE AND CONTROL SERVICES FOR FY 2022/23 THROUGH FY 2024/25; (POLICE DEPARTMENT)

RECOMMENDATION: City Council authorize the City Manager to execute a three-year contract with the County of San Luis Obispo for the continued provision of Animal Care and Control Services from July 1, 2022, to June 30, 2025.

A-6 APPROVAL OF AMENDMENT NO. 2 TO CONTRACT WITH SUPERIOR TANK SOLUTIONS FOR KINGS TANKS AND BLANCA TANKS REHABILITATION PROJECT; (PUBLIC WORKS DEPARTMENT)

RECOMMENDATION: Staff recommends that the City Council approve in substance Amendment No. 2 to Contract with Superior Tank Solutions for Kings Tanks and Blanca Tanks Rehabilitation Project for the amount of \$441,738 and authorize the City Manager to execute the contract amendment.

A-7 FIRST QUARTER INVESTMENT REPORT FOR FISCAL YEAR (FY) 2022-23 (PERIOD ENDING SEPTEMBER 30, 2022); (ADMINISTRATIVE SERVICES DEPARTMENT)

RECOMMENDATION: Receive the attached First Quarter Investment Report for FY 2022-23 (period ending September 30, 2022).

A-8 RESOLUTION MAKING FINDINGS RELATED TO THE CONTINUED EXISTENCE OF A STATE OF EMERGENCY DUE TO COVID-19 AND RE-AUTHORIZING FOR PUBLIC HEALTH AND SAFETY THE CONDUCT OF PUBLIC MEETINGS OF THE LEGISLATIVE BODIES OF THE CITY VIA REMOTE TELECONFERENCING (INCLUDING PARTIALLY REMOTE) FOR A 30-DAY PERIOD PURSUANT TO THE RALPH M. BROWN ACT AS AMENDED BY ASSEMBLY BILL NO. 361; (CITY ATTORNEY)

RECOMMENDATION: Staff recommends Council consider adoption of attached Resolution No. 94-22 reauthorizing for public health and safety the conduct of public meetings of the legislative bodies of the City via remote teleconferencing (including partially remote) for 30 days, thereby allowing the City Council and the City's advisory bodies to meet remotely (including partially remote) through November 24, 2022.

With approval of this motion and until such further notice, City Council and advisory bodies will continue to hold their meetings in public at the Veterans Hall, with the option for individual Councilmembers and advisory body members to teleconference.

A-9 PROCLAMATION DECLARING NOVEMBER AS "NATIONAL ADOPTION MONTH"; (ADMINISTRATION)

RECOMMENDATION: Approved as submitted

A-10 PROCLAMATION DECLARING “NOVEMBER 14-20, 2022, AS NATIONAL APPRENTICESHIP WEEK”; (ADMINISTRATION)

RECOMMENDATION: Approved as submitted

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

Council Member Heller pulled Item A-3.

MOTION: Council Member Addis moved approval of all items on Consent except Item A-3. The motion was seconded by Council Member Barton and carried 5-0 by roll call vote.

A-3 CONSIDER ADOPTION OF RESOLUTION NO. 91-22 APPROVING THE CREATION OF THE UTILITY DIVISION SUPERVISOR CLASSIFICATION AND JOB DESCRIPTION AND RESOLUTION NO. 92-22 APPROVING THE REVISED COMBINED MASTER SALARY SCHEDULE; (PUBLIC WORKS DEPARTMENT/CITY CLERK/HUMAN RESOURCES MANAGER)

<https://youtu.be/VG5wg7-3yk4?t=6900>

Public Works Director Kwolek responded to questions raised by Council.

MOTION: Council Member Heller moved approval of Item A-3. The motion was seconded by Mayor Headding and carried 5-0 by roll call vote.

B. PUBLIC HEARINGS

B-1 INTRODUCTION AND FIRST READING OF ORDINANCE 654: AMENDMENTS TO MORRO BAY MUNICIPAL CODE, REPEALING TITLE 17 AND REPLACING WITH ADOPTION OF ZONING CODE/ COASTAL IMPLEMENTATION PLAN (IP) AND ASSOCIATED WATERFRONT MASTER PLAN AND MUNICIPAL CODE AMENDMENTS; (COMMUNITY DEVELOPMENT DEPARTMENT)

<https://youtu.be/VG5wg7-3yk4?t=7125>

Community Development Director Graham provided the report and, along with Senior Planner Jacinth, responded to Council inquires and questions raised during general public comment.

Mayor Headding opened the Public Hearing.

Mayor Headding opened Public Comment.

<https://youtu.be/VG5wg7-3yk4?t=11048>

Derek Dahlgren, Morro Bay, spoke on behalf of owners of 733 and 741 Harbor St., requesting Council to take no action regarding Title 17 until proper notice was given to the affected real property owners.

Casey Cordes, Morro Bay, spoke in favor of increased height limits in the downtown area and encouraged the Council to move forward and not refer the issue back to a Planning Commission sub-committee.

Erica Crawford, Morro Bay Chamber of Commerce, spoke in favor of the proposed ordinance that takes pro-housing initiatives forward, and support for building heights from the 2018 draft zoning code.

Ken MacMillan, Morro Bay resident and business owner, spoke in favor of the increased 37' height limit in the downtown corridor and potential to build more studio or one bedroom apartments.

Sean Green, Morro Bay, appreciated the manner in which staff presented the item and stated his support for establishing a Planning Commission subcommittee to further study building height restrictions.

Bob Keller, Morro Bay, stated support for the 37' downtown height limit.

Betty Winholtz, Morro Bay, agreed homeowners in the Market and Harbor Street area should have been given notice of the proposed changes, and opposed increased building height in the downtown area.

Krista Jeffries, Grover Beach, spoke in favor of the proposed ordinance and potential development of different forms of housing.

The Public Comment period and Public Hearing was closed.

MOTION: Mayor Headding moved to adopt introduce for first reading by number and title only, with further reading waived, Ordinance No. 654,(i) repealing Title 17 of the Morro Bay Municipal Code in its entirety and replacing with adoption of the Zoning Code with the exception that on item number three in the staff report that the height limit not be reduced that it be maintained at 37 feet and that we not create a subcommittee of the Planning Commission to do any further review; (ii) text amendment to page 5-3 of the Waterfront Master Plan; and (iii) miscellaneous amendments to Chapters 5.50, 5.60, 7.16, 8.32, 9.28, 10.60, 12.08, 12.12, 13.04, 13.20, 14.44, 14.42, 16.36, 16.40, and 16.48 of the Morro Bay Municipal Code with a finding that no further environmental review is required pursuant to State CEQA Guidelines section 15162. The motion was seconded by Council Member Addis for discussion.

Council Member Heller supported allowing the Planning Commission an opportunity to further explore the downtown building height issue; he also desired further review of the inclusionary housing ordinance.

There was a motion on the floor to waive further reading and vote on the motion by title only title of Ordinance Number 654 is "An Ordinance of the City Council of the City of Morro Bay, California, repealing and replacing Title 17 (Zoning), and miscellaneous amendments to update zoning language references in pages 5-3 of the Waterfront Master Plan and Chapters 5.50, 5.60, 7.16, 8.32, 9.28, 10.60, 12.08, 12.12, 13.04, 13.20, 14.44, 14.42, 16.36, 16.40, and 16.48 of the Morro Bay Municipal Code" with the exception that on item no. 3 in the staff report that the height limit not be reduced, that it be maintained at 37 feet and that we not create a subcommittee of the Planning Commission to do further review.

Following discussion, the motion carried 4-1 by roll call vote with Council Member Heller opposed.

- B-2 INTRODUCTION OF ORDINANCE NO. 655 REPEALING AND REENACTING MULTIPLE CHAPTERS OF TITLE 14 (BUILDINGS AND CONSTRUCTION) OF THE CITY OF MORRO BAY MUNICIPAL CODE, INCORPORATING THE 2022 CALIFORNIA BUILDING STANDARDS CODE, AS ADOPTED BY THE STATE OF CALIFORNIA, AND LOCAL MODIFICATIONS THERETO; (COMMUNITY DEVELOPMENT DEPARTMENT)
<https://youtu.be/VG5wq7-3yk4?t=13557>

Community Development Director Graham provided the report and responded to Council inquires.

MOTION: Council Member Addis moved the meeting go past 9:30 p.m. The motion was seconded by Council Member Ford and carried 5-0 by roll call vote.

Mayor Headding opened the Public Hearing.

Mayor Headding opened Public Comment.

Betty Winholtz, Morro Bay, asked to clarify whether the parallel gas / electric infrastructure was a State mandate.

The Public Comment period and Public Hearing was closed.

MOTION: Council Member Addis moved to introduce for first reading by title only and with further reading waived, Ordinance No. 655: An Ordinance of the City Council of the City of Morro Bay, California repealing, amending and reenacting Chapters 14.01 – 14.12 of Title 14, (Buildings and Construction) of the Morro Bay Municipal Code (MBMC) thereby adopting by reference and amending the 2022 California Building Code (Volumes 1 and 2), Residential, Electrical, Mechanical, Plumbing, Energy, Historical Building, Fire, Existing Building, Green Building, Administrative, and Reference Standards Codes, the 2021 International Property Maintenance Code, and 1997 Uniform Code for the Abatement of Dangerous Buildings. The motion was seconded by Council Member Ford for discussion.

Following discussion, the motion carried 5-0 by roll call vote.

C. BUSINESS ITEMS

- C-1 ADOPT RESOLUTION NO. 95-22 AWARDING FISCAL YEAR 2022-23 COMMUNITY GRANTS; (CITY MANAGER)
<https://youtu.be/VG5wg7-3yk4?t=14468>

Council Member Ford recused herself and left the dais at 9:31 p.m. due to a conflict based on her business relationship with one of the community grant applicants.

City Manager Collins provided the report and responded to Council inquires.

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

Betty Winholtz, Morro Bay, commented on the Historical Society's willingness to share technology and asked if it was possible to make sure they don't charge a fee for use of equipment they received for free. She also noted Franklin Riley Park was established as open space and not intended to be organized like a park.

Kathleen Heil, Vice President of Morro Bay Art Association, appreciated the City's support.

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

MOTION: Mayor Headding moved to 1) Adopt Resolution No. 95-22, awarding Community Grants for Fiscal Year 2022-23, outlining adjustments, if any, consistent with the Community Grants Policy and American Rescue Plan Act ("ARPA") funding requirements; and 2) Authorize the City Manager to enter into agreements with all grantees, reviewing and adjusting insurance requirements on a case-by-case basis,

in coordination with California JPIA and City Attorney's Office, depending on the level of risk associated, and get assurances from Morro Bay Open Space Alliance the equipment will not be rented for any remuneration. The motion was seconded by Council Member Addis and carried 4-0-1 by roll call vote with Council Member Ford abstained.

Council Member Ford returned to the dais at 9:40 p.m.

- C-2 ADOPTION OF ORDINANCE NO. 653 AUTHORIZING AN AMENDMENT TO THE CALPERS CONTRACT TO IMPLEMENT 2% COST SHARING FOR LOCAL FIRE MEMBERS IN THE MORRO BAY FIREFIGHTERS ASSOCIATION, IAFF LOCAL 3725; (CITY CLERK/HUMAN RESOURCES MANAGER)
<https://youtu.be/VG5wg7-3yk4?t=15014>

City Clerk/Human Resources Manager Swanson provided the report and responded to Council inquiries.

The public comment period for Item C-2 was opened; seeing none, the public comment period was closed.

MOTION: Council Member Addis moved to adopt Ordinance No. 653 Authorizing an Amendment to the Contract between the City of Morro Bay and the Board of Administration of the California Public Employees' Retirement System Implementing Section 20516 (Employees Sharing Additional Cost) for local fire members in the Morro Bay Firefighters' Association, IAFF Local 3725 (MBFFA). The motion was seconded by Council Member Heller and carried 5-0 by roll call vote.

- D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
<https://youtu.be/VG5wg7-3yk4?t=15193>

Council Member Heller requested staff come back with list of potential City-owned parcels or portions of park land available to build affordable housing. There was Council support for consideration of having an existing ad hoc committee take on the assignment and staff was directed to bring a short item in November to authorize that work.

- E. ADJOURNMENT

The meeting adjourned 9:46 p.m.

Recorded by:

Dana Swanson
City Clerk

MINUTES - MORRO BAY CITY COUNCIL
SPECIAL CLOSED SESSION MEETING –
NOVEMBER 22, 2022 – 3:00 P.M.
TELECONFERENCE

AGENDA NO: A-2
MEETING DATE: December 13, 2022

City Council conducted this meeting in accordance with Assembly Bill 361 (2021-22) and Government Code section 54953 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
	Jennifer Ford	Council Member
ABSENT:	Jeff Heller	Council Member
STAFF:	Scott Collins	City Manager
	Joe Pannone	Special Legal Counsel

ESTABLISH QUORUM AND CALL TO ORDER

Mayor Headding called the meeting to order at 3:02 p.m. with all but Council Member Heller present.

SUMMARY OF CLOSED SESSION ITEMS – The Mayor read a summary of Closed Session items.

CLOSED SESSION PUBLIC COMMENT – Mayor Headding opened public comment for items on the agenda; seeing none, the public comment period was closed.

The City Council moved to Closed Session and heard the following items:

CS-1 PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Conduct an employee evaluation of City Manager pursuant to Government Code section 54957

RECONVENE IN OPEN SESSION – The City Council reconvened in Open Session. The Council did not take any reportable action in accordance with the Brown Act.

ADJOURNMENT - The meeting adjourned at 3:37 p.m.

Recorded by:

Dana Swanson
City Clerk

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Pursuant to Assembly Bill 361 (2021-22) and Government Code section 54953 this Meeting will be conducted in a hybrid format with both in-person and virtual public participation.

PRESENT:	John Headding Dawn Addis Laurel Barton Jennifer Ford	Mayor Council Member Council Member Council Member
ABSENT:	Jeff Heller	Council Member
STAFF:	Scott Collins Chris Neumeyer Dana Swanson Greg Kwolek Scot Graham Daniel McCrain Jody Cox Eric Endersby Paul Amico Dan Heimel	City Manager City Attorney City Clerk Public Works Director Community Development Director Fire Chief Police Chief Harbor Director WRF Program Manager, Carollo Engineering Contract Engineer, Confluence Engineering

ESTABLISH QUORUM AND CALL TO ORDER

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

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/vofbBhAw_U0?t=177

CITY MANAGER REPORTS, ANNOUNCEMENTS AND PRESENTATIONS - None

PRESENTATIONS

https://youtu.be/vofbBhAw_U0?t=515

- o Family Court Awareness Month Proclamation presented to Tracey Mueller-Gibbs
- o Presentation of Appreciation Gift to and Comments by Council Member Dawn Addis

PUBLIC COMMENT

https://youtu.be/vofbBhAw_U0?t=1366

Aaron Ochs, Morro Bay, thanked Council Member Addis for her service and commented on the Vistra project and informational meeting.

Garry Johnson, Morro Bay, commented on the proposed Vistra project.

Linda Winters, Morro Bay, listed things she is thankful for and announced Morro Bay Annual Thanksgiving Dinner.

Rachel Wilson, Cayucos, provided a PowerPoint presentation opposing a battery storage facility in Morro Bay.

Terry Simons, Morro Bay, commented on Items A-5, A-6, A-8, and B-1. Regarding Item C-2, he expressed concern the EIR was certified well ahead of adoption and may be invalid.

Barry Branin, Morro Bay, raised safety and zoning concerns regarding the proposed Vistra project.

Judy Setting, Morro Bay, requested clarification regarding the proposed height of the Vistra battery project and asked the Council not change zoning of the Vistra property to light industrial.

Betty Winholtz, Morro Bay, questioned the amount due for her business license.

Vicki Hess, Morro Bay, spoke against the proposed Vistra project and hoped there will be an opportunity for more community outreach.

Mayor Headding closed public comment.

The Council and staff responded to issues raised during public comment.

A. CONSENT AGENDA
https://youtu.be/vofbBhAw_U0?t=2921

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 APPROVAL OF MINUTES FOR THE OCTOBER 11, 2022, CITY COUNCIL MEETING; (CITY CLERK)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MINUTES FOR THE NOVEMBER 1, 2022, CITY COUNCIL SPECIAL CLOSED SESSION MEETING; (CITY CLERK)

RECOMMENDATION: Approve as submitted.

A-3 PROCLAMATION DECLARING NOVEMBER AS “FAMILY COURT AWARENESS MONTH”; (ADMINISTRATION)

RECOMMENDATION: Approved as submitted

A-4 RESOLUTION MAKING FINDINGS RELATED TO THE CONTINUED EXISTENCE OF A STATE OF EMERGENCY DUE TO COVID-19 AND RE-AUTHORIZING FOR PUBLIC HEALTH AND SAFETY THE CONDUCT OF PUBLIC MEETINGS OF THE LEGISLATIVE BODIES OF THE CITY VIA REMOTE TELECONFERENCING (INCLUDING PARTIALLY REMOTE) FOR A 30-DAY PERIOD PURSUANT TO THE RALPH M. BROWN ACT AS AMENDED BY ASSEMBLY BILL NO. 361; (CITY ATTORNEY)

RECOMMENDATION: Staff recommends Council consider adoption of attached Resolution No. 96-22 reauthorizing for public health and safety the conduct of public meetings of the legislative bodies of the City via remote teleconferencing (including

partially remote) for 30 days, thereby allowing the City Council and the City's advisory bodies to meet remotely (including partially remote) through December 22, 2022.

With approval of this motion and until such further notice, City Council and advisory bodies will continue to hold their meetings in public at the Veterans Hall, with the option for individual Councilmembers and advisory body members to teleconference.

- A-5 ADOPTION OF RESOLUTION NO. 97-22 APPROVING AMENDMENT NO. 4 TO THE MORRO BAY TRANSIT AND TROLLEY OPERATIONS AND MANAGEMENT AGREEMENT WITH MV TRANSPORTATION, INC. (PUBLIC WORKS DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 97-22 approving Amendment No. 4 to the Morro Bay Transit and Trolley Operations and Management Agreement with MV Transportation, Inc.

- A-6 ADOPT RESOLUTION NO. 98-22 APPROVING THE 2019 IRWM PLAN AND ADOPT RESOLUTION NO. 99-22 ACCEPTING INTEGRATED REGIONAL WATER MANAGEMENT (IRWM) GRANT FUNDING FOR THE INDIRECT POTABLE REUSE COMPONENT OF THE WRF PROGRAM; (PUBLIC WORKS DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council to adopt Resolution No. 98-22 (Attachment 1) approving the 2019 San Luis Obispo County Integrated Regional Water Management (IRWM) Plan and adopt Resolution No. 99-22 (Attachment 2) authorizing staff to submit a grant application and accept a grant award of \$1,200,000 from the San Luis Obispo County Flood Control and Water Conservation District (District) for the Indirect Potable Reuse component of the Morro Bay WRF Program.

- A-7 APPROVE AND AUTHORIZE STAFF TO SUBMIT AN APPLICATION FOR A COASTAL CONSERVANCY GRANT FOR THE COLEMAN PARK CULTURAL AND HISTORICAL IMPROVEMENTS PROJECT; (PUBLIC WORKS DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 100-22 approving and authorizing staff to submit an application for a Coastal Conservancy Grant for the Coleman Park Cultural and Historical Improvements Project.

- A-8 ADOPT RESOLUTION NO. 101-22 TO APPROVE PARTICIPATION IN REGIONAL DESALINATION EXECUTABLE SOLUTION AND LOGISTICS (DESAL) PLAN EVALUATION; (PUBLIC WORKS DEPARTMENT)

RECOMMENDATION: Staff recommends the City Council adopt Resolution No. 101-22 approving City participation in the Desalination Executable Solution and Logistics (DESAL) Plan evaluation.

Mayor Headding pulled Item A-5 from the Consent Agenda and continued the item to the next meeting.

Mayor Headding opened public comment for the Consent Agenda.

Betty Winholtz, Morro Bay, commented on Items A-6, A-7, and A-8.

The public comment period was closed.

Staff responded to questions raised during public comment.

MOTION: Council Member Barton moved approval of all items on Consent except Item A-5. The motion was seconded by Council Member Addis and carried 4-0-1 by roll call vote with Council Member Heller absent.

B. PUBLIC HEARINGS

B-1 ADOPTION OF ORDINANCE NO. 655 REPEALING AND REENACTING MULTIPLE CHAPTERS OF TITLE 14 (BUILDINGS AND CONSTRUCTION) OF THE CITY OF MORRO BAY MUNICIPAL CODE, INCORPORATING THE 2022 CALIFORNIA BUILDING STANDARDS CODE, AS ADOPTED BY THE STATE OF CALIFORNIA, AND LOCAL MODIFICATIONS THERETO; (COMMUNITY DEVELOPMENT DEPARTMENT)
https://youtu.be/vofbBhAw_U0?t=3466

Community Development Director Graham provided a brief report.

Mayor Headding opened the Public Hearing.

Mayor Headding opened Public Comment.

Betty Winholtz, Morro Bay, asked whether prohibitions against bonfires and recreational fires applied to State Parks, and whether this was an opportunity to ban fireworks. She also requested clarification on electrification requirements.

The Public Hearing was closed.

Staff responded to questions raised during public comment.

MOTION: Mayor Headding moved adopt, by second reading and by title only with further reading waived, of Ordinance No. 655 “An Ordinance of the City Council of the City of Morro Bay, California, repealing, amending and reenacting Chapters 14.01-14.12 of Title 14 (Buildings and Construction) of the Morro Bay Municipal Code, thereby adopting by reference and amending the 2022 California Building (Volumes 1 and 2), Residential, Electrical, Mechanical, Plumbing, Energy, Historical Building, Fire, Existing Building, Green Building, Administrative, And Reference Standards Codes, the 2021 International Property Maintenance Code, and the 1997 Uniform Code for the Abatement of Dangerous Buildings.” The motion was seconded by Council Member Ford and carried 4-0- by roll call vote with Council Member Heller absent.

The Council took a brief recess at 6:35 p.m. The meeting reconvened at 6:51 p.m. with all members present.

C. BUSINESS ITEMS

C-1 APPROVE WRF CONTRACT AMENDMENTS AND REVIEW AND COMMENT ON FISCAL YEAR 22-23 Q1 WRF QUARTERLY REPORT; (PUBLIC WORKS DEPARTMENT)
https://youtu.be/vofbBhAw_U0?t=4913

WRF Program Manager Amico provided the report and responded to Council inquiries.

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

Judy Setting, Morro Bay, complained taxpayers are having to pay for these issues and was sad the project was over budget.

Betty Winholtz, Morro Bay, commented on the need for public input regarding bike path restoration, asked if Mr. Heimel's involvement in both the Morro Bay and Los Osos projects was a conflict of interest, and whether Coastal Development Permit special conditions 3, 5 & 7 had been completed.

Linda Donnelly, Morro Bay, raised several questions, opined the standard of care had not been followed, and questioned the status of Coastal Development Permit special conditions 3, 5 & 7.

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

Staff responded to questions raised during public comment.

MOTION: Council Member Ford moved to review and provide input for the Fiscal Year 22-23 1st Quarter (Q1) WRF Quarterly Report and authorize the City Manager to execute the following Water Reclamation Facility (WRF) contract amendments: 1) Amendment No. 6 to the agreement with Anvil Builders, Inc. (Anvil) for the WRF Lift Stations and Offsite Pipelines construction for \$646,763, which results in a total not to exceed contract value for Anvil of \$34,843,344; and 2) Amendment No. 8 to the agreement with Filanc, Black & Veatch (FBV) for the Water Reclamation Facility Construction project for \$957,418 which increases the Guaranteed Maximum Price (GMP) to \$78,015,298; and 3) Amendment No. 3 to the agreement with Cogstone Resource Management for cultural resources monitoring services during construction of the WRF Lift Station and Offsite Pipelines for a total amount of \$97,535.90, resulting in a total not to exceed amount of \$1,493,527.12. The motion was seconded by Council Member Barton and carried 4-0-1 by roll call vote with Council Member Heller absent.

C-2 ADOPTION OF ORDINANCE 654: AMENDMENTS TO MORRO BAY MUNICIPAL CODE, REPEALING TITLE 17 AND REPLACING WITH ADOPTION OF ZONING CODE/ COASTAL IMPLEMENTATION PLAN (IP) AND ASSOCIATED WATERFRONT MASTER PLAN AND MUNICIPAL CODE AMENDMENTS; (COMMUNITY DEVELOPMENT DEPARTMENT)

https://youtu.be/vofbBhAw_U0?t=7800

Community Development Director Graham provided the report and responded to Council inquiries.

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

Betty Winholtz, Morro Bay, appreciated staff response to questions posed in agenda correspondence and urged the Council to pull back the 37' height limit downtown and allow further study.

Linda Donnelly, Morro Bay, asked the Council pull back the 37' downtown height limit.

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

MOTION: Mayor Headding moved to adopt, by second reading and by title only with further reading waived, Ordinance No. 654 "An Ordinance of the City Council of the City of Morro Bay, California, repealing and replacing Title 17 (Zoning), and miscellaneous amendments to update zoning language references in page 5-3 of the Waterfront Master Plan and Chapters 5.50, 5.60, 7.16, 8.32, 9.28, 10.60, 12.08, 12.12, 13.04, 13.20, 14.44, 14.42, 16.36, 16.40, and 16.48 of the Morro Bay Municipal Code; and direct staff to submit an application for LCP amendment to the California Coastal Commission for certification. The motion was seconded

by Council Member Barton and carried 4-0-1 by roll call vote with Council Member Heller absent.

- C-3 PRESENTATION OF HARBOR DEPARTMENT ORGANIZATIONAL ASSESSMENT REPORT AND CONSIDERATION OF RESOLUTION NO. 102-22 AUTHORIZING THE ADDITION OF (1) HARBOR PATROL OFFICER POSITION, AND APPROVING THE ASSOCIATED BUDGET AMENDMENT FOR FISCAL YEAR 2022/23; (CITY MANAGER / HARBOR DEPARTMENT)
https://youtu.be/vofbBhAw_U0?t=8743

City Manager Collins and Harbor Director Endersby provided the report and responded to Council inquiries.

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

MOTION: Council Member Ford moved to adopt Resolution No. 102-22, adding an additional Harbor Patrol Officer (HPO) position to the Fiscal Year 2022/23 Budget, and approving the necessary Budget amendment for addition of that position. The motion was seconded by Council Member Barton and carried 4-0-1 by roll call vote with Council Member Heller absent.

- C-4 DISCUSS AND CONSIDER ADOPTION OF RESOLUTION NO. 103-22, ADOPTING THE CITY OF MORRO BAY'S FLAGPOLE POLICY; AND CONSIDER ADOPTION OF RESOLUTION NO. 104-22 APPROVING THE FLYING OF THE RAINBOW PRIDE FLAG AT CITY HALL DURING THE MONTH OF JUNE IN RECOGNITION OF LESBIAN, GAY, BISEXUAL, TRANSGENDER, QUEER, PLUS (LGBTQ+) PRIDE MONTH IN THE CITY OF MORRO BAY; (CITY ATTORNEY)
https://youtu.be/vofbBhAw_U0?t=10843

City Attorney Neumeyer provided the report and responded to Council inquiries.

The public comment period for Item C-4 was opened.

Judy Setting, Morro Bay, read a statement submitted as agenda correspondence and expressed concern the proposed policy did not equally represent all Morro Bay residents.

Linda Donnelly, Morro Bay, concurred with Ms. Setting's comments.

The public comment period for Item C-4 was closed.

MOTION: Council Member Addis moved to adopt of Resolution No. 103-22, approving the City of Morro Bay's Flagpole Policy and Resolution No. 104-22 approving the Flying of the Rainbow Pride Flag at City Hall during the month of June in Recognition of Lesbian, Gay, Bisexual, Transgender, Queer, Plus Pride Month in the City of Morro Bay. The motion was seconded by Council Member Barton and carried 4-0-1 by roll call vote with Council Member Heller absent.

- C-5 APPROVE AN UPDATED MEMORANDUM OF UNDERSTANDING FOR SHARING CENTRAL COAST COMMUNITY ENERGY BOARD SEATS; (CITY MANAGER)
https://youtu.be/vofbBhAw_U0?t=11963

City Manager Collins provided the report and responded to Council inquiries.

The public comment period for Item C-5 was opened; seeing none, the public comment period was closed.

MOTION: Mayor Headding moved to approve an amendment to the Agreement and Memorandum of Understanding with the City of San Luis Obispo for sharing Policy Board, Operations Board, and Community Advisory Committee seats on Central Coast Community Energy, and that we authorize the City Manager to execute the Amendment to the Agreement and Memorandum of Understanding in a form subject to approval of the City Attorney's Office. The motion was seconded by Council Member Addis and carried 4-0-1 by roll call vote with Council Member Heller absent.

D. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS
https://youtu.be/vofbBhAw_U0?t=12292

Council Member Ford requested and received support for consideration of forming a downtown design district ad hoc or subcommittee to study and propose form-based guidelines.

E. ADJOURNMENT

The meeting adjourned at 9:00 p.m.

Recorded by:

Dana Swanson
City Clerk

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AGENDA NO: A-4

MEETING DATE: December 13, 2022

Staff Report

TO: Honorable Mayor and City Council

DATE: November 30, 2022

FROM: Chris F. Neumeyer, City Attorney

SUBJECT: Resolution Making Findings Related to the Continued Existence of a State of Emergency Due to COVID-19 and Re-Authorizing for Public Health and Safety the Conduct of Public Meetings of the Legislative Bodies of the City via Remote Teleconferencing (including partially remote) for a 30-Day Period Pursuant to the Ralph M. Brown Act as Amended by Assembly Bill No. 361

RECOMMENDATION

Staff recommends Council consider adoption of attached Resolution No. 105-22 reauthorizing for public health and safety the conduct of public meetings of the legislative bodies of the City via remote teleconferencing (including partially remote) for 30 days, thereby allowing the City Council and the City’s advisory bodies to meet remotely (including partially remote) through January 12, 2023.

With approval of this motion and until such further notice, City Council and advisory bodies will continue to hold their meetings in public at the Veterans Hall, with the option for individual Councilmembers and advisory body members to teleconference.

ALTERNATIVES

Do not consider adoption of the attached resolution and/or provide further direction to staff.

FISCAL IMPACT

No immediate fiscal impact.

BACKGROUND

On March 4, 2020, the Governor proclaimed a State of Emergency to exist in California because of the spread of COVID-19. Beginning in March, 2020 the Governor also issued a number of Executive Orders (e.g., N-25-20, N-29-20, N-35-20) (the “Brown Act Orders”) for the public health and safety that waived requirements in the Brown Act that expressly or impliedly required the physical presence of City Councilmembers, staff, or the public at meetings of the City Council, Planning Commission and other City boards, commissions and committees (“legislative bodies”) that are subject to the Brown Act. The Brown Act Orders allowed City legislative bodies that are subject to the Brown Act to modify how meetings were conducted to protect the health and safety of staff and the public while ensuring transparency and accessibility for open and public meetings. The most recent Brown Act Order expired on September 30, 2021.

Prepared By: CFN Dept Review: _____
City Manager Review: SC City Attorney Review: CFN

On September 16, 2021, Governor Newsom signed Assembly Bill 361 (“AB 361”) into law. AB 361 was made effective on October 1, 2021, on an urgency basis, to correspond to the timing of expiration of the Brown Act Orders. AB 361 provides for the ability to teleconference (whether completely or hybrid) Brown Act meetings of City legislative bodies for public health and safety reasons under certain conditions, akin to the authority to do so under the Brown Act Orders.

DISCUSSION

Assembly Bill 361 allows City legislative bodies to utilize remote/virtual platforms for public meetings (consistent with certain statutory requirements) during a state of emergency proclaimed by the Governor that includes the City if certain conditions are met.

On October 26, 2021, the City Council adopted Resolution No. 70-21 making findings related to the continued existence of a state of emergency due to COVID-19 and re-authorizing for public health and safety the conduct of public meetings of City’s legislative bodies via remote teleconferencing for an initial 30-day period pursuant to the Ralph M. Brown Act as amended by Assembly Bill No. 361. On November 9, 2021, and no later than every 30 days thereafter, through June 28, 2022, the City Council reviewed the need for continuing the conduct of public meetings of City’s legislative bodies via remote teleconferencing for public health and safety as authorized by AB 361, and upon making necessary findings, adopted resolutions authorizing such meetings for an additional thirty days. AB 361 Resolution No. 61-22, which was adopted on June 28, 2022, expired by its own terms on July 28, 2022, as AB 361 resolutions are active for thirty days. On August 9, 2022, the City Council upon making necessary findings adopted Resolution No. 72-22, reauthorizing the use of remote teleconferencing by City’s legislative bodies for public health and safety, as authorized by AB 361. On August 23, the City Council reviewed the need for continuing the conduct of public meetings of City’s legislative bodies via remote teleconferencing for public health and safety as authorized by AB 361, and upon making necessary findings, adopted a resolution authorizing such meetings for an additional thirty days, and the City Council took similar continuing actions thereafter upon making the same findings.

If a state of emergency remains active, or State or local officials have imposed or recommended measures to promote social distancing, AB 361 imposes certain requirements to continue use of its provisions after the initial 30-day period, or a 30-day period thereafter, has elapsed.

Government Code section 54953(e)(3) provides that “not later than 30 days after teleconferencing for the first time pursuant” to AB 361, “and every 30 days thereafter,” the City Council shall make the following findings by majority vote for the City to continue using the teleconferencing provisions of AB 361:

1. The City Council has reconsidered the circumstances of the state of emergency; **and**
2. Either of the following circumstances exist:
 - a. The state of emergency continues to directly impact the ability of the members to meet safely in person, **or**
 - b. State or local officials continue to impose or recommend measures to promote social distancing.

At the March 22, 2022 Meeting, the City Council directed staff to continue bringing AB 361 resolutions to provide a remote option for Council Members and Advisory Board members should the need occur.

CONCLUSION

Staff recommends Council consider adoption of the proposed Resolution No. 105-22 making the findings required to re-authorize use of AB 361. Doing so will allow meetings of the City Council, City boards and City commissions to occur by teleconference (including under a hybrid format) for the public health and safety. Continued reliance on AB 361 will require adoption of a new resolution making the required findings every 30 days thereafter.

ATTACHMENT

1. Resolution No. 105-22

RESOLUTION NO. 105-22

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA,
MAKING FINDINGS RELATED TO THE CONTINUED EXISTENCE OF A STATE OF
EMERGENCY DUE TO COVID-19 AND RE-AUTHORIZING FOR PUBLIC HEALTH AND
SAFETY THE CONDUCT OF PUBLIC MEETINGS OF THE LEGISLATIVE BODIES OF THE
CITY VIA REMOTE TELECONFERENCING FOR A
30-DAY PERIOD PURSUANT TO THE RALPH M. BROWN ACT
AS AMENDED BY ASSEMBLY BILL NO. 361**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, the City Council of the City of Morro Bay (“City”) is committed to preserving and nurturing public access and participation in meetings of the Legislative Bodies (as that term is defined in Government Code §54952, including the City Council, commissions, boards and committees subject to the Brown Act) of the City; and

WHEREAS, all meetings of the Legislative Bodies are open and public as required by the Ralph M. Brown Act, codified as Government Code §§ 54950 *et seq.*, so that any member of the public may attend, participate, and observe the Legislative Bodies conduct their business; and

WHEREAS, the Brown Act, at Government Code § 54953(e), as amended by Assembly Bill (AB) 361 effective October 1, 2021, makes provision for remote teleconferencing participation in public meetings by members of a Legislative Body without compliance with the provisions of Government Code § 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition under Government Code § 54953(e) for its initial use is that the meeting is held during a state of emergency that has been declared by the Governor pursuant to Government Code § 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code § 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the City’s boundaries, caused by natural, technological, or human-caused disasters

WHEREAS, a required condition under Government Code § 54953(e) for its initial use is that state or local officials have imposed or recommended measures to promote social distancing, or that the legislative body is meeting to determine or has previously determined that meeting in person would present imminent risks to the health or safety of attendees; and

WHEREAS, starting in March 2020, in response to the spread of COVID-19 in the State of California, the Governor proclaimed a state of emergency for the State of California and thereafter issued a number of executive orders aimed at containing COVID-19; and

WHEREAS, on March 19, 2020, the City Council adopted Resolution No. 23-20, proclaiming and affirming the existence of a local emergency, and confirming and ratifying proclamation by City's Director of Emergency Services of Existence of a Local Emergency, in response to COVID-19 (Coronavirus). The Legislative Bodies have since conducted meetings via remote teleconferencing consistent with the declaration of local emergency and executive orders issued by the Governor; and

WHEREAS, the executive orders issued by the Governor, among other things, for the public health and safety waived requirements of the Brown Act expressly or impliedly requiring the physical presence of members of the legislative body, the clerk or other personnel of the body, or of the public as a condition of participation in or for the purpose of establishing a quorum for a public meeting; and

WHEREAS, on June 11, 2021, the Governor issued Executive Order N-08-21, which rescinded the modifications made by the aforementioned executive orders, effective September 30, 2021. On September 16, 2021, the Governor signed AB 361, creating a modified set of provisions for local agencies for compliance with the Brown Act relative to remote meetings. AB 361 was made effective on October 1, 2021; and

WHEREAS, on October 26, 2021, the City Council adopted Resolution No. 70-21 making findings related to the continued existence of a state of emergency due to COVID-19 and re-authorizing for public health and safety the conduct of public meetings of City's legislative bodies via remote teleconferencing for an initial 30-day period pursuant to the Ralph M. Brown Act as amended by Assembly Bill No. 361; and

WHEREAS, On November 9, 2021, the City Council reviewed the need for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing for public health and safety as authorized by AB 361, and upon making necessary findings, adopted Resolution No. 78-21 authorizing such meetings for an additional thirty days; and

WHEREAS, On November 18, 2021, the City Council reviewed the need for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing for public health and safety as authorized by AB 361, and upon making necessary findings, adopted Resolution No. 81-21 authorizing such meetings for an additional thirty days; and

WHEREAS, On December 14, 2021, the City Council reviewed the need for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing for public health and safety as authorized by AB 361, and upon making necessary findings, adopted Resolution No. 84-21 authorizing such meetings for an additional thirty days; and

WHEREAS, On January 11, 2022, the City Council reviewed the need for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing for public health and safety as authorized by AB 361, and upon making necessary findings, adopted Resolution No. 03-22 authorizing such meetings for an additional thirty days; and

WHEREAS, On January 25, 2022, the City Council reviewed the need for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing for public health and safety as authorized by AB 361, and upon making necessary findings, adopted Resolution No. 07-22 authorizing such meetings for an additional thirty days; and

WHEREAS, On February 22, 2022, the City Council reviewed the need for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing for public health and safety as authorized by AB 361, and upon making necessary findings, adopted Resolution No. 16-22 authorizing such meetings for an additional thirty days; and

WHEREAS, On March 22, 2022, the City Council reviewed the need for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing for public health and safety as authorized by AB 361, and upon making necessary findings, adopted Resolution No. 25-22 authorizing such meetings for an additional thirty days; and

WHEREAS, On April 12, 2022, the City Council reviewed the need for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing (including partially remote) for public health and safety as authorized by AB 361, and upon making necessary findings, adopted Resolution No. 29-22 authorizing such meetings for an additional thirty days; and

WHEREAS, On May 10, 2022, the City Council reviewed the need for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing (including partially remote) for public health and safety as authorized by AB 361, and upon making necessary findings, adopted Resolution No. 40-22 authorizing such meetings for an additional thirty days; and

WHEREAS, On May 24, 2022, the City Council reviewed the need for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing (including partially remote) for public health and safety as authorized by AB 361, and upon making necessary findings, adopted Resolution No. 43-22 authorizing such meetings for an additional thirty days; and

WHEREAS, On June 14, 2022, the City Council reviewed the need for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing (including partially remote) for public health and safety as authorized by AB 361, and upon making necessary findings, adopted Resolution No. 50-22 authorizing such meetings for an additional thirty days; and

WHEREAS, On June 28, 2022, the City Council reviewed the need for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing (including partially remote) for public health and safety as authorized by AB 361, and upon making necessary findings, adopted Resolution No. 61-22 authorizing such meetings for an additional thirty days, and by its own terms Resolution No. 61-22 expired on July 28, 2022; and

WHEREAS, On August 9, 2022, the City Council adopted Resolution No. 72-22 making findings related to the continued existence of a state of emergency due to COVID-19 and re-authorizing for public health and safety the conduct of public meetings of City's legislative bodies via remote teleconferencing (including partially remote) for a 30-day period pursuant to the Ralph M. Brown Act as amended by Assembly Bill No. 361; and

WHEREAS, On August 23, 2022, the City Council reviewed the need for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing (including partially remote) for public health and safety as authorized by AB 361, and upon making necessary findings, adopted Resolution No. 78-22 authorizing such meetings for an additional thirty days; and

WHEREAS, On September 13, 2022, the City Council reviewed the need for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing (including partially remote) for public health and safety as authorized by AB 361, and upon making necessary findings, adopted Resolution No. 83-22 authorizing such meetings for an additional thirty days; and

WHEREAS, On October 11, 2022, the City Council reviewed the need for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing (including partially remote) for public health and safety as authorized by AB 361, and upon making necessary findings, adopted Resolution No. 87-22 authorizing such meetings for an additional thirty days; and

WHEREAS, On October 25, 2022, the City Council reviewed the need for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing (including partially remote) for public health and safety as authorized by AB 361, and upon making necessary findings, adopted Resolution No. 94-22 authorizing such meetings for an additional thirty days; and

WHEREAS, On November 22, 2022, the City Council reviewed the need for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing (including partially remote) for public health and safety as authorized by AB 361, and upon making necessary findings, adopted Resolution No. 96-22 authorizing such meetings for an additional thirty days; and

WHEREAS, the Governor's proclaimed state of emergency and the City's proclaimed local emergency related to COVID-19 remain in effect and encompass the jurisdictional boundaries of the City; and

WHEREAS, the California Department of Public Health continues to impose or recommend measures to promote social distancing, and the Centers for Disease Control and Prevention ("CDC") continues to impose or recommend measures to promote social distancing; and

WHEREAS, Government Code Section 54953(e)(3) requires that the City Council review the need and make findings for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing as authorized by AB 361 at least once every thirty days until the Governor terminates the state of emergency; and

WHEREAS, for the public health and safety the Council wishes to affirm the need and findings necessary for continuing the conduct of public meetings of City's legislative bodies via remote teleconferencing as authorized by AB 361; and

WHEREAS, the City Council does hereby intend that, as a consequence of the persisting state of emergency and the imposed or recommended social distancing measures, the Legislative Bodies shall be authorized to conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code § 54953, as authorized by subdivision (e) of Government Code § 54953, and that the Legislative Bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of Government Code § 54953; and

WHEREAS, consistent with AB 361, during the effectiveness of this Resolution, the Legislative Bodies meeting pursuant to the requirements of Government Code § 54953(e)(2) and their staff will give notice of the manner by which members of the public may access the Legislative Bodies' meetings and offer public comment; identify and include an opportunity for all persons to attend via a call-in option or an internet-based service option; and allow members of the public to access the meeting, and the agenda shall include an opportunity for members of the public to address the Legislative Body directly.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct and are incorporated herein by reference.

SECTION 2. The City Council hereby acknowledges and affirms the continued effectiveness of the Governor's proclaimed state of emergency and the City's proclaimed local emergency (as may have been amended since their initial proclamation) which encompass their jurisdictional boundaries.

SECTION 3. The City Council finds as follows: 1) they have reconsidered the circumstances of the state of emergency; 2) the state of emergency remains active within their jurisdictional boundaries; 3) the state of emergency continues to directly impact the ability of the City Council, the City's Legislative Bodies, City staff and the public to meet safely in person; and 4) State officials continue to impose or recommend measures to promote social distancing.

SECTION 4. The Legislative Bodies and staff are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution, including conducting

all open and public meetings of the Legislative Bodies in accordance with Government Code § 54953(e) and other applicable provisions of the Brown Act.

SECTION 5. This Resolution shall take effect immediately upon its adoption by the City Council and shall be effective for until the earlier of (i) January 12, 2023, or (ii) such time as the City Council adopts a subsequent resolution in accordance with Government Code §54953(e)(3) to extend the time during which the Legislative Bodies may continue to teleconference without compliance with paragraph (3) of subdivision (b) of Government Code §54953.

SECTION 6. Should any provision, section, paragraph, sentence or word of this Resolution be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this Resolution as hereby adopted shall remain in full force and effect.

SECTION 7. The City Clerk shall certify to the adoption of this Resolution and enter it into the book of original Resolutions.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 13th day of December 2022 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE:

JOHN HEADDING, Mayor

ATTEST:

DANA SWANSON, City Clerk

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AGENDA NO: A-5
MEETING DATE: December 13, 2022

Staff Report

TO: Honorable Mayor and City Council **DATE: November 30, 2022**
FROM: Greg Kwolek, Public Works Director
Janeen Burlingame, Management Analyst
SUBJECT: Adoption of Resolution No. 97-22 Approving Amendment No. 4 to the Morro Bay Transit and Trolley Operations and Management Agreement with MV Transportation, Inc.

RECOMMENDATION

Staff recommends the City Council adopt Resolution No. 97-22 approving Amendment No. 4 to the Morro Bay Transit and Trolley Operations and Management Agreement with MV Transportation, Inc.

FISCAL IMPACT

A one-year extension to the Morro Bay Transit and Trolley Operations and Management Agreement (Agreement) will increase the cost of transit and trolley services by \$60,984.00 for 2023. These additional costs will be borne by the Transportation Development Act (TDA) funds within the City’s Transit Fund, which currently has a surplus of \$262,668 for Fiscal Year (FY) 2022/23. There is no fiscal impact to the General Fund.

DISCUSSION

The City and MV Transportation, Inc. (MV) entered into an agreement effective January 1, 2015, for MV to provide year-round deviated fixed route transit and seasonal trolley services for the City. The Agreement was extended one-year through December 31, 2020, and later amended again for an additional two one-year periods (Amendments 2 and 3 in 2020 and 2021) through December 31, 2022, while responding to the Coronavirus (COVID-19) global pandemic. During the pandemic, driver recruitment has become very difficult not only in Morro Bay, or in the County of San Luis Obispo, but across the transit industry nationally, with many transit agencies having to cut back on service levels resulting from a lack of driver availability to cover all shifts. Due to the uncertainty when this situation may improve, and to be competitive with other transit agencies, MV is proposing to increase the driver wage scale to improve driver recruitment outcomes going forward.

An amendment to allow an increase to the driver wage scale will allow for MV driver wages to be on-par with what is offered by other transit agencies when recruiting drivers such as the San Luis Obispo Regional Transit Authority and SLO Transit. In addition, the amendment will also allow for MV to establish wage tiers designed to provide incentive for drivers to remain employed with MV as their wage could increase at various times throughout their tenure with the company rather than stay the same as when hired. MV believes not offering wage increases and tiers to their drivers puts them at a disadvantage in recruiting and retaining drivers. If MV were to lose drivers, transit and trolley services in Morro Bay would be at risk for a reduction in services levels.

Compensation to MV is made up of two components: a monthly management fixed fee (MMFF) and a vehicle service hour fee (VSH). The VSH fee includes driver personnel expenses such the wage scale paid, payroll taxes and medical benefits. The VSH fee would increase for both transit

Prepared By: JB Dept Review: GK
City Manager Review: SC City Attorney Review: LNL

and trolley services from \$25.80 to \$41.81. The MMFF includes fixed expenses such as insurance, performance bond, utilities, training, safety expenses, office supplies, and uniforms. The MMFF fee would increase for transit from \$5,460.64 to \$5,788.18 per month and for trolley from \$2,237.00 to \$2,371.22 per month. This increase is established based on 80% of the annual percentage difference in Consumer Price Index for All Urban Consumers Los Angeles-Long Beach-Anaheim for October 2022.

The new fees would take effect January 1, 2023, and the increases for 2023 are described in the table below:

Calendar Year - Transit Fund Contractor Compensation

2022 Estimated VSH Compensation with Current Fee	2023 Estimated VSH Compensation with Increased Fee	2023 Estimated Increase VSH Compensation
\$91,951	\$148,467	\$56,517

2022 MMFF Compensation with Current Fee	2023 MMFF Compensation with Increased Fee	2023 Increase MMFF Compensation
\$74,476	\$78,943	\$4,467

2022 Total Compensation with Current Fees	2023 Total Compensation with Increased Fees	2023 Increase Total Compensation
\$166,426	\$227,410	\$60,984

The City is in the early stages of developing Request for Proposals (RFP) specifications for Morro Bay Transit and Trolley operations and day-to-day management services to release and award by the City Council during 2023 for an effective date of January 1, 2024.

CONCLUSION

Staff recommends the City Council adopt Resolution No. 97-22 approving Amendment No. 4 to the Morro Bay Transit and Trolley Operations and Management Agreement with MV Transportation, Inc.

ATTACHMENT

1. Resolution No. 97-22 with Amendment 4 to the Morro Bay Transit and Trolley Operations and Management Agreement

RESOLUTION NO. 97-22

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
APPROVING FOURTH AMENDMENT TO MORRO BAY TRANSIT AND TROLLEY
OPERATIONS AND MANAGEMENT AGREEMENT WITH MV TRANSPORTATION, INC.**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, effective January 1, 2015, the City of Morro Bay (City) and MV Transportation Inc. (MV) entered into an agreement for MV to provide year-round deviated fixed route and seasonal trolley services for City (the "Agreement"); and

WHEREAS, pursuant to Section 2.2 of the Agreement, the term was extended one-year through December 31, 2020 (Amendment No. 1); and

WHEREAS, City and MV amended the Agreement for an additional two one-year periods through December 31, 2022 while responding to the Coronavirus (COVID-19) global pandemic (Amendment 2 and Amendment 3); and

WHEREAS, the Agreement and Amendment No. 1, No. 2, and No. 3 are hereinafter referred to as the "Amended Agreement;" and

WHEREAS, City and MV now agree it is time to extend the Amended Agreement for one-year while the City develops Request for Proposal specifications for release and award by the City Council during 2023 for Morro Bay Transit and Trolley operations and day to day management; and

WHEREAS, during the pandemic, driver recruitment has become very difficult across the transit industry, including in San Luis Obispo County, with many transit agencies having to cut back on some service due to a lack of drivers available to drive; and

WHEREAS, it is uncertain when this situation may improve and MV has proposed increasing the driver wage scale to improve driver recruitment outcomes going forward and be more competitive with other transit agencies; and

WHEREAS, MV believes not offering wage increases and tiers to their drivers puts them at a disadvantage in recruiting and retaining drivers; and

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WHEREAS, if MV were to lose drivers, transit and trolley services in Morro Bay would be at risk for a reduction in services levels.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Morro Bay approval of the Fourth Amendment to the Amended Agreement, attached hereto.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 13th day of December 2022 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE:

JOHN HEADDING, Mayor

ATTEST:

DANA SWANSON, City Clerk

**CITY OF MORRO BAY
AMENDMENT NO. 4 TO THE AGREEMENT FOR
MORRO BAY TRANSIT AND TROLLEY
OPERATIONS AND MANAGEMENT**

This Amendment No. 4 is entered into on the 13th day of December 2022, by and between the City of Morro Bay, a municipal corporation (“City”) and MV Transportation Inc., a California corporation (“Contractor”).

RECITALS

- A. City and Contractor entered into an agreement as of January 1, 2015 for Contractor to provide year-round deviated fixed route and seasonal trolley services for City (the “Agreement”).
- B. Pursuant to Section 2.2 of the Agreement, the term was extended one-year through December 31, 2020 (Amendment No. 1).
- C. City and Contractor amended the Agreement for an additional two one-year periods through December 31, 2022 while responding to the Coronavirus (COVID-19) global pandemic (Amendment 2 and Amendment 3).
- D. WHEREAS, the Agreement and Amendment No. 1, No. 2, and No. 3 are hereinafter referred to as the “Amended Agreement.”
- E. City and Contractor now agree it is time to extend the Amended Agreement for one-year while the City develops Request for Proposal specifications for release and award by the City Council during 2023 for Morro Bay Transit and Trolley operations and day to day management.
- F. During the pandemic, driver recruitment has become very difficult across the transit industry, including in San Luis Obispo County, with many transit agencies having to cut back on some service due to a lack of driver availability.
- G. It is uncertain when this situation may improve and to be more competitive with other transit agencies City and Contractor agree increasing the driver wage scale could help with driver recruitment.

NOW, THEREFORE, City and Contractor mutually agree to amend the Amended Agreement as follows:

1. The term of the Amended Agreement is extended by one-year, effective January 1, 2023 through December 31, 2023.
2. The Vehicle Service Hour compensation rate applicable for calendar year 2023 to be established at \$41.81 per vehicle service hour.
3. The Monthly Management Fee applicable for calendar year 2023 shall be \$5,788.18 per month for Transit services and \$2,371.22 per month for Trolley services.
4. Except as expressly set forth in this Amendment, the terms and conditions in the Amended Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 4 to be executed by their duly authorized representatives as of the Effective Date.

CITY OF MORRO BAY

MV TRANSPORTATION, INC.

By: _____
John Heading, Mayor

By: _____

Attest:

By: _____

Dana Swanson, City Clerk

Two corporate officer signatures required when Contractor is a corporation, with one signature required from each of the following groups: 1) Chairperson of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. (Cal. Corp. Code § 313.) APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT'S BUSINESS ENTITY.

Based on these results, Robin “Zara” Landrum and Cyndee Edwards received the highest number of votes and are the candidates elected as Members of the City Council.

Measure B-22 – Morro Bay’s Harbor Infrastructure Special Parcel Tax Measure

The following question was submitted to Morro Bay’s registered voters at the November 8, 2022 General Municipal Election:

Shall the measure, to exclusively fund City of Morro Bay owned harbor infrastructure (such as docks, piers, Harbor Walk, sea walls, public restrooms, revetments, launch ramps) through preventative maintenance and capital improvements, revenues used only for these purposes and unable to be used for any other purpose, providing approximately \$680,000 annually, through annual \$120 special parcel tax on all parcels of taxable real property, adjusted for inflation, until ended by voters, be adopted?	YES
	NO

<u>Answer</u>	<u>Votes Received</u>	<u>Vote Percentage</u>
Yes	2,049	35.77%
No	3,679	64.23%

Measure B-22 is a general tax measure, which requires a simple majority (50% plus one) of the total votes cast to be in favor in order to pass. Because the number of votes in opposition to Measure B-22 was greater (equating to 64.23% of votes cast) than the number of votes in favor (equating to 35.77% of votes cast) to Measure B-22, the measure failed.

The County Clerk-Recorder has conducted the official canvass of the returns of the votes cast in the election and has certified the results. In accordance with California Elections Code Section 10262, the City Council is requested to adopt a Resolution declaring the results of the General Municipal Election and the final Certificates of the Canvas, as shown in Exhibit A.

ATTACHMENTS

1. Resolution No. 106-22 and
 - a. Exhibit A – Certified Election Results

RESOLUTION NO. 106-22

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
RECITING THE FACT OF THE GENERAL MUNICIPAL ELECTION
HELD IN THE CITY OF MORRO BAY ON THE 8th DAY OF NOVEMBER 2022,
DECLARING THE RESULTS THEREOF,
AND SUCH OTHER MATTERS AS PROVIDED BY LAW**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, a General Municipal Election was held and conducted in the City of Morro Bay (City), County of San Luis Obispo, State of California, on Tuesday, November 8, 2022, as required by law (the "Election"); and

WHEREAS, notice of the Election was duly and regularly given in time, form and manner as provided by law; voting precincts were properly established; election officers were appointed; and in all respects the Election was held and conducted and the votes were cast, received and canvassed and the returns made and declared in time, form and manner as required by the provisions of the Elections Code of the State of California for holding elections in general law cities; and

WHEREAS, the San Luis Obispo County Elections Division canvassed the returns of the election and the County Clerk has certified the results to this City Council, and the results are received, attached and made part hereof as Exhibit "A."

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California, as follows:

1. The whole number of votes (ballots) cast in the precincts was 370 and the whole number of vote by mail voter ballots cast in the City was 5,538, making a total of 5,908 votes (ballots) cast in the City.
2. The names of the persons voted for at the Election for Mayor (vote for one (1) Mayor) were as follows:

John Headding
Carla Wixom

The names of the persons voted for at the Election for Council Member (vote for two (2) Council Members) were as follows:

David "Dave" Durringer
Sarah Smith Robinson
Casey G. Cordes
Cyndee Edwards
Robin "Zara" Landrum

The measure voted upon at the election is as follows:

CITY OF MORRO BAY
MEASURE B-22

Shall the measure, to exclusively fund City of Morro Bay owned harbor infrastructure (such as docks, piers, Harbor Walk, sea walls, public restrooms, revetments, launch ramps) through preventative maintenance and capital improvements, revenues used only for these purposes and unable to be used for any other purpose, providing approximately \$680,000 annually, through annual \$120 special parcel tax on all parcels of taxable real property, adjusted for inflation, until ended by voters, be adopted?	YES
	NO

3. The number of votes given at each precinct and the number of votes given in the City to each of the persons above named for the respective offices for which the persons were candidates were as listed in Exhibit "A," attached.
4. The City Council does declare and determine:
 - a. **CARLA WIXOM** was elected as Mayor of the City for the full term of two years;
 - b. **ROBIN "ZARA" LANDRUM** was elected as Council Member of the City for a full term of four years; **CYNDEE EDWARDS** was elected as Council Member of the City for a full term of four years; and
 - c. As a result of the election, a majority of the voters voting on Measure B-22 relating to a harbor infrastructure parcel tax vote in opposition to the measure; and the measure failed.
5. The City Clerk shall enter on the records of the City Council of the City, a statement of the result of the Election, showing: (1) the whole number of votes (ballots) cast in the City, (2) the names of the persons voted for, (3) for what office each person was voted for, (4) the number of votes given at each precinct to each person and (5) the total number of votes given to each person.
6. The City Clerk shall make and deliver to each of such persons so elected a Certificate of Election signed by the City Clerk and authenticated; and the City Clerk shall administer to each person elected, the Oath of Office prescribed in the State Constitution of the State of California and shall have them subscribe to it and file it in the office of the City Clerk. Each and all of the persons so elected shall then be inducted into the respective office to which they have been elected.

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7. The City Clerk shall certify to the passage and adoption of this Resolution and shall enter it into the book of original resolutions.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 13th day of December 2022 on the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSE:

JOHN HEADDING, Mayor

ATTEST:

DANA SWANSON, City Clerk

Exhibit A

**CERTIFICATE OF THE COUNTY CLERK
RESULTS OF CANVASS OF ALL VOTES CAST
NOVEMBER 8, 2022, CONSOLIDATED GENERAL ELECTION
CITY OF MORRO BAY**

I, **ELAINA CANO**, County Clerk-Recorder of the County of San Luis Obispo, do hereby certify that pursuant to law I did canvass the returns of the votes cast at the above referenced election in the City of Morro Bay on NOVEMBER 8, 2022, and that a copy of the Statement of Votes Cast to which this certificate is attached, shows the number of votes cast in said city for each candidate for the office of Mayor and Member of the City Council and that the totals shown for each candidate for the office of Mayor and Member of the City Council in said City in each of the respective precincts therein, are full, true and correct.

WITNESS, my hand and Official Seal this 7th Day of December 2022.



ELAINA CANO, County Clerk-Recorder



**CERTIFICATE OF THE COUNTY CLERK
RESULTS OF CANVASS OF ALL VOTES CAST
CITY OF MORRO BAY MEASURE B-22
CONSOLIDATED GENERAL ELECTION
NOVEMBER 8, 2022**

I, ELAINA CANO, County Clerk-Recorder of the County of San Luis Obispo, do hereby certify that pursuant to law I did canvass the returns of the votes cast at the above referenced election in the Morro Bay on November 8, 2022, and that a copy of the Statement of Votes Cast to which this certificate is attached, shows the number of votes cast in said city for and against said measure, and that the totals shown for and against said measure in said city, and in each of the respective precincts therein, are full, true and correct.

MEASURE B-22

Shall the measure, to exclusively fund City of Morro Bay owned harbor infrastructure (such as docks, piers, Harbor Walk, sea walls, public restrooms, revetments, launch ramps) through preventative maintenance and capital improvements, revenues used only for these purposes and unable to be used for any other purpose, providing approximately \$680,000 annually, through annual \$120 special parcel tax on all parcels of taxable real property, adjusted for inflation, until ended by voters, be adopted?

WITNESS, my hand and Official Seal this 7th Day of December 2022.



ELAINA CANO, County Clerk-Recorder



**STATEMENT OF VOTES CAST
NOVEMBER 8, 2022, GENERAL ELECTION
COUNTY OF SAN LUIS OBISPO
FINAL OFFICIAL ELECTION RESULTS - CITY OF MORRO BAY CONTESTS**

Precinct	Registered Voters	Voters Cast	% Turnout
Countywide			
Electionwide			
301			
Polling	3,223	172	5.34%
Vote by Mail	3,223	2,132	66.15%
Total	3,223	2,304	71.49%
302			
Polling	2,558	97	3.79%
Vote by Mail	2,558	1,688	65.99%
Total	2,558	1,785	69.78%
303			
Polling	2,375	101	4.25%
Vote by Mail	2,375	1,718	72.34%
Total	2,375	1,819	76.59%
MB50173			
Polling	0	0	N/A
Vote by Mail	0	0	N/A
Total	0	0	N/A
Electionwide - Total	8,156	5,908	72.44%
Countywide - Total	8,156	5,908	72.44%
Polling	8,156	370	4.54%
Vote by Mail	8,156	5,538	67.90%

City of Morro Bay, Mayor (Vote for 1) **** - Insufficient Turnout to Protect Voter Privacy

Precinct		Times Cast	Registered Voters	Undervotes	Overvotes
Countywide					
Electionwide					
301					
	Polling	172	3,223	10	0
	Vote by Mail	2,132	3,223	94	1
	Total	2,304	3,223	104	1
302					
	Polling	97	2,558	6	0
	Vote by Mail	1,688	2,558	97	2
	Total	1,785	2,558	103	2
303					
	Polling	101	2,375	7	0
	Vote by Mail	1,718	2,375	71	1
	Total	1,819	2,375	78	1
MB50173					
	Polling	0	0	0	0
	Vote by Mail	0	0	0	0
	Total	0	0	0	0
	Electionwide - Total	5,908	8,156	285	4
	Countywide - Total	5,908	8,156	285	4

Precinct		JOHN HEADING	CARLA WIXOM	Total Votes
Countywide				
Electionwide				
301				
	Polling	35	127	162
	Vote by Mail	830	1,207	2,037
	Total	865	1,334	2,199
302				
	Polling	24	67	91
	Vote by Mail	623	966	1,589
	Total	647	1,033	1,680
303				
	Polling	31	63	94
	Vote by Mail	751	895	1,646
	Total	782	958	1,740
MB50173				
	Polling	0	0	0
	Vote by Mail	0	0	0
	Total	0	0	0
	Electionwide - Total	2,294	3,325	5,619
	Countywide - Total	2,294	3,325	5,619

City of Morro Bay, Councilmember (Vote for 2)

**** - Insufficient Turnout to Protect Voter Privacy

Precinct		Times Cast	Registered Voters	Undervotes	Overvotes
Countywide					
Electionwide					
301					
	Polling	172	3,223	77	0
	Vote by Mail	2,132	3,223	751	0
	Total	2,304	3,223	828	0
302					
	Polling	97	2,558	47	0
	Vote by Mail	1,688	2,558	624	2
	Total	1,785	2,558	671	2
303					
	Polling	101	2,375	44	0
	Vote by Mail	1,718	2,375	543	6
	Total	1,819	2,375	587	6
MB50173					
	Polling	0	0	0	0
	Vote by Mail	0	0	0	0
	Total	0	0	0	0
	Electionwide - Total	5,908	8,156	2,086	8
	Countywide - Total	5,908	8,156	2,086	8

Precinct		DAVID "DAVE" DURINGER	SARAH SMITH ROBINSON
Countywide			
Electionwide			
301			
	Polling	71	53
	Vote by Mail	508	712
	Total	579	765
302			
	Polling	28	27
	Vote by Mail	416	587
	Total	444	614
303			
	Polling	21	39
	Vote by Mail	354	587
	Total	375	626
MB50173			
	Polling	0	0
	Vote by Mail	0	0
	Total	0	0
	Electionwide - Total	1,398	2,005
	Countywide - Total	1,398	2,005

Precinct	CASEY G. CORDES	CYNDEE EDWARDS	ROBIN "ZARA" LANDRUM	Total Votes
Countywide				
Electionwide				
301				
Polling	23	38	82	267
Vote by Mail	641	742	910	3,513
Total	664	780	992	3,780
302				
Polling	26	23	43	147
Vote by Mail	474	586	687	2,750
Total	500	609	730	2,897
303				
Polling	21	30	47	158
Vote by Mail	599	674	673	2,887
Total	620	704	720	3,045
MB50173				
Polling	0	0	0	0
Vote by Mail	0	0	0	0
Total	0	0	0	0
Electionwide - Total	1,784	2,093	2,442	9,722
Countywide - Total	1,784	2,093	2,442	9,722

City of Morro Bay Measure B-22 (50%+1) (Vote for 1) **** - *Insufficient Turnout to Protect Voter Privacy*

Precinct		Times Cast	Registered Voters	Undervotes	Overvotes
Countywide					
Electionwide					
301					
	Polling	172	3,223	6	0
	Vote by Mail	2,132	3,223	59	1
	Total	2,304	3,223	65	1
302					
	Polling	97	2,558	4	0
	Vote by Mail	1,688	2,558	54	1
	Total	1,785	2,558	58	1
303					
	Polling	101	2,375	6	0
	Vote by Mail	1,718	2,375	49	0
	Total	1,819	2,375	55	0
MB50173					
	Polling	0	0	0	0
	Vote by Mail	0	0	0	0
	Total	0	0	0	0
	Electionwide - Total	5,908	8,156	178	2
	Countywide - Total	5,908	8,156	178	2

Precinct		YES	NO	Total Votes
Countywide				
Electionwide				
301				
	Polling	38	128	166
	Vote by Mail	687	1,385	2,072
	Total	725	1,513	2,238
302				
	Polling	28	65	93
	Vote by Mail	579	1,054	1,633
	Total	607	1,119	1,726
303				
	Polling	30	65	95
	Vote by Mail	687	982	1,669
	Total	717	1,047	1,764
MB50173				
	Polling	0	0	0
	Vote by Mail	0	0	0
	Total	0	0	0
	Electionwide - Total	2,049	3,679	5,728
	Countywide - Total	2,049	3,679	5,728



AGENDA NO: B-1

MEETING DATE: December 13, 2022

Staff Report

TO: Honorable Mayor and City Council **DATE:** November 29, 2022

FROM: Cindy Jacinth, Senior Planner

SUBJECT: Review and Adopt Draft Funding Recommendations for the 2023 Community Development Block Grant (CDBG) Program

RECOMMENDATION

Staff recommends the City Council conduct a public hearing to review and adopt Resolution No. 107-22 approving draft funding recommendations for the 2023 Community Development Block Grant (CDBG) funds and forward recommendations to the San Luis Obispo County Board of Supervisors for inclusion with the other draft funding requests from the Urban County Consortium. The funding recommendation is for the applications received from 5 Cities Homeless Coalition and City of Morro Bay Public Works Department along with City program administration of \$3,667 for a total funding allocation of \$52,383, plus prior 2022 CDBG year rollover amount of 37,477 (Total = \$89,860). Additionally, staff recommends the City Council authorize the City Manager to make pro rata adjustments to the allocation based on the final funding amount from San Luis Obispo County based on the approval of the federal budget and HUD's final grant amount to the County.

ALTERNATIVES

Council could choose to fund 5 Cities Homeless Coalition above the requested application amount of \$3,500 to a maximum of \$7,857 to match the 15 percent maximum federal expenditure for public services activities with a corresponding reduction in funding to the Public Works Department ADA Accessibility application.

FISCAL IMPACT

Approving staff recommendations includes an application for administrative funds as allowed by HUD in the amount of \$3,667. If awarded, this amount would offset City administrative costs. The majority of CDBG administration, including compliance with Federal regulations, is performed by County staff pursuant to the City's 2021-2023 Urban County Participation Agreement executed July 7, 2020.

SUMMARY

Since 2011, the City of Morro Bay has been a member of the Urban County Consortium, which is a consortium of participating local jurisdictions that includes San Luis Obispo County and the cities of Paso Robles, Atascadero, San Luis Obispo, Pismo Beach and Arroyo Grande for the purpose of receiving and allocating federal CDBG funds. The 2023 CDBG award process began earlier this fall with the release of the Notice of Funding Availability on September 1, 2022 (Online Link #1 below). Virtual needs assessment workshops were held in September 2022 to learn more about the program and identify community needs and help establish funding priorities. Applications were due by October 14, 2022. The City received two applications for this funding cycle (see below for more details).

Prepared By: CJ _____	Dept Review: _____SG_____
City Manager Review: _____SC_____	City Attorney Review: _____LNL_____

Total Morro Bay funding is anticipated to be approximately \$52,383 for the 2022 program year with an estimated total allocation countywide of \$1,746,110. Final funding amounts are subject to change and will be released by the Department of Housing and Urban Development (HUD) in early 2023. In addition, a prior year rollover of 2022 Morro Bay CDBG funds is available for allocation in the amount of \$37,477 which occurred when no eligible CDBG applications were received in last year’s application cycle. The City Council adopted Resolution No. 21-22 at its March 8, 2022 meeting (Attachment 4) to roll over the unallocated funds to be used for a 2023 CDBG project.

BACKGROUND

The Community Development Block Grant (CDBG) program is a flexible funding source providing communities with resources to address a wide range of unique community development needs. (Online Link #2 below). The program works to ensure decent affordable housing, to provide services for members of our community and to create jobs through expansion and retention of businesses.

CDBG funds are available for community development activities, which meet at least one of the three national objectives:

1. A benefit to low- and moderate-income persons;
2. Aid in the prevention or elimination of blight;
3. Address urgent needs that pose a serious and immediate threat to the health or welfare of the community.

In order for a program to qualify under the low- and moderate-income objective, at least 51% of the persons benefiting from the project or program must earn no more than 80% of the area median. Additionally, at least 70% of the CDBG funds must be spent toward that objective.

The following criteria should also be used to guide selection of CDBG programs:

1. The proposal is consistent with the national objectives and eligibility criteria of the HUD CDBG program;
2. The proposal is consistent with the Urban County Consolidated Plan;
3. The proposal is consistent with the General Plan and other City codes/ordinances;
4. The proposal will achieve multiple community development objectives;
5. The proposal can be implemented in a timely manner, without significant environmental, policy, procedural, legal, or fiscal obstacles to overcome; and
6. The project is not financially feasible without CDBG funding.

DISCUSSION

The two applications received by the City for the 2023 funding cycle are included by category in the below table along with a description of the application request and staff recommendation. The table below also includes the 2022 rollover amount of \$37,477 which is intended to be utilized in conjunction with this year’s 2023 allocation.

<i>Federal Funding Category / Applications Received</i>	<i>Amount Requested</i>	<i>Amount Recommended (includes both current and rollover amount)</i>
<i>Public Services – Limited to 15% of 2023 Allocation (or a maximum of \$7,857)</i>		
<i>1. Project Name: Rapid Rehousing and</i>	<i>\$3,500 CDBG</i>	<i>\$3,500</i>

<p><i>Homeless Prevention Program</i></p> <p>Applicant: 5 Cities Homeless Coalition (5CHC)</p> <p>Project Description: 5CHC proposes continued and expanded comprehensive homeless services of their Rapid-Rehousing Program, which includes connecting families and individuals with time-limited financial assistance and targeted supportive services, and housing stabilization services.</p>	<p>funding request to Morro Bay (Total request is \$92,333 combined to all jurisdictions) countywide)</p>	
Public Facilities		
<p><u>2. Project Name:</u> ADA Accessibility Upgrade at Quintana and Main Streets.</p> <p>Applicant: Public Works Department, City of Morro Bay. This includes request for unallocated 2022 amount of \$37,477 along with the anticipated 2023 CDBG allocation.</p> <p>Project Description: Installation of an audible signal crossing and ADA compliant pedestrian push button at the intersection of Main & Quintana Streets, the primary traffic signal in the city, and the installation of ADA curb ramps with detectable surfaces. Goal of program is to increase safety and facilitate improved accessibility for senior residents and persons with disabilities.</p>	\$100,000	\$75,884 ((\$38,407 of 2023 funding plus 2022 rollover amount of \$37,477)
Administration – Limited to 20% of 2023 Allocation: \$10,476 (per County agreement: City=35% / County =65%)		
City Program Administration Costs: (Required County Administration Costs):	\$3,667 (\$6,809)	\$3,667 (\$6,809)
Total Funds Requested	\$113,976	
Total Funds Recommended		\$89,860
Rollover funding from 2022 Program year		\$37,477
Estimated Total 2023 Funding Available		+ \$52,383
Combined Total Available of 2022 & 2023 Funding		= \$89,860

Federal Regulations and Funding Criteria:

Federal HUD regulations apply limits to each category of funding, as described below. As part of the CDBG process, Council must adopt a draft recommendation for the 2023 grant year that meets the funding criteria while adhering to the category limits. Upon approval, the draft funding recommendations will be forwarded to the County for publishing, along with recommendations from

all jurisdictions. The public notice starts a 30-day review and comment period during which a second public workshop will be held to allow questions from applicants after which the draft allocations, plus any workshop comments, will be forwarded to City Council for final approval at a duly noticed public hearing anticipated to be approximately March 2023. After that City meeting, final funding recommendations would then be forwarded to the County Board of Supervisors in order to adopt the 2023 Action Plan consistent with the 2020-2024 Consolidated Plan which is the five-year strategic planning document that establishes funding goals for HUD funding.

The following is a brief explanation of the funding categories and applications received within each:

Public Services – Public services activity applications are defined as those activities that include, but not limited to, employment services, crime prevention, childcare, health services, substance abuse services, fair housing counseling and recreational services. Federal regulations limit no more than 15% of an allocation to be awarded to Public Services activities, which for Morro Bay the maximum award would be \$7,857.

Only one application was received under this category which was from the 5 Cities Homeless Coalition (5CHC) (Attachment 2). The Rapid Re-housing and Homeless Prevention Program helps clients secure and maintain stable housing, provides case management, and seeks to resolve barriers to obtaining and maintaining housing for residents of SLO County. The goal of the program is to assist participants to secure long-term stable housing that they can afford to retain, to be in a better position to address other challenges such as employment or substance abuse. In addition, assistance is provided to those of imminent threat of homelessness also.

The City's Cooperation Agreement with the County requires any funding of public services activities be a minimum amount of \$8,000 or more based on HUD direction not to award CDBG funds that cost more to administer than the award itself. Cities can recommend awards of less than \$8,000 if the applicant has applied to multiple jurisdictions and the cumulative toward of their CDBG award is a minimum of \$8,000. 5CHC has applied to all jurisdictions in the county for this funding year for a cumulative total of \$92,333 and based on the high priority ranking for homeless prevention in the County Action Plan it is anticipated the minimum 15% funding Countywide would be met and therefore would allow the City to recommend funding. The City could also choose to award more than the \$3,500 requested and based on the anticipated allocation is eligible to award up to \$7,857 based on County and federal guidelines. Staff is recommending this project for funding because homeless prevention and services to address homelessness are a high priority item under the County's Consolidated Plan.

Public Facilities – Public Facilities are defined as activities relating to real property, including the acquisition, construction, rehabilitation or installation of public improvements. These activities can be carried out by a grantee, sub-recipient, or other nonprofit.

The City's Public Works Department submitted a public facilities application in the amount of \$100,000 that would provide for the installation of an audible signal crossing and ADA compliant pedestrian push button at the intersection of Main and Quintana Streets. This project would enable ADA accessibility for seniors and persons with disabilities. The application stemmed from resident requests for ADA improvements at this intersection, including for visually impaired pedestrians in a high-traffic area. In addition, the project would include installation of ADA curb ramps with detectable surfaces. The proposed project is consistent with the City's Bicycle and Pedestrian Master Plan of 2012 which identifies as a priority the improvement of safety and infrastructure at this intersection. Public Works' application identifies leveraged funds of \$490,000 of a SLOCOG Betterments Grant and \$90,000 of local funds from Measure Q and E.

Administration –The 20% cap on percentage of award from this category is estimated at \$10,476 with \$3,667 available to Morro Bay this cycle (and with 65% of administration (\$6,809) reserved for County grant administration which includes compliance with Federal regulations).

- *City of Morro Bay – CDBG Program Administration*
Funds Requested: \$3,667 for City administration
Pursuant to the City’s 2021-2023 Cooperation Agreement with the County, the twenty-percent cap on administration allowed under HUD regulation is split between City and County staff administration. Of the 20 percent, the City is eligible to apply for 35 percent (or \$3,667) with the balance to be forwarded to the County (\$6,809). Those are for costs associated with the administration of the Community Development Block Grant Program, including staff time required for grant administration, payment processing and coordination with County Planning staff. If administration costs exceed the funding allocation, then remaining costs of administering the program would need to be paid from the General Fund.

PUBLIC NOTICE:

Notice of a public hearing on this item was published in the Tribune newspaper on December 2, 2022. Public notice was also posted at kiosks at City Hall, the Community Development Department building, and the Morro Bay Public Library. The notices invited the public to attend the hearing, provide input, and express any concerns they may have regarding the program.

CONCLUSION

The total estimated 2023 allocation for Morro Bay, as released by the County, is \$52,383 plus a rollover balance of \$37,477 from the 2022 CDBG Program Year. 5CHC’s application applied for \$3,500 which is less than the required minimum of \$8,000 but can be recommended based on an anticipated cumulative award by other jurisdictions in the Urban County Consortium. The Public Works Department application is recommended for funding to provide for the requested ADA upgrades at the signalized intersection of Quintana and Main Street for \$38,407 of 2023 CDBG funding plus the leveraged 2022 rollover balance of \$37,477 for a total Public Works ADA project recommend amount of \$75,884. Federal regulations allow 20% of the funding allocation to be used for administration of the grant which consists of \$3,667 for the City, and \$6,809 for a total of \$10,476. This amount combined with the application requests totals \$89,860 as itemized in the table above and as included in Council Resolution No. 107-22 Exhibit A.

Staff is recommending that Council adopt Resolution No. 107-22 approving the 2023 Draft Funding Recommendations for the two applications received (Attachments 2 and 3), and the City application of \$3,667 for program administration.

ATTACHMENTS

1. Resolution No. 107-22
2. 5 Cities Homeless Coalition – Rapid Re-Housing and Homeless Prevention Program
3. City of Morro Bay Public Works Department ADA Accessibility Upgrades Main & Quintana
4. Council Resolution No. 21-22
5. PowerPoint presentation

ONLINE LINKS:

1. County of San Luis Obispo CDBG Notice of Funding Availability for 2023
<https://www.slocounty.ca.gov/Departments/Planning-Building/Forms-Documents/Housing-Forms-and-Documents/Informational-Documents/2023-SLO-Co-Action-Plan-NOFA.pdf>
2. Community Development Block Grant (CDBG) Fact Sheet
<https://files.hudexchange.info/resources/documents/About-the-CDBG-Program.pdf>

RESOLUTION NO. 107-22

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
APPROVING COMMUNITY DEVELOPMENT BLOCK GRANT
PROJECTS FOR YEAR 2023**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, via a Cooperation Agreement with County of San Luis Obispo (hereafter referred to as “County”), a political subdivision of the State of California, executed by the City of Morro Bay (hereafter referred to as “City”) a municipal corporation, on July 7, 2020, the City agreed to become a participant for a period of three years with the County and other cities therein as an “Urban County” under the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, under the Cooperation Agreement, the City retains the authority to determine which projects are to be funded with its allotment of CDBG Program funds; and

WHEREAS, the CDBG Program promotes the public health, safety and welfare by providing grant funds to be used by the City and County to improve housing opportunities for low- and moderate-income households, to encourage economic reinvestment, to improve community facilities and public services, and to provide other housing-related facilities, or services; and

WHEREAS, the City expects to receive \$52,383 in CDBG funds in 2023; and

WHEREAS, the City rolled over \$37,477 of CDBG funds from the 2022 Program Year which is funds available for allocation in addition to 2023 CDBG funds for a total of \$89,860; and

WHEREAS, in 2022, the County published a “Notice of Funding Availability” for projects to be funded under the 2023 CDBG Programs, which provided proposals were to be submitted by October 14, 2022; and

WHEREAS, at a duly noticed public hearing on December 13, 2022, the City Council gave approval for draft funding recommendations to be forwarded to the County Board of Supervisors for 2023 CDBG projects.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California:

1. City will timely submit final funding recommendations for the current CDBG funding cycle to the Board of Supervisors for the County of San Luis Obispo consistent with the programs and allocations listed in Exhibit “A,” attached hereto and incorporated herein by this reference, to be funded with the City’s allocation of CDBG Program funds.

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2. City Manager is authorized for the current CDBG funding cycle to make pro rata adjustments to the allocation based on the final funding amount from San Luis Obispo County based on the approval of the federal budget and HUD's final grant amount to San Luis Obispo County

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 13th day of December 2022 on the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSE:

JOHN HEADDING, Mayor

ATTEST:

DANA SWANSON, City Clerk

EXHIBIT "A"
DRAFT FUNDING RECOMMENDATIONS
TO FORWARD TO THE
COUNTY BOARD OF SUPERVISORS

Public Services – Limited to 15% of 2022 Allocation (or a maximum of \$7,857)	Amount Requested	Amount Recommended
1. Project Name: Rapid Re-Housing and Homeless Prevention Program Applicant: 5 Cities Homeless Coalition (5CHC)	\$3,500	\$3,500
Public Facilities		
2. Project Name: ADA Accessibility Upgrade at Quintana and Main Streets Applicant: Public Works Department, City of Morro Bay	\$100,000	\$38,407 of 2023 funds + \$37,477 2022 rollover = \$75,884
Administration – Limited to 20% of 2023 Allocation, \$10,476 (per County agreement City=35% / County =65%)		
City Program Administration Costs	\$3,667	\$3,667
(Required County Administration Costs)	(\$6,809)	(\$6,809)
Total Funds Requested	\$113,976	
Rollover funding from 2022 Program Year		\$37,477
Estimated Total 2023 Funding Available		\$52,383
Total Funds Recommended		\$89,860



Application A: Community/Supportive Services and Infrastructure Activities

Funding sources available: CDBG, ESG, PLHA, GFS

1. APPLICANT INFORMATION

- Entity Name 5Cities Homeless Coalition
- Ultimate Borrower, if applicable [Click or tap here to enter text.](#)
- Application Contact (Name and Title) Janna Nichols, Executive Director
- Contact Phone Number 805-471-7404 Cell; 805-574-1638 Office
- Entity Address, City and Zip Code 100 S. 4th Street, Grover Beach, CA 93433
- Mailing Address (if different from above) P.O. Box 558, Grover Beach, CA 93483
- Applicant's Website 5chc.org
- Unique Entity Identification (UEI) Number KR8JGGKBKEP9
- Type of Agency (501(c)(3), For Profit, Gov't/Public, CHDO, Other) 501(c)(3)
- Date of Incorporation March 3, 2009
- Project Management
 - Project Lead Name Janna Nichols
 - Title Executive Director
 - Phone 805-471-7404 C, 805-574-1638
 - Email Janna.Nichols@5chc.org

2. PROJECT SUMMARY

- Project Title San Luis Obispo County Rapid Re-Housing/Homeless Prevention
- Project Address 100 S. 4th Street, Grover Beach, CA 93433
- APN #, if applicable [Click or tap here to enter text.](#)
- Description of the Project

Provide a project description that captures the maximum anticipated scope of the application. It should include all contemplated actions which logically are, either geographically or functionally, a composite part of the project, regardless of the source of funding. Describe all physical aspects of the project, such as plans for multiple phases of development, size and number of buildings, and activities to be undertaken. Include details of the physical impacts of the project, including whether there will be ground disturbance. If applicable, indicate whether the project site will require acquisition or if the sponsor already has ownership.

5CHC seeks funds from multiple sources through this application to continue its countywide Rapid Re-Housing and Homeless Prevention program, serving communities throughout San Luis Obispo County – with the exception of Grover Beach (served through other funding sources). 5CHC's Housing Program braids available funding sources and with multiple sources of funds, 5CHC is able to target funds with differing eligibility criteria in order to maximize their use to serve those with the highest needs and greatest number possible. 5CHC's housing and stabilization services including landlord cultivation, case management support, and subsistence payments for rent, application fees and deposits to individuals and families based on income and anticipated need, following a coordinated entry assessment and progressive engagement model. With these activities we will work to ensure services are low-barrier and easily accessible; help participants quickly identify and resolve barriers to obtaining and maintaining housing; assist to resolve the housing crisis before focusing on other non-housing related services; allow participants to choose the services and housing that meets their needs; connect participants to appropriate support and services available in the community that foster long-term housing stability; and offer financial assistance and supportive services in a manner which offers a minimum amount of assistance initially, adding more assistance over



time if needed to quickly resolve the housing crisis by either ending homelessness, or avoiding an immediate return to literal homelessness or the imminent risk of literal homelessness

3. BUDGET

- **Funds Requested (Amount and Source)** ESG \$151,945; PLHA \$149,978; CBBG – AG \$13,095, Atas \$\$4,667, MB \$3,500, PR, \$16,333, PB \$5,238, SLO \$20,333, County \$29,167
- **Total Project/ Program Cost (Identify funding to be used to support the project throughout affordability period, if applicable)** \$394.256
- **Identify leveraged funds (Committed, Match, Not Yet Committed)** 5CHC Match \$151,945; \$48,055 Additional Local Grants & Contributions
- **Identify additional rental assistance in project, if applicable** \$177,600 in direct financial assistance included in total.
- **Indicate how the match requirement will be met (include sources and source documentation), if applicable.** Private Contributions & Grants \$200,000

4. PURPOSE & NEED

- **Purpose of the Proposed Project.** Describe the project by addressing each of the following:
 - **What activities will be undertaken?** **Rapid re-housing** connects families and individuals experiencing homelessness to permanent housing through a tailored package of time-limited financial assistance and targeted supportive services. Rapid Re-Housing involves intensive and specialized case management targeted at identifying displaced clients' most pertinent needs; connect them to community resources. The case manager then works with the household to create a budget; identify income opportunities; determine eligibility for entitlement programs (such as SSI and SSDI); research housing options, and create and carryout case plans. All activities are on-going throughout the year, based on referral and prioritization protocols, following each participant's case plan. **Homeless Prevention** – Services will be provided to those at imminent risk of homelessness based on need and qualification. Clients receive targeted case management services per their individual circumstance, in addition to direct financial assistance to enable them to remain in their housing, or deposit assistance needed to re-house them to prevent homelessness. Services may include financial literacy, job and income counseling, benefits advocacy (for unearned income support as appropriate), housing search supports.
 - **What are the project goals and objectives?** The goal of the program is to assist participants to secure long-term stable housing that they can afford to retain. Rapid re-housing is a primary solution for ending homelessness. It has been demonstrated to be effective in getting people experiencing homelessness into permanent housing and keeping them there. By connecting people with a home, they are in a better position to address other challenges that may have led to their homelessness, such as obtaining employment or addressing substance abuse issues. The intervention has also been effective for people traditionally perceived to be more difficult to serve, including people with limited or no income and survivors of domestic violence. Research demonstrates that those who receive rapid re-housing assistance are homeless for shorter periods of time than those assisted with shelter or transitional housing. Rapid re-housing is also less expensive than other homeless interventions, such as shelter or transitional housing. The program also provides immediate assistance to participants who are homeless or at risk. Program outcomes track length of time homeless; length of time homeless from program enrollment; income changes and housing retention rates.
 - **Explain the need being addressed by this project.** Housing costs continue to rise year over year here in San Luis Obispo County, with more than a 20% increase in just the past year. Given the tight housing market, most available units comes from private landlords,

Attachment 2



with an increasing trend to charge double-deposits, 5CHC is spending an average of \$4,500 to move families into housing (deposit and first month's rent). Just since July 1, 2022 we've seen rents increase on average by \$200-\$400 per month, with a high amount of property turnover. This has affected those living in the units who are often displaced due to income limits, or those who struggle to retain housing and find themselves at imminent risk of homelessness. These continued increases in deposits and monthly rents has had a direct effect on the number of households projected to be served by this grant, and why we are requesting expanded funds through additional funding sources.

- **Explain how the need was identified.** The County's recently adopted Strategic Plan to address homelessness calls for a need assist an additional 160 persons to find housing by adding resources for Rapid Re-Housing activities (Line of Effort 1.d) and to prevent homelessness for an additional 50 people each year through HP and Diversion (Line of Effort 2.d)
- **Who are the beneficiaries? How will eligibility be determined?** 5CHC's Housing Program targets financial assistance and services to individuals and families based on income and anticipated need, following a coordinated entry assessment and progressive engagement model. Those who receive emergency grants for subsistence payments (rental assistance, 05Q) or for deposit assistance (05T Assistance will be provided to benefit a clientele who are generally presumed by HUD to be principally L/M income persons - those who are homeless. This population is among those who are currently presumed by HUD to be made up principally of L/M income persons: Reference: §570.208(a)(2)(i)(A). Additionally, as some assistance will be provided to those of imminent threat of homelessness, 5CHC's program additionally requires information on family size and income so that it is evident that at least 51% of the clientele are persons whose family income does not exceed the L/M income limit. Reference: §570.208(a)(2)(i)(B) and (C)
- **Is there community and/or political support? Explain.** 5CHC receives financial support for this program with each of its local government partners annually, in addition to the recent augmentation of funds through ARPA and other local means. 5CHC is recognized for its RRP and HP work; and is currently receiving strong support to expand services in other areas on the continuum (including shelter). In addition, individual community members and local businesses continue to support 5CHC (mostly with unrestricted dollars) with more than \$400,000 in contributions annually.
- **Describe how the impact will be sustained once this round of funding ends.** The RRH and HP program has on-going needs that have only increased in recent years, and housing prices continue to skyrocket. Without this continued funding this program will not be sustained. In the current fiscal year (2022-23) 5CHC is on track to serve more than 500 families through RRH and an additional 500 families through Homeless Prevention efforts. In 2021-22 5CHC expended more than \$500,000 in direct financial assistance this program; and is currently on pace to spend more than \$900,000 in this fiscal year in direct financial assistance. Funding awards from annual grant funds for ESG and CDBG have been reduced each of the last several years. Currently nearly all of the funds being dedicated to Rapid Re-Housing and Homeless Prevention activities in the county, are through CARES Act CV ESG and CDBG Funds - most of which will be exhausted within the first quarter of this grant application's funding cycle. Other one-time monies that have come available (such as ARPA) have not been targeted to RRH or HP activities, but instead expanded area shelter activities. Thus, without these funds for 2023-24, the program will be severely reduced.
- **Organizational Capacity. Summarize the organization's background/capacity to carry out the proposed project. Address the following points:**



- [Has the organization carried out this type of project previously? Explain.](#) 5Cities Homeless Coalition has successfully provided rapid re-housing and homeless prevention programs since 2015. As noted above, through CARES Act CV funds, 5chc will invest more than \$900,000 this fiscal year in RRP and HP activities. Currently 5CHC is under contract or has been awarded 10 local, state and federal grants to provide RRH and HP services.
- [What makes the organization a preferred provider of this service?](#) 5CHC has been the leading provider of these services for several years. 5CHC seeks to ensure that its services are both culturally and professionally competent; and accessible regardless of race or ethnicity or other condition. 5CHC staff represent a broad cross section including those of color, Latinx; those with lived experience. Currently, 5CHC employs 8 who are bilingual/bicultural speaking both English and Spanish; additionally, the agency has access to support those who are mono-lingual Mixteco. 5CHC staff have extensive training and relationships with those in the LBTGQ community. 5CHC works to train staff to ensure services are welcoming and provided without discrimination or judgment, that we approach our work through a trauma-informed perspective, and are attentive to specific circumstances (such as those who have experienced sex-trafficking or sexual violence). **Collaboration** 5CHC Homeless Services program is integrated in the local Continuum of Care, focusing on collaboration and strategic action. 5CHC is a key participant in the Coordinated Entry System receiving referrals community partners throughout the compendium of services. Additionally, 5CHC staff participate in HSOC at all levels and regularly participate in evidence-based trainings (Mental Health First Aid, etc.) 5CHC also has a program of providing staff trainings monthly with other service professionals and partner agencies.

5. ELIGIBILITY

- [Indicate the eligible activity category for this project.](#) Rapid Re-Housing: Short-Term Rent and Housing Stabilization Services including deposit, application fees, case management.; Homeless Prevention: Short-term rental assistance; homeless prevention deposit assistance; HMIS: staff and expenses necessary to deliver the activity.

6. SCHEDULE

- [Provide a detailed project timeline, include milestones with units of measure.](#) July 1, 2023-June 30, 2024. All activities will be conducted through the 12-month timeline. Households and number of persons served will be tracked through HMIS.
- [Describe agency's record keep system with relevance to the proposed project and how reporting requirements will be met.](#) 5CHC employs a dedicated HMIS Data Manager to ensure quality compliance and track client outcomes. This position is supported with three finance employees, including one charged with Grants Management for accountability of expenses and fulfillment of grant commitments. The agency's Associate Director is responsible for authorizing all funding requests and reporting on program outcomes. With each program activity case managers report to a Program Manager for supervision and oversight; including client eligibility and case file review . The agency's Executive Director is directly engaged in initial program development, and efforts to provide services on a regional basis.

7. ADDITIONAL INFORMATION

- [Has site control been obtained? If so, how is site control held? Attach documentation of site control.](#) [Click or tap here to enter text.](#)
- [Zoning. Is the current project location zoned for the proposed activity? If not, describe steps to be taken to ensure zoning requirements are met.](#) [Click or tap here to enter text.](#)



- If applicable, indicate the application due date for tax credits. Click or tap here to enter text.
- Identify all permits necessary for the project. Include estimated dates of application and approval. Click or tap here to enter text.
- Does this Project require Relocation? If so, attach Relocation Plan. Click or tap here to enter text.
- Indicate Housing Type (Permanent Homeowner Housing, Rental Housing, Transitional Housing). Click or tap here to enter text.
- Does the Project intend to target special populations (such as seniors, persons with disabilities, children in foster care, etc.)? Click or tap here to enter text.
- Will the Applicant be providing services? If so, please provide a brief explanation. Click or tap here to enter text.

8. ENVIRONMENTAL REVIEW

- Indicate level of environmental review required for proposed project. Click or tap here to enter text.
- Indicate environmental review steps completed to date. Click or tap here to enter text.

9. SECTION 3 AND MINORITY AND WOMEN BUSINESS ENTERPRISES (AS APPLICABLE)

- Section 3: Please explain how Section 3 benchmarks will be met. Click or tap here to enter text.
- MBE/WBE: Please explain how your project will be marketed towards MBE/WBEs. Click or tap here to enter text.

10. ADDITIONAL REQUIRED DOCUMENTS – attached as identified below

- a) Articles of Incorporation
- b) Bylaws
- c) Non-profit Determination
- d) List of the Board of Directors
- e) Authorization to Request Funds
- f) Designation of Authorized Official
- g) Organizational Chart
- h) Most Recent Financial Audit
- i) Policies and Procedures
- j) SAM Search



Application A: Community/Supportive Services and Infrastructure Activities

Funding sources available: CDBG, ESG, PLHA, GFS

1. APPLICANT INFORMATION

- Entity Name City of Morro Bay
- Ultimate Borrower, if applicable N/A
- Application Contact (Name and Title) Eric Riddiough – City Engineer
- Contact Phone Number 805-772-6569
- Entity Address, City and Zip Code 595 Harbor Street, Morro Bay, CA 93442
- Mailing Address (if different from above) [Click or tap here to enter text.](#)
- Applicant's Website <http://www.morro-bay.ca.us/>
- Unique Entity Identification (UEI) Number KAFQZMM3MRA5
- Type of Agency (501(c)(3), For Profit, Gov't/Public, CHDO, Other) Gov't
- Date of Incorporation 1964
- Project Management
 - Project Lead Name Eric Riddiough
 - Title City Engineer
 - Phone (805) 772 - 6569
 - Email eriddiough@morrobayca.gov

2. PROJECT SUMMARY

- Project Title ADA Accessibility Upgrades at Quintana and Main Streets Intersection
- Project Address Intersection of Main and Quintana Streets in Morro Bay
- APN #, if applicable N/A
- Description of the Project

Provide a project description that captures the maximum anticipated scope of the application. It should include all contemplated actions which logically are, either geographically or functionally, a composite part of the project, regardless of the source of funding. Describe all physical aspects of the project, such as plans for multiple phases of development, size and number of buildings, and activities to be undertaken. Include details of the physical impacts of the project, including whether there will be ground disturbance. If applicable, indicate whether the project site will require acquisition or if the sponsor already has ownership.

Installation of an audible signal crossing and ADA compliant pedestrian push button at the intersection of Main and Quintana Streets, the primary traffic signal in Morro Bay, and the installation of ADA curb ramps with detectable surfaces. The project will increase safety and facilitate improved accessibility for senior residents and persons with disabilities. Multiple phases – Jan 2023 start project design, May 1st, 2023 – Advertise for construction. Expected to be completed by late 2023, early 2024.

3. BUDGET

- Funds Requested (Amount and Source) \$100,000
- Total Project/ Program Cost (Identify funding to be used to support the project throughout affordability period, if applicable) \$650-700,000 estimated Total (\$117,000 – Planning and Design; \$540-590,000 Construction)
- Identify leveraged funds (Committed, Match, Not Yet Committed) \$490,000 from SLOCOG Betterments Grant – committed; Local funds \$90,000 (Measure Q and E) - match
- Identify additional rental assistance in project, if applicable N/A
- Indicate how the match requirement will be met (include sources and source



documentation), if applicable. Majority of the project is funded by SLOCOG

4. PURPOSE & NEED

- Purpose of the Proposed Project. Describe the project by addressing each of the following:
 - What activities will be undertaken? ADA Curb Ramps with detectable surfaces will be added along the intersection, as well as audible and ADA compliant pedestrian push buttons.
 - What are the project goals and objectives? Improve accessibility and safety for all pedestrians in crossing busy arterials at the only signalized intersection in Morro Bay. Physical improvements to the public infrastructure in this high pedestrian traffic area will provide an accessible path of travel for disabled low and very low-income residents throughout the County
 - Explain the need being addressed by this project. Safety, ADA compliance, active transportation - The removal of this accessibility barrier through the rehabilitation and improvement of the curb ramps and ADA traffic signal will remove the restriction that disabled and elderly face in accessing the City's pedestrian facilities.
 - Explain how the need was identified. The need of this project primarily stemmed from a request for audible signal crossings by a visually impaired resident. Citizens with disabilities requested safety features at the sole traffic signal in the City of Morro Bay. In addition, the City's Bicycle and Pedestrian Master Plan of 2012 identifies as a priority the improvements of safety/ facilities / infrastructure at this intersection.
 - Who are the beneficiaries? How will eligibility be determined? All users of all modes of transportation will benefit from safety and ADA improvements to the intersection. The primary benefactor will be disabled pedestrians because of the addition of curb ramps and improved accessibility features for the crosswalks.
 - Is there community and/or political support? Explain. Yes, there is community support; the nexus of this project was from residents within the community.
 - Describe how the impact will be sustained once this round of funding ends. Improvements to the infrastructure providing sustained change for years to come and will be maintained by city staff.
- Organizational Capacity. Summarize the organization's background/capacity to carry out the proposed project. Address the following points:
 - Has the organization carried out this type of project previously? Explain. The city regularly improves infrastructure, but this will be one of the first improvements to a signalized intersection for the city that is focused on improvements to pedestrian and bicycle facilities.
 - What makes the organization a preferred provider of this service? The city owns and maintains city infrastructure The crosswalks, curb ramps, and signal crossings at this location are within the City Right of Way and owned by the City, thus, it is their responsibility to provide this upgrade and requested ADA service to the public. The City will be able to maintain this service and ensure that it is in compliance if they are the provider.

5. ELIGIBILITY

- Indicate the eligible activity category for this project. Public facilities and infrastructure improvements



6. SCHEDULE

- Provide a detailed project timeline, include milestones with units of measure. Estimated start date: 12/12/2022; estimated completion date: 09/30/2023. Apply for additional CDBG funds in 2022/23 Cycle: 11/01/2022. Start project design: 01/02/2023. Advertise for construction: 05/01/2023. Complete construction late 2023/ early 2024.
- Describe agency's record keep system with relevance to the proposed project and how reporting requirements will be met. There will be a budget/schedule for the project that is managed by the city's Engineering, Community Development, and Finance staff.

7. ADDITIONAL INFORMATION

- Has site control been obtained? If so, how is site control held? Attach documentation of site control. N/A
- Zoning. Is the current project location zoned for the proposed activity? If not, describe steps to be taken to ensure zoning requirements are met. Yes
- If applicable, indicate the application due date for tax credits. N/A
- Identity all permits necessary for the project. Include estimated dates of application and approval. Encroachment permits (City and Caltrans) – project is outside of Caltrans right of way, but it is close in proximity and may require an encroachment permit for traffic control device placement.
- Does this Project require Relocation? If so, attach Relocation Plan. N/A
- Indicate Housing Type (Permanent Homeowner Housing, Rental Housing, Transitional Housing). N/A
- Does the Project intend to target special populations (such as seniors, persons with disabilities, children in foster care, etc.)? This Project intends to target persons with disabilities through the implementation of an audible signal crossing, improved pedestrian push buttons, and ADA upgraded curb ramps. These features are intended to also benefit seniors. Naturally, the project will also greatly benefit all active transportation users.
- Will the Applicant be providing services? If so, please provide a brief explanation. N/A

8. ENVIRONMENTAL REVIEW

- Indicate level of environmental review required for proposed project. The project area is within existing city right of way (roadway, curb, gutter and sidewalk). It is not anticipated that additional right of way will be required that would necessitate environmental review. The project as it exists is likely categorically exempt.
- Indicate environmental review steps completed to date. N/A

9. SECTION 3 AND MINORITY AND WOMEN BUSINESS ENTERPRISES (AS APPLICABLE)

- Section 3: Please explain how Section 3 benchmarks will be met. Section 3 language will be included in the bid documents for construction.
- MBE/WBE: Please explain how your project will be marketed towards MBE/WBEs. Section 3 language will be included in the bid documents for construction.

10. ADDITIONAL REQUIRED DOCUMENTS

- Articles of Incorporation/Bylaws
- Non-profit Determination

Attachment 3



- n/a
- List of the Board of Directors
n/a
- Authorization to Request Funds
n/a
- Designation of Authorized Official
City Manager, Scott Collins is authorized per City purchasing policies
- Organizational Chart
- Most Recent Financial Audit
<http://morrobayca.gov/DocumentCenter/Home/Index/101>
- Policies and Procedures
https://library.municode.com/ca/morro_bay/codes/code_of_ordinances?nodeId=TIT3REFI_CH3.08PUSY_3.08.060COAPAU
- SAM Search
KAFQZMM3MRA5

RESOLUTION NO. 21-22

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
APPROVING COMMUNITY DEVELOPMENT BLOCK GRANT
PROJECTS FOR YEAR 2022**

**THE CITY COUNCIL
City of Morro Bay, California**

WHEREAS, via a Cooperation Agreement with County of San Luis Obispo (hereafter referred to as "County"), a political subdivision of the State of California, executed by the City of Morro Bay (hereafter referred to as "City") a municipal corporation, on July 7, 2020, the City agreed to become a participant for a period of three years with the County and other cities therein as an "Urban County" under the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, under the Cooperation Agreement, the City retains the authority to determine which projects are to be funded with its allotment of CDBG Program funds; and

WHEREAS, the CDBG Program promotes the public health, safety and welfare by providing grant funds to be used by the City and County to improve housing opportunities for low- and moderate-income households, to encourage economic reinvestment, to improve community facilities and public services, and to provide other housing-related facilities, or services; and

WHEREAS, the City expects to receive \$57,656 in CDBG funds in 2022; and

WHEREAS, in 2021, the County published a "Notice of Funding Availability" for projects to be funded under the 2022 CDBG Programs, which provided proposals were to be submitted by November 1, 2021; and

WHEREAS, at its meeting on December 14, 2021, the City Council gave approval for draft funding recommendations to be forwarded to the County Board of Supervisors for 2022 CDBG projects.

WHEREAS, draft funding recommendations from all members of the Urban County were included in the 2022 Draft Action Plan which was released for a 30 day public comment period that started December 28, 2021;

WHEREAS, at a duly noticed public hearing on March 8, 2022, the City Council gave approval for final funding recommendations to be forwarded to the County Board of Supervisors for 2022 CDBG projects.

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Attachment 4

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California:

1. City will timely submit final funding recommendations for the current CDBG funding cycle to the Board of Supervisors for the County of San Luis Obispo consistent with the programs and allocations listed in Exhibit "A," attached hereto and incorporated herein by this reference, to be funded with the City's allocation of CDBG Program funds.
2. City Manager is authorized for the current CDBG funding cycle to make pro rata adjustments to the allocation based on the final funding amount from San Luis Obispo County based on the approval of the federal budget and HUD's final grant amount to San Luis Obispo County

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 8th day of March 2022 on the following vote:

AYES: Headding, Addis, Barton, Ford, Heller

NOES: None

ABSENT: None



JOHN HEADDING, Mayor

ATTEST:



DANA SWANSON, City Clerk

EXHIBIT "A"
 FINAL FUNDING RECOMMENDATIONS
 TO FORWARD TO THE
 COUNTY BOARD OF SUPERVISORS

Public Services – Limited to 15% of 2022 Allocation (or a maximum of \$8,648)	Amount Requested	Amount Recommended
1. <u>Project Name:</u> San Luis Obispo Municipal and County Supportive Housing Program for Low-Income Households Applicant: Peoples' Self-Help Housing Corporation (PSHH)	34,911	7,748
2. <u>Project Name:</u> 22-23 Homeless Services: Shelter, Outreach, RRH and HP Services Applicant: 5 Cities Homeless Coalition (5CHC)	\$900	\$900
<u>Rollover to 2023 CDBG Program Year</u>		
<u>Unallocated funds for rollover</u>	\$37,477	\$37,477
Administration – Limited to 20% of 2022 Allocation (City=35% / County =65%)	\$11,531	
City Program Administration Costs (Required County Administration Costs)	\$4,036 (\$7,495)	\$4,036 (\$7,495)
Total Funds Requested	\$57,656	
Estimated Total 2022 Funding Available		\$57,656



City of Morro Bay City Council

Community Development Block Grant (CDBG) Program

Review and Adopt Draft Funding
Recommendations for 2023 Program Year

CDBG Program

- Federal entitlement funding via participation with the Urban County consortium
- Funding availability for 2023 year is \$52,383 plus of \$37,477 of 2022 rollover funding.
- Draft funding recommendations are forwarded to County Board of Supervisors followed by public comment period and final funding recommendations early 2023.
- Two applications for funding received under the Public Services & Public Facilities categories.

CDBG Program

Application Name <i>(includes funding limits)</i>	Brief Project Description	Amount Requested	Amount Recommended
Rapid Re-Housing & Homeless Prevention Program by 5CHC <i>(limited to 15% of allocation)</i>	Provide continued services of their countywide Rapid Re-housing program, targeted supportive services with assistance for homeless or people at risk of homelessness	\$3,500	\$3,500
City Public Works Department	ADA accessibility upgrades to signalized intersection at Quintana & Main Streets and upgrades ADA curb ramps to benefit seniors and persons with disabilities providing improved pedestrian access at a heavy traffic intersection.	\$100,000	\$75,884 <i>(breakdown is: \$38,407 of 2023 funds and \$37,477 of 2022 rollover)</i>
General administration costs <i>(limited to 20% of allocation)</i>	CDBG allowed administration for program costs / staff time	\$3,667	\$3,667

CDBG Staff Recommendation

- Recommendation: Fund the request by 5 Cities Homeless Coalition, Public Works ADA Upgrade Project, and City administration at \$3,667 using 2022 rollover allocation along with 2023 CDBG funding allocation for a total recommendation of \$89,860.
- Additionally, authorize the City Manager to make pro rata adjustments to the allocation based on any HUD budgetary changes to the approved final 2023 CDBG funding amount from San Luis Obispo County.