



AGENDA NO: PC

MEETING DATE: August 8, 2023

**AGENDA CORRESPONDENCE
RECEIVED BY THE CITY COUNCIL FOR
PUBLIC REVIEW PRIOR TO THE MEETING**

August 2023

To: Morro Bay Mayor and City Council Members

As business owners, residents and property owners we feel that we need to address an ongoing issue. Morro Bay is at a crossroad. We want to remain viable as a city, maintain our quality of life and city services and improve our infrastructure. To do this, renewed economic stability and growth is absolutely necessary. Yet there seems to be a portion of our community that resist a healthy economy.

Our City relies on three “legs” for funding: TOT (transient occupancy tax, collected by hoteliers and the lodging industry), sales tax and property tax. In a town so heavily reliant on tourism, your business community has an interdependency where tourism taxes and sales tax go hand in hand. And those owners, many of whom are also your neighbors, may also be paying property tax on commercial as well as residential properties.

Right now, it seems that some full time residents see themselves at odds with business owners, and even as adversaries, rather than neighbors with a common goal. Without strong and successful businesses, both those that serve locals as well as tourists, we will fail as a city.

Our council and community have identified these overall goals for Morro Bay:

- **Fiscal Stability** -Residents and business owners both want other sources of revenue for the city so neither will be the only “piggy bank” for the city.
 - Replacement of power plant revenue through economic development
 - Create less dependence on fluctuation in tourism dollars
 - Stop the decrease in the year round population.
- **Maintain quaint “fishing village” atmosphere** -which is critical as part of our attractiveness and quality of life for residents, visitors and potential employers/employees.
- **Improve Infrastructure** maintain a functional and attractive place to live and visit, including repairing roads and aging utilities, improving circulation, and sanitation.
- **Provide Affordable housing for residents (e.g. employees, young families, teachers, first responders etc.).** The business community wants more year round residents because not all businesses cater to tourism. We all have stories of family members, employees and friends who can’t find housing in

Morro Bay. New residents help support businesses, pay into our sewer fees, add property taxes, keep our schools solvent, and if they have jobs in our community, reduce the polluting affects of a commuter workforce. Morro Bay has a reasonable growth cap and limited areas to add housing. We also have a 20% vacancy rate due to second home ownership. Adding more and diverse full time community members can be positive!

As you can see we need to collaborate more so that these mutual goals can be achieved.

- If we do **nothing** to grow and diversify commercial revenue, the city will not be able to afford its own Police, Fire, or improvements to our roads and other infrastructure.
- Without additional housing, whether it be above first floor commercial buildings in the downtown, or in some form of (state mandated) density increases, we will not have homes for workers, families with children, college students and the elderly.
- The only way a shrinking community with failing businesses can survive is by a drastic increase in property tax--a very unpalatable solution.

The Chamber of Commerce has stepped up with yeoman efforts to provide assistance/ tools/guidance for all local Businesses (Chamber and non-Chamber) through the COVID epidemic. They continue to make Economic Development a reality by working closely with the city. As a result there have been a number of new businesses coming to Morro Bay, and existing businesses receive the help they need to thrive. Morro Bay cannot afford to hire an Economic Development director, but it's partnership with the Chamber and it's CEO has leveraged resources to fulfill both the implementation sections of Morro Bay's adopted Economic Development Strategic Plan, and the new General Plan/Local Coastal Plan. USE THE PLANS THE CITY HAS PAID SO MUCH FOR!

Remember, your businesses ARE your neighbors, and ARE your community. We can't exist without each other.

Ken MacMillan
DiStasios Restaurant

Susan Stewart
Beads by the Bay

Lorraine Sterkel
Horizon Realty and Property Management

David L. Thomas, CEO
The Shell Shop, Inc.

Nick Mendoza, Owner
Lolo's Mexican Restaurant

Steve Mathieu and Nancy Castle
AGP Video, Inc.

Charlie Clingman
Forever Stoked Art

William Luffee
President of the Friend of the Morro Bay Harbor Department

Paul Van Beurden
Dutchman's Seafood House Restaurant

Stan Trapp
Marina Square

Bob Fowler
Morro Bay Landing



AGENDA NO: A-3

MEETING DATE: August 8, 2023

**AGENDA CORRESPONDENCE
RECEIVED BY THE CITY COUNCIL FOR
PUBLIC REVIEW PRIOR TO THE MEETING**

Dana Swanson

From: betty winholtz <[REDACTED]>
Sent: Tuesday, August 08, 2023 2:39 AM
To: Carla Wixom; Laurel Barton; Jennifer Ford; Zara Landrum; Cyndee Edwards
Cc: Dana Swanson
Subject: agenda item a-3

CAUTION: This is an external email. Please take care when clicking links or opening attachments.

Dear City Council:

These Minutes record a questionable vote on agenda item C-1, the intersection of 41/1/Main. To clear the air, a correction should be made: the vote was 2-2-1 as all in the room witnessed. (A breach of conduct by whispering into a city council member's ear, produced the 3-2 vote.)

For the sake of your individual reputations as well as the reputation of the city council as a whole, I urge you to have a re-vote. It will make for a clean vote, clearing the air of any undue influence or violation of protocol.

To do otherwise sullies your appearance of honest government.

You can put this matter to bed by taking another vote. There is nothing to lose but the doubt on your integrity, and everything to gain for going the extra mile to demonstrate good government. Take the high road.

Sincerely,
Betty Winholtz



AGENDA NO: A-6

MEETING DATE: August 8, 2023

**AGENDA CORRESPONDENCE
RECEIVED BY THE CITY COUNCIL FOR
PUBLIC REVIEW PRIOR TO THE MEETING**

Dana Swanson

From: Jeffrey Heller <[REDACTED]>
Sent: Saturday, August 05, 2023 8:11 PM
To: Dana Swanson
Subject: Item A-6: Agenda Correspondence for Reg. CC Mtg - 8/8/23

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I applaud the community grant of \$1,000 to R.A.C.E Matters--an important and established local non-profit organization--and look forward to a showing of "Wade In The Water" at our Bay Theater on September 18th!

Jeff Heller



AGENDA NO: A-7

MEETING DATE: August 8, 2023

**AGENDA CORRESPONDENCE
RECEIVED BY THE CITY COUNCIL FOR
PUBLIC REVIEW PRIOR TO THE MEETING**

Dana Swanson

From: patticake801 [REDACTED]
Sent: Thursday, August 03, 2023 7:53 PM
To: Council
Subject: Consent agenda A-7

CAUTION: This is an external email. Please take care when clicking links or opening attachments.

I think it is very important that you notify the nearby motel and other housing that this proposed business will be having loud SOUND BATHS and that will be disturbing to their guests. According to their website there are classes starting at 6:45 am. How will Dorns cope with the noise?? Please check out their website. Let's get Tuned. I've been doing yoga in this town for many years and I hope they have other financial means to pay the rent. We have two good studios in town already; 9th limb and Omni studio. In my opinion, the majority of tourists who travel here are from the Central Valley and don't impress me as yoga people. (in case they are counting on tourists) I wish them luck but I don't know how they can possibly be successful there. But truly, my main concern is the noise for the surrounding Motels. Patti Anderson

[Sent from the all new AOL app for iOS](#)



AGENDA NO: C-1

MEETING DATE: August 8, 2023

**AGENDA CORRESPONDENCE
RECEIVED BY THE CITY COUNCIL FOR
PUBLIC REVIEW PRIOR TO THE MEETING**

Dana Swanson

From: betty winholtz [REDACTED]
Sent: Tuesday, August 08, 2023 2:39 AM
To: Carla Wixom; Laurel Barton; Jennifer Ford; Zara Landrum; Cyndee Edwards
Cc: Dana Swanson; Greg Carpenter
Subject: agenda item c-1

CAUTION: This is an external email. Please take care when clicking links or opening attachments.

Dear City Council:

To compare the missions of Chambers of Commerce at various levels, I found these quotes at the respective websites:

National Chamber of Commerce: "to fight for the interests of business and free enterprise"

CA Chamber of Commerce: "advocates for business-friendly policies and helping California businesses comply with complex laws and regulations."

SLO City (no County Chamber of Commerce): "As an independent nonprofit corporation (not affiliated with government or any other agency), we uniquely serve the needs of our nearly 1,400 members and the more than 38,000 individuals they collectively employ."

Morro Bay Chamber of Commerce: "We serve as an advocate on behalf our business community and promote a local economy of opportunity. Today our Chamber fulfills its mission by connecting business peers to one another, to local leaders, and to community champions."

Apparently, other Chambers are not as directly involved with government as Morro Bay's. So I have to ask why on a few line items:

1. Why is the City's Public Works Department involved in economic and Chamber matters (1.b.)?
2. "Assist the new city manager with establishing relationships" (1.d.)? In this context, the word "assist" is vague; could this be better defined?
3. "Assist with...communications contractor" (2.e.); who is this contractor communicating with? in a time of City belt tightening? Why would the Chamber need to help this contractor; are they not an expert?
4. "Assist the Harbor Department (as requested)" (2.f.); I'm glad the phrase "as requested" is there, as it should be for any city department, not assumed. Is our harbor master not an expert?
5. "Provide assistance with city property" (2.g.)
6. Section #3 should receive first attention: assisting businesses, not city departments.

It's great to cross off accomplishments.

Sincerely,
Betty Winholtz

Embarcadero Master Leaseholders, LLC

August 4, 2023

City Council
City of Morro Bay
945 Harbor Drive
Morro Bay, CA. 93442

Re: August 8, 2023 Agenda Item # C-1
Economic Development Services Contract

Madam Mayor and Members of the City Council,

The Embarcadero Master Leaseholders would like to express our support for the work done by the Morro Bay Chamber of Commerce. Not all of our members or our subtenants are members of the Chamber, but every business reaps the benefits of the Chambers work. We believe that this work benefits us not only as contributors to the business community but also as fellow citizens of Morro Bay.

We humbly draw your attention to the following points:

1. The Chamber has provided invaluable assistance to the City on Economic Development and all the other tasks described in the Economic Development Services contract at a cost substantially less than the cost of employing internal staff for the same scope of work.
2. The Chamber's work is vitally beneficial to our residents as well as business community given Morro Bay's reliance on revenue from Sales Taxes and Transient Occupancy Taxes to provide essential services. The work of Economic Development becomes crucial for all citizens not just the business community.
3. While the Chamber steadfastly maintains its integrity by not taking positions on individual projects, they have provided our community with a 'seat at the table' so that we stay informed on regional and statewide projects that will have critical impacts to our community and its residents. Whether one supports those energy projects or not, it must be realized that forces outside our immediate community can and will influence whether they get approved or not. If we do not have a 'seat at the table' as these projects proceed, our community's interests will go unsaid and unheard.
4. With the newly hired city manager and harbor director, the Chamber's assistance to each of them as a storehouse of the history of economic development and harbor development will be very valuable in their understanding of very complicated issues and

Embarcadero Master Leaseholders, LLC

August 4, 2023
City Council
City of Morro Bay

the City's business dealings that they would otherwise spend months and years accumulating.

The Chamber is an important organization with enough staff and an understanding of our community's needs to be a representative for us in those organizations that are advancing these projects through the state and federal bureaucracies. They will not be the only organization involved in promoting the interest of our community, but theirs is an important adjunct to the City's efforts.

The Chamber has also worked under contract with the City of Morro Bay on issues and tasks that are important to the business community and by extension important to our residents. The Chamber has the staff and acumen of the specific needs and peculiarities of Morro Bay to advise on our unique Economic Development needs. With the loss of revenue from the power plant and other sources, the City of Morro Bay has struggled to continue to fund important services to our community. With the passage of Measure Q and E we've put a finger in the dyke, but its really only staved off the shortfall for a short period of time. If we want to continue to have our own police and fire departments and not become dependent on the County for those services, the City must find new sources of revenue.

The Chamber is uniquely positioned and knowledgeable of our community's needs to provide that service.

We kindly request the approval of the continuation of the Economic Development Service contract with the Morro Bay Chamber of Commerce.

Sincerely,

Embarcadero Master Leaseholders, LLC

Dana Swanson

From: Jeffrey Heller [REDACTED]
Sent: Saturday, August 05, 2023 9:09 PM
To: Dana Swanson
Subject: Item C-1: Agenda Correspondence for Reg. CC Mtg. 8/8/23

CAUTION: This is an external email. Please take care when clicking links or opening attachments.

Item C-1 addressed the Scope of Work for the MB Chamber of Commerce under their current contract.

The Chamber plays an important role in promoting local businesses both existing and new. The energy and enthusiasm they bring to work is outstanding, and their networking capacity is invaluable.

However, I am not sure that designating the Chamber as "proactive representatives" to regional growth organizations is appropriate. Wouldn't it be better if our residents were represented regionally by their elected officials?

In addition--many residents are not comfortable with the chamber organizing or hosting events related to controversial projects. The BESS and WindFarm projects come to mind.

Hopefully the council will discuss these concerns when the Scope of Work proposed for the remainder of the contract is considered.

Thank you all for your time and work for the City!

Jeff Heller



AGENDA NO: C-2

MEETING DATE: August 8, 2023

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PUBLIC REVIEW PRIOR TO THE MEETING**

Dana Swanson

From: betty winholtz <[REDACTED]>
Sent: Tuesday, August 08, 2023 2:39 AM
To: Carla Wixom; Laurel Barton; Jennifer Ford; Zara Landrum; Cyndee Edwards
Cc: Dana Swanson; Greg Kwolek
Subject: agenda item c-2

CAUTION: This is an external email. Please take care when clicking links or opening attachments.

Dear City Council:

Why is the increase of \$48,000 to the City's budget by the Garbage proposed increase fees already in the City's budget? Did the City know ahead of time that the garbage company was going to propose this increase so soon?

Is the \$92,000 revenue increase from the garbage company to the city budget after deducting for the \$48,000 expense increase or before?

According to my pocketbook the 1-year-ago increase was 14.47% increase, not 9.07%. As I recall, there was confusion as to who was sending out the Proposition 218 protest ballot last year: the City or the garbage company?

Sincerely,
Betty Winholtz

Dana Swanson

From: patticake801 <[REDACTED]>
Sent: Friday, August 04, 2023 12:57 PM
To: Council
Subject: Trash rates

CAUTION: This is an external email. Please take care when clicking links or opening attachments.

Please do not approve higher rates for our garbage collection. Everything has gone up and this will just add to the hardship of many who are struggling. Patti Anderson

[Sent from the all new AOL app for iOS](#)

Dana Swanson

From: Jeffrey Heller [REDACTED]
Sent: Saturday, August 05, 2023 9:21 PM
To: Dana Swanson
Subject: Item C-2 - Trash Fee Increases - Reg. CC Mtg 8/8/23

CAUTION: This is an external email. Please take care when clicking links or opening attachments.

I will let Greg Kwolek and support staff explain the details of this item.

It is not good news for any of us.

Nobody wants our trash.

Trash is expensive to dispose of.

The only "good trash" is the organic material that goes in the green bin.

All we can do is change what we consume and how it's packaged.

May the Force be with us!

Jeff Heller



AGENDA NO: C-3

MEETING DATE: August 8, 2023

**AGENDA CORRESPONDENCE
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Heather Goodwin

From: Nicole Dorfman [REDACTED]
Sent: Tuesday, August 8, 2023 12:48 PM
To: Council
Subject: Comment on item C-1

CAUTION: This is an external email. Please take care when clicking links or opening attachments.

Dear Mayor Wixom and City Councilmembers,

I am writing to comment on item C-1, which involves reviewing and commenting on the proposed Scope of Work contract with the Morro Bay Chamber of Commerce for fiscal year 2023-2024.

Over the years, the Chamber has played an important role in promoting and supporting local businesses in a variety of ways. Although I am not a member, I have attended numerous Chamber events and have found them to be very informative and fun. The Chamber has a strong presence in the Morro Bay and I believe their work is making a difference.

While I value the Chamber's work supporting local businesses, I am concerned by the inclusion of a "Legislative Platform" in the Chamber's "Strategic Imperatives" and feel strongly that City resources should **not** be used to advance these efforts. Furthermore, while the Legislative Platform is referred to on the Chamber's website, it is not available for viewing. Instead, a note indicates it is available to Chamber members upon request.

When considering this renewed contact, I urge the Council to reject any items or expenditures that relate to the Chamber's Legislative Platform as Chamber goals and priorities may well be in conflict with the goals and priorities of Morro Bay residents and City Councilmembers. Thank you for asking questions about the Chamber's work in the legislative arena and for creating a hard boundary between City funding and the Chamber's political advocacy efforts.

Sincerely,
Nicole Dorfman
Morro Bay

Dana Swanson

From: betty winholtz [REDACTED]
Sent: Tuesday, August 08, 2023 2:39 AM
To: Carla Wixom; Laurel Barton; Jennifer Ford; Zara Landrum; Cyndee Edwards
Cc: Dana Swanson; Greg Kwolek
Subject: agenda item c-3

CAUTION: This is an external email. Please take care when clicking links or opening attachments.

Dear City Council:

Here is an opportunity to not violate the law, since the City is ready to make a deal it cannot. Morro Bay is not to sell water outside its City boundaries. While it is fine to seek grant help, this key legal piece must be addressed before any other action is taken. What legal steps must the City go through to amend its General Plan/Zoning Ordinance to make this potential pact with Rancho Colina legal? You have sworn to uphold the laws of the land, how will you do that in this case?

Also, there is the 41/1/Main intersection including a potential change on top of the land as well as what is underneath the ground, like known and unknown distribution and collection system pipes, as well as indigenous artifacts that align with Hwy 41 for a distance both east and west. This is a complex and intricate situation. Perhaps a committee of experts needs to ferret out all the multiple layers involved with the City engaging with Rancho Colina.

Sincerely,
Betty Winholtz