



# CITY OF MORRO BAY HARBOR ADVISORY BOARD 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 Thursday, May 1, 2025, 5:30 P.M. 209 Surf St., Morro Bay, CA**

Cal Myers	Recreational Boating
Cherise Hansson	Waterfront Leaseholders
Gene Doughty	South Bay/Los Osos
Sean Green	Member at Large
Marshall Witkowski	Marine Oriented Business
Jeremiah O'Brien	Morro Bay Commercial Fishermen's Organization
Vacant	Alternate to Jeremiah O'Brien (MBCFO)

### Public Participation:

*Public participation is allowed in the following ways:*

- *Community members may attend the meeting in person at the Morro Bay Veterans Memorial 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=aWZpTzcwTHlRTk9xaTlmWVNWRWFUQT09>  
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 Harbor Advisory Board at [hab@morrobayca.gov](mailto:hab@morrobayca.gov) prior to the meeting. Agenda Correspondence received at [hab@morrobayca.gov](mailto:hab@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

CHAIR, ADVISORY BOARD MEMBER & COUNCIL LIAISON ANNOUNCEMENTS AND PUBLIC OUTREACH REPORTING

PRESENTATIONS – None

PUBLIC COMMENT

Members of the audience wishing to address the Harbor Advisory Board (HAB) on Harbor 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 HAB at this time.

A. CONSENT CALENDAR

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

A-1 Approval of Minutes from the Harbor Advisory Board meeting held on March 6, 2025  
**RECOMMENDATION: Approve as submitted.**

A-2 Harbor Department Status Report  
**RECOMMENDATION: Receive and file report.**

B. BUSINESS ITEMS

B-1 Goal Setting, Proposed Actions, and Budget Items  
**RECOMMENDATION: Staff recommend that the Harbor Advisory Board receive the presentation from the Harbor Director regarding the status of undertaken and proposed Harbor projects. HAB should review the proposed action items and budget items as they fit into the City Council's goals for 2025-2027.**

B-2 Consideration of Ad-Hoc Committee Formation to Explore a License Agreement Program for Non-Brick-and-Mortar, Non-Competing Businesses in the Tidelands Trust Area  
**RECOMMENDATION: Staff recommend that the Harbor Advisory Board form an ad-hoc committee to explore the feasibility and framework for a license agreement program.**

C. DECLARATION OF FUTURE AGENDA ITEMS

Pending items previously declared:

- TOT Derived from Waterfront to be used by the Harbor Fund
- Goals Work Planning Process - Reform Ad-hoc Committees
- Coleman Park Update
- CFAC Joint Ad-Hoc Committee
- Parking Ad-Hoc
- Waterfront Master Plan
- Create an Ad-Hoc committee for harbor vitality opportunities
- ~~Commercial fishing slip qualifications.~~
- Reexamine the commercial slip fees
- Budget - HAB Goals
- Deeper dive into the slip qualifications

#### D. ADJOURNMENT

This agenda is subject to an amendment to 72 hours prior to the date and time set for the meeting. Please refer to the agenda posted at the Morro Bay Harbor Department, 1275 Embarcadero, for any revisions or call the department at 805-772-6254 for further information.

Materials related to an item on this Agenda are available for public inspection during normal business hours at the Harbor Department, 1275 Embarcadero Road, or online at [www.morrobayca.gov](http://www.morrobayca.gov). Materials related to an item on this Agenda submitted to the Board after publication of the Agenda packet are available for inspection at the Harbor Department during normal business hours or at the scheduled meeting.

MINUTES-MORRO BAY HARBOR ADVISORY  
BOARD MEETING – MARCH 6, 2025  
VETERAN'S MEMORIAL HALL – 5:30 P.M.

AGENDA NO: A-1  
MEETING DATE: May 1, 2025

PRESENT:	Cal Myers	Chair
	Cherise Hansson	Vice-Chair
	Jeremiah O'Brien	Member
	Gene Doughty	Member
	Sean Green	Member
	Marshall Witkowski	Member
STAFF:	Yvonne Kimball	City Manager
	Chris Munson	Harbor Director
	Lori Thompson	Harbor Business Coordinator

ESTABLISH QUORUM AND CALL TO ORDER

[https://youtu.be/ipCld\\_VyGxU?si=jFHYHgMWajITqkee&t=6](https://youtu.be/ipCld_VyGxU?si=jFHYHgMWajITqkee&t=6)

The meeting was called to order at 5:30 p.m., with a quorum present.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

CHAIR, ADVISORY BOARD MEMBER & COUNCIL LIAISON ANNOUNCEMENTS AND PUBLIC  
OUTREACH REPORTING

PRESENTATIONS - None

PUBLIC COMMENT

[https://youtu.be/ipCld\\_VyGxU?si=zWoclJ2e-zgDegt9&t=493](https://youtu.be/ipCld_VyGxU?si=zWoclJ2e-zgDegt9&t=493)

The public comment period.

Bill Luffee, member of the Morro Bay Otter Club, announced the pilot program of a mobile sauna located at Coleman Park.

The public comment period was closed.

A. CONSENT AGENDA

[https://youtu.be/ipCld\\_VyGxU?si=0PjMHanEfOm6aEZj&t=633](https://youtu.be/ipCld_VyGxU?si=0PjMHanEfOm6aEZj&t=633)

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

A-1 Harbor Department Status Report.

Chair Myers pulled item A-1 for discussion.

**MOTION:** Board Chair Myers moved to approve the consent agenda. The Motion was seconded by Board Member O'Brien and carried 6-0-0.

B. BUSINESS ITEMS

[https://youtu.be/ipCld\\_VyGxU?si=WbJvYmDoX8J5Inf3&t=935](https://youtu.be/ipCld_VyGxU?si=WbJvYmDoX8J5Inf3&t=935)

B-1 CALIFORNIA MARINE AFFAIRS & NAVIGATION CONFERENCE (CMANC)

Harbor Director Munson presented the staff report for item B-1 and responded to Member inquiries.

The public comment was open and closed with no comments

B-2 CITY COUNCIL GOALS AND OBJECTIVES UPDATE, AND RECEIPT OF HARBOR ADVISORY BOARD INPUT FOR THE UPCOMING GOALS AND OBJECTIVES SETTING PROCESS

[https://youtu.be/ipCld\\_VyGxU?si=RslGIIN8jyS4MuaW&t=1544](https://youtu.be/ipCld_VyGxU?si=RslGIIN8jyS4MuaW&t=1544)

City Manager Kimball presented a power point presentation for item B-2 and responded to member inquiries.

Director Munson briefly clarified the board's action item requests that will be forwarded to City Council for approval.

There was Board discussion and goals set for public infrastructure.

**MOTION:** Board Vice Chair Hansson moved to approve the following Public Infrastructure goals.

1. Public Infrastructure
  - A. Immediate Repairs to Boat Ramp (Phase 1)
  - B. Tidelands Facility Inspections of Public Areas and Lease Sites
  - C. ~~Refurbish/Replace Light Posts on Embarcadere~~
  - D. Address Mooring Inspection and Engineering Needs
  - E. Assess the Feasibility of State Park Marina Dredging
  - F. Continue effort to rehabilitate Coleman Park/bathrooms and erosion along the harbor walk as well as other areas surrounding Morro Rock access.
  - G. Working waterfront, Harborwalk pathway implement HAB recommendation

The Motion was seconded by Board Chair Myers and carried 6-0-0.

Continued Board discussion and goals set for economic vitality.

**MOTION:** Board Vice Chair Hansson moved to approve the following Economic Vitality goals.

2. Economic Vitality:
  - A. Stay engaged in OSW seeking payment for staff time and resources
  - B & E. Pursue grant funding opportunities for city owned harbor infrastructure
  - C .Paid Parking Program at the Rock
  - D.To pursue creating an ad hoc committee for harbor vitality opportunities with pertinent stakeholders.

The Motion was seconded by Board Chair Doughty and carried 6-0-0.

Continued Board discussion for goals 3 and 4.

3. Housing and Homelessness-none
4. Community Outreach
  - Conduct joint council/advisory meetings
  - Consider advisory reports to Council.

**MOTION:** Board Chair Myers moved to approve the Housing and Homelessness and Community Outreach goals as is. The Motion was seconded by Board Member Witkoski and carried 6-0-0

The public comment period was opened.

Bill Luffee spoke to the importance of dredging the Back Bay Park Marina and the Coleman Park restroom.

The public comment was closed.

B-3 APPROVAL OF EXCUSED ABSENCE REQUEST FOR BOARD MEMBER WITKOWSKI

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**MOTION:** Board Member Green moved to excuse Member Witkowski's absence from the February 6, 2025, HAB meeting. The Motion was seconded by Member Myers and carried 6-0-0.

The public comment period was open and closed with no comments.

C. DECLARATION OF FUTURE AGENDA ITEMS

[https://youtu.be/ipCld\\_VyGxU?si=DdRroqCmdK2edc5H&t=7143](https://youtu.be/ipCld_VyGxU?si=DdRroqCmdK2edc5H&t=7143)

There was HAB consensus to add to the future agenda list the following:

Create an ad-hoc committee for harbor vitality opportunities.  
Commercial fishing slip qualifications.

D. ADJOURNMENT

This meeting was adjourned at 7:34 p.m.

Lori Thompson  
Harbor Department



AGENDA NO: A-2

MEETING DATE: May 1, 2025

# Staff Report

**TO:** Harbor Advisory Board

**DATE:** April 21, 2025

**FROM:** Harbor Staff

**SUBJECT:** Harbor Department Status Report

## RECOMMENDATION

Receive and file report.

## DISCUSSION

### Recent Harbor Department Activity:

#### Harbor Patrol Statistics

##### March 27- April 24 2025:

Bay Patrols: 99

Land Patrols: 241

Emergency Responses: 19

Calls for Service: 155

Assist Other Agencies: 81

Enforcement Contacts: 49

Training: 35

Maintenance Actions: 303

Weather Advisories: 15

Entrance Restrictions: 6

### Harbor Patrol Activity

As summer approaches and recreational fishing has opened, we are seeing more activity on the water in Morro Bay. National Safe Boating Week is May 17-23 as a reminder for all boaters to brush up on boating safety skills and prepare for the boating season. The Harbor Department will be hosting an open house at the North T Pier on Saturday May 17 from 9am-1pm in conjunction with the Coast Guard Auxiliary, SLO County Sheriff and Fish and Wildlife Wardens. We are also sponsoring Safe Boating Classes to obtain the California Boater Card at the Morro Bay Community Center. For more information on upcoming classes and/or Safe Boating Day come by the Harbor Office or call 805-772-6254.

### Lifeguard Academy

The United States Lifesaving Association (USLA) is recognized nationally and internationally to set the standards for the training, equipping and preparedness of those assigned to prevent drowning and other injury in open water environment. Morro Bay Harbor Department is an accredited USLA agency that hosts a 40-hour Ocean Lifeguard Academy in compliance with the USLA recommended guidelines. USLA requires certified agencies to adhere to the following requirement: "Lifeguards

Prepared By:   Lt/BK  

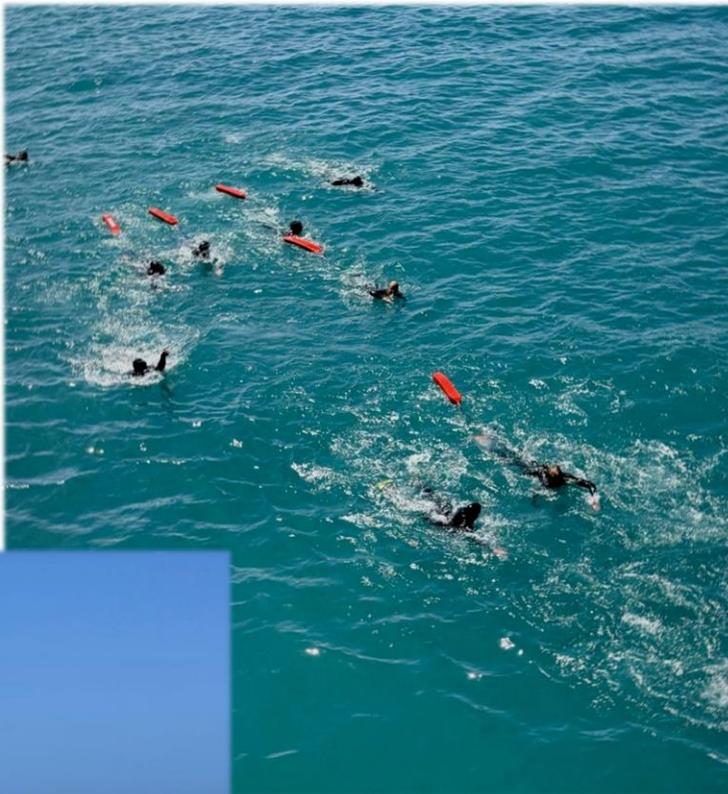
Dept Review:   EF  

City Manager Review: \_\_\_\_\_

City Attorney Review: \_\_\_\_\_

assigned to water surveillance have the primary responsibility of observing and managing persons in the water, as well as to provide assistance to persons in the water and shall not be assigned to any duties other than public safety.” It was a small recruitment for new lifeguards this year with only 8 cadets that spanned between 3 agencies: San Luis Obispo County Cayucos Beach Lifeguards, Morro Bay Junior Guard Instructors and Harbor Department Lifeguards with several returning lifeguards attending for recurrent training hours. Tough ocean conditions prevailed that challenged them physically and prepared them for the duties which they may encounter in our waters of Estero Bay.

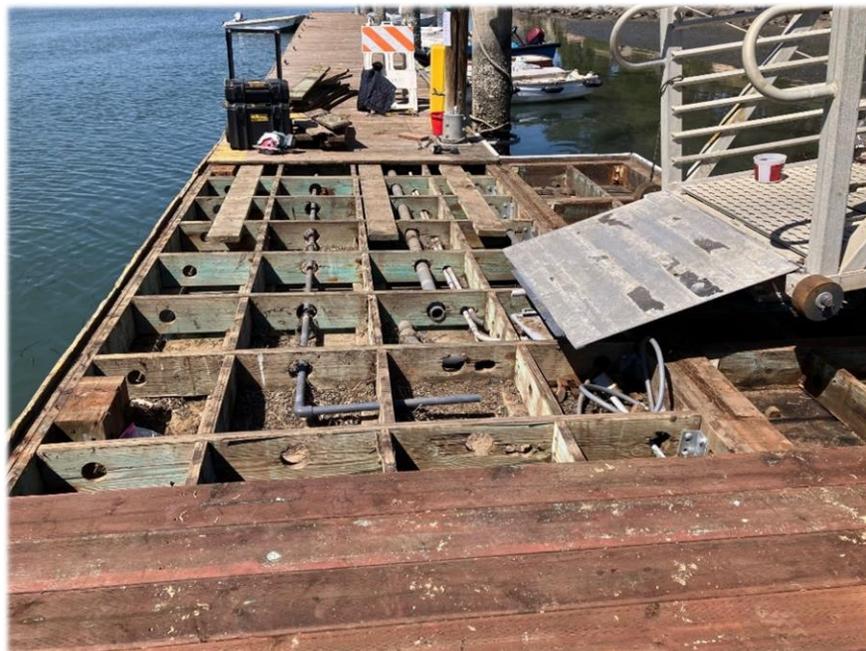
The Lifeguard season in Morro Bay begins Memorial Day weekend and ends the first weekend in October.



### **Tidelands Dock Repairs**

Repairs were made at Tidelands dock to replace the floatation under the gangway and install a new pumpout station. The Harbor Department was awarded a grant from the California State Parks Division of Boating and Waterways Sewage Management in the amount of \$17,297 for the purchase and installation of the pumpout station. The Morro Bay National Estuary Program also provided \$8400 in Consent Decree funding to support the project. The pumpout station provides an essential

public service by offering free, convenient disposal of sewage from vessels and is available 24 hours a day. Tidelands dock was built in the early 90's and the floatation was beginning to fail under the gangway due to leaking styrofoam filled floats.



### Noteworthy Calls for Service

**3/31/25** Walk in report of a sailing vessel on the North T Pier not tied up. S/V SPIRIT had broken free of its mooring near the Yacht Club and drifted through the bay where it was pushed against North T-Pier pier in the wind. Harbor Patrol secured the vessel to the pier before eventually towing it to the Yacht Club and contacted the owner. There appeared to be a small amount of damage to the starboard side, but luckily didn't contact any other vessels.

While returning from towing S/V SPIRT Harbor Patrol was dispatched to the Rock for a surfer stuck in a rip current. This initiated a code 3 response back to the Harbor Patrol dock to divide officers to respond to the scene by truck with a rescue swimmer and by rescue watercraft (RWC). Once on scene, they observed a 20-year-old female on a soft top having trouble making her way in through the outlet and showing signs of fatigue. Reserve Harbor Patrol Officer MacIntosh swam out to assist her. Once the victim was safely on shore she was assessed by paramedics and cleared. Harbor Patrol gave a safety lecture on outlet dangers and rip current awareness.

**4/15/25** Harbor Patrol Officers were called to Tidelands dock for an argument between a mooring owner and contractor trying to complete repairs on Tidelands dock. Both parties were separated on arrival and advised the mooring owner the dock was closed as signage indicated due to work being completed under the gangway. Harbor Patrol offered to transport the mooring owner back out to their vessel in the bay from another dock.

Harbor Patrol received a phone report of a possible flipped over vessel 1 mile out from the Sand Spit parking lot in Montana de Oro. The citizen described a blue and yellow object floating and thought it could be a capsized kayak. Harbor Patrol responded in boat 3869 and RWCs. On scene, Harbor Patrol found a large Morro Bay Yacht Club racing buoy floating horizontal on the surface 3/4 mile outside Sand Spit. Patrol cancelled the response of other agencies dispatched and towed the racing buoy back in to the harbor.

**4/19/25** A broke down recreational fishing vessel hailed for help near the harbor mouth and was safely towed back to the launch ramp by Harbor Patrol.

Harbor Patrol was requested to check on a harbor seal pup at the south side of the Rock, that was reportedly stuck in the North jetty. After locating the pup, Patrol contacted the Marine Mammal Center to assist in the recovery of the pup.

**4/21/25** Just after 6am, Harbor Patrol was flagged down on the beach near the Rock by a dog walker reporting a car in the creek near the bridge. A black SUV was upside down in the creek on the Northeast side of the bridge and requested response from Police and Fire. Harbor Patrol waded into the water to see if anyone was inside, but no one was found. The driver had left the scene to request a tow truck and admitted having been under the influence but uninjured. The car was safely removed from the creek, all debris cleared and turned over to Police for further enforcement.



**4/22/25** Harbor Patrol was hailed by a commercial fishing vessel that had a blown transmission and was adrift in the bay. Patrol staff towed the vessel back into its slip.

The Army Corps of Engineers conducted a harbor survey and required support to monitor water depths near the sandspit. Harbor Patrol assisted by transporting surveyors to and from the tip of the Sand Spit.

**4/27/25** The annual Blessing of The Fleet will be held at the North T-Pier and lunch at the Morro Bay Veteran's Hall provided by the Morro Bay Commercial Fishermen's Organization and Central Coast Women for Fisheries

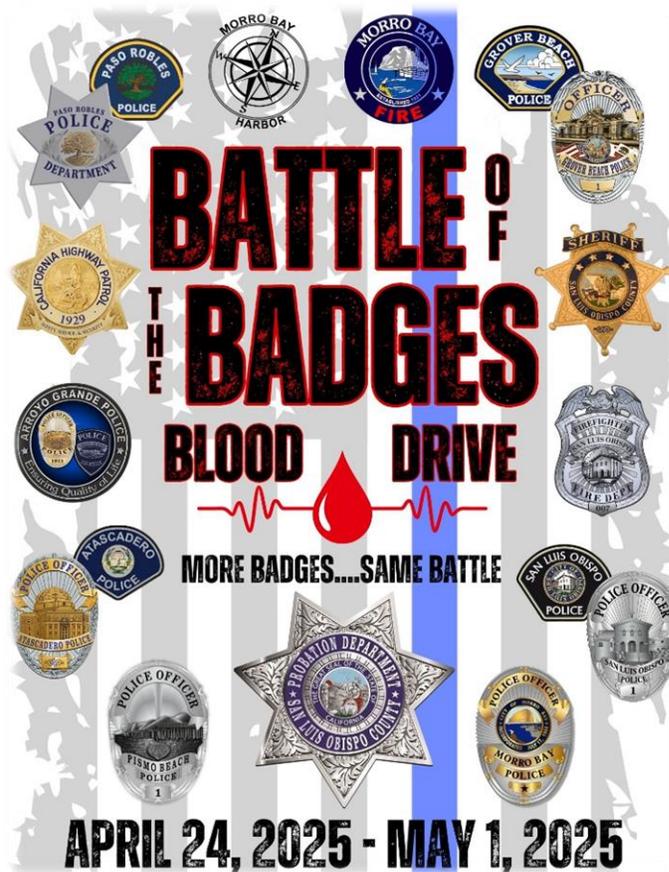
## Upcoming Events

### April 24 – May 1, 2025

It's that time of year to give us your blood, I mean donate your blood. Our very own MB Fire and Harbor Departments are joining in the action and we're all teaming up to take on the rest of the county agencies in this friendly competition. Last year, MBPD collected 33 pints of blood in 4-5 hours, and this year we hope to clear 40 or more pints. We cannot do that without your help again.

Click the link below to find Morro Bay's landing page so you can schedule your appointment. If you cannot make it on our assigned day (Monday, April 28th), you can always sign up at another location. Just make sure to let them know you are donating for Morro Bay when you check-in.

[SLO County Battle of the Badges](#)



**May 1-3, 2025****Cruisin Morro Bay Car Show**

Cruisin Morro Bay Car Show May 1st - 3rd the Cruisin' Morro Bay Car Show returns for its 29th year in 2025! Starting Thursday evening, rare cars will begin arriving in Morro Bay for registration. On Friday, secure a spot on Main Street for Cruise Night at 6 p.m. as classic and other rare cars cruise past. Continue the "Show & Shine" on Saturday between 9 a.m. and 4 p.m. and talk with the car owners.

**May 17-23, 2025**

National Safe Boating Week for all boaters to brush up on boating safety skills and prepare for the boating season

**May 17- Early June**

Dredging will take place at the Harbor Entrance. Keep your eye out for the Dredge Yaquina and transit through the area with caution as the channel markers will be removed during the duration.

**June 28, 2025****Morro Bay Marine Swap Meet**

Mark your calendars and get your marine treasures out you want to sell! This event began in 2018 and has been a successful gathering for both buyers and sellers. For more information contact [info@friendsofthembhd.org](mailto:info@friendsofthembhd.org) or check out their website at [friendsofthembhd.org](http://friendsofthembhd.org)



**MAY 17, 2025**

## **MORRO BAY SAFE BOATING DAY**

Boating safety advocates locally and across the U.S. have teamed up to promote safe and responsible boating, including consistent life jacket wear every time boaters are on the water, during National Safe Boating Week, held from May 17-23, 2025. Join us. FREE Tours of Harbor Patrol Boat and SLO County Sheriff's Boat.

### **Life Jacket Exchange Event:**

California State Parks Division of Boating and Waterways (DBW) is ready to give you a new life jacket! If a life jacket is found to be unserviceable or the wearer has outgrown the life jacket, a new, properly fitted U.S. Coast Guard-approved life jacket will be given in exchange. One life jacket per person, while supplies last.

## **Morro Bay Safe Boating Day**

**SATURDAY 5/17/2025**

**9 am to 1 pm**

**Location: North T Pier**

**1279 Embarcadero, Morro Bay**

### **Vessel Safety Check:**

The U.S. Coast Guard Auxiliary FL 07-61 will have certified vessel examiners perform free Vessel Safety Checks ("VSC") at the public launch ramp. There is no charge and you will know that you have all the proper safety equipment for your vessel.

**Life Jacket**

**Exchange**

**US Coast Guard  
Auxiliary Vessel Safety  
Check**

**Offered at the Morro  
Bay launch ramp area**

**Mandatory CA Boater Card**

[Learn more](#)

**Free Boater Safety  
Literature**

**Fish & Wildlife  
Wardens, Sheriff's**

**Safe Boat,**

**MB Harbor Patrol**

**USCG AUX**

**Displays**

**Dave Hensinger, FC**

**US Coast Guard Auxiliary**

**805 234-5999**

**AS OF  
JANUARY 1, 2025:**

All motorized vessel operators regardless of age  
are required to carry a California Boater Card.  
It's the law.

**APPLY NOW**

**Morro Bay Harbor Patrol and Coast Guard Auxiliary  
are offering a boating safety course that satisfies  
the requirement to apply for a  
**California Boater Card****

**What: Boat America Class**

**When: April 12, June 14 or July 26**

**Hours: 8am-4pm**

**Where: Morro Bay Community Center**

**Contact: [morrobayflotilla761@gmail.com](mailto:morrobayflotilla761@gmail.com)**

**or Donna Banks at 805-225-7930**

**Course Cost: \$40 and recommended to bring your own lunch**



AGENDA NO: B-1

MEETING DATE: May 1, 2025

# Staff Report

**TO: Harbor Advisory Board**

**DATE: April 21, 2025**

**FROM: Chris Munson, Harbor Director**

**SUBJECT: Goal Setting, Proposed Actions, and Budget Items**

## **RECOMMENDATION**

Staff recommend that the Harbor Advisory Board receive the presentation from the Harbor Director regarding the status of undertaken and proposed Harbor projects. HAB should review the proposed action items and budget items as they fit into the City Council's goals for 2025-2027.

## **FISCAL IMPACT**

None at this time.

## **BACKGROUND**

Over the last few weeks, the City Council has been discussing and seeking recommendations and input from advisory boards and the public on the establishment of the City's Goals for 2025-2027.

At the March 25th Special Meeting, The City Council conducted a straw poll to identify the top goals for further consideration, including:

- Economic Vitality and Fiscal Health
- Infrastructure Resiliency
- El Morro Elementary

## **DISCUSSION**

In preparation for next Fiscal Year's budget, only the Goals and Objectives which involve the Harbor Department will be discussed. Although the Council has yet to discuss its priorities for Action Items, using the proposed items from the March HAB meeting, staff has set out a proposed framework for budgeting and projects for the next fiscal year.

## **GOAL #1 ECONOMIC VITALITY AND FISCAL HEALTH**

### **Objective: Revenue Enhancement –**

Develop a comprehensive strategy for increasing revenues over time to support the provision of core services.

Prepared By: CM

Dept Review: LT

City Manager Review: \_\_\_\_\_

City Attorney Review: \_\_\_\_\_

#### HAB ACTION ITEMS – 3/6/25

1. Stay engaged in OSW
2. Pursue grant opportunities for Boat Ramp (Phase 2)
3. Pilot Parking Program at Boat Launch and Rock Parking
4. Fully incorporate lease management software
5. Pursue funding opportunities for North T-Pier and Revetment

#### PROPOSED ACTIONS & BUDGET ITEMS FOR 2025/26

- A. Seek Grants for Long-Term Boat Ramp Repairs
- B. Pursue Funding Opportunities for North T-Pier
- C. Continue Development of Pilot Parking Program at Boat Launch and Rock Parking Lots
- D. Harbor Staff recommends that the HAB create an ad-hoc committee for licenses and/or other revenue generating opportunities**

### **GOAL #2 INFRASTRUCTURE RESILIANCY**

#### Objective: Harbor Infrastructure –

- Utilize the recently completed study of the harbor revetments to prioritize projects and identify maintenance responsibilities. Develop a funding strategy informed by research on grant opportunities

#### HAB ACTION ITEMS – 3/6/25

1. Immediate Repairs to Boat Ramp (Phase 1)
2. Tidelands Facility Inspections of Public Areas and Lease Sites
3. Refurbish/Replace Light Posts on Embarcadero
4. Address Mooring Inspection and Engineering Needs
5. Assess Feasibility of State Park Marina Dredging

#### PROPOSED ACTIONS & BUDGET ITEMS FOR 2025/26

- A. Budget Item: Short Term Boat Launch Repairs
- B. Budget Item: North T-Pier Repair Plan.
- C. Budget Item: Continuing Storm Recovery Dock Repairs
- D. Budget Item: Mooring Engineering
- E. Address Mooring Inspection Needs
- F. Assess Feasibility of State Park Marina Dredging
- G. Property Maintenance and Repair Program - Continue implementing tidelands facility inspections of public areas and lease sites
- H. Keep in conversation with PG&E regarding light post replacement

### **CONCLUSION**

The Harbor Advisory Board should review and discuss the proposed actions and budget items and provide Harbor Staff with feedback.



AGENDA NO: B-2

MEETING DATE: May 1, 2025

# Staff Report

**TO:** Harbor Advisory Board

**DATE:** April 21, 2025

**FROM:** Chris Munson, Harbor Director  
Lori Thompson, Harbor Business Manager

**SUBJECT:** Consideration of Ad-Hoc Committee Formation to Explore a License Agreement Program for Non-Brick-and-Mortar, Non-Competing Businesses in the Tidelands Trust Area

## **RECOMMENDATION**

Staff recommend that the Harbor Advisory Board form an ad-hoc committee to explore the feasibility and framework for a license agreement program.

## **FISCAL IMPACT**

None at this time.

## **BACKGROUND**

In 2020, the Harbor Department adopted a Lease Management Policy designed to modernize and clarify the administration of leases and use agreements within the tidelands trust area. At that time, the then-Harbor Director expressed intent to develop a parallel program to address the growing presence and potential benefits of non-brick-and-mortar business operations in the harbor—particularly those offering unique public-serving services that do not conflict with existing lessees.

Due to shifting department priorities and staffing capacity, this component was not advanced. However, with renewed interest in flexible and innovative business models, and the continued importance of maximizing public benefit from tidelands assets, now is an opportune time to revisit this concept.

## **DISCUSSION**

Licenses are for businesses that do not have a permanent brick-and-mortar presence. Examples include: surf schools, mobile vendors, boat charters operating outside of a lease site, wedding concessionaires and tour guides. The Harbor Department does not currently have a formal way of issuing licenses and has not identified which business types and locations are allowed.

The ad-hoc committee's role would be to identify which licenses may be undertaken in the tidelands trust area and at what locations they may occur. Then develop the framework to implement the program which includes these parameters.

Prepared By: CM

Dept Review: LT

City Manager Review: \_\_\_\_\_

City Attorney Review: \_\_\_\_\_

Some considerations to be addressed include: will they compete with existing leaseholders or concessionaires, which locations should be promoted or excluded, and whether there are thresholds to certain types of licenses.

Having an effective lease program can benefit Morro Bay Harbor by increasing revenue, adding amenities, and discourage illegal business operations by providing a legitimate process. The program would ensure all generated revenue remains compliant with tidelands trust requirements and is reinvested into the trust area.

This proposed ad-hoc committee would be tasked with the following:

- **Research** existing licensing models for non-brick-and-mortar vendors in similarly regulated waterfronts.
- **Identify** categories of mobile or temporary businesses that could provide additional public benefit without competing with current master leaseholders.
- **Explore** potential locations for these businesses, including a possible concessionaire at or near Morro Rock, ensuring all activities are appropriate to the character and sensitive nature of the site.
- **Draft** a framework for a potential license agreement program, including application procedures, fees, compliance measures, and performance standards.
- **Ensure** any proposed program aligns with Tidelands trust revenue requirements and supports reinvestment in public-serving projects within the trust area.

The goal is to capture underutilized revenue opportunities while maintaining a balanced and fair environment for all harbor users.

Next Steps-

Should the Board approve this recommendation, staff will assist in recruiting committee members and setting an initial meeting schedule. The committee would report back with findings and recommendations within a defined timeframe (suggested: 90 days).

## **CONCLUSION**

A well-designed license agreement program could provide new visitor experiences and generate additional tidelands revenue while maintaining equity and environmental stewardship. The formation of an ad-hoc committee is a prudent and low-cost step toward exploring a new revenue opportunity that could enhance public benefit and economic vibrancy in the harbor. With careful design and oversight, a license agreement program for non-brick-and-mortar businesses could provide value without disrupting existing operations.