

MINUTES - MORRO BAY CITY COUNCIL
CLOSED SESSION – NOVEMBER 9, 2009
CITY HALL CONFERENCE ROOM - 5:00 P.M.

Mayor Peters called the meeting to order at 5:00 p.m.

PRESENT:	Janice Peters	Mayor
	Carla Borchard	Councilmember
	Rick Grantham	Councilmember
	Noah Smukler	Councilmember
	Betty Winholtz	Councilmember

STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney

CLOSED SESSION

MOTION: Councilmember Grantham moved the meeting be adjourned to Closed Session. The motion was seconded by Councilmember Smukler and unanimously carried. (5-0)

Mayor Peters read the Closed Session Statement.

CS-1 GOVERNMENT CODE SECTION 54956.8; REAL PROPERTY TRANSACTIONS. Instructing City's real property negotiator regarding the price and terms of payment for the purchase, sale, exchange, or lease of real property.

- Property: 781 Market Street and the Corner of Pacific Street and Market Street.
Negotiating Parties: George Salwasser and the City of Morro Bay.
Negotiations: Purchase and Sale Conditions.
- Property: Outfall Lease.
Negotiating Parties: City and Dynegy.
Negotiations: Lease Terms and Conditions.
- Property: Lease Site 87-88/87W-88W; 833 Embarcadero
Negotiating Parties: City and Caldwell and/or Leage
Negotiations: Lease Terms and Conditions.

The meeting adjourned to Closed Session at 5:00 p.m. and returned to regular session at 5:50 p.m.

MOTION: Councilmember Grantham moved the meeting be adjourned. The motion was seconded by Councilmember Borchard and unanimously carried. (5-0)

The meeting adjourned at 5:50 p.m.

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – NOVEMBER 9, 2009
VETERANS MEMORIAL HALL - 6:00 P.M.

Mayor Peters called the meeting to order at 6:13 p.m.

PRESENT:	Janice Peters	Mayor
	Carla Borchard	Councilmember
	Rick Grantham	Councilmember
	Noah Smukler	Councilmember
	Betty Winholtz	Councilmember
STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney
	Bridgett Bauer	City Clerk
	Rick Algert	Harbor Director
	Bruce Ambo	Public Services Director
	John DeRohan	Police Chief
	Mike Pond	Fire Chief
	Susan Slayton	Administrative Services Director
	Dylan Wade	Utilities/Capital Projects Manager
	Kathleen Wold	Senior Planner
	Joe Woods	Recreation & Parks Director

ESTABLISH QUORUM AND CALL TO ORDER

PLEDGE OF ALLEGIANCE

MAYOR AND COUNCIL MEMBERS REPORTS, ANNOUNCEMENTS & PRESENTATIONS

CLOSED SESSION REPORT - City Attorney Robert Schultz reported the City Council met in Closed Session, and no reportable action under the Brown Act was taken.

PUBLIC COMMENT

Jeff Eckles, President of Morro Bay 4th, stated Morro Bay 4th is a non-profit organization whose mission is to celebrate Independence Day with a family-friendly, alcohol-free traditional 4th of July picnic, celebration and firework show in Morro Bay. He said their organization is seeking volunteers and provided their contact information.

Ani Lyne announced Morro Bay 4th will be holding a town hall meeting to discuss the 4th of July festivities on November 17th at Top Dog Coffee Bar, and they will have a table at Farmers Market on Saturday November 20th.

Keith Taylor invited the community to an Open House at the Fire Station on November 14th to see the new rescue vehicle, and meet the paramedic firefighters that serve our community.

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – NOVEMBER 9, 2009

Jim Nance handed out excess phone books to the City Council that he collected in his neighborhood and noted what a waste of the environment these books cause; he requested the City consider controlling this situation.

Dani Tope referred to the RUDAT plan that was adopted by the City Council in 1997. She said she has a team of developers who are interested in developing a conference center/hotel in Morro Bay that would fit in with the RUDAT plan.

Ric Deschler stated he has known Jude Long for many years and in order to honor her retirement, a Peace Pole is being erected at the library. He noted contributions can be made towards the Peace Pole to the Morro Bay Friends of the Library.

Mayor Peters closed the hearing for public comment.

Mayor Peters called for a break at 7:00 p.m.; the meeting resumed at 7:10 p.m.

A. CONSENT CALENDAR

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

A-1 APPROVAL OF MINUTES FOR THE REGULAR CITY COUNCIL MEETINGS OF OCTOBER 12, 2009 AND OCTOBER 26, 2009; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 QUARTERLY FINANCIAL STATUS REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Accept the report as presented.

A-3 AUTHORIZATION FOR THE CITY OF MORRO BAY TO ENTER INTO GRANT AGREEMENT #08-127-949 WITH THE DEPARTMENT OF BOATING AND WATERWAYS FOR STATE PARK MARINA MAINTENANCE DREDGING; (HARBOR)

RECOMMENDATION: Adopt Resolution No. 54-09 authorizing the City to enter into grant agreement with the Department of Boating and Waterways to fund maintenance dredging of the State Park Marina.

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – NOVEMBER 9, 2009

A-4 UPDATE ON MANDATORY WATER CONSERVATION REQUIREMENTS;
(PUBLIC SERVICES)

RECOMMENDATION: Receive this report for information and file.

A-5 PROCLAMATION THANKING JUDE LONG FOR HER DEDICATION AND
SERVICE AS LIBRARIAN OF THE MORRO BAY LIBRARY;
(RECREATION & PARKS)

RECOMMENDATION: Adopt Proclamation.

A-6 PROCLAMATION REQUESTING THE FEDERAL GOVERNMENT TO
CONDUCT A COMPREHENSIVE ASSESSMENT OF THE CALIFORNIA
GRAY WHALE; (ADMINISTRATION)

RECOMMENDATION: Adopt Proclamation.

Councilmember Borchard pulled Item A-2 from the Consent Calendar, Councilmember Smukler pulled Item A-4, and Mayor Peters pulled Item A-5.

MOTION: Councilmember Grantham moved the City Council approve Items A-1, A-3 and A-6 of the Consent Calendar. The motion was seconded by Councilmember Borchard and carried unanimously. (5-0)

A-2 QUARTERLY FINANCIAL STATUS REPORT FOR THE FISCAL YEAR
ENDED SEPTEMBER 30, 2009; (ADMINISTRATIVE SERVICES)

Councilmember Borchard requested clarification on the Harbor Fund Revenues and the City Attorney Expenditures.

Administrative Services Director Susan Slayton responded there is a difference in the Harbor Fund Revenues due to monthly lease site agreements. She did not have information on the City Attorney Expenditures and noted she would investigate and return to Council.

MOTION: Councilmember Borchard moved the City Council approve Item A-2 of the Consent Calendar. The motion was seconded by Councilmember Grantham and carried unanimously. (5-0)

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – NOVEMBER 9, 2009

A-4 UPDATE ON MANDATORY WATER CONSERVATION REQUIREMENTS;
(PUBLIC SERVICES)

Councilmember Smukler requested clarification on the water efficiency landscaping ordinance from the State, and how that works with the City's water conservation requirements.

Utilities/Capital Projects Manager Dylan Wade responded the State water efficiency landscaping ordinance refers to 2,500 square feet of impervious landscape area, which is fairly large compared to the City's standards.

MOTION: Councilmember Smukler moved the City Council approve Item A-4 of the Consent Calendar. The motion was seconded by Councilmember Grantham and carried unanimously. (5-0)

A-5 PROCLAMATION THANKING JUDE LONG FOR HER DEDICATION AND
SERVICE AS LIBRARIAN OF THE MORRO BAY LIBRARY;
(RECREATION & PARKS)

Mayor Peters pulled this item in order to present Jude Long with a Proclamation thanking her for her dedication and 29 years of service as Morro Bay's Librarian.

MOTION: Councilmember Winholtz moved the City Council approve Item A-5 of the Consent Calendar. The motion was seconded by Councilmember Borchard and carried unanimously. (5-0)

B. PUBLIC HEARINGS, REPORTS & APPEARANCES

B-1 APPROVAL OF RESOLUTION NO. 55-09 ACCEPTING \$100,000 GRANT
FROM THE STATE OF CALIFORNIA CITIZENS OPTION FOR PUBLIC
SAFETY (COPS) PROGRAM; (POLICE)

Police Chief John DeRohan stated since 1996, the Citizen's Option for Public Safety (COPS) established by AB 1913 and codified as Government Code Section 30061, has been distributing State grant funds to local law enforcement agencies to supplement "front line law enforcement services." These funds are also known as Supplemental Law Enforcement Services Funding (SLESF). The legislation requires a report in September to the City Council on how the funds are proposed for use by the Police Department and annual reporting to the County Oversight Committee on the proposed use and actual expenditures of COPS funds. However, this report requirement was delayed this year due to the State budget adoption delay and uncertainty of the grant funding. The State

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – NOVEMBER 9, 2009

Legislature has indicated that local law enforcement agencies are still scheduled to receive a minimum of \$100,000 in COPS grant funds. The City Council is required to hold a public hearing and consider whether the recommendation submitted by the Police Chief complies with the requirements of the Government Code. Once adopted, the recommendation is then forwarded to the County Oversight Committee who then distributes the COPS funds to the local jurisdictions. The funds can then be expended and/or encumbered by the police department. The entire amount is proposed to be spent on equipment to include: training equipment (media center & projector for briefing room); larger employee lockers to include electrical outlets for charging issued safety equipment (current ones are too small to house this equipment and gear bags); computer replacements not funded by Measure Q funds; more AED's for police vehicles; patrol bicycle replacements; additional tasers not funded by Measure Q funds; office furniture replacements (chairs, etc.); and other miscellaneous tools and equipment. Chief DeRohan recommended the City Council open the hearing for public comment and adopts Resolution No. 55-09 authorizing the proposed spending plan for the \$100,000 that will be received from the COPS grant program.

Mayor Peters opened the hearing for public comment; there were no comments, and Mayor Peters closed the public comment hearing.

MOTION: Councilmember Grantham moved the City Council adopt Resolution No. 55-09 authorizing the proposed spending plan for the \$100,000 that will be received from the Citizen's Option for Public Safety grant program. The motion was seconded by Councilmember Borchard and carried unanimously. (5-0)

B-2 2009 HOUSING ELEMENT UPDATE; (PUBLIC SERVICES)

Senior Planner Kathleen Wold stated according to state law, each jurisdiction must update its Housing Element (one of the seven required elements of the General Plan) approximately every five to seven years, with specific deadlines established by the State Department of Housing and Community Development (HCD). The revised 2009 Housing Element as presented is a document which reflects collaborative input from the Planning Commission, City Council and the State Department of Housing and Community Development. Ms. Wold recommended the City Council adopt Resolution No.56-09 approving Negative Declaration SCH #200908104 and amending the Housing Element of the City of Morro Bay, and direct staff to submit the 2009 Housing Element to the State Department of Housing and Community Development for the 90 day review period and certification.

Cynthia Deane-Alviso, PMC, reviewed the Initial Study and Negative Declaration for the City of Morro Bay 2009 Housing Element Update.

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – NOVEMBER 9, 2009

Mayor Peters opened the hearing for public comment.

John Barta addressed secondary housing units and noted: “the legislature finds and declares that second units are a valuable form of housing in California. Second units provide housing for family members, students, the elderly, in-home care providers, the disabled and others at below market prices within existing neighborhoods.” He said it is the intent of the legislature that any second unit ordinance that is adopted by local agencies has the effect of providing for the creation of second units, and that provisions in these ordinances are relating to matters including unit size, parking, fees and other requirements are not so arbitrary excessive or burdensome so as to unreasonably restrict the ability of homeowners to create second units in zones which they are authorized by local ordinance. Mr. Barta requested the City Council reconsider its ordinance on secondary units, and make it consistent with state law.

Jack McCurdy noted Resolution No. 56-09 as well as the attachments cited in the staff report were not posted on the City’s website. He said public participation is difficult without diligent outreach efforts by staff. Mr. McCurdy expressed concern with the Housing Element and whether the update meets the legal requirements and the standards of Council Members as elected representatives. He said given the very serious deficiencies it seems any Council Member who values the need to make the residents aware of such important matters, and who should recognize their constituents deserve to have the opportunity to become informed on issues such as this will not vote to adopt Resolution No. 56-09 until a respectable outreach plan is put into effect and carried out, and until critically important documents are made available and explained at public meetings.

Dorothy Cutter stated the only areas that qualify for affordable housing are mobilehome parks and similar areas, and noted this proposed document does not clearly address affordable housing. She said this document is a giant loophole for developers.

Melody DeMeritt stated the development standards in this town are ridiculous. She said if the City gives up on commercial zones, it also gives up transient occupancy tax, property tax and sales tax. Ms. DeMeritt stated this document may be prepared for state mandates, but Council should consider Council Members who will be faced with developers in the future.

Jim Nance stated this document does not have enough substance to protect the community against developers, and the ability for mobilehome parks and low income families who cannot afford to live here.

Mayor Peters closed the public comment hearing.

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – NOVEMBER 9, 2009

Councilmember Winholtz stated she does not agree with the 80% mixed use residential. She said she would like to change the restriction of second units from 1,200 square feet to 900 square feet permanently. Councilmember Winholtz stated she would like time to consider this item and would like to continue it to the next Council meeting.

Councilmember Smukler stated 46% of the City's housing stock is more than 40 years old, which affirms half of the community's housing will go through a transition and possible new construction in the next 10-20 years. Based on that, he said within the next 4-5 years, the City needs to consider and encourage development that works with neighborhood character and existing compatibility of the community. Councilmember Smukler stated it is important to identify very low and low income projects and would like to pursue discussions on mobilehomes in the futures.

Councilmember Grantham expressed concern with mobilehome conversions and that there is still affordable property for low-income housing. He said moderate income people need to be considered as well as low income when it comes to the housing force in the City.

Councilmember Borchard stated she would like to revisit the mobilehome conversion issue at another time. She said second units and granny units are considered low-income housing for most people, and when meeting density requirements, a property owner has to go up instead of out especially with the loss of sphere of influence and the limit to expand beyond the boundaries.

MOTION: Councilmember Borchard moved the City Council adopt Resolution No. 56-09 approving Negative Declaration SCH #200908104, including the revisions made by the City Council, and amending the Housing Element of the City of Morro Bay; and, direct staff to submit the 2009 Housing Element to the State Department of Housing and Community Development for the 90 day review period and certification. The motion was seconded by Councilmember Grantham and carried with Councilmember Winholtz voting no. (4-1)

Mayor Peters called for a break at 9:00 p.m.; the meeting resumed at 9:08 p.m.

C. UNFINISHED BUSINESS – NONE.

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – NOVEMBER 9, 2009

D. NEW BUSINESS

D-1 AUTHORIZATION TO ADD AND HIRE A COLLECTIONS MAINTENANCE
WORKER II; (ADMINISTRATIVE SERVICES)

Utilities/Capital Projects Manager Dylan Wade stated the work tasks that will be assigned to this position, have already been committed to with the City Council's adoption of the State mandated Sanitary Sewer Management Plan (SSMP) on June 8th of this year. In the June 4th staff report for the adoption of the SSMP staff underscored the importance of this position noting that, "Implementation of the plan will lead to larger operational expenditures, larger capital expenditures, and potentially larger staffing levels to meet the minimal standards of the General Waste Discharge Requirements." Staff is now requesting that an additional person be added to help cover these added work tasks. Mr. Wade recommended the City Council authorize the addition and hiring of a new Maintenance Worker II for the Waste Water Collections Department.

MOTION: Councilmember Grantham moved the City Council authorize the addition and hiring of a new Maintenance Worker II for the Waste Water Collections Department. The motion was seconded by Mayor Peters.

Councilmember Winholtz stated every department in the City is overworked. She said she would prefer this come back at mid-budget review and does not support hiring a new person at this time.

Councilmember Smukler stated he has voted against new hires due to economics. He does agree this department is overworked but he must stay consistent until adjustments are made financially.

VOTE: The motion failed with Councilmembers Borchard, Smukler and Winholtz voting no. (2-3)

D-2 CONSIDERATION OF AN AMENDMENT TO MORRO BAY MUNICIPAL
CODE CHAPTER 3.08 ADDING SECTION 3.08.105 ESTABLISHING A
LOCAL BUSINESS PREFERENCE PROGRAM; (CITY ATTORNEY)

City Attorney Robert Schultz stated Councilmembers have expressed interest in implementing a local vendor program as a way to help stimulate the local economy and support the formation/retention of local jobs. Programs giving preference to qualified local businesses are increasingly common among local governments. The draft ordinance would provide further clarification and importance on giving competitive preference to local industries and businesses doing business with the City.

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – NOVEMBER 9, 2009

Mr. Schultz recommended the City Council review the proposed Local Business Preference Program and direct staff to return this item as an Ordinance for Introduction and First Reading with any changes suggested by Council.

MOTION: Councilmember Smukler moved the City Council direct the City Attorney to bring back an Ordinance for Introduction and First Reading based on the amendment to Morro Bay Municipal Code Chapter 3.08, and adding Section 3.08.105 establishing a Local Business Preference Program with the adjustments as discussed by Council. The motion was seconded by Councilmember Borchard and carried unanimously. (5-0)

E. DECLARATION OF FUTURE AGENDA ITEMS

Councilmember Smukler requested to agendize a discussion on secondary units; Council agreed to receive a memorandum from staff.

Councilmember Smukler requested to agendize a discussion on the public housing retrofit program; Council concurred.

Councilmember Smukler requested to agendize a discussion on a special zone for mobilehome unit conversions - City Attorney to meet with Mobilehome Sub-Committee and Commissioner Diodati.

Councilmember Smukler requested to agendize a discussion on maximizing zones in the Housing Element; Councilmember Winholtz to prepare a report.

ADJOURNMENT

The meeting adjourned at 9:49 p.m.

Recorded by:

Bridgett Bauer
City Clerk