

City of Morro Bay

City Council Agenda

Mission Statement

The City of Morro Bay is dedicated to the preservation and enhancement of the quality of life. The City shall be committed to this purpose and will provide a level of municipal service and safety consistent with and responsive to the needs of the public.

**REGULAR MEETING
TUESDAY, AUGUST 13, 2013
VETERANS MEMORIAL HALL - 6:00 P.M.
209 SURF ST., MORRO BAY, CA**

ESTABLISH QUORUM AND CALL TO ORDER

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

CLOSED SESSION REPORT

MAYOR & COUNCILMEMBERS' REPORTS, ANNOUNCEMENTS & PRESENTATIONS

PUBLIC PRESENTATIONS

- **Quarterly Report from the Economic Development Program**
- **Event Summary from the Morro Bay 4th Committee**

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.

To increase the effectiveness of the Public Comment Period, the following rules shall be followed:

- When recognized by the Mayor, please come forward to the podium and state your name and address for the record. Comments are to be limited to three minutes.
- All remarks shall 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.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk, (805) 772-6205. Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

A. CONSENT AGENDA

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

A-1 APPROVAL OF CITY COUNCIL MINUTES FOR THE SPECIAL CLOSED SESSION MEETING HELD ON JULY 9, 2013; (CITY ATTORNEY)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF THE CITY COUNCIL MINUTES FOR THE REGULAR COUNCIL MEETING HELD ON JULY 9, 2013; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-3 STATUS REPORT OF A MAJOR MAINTENANCE & REPAIR PLAN (MMRP) FOR THE EXISTING WASTEWATER TREATMENT PLANT; (PUBLIC SERVICES)

RECOMMENDATION: Receive report as submitted.

A-4 RESOLUTION 44-13 AUTHORIZING EXECUTION OF A DEED OF TRUST FOR THE LEASE AGREEMENT ON LEASE SITE 65-66/65W-66W (ABBA IMANI); (HARBOR)

RECOMMENDATION: Approve Resolution 44-13 authorizing the execution of a Deed of Trust for the Lease Agreement on Lease Site 65-66/65W-66W (Abba Imani).

A-5 REQUEST FOR APPROVAL OF ASSIGNMENT OF LEASE AGREEMENT FOR LEASE SITES 87-88/87W-88W FROM VIOLET LEAGE TO B & L FLASH, INC. (833 EMBARCADERO); (HARBOR)

RECOMMENDATION: Approve the Assignment of the Lease Agreement for Lease Sites 87-88/87W-88W.

B. PUBLIC HEARINGS

B-1 APPEAL OF ADMINISTRATIVE DECISION REGARDING REQUEST FOR PAYMENT OF REDUCED IMPACT FEES FOR A RESIDENTIAL PROJECT

LOCATED AT 281 MAIN STREET (APPLICANT: JOHN AND ALAIR HOUGH);
(PUBLIC SERVICES)

RECOMMENDATION: Uphold staff decision to deny the reduction in impact fees, per City Council Resolution 14-13.

C. UNFINISHED BUSINESS

C-1 APPROVAL OF DRAFT REQUEST FOR PROPOSALS FOR LEASE SITE 69-70/69W-70W (MORRO BAY AQUARIUM); (HARBOR)

RECOMMENDATION: Approve the draft RFP as submitted.

C-2 CONSIDERATION OF ADOPTION OF RESOLUTION NO. 43-13 SUPPORTING THE CALIFORNIA COASTAL COMMISSION STAFF RECOMMENDATION OF APPROVAL WITH CONDITIONS FOR THE MORRO STRAND STATE PARK CAMPGROUND PROJECT NO. A-3-SLO-13-0203; (ADMINISTRATION)

RECOMMENDATION: Review, amend if necessary, and consider adoption of Resolution 43-13.

C-3 REVIEW AND DISCUSSION OF CO-SPONSORSHIP OF SPECIAL EVENTS; (RECREATION & PARKS)

RECOMMENDATION: Review and provide direction to staff.

C-4 WATER RECLAMATION FACILITY (WRF) PROJECT STATUS AND DISCUSSION; (ADMINISTRATION)

RECOMMENDATION: Discuss in open session, the progress to date on the Water Reclamation Facility (WRF) and provide direction to staff as necessary.

D. NEW BUSINESS

D-1 REVIEW OF THE CITY OWNED PARKING LOT LOCATED ADJACENT TO THE DYNEGY POWER PLANT AND DISCUSSION OF PARKING OPTIONS AND FUTURE USES; (PUBLIC SERVICES)

RECOMMENDATION: Review options and provide direction to staff.

D-2 REVIEW OF PROPOSED MEMORANDUM OF UNDERSTANDING WITH THE MORRO BAY BIKE PARK ORGANIZATION FOR THE DESIGN AND PERMITTING OF A BIKE PARK IN MORRO BAY; (RECREATION & PARKS)

RECOMMENDATION: Review and approve Memorandum of Understanding between the City of Morro Bay and the Morro Bay Bike Park organization (MBBP).

E. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

F. ADJOURNMENT

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 FOR ANY REVISIONS OR CALL THE CLERK'S OFFICE AT 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 AT CITY HALL LOCATED AT 595 HARBOR STREET; MORRO BAY LIBRARY LOCATED AT 625 HARBOR STREET; AND MILL'S COPY CENTER LOCATED AT 495 MORRO BAY BOULEVARD DURING NORMAL BUSINESS HOURS.

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 THAT REASONABLE ARRANGEMENTS CAN BE MADE TO PROVIDE ACCESSIBILITY TO THE MEETING.

AGENDA NO: A-1

MEETING DATE: 8/13/2013

MINUTES – MORRO BAY CITY COUNCIL
SPECIAL CLOSED SESSION MEETING –
JULY 9, 2013
CITY HALL CONFERENCE ROOM – 5:00PM

PRESENT:	Jamie Irons	Mayor
	Christine Johnson	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember

STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney

ESTABLISH QUORUM AND CALL TO ORDER

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

CLOSED SESSION PUBLIC COMMENTS - Mayor Irons opened the meeting for Public Comment; seeing none, the Public Comment period was closed.

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

CS-1 CONFERENCE WITH LEGAL COUNSEL DUE TO ANTICIPATED LITIGATION -- GOVERNMENT CODE SECTION 54956.9(b): Exposure to litigation exists based upon existing facts and the advice of legal counsel as to one matter.

- Parties: First American Title Company/First California Bank and City of Morro Bay

CITY COUNCIL CONVENED TO OPEN SESSION – The City Council convened to open session; City Attorney, Rob Schultz reported that no reportable action under the Brown Act was taken.

ADJOURNMENT

The meeting adjourned at 5:22pm.

Recorded by:

Dana Swanson
Deputy City Clerk

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – JULY 9, 2013
VETERAN’S MEMORIAL HALL – 6:00P.M.

PRESENT:	Jamie Irons	Mayor
	Christine Johnson	Councilmember
	Nancy Johnson	Councilmember
	George Leage	Councilmember
	Noah Smukler	Councilmember
STAFF:	Andrea Lueker	City Manager
	Robert Schultz	City Attorney
	Jamie Boucher	City Clerk
	Dana Swanson	Deputy City Clerk
	Amy Christey	Police Chief
	Steve Knuckles	Fire Chief
	Susan Slayton	Administrative Services Director
	Eric Endersby	Harbor Director
	Joe Woods	Recreation & Parks Director
	Rob Livick	Public Services Director
	Kathleen Wold	Planning Manager
	Cindy Jacinth	Associate Planner

Mayor Irons called the meeting to order at 6:00 p.m.

ESTABLISH QUORUM AND CALL TO ORDER
MOMENT OF SILENCE
PLEDGE OF ALLEGIANCE

CLOSED SESSION REPORT – City Attorney Robert Schultz reported that City Council met in a Special Closed Session on July 9, 2013 on the following item: Conference with legal counsel due to anticipated litigation, Government Code Section 54956.9(b): Exposure to litigation exists based upon existing facts and the advice of legal counsel as to one matter - First American Title Company/First California Bank and City of Morro Bay; no reportable action under the Brown Act was taken.

MAYOR AND COUNCILMEMBERS’ REPORTS, ANNOUNCEMENTS &
PRESENTATIONS
PUBLIC PRESENTATIONS

PUBLIC COMMENT

Garry Johnson congratulated Morro Bay for supporting the troops in Afghanistan. According to Si Tenenberg, Morro Bay is the top City in the County supporting his program of bringing care packages to the troops overseas. Si attends events providing care packages for mailing; locally, these packages are available at Rabobank and Bayshore Realty; all you need to do is pay for shipping. He finished by reading a thank you letter from the troops.

Don Henderson, 620 Fresno, spoke in an effort to bring attention to what he considers a hazardous intersection at Marina and Fresno. On the morning of June 28, 2013, there was a 2 car accident that was violent enough to deploy both vehicles' airbags. He hopes that this intersection can be monitored more closely and eventually get a stop or yield sign installed.

Public Services Director Rob Livick noted that there was not sufficient traffic to install signs but citizens can collect signatures and submit a petition. He promised that they would do a traffic study and asked Mr. Henderson to contact him for further information.

Mayor Irons closed the public comment period.

A. CONSENT AGENDA

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

A-1 APPROVAL OF CITY COUNCIL AMENDED MINUTES FOR THE REGULAR CITY COUNCIL MEETING HELD ON JUNE 11, 2013; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF CITY COUNCIL MINUTES FOR THE SPECIAL CLOSED SESSION MEETING HELD ON JUNE 25, 2013; (CITY ATTORNEY)

RECOMMENDATION: Approve as submitted.

A-3 APPROVAL OF THE CITY COUNCIL MINUTES FOR THE REGULAR COUNCIL MEETING HELD ON JUNE 25, 2013; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-4 RESOLUTION 38-13 APPROVING A NINETEEN YEAR LEASE AGREEMENT FOR MOORING AREA A1-3 BETWEEN THE CITY OF MORRO BAY AND THE MORRO BAY YACHT CLUB; (HARBOR)

RECOMMENDATION: Approve Resolution 38-13 for a new lease agreement with the Morro Bay Yacht Club (MBYC) for Mooring Area A1-3..

A-5 DESIGNATION OF VOTING DELEGATE AND ALTERNATE VOTING DELEGATE AT LEAGUE OF CALIFORNIA CITIES 2013 ANNUAL CONFERENCE BUSINESS MEETING; (ADMINISTRATION)

RECOMMENDATION: Appoint of Mayor Irons as the Voting Delegate at the League of California Cities 2013 Annual Conference Business Meeting and appoint City Councilmember Christine Johnson as the alternate Voting Delegate.

A-6 APPROVAL OF MASTER FIBER AGREEMENT WITH CHARTER COMMUNICATIONS; (PUBLIC SERVICES)

RECOMMENDATION: Approve the Master Fiber Agreement with Charter Communications and authorize the City Manager to execute the agreement..

A-7 STATUS REPORT OF A MAJOR MAINTENANCE & REPAIR PLAN (MMRP) FOR THE EXISTING WASTEWATER TREATMENT PLAN; (PUBLIC SERVICES)

RECOMMENDATION: Receive and file status report as presented.

A-8 RESOLUTION APPROVING ADJUSTMENT TO LEASE SITE MAPS FOR LEASE SITES 93-95 AND 93W-95W; (HELD FAMILY; AND SMITH W AND HANNAH W HELD FAMILY TRUSTS); (PUBLIC SERVICES)

RECOMMENDATION: Approve the adjustment to Lease Sites 93-95 and 93W-95W by Resolution No. 42-13.

A-9 AUTHORIZATION TO FILE NOTICE OF COMPLETION FOR PROJECT NO. MB2010-FD01: MORRO BAY FIRE STATION 53 OFFICE AND LIVING QUARTERS; (PUBLIC SERVICES)

RECOMMENDATION: Authorize staff to file the Notice of Completion for Morro Bay Fire Station 53 Office and Living Quarters.

A-10 CONSULTANT SERVICES AGREEMENT WITH RRM DESIGN GROUP FOR DESIGN, PERMITTING AND ASSOCIATED ENVIRONMENTAL SERVICES FOR MORRO CREEK MULTI-USE TRAIL AND BRIDGE PROJECT; (PUBLIC SERVICES)

RECOMMENDATION: Approve the Scope of Work and authorize the Public Services Director to execute a consultant services agreement with RRM Design Group and for a fee not to exceed \$260,257.

A-11 RESOLUTION NO. 41-13 ADOPTING 2013/14 MASTER FEE SCHEDULE; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Council to adopt Resolution No. 41-13.

A-12 RESOLUTION NO. 40-13 ESTABLISHING THE ANNUAL PROPOSITION 4 APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2013/14; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Adopt Resolution No. 40-13.

A-13 ANNUAL ACTIVITY REPORT FOR THE SERVICE RETIREMENT INCENTIVE (SRI) PROGRAM; (ADMINISTRATIVE SERVICES)

RECOMMENDATION: Review and file this report as presented.

Mayor Irons opened up the public comment period for items on the Consent Calendar; seeing none, the public comment period was closed.

Councilmember Christine Johnson pulled Items A-3 and A-11, Councilmember Smukler pulled Items A-7 and A-10 and Mayor Irons pulled Item A-4 from the Consent Calendar.

MOTION: Councilmember Nancy Johnson moved the City Council approve Items A-1, A-2, A-5 A-6, A-8, A-9, A-12 and A-13 of the Consent Calendar as presented. The motion was seconded by Councilmember Leage and carried unanimously 5-0.

A-3 APPROVAL OF THE CITY COUNCIL MINUTES FOR THE REGULAR COUNCIL MEETING HELD ON JUNE 25, 2013; (ADMINISTRATION)

Councilmember Christine Johnson pulled this item to add a phrase to paragraph 4 of page 8 "...many organization's parts in **support of the Tylers**". Mayor Irons also wanted an addition made to paragraph 2 of page 8 so that it reads as follows: "Mayor Irons **met with the Tylers as well as the Central Coast Aquarium; an invitation for the Tylers to meet with the Central Coast Aquarium was also extended but never materialized.** Mayor Irons also feels..."

MOTION: Councilmember Christine Johnson moved to approve the City Council minutes for the regular meeting of June 25, 2013 as amended. The motion was seconded by Councilmember Leage and carried unanimously 5-0.

A-4 RESOLUTION 38-13 APPROVING A NINETEEN YEAR LEASE AGREEMENT FOR MOORING AREA A1-3 BETWEEN THE CITY OF MORRO BAY AND THE MORRO BAY YACHT CLUB; (HARBOR)

Mayor Irons pulled this item as he had questions regarding the Clean Marinas Program.

Harbor Director Eric Endersby stated that the Clean Marinas program is a program of industry self-inspection as a result of some water quality issues down in the San Diego Bay area. It is an industry led effort to self-certify certain best management practices of harbor and marina operations in order to meet water quality control goals. The City of Morro Bay gained certification in 2006 and were recertified in 2011; it has been a goal of the Harbor Department to slowly get Clean Marina certification into leases that have larger numbers of slips and moorings and the Yacht Club is the first to come along. During the negotiations with the Yacht Club on their mooring lease, it was discussed and determined to use language "will make all reasonable/best efforts" to comply with the Clean Marina efforts. It is and always has been the Yacht Clubs intention to make a commitment to Clean Marinas.

Mayor Irons feels that we should keep the language "...**shall** commit to..." as it is and has been the intent of the City and Harbor Department to become a Clean Marina and if something were to happen, the lease would come back to Council and the Yacht Club wouldn't be in default of their lease. He would like to see the City set the standard and commitment to Clean Marinas.

Councilmember Smukler prefers to hold the language to the standard rather than to allow flexibility. He would like to see a commitment from the Yacht Club to commit to the Clean Marina set standard and that if it becomes prohibitive, then they can come back for discussions as to why.

Mayor Irons also brought up a question on lease language regarding revetments to which Harbor Director Endersby stated that this particular lease site doesn't have a seawall or a revetment. City Attorney Rob Schultz stated that all the Master Lease Site language is consistent and it would be his goal that it remains that way; it makes it easier to have all master leaseholders on the same lease template as there is consistency when discussing different sections.

MOTION: Mayor Irons moved to approve Item A-4 as amended with the language in the Clean Water Marina section. The motion was seconded by Councilmember Smukler and carried 5-0.

A-7 STATUS REPORT OF A MAJOR MAINTENANCE & REPAIR PLAN (MMRP) FOR THE EXISTING WASTEWATER TREATMENT PLAN; (PUBLIC SERVICES)

Councilmember Smukler pulled this item to get a bit more dialogue about his recent tour of the plant which focused on the items in the major maintenance and repair plan including headworks and the screening process. This new system we will be installing will allow for products to be screened out earlier and have less of an impact on the system. He also spoke on the location of the lift station for the new WRF. There is the potential for maintaining and modifying the existing headworks to remain which will be a decision needed to be made in the future.

Public Services Director Rob Livick discussed the potential of retaining the existing headworks facility and retool it in some form of pump station. There are some plusses and minuses with doing that. While there could be cost savings, there could also be regulatory and physical hurdles to pass. That area is also deep within the flood plain so would need to have significant improvements made for flood protection.

MOTION: Councilmember Smukler moved to approve Item A-7, status report of a MMRP for the existing WWTP. The motion was seconded by Councilmember Christine Johnson and carried unanimously 5-0.

A-10 CONSULTANT SERVICES AGREEMENT WITH RRM DESIGN GROUP FOR DESIGN, PERMITTING AND ASSOCIATED ENVIRONMENTAL SERVICES FOR MORRO CREEK MULTI-USE TRAIL AND BRIDGE PROJECT; (PUBLIC SERVICES)

Councilmember Smukler pulled this item for public information. He also spoke on the timeline in the contract whose language gives us the opportunity for strong public participation. He was under the assumption that there would be work done on the northern side of the creek around the "pit" but due to funding we won't be able to complete any. He wanted to ensure we didn't end up in a situation where the south side looks great and complete but that the north side looks neglected. He would also like to see us anticipate future improvement needs.

Public Services Director Rob Livick will work with the consultant to see if we/they can accommodate future improvements in the northern end without affecting any major changes in the price. He feels there may be ways to incorporate these improvements into the planning document.

MOTION: Councilmember Smukler moved to approve Item A-10, the consultant agreement with RRM Design Group for designing, permitting and associated environmental services for the Morro Creek Multi-use Trail and Bridge project. The motion was seconded by Mayor Irons and carried 5-0.

A-11 RESOLUTION NO. 41-13 ADOPTING 2013/14 MASTER FEE SCHEDULE;
(ADMINISTRATIVE SERVICES)

Councilmember Christine Johnson pulled this item to have Administrative Services Director Susan Slayton discuss an edit needed on Footnote 6 on page 7 – Impact Fees.

Ms. Slayton stated that the note in question was carried over from the prior Master Fee Schedule and that note should have been red-lined out based on Resolution No. 14-13 and 16-13 which rescinded the reduced impact fees. In fact she will also be removing Note 10 as well.

Councilmember Christine Johnson also asked Harbor Director Eric Endersby to discuss 2 items in the Master Fee Schedule. The first was City Moorings Monthly and why they were lower than the market rate. Mr. Endersby responded that the rate increases are tied to the CPI whereas the market rates prices are based on demand. In this case, the City is bringing up the fees incrementally over the course of years in an effort to catch up to the market rate. The second fee in question is the Master Lease Approval Fee which is a new fee. Mr. Endersby explained that this \$810 Master Lease Approval Fee has been implemented in an attempt to recoup more of the staff costs associated with a lease coming to the end of its time. This new fee is being proposed as the new process is more time consuming and costs more to implement.

MOTION: Councilmember Christine Johnson moved to approve Resolution 41-13, adopting the 2013/14 Master Fee Schedule as amended. The motion was seconded by Mayor Irons and carried unanimously 5-0.

Councilmember Nancy Johnson stated that while discussions on items are very important, the Consent Agenda is not the place for them. When there are items that need to be discussed they should be placed under Unfinished Business or as Discussion Items, it is her understanding that Consent Items are things that we can more easily approve and not require extensive dialogue.

B. PUBLIC HEARINGS - NONE

C. UNFINISHED BUSINESS

C-1 CONSIDERATION OF REDEVELOPMENT PROJECTS PROPOSED FOR LEASE SITES 62/62W (KAYAK HORIZONS – KRUEGER) AND 63-64/63W-64W (GRAY'S INN - GRAY); (HARBOR)

Harbor Director Eric Endersby presented the staff report.

Dennis Krueger, lease site holder at Kayak Horizons, stated that he has been the leaseholder since 2004, he loves what he does and would like to continue to do it. After looking at the Waterfront Master Plan, he understands what the City is trying to accomplish with their waterfront plan with the setbacks, view corridors and walkways and is prepared to do that. He also realizes a big concern for the City is that there are lots of leaseholders located in a small area and there is a need for them to work together. He has met with the Gray's Inn proposed leaseholders and he has a good picture of what can be done on his property and will work with neighboring lease sites to make it happen. He realizes that ADA will have to be dealt with. He also realizes that everyone will have to work together which should be what everybody's goal should be. His end project will look very nice as well as give the properties the privacy they need.

Proposed Lease Site holder for Gray's Inn, Tamara Gray Baston made her presentation. She and her husband Todd are very interested in purchasing Gray's Inn and continuing the lease past its 5 years. They have met with Abba Imani and Dennis regarding the mandated improvements needed in the property. Their proposal is very general because they are a bit in the dark about the specifics the City needs but are willing to put those together as they progress.

Councilmember Smukler asked them to review some of the improvements that they have proposed. Ms. Baston spoke on their proposal which includes the waterfront pedestrian walkway on the waterfront side, connecting the walkway from Abba Imani's site to Kayak Horizons, enhancing the view corridor from the street to the waterfront walkway - the view is already there in the 2nd story, the boardwalk states it's been reduced to 5 feet, they will be maintaining the slips as well as improving the ADA compliance standards of the slips, they also plan on making some ADA adjustments in at least one of the room's restrooms. It is their intent to negotiate a long term lease, initially taking over Josie's last 5 years and then would like to see an extension of at least 15-20 years.

Councilmember Leage ensured that there was appropriate parking for the project to which Ms. Baston stated there were 3 parking spots on site as well as 3 City parking spaces.

Councilmember Christine Johnson spoke on the reduction on Item E – Boardwalk reduction to 5 feet. The architect for the proposal, Gene Doughty, stated that the 5 foot on the Boardwalk is on the site to the north by Abba's. They are proposing a minimum of 8 foot and probably 10 feet in the remaining area. He also stated that the structure is only 20 years old and doesn't feel there is any need to knock it down and reconstruct it.

Mayor Irons opened up public comment for Item C-1.

Keith Swanson, son-in-law of the current Gray's Inn owner thanked staff for their patience with this process and appreciates the fact that the City has worked with them getting this back in line. Gray's Inn has a great reputation in this community and is hopeful that that can continue. He feels confident with the new leaseholders that they have a dedication just like Bob and Josie did.

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

Mayor Irons established that the first course of business was to determine whether or not these sites should be looked at as separate sites or to combine them and go out for an RFP.

Councilmember Nancy Johnson feels that an RFP should be sent out with the option for combining the sites. We have a highly underutilized piece of property in the heart of the Embarcadero.

Councilmember Smukler is not in favor of combining sites. He feels they are both unique sites and we have current proposals for both and each proposal satisfies the City commitments such as the harborwalk. Both sites are in good condition. He is not interested in pursuing an RFP for combination.

Councilmember Leage wants to give the people the chance with each proposal. Both Kayak Horizons as well as Gray's Inn should each have the right to bring us a plan and he likes the potential of the small unique lease sites. Gray's Inn has a long history of people coming for years. He's definitely for keeping them separate.

Councilmember Christine Johnson agrees with keeping the lease sites separate. We have 2 unique sites and she is in favor of keeping them that way. She is impressed with the vision of the two applicants and the time they took to research what the City is hoping to do with the Waterfront Master Plan.

Mayor Irons agrees that it's important to keep the lease sites separate for many of the reasons already stated. We have 2 sound sites.

The majority of Council would like to see the lease sites looked at separately. The Council then began to discuss the Kayak Horizon site.

Councilmember Leage is very much against sending this out for RFP, he'd rather see a proposal brought forward and give the people a chance to do the things being proposed.

Councilmember Christine Johnson is in agreement and is also impressed with the thoughtful proposal. Mr. Krueger has been very proactive in meeting with neighbors, especially those under construction right now to get estimates on what things will be costing; he seems to be a very motivated lease holder.

Councilmember Nancy Johnson stated that of the 2 proposals, she feels that the Kayak Horizon proposal is better. She stated he needs to do something about the 2nd floor and ensure it is used for permitted visitor serving uses.

Councilmember Smukler agrees with all comments made so far. He has spoken with Mr. Krueger about the use of the 2nd floor and it is his expectation that the final proposal will have a visitor serving use. He too feels that a strong component is Mr. Krueger's proactive work with his neighbors.

Mayor Irons has concerns about being able to maximize the use of the property, especially the 2nd floor. He also stated there are 2 parking spaces that are not necessarily being utilized and

wondered if they could become some kind of public benefit. As the majority of Council is in favor of moving forward and not sending this out for RFP, he would like to send the message that through the negotiation process, we see something that maximizes this lease site's 2nd floor and /or parking spaces.

Councilmember Leage stated that the Embarcadero has always had a real problem with requiring visitor serving on the 2nd floor as not many have worked.

Both Councilmembers Smukler and Nancy Johnson feel we need to remain strong on keeping a visitor serving business on the 2nd floor.

MOTION: Councilmember Smukler moved to accept the preliminary lease holder proposal for lease site 62-62W, Kayak Horizons and direct staff and Mr. Krueger to work towards an in-depth proposal and bring back for concept plan approval at the Planning Commission level and then for City Council approval. The motion was seconded by Councilmember Leage and carried unanimously 5-0.

Discussions regarding Gray's Inn began regarding negotiating with the proposal they have or going out for RFP.

Councilmember Nancy Johnson didn't feel that the proposal was acceptable as the amount of work being proposed didn't equate to an additional 15-20 years on a lease site.

Councilmember Smukler felt that the basic foundation of the proposal was good. They are looking to satisfy all the standards we have for improvements on the boardwalk side as well as the harborwalk side in addition to the viewshed. He doesn't feel the site would be compatible to a large expansion of rooms. He is willing to move forward with this proposal; if there was a failure in the details, it can be brought back and sent out for RFP if necessary.

Councilmember Leage agrees with Councilmember Smukler completely. He would like to move on with this and let these people come back with ideas they have. The lease site isn't that large, if they make improvements, they will be able to demand more in rents which will bring up the City's revenues.

Councilmember Christine Johnson echoed many of Councilmember Leage's sentiments. Gray's Inn is almost always full. She wants to recognize the Bastons are wading into new waters and that isn't a simple process. Considering that, if you look at the aspects of their proposal, it hits the bullets that we have required. She also believes that they will find more improvements that need to be done as they dig further. She is comfortable in moving forward as this is still the initial phase; we can still come back and issue an RFP at that point. She is very impressed with their proactive outreach to the neighbors.

Mayor Irons feels that this is a very general proposal. He instinctively wondered why we are considering a lease purchase when the current leaseholder doesn't want to continue on; we should probably go to RFP and see what else is out there. He feels it's the Council's duty to take care of the fiduciary responsibility of the lease site. He realizes where the Council majority lies; he is pleased with the overall proposal as it does address all the key points and he likes the

outreach to the neighbors but he is still hesitant. With that, he will go along with his colleagues on Council and agree to move forward with this, realizing it can go to RFP if necessary.

City Attorney Rob Schultz procedurally discussed the process of an Assignment and Assumption Agreement. As we do not negotiate new leases with potential buyers; the assignment has to come first. The first procedure that would happen if an RFP wasn't gone out for would be to wait for the assignment and assumption of lease, then the new owners would file their project with the planning department which would be followed up with lease terms / lease negotiations.

Councilmember Smukler is feeling inspired to move this forward, everything so far gives him the feeling this will be successful; going out for RFP increases the risk of not completing the assignment process.

Mayor Irons requested clarification from Council as to go out for RFP or to direct staff to work with the applicant towards an assignment.

Mayor Irons, with consensus from Council, reopened up public comment for Item C-1.

Keith Swanson stated that they have an interested party wanting to purchase the business; they also want to preserve the time in order for the process of the assignment of the lease; in order to move forward they need to be assured that the City supports them as the buyers.

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

Mayor Irons stated that the applicant is willing to take on the risk of this process. Instinctively, the way to go on this is to go out for RFP.

Councilmember Leage feels that if people are willing to purchase the business with a certain amount of risk; he wants them to have a shot and does not want to go out for RFP. He feels the risk is very minimal.

Councilmember Christine Johnson stated that the current leaseholder, who doesn't want to have the lease anymore, has found a potential purchaser and that potential purchaser has the vision for what we would want on the Embarcadero. The willingness of both parties involved to make a proposal to the City that contains pretty much everything we want has swayed her away from going to the RFP.

Councilmember Nancy Johnson thinks we should proceed with the assignment recommendation to purchase then go back and look at the RFP situation.

Councilmember Smukler is in agreement with both Councilmembers Christine Johnson and Leage. The proposal is clear. Their compatibility with the vision for the site, the history of the site and the future of the site seems like a very good fit. He would like to move the towards assignment process.

MOTION: Councilmember Nancy Johnson moved to direct staff to proceed with the assignment recommendations and at this point, not go out for an RFP. The motion was seconded by Councilmember Leage and carried unanimously 5-0.

D. NEW BUSINESS

D-1 RESOLUTION NO. 39-13 APPROVING THE APPLICATION FOR GRANT FUNDS FOR THE LOCAL COASTAL PROGRAM SEA LEVEL RISE ADAPTATION GRANT FOR UPDATES TO THE LOCAL COASTAL PLAN UNDER THE AUTHORITY OF THE OCEAN PROTECTION ACT AND REVIEW THE CITY WORK PLAN FOR THE GENERAL PLAN/ LOCAL COASTAL PLAN UPDATE: (PUBLIC SERVICES)

Public Services Director Rob Livick presented the staff report with added input from Planning Manager Kathleen Wold.

The public comment period for Item D-1 was opened; seeing none, the public comment period was closed.

Mayor Irons stated as far as tonight goes, this needs to move forward so that it can be submitted by Monday. He would also like to see this come back to City Council for a discussion of the advisory board/sub-committee concept, similar to the 2020 sub-committee, whose members would stick to this all the way through from the start to the end. The committee would be advisory in nature and would provide continuity and outreach to the public throughout the process.

Councilmember Leage doesn't believe in the concept of sea level rise.

Councilmember Christine Johnson is pleased to see the City pursuing all grant opportunities; she is pleased to see the close collaboration with the California Coastal Commission; and, she is pleased to see the Work Program for the GP and the LCP update in this item as well. She stated that this is one of the major City goals.

MOTION: Councilmember Nancy Johnson moved to adopt Resolution 39-13, authorizing a \$250,000 grant application. The motion was seconded by Councilmember Smukler and carried unanimously 5-0.

D-2 WATER RECLAMATION FACILITY (WRF) PROJECT STATUS AND DISCUSSION; (ADMINISTRATION)

City Manager Andrea Lueker presented the staff report and timeline.

Councilmember Smukler was concerned with the August 6, 2013 date for the 1st public workshop and hoped we could schedule it for the following week. That would give us an additional Council meeting which could provide for more public participation as well as allow for more people to be in town. His proposed date for the workshop would be August 15, 2013. There was Council majority to move the 1st public workshop to August 15th.

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

Councilmember Christine Johnson is pleased that we moved the workshop to the 15th as we will have had a Council meeting on the 13th and we will be back in full session; she feels by August 15th the residents summer plans will have wound down.

Councilmember Leage feels we should shoot for September in an effort to wait for everybody to get back from vacations.

Mayor Irons stated that if we push meetings out too far, we start losing the ability to stay on schedule. A majority of the Council is present on the 15th and hopefully more of the public will be back from vacations. Also, Rickenbach outreach staff member, Debbie Rudd stated that she will be available for a move to the 15th.

Councilmember Smukler would also like to ensure that we have outreach efforts for this 1st workshop: all advisory boards notified with a strong invitation to them that they could share as well as support of the consultant.

There was no action taken on this item.

E. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

Mayor Irons requested a discussion and formation of a City Council Subcommittee / Advisory Board for the General Plan / LCP Update; Councilmembers Christine Johnson, Nancy Johnson and Smukler concurred.

Councilmember Smukler requested a discussion about options to reduce unpermitted and illegal fireworks for 4th of July, 2014; Councilmembers Christine Johnson and Nancy Johnson concurred.

Councilmember Smukler requested evaluating options for Morro Transit weekend coverage during winter months following the end of the trolley season with the hopes of the item going to PWAB, entail a rider survey and then bringing it back to Council; Mayor Irons and Councilmember Christine Johnson concurred.

ADJOURNMENT

The meeting adjourned at 8:45pm.

Recorded by:

Jamie Boucher
City Clerk



AGENDA NO: A-3

MEETING DATE: August 13, 2013

Staff Report

TO: Honorable Mayor and City Council DATE: August 8, 2013

FROM: Rob Livick, PE/PLS - Public Services Director/City Engineer

SUBJECT: Status Report of a Major Maintenance & Repair Plan (MMRP) for the Existing Wastewater Treatment Plant

RECOMMENDATION

Staff recommends that this report be received and filed.

ALTERNATIVES

As no action is requested, there are no recommended alternatives.

FISCAL IMPACT

No fiscal impact at this time as a result of this report. Fiscal impact is addressed through the budget process.

DISCUSSION

This staff report is intended to provide an update on the development of the MMRP for the WWTP. At the February 14, 2013 JPA meeting, the Council and District Board approved of the development of an MMRP and made the following motion:

- Direct staff to prepare a time sensitive and prioritized MMRP for the WWTP with an anticipated rolling 2 year budget;
- That the JPA solicit proposals from a qualified firm, or firms, to provide technical advice and analysis on an as needed basis as determined by Morro Bay's Public Services Director and Cayucos Sanitary District Manager;
- And that the Morro Bay Public Services Director and Cayucos Sanitary District Manager report back to the JPA on a semi-annual basis on the progress and costs associated with the MMRP.

Development of a MMRP will assist the City and District in projecting the budgeting of expenditures required to keep the current plant operating in compliance with regulatory requirements.

Staff's primary focus has continued to be on the next Fiscal Year and the projects contained within the FY 13/14 WWTP budget that was adopted by both the City and District. The adopted budget contains \$1.04M in funding for MMRP projects presented during the budget

Prepared by: RL/RS/BK Dept. Review: RL

City Manager Review: _____

City Attorney's Review: _____

hearing at the JPA meeting. Staff is currently working on developing and refining an implementation schedule for the projects funded in the FY 13/14 budget. An outline of the desired repair time frames and key project milestones has been identified and the schedule will be finalized after peer review with our technical support team. We anticipate reviewing this schedule at the September 10, 2013 City Council meeting.

Staff has concluded discussions with various engineering firms as well as numerous vendors on equipment types and methods of procurement. Staff has conducted more detailed discussions with various equipment representatives to further refine the types of equipment that will best suit the site specific parameters of the existing plant. Progress on three of the MMRP projects includes:

- A. Influent Screens: Equipment evaluation has centered on a review of the various influent screen types to determine which is best suited to accommodate the existing influent channel given flow, debris loading and space constraints. Discussions have also included strategies on various options for removing the screened debris from the lower level of the headworks once they are removed from the waste stream. Staff expects to make an equipment selection within the next month and begin the procurement process.

- B. Chlorine Contact Repairs: Staff is working with the various vendors on the chlorine tank project to identify the preferred equipment and to develop a strategy for implementing the repairs. During the repair period, the tank will have to be bypassed and plant staff is working on a strategy for maintaining disinfection and dechlorination during the repair process. This will require the use of temporary tanks to bypass the existing tank in order to keep the plant within regulatory compliance.

- C. Digester 2 Cleaning and Repairs: Staff is making arrangements to have the digester cleaned in early October, and making preparations for the operational changes required to take the digester off-line prior to cleaning.

MBCSD staff has completed a statement of work and two agreements for *on-demand* support services to assist staff in the execution of this work. Staff reviewed the qualifications of several highly regarded local and nationally recognized engineering firms to discuss and refine strategies for moving forward. Based on these discussions, MBCSD staff has selected Mike Nunley & Associates and Black and Veatch for two-year, on-demand contracts. These contracts will give MBCSD the ability to issue individual task orders as specific work tasks are developed to execute the MMRP projects. Each contract will have a \$100,000 ceiling and work will be awarded on a Time & Materials basis to ensure that we only pay for actual time spent on the awarded task. This will expedite the project delivery and ensure that design and construction management expenses are minimized to the maximum extent possible. Four initial tasks have been identified and we are awaiting the proposals. Specifically these experts would assist in:

1. Non-destructive testing of the digesters to evaluate their structural condition prior to and develop the project scope and design specifications to coat and repair the digesters. This will expedite repairs and limit the down time of the digesters;
2. Peer review of the 2013 MMRP project plan and provide technical support to perform constructability review, analyze interim bypass plan for pre-discharge chlorination process and support the risk management decision process;
3. Design integration, providing engineering support to analyze vendor proposals, participating in selection panel to select influent screening, washing and compacting equipment at the Headworks and a Chlorine Contact tank sludge removal system;
4. Providing a complete assessment of existing plant electrical components; including review of the 2006 Carollo Wastewater Treatment Plant Electrical Facilities Overview (Appendix H of the 2006 Facility Master Plan) as the basis for an updated condition assessment of critical electrical infrastructure.

CONCLUSION

Staff will continue to bring a status report on the development of the MMRP at City Council meetings on a monthly basis.

CONCLUSION

Staff Recommends that the City Council adopt Resolution 44-13 authorizing the Mayor to execute a consent agreement regarding a deed of trust for Lease Sites 65-66/65W-66W with Lenders listed on Exhibit "A" and Abba Imani for refinancing of improvements at 571 Embarcadero.

RESOLUTION NO. 44-13

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA APPROVING
THE AGREEMENT REGARDING DEED OF TRUST, GROUND LESSOR'S
ACKNOWLEDGEMENT AND CONSENT FOR THE LEASE AGREEMENT
LEASE SITE 65-66/65W-66W WITH ABBA IMANI
(571 EMBARCADERO)**

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

WHEREAS, the City is the Lessor of property known as Lease Site 65-66/65W-66W located at 571 Embarcadero; and

WHEREAS, Abba Imani, is the tenant on the lease; and

WHEREAS, Abba Imani is refinancing said property to generate capital for improvements and repairs; and

WHEREAS, Abba Imani's lenders are requesting approval of an agreement to provide them certain rights under the lease agreement to secure the loan; and

WHEREAS, the City Attorney has reviewed and approved the attached agreement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay, California, that the Agreement Regarding Deed of Trust, Lessor's Acknowledgement and Consent for Lease Site 65-66/65W-66W is hereby approved and that the Mayor is hereby authorized to execute said agreement.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 13th day of August, 2013 on the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

JAMIE L. IRONS, Mayor

DANA SWANSON, Deputy City Clerk

RECORDING REQUESTED BY:

WHEN RECORDED MAIL TO:

Mid Coast Capital, Inc.
P.O. Box 12360
San Luis Obispo, CA 93406

AGREEMENT REGARDING DEED OF TRUST,
GROUND LESSOR'S ACKNOWLEDGEMENT,
CONSENT, AND AGREEMENT

THIS AGREEMENT is entered into this _____ day of _____, 2013, by and between the City of Morro Bay, a municipal corporation of the State of California, ("Ground Lessor"), Abba Imani ("Borrower"), and Exhibit A Lenders ("Lenders").

RECITALS

A. Ground Lessor and Borrower entered into a lease executed on October 12, 2010 ("Ground Lease"), for at least a term of twenty five (25) years commencing on January 1, 2011 and terminating on January 1, 2036. The Ground Lease is for Borrower's leasehold interest in the real property, in City of Morro Bay, San Luis Obispo County, California, commonly known as Lease Site 65-66/65W-66W.

B. Under the provisions of Article 5 of the Ground Lease, Borrower has the right to encumber the Leased Property by deed of trust or mortgage, and Borrower intends to encumber the Leased Property under deed of trust, as a first lien, in favor of Lender, a true and correct copy of which is attached hereto as Exhibit "1" and by this reference is hereby incorporated (the "Deed of Trust"). The term Deed of Trust shall include all extensions, renewals, modifications, additions, and consolidations thereof.

C. Lender is willing to loan ("Loan") funds to Borrower, and secure same by the Deed of Trust, subject to the existing terms of the Ground Lease, and under the additional terms and conditions herein set forth, provided Ground Lessor consents to the assignment of Borrower's rights under the Ground Lease and the lien of the Deed of Trust in a first lien priority, and agrees to the terms and conditions of this Agreement. Ground Lessor is willing to agree to the terms and conditions of this Agreement as set forth more fully below.

THEREFORE, THE PARTIES AND EACH OF THEM, AGREE AS FOLLOWS:

1. No Encumbering of the Fee: Lender agrees and acknowledges that the Deed of Trust in favor of Lender as executed by Borrower, shall encumber only the Leased Property, and shall not be deemed an encumbrance on the City's fee interest in the Leased Property. Ground Lessor hereby consents to the first lien of the Deed of Trust upon the Leased Property. Ground Lessor agrees not to encumber Ground Lessor's fee interest in the Leased Property in any manner which would constitute a priority interest over the Deed of Trust.

2. Notice to Lender: For purposes of notice to the Lender under paragraph 4 of this agreement and Article 5 of the Ground Lease, the notice shall specify Loan number if provided to Ground Lessor by Lender and shall be sent to Lender's address as set forth by its signature below. Lender may, from time to time, change the foregoing address for receiving notice under this agreement, by delivering written notice of such change of address to the Ground Lessor as provided in Paragraph 16 below.

3. Request for Notice: Immediately after the recording of the Deed of Trust pursuant to this agreement, containing a power of sale as defined by California law, Borrower shall, at Borrower's own cost and expense, record, in the official records of the office of the County Recorder of San Luis Obispo, California, a written request, executed and acknowledged by Ground Lessor, for a copy of any notice of default and a copy of any notice of sale under the Deed of Trust to be mailed to Ground Lessor at the address specified in paragraph 16 below, or as said address may hereafter be changed by Ground Lessor in accordance with said paragraph 16.

4. Notice Requirements: Ground Lessor shall simultaneously with notice to Borrower, also mail to Lender, a duplicate copy of any and all notices which Ground Lessor may, from time to time, give to or serve on Borrower pursuant to or relating to the Ground Lease and Ground Lessor shall undertake other actions required hereunder by Lender in regard to Borrower, the Leased Property, or the Ground Lease. Borrower shall at all times keep Ground Lessor informed in writing of the mailing address of Lender and any changes in Lender's mailing address which become known to Borrower. Any notices or other communications permitted or required by this agreement, or the Ground Lease, or by law, shall be served pursuant to paragraph 16 below.

5. No Modification of Ground Lease: Notwithstanding anything to the contrary in this agreement, Borrower and Ground Lessor hereby expressly stipulate and agree that they will not hereafter modify the Ground Lease in any way nor cancel the Ground Lease by mutual agreement nor transfer the Leased Property without first obtaining the written consent of Lender during the term and existence of the Deed of Trust. The parties recognize and agree that Ground Lessor's execution of this agreement shall be based upon the prior approval of the City Council for the City of Morro Bay, and that to the extent that this agreement is deemed a modification of the Ground Lease, that the execution of this agreement by the Ground Lessor shall be deemed to be in complete compliance with Section 12.07 of the Ground Lease.

6. Lender's Authority to Perform: Lender shall have the right to, but not the obligation, at any time during the term of the Ground Lease and the term and existence of the Deed of Trust:

(a) Do any act or thing required of Borrower under the Ground Lease, and any such act or thing

done and performed by Lender shall be as effective to prevent a forfeiture of Borrower's rights under this Ground Lease as if done by Borrower itself;

- (b) Enforce its remedies under the Deed of Trust ("Enforcement Action"), including without limitation, realizing on the security afforded by the leasehold estate by exercising foreclosure proceedings or power of sale or other remedy afforded in law or in equity or by the Deed of Trust, and to:
- i) Transfer, convey or assign the title of Borrower to the leasehold estate created by the Ground Lease to any purchaser at any foreclosure sale, whether the foreclosure sale be conducted pursuant to court order or pursuant to a power of sale contained in the Deed of Trust or to any transferee of Borrower's leasehold estate resulting from any Enforcement Action; or
 - ii) Acquire and succeed to the interest of Borrower under the Ground Lease by virtue of any foreclosure sale, whether the foreclosure sale be conducted pursuant to a court order or pursuant to a power of sale contained in the Deed of Trust or resulting from any Enforcement Action; or
 - iii) Acquire and succeed to the interest of Borrower under the Ground Lease by virtue of a deed in lieu of foreclosure acceptable to Lender.

Ground Lessor agrees that any Enforcement Action shall not constitute an event of default under the Ground Lease, nor shall Ground Lessor terminate the Ground Lease or disturb any such purchaser or transferee in obtaining the right and continuing as, ground lessee (as successor in interest to the Borrower) under the Ground Lease. This nondisturbance applies to any option to extend or renew the Ground Lease which may later be agreed upon by Ground Lessor and Borrower with the consent of Lender. This nondisturbance shall be effective and self-operative without the execution of any further instruments upon any purchaser or transferee succeeding to the interest of the Borrower's rights under the Ground Lease. Ground Lessor will recognize any successor to Borrower's interest in the Ground Lease, as the ground lessee under the terms of the Ground Lease for all purposes thereunder and for the remaining term thereof. To the extent Lender or its affiliates is the purchaser or transferee, Lender or its affiliates shall be liable to perform the obligations herein imposed on the ground lessee only for and during the period it is in possession or ownership of the Leased Property. In no event shall any purchaser or transferee be (a) liable for any prior act or omission of ground lessee unless and to the extent such act or omission is continuing following the completion of the Enforcement Action and notice of default was provided to Lender pursuant to paragraph 4 hereof, or (b) subject to any offsets or defenses that Ground Lessor may have against Borrower or (c) bound by any modification or amendment to the Ground Lease unless approved in writing by Lender.

7. Termination by Ground Lessor: During the term and existence of the Deed of Trust, before Ground Lessor may terminate the Lease because of any default under or breach of the Ground Lease by Borrower, Ground Lessor must give written notice of the default or breach to Lender, in accordance with the provisions of paragraph 4 of this agreement and afford Lender the opportunity after service of the notice to:

- (a) Cure the breach or default within thirty (30) days where the default can be cured by the payment of money to Ground Lessor or some other person;
- (b) Subject to subsection (c) below, cure the breach or default within sixty (60) days where the breach or default must be cured by something other than the payment of money and can be cured within that time; or

- (c) Cure the breach or default in such reasonable time as may be required where something other than money is required to cure the breach or default and cannot be performed within sixty (60) days provided that acts to cure the breach or default, including at Lender's option, commencement of an action as necessary to appoint a receiver, are commenced within sixty (60) days after service of notice of default on Lender by Ground Lessor and are thereafter diligently continued by Lender.

Nothing in this agreement shall be construed as an obligation or requirement by Lender to cure any default of Borrower.

8. Foreclosure to Forestall Termination: Notwithstanding any other provisions of the Ground Lease, Lender may forestall termination of the Ground Lease by Ground Lessor for a default under or breach of the Ground Lease as provided in Paragraph 7 above or by commencing proceedings to foreclose its Deed of Trust on the leasehold estate created by the Ground Lease. The proceedings so commenced may be for foreclosure of the encumbrance by order of court or for foreclosure of the encumbrance under the power of sale contained in the Deed of Trust or deed in lieu (the "foreclosure proceedings"). The foreclosure proceedings shall not, however, forestall termination of the Ground Lease by Ground Lessor for the default or breach unless:

- (a) The foreclosure proceedings, including filing of a notice of default, are commenced within ninety (90) days after service on Lender of the notice described in paragraph 7 hereof; and,
- (b) The foreclosure proceedings, after having been commenced, diligently pursued in the manner required by law to completion; and,
- (c) Lender subject to the cure periods provided in Paragraph 7 above keeps and performs all of the terms, covenants, and conditions of the Ground Lease requiring the payment or expenditure of money by Borrower, including but not limited to the obligation of Borrower to pay rent, until the foreclosure proceedings are complete or are discharged by redemption, satisfaction, payment, or conveyance of the leasehold estate to Lender.

9. Transfer of Lease Upon Foreclosure. Provided that Lender gives written notice of transfer to Ground Lessor setting forth the name and address of the transferee as well as the effective date of the transfer, the written consent of Ground Lessor shall not be required for transfer of Borrower's interest under the Ground Lease to:

- (a) A purchaser, including Lender or any of its affiliates, of the leasehold at a foreclosure sale of the encumbrance whether the foreclosure sale be conducted pursuant to court order or pursuant to a power of sale in the Deed of Trust; or,
- (b) An assignee the leasehold estate pursuant to an assignment in lieu of foreclosure, provided to the Lender under the Deed of Trust.

10. No Automatic Termination: Notwithstanding any other provision of the Ground Lease, should the Ground Lease terminate, as a matter of law, or otherwise because of the insolvency or bankruptcy of Borrower or because of any non-curable default under, or breach of, the Ground Lease by Borrower, subject to paragraphs 7 and 8 above, at Lender's option, Ground Lessor will execute a new lease for said Leased Property to the Lender, its affiliates or transferee as a new ground lessee, provided:

- (a) A written request for the new lease is served on Ground Lessor by Lender within one hundred twenty (120) days after service on Lender of the notice describing the non-curable default in accordance with paragraph 2 hereof;

- (b) The new lease is for a term ending on the same date the term of the Ground Lease would have ended had not the Ground Lease been otherwise subject to termination, provides for the payment of rent at the same rate that would have been payable under the Ground Lease had the Ground Lease not been otherwise subject to termination, and contains the same terms, covenants, conditions, and provisions as are contained in the Ground Lease;
- (c) Lender, its affiliates or transferee, on execution of the new lease by Ground Lessor, shall pay any and all sums that would, at the time of the execution of the new lease, be due under the Ground Lease but for its termination and shall otherwise fully remedy, or agree in writing to remedy, any other defaults under or breaches of the Ground Lease committed by Borrower prior to the termination that can be remedied; provided Ground Lessor delivered written notice of any such defaults to Lender in accordance with paragraph 4 above;
- (d) Lender, its affiliates or transferee, on execution of the new lease, shall pay all reasonable costs and expenses, not to exceed a total of \$1500.00, including reasonable attorneys fees and courts costs, incurred by Ground Lessor in terminating the Ground Lease, recovering possession of the Leased Property and preparing the new lease; provided Ground Lessor provides a detailed breakdown and invoices supporting such expenses in a form acceptable to Lender.

11. No Merger: Following the recording of the Deed of Trust, and until it is reconveyed by Lender, there shall thereafter, during the existence of that encumbrance, be no merger, without the prior written consent of Lender, of the leasehold estate created by the Ground Lease and the fee estate in the Leased Property merely because both estates have been acquired or become vested in the same person or entity.

12. Limitations on Lender's Liability: Lender shall not be liable to Ground Lessor as an assignee of the Ground Lease unless and until such time as Lender acquires all rights of Borrower under the Ground Lease through foreclosure or other proceedings in the nature of foreclosure or as a result of some other action or remedy provided by law, this agreement or the Deed of Trust.

Should Lender become the owner of the leasehold through foreclosure, an assignment or transfer in lieu of foreclosure, or under the provisions of paragraph 10, following Lender's assignment by Lender to, and the assumption by, a new third party ground lessee of this Ground Lease, or of the new lease under paragraph 10, ("Lender's Lease Assignment"), then Lender shall be relieved of any further liability under this Ground Lease, or any new lease under paragraph 10, arising from and after the date of such Assignment. Any Lender's Lease Assignment shall subject to the prior consent of Ground Lessor, such consent to be based solely upon whether the assignee has the financial ability to pay and perform Borrowers' obligations under the Ground Lease, which consent shall not be unreasonably withheld or delayed.

Ground Lessor shall not unreasonably withhold or delay its consent to a Lender's Lease Assignment provided, however, that the provisions of such assignment must be consistent with the terms and conditions contained herein. A request by Lender for approval by Ground Lessor of Lender's Lease Assignment shall be submitted to Ground Lessor in writing along with a fully executed copy of the proposed assignment. In the event Ground Lessor's approval or disapproval of any Lender's Lease Assignment is not given within forty-five (45) days of submission of a proposed assignment to Ground Lessor, such assignment shall be deemed approved by Ground Lessor as required under Section 10.01 of the Ground Lease.

13. Lender: The term "Lender" as used in this Agreement shall mean not only the entity that loaned money to Borrower as named as beneficiary, mortgagee, secured party, or security holder in the Deed of Trust, but shall also all subsequent assignees and holders of the security interest created by such instrument.

14. Disputes Between Ground Lessor and Lender: The parties agree that this agreement shall govern the rights and obligations of the parties, in addition to the terms, conditions, and obligations under the Ground Lease, during the term and existence of the Deed of Trust. To the extent that any conflict or ambiguity exists between this agreement and the Ground Lease, as between the rights of Lender and Ground Lessor, then the terms of this agreement shall be deemed controlling.

15. Attorney's Fees: If either Borrower, Ground Lessor, or Lender shall bring suit against the other for the enforcement of any provision in this agreement or for declaratory relief in connection with this agreement or the Ground Lease, the prevailing party in any such suit shall be awarded a reasonable attorney's fee and court costs which shall be taxed by the court as a part of the cost of such action.

16. Notices. All notices given under this agreement shall be in writing and be given by personal delivery, overnight courier (such as UPS, or Federal Express) or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing below its signature. Notices shall be effective upon the first to occur of receipt, when proper delivery is refused, or the expiration of forty-eight (48) hours after deposit in registered or certified United States mail as described above. Addresses for notice may be changed by any party by written notice to any other party in accordance with this Section. Ground Lessor agrees that this agreement, notwithstanding the requirements of Article 5, shall satisfy the notice requirement of Article 5 of the Ground Lease for purposes of Ground Lessor notifying Lender of any event of default of Borrower and no registration with Ground Lessor is required.

17. Ground Lessor's Estoppel Certificate. To induce Lender to make the Loan to Borrower, Ground Lessor agrees and represents and warrants to Lender as follows:

(a) True and Complete Ground Lease. The Ground Lease which has been duly executed and accepted by Ground Lessor and Borrower and delivered to Lender constitutes the entire agreement between Ground Lessor and Borrower as it pertains to the lease of the Leased Property and has not been modified either in writing or orally.

(b) No Default. As of the date of this agreement, (i) all conditions and obligations to be performed by either Ground Lessor or Borrower under the Ground Lease have been satisfied; (ii) there exists no breach, default or event or condition which currently, or which with notice or lapse of time, would constitute such a breach or default under the Ground Lease; (iii) there are no existing claims, defenses or offsets against obligations of either Ground Lessor or Borrower under the Ground Lease, including any against rents due or to become due under the terms of the Ground Lease.

(c) No Other Leases. There are no leases, options or other agreements regarding transfer of any interest in, or otherwise materially affecting the Leased Property other than the Ground Lease.

(d) No Advance Payments. No rent or other sums payable or deposits under the Ground Lease have been paid in advance.

- (e) No Prior Assignments. Ground Lessor has not received notice of any prior assignment, hypothecation or pledge of Borrower's interests in the Ground Lease.
- (f) No Pending Litigation/Violations. Ground Lessor has not received notice of any litigation pending, proposed, or threatened against or in connection with its fee interest in the Leased Property or the Ground Lease or the Leased Property. Ground Lessor has not sent or received any written notice that the Leased Property, or any part thereof, is in violation of any laws, ordinances or regulations.

Ground Lessor agrees for the benefit of Lender or any purchaser, from time to time, on not less than 30 days prior notice from Lender, to deliver a certificate to Lender or purchaser, as the case may be, that confirms all of the above in this paragraph.

18. Authority. Each party represents to the other that the execution, delivery and performance by such party under this Agreement is within such party's powers and authority and has been duly authorized; this agreement constitutes a legal, valid and binding agreement of each such party, enforceable against such party in accordance with its terms, and any instrument or agreement required thereunder, when executed by the individuals duly authorized to sign on behalf of such party, will be similarly legal, valid, binding and enforceable; and if any of the foregoing is inaccurate or incorrect, in any way, such party will indemnify, defend and hold the other party, as appropriate, harmless from any and all claims, losses or damages the other party may experience or incur as a result such party's breach of this representation.

GROUND LESSOR:

City of Morro Bay

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Address for notices to Ground Lessor:

 Attention: _____

LENDERS:

See Exhibit A Lenders

Address for notices to Lenders:

Mid Coast Capital, Inc.
 P.O. Box 12360
 San Luis Obispo, CA 93406
 Attention: Vincent Crooks

BORROWER:

Abba Imani

By: _____

Title: _____



owner

Address for notices to Borrower:

Attention: _____



<p>This document is recorded for the Benefit of the City of Morro Bay and is exempt from recording fees, pursuant to Government Code Sections 6103 and 27383.</p> <p>RECORDING REQUESTED BY: City of Morro Bay</p> <p>WHEN RECORDED MAIL TO: City of Morro Bay City Attorney 595 Harbor Street Morro Bay, CA 93442</p>	<p style="text-align: center;">Space above reserved for use of County Recorder</p>
--	--

ASSIGNMENT AND ASSUMPTION AGREEMENT

This assignment is made and entered into this ___ day of _____, 2013 by and between Violet M. Leage (hereinafter referred to as "Assignor") and B & L Flash, Inc., a California Corporation (hereinafter referred to as "Assignee").

1. The City Council of Morro Bay has approved lease assignment; Assignor hereby assigns all rights, title and interest they have in the lease from the City of Morro Bay, known as Morro Bay Lease Site 87-88/87W-88W, under the Master Lease dated April 1, 1970, Resolution 57-71 approved on July 13, 1971, Resolutions 85-75 & 86-75 approved December 8, 1975, Amendment #2 approved April 10, 2000, Amendment #3 approved July 10, 2006, Amendment #4 approved December 14, 2009, Amendment #5 approved October 25, 2010, and Amendment #6 approved April 12, 2011.
2. Assignee acknowledges that the City of Morro Bay has leased the premises to Assignor under the Master Lease dated April 1, 1970. Assignee acknowledges that any assignment of the Master Lease is subject to prior approval by the City of Morro Bay City Council and is also subject to prior execution between Assignor and Assignees.
3. Assignee agrees to comply with terms and conditions of the Master Lease dated April 1, 1970, Resolution 57-71 approved on July 13, 1971, Resolutions 85-75 & 86-75 approved December 8, 1975, Amendment #2 approved April 10, 2000, Amendment #3 approved July 10, 2006, Amendment #4 approved December 14, 2009, Amendment #5 approved October 25, 2010, and Amendment #6 approved April 12, 2011, and to assume all liabilities under the Master Lease, to defend, indemnify and hold the City free and harmless from and against, any and all claims, lawsuits, costs and expenses, including reasonable attorney's fees and court costs arising from, or in any way related to, holding, using or operating the leased premises, and further agree to maintain liability insurance in the manner, form and amount required by the Master Lease dated April 1, 1970, with the City of Morro Bay included as an additional insured without the offset against the City's insurance.

Assignor confirms to the City that he has no actual knowledge or reasonable cause to believe that any release of hazardous substance has come to be located on/or beneath the real property during the term of Assignor's occupation of the lease that has not been reported pursuant to Health & Safety code #253597.

Dated: 7/24/13

Violet M Leage
Violet M. Leage

Consent to Assignment & Assumptions of all liabilities under the Lease Agreement

B & L FLASH, Inc., a California corporation

Dated: 7/29/13

Violet M Leage
By: Violet M. Leage, President

Dated: _____

By: Barry A. Lambert, Secretary

The City of Morro Bay, Lessor named in the Master Lease, consents to the Assignment upon the conditions set forth above. The City also consents to the agreement by Assignees to assume, after _____, the payment of rent and performance of all duties and obligations including all percentage of gross sales rent as set forth in the Master Lease which has been approved by the Morro Bay City Council prior to this agreement.

City of Morro Bay

Dated: _____

By: Jamie L. Irons, Mayor
City of Morro Bay

Assignor confirms to the City that he has no actual knowledge or reasonable cause to believe that any release of hazardous substance has come to be located on/or beneath the real property during the term of Assignor's occupation of the lease that has not been reported pursuant to Health & Safety code #253597.

Dated: 7/24/13

Violet M. Leage
Violet M. Leage

Consent to Assignment & Assumptions of all liabilities under the Lease Agreement

B & L FLASH, Inc., a California corporation

Dated: 7/29/13

Violet M. Leage
By: Violet M. Leage, President

Dated: 7/27/13

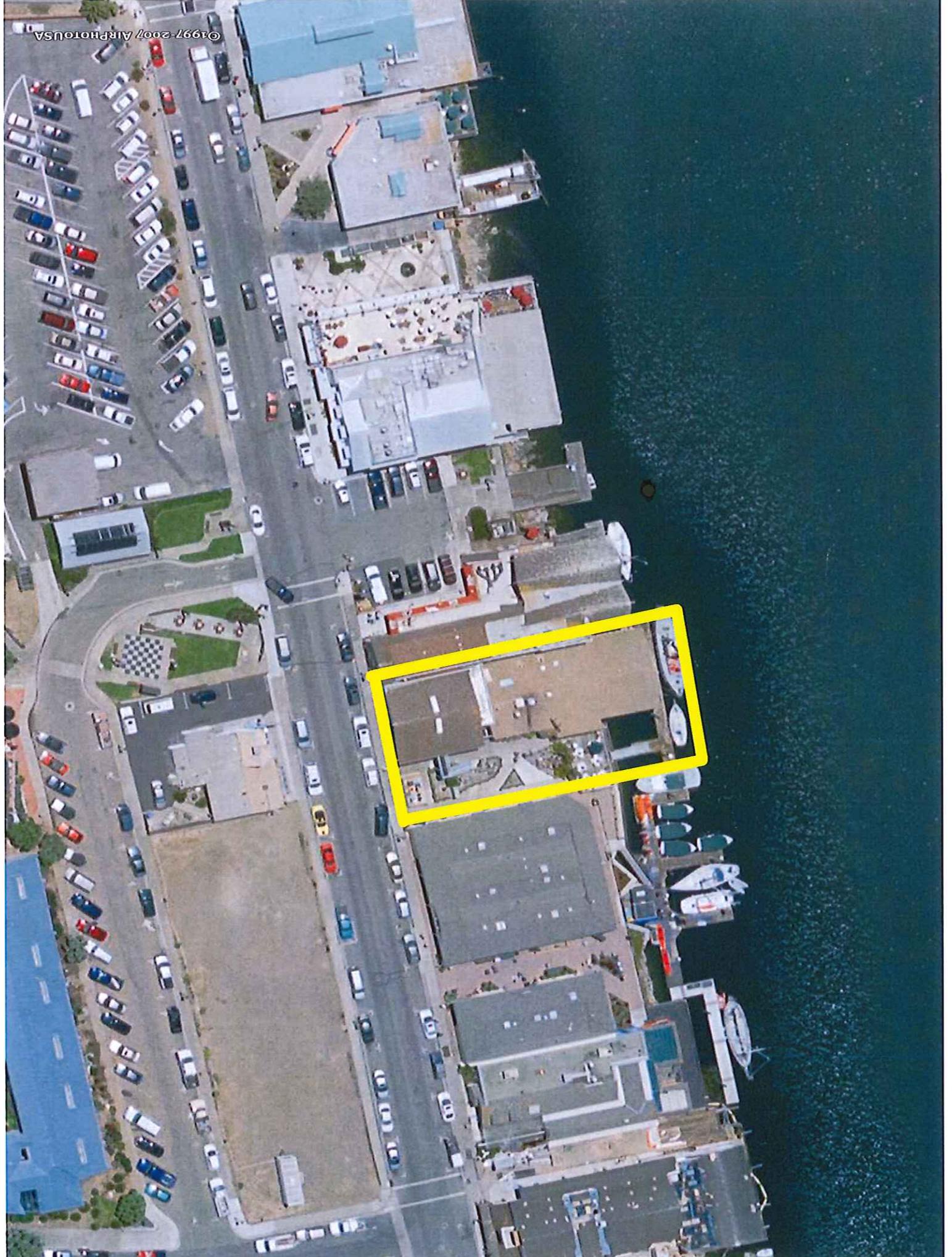
Barry A. Lambert
By: Barry A. Lambert, Secretary

The City of Morro Bay, Lessor named in the Master Lease, consents to the Assignment upon the conditions set forth above. The City also consents to the agreement by Assignees to assume, after _____, the payment of rent and performance of all duties and obligations including all percentage of gross sales rent as set forth in the Master Lease which has been approved by the Morro Bay City Council prior to this agreement.

City of Morro Bay

Dated: _____

By: _____
Jamie L. Irons, Mayor
City of Morro Bay





AGENDA NO: B-1

MEETING DATE: August 13, 2013

Staff Report

TO: Honorable Mayor and City Council **DATE:** August 5, 2013
FROM: Robert Livick, PE/PLS - Public Services Director/City Engineer
SUBJECT: Appeal of Administrative Decision Regarding Request for Payment of Reduced Impact Fees for a Residential Project Located at 281 Main Street (Applicant: John and Alair Hough)

RECOMMENDATION

Uphold staff decision to deny the reduction in impact fees, per City Council Resolution 14-13.

ALTERNATIVES

Approve the applicants' request for payment of reduced impact fees and authorize a modification to Resolution 14-13 to include those projects where the applicant benefits from a reduction in fees, without a detrimental reliance on past City Council action.

FISCAL IMPACT

The direct fiscal impact of this particular decision is \$9,142.80. This is not for the ongoing operations of the City; impact fees are to accommodate the future infrastructure needs created by new development. Should the Council choose to uphold the appeal and overturn staff's decision, the total fiscal impact is much more significant; since this decision would be precedent and no longer requires the proof of detrimental reliance.

DISCUSSION

On June 20, 2013 the City received a letter for a reduction in development impact fees on behalf of the Hough's for their project located at 281 Main Street. After reviewing the submittal dates for the Hough project and discussing the merits with the City Attorney, it does not meet the timeframe stipulated in City Council Resolution 14-13. The Hough's made application for their Coastal Development Permit for the project at 281 Main Street in April 2012 and was approved by the Planning Commission on May 16, 2012. The project was then subsequently appealed to City Council and to the Coastal Commission. The City received the Notice of Final Action by the Coastal Commission on March 13, 2013. The Hough's applied for their building permit for construction in June 2013.

Prepared By: RL

Dept Review: RL

City Manager Review: _____

City Attorney Review: _____

Since the Hough's did not have a "detrimental reliance" on the fee reduction as evidenced by the approval of their Planning permit prior to the impact fee reduction going into effect; therefore it appears they had made the decision to move forward with their project at a time prior to the temporary reduction in impact fees.

CONCLUSION

Council adopted Resolution 14-13 restoring residential impact fees to their pre October 12, 2012 level, with allowance for those projects that had a detrimental reliance on the October 23, 2012 Council action. The Hough project, 281 Main Street had no such reliance; therefore there should not be a reduction in impact fees.

ATTACHMENTS

1. Resolution 14-13
2. Appeal form letter from appellant with their supporting documentation.
3. Letter denying the reduction in fees dated July 5, 2013

RESOLUTION NO. 14-13

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
RESCINDING RESOLUTION 52-12 AND RESTORING RESIDENTIAL IMPACT
FEES TO THEIR PRE OCTOBER 23, 2012 LEVEL**

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

WHEREAS, the City Council adopted Resolution 47-07, setting impact fees for development based on comprehensive development impact fee justification study; and

WHEREAS, the City Council determined that these fees shall be reduced by 50-percent to the greatest extent practical without affecting existing fees; and

WHEREAS, the City Council discussed the issue of impact fees at their January 22, 2013 meeting; and

WHEREAS, the City Council determined that those projects that had relied on the Residential Fee reduction shall not be subject to the reinstatement of residential impact fees.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Morro Bay, California, does hereby rescind Resolution 52-12 restoring residential impact fees to their pre October 23, 2012 level; and

BE IT FURTHER RESOLVED that those projects that have "Technically Complete" Planning Applications after October 23, 2012, but before the date of this resolution shall only pay those impact fees as set by Resolution 52-12; and

BE IT FURTHER RESOLVED that those projects that have complete Building Permit Applications after October 23, 2012, but before the date of this resolution shall only pay those impact fees as set by Resolution 52-12.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 13th day of February, 2013 on the following vote:

AYES: Irons, C. Johnson, Smukler
NOES: N. Johnson, Leage
ABSENT: None



JAMIE L. IRONS, Mayor

ATTEST:



JAMIE BOUCHER, City Clerk



RECEIVED

JUL 08 2013

City of Morro Bay
Public Services Department

CITY OF MORRO BAY
PUBLIC SERVICES DEPARTMENT
APPEAL FORM

<i>APPEAL FROM THE DECISION OR ACTION OF (GOVERNING BODY OR CITY OFFICER):</i>	
Public Services Director	
<i>APPEAL OF SPECIFIC DECISION OR ACTION:</i>	
Denial of request for development impact fee reduction	
<i>PERMIT TYPE BEING APPEALED (IE. COASTAL PERMIT, USE PERMIT, TENTATIVE SUBDIVISION):</i>	
Building permit impact fees	
<i>DATE DECISION OR ACTION RENDERED:</i> 7-5-2013	
<i>APPELLANT (PLEASE PRINT):</i> John & Alair Hough	
<i>SIGNATURE:</i>	
<i>ADDRESS:</i> 285 Main Street, Morro Bay, CA 93442	<i>TELEPHONE NUMBER:</i> 772-2197

<i> GROUNDS FOR THE APPEAL (ATTACH SHEETS AS NECESSARY):</i> The applicants were in the "pipeline" with a single family home and relied on the City Council resolution #52-12 that provided for a reduction in the development impact fees paid at the time of the building permit. See attached letter dated 6-20-13.

<i>REQUESTED RELIEF OR ACTION:</i> That the applicants be granted the development impact fee reduction per City Council resolution #52-12.

<i>FOR OFFICE USE ONLY</i>	
DATE APPEAL FILED:	ACCEPTED BY:
APPEAL BODY:	
DATE OF APPEAL HEARING:	



CATHY • NOVAK

consulting

June 20, 2013

Ms. Kathy Wold
City of Morro Bay Public Services Department
955 Shasta Street
Morro Bay, CA 93442

RE: Hough project at 281 Main Street

Dear Kathy,

This letter is in regards to the reduction of development impact fees for the single family residential project mentioned above. I would like to respectfully request that the City determine that this project qualifies for the residential impact fee reduction that was approved by Council on October 23, 2012 and remained in effect until February 13, 2013.

I feel that it is appropriate to provide a timeline and discussion as to the events that happened with this particular project and why the applicants believe they have met the standards and should be allowed the fee reduction.

The original project was approved by Council on July 10, 2012. In the normal course of submitting for a building permit to the City after the entitlements are received, it would be expected that the appropriate submittal packet would take approximately two months to prepare. This time frame would have also coincided with the Council pending discussion on the impact fees and the Hough's would have most certainly waited to submit their application until after this item was presented to the City Council.

Furthermore, at the August 14, 2012 City Council meeting Council Member Borchard had declared as a future agenda item a discussion to look at the Planning and building fees. This agenda item included the residential impact fees however; the item was not brought back to Council until the end of October.

The project approved by Council was subsequently appealed to the Coastal Commission in July. The Coastal Commission communicated on several occasions that the project would be set for a hearing soon however this did not happen even though letters and other requests were submitted to the Commission. The applicants were told that due to staffing and other constraints (City waste water treatment hearing), the hearings were continually postponed.

GOVERNMENTAL & COMMUNITY RELATIONS • PLANNING

CELL 805.441.7581 • PHONE & FAX 805.772.9499

POST OFFICE BOX 296 • MORRO BAY, CA 93443

NOVAKCONSULTING@CHARTER.NET

To add complications to this the Coastal Commission also changed staff planners from Stephanie Rexing to Nicholas Dreher so, we needed to provide background information and information that had already been discussed to the new staff. Ultimately the Coastal Commission scheduled this for a hearing on March 6, 2013. In the end, the Coastal Commission voted unanimously for a No Substantial Issue determination.

During the time the project was delayed at the Commission, the Hough's continued to rely on the City Council action that the development impact fee reduction would be in effect until July 1, 2014. However, the City Council adopted resolution #14- 13 at their February 13, 2013 meeting rescinding the reduction in fees. The Hough's were in limbo at the Coastal Commission but still diligently working towards pulling a building permit.

By the time the Coastal Commission had reached a decision, the Council had already adopted the resolution therefore precluding the Hough's from submitting for a building permit. Because of this untimely delay at the Coastal Commission, the Hough's were finally able to submit for a building permit in early June. It is also important to note that the Hough's were not able to prepare construction drawings until after the Commission hearing so that the correct plans were used.

In closing, the purpose of the original City Council resolution to reduce fees was to provide an incentive for the construction of residential projects and to enhance housing opportunities. While the Hough's started the entitlement process prior to the fee reduction resolution, they spent a considerable amount of money for the permitting and decided to move forward sooner on the actual construction of a new single family home when they became aware of the fee reductions. They actively have done everything within their means to finish with the planning permits and start the construction permit process which furthered the goals set by the Council in their resolution.

This is a classic example of a project that was caught within the bureaucratic maze of reviewing and approving permits and ultimately the Hough's suffered the consequences of not being able to submit plans in a timely fashion. The Hough's have gone to great lengths to design a house that is character with the neighborhood (proof being that both the Council and Coastal commission denied the appeals) and established that they had every intent of pursuing a construction permit as soon as possible after the approvals were done.

The fee reduction for this project would be approximately \$9,142 which is a considerable sum to relinquish and to be penalized for under these circumstances. I believe it is unjust for the City to deny this request since this is an anomaly in comparison to other projects in process during the same time frame we are discussing.

Lastly, I believe that the Hough's have demonstrated that they had originally relied on the prior Council action for the fee reductions and I believe this project was in the "pipeline" during the appropriate time. Therefore I believe that this project qualifies for the impact fee reduction as was previously approved.

Thank you for your time and consideration and please let me know if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Cathy Novak".

Cathy Novak
Project Representative for Mr. & Mrs. John Hough

December 11, 2012

Ms. Madeline Cavaliere
District Manager
California Coastal Commission
725 Front Street, Suite 300
Santa Cruz, CA 95060

RE: 281 Main Street, Morro Bay, (A-3-MRB-12-026)

Dear Ms. Cavaliere,

We are writing this letter to respectfully request that our single family home project be placed on the January Commission agenda. We understand that Commission prefers to have projects presented at the meetings which are close in proximity so therefore allowing us to attend the meeting in Pismo Beach would certainly be most convenient for all of us.

Since all the future meetings will be a lengthy distance from Morro Bay, it will create an undue hardship for us in the way of time and travel costs. Also we certainly hope you can understand that we are very cognizant of the additional impacts with fuel, air emissions and traffic produced by all of us traveling unnecessarily.

Our project is a simple single family home that has had continued support amongst our closest neighbors from the start however; it was appealed to you in August by one person that is not immediately affected by our design. We signed the 49 day waiver at your request to allow you more time to review our plans. Furthermore at your request, we have modified the plans with additional windows that will provide more articulation along the Main Street side of the home. We did this to assist you and with an understanding that this project would most likely be a no substantial issue report to the Commission. Since our project is so benign we felt that in the beginning your staff would sufficient time to do the review and bring this item before the Commission within a reasonable amount of time. We have been waiting patiently and would sincerely like to move along with our house plans.

In conclusion we would greatly appreciate you taking all of these above concerns into consideration and schedule us for your January meeting. Thank you in advance for helping us with our project.

Sincerely,

Mr. & Mrs. John Hough

cc: Dr. Charles Lester, Executive Director



City of Morro Bay

955 Shasta Avenue
Morro Bay, CA 93442
(805) 772-6261

PERMIT NO. B00-029-930

Permit Type: Single Family New

PROJECT TRACT NO. BUC. NO. LOT NO. APPLIC. DATE ISSUED BY
6/6/2013 CAW

Issue Date:
Permit Status: Plan check

PROJECT ADDRESS: 281 Main ASSESSORS PARCEL NO. GEO CODE

OWNER MAILING ADDRESS PHONE NO. FAX NO.

APPLICANT MAILING ADDRESS PHONE NO. FAX NO.

CONTRACTOR/PROFESSIONAL MAILING ADDRESS PHONE NO. FAX NO. EMAIL ADDRESS:

TENANT MAILING ADDRESS PHONE NO. FAX NO.

DESCRIPTION

S P New/2829 sf liv, 700 sf gar, 361 sf decks

CALCULATION TYPE	UOM	# OF UNITS	VALUE	CALCULATION TYPE	UOM	# OF UNITS	VALUE
Value	dollars	306,498	\$306,498.00	PLAN CHECK			
			OCCUPANCY Dwellings				

FEE DETAIL									
QTY	UOM	DESCRIPTION	AMT DUE	AMT PAID	QTY	UOM	DESCRIPTION	AMT DUE	AMT PAID
1	Dollars	bldg strnwtr plan review	\$182.00		1	Dollars	Strnwtr/isp bldg plan/crosion c	\$97.00	
75		Fire inspection fees	\$75.00				Plan Check - Fire	\$982.49	\$982.49
		Plan Check	\$3,831.23	\$3,831.23			Impact Fee	\$3,831.23	
		SB 1473 Green Bldg Standards	\$13.00				SDP I	\$30.65	
		G P Maintenance - 6% of buildin	\$459.75		2,829	sq ft	Dev Impact Fee for SFR or addt	\$10,750.20	
1	50%	Water Impact Fee 1 inch meter	\$2,368.00	1184.	2,829	sq ft	Park Dev Impact Fee on SFR	\$3,369.93	
2,829	sq ft	In Lieu - Housing	\$876.99		1		Wastewater Impact Fee for 1 incl	\$4,347.00	

ONLY

with reduction
22,011.67

6619.86
2341.11
1654.97
2173.50
50%

Total Fees: \$ 31,154.47 Total Paid: \$ 4,813.72 Balance Unpaid: \$ 26,340.75 Paid Today:

RECEIPTS DETAIL					
RECEIPT #	TRANS. DATE	NAME	PAYMENT TYPE	PAYMENT TYPE #	AMOUNT
6,676	6/6/2013	Alair Hough	Check	1112	\$4,813.72

starting - 31,154.47
with reduction - 22,011.67

9,142.80

APPROVED:

Building Official



City of Morro Bay

Morro Bay, CA 93442

(805) 772-6200

www.morro-bay.ca.us

July 5, 2013

Cathy Novak
Cathy Novak Consulting
PO Box 296
Morro Bay CA 93443

RE: Hough project 281 Main Street – Development Impact Fees

Dear Cathy,

This letter is in response to your letter request dated June 20, 2013 for a reduction in development impact fees on behalf of the Hough's for their project located at 281 Main Street. After reviewing the submittal dates for the Hough project and discussing the merits with the City Attorney, it does not meet the timeframe stipulated in City Council Resolution 14-13. Since the Hough's did not have a "detrimental reliance" on the fee reduction as evidenced by the approval of their Planning permit prior to the impact fee reduction going into effect; therefore it appears they had made the decision to move forward with their project at a time prior to the temporary reduction in impact fees.

Sincerely,

Digitally signed by Rob Livick
DN: cn=Rob Livick, o=City of
Morro Bay, ou=Public Services,
email=rlivick@morro-bay.ca.us,
c=US
Date: 2013.07.05 17:31:47 -0700

Rob Livick, PE/PLS
Public Services Director/City Engineer

c: Robert Schultz, Alair Hough

FINANCE
595 Harbor Street

ADMINISTRATION
595 Harbor Street

FIRE DEPT.
715 Harbor Street

PUBLIC SERVICES
955 Shasta Avenue

HARBOR DEPT.
1275 Embarcadero Road

CITY ATTORNEY
595 Harbor Street

POLICE DEPT.
870 Morro Bay Boulevard

RECREATION & PARKS
1001 Kennedy Way



AGENDA NO: C-1

MEETING DATE: August 13, 2013

Staff Report

TO: Honorable Mayor and City Council

DATE: August 6, 2013

FROM: Eric Endersby, Harbor Director

SUBJECT: Approval of Draft Request For Proposals for Lease Sites 69-70/69W-70W
(Morro Bay Aquarium)

RECOMMENDATION

Staff recommends that the Council approve the draft Request For Proposals (RFP) for Morro Bay Aquarium Lease Sites 69-70/69W-70W.

ALTERNATIVES

- A. Approve the draft RFP as presented.
- B. Make desired amendments to draft RFP and approve as amended.

FISCAL IMPACT

None at this time.

BACKGROUND

At the June 25, 2013 City Council meeting, Council voted to send Lease Site 69-70/69W-70W out for RFP, and directed staff to bring back a draft RFP for future Council approval. Lease Site 69-70/69W-70W is a 50-year Pipkin lease that expires in September 2018, and currently serves as the Morro Bay Aquarium.

DISCUSSION

The draft RFP being presented started with the same template that was used for the vacant lease site RFPs put out earlier this year, modified to fit Lease Site 69-70/69W-70W. It includes Council direction from the 6/25/13 Council meeting. If approved, staff anticipates sending the RFP out by mid-September, with a spring, 2014 due date. See draft RFP, included with this staff report, for anticipated trigger dates.

CONCLUSION

City Council voted to send Lease Site 69-70/69W-70W out for RFP, and staff recommends that Council approve the draft RFP being presented.

Prepared By: _____

Dept Review: _____

City Manager Review: _____

City Attorney Review: _____



City of Morro Bay Request for Proposals



Redevelopment of
Lease Site 69-70/69W-70W
595 Embarcadero
Morro Bay, CA 93442
Project MB-2013-HRFP4

September 15, 2013

Prospective Proposer:

SUBJECT: REQUEST FOR PROPOSALS FOR LEASE SITE 69-70/69W-70W, 595 EMBARCADERO, MORRO BAY, CA 93442

The City of Morro Bay invites the submittal of proposals from qualified entities and/or operators (Proposer) to redevelop land and water located on the Embarcadero for Lease Site 69-70/69W-70W located at 595 Embarcadero, Morro Bay, CA 93442.

The Harbor Department intends to select a Proposer to comprehensively redevelop this property. This property will be available on a long-term ground lease basis after September 2018, unless the current tenants choose to terminate their lease prior. However, since design, planning and permitting can take several years to complete, and in accordance with the City’s Lease Management Policy, the City is desirous of moving a redevelopment project forward sufficiently in advance of the current lease expiration in order to minimize the lag time between current lease expiration and redevelopment.

Instructions and forms to be used in preparing the proposal are found in the information included in the Request for Proposals (RFP). The schedule for this RFP will be as follows:

ACTIVITY/Key Steps	DATE
Issue Request for Proposals	September 19, 2013
Recommended Pre-Proposal Meeting and Site Walk-Through	October 17, 2013
Questions Due	November 14, 2013
Responses to Questions Posted by	December 5, 2013
Proposals Due	March 20, 2014

For more information and a copy of the City of Morro Bay Harbor Department Lease Management Policy, as well as a copy of the City’s standard lease format, visit the Harbor Department’s page of the City website under “Harbor Administration and Leases.” If you cannot agree to the requirements exactly as set forth in this RFP, please do not submit a proposal.

For questions regarding this RFP, please contact Eric Endersby by email at eendersby@morro-bay.ca.us. Questions must be submitted by November 14, 2013. Responses to questions will be

posted on the City's website at www.morro-bay.ca.us by December 5, 2013. It is the responsibility of any Proposer to review the City's website for any RFP revisions or answers to questions prior to submitting a proposal in order to ensure all proposals are complete and responsive.

Sincerely,

A handwritten signature in black ink, appearing to read 'Eric Endersby', with a long horizontal flourish extending to the right.

Eric Endersby
Harbor Director

**REQUEST FOR PROPOSALS
REDEVELOPMENT OF LEASE SITE 69-70/69W-70W
595 EMBARCADERO, MORRO BAY, CA 93442
PROJECT MB-2013-HRFP4**

TABLE OF CONTENTS

INTRODUCTION	5
Section I SITE HISTORY	6
Section II SITE DATA.....	7
Section III INVITATION TO PARTICIPATE	9
Section IV SELECTION PROCESS	11
Section V REQUEST FOR PROPOSALS SUBMITTAL PACKAGE ...	14
Section VI TENTATIVE PROPOSAL SCHEDULE.....	18
Section VII ATTACHMENTS	19

INTRODUCTION

Purpose

The City is seeking proposals from qualified entities and/or operators to redevelop Lease Site 69-70/69W-70W, located at 595 Embarcadero, Morro Bay, CA 93442, currently operating as the Morro Bay Aquarium, and hereinafter referred to as “Site.” The property will be available for a long-term ground lease after September 2018, and the City will consider redevelopment proposals by one or more Proposer or Proposer Teams (Proposer). The term (length) and conditions of the lease to be awarded as a result of this RFP will be negotiable, depending on the investment and redevelopment plan of the Proposer. The agreement will become effective once approved by the City Council.

Objectives

The Morro Bay City Council has determined that it is in the best interest of the City and public to consider potential redevelopment proposals for the Site. The City desires to have the property redeveloped in a manner which will continue to provide a unique visitor-serving marine aquarium and/or marine educational opportunity, as well as an economic return to the Harbor Department. It is the City’s objective that the Site is redeveloped into a modernized aquarium and/or marine educational facility, as well as to meet modern design criteria that incorporates planning and building codes with uses that are the most beneficial to the Embarcadero visitor-serving and business environments. Key City objectives with this RFP are design improvements that include:

- A modernized marine aquarium and/or marine educational facility
- Minimum 8-foot wide sidewalks
- Minimum 8-foot lateral public access along the waterfront
- Disabled access to second floor uses, if any

The City is seeking Proposers who have the proven experience, financial resources, and professional expertise to deliver the highest quality and economically feasible project that is consistent with and best implements the land and water uses approved in the City’s Master Plan, Local Coastal Plan, and Harbor Department Lease Management Policy. However, it should be noted that while the City desires a modernized aquarium and/or marine educational facility, all proposals submitted will be evaluated including those that may not have a modernized aquarium and/or marine educational facility aspect included.

SECTION I: SITE HISTORY

Tracing back to English Common law the Public Trust Doctrine establishes that navigable water or lands subject to tidal influence are “sovereign,” held open to the public for commerce, fisheries or navigation. In 1942-44, the federal government constructed a revetment along the Morro Bay waterfront and filled most of the area now known as the commercial strip along the Embarcadero. The State of California claimed ownership of the newly created land as at least a portion of it had previously been below the high tide line. After many years of dispute with private property owners, who also claimed an interest in the land, most title issues were settled in the 1950s-1960s by designating those lands west of Embarcadero Road as public trust lands owned by the State, and those lands east of Embarcadero Road as privately owned.

In 1947, the State of California granted those public trust lands in Morro Bay to the County of San Luis Obispo. The City of Morro Bay assumed trusteeship of the granted lands upon incorporation in 1964-1965. The tidelands grant in Morro Bay is in perpetuity, provided the City conforms to the terms of the legislative grant. The granted lands must be used for commerce, fisheries, navigation, recreational purposes, parklands, public access, public parking and environmental protection or enhancement. Residential use of these public lands is specifically prohibited. The City may lease out these lands to private businesses for a period up to 50 years and all revenues from such leases must be expended within the area of the granted lands for the purposes of the public trust. Much of the granted lands were leased to established businesses in the 1960s on long-term leases that provided low rental rates in exchange for tenant investment in the business on the sites or settlement of previous land ownership or county lease disputes. Some of these old long-term leases have accrued significant “bonus” value to the benefit of the private party because waterfront property values have increased far in excess of the contractual rental return to the City.

This site is currently occupied by the Morro Bay Aquarium. The Morro Bay Aquarium was built in 1960 and has been operated for over 50 years by Dean and Bertha Tyler. The Morro Bay Aquarium became a rehabilitation center for distressed mammals in 1984 and features sea lions and harbor seals. There are also fourteen tanks inside of the building with local marine life such as fish, sharks, octopus, eels, abalone and sea anemones. The aquarium is a member of I.M.A.T.A (International Marine Animals Training Association). In 2006, Dean and Bertha Tyler were designated Living Treasures of Morro Bay by the membership of the Morro Bay Chamber of Commerce.

The City desires to solicit proposals from interested parties to ensure maximization of public benefit from development and a long-term lease agreement for the Site.

SECTION II: SITE DATA

Redevelopment property is Lease Site 69-70/69W-70W as delineated on Exhibit A, page 3 of City of Morro Bay Resolution 119-89, and was recorded on October 10, 1989 in the Office of the County Recorder, San Luis Obispo, California. Property is located within the visitor-serving Tidelands Trust granted lands. The designated Site, located at 595 Embarcadero, has been surveyed and contains approximately 4067 square feet of land and 2206 square feet of water. **In addition, proposals may include expansion of the water portion of the lease site in westerly and northerly directions, within the confines of the Federal navigation channel and adjacent lease boundaries, as well as expansion of the land portion of the land lease site to incorporate in whole or in part the street-end parking area to the immediate north of the Site at the option of Proposers. See lease site map (Attachment 3).**

A. Current Uses

The site currently serves as the Morro Bay Aquarium. There are public sidewalks on the eastern and northern boundaries of the land site.

B. Topography/Soil Conditions

The Site is generally flat on filled land, with a rock revetment leading down to the water. Investigation of land, soil, revetment, and harbor bottom conditions for suitability of the proposed development shall be the responsibility of the Proposer; however, no untoward hazards or conditions are known to exist on the site.

C. Hazards

The Site is subject to all conditions and hazards commonly associated with a bay/ocean-front setting including, but not limited to:

1. Flooding: the Site is not in a designated flood zone.
2. Tsunami: the Site is within the tsunami 50-foot inundation zone.
3. Earthquake: the Site is within an earthquake hazard zone.
4. Storms: the Site is subject to periodic storm conditions.
5. Tidal Overflow: the Site can be subject to periodic tidal overflow.

D. Archeology

The Site is not listed as, nor is it within 300 feet of a known archaeological site.

E. Hazardous Materials

It is the City's intention to deliver an environmentally clean Site to the Proposer, and no environmental hazards are known to exist beyond those normally associated with the daily operation of like businesses on the Site.

F. Zoning

The Site is zoned Waterfront District.

G. Parking

The Site currently has 11 parking spaces attributed to the site when calculating parking requirements for proposals.

SECTION III: INVITATION TO PARTICIPATE

The City is seeking proposals from Proposers with experience in commercial facilities, with the financial resources and capabilities to fund a proposed project, and whose general development approach and concept for the site best meets the City's objectives in this Request for Proposals.

A. Proposal Process

1. All proposals must be submitted per Section V, "Request for Proposals Submittal Package." All proposals become the property of the City of Morro Bay and will not be returned.
2. Submittals will be initially screened to ensure that they are complete and conform to this Request for Proposals. City staff will review and evaluate the qualifying proposals and make recommendations in a Staff Report.
3. The City will convene a Selection Panel to review the proposals, and to interview each qualified proposing party.
4. The Selection Panel will make Primary and Secondary Proposer recommendations to the Harbor Advisory Board, which in turn will review and make recommendations to the City Council.
5. The City Council will determine the final Primary and Secondary proposals, and approve issuance of a Consent of Landowner agreement with the Primary Proposer for them to begin the Concept Plan approval process. Should the Primary Proposer decline to participate, then the Secondary Proposer will ascend to the Primary Proposer position.
6. Concurrent to the Concept Plan approval process, City staff will begin negotiations for a long-term lease agreement with the Primary Proposer. Upon approval of the Concept Plan by the City Council, City staff will recommend to the City Council approval and execution of the lease agreement. Proposing parties must assume that the rental terms of the new lease agreement will be set forth as in the City's Harbor Department Lease Management Policy.
7. Any long-term lease shall include the requirement that the tenant, at the tenant's sole cost and expense, finalize all plans and permits, and obtain Precise Plan approval from the City Council prior to the commencement date of the lease.

B. Project Costs

ANY AND ALL DESIGN, ENGINEERING, OR PLAN SUBMITTAL COSTS FOR THE PROPOSAL WILL BE THE SOLE RESPONSIBILITY OF THE PROPOSING PARTY. THE CITY SHALL INCUR NO COST OR LIABILITY FOR ANY COSTS SHOULD THE PROPOSING PARTY BE UNABLE TO COMPLETE THE PROJECT APPROVAL AND/OR PERMITTING PROCESSES.

C. City's Right to Amend RFP

The City reserves the right to amend the RFP process and the selection procedures at any time. It is the responsibility of any Proposer to review the City's website for any RFP revisions or answers to questions prior to submitting a proposal in order to ensure all proposals are complete and responsive.

D. Contact Person

Request for Proposal Packets and written inquiries regarding the Request for Proposals or the project site can be obtained by contacting:

Eric Endersby, Harbor Director
Morro Bay Harbor Department
1275 Embarcadero
Morro Bay, CA 93442
805-772-6254
eendersby@morro-bay.ca.us

E. Pre-Proposal Meeting and Questions

Attendance is recommended at the Pre-Proposal meeting and Site walk-through on October 17, 2013. For any questions posed, a response will be posted on the City website by December 5, 2013. All questions are due by close of business November 14, 2013.

F. Submittals

Interested parties are required to submit their proposal to the City no later than 5:00 p.m. Verizon Time on March 20, 2014, per Section V of this RFP to:

City of Morro Bay
Attention: Harbor Director
595 Harbor Street
Morro Bay, CA 93442

Submittal envelopes shall be clearly marked "MB-2013-HRFP4." Postmarks will not be accepted.

SECTION IV: SELECTION PROCESS

The City reserves the right in its sole discretion to waive any defect or omission in any proposal that does not materially affect the terms of the response to this proposal. The City reserves the right in its sole discretion to reject any and all proposals submitted, to revise its selection process at any time, and to rescind this Request for Proposals at any time.

A. Criteria for Selection of Proposer

The City will select a proposal on the basis of maximization of public benefit in the proposed project, in addition to the proposing party's potential to bring the project to completion and successfully operate the lease based on financial capability and experience. The City expects to negotiate with the successful Proposer all aspects of the development program including a long term lease for the property.

Important elements influencing selection of a proposal are:

- Continuation of a modernized marine aquarium and/or marine educational facility.
- Maximization of public benefit of the project and best utilization of both the land and water portions of the Site.
- Best balance between uses and requirements in the City's Master Plan, Local Coastal Plan, building codes, and design elements.
- The overall quality of the development team as evidenced by the professional reputations and experience of the principals and agents, especially with regard to experience in aquaria and educational facilities.
- Financial capabilities and expertise in commercial development, especially with regard to grant, foundation, and other funding applicable to public aquaria and educational facilities.
- Experience in commercial leasing and property management.
- History of successfully completed development projects.
- The architectural excellence, engineering and overall quality of previous projects of like scope and scale.
- Proposed timing and progress through the design, planning, and permitting processes in order to minimize lag time between current lease expiration (September 2018) and redevelopment.

Additional desirable elements particular to this site include:

- The Site to be utilized as a modernized marine aquarium and/or marine educational facility meeting current design, code, and aquaria standards. It is desired that the redevelopment be capable of Association of Zoos and Aquariums (AZA) accreditation, but at a minimum meet AZA design and operation guidelines and criteria for the proposed redevelopment. AZA can be found online at www.aza.org.

- Offer a new and unique recreational and visitor-serving facility that is not generally available.
- Be water-oriented and coastal dependent/related.
- Provide a use that has broad public appeal, by reason of cost or charges and facilities.
- Provide for academic and/or research opportunities and facilities.
- Recognition of the history of the Morro Bay Aquarium including the existing leaseholders and their contributions to the community.

Proposed uses on the lease sites shall be in conformance with the Tidelands Trust and consistent with current planning, zoning and land use policies of the City. The successful proposal will be subject to the normal planning and building approval process of the City.

B. Proposer Selection

The City reserves its right to seek input from various community and business representatives, staff, and other agencies. In addition, the City may utilize the services of leading consultants in the areas of design, architecture and engineering, real estate, economics, and law to assist in the evaluation of the proposals and to negotiate a new lease.

Deposits from proposing parties reviewed by the City will be held in trust during the proposal review period. After City Council selection, the City will refund deposits from parties not in Primary or Secondary position, if any. The City will hold the Deposits from the proposing party under final Primary and Secondary consideration in trust during the twelve month Concept Plan processing period. If the Primary Proposer successfully completes Concept Plan approval of their proposal as outlined, all Deposits will be fully refunded. If the Primary proposing party fails to complete Concept plan approval within the specified time, the City will retain the Deposit as a processing fee and the Secondary proposal may ascend to Primary status and the remaining Deposit handled accordingly.

C. Selection Methodology

In reviewing and evaluating the qualifications of the Proposers and their proposals, the following criteria will be considered:

1. The proposal complies with the Request for Proposals – **Pass/Fail**
2. Overall quality of the conceptual design of the facilities, overall Site plan and maximum utilization of Site square footage (land and water), and maximum benefit to the public – **up to 20 points**
3. Demonstrated understanding of the development constraints on the Embarcadero, and market knowledge of the Morro Bay and Central Coast local and visitor serving needs – **up to 15 points**

4. Proposed lease terms – **up to 15 points**
5. Proposer’s financial strength and current relationships with financing sources, and demonstrated ability to finance the proposal through to completion – **up to 10 points**
6. “Green” and/or “LEED” building features including, but not limited to, site and landscaping, building materials, energy and water use, indoor air quality, lighting, and waste management – **up to 10 points**
7. Overall Proposer and team qualifications and experience in similar projects – **up to 10 points**
8. Proposal that includes a marine aquarium and/or marine educational element with the ability to meet the Association of Zoos and Aquariums design and operation guidelines, if applicable – **up to 15 points**
9. Proposed development schedule – **up to 5 points**

D. Exclusive Lease Negotiation

The City intends to enter into a ground lease with a Proposer who is capable of planning, designing, financing, developing and operating the project as proposed. Proposers responding to the RFP will be financially responsible for all construction activities. It is not anticipated that any direct financial assistance will be available from the City. The Harbor Department’s typical ground lease is “triple net” and includes base rent and percentage rent terms. Negotiations for a ground lease will be initiated with the selected Proposer.

The lease will outline roles, expectations, responsibilities, goals, objectives and timelines with regard to the proposed development and specific financial parameters to which both the selected Proposer and City will adhere. Proposers will be responsible for all costs associated with the RFP process including all costs incurred by the Proposer associated with the negotiation and development of the lease, as well as all costs associated with the entitlement, permitting, CEQA processing, and development. The selected Proposer will work closely with the City to establish general design parameters for the proposed development

The City and the Proposer shall negotiate a long-term ground lease agreement not to exceed a term of 50 years, the maximum allowable under State law.

SECTION V: REQUEST FOR PROPOSALS SUBMITTAL PACKAGE

1. **Proposal Submittal.** All responses to this Request for Proposals must be received no later than **5:00 p.m. Verizon Time on March 20, 2014. Postmarks will not be accepted.**

Proposals shall be dropped off or sent to:

**City of Morro Bay
Attention: Harbor Director
595 Harbor Street
Morro Bay, CA 93442**

Submittal envelopes shall be clearly marked “MB-2013-HRFP4.” No fax or email proposals will be accepted.

2. **Acknowledgement Form.** Each proposing party must review, complete, and sign the attached Acknowledgement Form and include it with their proposals.
3. **Deposit Check.** A \$5,000 Deposit check or bank draft payable to the City of Morro Bay must be included with the proposal. Deposit disposition shall be in accordance with Section IV B.

All Proposers must submit four (4) copies of the following information:

A. Proposer Information

1. **Identification.** Name of Proposer and type of entity. Also provide known members of development team such as architect, engineer, landscape architect, major equity investors, consultants, etc., including project organizational and management roles in implementation of development.
2. **Experience.** Provide a brief description of the Proposer’s and key team members’ recent development experience. This experience should include projects in which the Proposer was instrumental and which are similar to the kind of project or similar project being proposed. Please be specific and indicate references for each project.
3. **Financial Data.** Provide information indicating Proposer has sufficient financial resources to undertake the project, including a statement of proof of financial capability to plan and construct the proposed project. Provide bank references where appropriate. The latter may be in the form of bank or financing institution’s letter of reference.

The City will independently investigate the financial background of proposing parties as agreed to in the required Acknowledgment Form signed by the proposing parties.

4. **Prior Financing.** Provide information on financing for prior or current development projects. Please be specific. Include a current Credit Report with credit score.

B. Proposal Narrative

1. **Narrative.** The written narrative must be included in the proposal describing the redevelopment proposal for the Site; the type of development envisioned and its market orientation which best implements both the land and water elements of the Site.
2. **Design.** The narrative should include the basic design elements, especially as they pertain to the City's waterfront design criteria, and all current planning conditions and zoning standards. A description of proposed treatment of building facades and "Green Building" features shall be included. If appropriate, photographs of existing buildings with similar facades may be included to further illustrate the concept.

C. Proposal Visuals

ALL DRAWINGS SHALL BE 24" X 36" BLACKLINE PRINTS WITH A HORIZONTAL LAYOUT. FOUR (4) SETS ARE REQUIRED.

EACH 24" X 36" DRAWING SHALL ALSO BE PROVIDED IN 8 1/2" X 11" BLACK AND WHITE REDUCTIONS WHICH CAN BE PHOTO-COPIED.

1. **Site Plan.** Site Plan illustrating at a scale of 1" to 40" the outline of all buildings and improvements, including proposed building locations, landscape and hardscape areas, adjoining public areas, and proposed public improvements. Tabulations in square footage and percentage of the following shall be shown on the Site Plan:
 - a. Building footprint, landscaped areas and hardscaped areas.
 - b. Individual building tabulations depicting gross floor area and gross leasable floor area as well as proposed use.
 - c. Parking designated as standard, compact, handicap and loading spaces.
2. **4-Sided Elevations.** Four sided elevations shall be at appropriate scale and overall dimensions shall not exceed 24" X 36". All elevations shall be dimensioned to illustrate the height of roof and height of parapet. Material details shall be illustrated on these elevations.

3. **Section Drawings.** Section drawings shall be provided of all street frontages shall show true dimensions and shall show the outline of buildings on the adjoining lots. Section drawings shall include the adjacent roadway.
4. **Colored Site Plan Rendering.** A rendering utilizing the above mentioned Site Plan shall be provided. This Site Plan rendering is intended to provide a colored overall view of the entire project.
5. **Building.** A narrative description of proposed treatment of building facades and “Green Building” features shall be included. If appropriate, photographs of existing buildings with similar facades may be included to further illustrate the concept.
6. **Water Lease.** Proposals should include plans, elevations, etc. for the water portion of the Site as well.

NOTE: Plan will be considered a Conceptual Plan and will be subject to adjustment and City approval once a proposal has been selected and the details of the project are finalized through the planning, permitting, and negotiation processes.

D. Pro Forma

The proposal shall include a ten-year pro forma for the entire development to include, but not be limited to, construction, sublease, and stabilization. A description of the proposal financing as it pertains to the pro forma shall also be included. The proposal should include an estimate of the total value of the project, broken down into land and improvement values. The pro forma should reflect all income and expense line items including, but not limited to, ground lease payments, with sufficient detail and clarity, for the proposal to be properly evaluated by the City.

E. Terms of Lease

The proposal should include an accurate estimate of the total cost of development, and a set of draft lease and business terms and conditions that the Proposer is willing to negotiate for development of the project and subsequent ground lease.

F. Schedule

Include a preliminary time schedule including any proposed phasing. The schedule should include any financial scheduling, amortization, etc.

G. Ownership of Materials

All drawings, plan documents, proposals and other materials submitted by the Proposer shall become the permanent property of the City.

SECTION VI: TENTATIVE PROPOSAL SCHEDULE

ACTIVITY/Key Steps	DATE
Issue Request for Proposals	September 19, 2013
Recommended Pre-Proposal Meeting and Site Walk-Through	October 17, 2013
Questions Due	November 14, 2013
Responses to Questions Posted by	December 5, 2013
Proposals Due	March 20, 2014

SECTION VII: ATTACHMENTS

- A. Attachment 1: **Acknowledgement Form****
- B. Attachment 2: **Proposer Information****
- C. Attachment 3: **Lease Site Map****

Thank you for your interest in working with the City of Morro Bay for this service. We look forward to receiving your proposal.

ATTACHMENT 1

**ACKNOWLEDGEMENT FORM
REQUEST FOR PROPOSALS
DEVELOPMENT OF LEASE SITE 69-70/69W-70W
PROJECT MB-2013-HRFP4**

Initial Below

1. _____ I have reviewed all of the information in this Request for Proposals and agree to all of the terms and conditions outlined therein.

2. _____ I understand that each proposing party should review the City's General Plan, Local Coastal Plan, and any and all planning and permitting elements as they pertain to this lease site.

3. _____ Any new lease with the City must be in the City's approved Master Lease format and should comply with the City's Harbor Department Lease Management Policy.

4. _____ I have reviewed the City's Master Lease format and Harbor Department Lease Management Policy and agree that the lease policy and basic lease format is acceptable for any future lease negotiations.

5. _____ I agree that the City of Morro Bay may take all steps necessary to investigate any financial information provided in response to this Request for Proposals. The City has my permission and consent to investigate such information however it deems appropriate.

6. _____ Enclosed is a cashier's check or bank counter draft in the amount of \$5,000 made out to the City of Morro Bay as a deposit and an indication of good faith interest for consideration in this Request for Proposals.

7. _____ I agree that this check will be handled as outlined in this Request for Proposals including that the check may be retained by the City as a processing fee under certain conditions.

8. _____ The parties signing below are all the parties in interest in our proposal to the City in response to this Request for Proposals, and, if part of a partnership or other entity, affirm that they have the authority to enter into this Request for Proposals.

Printed Name

Signature

Date

Printed Name

Signature

Date

ATTACHMENT 2

**PROPOSER INFORMATION
REQUEST FOR PROPOSALS
DEVELOPMENT OF LEASE SITE 69-70/69W-70W
PROJECT MB-2013-HRFP4**

Include the personal information for all persons or entities submitting this proposal. If a partnership:

Name _____

Address _____

Phone(s) _____ (home) _____ (work)

_____ (cell)

Email _____

Name _____

Address _____

Phone(s) _____ (home) _____ (work)

_____ (cell)

Email _____

Name _____

Address _____

Phone(s) _____ (home) _____ (work)

_____ (cell)

Email _____

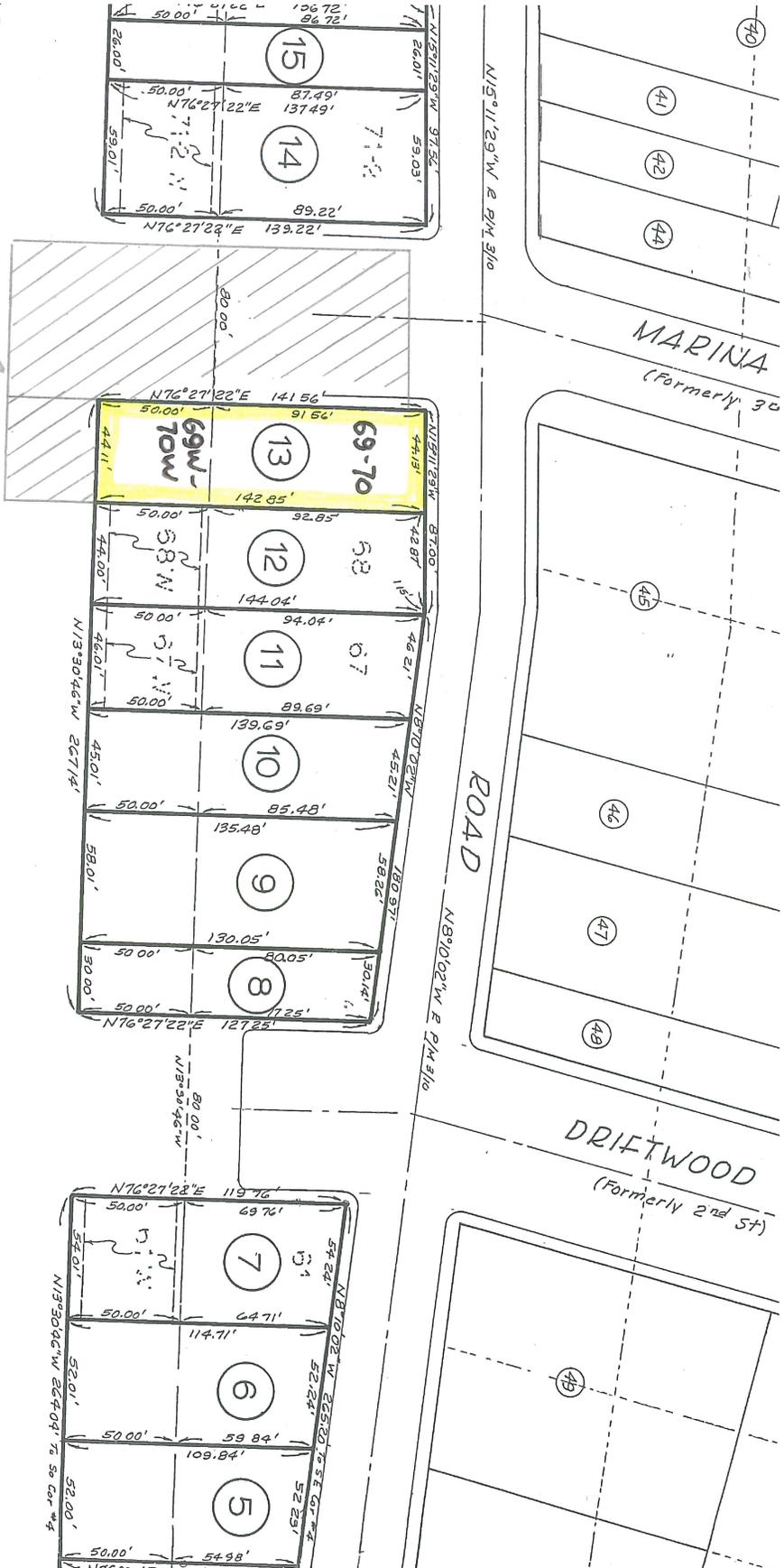
ATTACHMENT 3

LEASE SITE MAP



AREA OF POSSIBLE
EXPANSION

CHANNEL LINE



LEASE SITES MAP

CITY OF MORRO BAY, SAN LUIS OBISPO CO., CALIF

Scale 1" = 50'



AGENDA NO: C-2

Meeting Date: 08/13/13

Staff Report

TO: Honorable Mayor and City Council

DATE: 08/06/2013

FROM: Andrea K. Lueker, City Manager

SUBJECT: Consideration of Adoption of Resolution No. 43-13 Supporting the California Coastal Commission Staff Recommendation of Approval with Conditions for the Morro Strand State Park Campground Project No. A-3-SLO-13-0203.

RECOMMENDATION

Staff recommends the City Council review, amend if necessary, and consider adoption of Resolution No. 43-13 which supports the California Coastal Commission staff's recommendation for the approval of the Coastal Development Permit for the Morro Strand State Park Campground.

Should the City Council adopt Resolution No. 43-13, staff asks for further direction from the City Council on their desire for City Staff to speak regarding Resolution No. 43-13 at the Coastal Commission meeting scheduled for August 15, 2013 in Santa Cruz.

ALTERNATIVES

Alternative 1 - Adopt Resolution No. 43-13 as presented.

Alternative 2 – Amend the language in Resolution No. 43-13 and adopt.

Alternative 3 – Take no action on Resolution No. 43-13.

FISCAL IMPACT

There is no fiscal impact with the adoption of Resolution No. 43-13.

BACKGROUND

On March 6, 2013 the City of Morro Bay Planning Commission approved CDP (#CP0-390) to allow the upgrade of 25 existing campsites and 2 camp host sites to recreational vehicle hook-ups, the addition of picnic tables and BBQ pits at each site and related surface, drainage and view shed improvements at Morro Strand State Park Campground. Two appeals were filed on the approval with both appeals raising questions regarding project consistency with the Local Coastal Program (LCP). On April 9, 2013 the Morro Bay City Council denied one of the appeals, but upheld the other

Prepared By: _____

Dept Review: _____

City Manager Review: _____

City Attorney Review: _____

Page 1 of 3

resulting in a denial of CDP #CP0-390 for the project.

At the time of the denial, the City Council urged State Parks, the appellants, local residents and City staff to meet, discuss and address concerns, with the hopes of moving toward a compromise. Also discussed was State Parks ability to forgo returning to the Morro Bay City Council and appeal the City's decision to the California Coastal Commission for a substantial issue determination/de novo hearing. State Parks did move forward with their appeal to the California Coastal Commission and during the time period between the April 9, 2013 City Council hearing and the California Coastal Commission hearing scheduled for August 15, 2013, State Parks has worked with the City of Morro Bay, local appellants and other residents to address concerns.

DISCUSSION

Since the City's denial and in response to the substantial issues identified, State Parks has proposed several changes to its original project after working with neighbors, the City and Commission staff. Those changes include the following:

1. Adding 6 new overflow camping vehicle parking spaces
2. Reducing the maximum RV height limit restriction to 12'6"
3. Limiting the length of RVs to 30'
4. Phasing the landscaping and view shed enhancement work
5. Repairing and/or replacing the existing access staircase from Beachcomber Drive (at Orcas Street) and the underpass trail from Orcas Street, to the campground.
6. Creating a campfire etiquette and outreach program.
7. Reorienting existing bathroom lighting downward and away from the residents located to the east.
8. Continuing a policy of free day-use parking

Two other issues that the City Council could include in Resolution No. 43-13, that seem to be of significant importance to the residents and appellants, are the number of RV spaces and the campfire rings. State Parks plans to upgrade 25 existing campsites and 2 camp host sites to 27 RV sites. The residents and appellants have asked that the number of RV sites be limited to 20. The second issue is in regard to fire rings, which the neighbors and appellants ask to be decreased and/or entirely removed from the reconfigured RV sites, due to the proximity to the residences. State Parks has indicated they are not willing to reduce the number of RV sites from their proposed number of 27. State Parks has also indicated they will initiate a campfire etiquette and outreach program (as indicated in #6 above) but will not remove or reduce the fire rings at the RV sites.

Other concerns from the residents that are not addressed in the project include the rehabilitation of the restrooms – State Parks has indicated that improvements to the restrooms will occur through a Consent Decree which requires State Parks to commence construction on the restrooms by July 1, 2018. At this time, State Parks has stated they do not have the funding to renovate the restrooms, but those renovations will be funded through the consent decree money. Any work outside of this procedure (consent decree) must be done with local district money and there is not current funding. Also of interest was the consideration of new access ways to alleviate the continual degradation of the existing “handmade” pathways down the bluff. State Parks has indicated they do not have the

funding to install new access ways, however, they will be making improvement to the existing access ways (as indicated in #5 above) as well as installing signage directing pedestrians to the access points. Lastly, there was some concern regarding coastal erosion. State Parks has indicated they will be working with the City of Morro Bay to assess the issues of coastal erosion. In addition, the proposed project also includes two drain systems to better control drainage.

CONCLUSION

Following the City of Morro Bay upholding one of the two appeals on this project, State Parks has met with the neighbors, City, appellants in an attempt to address the concerns expressed. Progress has been made on several issues; however, as indicated above, there are other issues that have not been addressed to the satisfaction of the neighbors/appellants. Staff recommends the City Council review the attached resolution, make amendments as they see fit and consider adoption and forwarding of Resolution No. 43-13 to the California Coastal Commission for consideration at their August 15, 2013 hearing.

u.w.council.staff report resolution no. 43-13 morro strand state park campground

RESOLUTION NO. 43-13

**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY, CALIFORNIA
SUPPORTING THE CALIFORNIA COASTAL COMMISSION STAFF
RECOMMENDATION OF APPROVAL WITH CONDITIONS FOR THE MORRO
STRAND STATE PARK CAMPGROUND PROJECT A-3-SLO-13-0203**

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

WHEREAS, the Planning Commission of the City of Morro Bay held a public hearing in the Veteran's Memorial Building located at 209 Surf Street, Morro Bay, California, on March 6, 2013, and granted a Coastal Development Permit (CDP) #CP0-390 for the upgrade of 25 existing campsites plus the two camp host sites at Morro Strand State Park Campground to include recreational vehicle utility hook-ups in order to modernize services as well as increase visitation and revenue; and

WHEREAS, following the approval of the upgrade project at Morro Strand State Park Campground, the project was subsequently appealed to the City of Morro Bay City Council; and

WHEREAS, the Morro Bay City Council held a public hearing in the Veteran's Memorial Building located at 209 Surf Street, Morro Bay, California, on April 9, 2013 for the purpose of considering the appeals of Coastal Development Permit #CP0-390; and

WHEREAS, at the Morro Bay City Council public hearing, the City Council denied one appeal, but moved to uphold the second appeal, denied the project without prejudice and requested the applicant work with the City to develop a phased proposal with performance standards; and

WHEREAS, the City Council also discussed the State Parks ability to forgo returning to the Morro Bay City Council and appeal the City's decision to the California Coastal Commission for a substantial issue determination/de novo hearing; and

WHEREAS, during the time period between the April 9, 2013 City Council hearing and the California Coastal Commission hearing scheduled for August 15, 2013, State Parks has worked with the City of Morro Bay, local appellants and neighbors to address concerns; and

WHEREAS, since the City's denial and in response to the substantial issues identified, State Parks has proposed several changes to their original project which include:

1. Adding 6 new overflow camping vehicle parking spaces
2. Reducing the maximum RV height limit restriction to 12'6".
3. Limiting the length of RVs to 30'.
4. Phasing the landscaping and view shed enhancement work.
5. Repairing and/or replacing the existing access staircase from Beachcomber Drive (at Orcas Street) and the underpass trail from Orcas Street, to the campground.
6. Creating a campfire etiquette and outreach program.

7. Reorienting existing bathroom lighting downward and away from the residents located to the east.
8. Continuing a policy of free day-use parking.

WHEREAS, there were also additional issues raised by the appellants and neighbors that are not addressed in the Coastal Commission's Conditions of Approval for the project, but that the City of Morro Bay believes are important and requests the following should be added to the Conditions of Approval for Morro Strand State Park Campground project A-3-SLO-13-0203:

1. Reduction of the number of fire rings at the RV sites to every other site.
Or
2. Removal of the fire rings at the RV sites.
3. Reduction of the number of converted RV spots from the proposed 27 to 20.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay that, with the above amendments to the Morro Strand State Park Campground project, the City Council is supportive of the project and urges the California Coastal Commission to approve the Coastal Development Permit No. A-3-SLO-13-0203.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held on the 13th day of August, 2013 on the following vote:

AYES:
NOES:
ABSENT:

JAMIE L. IRONS, Mayor

ATTEST:

DANA SWANSON, Deputy City Clerk



AGENDA NO: C-3

MEETING DATE: 8/13/2013

Staff Report

TO: Honorable Mayor and City Council

DATE: 8/7/2013

FROM: Joseph M. Woods, Recreation and Parks Director

SUBJECT: Review and Discussion of Co-Sponsorship of Special Events

RECOMMENDATION

Staff recommends City Council review and consider the Co-Sponsorship Process and Application, provide staff direction and adopt the co-sponsorship process and application.

ALTERNATIVES

- 1) Continue utilizing the existing co-sponsorship policy and review process
- 2) Expand the existing co-sponsorship criteria with related levels of benefits

FISCAL IMPACT

The fiscal impact of co-sponsoring a specific special event could range from partial to complete subsidy. Events which require the most city support services generally have major traffic impacts, pyrotechnics and/or alcohol sales and/or consumption. Co-sponsoring special events can, depending on the level of sponsorship, decrease revenues to the General Fund, and increase liability exposure based on the event's activities. Conversely, co-sponsoring some special events could bring more financial resources than expended which benefit the City and its citizens.

SUMMARY

Co-sponsoring special events enables the City to accomplish tasks with limited resources, respond to compelling issues, encourage cooperative interaction, involve outside interests, and serve as an educational and outreach tool. Co-sponsorships should follow an outlined process to include an application review, ensuring all entities are fulfilling organizational missions, goals and objectives, and each group it treated equitably.

BACKGROUND

In 2009 the City began formal discussions on the topic of co-sponsorships with groups hosting special events. The item was discussed at the Recreation and Parks Commission on both September 3, and October 1, 2009; with recommendations forwarded to City Council for consideration. At the regular meeting of City Council on October 12, 2009 Council considered three options in regard to

Prepared By: JMW Dept Review: _____

City Manager Review: _____

City Attorney Review: _____

co-sponsorship agreements. Concluding the item, Council approved the continuance of co-sponsorships with the following conditions:

1. The event is held off-season (November 1st through April 30th)
2. The event is a multi-day, or one day event with financial return to the City
3. The requesting party is a non-profit organization

At the regular meeting of the Recreation and Parks Commission on March 21, 2013, the Commission reviewed the Morro Bay 4th Inc. co-sponsorship request. The Commission heard one public comment which was from the applicant who stated that the 4th of July event meets two of the city's current criteria; they are a nonprofit group and the event brings people for a long weekend, frequently up to an entire week depending on what day the holiday falls on. Commissioners supported the co-sponsorship, stated discontent with the previous laser show and that the City needs to be good stewards of public funds. The Commission voted 5-0 in favor of recommending City Council co-sponsor the 4th of July event and waive permit and City services fees.

On April 23, 2013, City Council reviewed the co-sponsorship policy relating to special events. (minutes attached). Council consensus directed staff to bring back this item at a later date following the Chamber of Commerce Event Planners workshop. On May 29, 2013, the Chamber of Commerce held an Event Planners workshop; this workshop did not address the issue of co-sponsorship in any detail which would bear relevance to Council's policy review.

DISCUSSION

Currently the City co-sponsors two events: Morro Bay Winter Bird Festival and Morro Bay Dahlia Daze. Both of these events are held in city buildings, either the Community Center or the Veteran's Memorial Building and are required to secure a facility use permit. Both events are offered reduced rates. The City has not entered into a co-sponsorship agreement with any group for an event held out of doors on City property. Furthermore, the City has only received one request to co-sponsor a special event associated with a public area use permit which was the recent 4th of July event.

The City's existing co-sponsorship policy was set up to benefit the local economy by providing incentives to non-profit organizations to generate multiple day event(s) during the off season (November through April). An increase to the transient occupancy tax and sales tax in the off season was the intended benefit or value from the existing co-sponsorship policy. Events not meeting these three criteria were not considered for co-sponsorship based on the intended purpose and benefit to the City.

Should the City Council desire to expand the co-sponsorship criteria, staff would suggest modifying the existing Co-Sponsorship Application to identify pertinent and relative criteria to satisfy the City's goals and objectives.

The expanded criteria includes:

1. Date of event (off season: November through April or City holidays)

2. Non-Profit status
3. Multiple day event
4. Event aligns with Department and City Mission Statements
5. Event advertising includes outside of County
6. Event is alcohol-free (sales/consumed)

The level of benefit is then tied to the number of criteria (listed above) that the event meets. The tiered benefits include:

1. Lowest permitting fees and City support services (base hourly rate only)
2. Waived permitting fees, but require City support services (base hourly rate only)
3. Waived permitting fees and City support services

Recommended Co-Sponsorship Policy

Staff recommends that in order for any event, program or activity to be co-sponsored, it must meet criteria #1, 2, 3 and 4. Meeting those criteria would result in the benefit of lowest permitting fees and City support services (base hourly rate only)

If the event, program or activity met criteria #1, 2, 3, 4 and 5, the associated benefit would be waived permitting fees, and require City support services (base hourly rate only)

If the event, program or activity met all criteria #1, 2, 3, 4 5, and 6, the associated benefit would be waived permitting fees, and waived City support services.

It should be noted that preparation for special events is not charged to the event applicant. This preparation includes meeting with the applicant to discuss the proposed special event, creation and dissemination of permit conditions, and the development of the Police Internal Special Operations Plan, which is necessary for each special event.

The Co-Sponsorship Process and Application (once approved by the City Council) will be included and one part of a larger Partnership Policy. Partnerships identify an idea or concept involving the City and for-profit, non-profit, and/or government entities, outlining the application of combined resources to develop facilities, programs and/or amenities for the City and its citizens. Partners often have flexibility to obtain and invest resources/dollars on products or activities where municipal government may be limited.

CONCLUSION

Co-sponsoring special events, hopefully, allows for more and diverse programs, events and activities in the City. These co-sponsorships should be developed to be mutually beneficial for all proposing partners including the City.

Attachments: Revised Co-Sponsorship Application
Minutes - Morro Bay City Council -- April 23, 2013
Chamber of Commerce List of Special Events



City of Morro Bay

Morro Bay, CA 93442

(805) 772-6200

REQUEST CONSIDERATION FOR CITY CO-SPONSORSHIP
PLEASE COMPLETE THIS FORM AND SUBMIT WITH YOUR APPLICATION
(To be attached to Permit Application – Retain in City files)

The City of Morro Bay is dedicated to the preservation and enhancement of the quality of life. The City shall be committed to this purpose and will provide a level of municipal service and safety consistent with and responsive to the needs of the public.

We are committed to providing quality recreational services, facilities, and parks necessary to live a healthy and enriched life. We provide these services to our customers in a responsive courteous manner. Our programs strive to build wellness in people, families, and the community.

Requesting Organization: _____

Address: _____

Contact Person: _____ Daytime Phone: _____

Email: _____ Organization Website: _____

Non-Profit Resident Non-Resident Profit

If Non-Profit, please provide Tax Exempt #: _____

Event Dates: _____ Location: _____

Time: (Include setup and take down) _____

Is event scheduled between Nov. 1st and April 30th? _____ Offered more than one day? _____

Total attendance per day: (include participants, spectators, guests, exhibitors, performers, entertainers, volunteers and employees)

Day 1: _____ Day 2: _____ Day 3: _____ Day 4: _____ Day 5: _____

Detailed description of event: _____

Estimated total cost of event: _____

Event proceeds to benefit: _____

Who is the target audience for the event? _____

Will the event be advertised for participants outside of San Luis Obispo County? _____

Will the event be advertised for participants from outside the State of California? _____

How will your event be advertised? _____

Is this event an Annual Event? _____ How many previous? _____

Why is your group requesting City co-sponsorship? _____

What are your group's expectations of a City co-sponsorship? _____

How does your event align with the City's goals? _____

Describe the type of Vendors / Exhibitors / Concessionaires: _____

Please describe your methods to obtain the City's minimum requirement of 75% waste recycling? _____

Describe any food service to be provided at event: _____

Caterer

Alcoholic Beverages Served

Alcoholic Beverages Sold

List entertainment activities:

On site: _____

Off site: _____

***** CITY REVIEW *****

1. Department Head Review: _____
2. RPC Review: _____
3. Department Head Approval: _____
4. City Council Approval (if required): _____

D. NEW BUSINESS

~~D-1 PRESENTATION BY ECONOMIC DEVELOPMENT PROGRAM~~

Chamber of Commerce CEO, Craig Schmidt made a presentation. This is the Chamber's first report to the Council regarding the formation and actions of the newly formed Economic Development Program. The goal of this partnership is to ensure that Morro Bay's local economy is vibrant, strong and sustainable over the long term by providing strategies, programs, and policies that will help improve the business climate in Morro Bay. This can be accomplished through Data Collection and Analysis, Business Retention and Expansion (BRE), and Business Attraction. The Chamber is helping to grow new businesses in Morro Bay. As indicated by the high percentage of self-employed, the entrepreneurial spirit is alive and well in Morro Bay. The Chamber has developed and is operating the Morro Bay Incubator in the hopes that these will mature to provide jobs and fill vacant commercial property.

Economic Development Director John DiNunzio made a presentation on the current progress of the Economic Development Program. The presentation covered "What is the Economic Development Program", the roles and responsibilities of the ED Program Coordinator, Upcoming ED Program Initiatives, a run-down of businesses who have received direct assistance from the Chamber for business retention or expansion, contacts made to or were received from businesses, contacts made with prospective businesses in Morro Bay, jobs in Morro Bay, ~~regional job trending, and growing and declining occupations and industries.~~

D-2 REVIEW AND DISCUSSION OF CO-SPONSORSHIP OF SPECIAL EVENTS TO INCLUDE INITIAL REVIEW OF THE SPONSORSHIP POLICY; (RECREATION & PARKS)

Recreation & Parks Director Joe Woods presented the staff report.

Mayor Irons opened the public comment period for Item B-1; seeing none, the public comment period was closed.

Councilmember Christine Johnson stated that the reason for additional City services tend to be as a result of increased traffic, alcohol and pyrotechnics.

Councilmember Smukler is cautious due to potential financial impacts to the City. He is willing to explore the concept but wants to ensure we are covering ourselves and we have a strong program to not overextend ourselves. Before we talk about criteria, he feels we should wait and hear from the Recreation & Parks Commission and the participants from the event planning meeting with the Chamber that's coming up. If we sponsor, we need to hold the events to a high standard of reporting. He also recommends expanding and requiring a recycling component for these events to include a zero waste initiative.

Mayor Irons shares the concerns of the Council and feels that the results from the events meeting will help in making this decision.

Councilmember Christine Johnson stated that the optimum solution is not to have to choose one organization over another. She remains cautious about funding. She recommended looking to discuss adding an alcohol free policy to co-sponsorship. The question of “who does events in Morro Bay’ needs to be answered.

Councilmember Leage doesn’t feel that the \$18,000 in fees is that big of a hurdle for the City to find for the revenues that the events bring in.

Councilmember Smukler hoped that with the events meeting coming up, it’s more important to focus on a general direction, work the process more and then bring the item back to the Council. He agreed that an alcohol free component could be very effective.

Councilmember Nancy Johnson agrees with much of what has been discussed and also agrees that we need more information. She felt it important to know how much the events bring to the City – what is the financial return? She would also like to see the following added to the co-sponsorship application: The cost of putting the event on; where the money goes at the conclusion of the event; and then to have a requirement that the event organizer(s) bring back a balance sheet.

It was the consensus of Council to bring this item back at a later date (July) following input from the events meeting, look into alcohol free, analyze the financial return and know who is doing events.

~~D-3 WATER RECLAMATION FACILITY (WRF) PROJECT STATUS AND DISCUSSION; (ADMINISTRATION)~~

City Manager Andrea Lueker presented the staff report.

Mayor Irons opened up the public comment period for Item D-3; seeing none, the public comment period was closed.

There was no Council discussion on this item.

D-4 CONFIRMATION OF CITY GOALS AND GOAL OUTLINES FOR 2013; (ADMINISTRATION)

City Manager Andrea Lueker presented the staff report.

Mayor Irons opened up public comment for Item D-4; seeing none, the public comment period was closed.

Councilmember Smukler spoke on Goal #3 hoping to add under Key Tasks an e. **Update the Circulation Element to include Complete Streets Initiative**; he also spoke on Goal #6 hoping to add under Key Tasks a g. **Update Way-Finding Signage within the City and on Highway 1**; ~~he also spoke on Goal #7 hoping to add under Key Tasks an i. **Work with Non-profit Group to**~~

Chamber of Commerce Special Event List as of 8 & 1 13				Self-sustain	Date Start	Date End	Lead Organization
Winter Bird Festival	Y	1/18/2013	1/21/2013	Winter Bird Festival			
Dollhouse & Miniatures Show & Sale	Y	2/16/2013	2/17/2013	Miniature Cottage Shop			
Big Bad & Ugly - Surf & Sea Pines Golf	Y	2/18/2013	2/18/2013	Estero Bay Surf Club			
Relay for Life Morro Bay	Y	3/23/2013	3/23/2013	American Cancer Society			
Fundraiser Follies	Y	4/1/2013	4/1/2013				
Morro Photo Expo	Y	4/18/2013	4/21/2013	Suite 1			
City Wide Yard Sale	Y	4/6/2013	4/7/2013	Morro Bay Beautiful			
Emergency Vehicle Show	N	4/19/2013	4/20/2013	Neighborhood Watch & City of Morro Bay			
Blessing of the Fleet	N	4/21/2013	4/21/2013	Men's Association / Fishermans			
Celebrate Morro Bay Parade		4/27/2013	4/27/2013				
Morro Bay Kite Festival	N	4/27/2013	4/28/2013	Farmer's Kites Surryes and More / Merchants Assoc.			
Cruisin Morro Bay Car Show	Y	5/3/2013	5/5/2013				
Miracle Miles for Kids	Y	5/7/2013	5/7/2013	Family Care Network			
Mermaid & Pirates Parade	N	5/18/2013	5/18/2013				
Art in the Park	Y	5/25/2013	5/27/2013	Art Center of Morro Bay			
Memorial Bash	Y		5/25/2013	Its On Softball			
4th July in Morro Bay	N	7/4/2013	7/4/2013	Morro Bay 4th			
Morro Bay Music Festival	N	6/1/2013	6/1/2013	Morro Bay Harbor Festival			
Rock to Pier Run	Y	6/13/2013	6/13/2013	City of Morro Bay			
Art in the Park	Y	7/4/2013	7/7/2013	Art Center of Morro Bay			
July Blast	Y		7/6/2013	Its On Softball			
Summer Merchants Street Faire	Y	8/4/2013	8/4/2013	Morro Bay Merchants Association			
Central Coast Extravaganza	Y		8/10/2013	Its On Softball			
Art in the Park	Y	8/31/2013	9/2/2013	Art Center of Morro Bay			
Dahlia Daze & Cyprus Nights	Y	9/6/2013	9/7/2013	Garden Club			
Avocado & Margarita Festival	Y	9/14/2013	9/15/2013	Morro Bay Chamber			
MB Beer Festival		9/6/2013	9/6/2013	MB Beer Festival			
Holiday Merchants Street Faire	Y	12/1/2013	12/1/2013	Morro Bay Merchants Association			
Harbor Festival	Y	10/5/2013	10/6/2103				
Business Expo	Y	11/21/2013	11/21/2013	Morro Bay Chamber			
Lighted Boat Parade	N	12/7/2013	12/7/2013	Rotary			
Morro Bay Triathlon	Y			All Out Events			
Wounded Warriors	N						
Oyster Festival							
Lady Washington & Hawaiian Cheifton	Y	2/13/2013	2/18/2013	MB Visitors Center			



AGENDA NO: C-4
MEETING DATE: 08/13/2013

Staff Report

TO: Honorable Mayor and City Council **DATE:** 08/07/13

FROM: Andrea K. Lueker, City Manager

SUBJECT: Water Reclamation Facility (WRF) Project Status and Discussion

RECOMMENDATION

Discuss in open session, the progress to date on the Water Reclamation Facility (WRF) and provide direction to staff as necessary.

ALTERNATIVES

Not applicable at this time.

FISCAL IMPACT

Not applicable at this time.

SUMMARY

Staff provides this report as a monthly update to the progress made to date on the new WRF project.

BACKGROUND

With the denial of the permit for the WWTP project in its current location, the City has embarked on a process for a WRF. This staff report provides a review of what has occurred to date as well as provides the City Council an opportunity for open discussion on the WRF project.

DISCUSSION

Below is a brief review of dates, status and accomplishments on the WRF facility project. Note the bolded information has been added since your last review.

Date	Action
01/03/13	Special City Council meeting – City Adopted Resolution No. 07-13 recommending denial of the WWTP project.
01/08/13	WWTP Project denied by the California Coastal Commission (CCC).
01/08/13	January JPA not held due to CCC meeting.
01/24/13	City Staff, Morro Bay JPA Sub-Committee, Cayucos SD representatives, staff

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

and attorney meet and discuss strategy and moving forward.

02/14/13 February JPA meeting held, “Discussion and Consideration of Next Steps for the WWTP Upgrade Project” was on the agenda and discussed.

02/26/13 City Council meeting - draft schedule/project timeline presented to City Council.

03/11/13 City Council directed staff to prepare an RFP for a project manager.

03/14/13 City Council goal session, WRF established as Essential City Goal.

03/14/13 City Council goal session, WRF established as Essential City Goal.

03/14/13 March JPA meeting held, “Status Report on the Discussion with RWQCB Staff Renewal Process for the WWTP NPDES Permit No. CA0047881” and “Verbal Report by the City and District on the Progress of the future WWTP” were on the agenda and discussed.

03/18/13 RFP issued.

03/26/13 City Council meeting - City Council approves citizens to serve on the RFP selection committee.

03/27/13 Announcement placed on City website, etc. regarding citizen selection committee application period.

04/05/13 Citizen selection committee deadline.

04/09/13 City Council meeting - appointment of 5 citizens for the RFP selection committee at City Council meeting.

04/10/13 Addendum to RFP issued, re: selection committee

04/11/13 April JPA meeting held, “Verbal Report by the City and District on the Progress of the future WWTP” and Discussion and Approval to Terminate the Consultant Services Agreements with Delzeit; Dudek, McCabe and Company; and Montgomery Watson Harza (MWH)” were on the agenda and discussed.

04/15/13 RFP due.

04/16/13 Study Session on WRF facility announced for April 29, 2013

04/23/13 City Council meeting –reaffirmation of 5 members of citizen selection committee.

04/25/13 Quarterly Meeting with California Coastal Commission staff, WRF discussion and status report on the meeting agenda.

04/25/13 Initial meeting with Selection Committee for the RFP for Planning Services for the WRF.

04/29/13 WRF Study Session at Veteran’s Hall.

05/02/13 Interviews to recommend the individual/team for the WRF project manage

05/09/13 May JPA meeting held, “Verbal Report by the City and District on the Progress of the future WWTP” was on the agenda and discussed.

05/14/13 City Council meeting – Approval of John F. Rickenbach, Consulting as the Preliminary Planning Consultant for the WRF project.

05/14/13 City Council meeting – Approval of John F. Rickenbach, Consulting as the Preliminary Planning Consultant for the WRF project

05/15/13 Public Services staff continues to work with John F. Rickenbach, Consulting to finalize the consultant contract.

05/28/13 Closed Session Item scheduled to discuss Righetti appraisal.

06/13/13 JPA Meeting – Cayucos Veteran’s Hall

- 06/24/13 Kick-off Meeting with John Rickenbach and team members
- 06/24/13-06/28/13 Work with Rickenbach to determine updated schedule pursuant to the scope of work in the RFP. Determination of Stakeholder groups/individuals
- 07/03/13 Tentative Schedule from Rickenbach for the New WRF posted online and available.
- 07/03/13 Working with Coastal Commission staff to finalize date for quarterly meeting/teleconference.
- 07/11/13 July JPA Meeting Cancelled**
- 07/18/13 Quarterly Coastal Commission/City of Morro Bay meeting, Rickenbach Team participated in review and discussion of the status of the WRF project.**
- 07/19/13 WSC Report entitled Conceptual Wastewater Treatment Alternatives Technical Memorandum commissioned by the Cayucos Sanitary District (CSD) released on the CSD website and delivered to the City. Report located at the following address:
www.cayucossd.org/documents/Conceptual%20WW%20Treatment%20AltTM_CSD.pdf**
- 07/24/13-07/25/13 Stakeholder Interviews conducted by Rickenbach team
- 08/08/13 August JPA Meeting Cancelled
- 08/15/13 Community Workshop #1 to be held at MB Veteran's Hall from 6-9pm

Scheduled Items (dates may be tentative)

- 09/16/13 Biosolids and Treatment Options Workshop at MB Veteran's Hall**
- 10/15/13 Community Workshop #2 – location TBA**
- 10/22/13 Presentation of Options Report to City Council**

CONCLUSION

City Council, since the denial of the WWTP permit in January has made measured and deliberate progress in the WRF project, as outlined above.

u.w.council.staff report WRF project status report 8 13 13



AGENDA NO: D-1

MEETING DATE: August 13, 2013

Staff Report

TO: Honorable Mayor and City Council **DATE:** August 5, 2013
FROM: Robert Livick, PE/PLS - Public Services Director/City Engineer
SUBJECT: Review of the City Owned Parking Lot located adjacent to the Dynegy Power Plant and Discussion of Parking Options and Future Uses.

RECOMMENDATION

Review options and provide direction to staff.

ALTERNATIVES

There are a variety of improvements that could be implemented to facilitate organized parking in the former Dynegy lot. Based on the needs of the community and the desires of City Council, staff will pursue those options.

FISCAL IMPACT

The preliminary opinion of probable costs for complete development of the entire 3 acre parcel to meet the City's parking standards is approximately \$1 Million. A potential source of funds is the parking in-lieu funds along with City general funds. The City has approximately \$400,000 in its parking in-lieu fund. Additionally, the City could institute paid parking that could provide a source of funds for parking in general. Alternatively, the Council can direct the development of any portion of the parcel with the remainder being held for overflow parking, i.e. a formal 60-space parking lot may cost approximately \$400,000 or about \$6,600 per parking space.

BACKGROUND/DISCUSSION

In the fall of 2012, the City of Morro Bay acquired use of Dynegy's contractor 3-acre parking lot (AKA the Triangle Lot) as part of the outfall lease negotiations and is currently working with Dynegy to acquire fee title to the property. The City's desire is to use this area for public parking in order to supplement the available parking supply, which is in high demand on peak weekends and during the summer months.

The zoning of this property is M-2/PD/I and Public Parking is allowed as an interim use with the "I" overlay and an Interim Use Permit. There is currently no use permit to allow public parking on the site and depending on if any improvements are performed, the development would require Coastal Development and Building Permits. Additionally, as an interim use no "permanent"

Prepared By: RL

Dept Review: RL

City Manager Review: _____

City Attorney Review: _____

improvements are allowed. This would include asphalt paving, concrete curbs and the like. Ultimately, if permanent public parking is proposed it may be best to rezone this property consistent with the neighboring “Front Street” parking lot as visitor serving commercial and complete all required permitting and improvements. Because this parking lot was not studied in the adopted Parking Management Plan, it may be prudent to prepare an addendum to the Plan.

Should this lot become permanent public parking, the design and layout would need to conform to the requirements stipulated in the City’s Municipal Code Chapter 17.48, including requirements relating to space dimensions, driveway configuration, accessible path of travel, disabled parking spaces, paving and Stormwater requirements. A rough layout of a parking configuration that meets the City’s standards is shown in Attachment 1. This layout depicts a 181-space parking lot, with 25-foot wide two-way drive isles. Additionally, because of the irregular configuration of the parcel there is a significant amount of the area that is not available for parking, but would be used to meet the landscaping and stormwater control requirements. Additionally, there would need to be both surface (gutters) and subsurface (pipes) drainage features. Other requirements for the parking lot would include the closure of the existing Front Street parking lot’s northerly driveway to prevent potential traffic conflicts with turning movements of two commercial driveway approaches in very close proximity to each other, removal of the existing wall, and installation of sidewalk along the frontage. A preliminary opinion of the probable cost is included in Attachment 2.

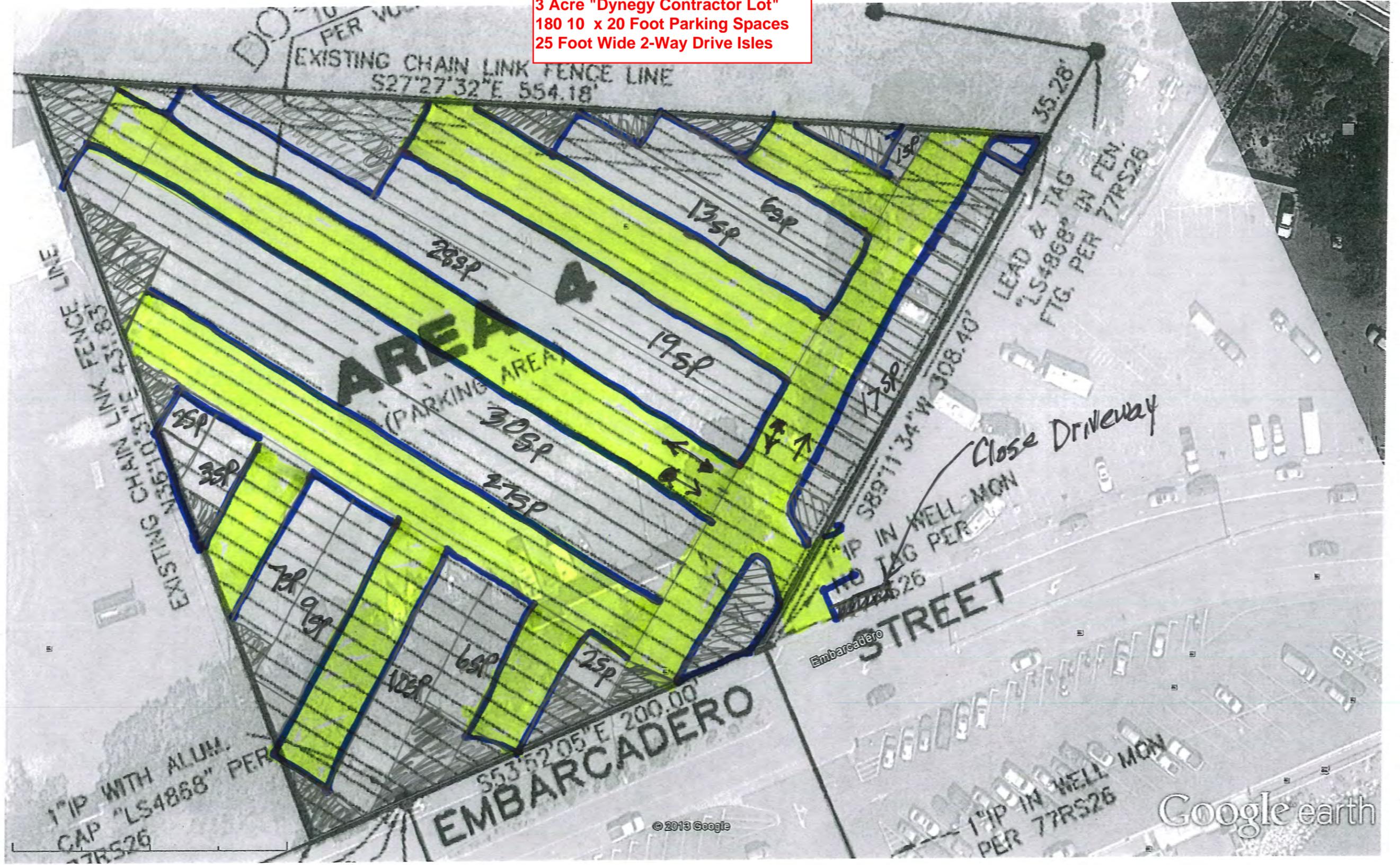
CONCLUSION

The acquisition of this 3 acre parcel for public parking will significantly increase the parking inventory in the North Embarcadero. With conjunctive use of the Trolley, this parking exceeds the City’s commercial parking demands. The existing zoning for the parcel is heavy industrial, Council my want to retain that zoning in order to maintain the land available for those uses. Alternatively, Council my want to look at the area and decide whether it is appropriate for heavy industrial uses, and if not, pursue a rezone to a more appropriate zoning. Development of a formal parking lot does not come without a cost. Based on the preliminary analysis this could be on the order of \$1 Million and a potential source of funding is the use of the parking in-lieu fund.

ATTACHMENTS

1. Parking Concept Plan
2. Preliminary Opinion of Probable Cost

Conceptual Parking Plan -
3 Acre "Dyegy Contractor Lot"
180 10 x 20 Foot Parking Spaces
25 Foot Wide 2-Way Drive Isles



Google Earth Pro



**CITY OF MORRO BAY
PUBLIC SERVICES DEPARTMENT
Opinion of Probable Costs**



Project: North Embarcadero Parking Lot
 Prepared by: Rob Livick, PE/PLS
 Date: August 7, 2013

PRICE INDEX BASELINE, 2011 CALTRANS INDEX = 84.0
 CURRENT PRICE INDEX = 91.0 Caltrans

-ENGINEER'S SEAL-



[Handwritten Signature]
 Engineer's signature 8/7/13
 date

-RESULTS-

Subtotal	\$773,126.00
Cost Index Factor	1.08
Adjusted Subtotal	\$837,553.17
FAQ	
Inflation (10%)	\$83,755.32
Administration (20%-40%)	\$167,510.63
Adjusted Subtotal	\$1,088,819.12
Contingency (10%)	\$108,881.91
ESTIMATED LOW COST:	\$988,311.71
ESTIMATED HIGH COST:	\$1,197,700
	(rounded to the nearest \$100)

L:\Parking Lot Cost Estimate.xls\Bond Estimate

revised 5/1/12

SITE PREPARATION: SEC. 2-1	TYPE	UNIT COST	UNIT	MINIMUM	QUANTITY	TOTAL
TREE REMOVAL		\$500.00	EA		10	5,000.00
CONCRETE REMOVAL	S.W.	\$3.25	SF		500	1,625.00
OTHER REMOVAL-Existing Wall		\$3.25	SF		2000	6,500.00
FINE GRADING		\$0.30	SF		128500	38,550.00
						-
						-
Subtotal						51,675.00

ROADWAYS: SEC. 3-1	TYPE	UNIT COST	UNIT	MINIMUM	QUANTITY	TOTAL
HOT MIX ASPHALT IN PLACE	3"	\$2.90	SF	\$800	74500	216,050.00
CLASS II AGG. BASE	4"	\$0.87	SF		74500	64,815.00
CROSS GUTTER AND SPANDREL	D-5	\$17.00	SF		5200	88,400.00
						-
						-
Subtotal						369,265.00

ROAD EDGES: SEC. 4-1	TYPE	UNIT COST	UNIT	MINIMUM	QUANTITY	TOTAL
CURB AND GUTTER	6" (C-2)	\$22.00	LF		200	4,400.00
CURB ONLY	C-2A	\$16.00	LF		200	3,200.00
SIDEWALK	C-4	\$10.00	SF		2000	20,000.00
						-
						-
Subtotal						27,600.00

STORM DRAIN: SEC. 5-1	TYPE	UNIT COST	UNIT	MINIMUM	QUANTITY	TOTAL
CURB INLET	D-2	\$3,900	EA		15	58,500.00
CULVERT PIPE	12"	\$30.00	LF		1000	30,000.00
						-
						-
Subtotal						88,500.00

WATER SUPPLY: SEC. 6-1	TYPE	UNIT COST	UNIT	MINIMUM	QUANTITY	TOTAL
WATER MAIN	8"	\$58.00	LF		500	29,000.00
GATE VALVE	8"	\$2,056.00	EA		6	12,336.00
FIRE HYDRANT	W-2	\$4,800.00	EA		4	19,200.00
THRUST BLOCKS	W-1, 8"	\$385.00	EA		10	3,850.00
						-
						-
Subtotal						64,386.00

UTILITIES: SEC. 8-1	TYPE	UNIT COST	UNIT	MINIMUM	QUANTITY	TOTAL
STREET LIGHTS		\$5,000.00	EA		10	50,000.00
						-
						-
Subtotal						50,000.00



AGENDA NO: D-2

MEETING DATE: August 13, 2013

Staff Report

TO: Honorable Mayor and City Council

DATE: 08/06/2013

FROM: Joseph M. Woods, Recreation and Parks Director

SUBJECT: Review Of Proposed Memorandum Of Understanding With The Morro Bay Bike Park Organization For The Design And Permitting Of A Bike Park In Morro Bay.

RECOMMENDATION

Staff recommends the City Council review and approves the presented Memorandum of Understanding (MOU) between the City and the Morro Bay Bike Park organization (MBBP) for the development of a Bike Park in Morro Bay.

ALTERNATIVES

- 1) City Council approves the presented MOU without changes.
- 2) City Council approves the presented MOU with changes as stated in the motion.
- 3) City Council directs staff to amend the proposed MOU and present the revised MOU to Council at a future meeting.

FISCAL IMPACT

At this time, the fiscal impact has been the amount of staff time for meetings and preparation of staff reports over the past months. Future funds for construction and maintenance will be contributed by MBBP.

SUMMARY

The development of a bike park in Morro Bay was reintroduced by the public to City Council in early 2013. Council supported the idea by approving Resolution 20-13, and directed staff to work with the local bike park interest group to support the establishment, development, and operation of a public bike park on City of Morro Bay property. The MBBP collaborated with the Central Coast Concerned Mountain Bikers (CCCMB) and entered into a MOU. This umbrella relationship allows the bike park project to continue with the next step presented as the attached Design and Permitting MOU between the City and the MBBP.

Prepared By: JMW

Dept Review: JMW

City Manager Review: _____

City Attorney Review: _____

BACKGROUND

A bike park located in Morro Bay has been a topic of discussion for several years. Recent action taken by City Council on March 12, 2013 approved Resolution 20-13, supporting the development of a public bike park in Morro Bay. On March 21, 2013, the Recreation and Parks Commission (RPC) reviewed Resolution 20-13 as well as letters from the Morro Bay Bike Park organization and Morro Bay Citizens Bike Committee. The recommendation from the RPC was to pursue the property on Main Street, as well as property adjacent to Lila Keiser Park. Staff has continued to work with the MBBP organization in both the pursuit of a bike park location and a formal agreement in which to advance the project.

The MBBP aligned with the CCCMB, a non-profit corporation, in order to allow donors to make charitable contributions to develop a bike park in Morro Bay. The two organizations executed a MOU on May 21, 2013 and presented their unity to the City of Morro Bay with a desire to enter into an agreement with the City for bike park design and permitting. Staff drafted a MOU and presented the item to the RPC for review at their regular meeting on July 18, 2013.

After reviewing the draft MOU, RPC supports the location and obligations presented for both the City and MBBP. Consequently, the RPC recommends City Council consider and approve the proposed MOU for the design and permitting of a bike park in Morro Bay.

DISCUSSION

Attached hereto is the draft Memorandum of Understanding between the City and MBBP for the design and permitting of a public bike park. The MOU deals only with processing issues, not the ultimate construction, operation and maintenance issues. Upon approval of Master Plan Amendment and Permits, a second MOU will be prepared directly covering the issues of construction and maintenance.

The Morro Bay Bike Park organization, in collaboration with Mr. Alex Fowler of Action Sports Construction.com, has made available site renderings of the proposed bike park. Photos of these renderings are attached. The MBBP and the RPC support the proposed MOU and desire the support and approval of City Council.

Attachments:

1. Draft MOU for Design and Permitting of a Bike Park
2. Site Renderings of the Proposed Bike Park
3. MOU between MBBP and CCCMB
4. RPC staff report D-1, dated July 18, 2013

MEMORANDUM OF UNDERSTANDING
BIKE PARK DESIGN AND PERMIT PROCESSING

This Memorandum of Understanding ("MOU") is entered into by and between the City of Morro Bay, a Municipal Corporation formed under the laws of the State of California, hereinafter referred to as the "City"; and Morro Bay Bike Park, a duly organized community volunteer organization hereinafter referred to as "MBBP." Collectively, the City and MBBP are referred to herein as the "Parties."

WHEREAS, the City owns certain real property located within its corporate limits in the City of Morro Bay, known as the vacant lot at Little Morro Creek Road (LMCR); and

WHEREAS, the City has made clear that it has no financial resources at this time to commit to the design, development, operation, or maintenance of the Bike Park; and

WHEREAS, MBBP is a duly organized community volunteer organization committed to establishing biking recreation within Morro Bay, including but not limited to the design, and permitting of the Bike Park; and

WHEREAS, MBBP has associated itself with the Central Coast Concerned Mountain Bikers ("CCCMB"), which has formal federal and state non-profit status, for the purpose of raising funds in the name of CCCMB-MORRO BAY BIKE PARK, for the design, development, operation, and maintenance of the Bike Park in Morro Bay; and

WHEREAS, CCCMB has designated the Bike Park as a CCCMB project and has agreed to disburse funds raised by MBBP as directed by MBBP, and consistent with its charitable purposes, for the design, development, operation, and maintenance of the Bike Park; and

WHEREAS, MBBP has raised funds for the design and permitting of the Bike Park and has caused to be prepared preliminary plans for the Bike Park, and expects that it can raise funds and secure other commitments for the development, operation, and maintenance of the Bike Park; and

WHEREAS, the Parties desire a Memorandum of Understanding to document their mutual commitment to proceed in good faith with the permitting process for the Bike Park, including consideration of amendment of the Master Plan, subject to one or more future public hearings and the discretion of the City Council in its ultimate approval or disapproval of the Bike Park.

NOW THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the Parties agree as follows:

1. MBBP will proceed expeditiously as follows:
 - a. Prepare all design documents and plans required for amendment of the Master Plan (the "Amendment") and for such other approvals and permits (collectively, the "Permits") for the Bike Park as required by the City.
 - b. Apply for the Amendment and the Permits as required by the City.
 - c. Submit all documents and provide all plans, prepared by appropriate professionals, required by the City for the Amendment and the Permits.
 - d. Perform, by appropriate professionals, all environmental analysis and review for the Amendment and the Permits as required by the City.
2. The City will proceed as follows:
 - a. Advise MBBP in writing within 30 days of all requirements for a complete Amendment application.
 - b. Morro Bay City Council to officially designate and reserve the empty lot at LMCR for the development of a fenced in Bike Park ("Bike Park").
 - c. Advise MBBP in writing within 30 days of all other Permits that will be required by the City and of all requirements for complete applications for such Permits.
 - d. Advise MBBP in writing within 30 days of any other Permits that, to the knowledge of the City, will be required by any other governmental agency, and, to the knowledge of the City, all requirements for complete applications for such Permits.
 - e. Process the Amendment application and all Permit applications at a staff level expeditiously and advise MBBP of the status of such processing upon request.
 - f. Schedule all required hearings at the earliest possible date convenient to MBBP.
 - g. Upon request of MBBP, provide all pertinent information necessary for MBBP to fulfill its responsibilities under this MOU.

3. The City will waive all Amendment and Permit processing fees normally charged applicants by the City, including fees for environmental review by City staff. Within 30 days of request by the City, MBBP will pay all other fees and costs charged by any third party associated with the preparation and submittal of plans and documents required for the Amendment and Permits.

4. Each party to this MOU will at all times act in good faith in the performance of its duties and responsibilities under this MOU, will use its best efforts to assist the other party, and will be courteous, helpful, cooperative with, and appreciative of the other party.

5. The Parties agree that in the event of approval of the Amendment and Permits, they will enter into a further memorandum of understanding regarding the development (construction), operation, and maintenance of the Bike Park.

6. MBBP will furnish to the City the names and telephone numbers of two representatives of MBBP, each with authority to act alone on behalf of MBBP, and who will act as the contacts with the City concerning the subject matter of this MOU. MBBP will notify the City in writing if a representative can no longer serve and will provide the name and telephone number of a replacement.

The City will furnish MBBP the names and telephone numbers of two representatives of the City, each with the authority to act alone on behalf of the City, and who will act as the contacts with MBBP concerning the subject matter of this MOU. The City will notify MBBP in writing if a representative can no longer serve and will provide the name and telephone number of a replacement.

7. Written notice to the respective parties will be provided as follows:

To the City:

City of Morro Bay
Department of Recreation & Parks
Attention: Director
1001 Kennedy Way
Morro Bay, CA 93442

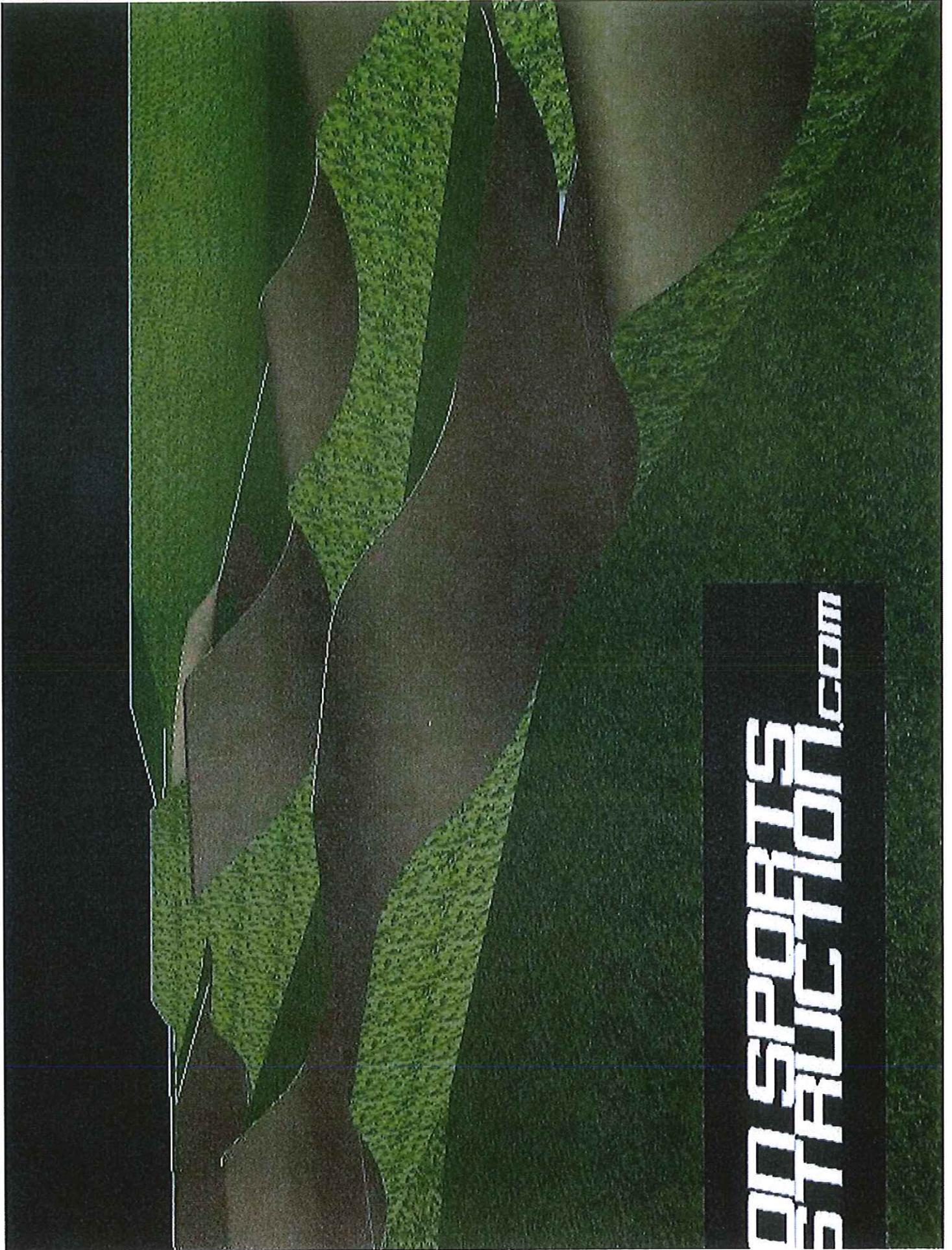
To MBBP:

Morro Bay Bike Park
c/o Bonnie Johnson
2089 Bayview Avenue
Morro Bay, CA 93443

8. This MOU shall be effective upon approval by the City Council and execution by the Parties. The persons executing this MOU represent that they are duly authorized by the party they represent to execute and bind that party. This MOU is the final, complete, and exclusive statement of the terms of the understanding between the Parties, supersedes all previous understandings between the Parties as to its subject matter, and may be amended only in a further writing executed by both Parties.

IN WITNESS WHEREOF, the parties hereto have caused this MOU to be executed at Morro Bay, California, on the dates written below.

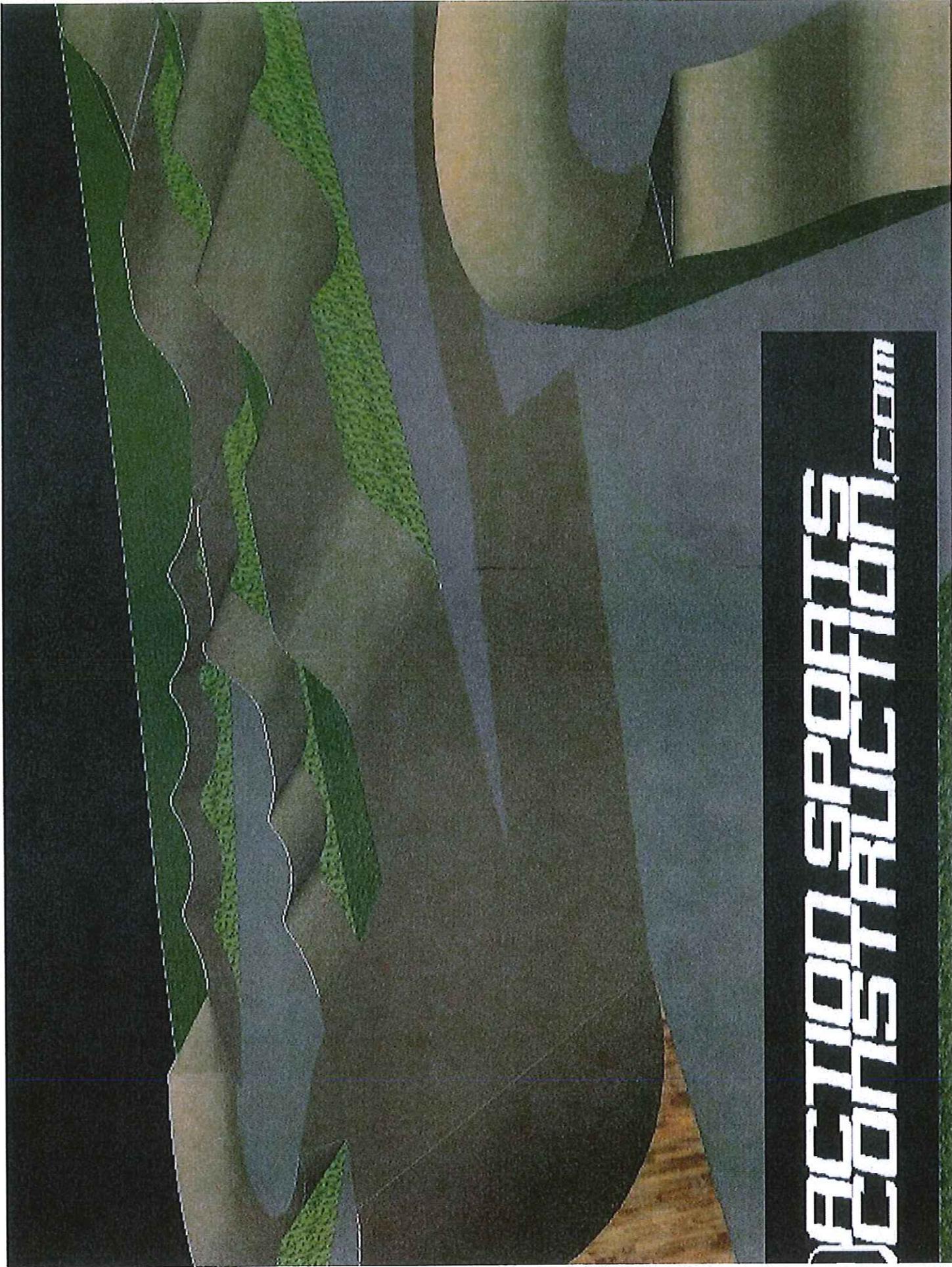
<p>CITY OF MORRO BAY</p> <p>_____</p> <p>Jamie Irons, Mayor</p> <p>Date:</p> <p>ATTEST:</p> <p>_____</p> <p>Jamie Boucher, City Clerk</p> <p>APPROVED AS TO FORM:</p> <p>_____</p> <p>Rob Schultz, City Attorney</p>	<p>MBBP</p> <p>By: _____</p> <p>Bonnie Johnson President</p> <p>Date:</p> <p>APPROVED AS TO FORM:</p> <p>_____</p> <p>Brandon Kato</p>
--	--



ON SPECIATION.COM



TRAFFICPROFESSION.COM



VEGANS TRAFIC VEGANS TRAFIC.com

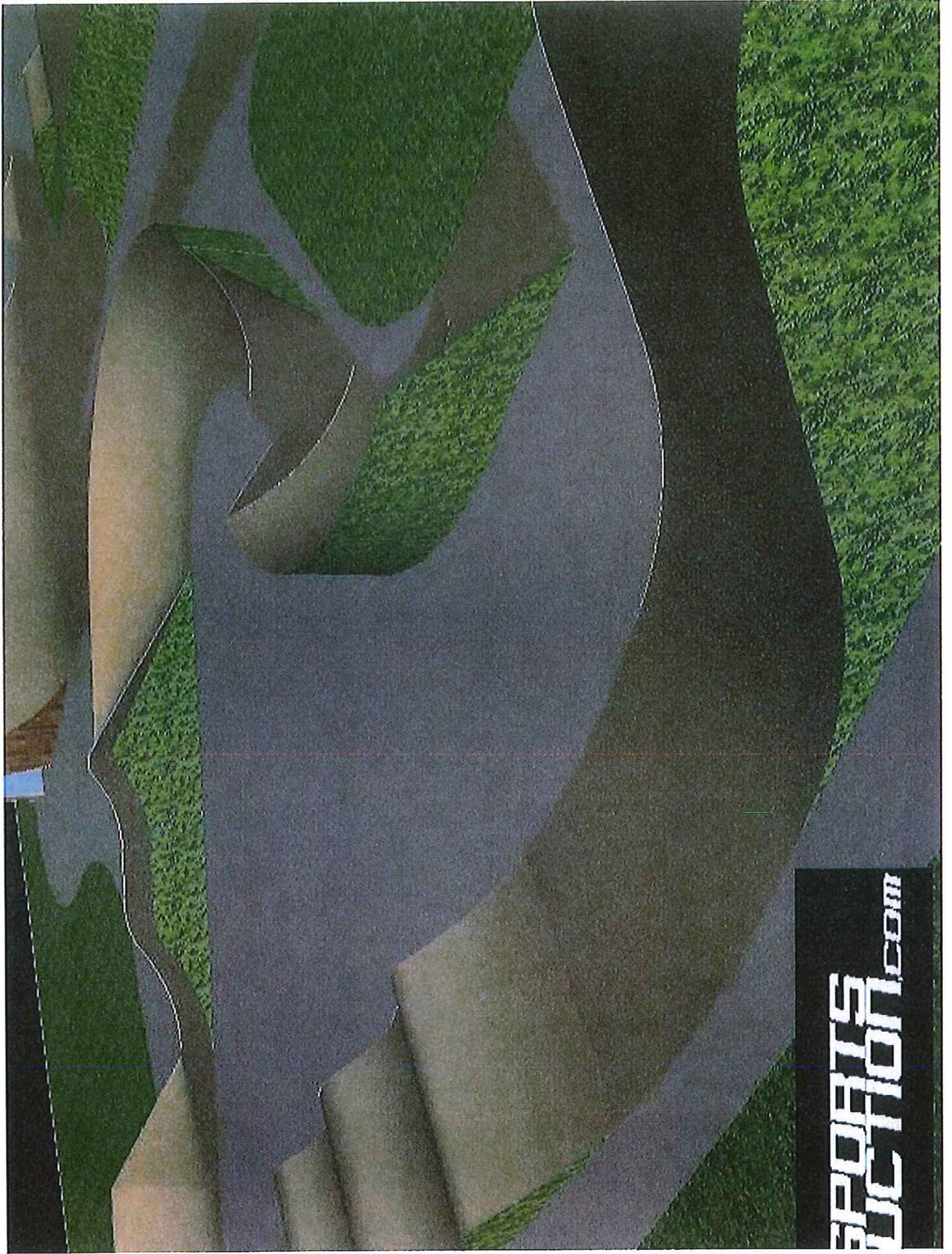


MORRO BAY BIKE PARK

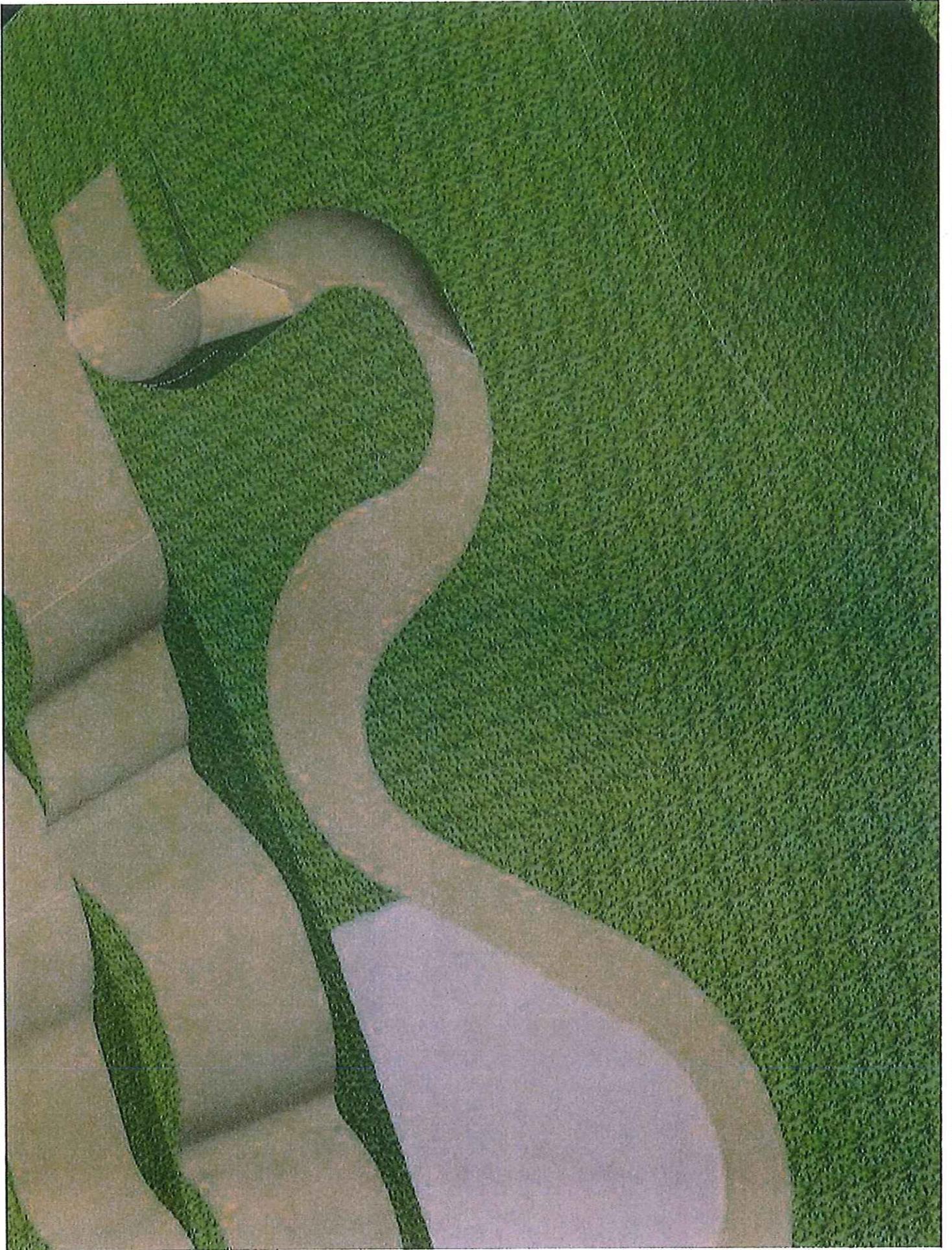


AGITION SPAC





www.action.com



www.pettigrew.com



P G

pettigrewgraph

MORRO BAY

 **POSITION SPOT**



DISPORTS
TRACTION.COM



MEMORANDUM OF UNDERSTANDING

This is a Memorandum of Understanding ("MOU") between Central Coast Concerned Mountain Bikers a Non- Profit Corporation hereinafter referred to as "CCCMB" and Morro Bay Bike Park, a duly organized community volunteer organization hereinafter referred to as "MBBP".

RECITALS

Whereas, MBBP desires to install a Bike Park in the City of Morro Bay to increase the recreational activity opportunities for youth and others in the community and region; and

Whereas, the City of Morro Bay has indicated a willingness to grant MBBP access to and use of City Property for the installation of a Bike Park through the adoption of Resolution No. 20-13 ; and

Whereas, the parties desire to enter into this MOU to establish a framework for a productive working relationship for the funding, design and construction of a Bike Park in the City of Morro Bay in a quality and timely manner; and

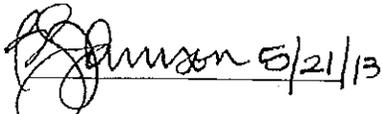
Now, therefore, in consideration of the foregoing and the terms set forth below, the parties agree as follows:

1. MBBP shall be responsible for raising funds through donations and fundraising events towards a Bike Park in the City of Morro Bay.
2. CCCMB shall act as the umbrella foundation for the Bike Park. All funds raised by MBBP for the Bike Park will be processed through CCCMB. It is understood and acknowledged that donations made towards the BMX/Pump Track Bike Park are to be treated as charitable contributions to CCCMB to allow donors the option of claiming deductions that may be applicable to them under relevant tax regulations.
3. CCCMB shall not use any funds raised towards the Bike Park for any other purpose other than towards expenses or costs for the Bike Park unless the parties agree otherwise in writing.
4. CCCMB sole responsibility under the terms of this MOU is to permit donors to make charitable contributions to install a Bike Park in Morro Bay and to issue appropriate payments as instructed in writing.

5. CCCMB shall be responsible for maintaining records of all cash received and held for the Bike Park. CCCMB shall make these records available at all times to MBBP to view.
6. CCCMB shall allow MBBP to become a Chapter of CCCMB and M^BBBP will participate in any/all requirements and privileges of a chapter, including but not limited to, a MBBP representative attending CCCBM board meetings and reporting to the CCCMB Board all accounting and activities of MBBP.

Morro Bay Bike Park

Central Coast Concerned Mountain Bikers


Bonnie Johnson, President


Greg Bettencourt, President 5/21/15



AGENDA NO: D-1

MEETING DATE: July 18, 2013

Staff Report

TO: Recreation And Parks Commission **DATE:** 07/12/2013

FROM: Joseph M. Woods, Recreation and Parks Director

SUBJECT: Review Of Proposed Memorandum Of Understanding With The Morro Bay Bike Park Organization For The Design And Permitting Of A Bike Park In Morro Bay.

RECOMMENDATION

Staff recommend the Recreation and Parks Commission review the presented Memorandum of Understanding (MOU) between the City and the Morro Bay Bike Park organization (MBBP) for the development of a Bike Park in Morro Bay and provide staff with recommendations to present to City Council.

ALTERNATIVES

- 1) RPC recommends staff forward the presented MOU without changes to City Council for their review and approval.
- 2) RPC recommends staff forward the presented MOU with changes (as stated in the motion) to City Council for their review and approval.
- 3) RPC recommends Staff as well as City Council not support the MOU.

FISCAL IMPACT

At this time, the fiscal impact has been the amount of staff time for meetings and preparation of staff reports over the past months. Funds for construction and maintenance will be the contributed by MBBP.

BACKGROUND

A bike park located in Morro Bay has been a topic of discussion for several years. The recent action taken by City Council on March 12, 2013 approved Resolution 20-13 supporting the development of a public bike park in Morro Bay. On March 21, 2013, the RPC reviewed Resolution 20-13 as well as letters from the Morro Bay Bike Park organization and Morro Bay Citizens Bike Committee. The recommendation from the RPC was to pursue the property on Main Street, as well as property adjacent to Lila Keiser Park. Staff has continued to work with the MBBP organization in both the pursuit of a bike park location and a formal agreement in which to advance the project.

Prepared By: *[Signature]*Dept Review: *[Signature]*

DISCUSSION

Attached hereto is the draft Memorandum of Understanding. The MOU deals only with processing issues, not the ultimate construction, operation and maintenance issues. Upon approval of Master Plan Amendment and Permits, a second MOU will be prepared covering those issues. Both Staff and Morro Bay Bike Park organization support the proposed MOU and desire the support and favorable recommendation from the RPC.

Attachments:

- Proposed Memorandum Of Understanding With The Morro Bay Bike Park Organization For The Design And Permitting Of A Bike Park In Morro Bay
- Recreation and Parks Commission March 21, 2013, Staff Report D-3
Discussion of Supporting the Development of a Public Bike Park within the City Limits
- Recreation and Parks Commission March 21, 2013, Meeting Minutes, Agenda D-3
Resolution 20-13
- Interest Letter from Bonnie Johnson
- Morro Bay Citizens Bike Committee letter dated March 7, 2013

MEMORANDUM OF UNDERSTANDING
BIKE PARK DESIGN AND PERMIT PROCESSING

This Memorandum of Understanding ("MOU") is entered into by and between the City of Morro Bay, a Municipal Corporation formed under the laws of the State of California, hereinafter referred to as the "City"; and Morro Bay Bike Park, a duly organized community volunteer organization hereinafter referred to as "MBBP." Collectively, the City and MBBP are referred to herein as the "Parties."

WHEREAS, the City owns certain real property located within its corporate limits in the City of Morro Bay, known as the vacant lot at Little Morro Creek Road (LMCR); and

WHEREAS, the City has made clear that it has no financial resources at this time to commit to the design, development, operation, or maintenance of the Bike Park; and

WHEREAS, MBBP is a duly organized community volunteer organization committed to establishing biking recreation within Morro Bay, including but not limited to the design, development, operation, and maintenance of the Bike Park; and

WHEREAS, MBBP has associated itself with the Central Coast Concerned Mountain Bikers ("CCCMB"), which has formal federal and state non-profit status, for the purpose of raising funds in the name of CCCMB-MORRO BAY BIKE PARK, for the design, development, operation, and maintenance of the Bike Park in Morro Bay; and

WHEREAS, CCCMB has designated the Bike Park as a CCCMB project and has agreed to disburse funds raised by MBBP as directed by MBBP, and consistent with its charitable purposes, for the design, development, operation, and maintenance of the Bike Park; and

WHEREAS, MBBP has raised funds for the design and permitting of the Bike Park and has caused to be prepared preliminary plans for the Bike Park, and expects that it can raise funds and secure other commitments for the development, operation, and maintenance of the Bike Park; and

WHEREAS, the Parties desire a Memorandum of Understanding to document their mutual commitment to proceed in good faith with the permitting process for the Bike Park, including consideration of amendment of the Master Plan, subject to one or more future public hearings and the discretion of the City Council in its ultimate approval or disapproval of the Bike Park.

NOW THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the Parties agree as follows:

1. MBBP will proceed expeditiously as follows:
 - a. Prepare all design documents and plans required for amendment of the Master Plan (the "Amendment") and for such other approvals and permits (collectively, the "Permits") for the Bike Park as required by the City.
 - b. Apply for the Amendment and the Permits as required by the City.
 - c. Submit all documents and provide all plans, prepared by appropriate professionals, required by the City for the Amendment and the Permits.
 - d. Perform, by appropriate professionals, all environmental analysis and review for the Amendment and the Permits as required by the City.
2. The City will proceed as follows:
 - a. Advise MBBP in writing within 30 days of all requirements for a complete Amendment application.
 - b. Morro Bay City Council to officially designate and reserved the empty lot at a EMCR for the development of a fenced in Bike Park ("Bike Park").
 - c. Advise MBBP in writing within 30 days of all other Permits that will be required by the City and of all requirements for complete applications for such Permits.
 - d. Advise MBBP in writing within 30 days of any other Permits that, to the knowledge of the City, will be required by any other governmental agency, and, to the knowledge of the City, all requirements for complete applications for such Permits.
 - e. Process the Amendment application and all Permit applications at a staff level expeditiously and advise MBBP of the status of such processing upon request.
 - f. Schedule all required hearings at the earliest possible date convenient to MBBP.
 - g. Upon request of MBBP, provide all pertinent information necessary for MBBP to fulfill its responsibilities under this MOU.

3. The City will waive all Amendment and Permit processing fees normally charged applicants by the City, including fees for environmental review by City staff. Within 30 days of request by the City, MBBP will pay all other fees and costs charged by any third party associated with the preparation and submittal of plans and documents required for the Amendment and Permits.

4. Each party to this MOU will at all times act in good faith in the performance of its duties and responsibilities under this MOU, will use its best efforts to assist the other party, and will be courteous, helpful, cooperative with, and appreciative of the other party.

5. The Parties agree that in the event of approval of the Amendment and Permits, they will enter into a further memorandum of understanding regarding the development (construction), operation, and maintenance of the Bike Park.

6. MBBP will furnish to the City the names and telephone numbers of two representatives of MBBP, each with authority to act alone on behalf of MBBP, and who will act as the contacts with the City concerning the subject matter of this MOU. MBBP will notify the City in writing if a representative can no longer serve and will provide the name and telephone number of a replacement.

The City will furnish MBBP the names and telephone numbers of two representatives of the City, each with the authority to act alone on behalf of the City, and who will act as the contacts with MBBP concerning the subject matter of this MOU. The City will notify MBBP in writing if a representative can no longer serve and will provide the name and telephone number of a replacement.

7. Written notice to the respective parties will be provided as follows:

To the City:

City of Morro Bay
Department of Recreation & Parks
Attention: Director
1001 Kennedy Way
Morro Bay, CA 93442

To MBBP:

Morro Bay Bike Park
C/O Bonnie Johnson
2089 Bayview Ave
Morro Bay, CA 93443

8. This MOU shall be effective upon approval by the City Council and execution by the Parties. The persons executing this MOU represent that they are duly authorized by the party they represent to execute and bind that party. This MOU is the final, complete, and exclusive statement of the terms of the understanding between the Parties, supersedes all previous understandings between the Parties as to its subject matter, and may be amended only in a further writing executed by both Parties.

IN WITNESS WHEREOF, the parties hereto have caused this MOU to be executed at Morro Bay, California, on the dates written below.

<p>CITY OF MORRO BAY</p> <hr/> <p>Jamie Irons, Mayor</p> <p>Date:</p> <p>ATTEST:</p> <hr/> <p>Jamie Boucher, City Clerk</p> <p>APPROVED AS TO FORM:</p> <hr/> <p>Rob Schultz, City Attorney</p>	<p>MBBP</p> <p>By:</p> <hr/> <p>Bonnie Johnson President</p> <p>Date:</p> <p>APPROVED AS TO FORM:</p> <hr/> <p>Brandon Kato</p>
---	---

Attachment



AGENDA NO: D-3

MEETING DATE: 3/21/2013

Staff Report

TO: Recreation and Parks Commission **DATE:** 3/21/2013
FROM: Joseph M. Woods, Recreation and Parks Director
SUBJECT: Discussion of Supporting the Development of a Public Bike Park
within the City Limits.

STAFF RECOMMENDATION:

The Commission review and discuss Resolution 20-13, and provide staff with recommendations on supporting the development of a Morro Bay Bike Park.

FISCAL IMPACT:

At this time, the fiscal impact has been limited to staff time for meetings and preparation of staff reports. However, this is an unfunded project for which donations, grants and volunteer labor will be needed for progress, completion and sustainability.

BACKGROUND:

The City purchased 220 Atascadero Road, known as Flippos, with the intent of building a teen center. Prior to and throughout the teen center project, the City built and operated a BMX bike track on a portion of the property. The bike facility project was reviewed by the Recreation and Parks Commission and approved by City Council. The track was constructed by both volunteers and City staff. The track was open to the public during daytime hours at no cost. Participants were asked to follow facility rules, which were approved by the Recreation and Parks Director and posted on site. Operation and maintenance of the facility was performed by City staff and included, but was not limited to trash removal, fence repair, maintenance of dirt track, and use of water for various reasons.

After a full review, the City decided the renovation of the existing structure at 220 Atascadero Road for a teen center would be cost prohibitive. Shortly thereafter, the property at 231 Atascadero Road became available by owner by way of a property auction. The City's intent remained the same, which was to own and operate a teen center for the community. After a successful bid, the City took ownership of 231 Atascadero Road and established a teen center, currently known as Rockies. Consequently, the property at 220 was sold.

The new owner of 220 Atascadero Road agreed to permit the continued operation of the bike track until 2005. Shortly after the property would be renovated to the owner's desire and the bike track was removed. The property is zoned commercial visitor serving and currently is a recreational vehicle park. The City has not had a designated bike park since.

Prepared By: JMW

Dept Review: _____

DISCUSSION

On March 12, 2013, the City Council approved Resolution 20-13, supporting the development of a public bike park in Morro Bay. Staff has attached the Resolution for review. The development of a public bike park will require a public process in order to obtain permits for land use, design, construction and operation. The selection of a site will be a significant challenge considering existing public parkland has been master planned and fully developed. Although existing parkland is built out, there may be opportunity if the public is willing to consider master plan revisions. Additionally, private land should also be considered, as the City may find a public/private partnership (P3) where a relationship would be advantageous to all parties.

Ms. Johnson has provided some location options to be considered in the attached letter titled Morro Bay Bike Park. Those locations would be:

- 1) Main Street and Radcliff Drive
- 2) Cloisters open area along the eastern property line
- 3) 231 Atascadero Road, Teen Center

These locations would require more investigation as well as public hearings to determine the feasibility and desirability of a public bike park.

The fact that a bike park does not exist, means building one would be considered a new improvement. Any new improvements would be considered "Development" under the City's Zoning Code and the Coastal Act. Definitions of "Development" include the "placement or erection of any solid material or structure" or the "change in density or intensity of use of land". Declaring an area a bike park and putting up fencing and/or constructing walkways are determined to be "Development" under the Zoning Code and Coastal Act.

Because the project is determined to be "Development", the City must address a number of issues, likely through the Coastal Development Permit Process. This process would require at least the following studies/reports:

1. Traffic Study -- This would indicate peak hour traffic impacts including parking and traffic patterns to analyze impacted roadways.
2. American with Disabilities compliance.
3. Environmental Review (in some recent cases the installation of bike parks has triggered an Environmental Impact Report) -- The installation of a bike park constitutes a project under CEQA. The potential environmental effects would need to be analyzed in relation to the site-specific conditions and operations of the park. Once a project location and full description of activities are identified, an initial study review and evaluation will need to be prepared to determine which kind of environmental document will be necessary.
4. Revision of the master plan -- There is a formal procedure set in place to amend a master plan of a park. This process includes development of an amended master plan, the amended plan forwarded to the appropriate advisory boards and commissions for review and comment, Recreation and Parks Commission adoption of the amended master plan and final approval by the City Council.

As stated in the attached letter, Ms. Johnson illustrates the community's interest by having acquired over 200 signatures of interest and over 170 "likes" on the Morro Bay Bike Park Facebook page. Furthermore, the Morro Bay Citizens Bike Committee has submitted a letter of support, which advocates and endorses the construction of a BMX/pump track style bike park in Morro Bay. This letter is also attached for your review. The City may consider entering into a Memorandum of Understanding for the design and permitting process once a site has been determined and a formal partner has been identified.

CONCLUSION:

City staff has previously operated and maintained a BMX bike track which was located at 220 Atascadero Road. After the sale of the property and the removal of the track the demand for such a facility remained. Recently, several members of the community have come forward to express their desires to City Council. Council agreed with the request to establish a public bike park and adopted Resolution 20-13. In supporting the development of a public bike park, staff is bringing the topic to the Recreation and Parks Commission to explore site possibilities as well as project development criteria.

Attachments:

Resolution 20-13

Interest Letter from Bonnie Johnson

Morro Bay Citizens Bike Committee letter dated March 7, 2013

D-3 REVIEW PROPOSAL FOR BMX BIKE ACTIVITIES.

Staff Woods gave a brief overview of the history of the BMX bike track in Morro Bay, previously located at Park St. & Atascadero Rd and currently operating as a RV Park. Staff Woods detailed City Council's support of a BMX Bike Park in Morro Bay by their approval of Resolution 20-13. He also summarized information given by Ms. Johnson listing three suggested locations for the park: 1) Main St. & Radcliff Dr. 2) Cloisters open area on eastern border 3) 231 Atascadero Ave (Teen Center). All three locations would require more investigation as well as public hearings to determine the feasibility and desirability of a public bike park.

Staff Woods stated that because a bike park does not exist in Morro Bay, building one would be a new improvement and therefore considered "Development" under the City's Zoning Code and the Coastal Act. The City would have to go through the Coastal Development Permit Process likely requiring the following studies/reports:

- Traffic Study
- Americans with Disabilities compliance
- Environmental Review
- Revision of Master Plan

Staff Woods stated that City Council has directed the RPC to discuss this project and to help move it forward. He further stated that it is Council's direction that the RPC discuss possible sites and possible partnerships for the project. Staff Woods stated that once a viable site has been identified and a legitimate partner recognized, the interested parties would be able to move forward with a Memorandum of Understanding (MOU) addressing the design and permitting process for the proposed park. Staff is also looking for a Commissioner to take the lead on this issue.

Bonnie Johnson, Morro Bay resident, stated that she is working on putting together a group of volunteers and that the nature of their group will depend upon the recommendations the Commission will be forwarding to Council. She further stated that she is working on becoming a member of the non-profit International Mountain Biking Association (IMBA), a group that helps build bike parks and sponsors bike events. Becoming a member would allow the Morro Bay Bike Park group to filter their funding through IMBA. Ms. Johnson said that the bike park group's preferred location at this time is at Main St. & Radcliff Dr. She also said that she has attempted contact with the owners of a 1 1/2 acre parcel adjacent to Motel 6 and Lila Keiser Park, also a desired location, but has not heard back. Ms. Johnson said that the general consensus among the bike park group's members and other interested parties is to have an actual park as opposed to jumps along a bike path. Ms. Johnson also said that it is the group's desire to have a park that would be easily accessible to kids riding their bikes, making a farmland location undesirable.

Chair Croley recommended that there be a way to separate the different age groups at the park.

Commissioner Sidaris stated that the most logical site would be the parcel adjacent to Lila Keiser and suggested that the owners be sought out to partnership for the park.

MOTION: Commissioner Sidaris moved that staff pursue the property at Main St. and Radcliff Dr., and the parcel owned by Motel 6 adjacent to Lila Keiser Park and to continue working with the Morro Bay Bike Group along with Chair Croley as the representative from the Commission. The motion was seconded by Commissioner Bates and carried. (5-0)

RESOLUTION NO. 20-13

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MORRO BAY
SUPPORTING THE DEVELOPMENT OF A PUBLIC BIKE PARK
WITHIN THE CITY LIMITS**

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

WHEREAS, the Recreation and Parks Department operated a BMX bike track at 220 Atascadero Road from 2000 to 2005; and

WHEREAS, the real property at 220 Atascadero Road was sold to a private party by voluntary sale on April 15, 2005; and

WHEREAS, the bike track was subsequently removed by the new owner and replaced with an RV Park; and

WHEREAS, the citizens of Morro Bay expressed interest during public comment at the February 26, 2013 City Council meeting to establish a bike park on public land within the city limits of Morro Bay; and

WHEREAS, said interested citizens presented available resources to establish and operate a bike park within City limits.

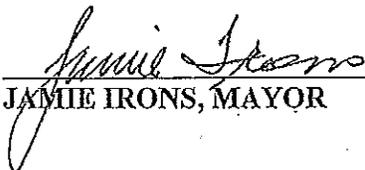
NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morro Bay to support the establishment, development, and operation of a bike park on City property for public use.

PASSED AND ADOPTED by the City Council of the City of Morro Bay at a regular meeting thereof held this 12th day of March, 2013 by the following roll call vote:

AYES: Irons, C. Johnson, N. Johnson, Leage, Smukler

NOES: None

ABSENT: None



JAMIE IRONS, MAYOR

ATTEST:



JAMIE BOUCHER, CITY CLERK

Morro Bay Bike Park

Morro Bay Bike Park will be a safe and sanctioned place for riders of all ages and skill levels to come ride bikes. We will have several BMX/Pump tracks for riders of all levels to ride. The park will be designed, built and maintained by the "Morro Bay Bike Park" group and it's riders. We are looking for the City of Morro Bay to give us access to a piece of land that we can use for this Bike Park. Upon the permission to use a specific piece of land, the Morro Bay Bike Park group would like to enter into an agreement with the Recreation & Parks Department of the City of Morro Bay for the upkeep and maintenance of the Bike Park.

I have looked at every city owned property with open space to build a Bike Park. On each of those locations I have put a mock up design with pump tracks, berms, jumps and ramps to show the potential of what the Bike Park could look like. Upon approval of a location we will have a design professionally drawn up with the exact dimensions of the park, jumps, ramps, berms and all of its features. We will have designated marked areas for all types of riders as we want to encourage all ages and skill levels to come to the Bike Park.

The first location is the City owned property on Main St adjacent to Radcliff Dr. The local youth have been trying to build a bike park there for several years but due to the fact that it is not a designated site for a Bike Park the jumps get knocked down. With this location the park will be centrally located within the City. It will be clearly visible for spectating and monitoring. There is plenty of dirt already there for immediate construction. Another location could be the City owned property at the Cloisters that was previously looked at for the Dog Park. We do understand that the residents that live within that area would be affected by the Bike Park the most but bicycles do not make much noise. With this location parking and bathroom facilities would not be an issue. We do understand that the rainwater runoff runs through that area to the marsh. We could factor that into the construction and keep a reasonable distance from the run off drains. The third location could be at the Teen Center in the area currently used for mini golf. It is understood that the location currently has plans for a permanent skate park. Again, with this location parking and bathroom facilities would not be a factor. However, that location is specifically designed for teens and we would like the Bike Park to be for all ages. Also, this location would not be optimal for spectating and monitoring.

Within the "Morro Bay Bike Park" group, we will have several people with different purposes carrying out the requirements set forth between the City of Morro Bay and the Morro Bay Bike Park. We will have people advocating for the different skill levels of the riders and their needs, people making sure the maintenance and construction is kept up, people to co-ordinate events, and people keeping up with sponsorship and needed funding.

Currently we have over 200 signatures of interest, 170+ "likes" on our Morro Bay Bike Park facebook page, verbal interest in sponsoring the Bike Park through monetary donations as well as building and maintaining the bike park. We are going to be affiliated

with a local non-profit organization that all funding will go through. Funding will be used for the professional design of the bike park, tools and equipment for building and maintenance, landscaping the area to make it aesthetically pleasing, events to draw people to Morro Bay and any other needs that arise.

We welcome all of your thoughts and ideas in coming to an agreement between The City of Morro Bay and the Morro Bay Bike Park. Please contact me with any questions or concerns.

Bonnie Johnson
805-550-4672
Ipolani75@yahoo.com

Morro Bay Citizens Bike Committee



2961 Sandalwood Avenue
Morro Bay CA 93442
(805) 772-0874

*Dedicated to the advocacy and creation of an efficient
inter-connected network of safe, scenic bikeways and community paths in the Morro Bay area.*

March 7, 2013

City of Morro Bay
Recreation and Parks Commission
1001 Kennedy Way
Morro Bay CA 93442

Dear Mr Woods and Commissioners,

Morro Bay Citizens Bike Committee endorses and supports construction of a BMX/pump track style bike park in Morro Bay. We understand that it will be for all skill levels and ages and that it will be built and maintained by the Morro Bay Bike Park group and its riders under the leadership of Ms Bonnie Johnson.

We believe that this will provide safe and healthy recreational opportunities for Estero Bay young people and that it will also draw riders from many other areas.

Sincerely yours,

A handwritten signature in cursive script that reads "Robert Fuller Davis".

Robert Fuller Davis
Chair

