



AGENDA NO: Presentation

MEETING DATE: August 25, 2020

**AGENDA CORRESPONDENCE RECEIVED
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FOR PUBLIC REVIEW PRIOR TO THE
MEETING**

MBCP Annual Member Agency Update (soon to be Central Coast Community Energy)

City of Morro Bay

August 25, 2020



WHO WE ARE?



MBCP GOVERNANCE

Policy Board:

Meets 4 Times Annually including Annual Meeting

Operations Board:

Meets 10 Times Annually including Annual Meeting

Community Advisory Council:

Meets 7 Times Annually including Annual Meeting



*City representative currently serving in a shared seat.

MBCP WILL BECOME CCCE



Central Coast Community Energy

Effective Sept. 4, 2020

New Tag Line: **“Clean Energy. Local Control”**

New Website: www.3cenergy.org

New Acronym: **3CE or CCCE**

MBCP ACCOMPLISHMENTS

- MBchoice - carbon free offering
- MBprime - 100% renewable offering
- 94% enrollment

Local Choice



- \$12 million - Energy programs
- \$17.2 million - Customer savings
- \$25 million - Resiliency Fund

Economic Vitality



- Contracts with Local Vendors Over \$800,000
- 32 full time employees
- 2 offices - Monterey & San Luis Obispo

Local Support



- Over \$140 Million in Reserves
- Service and Loans Paid Off
- Pursuing Credit Rating

Financial Stability



- 450 MWs of Renewables - solar, wind, geothermal
- 200 MWs of battery storage

Clean Energy



MBCP RESPONSE TO COVID-19

- Unanimous support from boards
- All customers benefit
- No action needed

- 50% of MBCP Electric Generation Charges deferred in May and June 2020
- Cumulative bill reduction estimated \$22.4 Million
 - \$6.45 million for residential customers
 - \$10.95 million for commercial customer
 - \$5.03 million for agriculture customers

MBCP Responds to COVID-19 with an Estimated \$22m in Deferred Customer Electricity Costs

JAN 1 – APR 30, 2020	MAY 1 – JUN 30, 2020	JUL 1 – DEC 31, 2020
7% Savings MBCP customers receive a monthly discount compared to PG&E rates	50% Off All MBCP Electric Generation Charges	2% Savings MBCP customers will continue to save, monthly, compared to PG&E rates

MBCP customers can expect a 50% rate reduction on their May and June electric bills as a response to provide financial relief to all customers.

mbcp.org/covid-response

UPDATE ON ENERGY PROCUREMENT

Project Name (Executed PPAs)	Source	Generation Megawatt	Battery Megawatt	Location	Expected Online Date	Delivery Term (in years)
RE Slate (Recurent)	Solar + Storage	67.4	33.7	Kings County	06/30/21	17
BigBeau (EDF)	Solar + Storage	57.6	18.0	Kern County	12/01/21	20
Mammoth Casa Diablo IV	Geothermal	7.0		Mono County	12/31/21	10
Coso Geothermal Power	Geothermal	66.3		Inyo County	01/01/22	15
Rabbitbrush (First Solar)	Solar + Storage	60.0	12.0	Kern County	06/01/22	15
Yellow Pine (NextEra)	Solar + Storage	75.0	39.0	Clark County, Nevada	12/31/22	20
California Flats BESS	Battery Only		60.0	Monterey County	08/01/21	10
Aratina (8ME)	Solar + Storage	120	30	Kern County	04/01/23	20
TOTALS		453.3	192.7			

These contracts meet 35% of our annual energy demand





MBCP's Pathway to Clean and Renewable Energy

- New Utility Scale Clean and Renewable Resources
 - 60% RPS Renewable by 2025
 - 100% RPS Renewable by 2030
- Acceleration of Electrification Programs and Evaluation of Distributed Energy Resources and Storage

Overview:

- 3% of gross revenue set aside per year to focus on electrification, fuel-switching and resiliency

Programs from FY 20/21



CALeVIP EV infrastructure program



Affordable Housing/MUD Electrification Grants



School Bus Electrification



Agriculture Electrification



Residential Electrification



Residential Resiliency



GHG inventories for member agencies



Reach code incentive for member agencies

UNINTERRUPTIBLE POWER SUPPLY (UPS) FUND PROGRAM

\$25 Million Total Investment

Public Sector (\$20 million) - Available now

- Low cost financial support
- Open to public customers i.e member agencies, schools, hospitals, water district etc.
- Project funding, ownership, and asset management will be determined on a case-by-case basis

Private Sector (\$5 million in loan guarantee) - Launching soon

- Low-interest financing
- First-come, first-serve basis
- Funding loan at discretion of selected bank



\$25MM UNINTERRUPTIBLE POWER SUPPLY FUND PROGRAM

Are Your Operations Impacted by Power Outages?

Monterey Bay Community Power (MBCP) created the \$25MM Uninterruptible Power Supply (UPS) Fund Program to accelerate the adoption of reliable backup power for eligible public and private entities.

Responding to Community Needs

MBCP wants to help its customers maintain critical operations during prolonged power outages, such as those caused by PG&E Public Safety Power Shutoff events or other natural disasters.



The UPS Fund Program Provides Low-Cost Opportunities to Ensure Energy Resiliency for Public and Private Sectors.





MORRO BAY BY THE NUMBERS

- 6,565 enrolled accounts
- 98.1% enrollment
- 43 GWhs of customer demand

Est. Municipal Savings

- 2020 - \$16,387

Est. Community Savings

- 2020 - \$347,733



A UNIFIED CENTRAL COAST CCA

Key Updates:

- Opened Satellite Office in San Luis Obispo - April 2020
- Name Change to "Central Coast Community Energy" effective Sept. 4, 2020
- Enrollment of 11 new communities in 2021
- Expanding outreach and engagement around energy programs

STAY CONNECTED WITH MBCP

 www.mbcommunitypower.org

 info@mbcp.org

 1.888.909.MBCP

 [montereybaycommunitypower](https://www.facebook.com/montereybaycommunitypower)

 [mbcommunitypwr](https://www.instagram.com/mbcommunitypwr)

 [mbcommunitypower](https://www.facebook.com/mbcommunitypower)

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AGENDA NO: Public Comment

MEETING DATE: August 25, 2020

**AGENDA CORRESPONDENCE RECEIVED
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August 24, 2020

Greetings to Mayor Headding and Council Members,

During the August 11th City Council meeting, Scott Collins made a brief reference to a committee formed to gather and make recommendations on tourism. This was in response to the recent explosion of trash and visitors to Morro Bay. It's clear that something has to be done... but the problem runs deeper than a few extra cans will solve.

A dynamic tension exists between having a thriving business community and preserving the character of our town. This didn't start with Covid-19. It's been going on for decades. The pandemic added another element that wasn't there before - the health and safety of our community.

Since last March, the Chamber of Commerce has been actively advertising for more tourism, more housing, more shopping and hotels, more, more of everything. On the other side are residents who want to guard against the explosion of growth that we've seen in other areas of the County. They feel that the quality of life in Morro Bay is shrinking since our small town was "discovered". Whichever side you're on, it is undeniable that the City's push for tourism over the past few years has dramatically increased the number of visitors to our town. More immediately, how does this affect us during Covid-19?

I live here. I've been in Morro Bay since 1996, and in the County since 1982. When the Governor issued his shelter-at-home order last March, our town returned to the way it was when I first moved here. Walking on the Embarcadero and out to the Rock became a lovely, peaceful experience again. I was excited to rediscover the beauty of the waterfront, even though the businesses were closed. I recognized that without shoppers these business owners would be in trouble soon, but I was grateful that our City took a swift stand on tourism. "Morro Bay welcomes you, just not now," was an ad campaign seen across California. I know these ads were effective because I have friends in the Central Valley who thought that our hotels and RV parks were not accepting out-of-town guests.

When the parking lot at the Rock was closed to vehicle traffic, I sent you a letter asking why you would do that to our surfers and residents at a time when so many people feel isolated. I argued that with sheltering at home, you had taken away the small joy left in going out to the Rock to watch a sunset or listen to the waves. It seemed like closing the Rock to traffic was just a mean decision without merit. Then I received a reply from council member Red Davis. He explained that the purpose wasn't to deny our surfers and residents, but to discourage visitors from flocking to our town. I changed my opinion and decided that you weren't mean, you were brilliant! Asking

visitors to explore things at home or within their own communities is still the best way to protect our residents.

Now it is incumbent upon you to be brilliant again. I won't go to the Embarcadero anymore. There are simply too many visitors, too many cars, too much trash and not enough social distancing to be safe. The number of people standing around the railing watching otters boggles the mind. Some wear masks, some don't, and they all stand elbow-to-elbow, often two or three deep, so that everyone can see the cute little mammals. If I want to walk on the beach, I cannot enter the sand from the Rock parking lot because there are simply too many families, too many kids from college, too many people escaping the summer heat for me to safely navigate to the water. I was mortified to read that you are considering opening even more areas to RV parking in order to raise additional revenue.

Extra trash pick-up, extra portable toilets, extra cleaning and stocking of portable toilets, extra signage... it all adds up and takes a bite out of our shrinking budget. Please go back to the thought processes that led you to discourage visitors last spring. Put the brakes on tourism.

Shut down the Rock parking lot;
Stop RVs from overnight camping on City streets;
Limit the number of rooms that hotels can let;
Start a *Shop Local* campaign;
Actively discourage out-of-town visitors until the pandemic is over.

That was your finest hour. You can be brilliant again.

Sincerely,

KC Caldwell



AGENDA NO: B-1

MEETING DATE: August 25, 2020

**AGENDA CORRESPONDENCE RECEIVED
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Dana Swanson

From: Erica Crawford <erica@morrochamber.org>
Sent: Monday, August 24, 2020 2:42 PM
To: John Headding; Dawn Addis; Robert Davis; Jeffrey Heller; Marlys McPherson
Cc: Dana Swanson; Scott Collins; Scot Graham; Stephen Peck; Ken MacMillan
Subject: Agenda Correspondence Item B-1

Honorable Mayor and City Council,

As you may be aware, the Morro Bay Chamber of Commerce has identified housing as one of its major economic development initiatives. That commitment mirrors the City Council's priorities adopted in 2018. Our members recognize the importance of housing for employee retention, year-round customer demand, and enhancement and preservation of the natural environment. As part of this initiative, Chamber staff, our volunteer Governmental Affairs Committee, and our Board of Directors have been studying and tracking the progress of the state-mandated Housing Element update over the course of the last six months. The GAC reviewed the draft Housing Element in early May, and the Chamber's Board of Directors provided its comments on the Housing Element at its May 2020 meeting. Those comments were shared with you, and were provided to the Planning Commission at its July 7th meeting, and directly with the Community Development Director and City Manager. Our analysis is included in your August 25th Council Agenda Packet, beginning on page 60.

What we want to communicate here and through our written response is that our membership, composed of 300 businesses that provide over 2,200 jobs, experiences the consequences of insufficient housing not on paper, but in real life. Building more housing, and at a faster pace than we have over the past 10 years, is essential for the community to approach economic sustainability. Over the five years I've been working with the Chamber, I've spoken with business owners who had almost their entire workforce wiped out when the mudslide on Highway 41 happened because so many of their employees were commuting from North County. One business owner reported that he's unable to relocate a small manufacturing plant to our community because he can't fathom finding 13 homes in which to rehouse his workforce and their families. Hoteliers report that Morro Bay is an "expensive place to do business" primarily because of the absence of a resident workforce. Multiple business owners have shared that the number one reason they can't expand in Morro Bay is because they can't find local workers, or workers who are willing to commute to jobs in Morro Bay.

The Chamber understands that housing is a county-wide and a state-wide issue for California, but our members actually feel how local this issue is. Our members are looking for local action from local community leaders who recognize that housing isn't just about numbers and state-mandated documents, it's about people and it's about the viability of our city. Morro Bay has been building fewer than 20 new housing units every year but needs two to three times that number to move the job-housing imbalance needle, to reduce vehicle miles traveled (VMT) and greenhouse gas emissions, and to increase the sustainability and resiliency of the economy. The implementation section of the Housing Element before you must proceed, and it must be accompanied by fervent commitment by this and subsequent Morro Bay City Councils to build more housing.

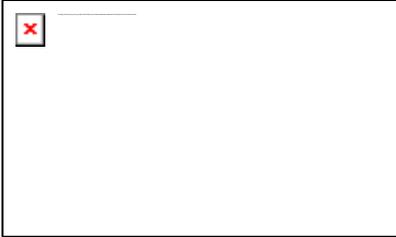
We all recognize that Housing Elements don't build housing. At best, they can identify constraints to building more housing, and programs to alleviate those constraints. We urge Council to act in a way that demonstrates the understanding that housing isn't built on paper, it's built in real life through partnerships with real people with real money to produce a community of residents. Our call to action is that housing is good business. Housing means that our city employees, the teachers in our schools, and the owners of our businesses themselves can live in the same place that they work. Housing means a reliable workforce for our businesses. Housing means year-round residents making year-round purchases and contributing year-round sales tax.

Please read our comments and thoughtfully consider what local actions are needed to make sure that more housing is actually built.

Thank you,
Erica

--

Erica D. Crawford
President/CEO
Morro Bay Chamber
w: 805.772.4467
m: 917.378.2454



Dana Swanson

From: Rob Kitzman <rob@kitzmanwater.com>
Sent: Monday, August 24, 2020 4:24 PM
To: John Heading; Dawn Addis; Robert Davis; Jeffrey Heller; Marlys McPherson; Dana Swanson; Scott Collins; Scot Graham
Cc: Erica Crawford
Subject: Agenda Correspondence Item B-1

Honorable Mayor and City Council,

As a member of the Morro Bay Chamber of Commerce's Government Affairs Committee, I am imploring you to consider the city's desperate need for local housing - specifically for local workers. Housing is good business, and none of you need reminding that our city coffers require economic growth and expanded tax base to stay solvent during these extraordinary times. Housing means year-round residents making year-round purchases and contributing year-round sales tax.

Our Morro Bay Chamber members recognize the importance of housing for employee retention balanced with preservation of our natural environment. Our comments were shared with you, and were provided to the Planning Commission at its July 7th meeting, and directly with the Community Development Director and City Manager. Our analysis is included in your August 25th Council Agenda Packet, beginning on page 60.

Morro Bay's 300 businesses that provide thousands of jobs, experience insufficient housing for employees today on a very real level. Building more housing, and at a faster pace than we have over the past 10 years, is essential for the community to approach economic sustainability. Personally I have experienced many times in my 25 year business tenure that I can't expand as much as I could, because I can't find enough local workers. Housing means that our city employees, the teachers in our schools, and the owners of our businesses themselves can live in the same place that they work. Housing means a reliable workforce for our businesses.

I urge you to seriously consider the crossroads we are at, and act on our report so we can actually move forward as a city. If the city continues "business as usual" with housing, our community businesses will continue to suffer. If our businesses suffer, the entire community suffers. And then the future of the Incorporated City is in dire jeopardy. We are on that precipice now; this is no time to play games or drag feet!

Thank you in advance for reading my comments and thoughtfully considering what actions you can each take as Council members so that more housing can actually be built, not just talked about.

Sincerely,

--

Rob Kitzman

Kitzman's Culligan
355 Quintana Place
Morro Bay, CA 93442
805.772.8164 Reception
805.772.2579 Direct
805.471.5799 Cell
www.kitzmanwater.com



August 22, 2020

Honorable Mayor and City Council,

It is my understanding that you will be voting on item B-1 on the Tuesday August 25th agenda, and I wanted to write a brief letter of SUPPORT for housing policy, I can't imagine anyone living in Morro Bay isn't already aware of the housing issue here, but nonetheless I feel it bears repeating.

As a owner of multiple Morro Bay Businesses, my family and I have been doing business in Morro bay since 1973, and currently employ nearly 50 employees, suffice it to say, I have firsthand and intimate knowledge of the challenge housing poses to the local workforce. As non-professionals making on average less than \$20 per hour, 99% of our staff isn't able to afford to buy a home in Morro bay or on the central coast for that matter, which leaves them in the unfortunate position of trying to find rental properties in the area. I can not count the number of times (literally thousands) that my staff has asked me if I knew of anywhere to live or for rent in the area, as housing inventory (affordable or not) just plain isn't available. With housing demand soaring in Morro Bay the rent (and selling) prices keep increasing and pushing out more and more of the workforce to less expensive areas, subsequently many of my staff have taken to commuting from as far away as Paso Robles, and Santa Maria, and as you can imagine, with the rising cost of gasoline, it isn't long before they figure out that commuting isn't a good long term option, and they end up taking positions in other cities. Not only do we often end up losing VERY valuable assets, but it becomes extremely taxing on our HR Dept who is now working Full-time just trying to hire new assets, which becomes a very costly expense for small businesses. The cycle is vicious and expensive to say the least.

I implore the council to make this ongoing problem a priority, and work to develop a well-thought out strategy, with tangible solutions and timeframes.

I appreciate your consideration in this matter.

Respectfully,

Giovanni M. DeGarimore
Owner Giovanni's Fish Market

Dana Swanson

From: Jeff Eckles [REDACTED]
Sent: Monday, August 24, 2020 4:59 PM
To: John Headding; Dawn Addis; Robert Davis; Jeffrey Heller; Marlys McPherson
Cc: Dana Swanson; Scott Collins; Scot Graham
Subject: Re Item B-1, Housing Element, Morro Bay City Council Meeting August 25, 2020

Dear Mr. Mayor and Council Members,

Housing is one of the greatest challenges our community faces. The fact of the matter is we don't have enough housing stock to supply an affordable roof over the heads of the many fine people who work or own businesses in our city. We know we have many non-owner occupied houses in our community, and this creates further stress upon our housing supply. Because of the additional constraints we face, we must be creative as a community in order to provide sufficient housing for our locals.

I respectfully urge the council to take any and all steps necessary to responsibly increase the supply of housing- especially workforce housing- in our community. We don't need any more hilltop McMansions, but we do need more innovative, affordable-by-design type projects that will allow people who work here to live here as well. If we don't add to the "Missing Middle" of our housing stock, we run the risk of losing the very human capital that makes our town so special and will be left to become an unincorporated county jurisdiction of rental vacation homes and part time residents.

It's time the city gets serious about enabling more affordably priced homes to be constructed in our city to take care of our local workforce. Thank you for your attention to this very serious matter.

Respectfully,

Jeff Eckles
Morro Bay Resident
Owner, Morro Bay House of Jerky
United States Coast Guard Licensed Captain
"A ship is safe in harbor, but that's not what ships are for."

Dana Swanson

From: Carolyn Brinkman [REDACTED]
Sent: Tuesday, August 25, 2020 7:04 AM
To: John Headding; Robert Davis; Marlys McPherson; Jeffrey Heller; Dawn Addis
Cc: Scott Collins; Scot Graham; Dana Swanson
Subject: Draft Housing Element and Urgency Ordinance on STVRs

To: Mayor Headding and City Council Members Davis,
McPherson, Heller, and Addis

From: Carolyn Brinkman
Morro Bay Resident

Dear Council Members,

I have a couple of comments I hope you'll consider on two items on the agenda tonight.

Agenda Item B-1: Draft Housing Element.

First, I was impressed by the care and closeness with which the Planning Commission discussed the Draft Housing Element and with their suggested revisions.

I'd like to address one section of the HE that concerns me. Unfortunately, I missed sending a comment to the Commission on this issue.

I hope the City can avoid housing policies that create areas of town that come to be seen as "low income"— areas characterized by severe unit density, overbuilding on small lots, parking problems, a dearth of green spaces, and traffic congestion. Such building may help the City achieve the RHNA quotas, but there must be ways to provide safe, affordable low and very low income housing that enhances people's lives. This could be achieved by encouraging mixed-income housing developments. The Housing Element partially addresses this issue in the policies section (POLICYH-1.4), but that section doesn't directly address the problem (see below).

"POLICYH-1.4: Density/Mixed Income Planned Unit Developments.

Designate selected large parcels to be zoned to allow a variety of housing types/densities/designs, with focus on community, common shared features, and using the difficult-to-develop portion of the sites as open/natural areas. Encourage programs for rental and for-sale housing to very low- income populations to exceed inclusionary standards." (My underlining). Page 3-134 of the HE and page 211 of the agenda packet

I would suggest revising that last sentence, which is a bit fuzzy and including a sentence such as the following in **both** the Policy and Implementation sections of the HE

"Encourage mixed-density housing developments that provide units for a variety of income levels thus avoiding siloing people in areas of the city by income."

Agenda item C-1: Urgency Ordinance on STVRs

I fully support the STVR Urgency Ordinance. First, the Planning Commission needs time to finish reviewing the draft and to make its final recommendations to the Council. I thought the STVR Committee did an outstanding job of balancing the

interests of different groups, and they should be commended for a thoughtful, detailed draft ordinance. However, the Committee left several issues open to discussion by the Planning Commission in areas where the committee didn't reach a clear consensus. To continue issuing permits before the Commission finishes its work and the Council passes the ordinance seems unwise, especially if the City lowers the number of allowed STVRs.

Thanks for considering my comments on these issues. Have a good meeting.

Carolyn Brinkman

Sent from my iPad

Dana Swanson

From: [REDACTED]
Sent: Monday, August 24, 2020 7:47 PM
To: John Heading; Marlys McPherson; Dawn Addis; Jeffrey Heller; Robert Davis
Cc: Erica; Stephen Peck; Scott Collins; Dana Swanson; Scot Graham
Subject: Item B-1

August 24, 2020

Honorable Mayor and City Council,

I see that the council is taking some action on Item B-1 Tuesday evening. I would like to offer my comments on the issue of local housing

Building affordable housing in Morro Bay may not, in and of itself, be robust enough to create big boost to the local economy. BUT, the lack of housing can certainly kill the local business and economy. With the lack of workforce comes the inability to provide good service which will be followed by a lack of customers (both local and tourist). Also, the local workforce can become much-needed consumers during the off-season of the same product they are helping build.

As a local restaurateur with 23+ years in Morro Bay and Los Osos, I have lost numerous people who were working themselves up the income ladder but unable to stay here long enough to see that come to fruition. I can easily relate names of people who were cooks then chefs and/or managers who have left Morro Bay because of the inability to afford to live here. They have moved to a number of different places (even Pismo Beach) and progressed there. Many of them have gone on to earn a very good income in that new area because they were able to progress up that ladder while not worrying about where to live.

Those employees need to be able to progress up the income level while maintaining personal stability by not being threatened by their need for shelter.

I ask you to address this as a top priority because I believe that Morro Bay will not really be able to honestly be a community without all facets of that community being able to live here and enjoy the fruits of their labor.

I appreciate your consideration in this matter.

Respectfully

Ken MacMillan

Owner DiStasio's Restaurant

Dana Swanson

From: Stan Van Beurden [REDACTED]
Sent: Tuesday, August 25, 2020 10:57 AM
To: John Heading; Dana Swanson; Dawn Addis; Scott Collins; Robert Davis; Scot Graham; Jeffrey Heller
Subject: Housing Element

Honorable Mayor and City Council,

The City needs to do more to provide housing units, especially affordable housing.

I have been in business in Morro Bay for 50 years. The cost for my employees to try and live here has gotten out of control. There must be some sort of larger scale developments to make that happen. Individual lots or splits with an "affordable unit" will not solve long term problems. Real Estate Property values are high in Morro Bay because of the desire to live here and the investment opportunities of AirBnB. licensed or not neighborhoods are filled with part time rentals each weekend. I know the city is working on the rental issue.

The State and city is woefully slow on providing housing units for their citizens. Employees in our field of work can not afford to even rent in town. The Hofbrau pays most employees \$16-\$18/hr plus tips and that still is not enough to live here.

Streamline application processes, reduce fees, whatever it takes to encourage investment.

Thank you,
Stan Van Beurden
Hofbrau
1971-2021

Dana Swanson

From: flying dutchman [REDACTED]
Sent: Tuesday, August 25, 2020 11:24 AM
To: John Heading; Dawn Addis; Robert Davis; Jeffrey Heller; Marlys McPherson; Dana Swanson; Scott Collins; Scot Graham
Subject: Housing Element

Honorable Mayor and Council Members,

I would like to weigh in on a very important decision that is before you concerning the critical shortage of housing in our city. My family moved here in 1968 and we all lived in the motel we bought in north Morro Bay. We did what was required to make ends meet and we were fortunate to have a roof over our heads. We succeeded through hard work and perseverance. Even 50 plus years ago housing was a issue. The population of Morro Bay has been stagnant for several years as proved by statistics

- Population growth in Morro Bay has been slower than in San Luis Obispo County during every decade since 1970.
- Population growth in Morro Bay has been slower than in the State of California during every decade since 1980

Now there are many factors that contribute to this but the one thing that certainly has contributed to this is the lack of housing. We need a steady sustained growth to survive and it is imperative that we as a city support a policy that supports a increased supply of housing that is critical to our workers that we employ. I have several employees that have to commute longer distances to live in affordable housing.

I hope you take the first step and make the right decision that will benefit all of the citizens of Morro Bay.

Regards,
Paul Van Beurden
Owner Dutchman's Seafood House

Dana Swanson

From: Susan Stewart [REDACTED]
Sent: Tuesday, August 25, 2020 10:22 AM
To: Council
Subject: Item B-1

Honorable Mayor and Council,

We all know that housing is an issue in the State of California. Our community suffers from a lack of "affordable" and entry level homes, even while much of our housing stock would be considered sub-standard--and way above the means of the average worker in Morro Bay. The cost of housing for rent or purchase has increased beyond the means of many of us, driven by the marketing and purchasing of second homes and a migration from city life. The housing element is an opportunity to put some teeth in the platitudes we all express about attempting to solve this issue. I urge you to look at creative ways to push the housing envelope: increase the amount of affordable units in any given development from 10% to 20% or even more! Set a policy for more diverse and tiered structures in any given development. Make the luxury home/townhome/condominium the exception and not the rule. Establish consistent, safe and sensible guidelines that allow for expedited and affordable permitting and more rapid processing for practical family housing. Consider soliciting the creation of affordable communities for our aging population that allow independence along with single level living, which would free up existing homes for those families we hope to attract.

Good luck with your deliberations. Think outside the box!

All the best to you,

Susan Stewart



AGENDA NO: C-2

MEETING DATE: August 25, 2020

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Dana Swanson

From: Susan Stewart
Sent: Saturday, August 22, 2020 9:56 AM
To: Council
Subject: Agenda item C-2

Dear Mayor and Council Members,

I am writing (as a resident of Morro Bay) to urge you to adopt Interim Urgency Ordinance No. 637 approving (at least) a 45 day moratorium on the issuance of new short term vacation rental permits.

As you know, I sat on the committee that drafted the ordinance. The Planning Commission, which had it's first night of deliberation on the new ordinance this week, may recommend dropping the cap from 250 to 150, inclusive of home-share rentals. It will also be addressing the possibility of a lottery within an unspecified number of years to deal with issues of density. And it discussed the portability of a permit, and appeared to have consensus of opinion that in most instances the permit should not go with the person or the property on transfer of property ownership. However, I am not speaking for the commission or as a commissioner, but as someone who has been looking to purchase a home in Morro Bay.

Housing for long term residents, both for renters and homeowners, is a well recognized issue in our community. My personal experience in looking at the housing market as a potential buyer suggests that we are experiencing a loss of many "entry level homes" (read small and sub-standard as regards to condition) to outside investors who are lured by the potential to rent these homes as short term VR's and offer above asking price. It would send a significant message to the realtors who market these homes as "a great second home or beach getaway" that they cannot guarantee their clients an existing or new vacation rental permit. Until we have the new ordinance in place, they will continue to do so. I urge you to approve a moratorium on new permits until you are able review, discuss and approve an updated ordinance.

All the best to you,
Susan Stewart

Dana Swanson

From: Jane Worthy
Sent: Monday, August 24, 2020 4:51 PM
To: Council
Subject: Item C-2 August 25th meeting

Dear Morro Bay City Council,

I'm not sure I understand the need for this "Interim Urgency Ordinance" for new Short-Term Vacation Rental Permits.

Why a 45-day moratorium? Why now?

You capped the permits at 250 - how many of these permits are active and pay regular TOT taxes to the City?

How many homes on the permit "waitlist" have been issued new permits in the last 6 months?

I feel the public should have a chance to formally comment on the overall Short-Term Vacation Rental ordinance before the City Council.

I urge you to vote "NO" on this "Interim Urgency Ordinance" and consider all the facets of this issue.

Thanks so much,

Jane Worthy

Realtor, Transaction Coordinator

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Dana Swanson

From: Carolyn Brinkman [REDACTED]
Sent: Tuesday, August 25, 2020 7:04 AM
To: John Headding; Robert Davis; Marlys McPherson; Jeffrey Heller; Dawn Addis
Cc: Scott Collins; Scot Graham; Dana Swanson
Subject: Draft Housing Element and Urgency Ordinance on STVRs

To: Mayor Headding and City Council Members Davis,
McPherson, Heller, and Addis

From: Carolyn Brinkman
Morro Bay Resident

Dear Council Members,

I have a couple of comments I hope you'll consider on two items on the agenda tonight.

Agenda Item B-1: Draft Housing Element.

First, I was impressed by the care and closeness with which the Planning Commission discussed the Draft Housing Element and with their suggested revisions.

I'd like to address one section of the HE that concerns me. Unfortunately, I missed sending a comment to the Commission on this issue.

I hope the City can avoid housing policies that create areas of town that come to be seen as "low income"— areas characterized by severe unit density, overbuilding on small lots, parking problems, a dearth of green spaces, and traffic congestion. Such building may help the City achieve the RHNA quotas, but there must be ways to provide safe, affordable low and very low income housing that enhances people's lives. This could be achieved by encouraging mixed-income housing developments. The Housing Element partially addresses this issue in the policies section (POLICYH-1.4), but that section doesn't directly address the problem (see below).

"POLICYH-1.4: Density/Mixed Income Planned Unit Developments.

Designate selected large parcels to be zoned to allow a variety of housing types/densities/designs, with focus on community, common shared features, and using the difficult-to-develop portion of the sites as open/natural areas. Encourage programs for rental and for-sale housing to very low- income populations to exceed inclusionary standards." (My underlining). Page 3-134 of the HE and page 211 of the agenda packet

I would suggest revising that last sentence, which is a bit fuzzy and including a sentence such as the following in **both** the Policy and Implementation sections of the HE

"Encourage mixed-density housing developments that provide units for a variety of income levels thus avoiding siloing people in areas of the city by income."

Agenda item C-1: Urgency Ordinance on STVRs

I fully support the STVR Urgency Ordinance. First, the Planning Commission needs time to finish reviewing the draft and to make its final recommendations to the Council. I thought the STVR Committee did an outstanding job of balancing the

interests of different groups, and they should be commended for a thoughtful, detailed draft ordinance. However, the Committee left several issues open to discussion by the Planning Commission in areas where the committee didn't reach a clear consensus. To continue issuing permits before the Commission finishes its work and the Council passes the ordinance seems unwise, especially if the City lowers the number of allowed STVRs.

Thanks for considering my comments on these issues. Have a good meeting.

Carolyn Brinkman

Sent from my iPad