

MINUTES – TOURISM BUSINESS IMPROVEMENT
DISTRICT (TBID) ADVISORY BOARD
REGULAR MEETING – AUGUST 20, 2020
TELECONFERENCE – 9:00 AM

TBID conducted this meeting in accordance with Section 3 of California Governor Newsom’s Executive Order N-29-20 issued on March 17, 2020 in response to the present State of Emergency in existence due to the threat of COVID-19. This meeting was held via teleconference for all participants

MEMBERS PRESENT:	Steven Allen	Chair
	Amish Patel	Vice Chair
	Teri Ennis	Member
	Joan Solu	Member
	Chris Kostecka	Member
ABSENT:	Nancy Dickenson	Member
STAFF PRESENT:	Scott Collins	City Manager
	Heather Goodwin	Deputy City Clerk
	Megan Leininger	Marketing & Communications Coordinator

ESTABLISH QUORUM AND CALL TO ORDER

<https://youtu.be/NYLYNrJE2j4?t=48>

Chair Allen called the meeting to order at 9:00 a.m. with five members present.

MOMENT OF SILENCE

<https://youtu.be/NYLYNrJE2j4?t=109>

Chair Allen took a moment of silence to think about those whose lives were affected by the Santa Cruz county fires.

PLEDGE OF ALLEGIANCE

BOARD MEMBER ANNOUNCEMENTS

<https://youtu.be/NYLYNrJE2j4?t=178>

Chair Allen spoke on the increase of agenda correspondence for this meeting.

STAFF ANNOUNCEMENTS-None

PUBLIC COMMENT-None

A. CONSENT AGENDA

<https://youtu.be/NYLYNrJE2j4?t=267>

A-1 APPROVAL OF JUNE 16, 20120, TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID)
ADVISORY BOARD MEETING MINUTES

RECOMMENDATION: Approve as submitted.

MOTION: Board Member Kostecka moved the Board approval of A-1. The motion was seconded by Board Member Ennis and carried 5-0-1 with Board Member Dickenson Absent.

A-2 MAY AND JUNE 2020 TRANSIENT OCCUPANCY TAX (TOT) REPORT AND YEAR OVER YEAR TOT REPORT; (CITY MANAGER, TOURISM MANAGER & MARKETING COORDINATOR)

RECOMMENDATION: Approve as submitted.

MOTION: Board Member KostECKa moved the Board approval of A-2. The motion was seconded by Board Member Solu and carried 5-0-1 with Board Member Dickenson Absent.

B. BUSINESS ITEMS

B-1 TOURISM BUSINESS IMPROVEMENT DISTRICT BUDGET REVIEW; (CITY MANAGER/TOURISM COORDINATOR)

<https://youtu.be/NYLYNrJE2j4?t=555>

City Manager Collins went over the report about budget information regarding last quarter of Fiscal Year (FY) 2019/2020 and FY 2020/21, as well as information on Tourism funds used for COVID-19 related expenses and answered questions from the board. Chuck Davidson was also invited to answer questions from the board.

Public Comment:
None

Chair Allen closed public comment.

The report was received and filed.

B-2 TOURISM STAKEHOLDER GROUP REPORT AND RECOMMENDATIONS; (CITY MANAGER)

<https://youtu.be/NYLYNrJE2j4?t=3272>

City Manager Collins gave the report and reviewed the three recommendations from the Morro Bay Tourism Stakeholder Group and answered questions from the Board. Nicole Farley from Civitas and Chuck Davis from Visit SLO Cal were also invited to answer questions.

Public Comment:
<https://youtu.be/NYLYNrJE2j4?t=5125>

Sean Green, thanked the Stakeholder group for their work; spoke in support of the 1994 law; expressed concerns regarding moving the board to an external bureau; expressed that there is a need of a champion for advocacy.

Betty Winholtz, asked the following questions to the board: 1) What will the nature of the relationship between the TBID the Chamber be like; 2) Do the STRs different owners have to be part of the 50%+1 vote and how will you get all of them on board.

In response to public comment, Chair Allen and City Manager Collins addressed Ms. Winholtz questions explaining that the 50%+1 is the entire revenue generated; stated that the relationship between the TBID and Chamber will be opened nationally, noting that there is lots of opportunity to look outside of Morro Bay.

Chair Allen closed public comment.

MOTION: Board Member Solu moved the Board to 1) Support the recommendation of the Tourism Stakeholder Group to move the current TBID over to the 1994 Tourism Improvement District Law with a 5 year window and to use Tourism Business Improvement District Funds to hire Civitas to assist with the process; 2) Include diversifying our visitation in our overall visitors to Morro Bay in the goals of the management plan; and 3) Transition into a 501c non-profit Board of Directors to direct the management plan. All to recommend to the City Council. The motion was seconded by Board Member Patel and carried 5-0-1 with Board Member Dickenson Absent.

The Board took a quick break at 10:47 a.m. and reconvened at 10:54 a.m. with five Board Members present.

B-3 SHORT-TERM VACATION RENTAL DRAFT ORDINANCE REVIEW AND RECOMMENDATIONS; (CITY MANAGER)

<https://youtu.be/NYLYNrJE2j4?t=6846>

City Manager Collins gave the report regarding the Draft Short-Term Vacation Rental Ordinance and answered questions from the Board.

Public Comment:

<https://youtu.be/NYLYNrJE2j4?t=10169>

Sean Green, stated he served as a committee member and thanked all members of the committee for their work; spoke on caps, buffers and transferability; stated that he is open to having a reduced cap and allowing for attrition to take affect; opined that the cap is a concern to the public.

Maggie Juren, stated she served as a committee member; supports the previous public comment speaker; spoke in support of attrition and expressed concerns of the lottery process; hopes to keep STRs as a viable and important lodging segment of Morro Bay.

Betty Winholtz, opined that residents have no issue with hosted vacation rentals; opined that as a resident, you can book them for an unlimited time because there is someone in the building to keep things under control; questioned the language shared and non-shared vs. hosted and non-hosted; opined that residents would be in favor of the 150 cap; urged the board to consider the ordinance for Los Osos that was passed by the county Planning Commission; opined that excluding mixed use commercial housing is not beneficial.

John Wise, expressed gratitude on all the work that the committee members have put into this; stated that Paso Robles and San Luis Obispo have hosted and the county has both; supports the previous public comment speakers; spoke in opposition of the lottery process; spoke in favor of attrition; expressed concerns regarding the impacts it will have on hotels; spoke in support of the Planning Commission's recommendation of reducing the number of hosted units.

Chair Allen closed public comment.

MOTION: Board Member Kostecka moved the Board to accept the short term rental committees recommendations with the following changes: 1) Add an attrition element to get within the recommended short term vacation rentals in Morro Bay; 2) Exclude new licensing and renewal of existing licensing in regards to apartments in the community; and 3) Limit the number of short term rentals through attrition to 175 with no cap on hosted. The motion was seconded by Board Member Solu for discussion.

The board discussed adding rules regarding apartments.

AMENDED MOTION: Board Member Kostecka moved to ensure apartments are subject to attrition rules and the 3-year ADU and no new licenses. The motion was seconded by Board Member Solu and carried 5-0-1 with Board Member Dickenson Absent.

C. DECLARATION OF FUTURE AGENDA ITEMS

<https://youtu.be/NYLYNrJE2j4?t=12449>

City Manager Collins stated that upcoming board meetings will discuss budget, Council approval on the Tourism Stakeholder Group, and marketing efforts.

Board Member Kostecka requested additional enhancements on restrooms and trash. Suggested a short-term emergency plan.

D. ADJOURNMENT

The meeting adjourned at 12:29 p.m.

The next Regular Meeting is scheduled for September 17, 2020.

Recorded by:

Heather Goodwin
Deputy City Clerk