

AGENDA NO: A-1

MEETING DATE: 08/28/2012

MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING – AUGUST 14, 2012
VETERAN’S MEMORIAL HALL – 6:00P.M.

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

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| PRESENT: | William Yates | Mayor |
| | Carla Borchard | Councilmember |
| | Nancy Johnson | Councilmember |
| | George Leage | Councilmember |
| | Noah Smukler | Councilmember |
| STAFF: | Andrea Lueker | City Manager |
| | Robert Schultz | City Attorney |
| | Jamie Boucher | City Clerk |
| | Susan Slayton | Administrative Services Director |
| | Steve Knuckles | Fire Captain |
| | Mike Lewis | Interim Police Chief |
| | Rob Livick | Public Services Director |
| | Eric Endersby | Harbor Director |
| | Joe Woods | Recreation & Parks Director |

ESTABLISH QUORUM AND CALL TO ORDER

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

MAYOR AND COUNCIL MEMBERS REPORTS, ANNOUNCEMENTS &
PRESENTATIONS

CLOSED SESSION REPORT – There was no Closed Session.

PUBLIC COMMENT

Lara Rapcinski, owner of Harbor Floral gave the Morro Bay business report. Harbor Floral is a local business located at 868 Napa, they are open Tuesday – Friday from 10am-5pm and their phone number is 772-0770. They specialize in weddings and special events. They will be holding their ribbon cutting ceremony on Thursday, August 23rd.

Craig Schmidt spoke just wanting to thank the City Council and staff for all their service and commitment. He also announced the upcoming Chamber Mixer at Rabobank on August 16th from 530-7pm. He also commented on the Bay News article stating that the events “slated to be discontinued” will in fact be kept up as many citizens’ groups and community organizations are stepping up to the plate to sponsor them.

Adrian Harris with the Morro Bay National Estuary Program spoke on “Clean Water, Great Life” and encouraged Morro Bay residents do their part and take up the Clean Water Pledge by making everyday choices for clean water.

Keith Taylor, Director of Friends of the Fire Department let the public know that the sales of the bricks and stones being placed at the new Fire Department will be ending on Labor Day.

Cathy Novak spoke on behalf of the applicant for Item D1, "Request for a Plan Check and Affordable Housing In-lieu Fee Reduction for 1885 Ironwood". She is requesting a 50% reduction of fees for the duplicate plan check fees only, as well as not be charged twice for affordable housing in-lieu fees.

Janice Peters spoke about the opinion piece she wrote for the local newspaper. She explained how she came up with the estimated dollar figures it may cost if the WWTP were to be moved. She also specified those additional items that there will be a cost for, should the plant be moved.

Betty Winholtz spoke on 3 agenda items. Regarding Item D1, she feels that the applicant is requesting something that the fee schedule doesn't provide for. As far as the in-lieu fees, she feels that they are two separate and distinct fees and that the applicant is confusing that issue. Regarding Item D2, "Recommendation to move forward in Master Planning the Northern Embarcadero Areas including Coleman Park, Target Rock and the Morro Rock Parking Lot", while there was a lot of information, there were no pictures in order to be able to visualize the information. And regarding Item D5, "Designation of Voting Delegate and Alternate Voting Delegate at the LOCC 2012 Annual Conference and Business Meeting" she hopes that Council will review the Resolutions that will be voted on at the Conference and make recommendations for the voting delegate to follow. She also responded to Ms. Peters comments by saying that her costs of moving the plant didn't take into consideration offsetting costs that we will reap based on the piece of property we will be getting as well as the piece of property on the beach.

Annie Kay spoke in praise of the surf camp that she attended. She very much enjoyed herself and was able to learn how to surf.

Garry Johnson spoke, emphasizing that it was his opinion that the Coastal Commission was given misleading information which led to the inaccuracies in their staff report. He feels that a new plant one mile up Highway 41 is a terrible mistake.

Dawn Beattie requested staff provide the Cloister residents a more accurate budget for the expenditure of the allocated maintenance monies.

Linda Merrill was disappointed to learn that the Coastal Commission hearing had been postponed and requests that we attempt to get the meeting held in San Luis Obispo County as many don't have the energy to travel such long distances. She also responded to Ms. Peters comments by saying that nobody knows the true costs of moving the plant, that the plant will cost no matter the location, and to please stop the scare tactics by coming up with figures that suit their own needs.

Roger Ewing stated that since the election, we have been subjected to lies and scare tactics and he is tired of it. We should be about the spirit of community. He stated that they wanted it moved because it's in the wrong location and if you base policy decisions solely on money, you will lose.

Mayor Yates closed the public comment period.

A. CONSENT CALENDAR

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

A-1 APPROVAL OF CITY COUNCIL MINUTES FOR THE REGULAR MEETING OF JULY 24, 2012; (ADMINISTRATION)

RECOMMENDATION: Approve as submitted.

A-2 LETTER IN RESPONSE TO GRAND JURY REPORT TITLED “A VITAL FUNCTION OF THE JUDICIAL SYSTEM: LAW ENFORCEMENT PROPERTY AND EVIDENCE ROOMS”; (POLICE)

RECOMMENDATION: Direct staff to send the attached letter to the Presiding Judge of San Luis Obispo County Superior Court in response to the Grand Jury report.

A-3 RESOLUTION NO. 43-12 AUTHORIZING THE CITY OF MORRO BAY TO ENTER INTO 2012/2013 VESSEL TURN-IN PROGRAM FUND CONTRACT WITH THE DEPARTMENT OF BOATING AND WATERWAYS; (HARBOR)

RECOMMENDATION: Adopt Resolution 43-12.

A-4 RESOLUTION NO. 44-12 AUTHORIZING THE CITY OF MORRO BAY TO ENTER INTO 2012/2013 ABANDONED WATERCRAFT ABATEMENT FUND CONTRACT WITH THE DEPARTMENT OF BOATING AND WATERWAYS; (HARBOR)

RECOMMENDATION: Adopt Resolution 44-12.

A-5 ADOPTION OF ORDINANCE NO. 579 REPEALING, AMENDING AND REENACTING CHAPTER 14.72 OF THE CITY OF MORRO BAY MUNICIPAL CODE, ENTITLED FLOOD DAMAGE PREVENTION; (PUBLIC SERVICES)

RECOMMENDATION: Adopt Ordinance No. 579.

A-6 RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, DIRECTING A TIMELINE FOR COMPLETION OF CAPITAL PROJECTS APPROVED BY COUNCIL; (COUNCIL)

RECOMMENDATION: Adopt Resolution 45-12.

A-7 RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, DECLARING HOW MEASURE Q FUNDS ARE ALLOCATED AND SPENT; (COUNCIL) **THIS ITEM HAS BEEN PULLED FROM THE AGENDA**

RECOMMENDATION: Adopt Resolution No. 46-12.

Councilmember Borchard pulled Item A-6 from the Consent Calendar.

MOTION: Councilmember Johnson moved the City Council approve Items A-1, A-2, A-3, A-4 and A-5 of the Consent Calendar. The motion was seconded by Councilmember Borchard and carried unanimously 5-0.

A-6 RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORRO BAY, CALIFORNIA, DIRECTING A TIMELINE FOR COMPLETION OF CAPITAL PROJECTS APPROVED BY COUNCIL; (COUNCIL)

Councilmember Borchard pulled Item A-6 as she would like additional information added to the Resolution and requests it be continued to the next Council meeting.

B. PUBLIC HEARINGS, REPORTS & APPEARANCES

B-1 APPEAL OF MINOR USE PERMIT #UP0-240, COASTAL DEVELOPMENT PERMIT #CP0-294 AND PARKING EXCEPTION #AD0-043 FOR THE CONVERSION OF 820 SQUARE FEET OF COMMERCIAL SPACE TO A RESIDENTIAL UNIT AND A PARKING EXCEPTION TO WAIVE THE REQUIREMENT OF TWO COVERED AND ENCLOSED PARKING SPACES AND PROVIDING TWO OPEN AND UNCOVERED PARKING SPACES; (PUBLIC SERVICES)

ACTION: This item was opened but due to the omission of the property address in the title of the agenda item, it has been continued to the August 28, 2012 meeting.

C. UNFINISHED BUSINESS - None

D. NEW BUSINESS

D-1 REQUEST FOR A PLAN CHECK AND AFFORDABLE HOUSING IN-LIEU FEE REDUCTION FOR 1885 IRONWOOD; (ADMINISTRATION)

Public Services Director, Rob Livick presented the staff report.

Councilmember Smukler stated that the City doesn't have these kinds of fee structures in place; if we feel that we want to review a fee structure like this we should, but doesn't think that tonight is the right place to implement them.

Mayor Yates disagrees as we make exceptions all of the time and we are capable of doing this. This is a unique situation as we don't normally have projects with this many units that come in at once and he doesn't feel that there is that much extra work to review the plans. He feels the reasonable thing to do is to charge the 50% of plan check fees and the full amount of in-lieu fees.

Public Services Director Rob Livick described the differences between the 2 In-lieu fee charges. One is an in-lieu fee with is a charge of .30 cents/sq foot of construction. The other is for projects of 8 units or more and provides monies, in addition to the .30 cents/sq foot, to the in-lieu account. You can either build an affordable housing unit(s) or pay this in-lieu fee. They are 2 separate fees.

Councilmember Leage feels the In-lieu fees are black and white – either build or pay.

Councilmember Johnson still feels like the applicant ends up paying the in-lieu fees twice. She thinks she can support 60% of the plan check fee cost as opposed to the requested 50% cost.

Councilmember Borchard agrees with Johnson, she too feels they are paying twice for the in-lieu fees. She also has concerns that since the Building Inspector has yet to make a final review of the plans, it's impossible to determine how "like" the plans actually are. She can support a 60% of the plan check fees.

Councilmember Smukler hoped that Council would let staff allow for the plan review as there would be no harm in waiting and letting staff come back with numbers as to the actual cost of the process. He also went on to say that the 2nd In-lieu fee is because you have the ability to provide affordable housing and you have chosen not to. It recognizes the scale of a project. It also incentivizes and prioritizes affordable housing as we are far behind in affordable housing units.

MOTION: Mayor Yates moved that the applicant at 1885 Ironwood pay 100% of the plan check fees for the first unit and for the remaining identical units they pay 50% plan check fees; and, leave the affordable Housing In-lieu fees we have charged alone. The motion was seconded by Councilmember Leage and passed 4-1 with Councilmember Smukler voting no.

After a called break, Councilmember Leage made the following motion.

MOTION: Councilmember Leage moved for a reconsideration of the motion on the last item. The motion was seconded by Mayor Yates and passed 4-1 with Councilmember Smukler voting no.

Councilmember Leage feels that we are "double-dipping" and should be grateful that such a good project is coming to our town. Councilmember Johnson agrees.

MOTION: Councilmember Leage moved that for the project at 1885 Ironwood, plan check fees for the 1st unit remain at 100% with the remaining identical units being charged at 50% of the plan check fees; and, waive the .30 cent/square foot affordable housing in-lieu fee; and, rescind the previous motion. The motion was seconded by Councilmember Johnson and passed 4-1 with Councilmember Smukler voting no.

D-2 RECOMMENDATION TO MOVE FORWARD IN MASTER PLANNING THE NORTHERN EMBARCADERO AREAS INCLUDING COLEMAN PARK, TARGET ROCK AND THE MORRO ROCK PARKING LOT; (RECREATION & PARKS)

Recreation & Parks Director Joe Woods presented the staff report.

Councilmember George Leage hopes that staff should move forward right now.

Councilmember Johnson agrees but realizes we are short on funds. She would like to see approval tonight with the caveat that we wouldn't implement the plan until the funds are available.

Councilmember Borchard also agrees it's a great plan but we don't have any funding and we need to wait until we have the money.

Mayor Yates thinks we should get the actual cost nailed down to specifics.

MOTION: Councilmember Johnson moved that we move forward with master planning the Northern Embarcadero areas to include Coleman Park, Target Rock and the Morro Rock Parking Lot and wait until implementation until funds are available for the project. The motion was seconded by Councilmember Smukler and passed unanimously 5-0.

D-3 DISCUSSION ON PARKING OPTIONS ON THE EMBARCADERO BETWEEN BEACH AND PACIFIC STREETS; (PUBLIC SERVICES)

Public Services Director Rob Livick presented the staff report.

Mayor Yates hoped we would hold off on any decision in parking to see if we get the Dynegy parking which should give us a couple hundred more spaces.

Councilmember Leage still hoped to be able to take away one of the lanes on the Embarcadero and widen the sidewalks. He feels that if we could get the cars off the street and get them to park elsewhere, it would open up the shops and create a better attitude. He thinks it's a good idea to look at this again after the Dynegy parking is opened up.

Councilmember Johnson's all-time favorite idea would be to close down the Embarcadero to cars and feels that realistically, we need to wait to see what happens with Dynegy parking.

Councilmember Borchard hopes that Embarcadero business owners are continuing to encourage their employees to park elsewhere. She feels we should put time limit (2 – 4 hours) signage back up which she thinks would help. Mayor Yates responded that he would ask that putting the signs back up be brought before Council before initiating.

Councilmember Smukler questioned the delivery truck restrictions and hoped to be able to explore conversation on that topic. He thinks that this would make for a good Business Forum topic. He also requested that potential pilot project opportunities, including traffic flow and pedestrian promenade expansions be included in the review when the item returns to Council.

ACTION: Bring back this item to the 2nd meeting in October with an update, after the Dynegy parking lot opens up, with a late summer study of traffic flow patterns.

D-4 DISCUSSION ON THE NEED FOR A VOLUNTEER "COMMUNITY SERVICES COORDINATOR"; (ADMINISTRATION)

Councilmember Johnson presented this staff report.

Councilmembers were very interested in this concept and proposed that this item be brought back with more specific information on the possible appointment process as well as possible

resources that would be made available to this person. It will be brought back to a future meeting.

D-5 DESIGNATION OF VOTING DELEGATE AND ALTERNATE VOTING DELEGATE AT LEAGUE OF CALIFORNIA CITIES 2012 ANNUAL CONFERENCE BUSINESS MEETING; (ADMINISTRATION)

City Attorney Rob Schultz presented the staff report stating that historically we have never opened up the Resolutions for discussion at the Council level.

MOTION: Mayor Yates moved that Councilmember Nancy Johnson be the official City Council League Voting Delegate with City Attorney Rob Schultz being named as the Alternate Voting Delegate. The motion was seconded by Councilmember Borchard and passed unanimously 5-0.

E. DECLARATION OF FUTURE AGENDA ITEMS

Councilmember Borchard requested an agenda item to look at the Master Fee Schedule to include Identical Projects and the fees they are charged including Planning and Building Fees; Mayor Yates and Councilmember Johnson concurred.

Councilmember Smukler requested an agenda item providing an update on Seismic Testing for Diablo Canyon to receive information from the meeting held on August 14th and the meeting scheduled for August 20th as well as discussion of possible follow-up action plans; all Councilmembers concurred.

Councilmember Leage requested an agenda item providing an update on parking options on the Embarcadero between Beach and Pacific Streets to be brought back the second meeting of October; all Councilmembers concurred.

ADJOURNMENT

The meeting adjourned at 8:54 p.m.

Recorded by:

Jamie Boucher
City Clerk