



**MINUTES - MORRO BAY CITY COUNCIL
REGULAR MEETING**

**January 28, 2025, 5:30 p.m.
Veterans Memorial Hall, 209 Surf St., Morro Bay, CA**

Members Present: Mayor Carla Wixom
Council Member Cyndee Edwards
Council Member Jeff Eckles
Council Member Zara Landrum
Council Member Bill Luffee

Staff Present: City Manager Yvonne Kimball
Interim City Attorney Robert Schultz
City Clerk Dana Swanson
Finance Director Emily Conrad
Public Works Director Greg Kwolek
Community Development Director Airlin Singewald
Fire Chief Dan McCrain
Harbor Vitality Director Chris Munson
Police Commander Tony Mosqueda

1. ESTABLISH QUORUM AND CALL TO ORDER

Mayor Wixom called the meeting to order at 5:30 p.m. with all members present.

2. MOMENT OF SILENCE

3. PLEDGE OF ALLEGIANCE

4. REPORTS

4.a Closed Session Report

<https://youtu.be/OPtubNCcBQg?si=B5DVPWwv0JQ9vru9&t=89>

Mayor Wixom announced no closed session meeting was held.

4.b Mayor and Councilmembers' Reports, Announcements and Presentations

<https://youtu.be/OPtubNCcBQg?si=RiWHGbk1ixaDjrfQ&t=106>

4.c City Manager Reports, Announcements and Presentations

<https://youtu.be/OPtubNCcBQg?si=bXbPGS5K2kaRZVsE&t=897>

4.d Subcommittee Reports - Verbal Update of Current Subcommittee Activities

<https://youtu.be/OPtubNCcBQg?si=n9Qku-6iltTld2oe&t=971>

- a. Water Reclamation Facility & Morro Bay / Cayucos Sanitary District JPA
- b. Morro Bay Power Plant (Vistra)
- c. Offshore Wind Energy
- d. Downtown Design District

5. RECOGNITION AND PRESENTATIONS

6. PUBLIC COMMENT

https://youtu.be/OPtubNCcBQg?si=C8d6bw_SCZ_P78Hu&t=1145

- Nicole Dorfman, on behalf of REACT Alliance, inquired about community outreach opportunities for the Mott McDonald Study and announced an event to be held Wednesday, February 5, at the Benedict Center on Quintana. Visit reactalliance.org for more information.
- Ed Griggs, Morro Bay, requested information regarding traffic cameras recently installed in north Morro Bay.
- Karen Aguilar, Morro Bay resident and representative of the State of New California, expressed concern regarding battery energy storage facilities and encouraged the Council to stop the proposed Vistra project.
- Jen Ford, Senior District Representative for Assemblymember Addis, commented on the Vistra fire in Moss Landing and need for transparency, an independent investigation, and accountability. Visit a30.asmdc.org to learn more about proposed legislation AB 303.
- Garry Johnson, Morro Bay, commented on battery energy storage systems.
- Richard Cunningham, Morro Bay, opposed a battery energy storage system in Morro Bay.
- Aaroh Ochs, Morro Bay, thanked Assemblymember Addis for opposing the proposed BESS project in Morro Bay and urged residents to write to our legislators in support of AB 303.
- Kiernan Cottle, Morro Bay, offered comments.
- Tina Metzger, Morro Bay, urged the Council to approve Items 7.b. and 8.b.

- Gene Doughty, Morro Bay, shared the waterfront is one of the most regulated and costly locations to build and urged the City to do all it can to support leaseholders who take on that financial risk.
- Judy Setting, Morro Bay, hoped the City would consider adopting a drone ordinance and extended her thanks to Assemblymember Addis for proposing AB 303, noting she hoped the safety buffer would be more than 3,200 ft.

End of public comment.

7. CONSENT AGENDA

<https://youtu.be/OPtubNCcBQg?si=7X8-TLhmVkYcsU-0&t=3133>

Unless an item is pulled for separate action by the City Council, the following actions are approved without discussion. The public will also be provided an opportunity to comment on consent agenda items.

- Betty Winholtz, Morro Bay, spoke in favor of Item 7.b.
- Semu Torres commented in favor of Item 7.b.

End of public comment.

**Motion by Council Member Eckles
Seconded by Council Member Luffee**

Approve consent agenda items 7.a through 7.b as submitted.

Ayes (5): Mayor Wixom, Council Member Edwards, Council Member Eckles, Council Member Landrum, and Council Member Luffee

CARRIED (5 to 0)

7.a Approval of Minutes

Approve as submitted.

- January 14, 2025 - Regular Council Meeting
- January 14, 2025 - Special Closed Session Meeting

7.b Authorization to send a letter to San Luis Coastal Unified School District regarding the Morro Elementary School site

Approve authorization to send the attached letter to the San Luis Coastal Unified School District (“District”) requesting the District not take any action to sell or dispose of the Morro Elementary School site for 120 days to allow the community to create a financial plan to purchase the property.

8. PUBLIC HEARING ITEMS

8.a Uphold an appeal by Paul Gillen and reverse the Planning Commission's denial of Conditional Use Permit CUP24-04, and approve a revised project for the demolition of existing structures and redevelopment of Lease Sites at 431, 451, and 495 Embarcadero Rd

https://youtu.be/OPtubNCcBQg?si=kC_peekaZ5bPcZPpl&t=3418

Community Development Director Singewald presented the report and responded to Council inquiries.

Mayor Wixom opened the public hearing.

<https://youtu.be/OPtubNCcBQg?si=hYe1d60CgyzrlHj6&t=5115>

- Paul Gillen, Associated Pacific, commented on the revised proposed project, offering details and adjustments that had been made in response to Planning Commission comments, along with his intended highest and best use for the site. He shared the estimated revenues the project would provide to both the Harbor and General Funds and respectfully asked the Council support the revised project.

Mayor opened public comment.

- Joe Ingraffia, Morro Bay, commented as a resident suggesting it did not set a good precedent to have a project denied by the Planning Commission be significantly modified then taken directly to the City Council. He urged the Council to deny the appeal and return the project to the Planning Commission.
- Ron Reisner, Morro Bay, commented in favor of the proposed project.
- Bob Fowler, on behalf of the Embarcadero Master Leaseholders, spoke in support of the project.
- Homer Alexander, Morro Bay, commented on the potential increased revenues this project would bring to support City operations.
- Betty Winholtz, Morro Bay, expressed concern regarding off-site parking, questioned the need for a pocket park, and whether office space was allowed on the Embarcadero.
- Debbie Highfill, Morro Bay, agreed offsite parking was a concern and did not feel a pocket park and restrooms provided adequate public benefit.

- Sean Green, Morro Bay, offered comments regarding the project review and appeal process and raised safety concerns regarding heavy commercial pier infrastructure paired with vehicular traffic.
- Nattalia Merzoyan, Morro Bay, concurred with others regarding parking issues and was concerned building height would negatively affect the business across the street. She urged Council to not approve the project.
- The owner of 456 Embarcadero Inn requested the Council limit the development to single story so it would not block the view from his hotel.

The Council invited the applicant to respond to additional Council questions.

End of public comment.

The public hearing was closed.

Mayor Wixom and each of the Council Members disclosed ex parte communications with the applicant and offered comments on the project.

Following discussion, there was consensus to add a condition requiring a public access safety plan for the commercial wharf area.

**Motion by Council Member Eckles
Seconded by Council Member Luffee**

Adopt Resolution No. 04-25 to uphold the Applicant's appeal, accept the Applicant's Revised Project (January 2025), and reverse the Planning Commission's denial of CUP24-04, based on the findings and conditions contained therein with the following added condition as read into the record by Director Singewald:

"At the time of application for a building permit, the Applicant shall submit a public access safety plan for the commercial wharf area. The public access safety plan shall identify measures to maximize public accessibility of the commercial wharf and adjacent harbor walk, consistent with LCP coastal access requirements and applicable safety regulations. This will include painting a loading area in a visible location and only allowing for temporary closures for the minimum time necessary for safety reasons."

Ayes (5): Mayor Wixom, Council Member Edwards, Council Member Eckles, Council Member Landrum, and Council Member Luffee

CARRIED (5 to 0)

8.b Request to consider an Urgency Ordinance Prohibiting the Application, Acceptance, Approval, Commencement, Establishment, Operation, Relocation, or Expansion of Grid-Scale Battery Energy Storage Systems (BESS) within the city limits

The Council took a brief recess at 8:05 p.m. and reconvened at 8:20 with all members present.

<https://youtu.be/OPtubNCcBQg?si=oZSBcAp8TFU32Tib&t=10183>

Community Development Director Singewald presented the report and responded to Council inquiries.

Mayor Wixom opened public comment for Item 8.b.

https://youtu.be/OPtubNCcBQg?si=H_LTbHhr24RW_t2H&t=10667

- Rachel Wilson, Cayucos, spoke in support of a moratorium on new BESS projects.
- Nicole Dorfman, Morro Bay, expressed strong support for the urgency ordinance and thanked the Council for its efforts to protect the community.
- Nattalia Merzoyan, Morro Bay, agreed with previous speakers.
- Betty Winholtz, Morro Bay, spoke in support of the urgency ordinance.
- Judy Setting, Morro Bay, appreciated the proposed ordinance and hoped for a permanent ban to BESS projects.

End of public comment.

Motion by Mayor Wixom

Seconded by Council Member Landrum

1. Adopt by number and title only, with further reading waived, Urgency Ordinance No. 668, entitled “An Urgency Ordinance of the City Council of the City of Morro Bay, California, Imposing a Prohibition on the Application Acceptance, Approval, Commencement, Establishment, Operation, Relocation or Expansion of Grid-Scale Battery Energy Storage Systems within the City Limits during the Pendency of the City’s Review and Adoption of Regulations of Such Uses; and Finding the Action to be Exempt from CEQA,” prohibiting applications for grid-scale Battery Energy Storage Systems facilities within Morro Bay city-limits for an initial period of 45 days; and
2. Direct staff to return to Council at the regularly scheduled February 25, 2025 Council meeting with an Ordinance extending the BESS urgency ordinance to January 28, 2027.

Ayes (5): Mayor Wixom, Council Member Edwards, Council Member Eckles, Council Member Landrum, and Council Member Luffee

CARRIED (5 to 0)

9. BUSINESS ITEMS

9.a Update on Fiscal Year (FY) 2023-24 and 2024-25 City Council Goals and Action Items

<https://youtu.be/OPtubNCcBQg?si=t0vp3KIRobaW4OE9&t=12101>

City Manager Kimball presented the report and responded to Council inquiries.

Mayor Wixom opened public comment on Item 9.a.

<https://youtu.be/OPtubNCcBQg?si=F9I-6YnALT32EMXs&t=14585>

- Dina Lundquist, Morro Bay Chamber of Commerce, looked forward to the FY 25-27 Goals discussion, noting it was imperative that our city government is fiscally sound and working in a way that will benefit our community and businesses.
- Betty Winholtz, Morro Bay, requested the City consider a safe parking program during the Goals discussion.

End of public comment.

Following discussion, there was Council consensus to pause on preparing an RFQ for the Market Plaza properties until further consideration during the Goals process.

Receive a progress report on the City Council goals and action items and provide direction on remaining items.

10. COUNCIL DECLARATION OF FUTURE AGENDA ITEMS

<https://youtu.be/OPtubNCcBQg?si=hZrQsDv-ueYeG1D1&t=14875>

None

11. ADJOURNMENT

The meeting adjourned at 9:40 p.m.

/s/ Dana Swanson, City Clerk

