



AGENDA NO: CS-1

MEETING DATE: February 28, 2023

**AGENDA CORRESPONDENCE
RECEIVED BY THE CITY COUNCIL FOR
PUBLIC REVIEW PRIOR TO THE MEETING**

Dana Swanson

From: Jeffrey Heller [REDACTED]
Sent: Monday, February 27, 2023 1:33 PM
To: Council
Subject: Closed session agenda correspondence-Item CS-1

[REDACTED] appears similar to someone who previously sent you email, but may not be that person. [Learn why this could be a risk](#)

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In the hope of maximizing transparency in government, I hope there is a means by which the concept being submitted by the possible developer, can be presented to and commented on by the public, before the terms of a sale are discussed and possibly agreed upon in closed session.

Thank you
Jeff Heller

Date: February 27, 2023

To: Morro Bay Mayor, City Council, Scott Collins, Scot Graham, Chris Neumeyer

From: Janice Peters

Re: Closed session item CS-1

Regarding the parking lot at 714 Embarcadero, I am shocked to see it included in a potential sale with the Market Street property. Combining these areas has been discussed previously, but always retaining the City parking lot. Would this negotiation remove it from that use, and the potential paid parking revenue the City could receive from it?

While I was in office this property was designated to provide the in lieu parking area paid for by the in lieu fees collected from Embarcadero businesses. It is perfect for this use, being centrally located in the Embarcadero business corridor, where parking is the most needed. There is seldom a day or evening when that lot isn't full of cars.

If this lot is providing in lieu parking, can the City legally sell it without providing an alternate equally convenient parking area? Or can that parking access be included and specifically guaranteed in the terms of the sale?

Please be diligent in determining the legality of this sale of in lieu parking access before finalizing negotiations on this valuable City asset.

Janice Peters



Heather Goodwin

From: Judy Setting [REDACTED]
Sent: Tuesday, February 28, 2023 1:24 PM
To: CityClerk
Subject: Correspondence 2/28/23 Closed Session 714 Embarcadero 781 Market St
Attachments: Correspondence 2-28-23.pdf

CAUTION: This is an external email. Please take care when clicking links or opening attachments.

Hello,

Please include the attached in correspondence for the 2/28/23 Closed Session 714 Embarcadero 781 Market St.

Thank you so much,

--

Judy Lynn Setting

Dear City Clerk,

2/28/2023

Please include in correspondence. Thank you.

Regarding February 28, 2023 Closed Session, Gov't Code Section 54956.8, negotiations for the 714 Embarcadero & 781 Market Street property

Using the MLS# my local realtor was unable to find information about this property being for sale. Has the City decided to handle this sale in-house? When was the last time this property was on the market?

My call to Steven McCarty and Davis was not returned. I find it odd that interest in purchasing a property listed at just under 4 million dollars would be ignored.

Has the City ceased taking offers from developers?

Email sent to City Staff on 2/28/23 at 11:19 a.m.



714 Embarcadero & 781 Market Street

11:19 AM (1 hour ago)

Judy Setting

to Scot, Scott, cneumeyer, Carla

Hello Scott, Scot and Chris,

As a result of the City Council's Closed Session on February 14, I learned of City negotiations for the 714 Embarcadero & 781 Market Street, I left a message with Davis property asking for a call back. To date, I have not received a return call.

We are interested in pursuing a purchase. We are unable to obtain information through our realtor. Please advise on how to move forward.

Has the City followed legal "due process"?

Thank you,

Judy Lynn Setting

Dana Swanson

From: Terry Simons [REDACTED]
Sent: Tuesday, February 28, 2023 8:50 AM
To: Dana Swanson
Subject: Jeff Heller letter

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Dana,

I would like to echo former Counsel person Hellers remarks re the Proposed Market Street Project:

- It seems unlikely that there can be serious Price and Terms negotiations without a Concept Plan;
- Issues such as: Location and Scale; Circulation in the Community;
- ;Timeline for development and possible phasing;
- Will have significant effects on both the Old Town and the Embarcadero;
- These are not proprietary financial issues protected by Closed Session rules;
- They are in fact Public Impact issues that the public has a right to see and evaluate.

I would expect Counsel and Staff to make every effort to bring the Concept Plans to the Public attention for comment PRIOR to any MOU or other agreement.

Thanks,
ts [REDACTED]

Dana Swanson

From: betty winholtz [REDACTED]
Sent: Tuesday, February 28, 2023 12:30 AM
To: Carla Wixom; Laurel Barton; Jennifer Ford; Zara Landrum; Cyndee Edwards
Cc: Dana Swanson; Scott Collins; Scot Graham; Chris Neumeyer
Subject: agenda item cs-1

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Dear City Council:

I write to support former **Mayor Peters** remarks concerning the parking lot on the Embarcadero below the bluff project: I'm not sure how you get rid of parking that was required as in lieu unless it is replaced with like kind.

Also, I write to bring to your attention and to support a paragraph from **Mr. Simon's** Public Correspondence in case you missed it:

"Review development opportunities for the Market Plaza property."

It would be useful to have more information on how this project is being handled from a Public Oversight perspective. To date, there seem to be several Closed Sessions agendized concerning one developer's interest in the property, but as there have been "nothing to report" coming from these meetings, it is concerning that the process is proceeding "behind closed doors" and lacking the reasonable concept plan review that the public should be made aware of before it is announced that an MOU has been signed by the City and the developer without Public input."

Finally, I write to support **Mr. Martony's** comment at the last Planning Commission meeting concerning the possible historic value of the bluff building. I have not heard the City mention this.

All three of these people are well respected community members; they have lived in Morro Bay for decades; yet they all come from different corners of the community, not necessarily knowing each other, but supporting a common goal--transparency and legality regarding this property--as do I.

Sincerely,
Betty Winholtz



AGENDA NO: CS-2

MEETING DATE: February 28, 2023

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PUBLIC REVIEW PRIOR TO THE MEETING**

Dana Swanson

From: Jeffrey Heller [REDACTED]
Sent: Monday, February 27, 2023 1:29 PM
To: Council
Subject: CS-2 closed session 2/28/23

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As an active volunteer at the Morro Bay Maritime Museum-I hope you see fit to approve our lease application as submitted.

Thank you.

Jeff Heller

Dana Swanson

From: Judy Salamacha [REDACTED]
Sent: Tuesday, February 28, 2023 7:37 AM
To: Council
Subject: Support Letter for Morro Bay Maritime Museum

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Dear Mayor Wixom & Council-members,

Please, vote to support the proposed extended lease for the Morro Bay Maritime Museum. There are so many reasons to allow it to move forward and only hesitation to pause its future momentum and success.

First a bit of history as my family has been totally involved and invested in this project and operation:

1. It was a dream for 20 years to have a maritime museum somewhere on the Central Coast. A Morro Bay High School graduate, Larry Newland, pinned his hopes and energy on the site being in Morro Bay.
- 2/ Mid 2000s the United States Navy loaned the DSRV submarine to the nonprofit Larry and his small board had created and the City of Morro Bay allowed it parking space for public showing in the parking lot across from GAFCO. Every weekend and holiday a small core of volunteers told the story of the DSRV rescue submarine hoping to demonstrate the public was interested in a permanent maritime museum in Morro Bay. In 2016 Living Treasure Jack Smith, also a graduate of MBHS and USA Skateboard legend, told me there were two iconic most-photographed sites in Morro Bay - of course, Morro Rock and then the DSRV submarine. Intrigued as a reporter then with The Bay News I interviewed Larry and by the end of the year my husband and I applied to be on his board with the full intent to site and build a maritime museum. Our first board meeting we learned San Diego Maritime Museum would be spending time with us on their maiden tour of their replica Cabrillo's San Salvador. Timing was perfect to move forward with a plan.
- 3/ Timing was also right for MBMM with the short tenure of a controversial City Manager, David Buckingham. He did one thing right...maybe for the wrong reasons. He wanted the DSRV out of the parking lot so negotiated with the nonprofit for a corner of the Triangle lot, where the museum currently thrives. We had a site to build on.
- 3/ In 2016 San Diego Maritime Museum shared tour proceeds with MBMM during their 10 day stay. They generously split profits from the onboard tours 50/50. Due to proceeds earned from the over 10,000 visitors and a capital campaign called the 1542 Navigator Circle, funds were raised to build the first structure - by local contractors and much volunteer labor to ready the grounds, bring the ALMA out of the Harbor Yard for display and site the Coast Guard vessel. The ALMA was the tug that rescued the crew off the Montebello up by Cambria during WWII when it was torpedoed. Note: the 1542s were 99% local investors - 41 residents of Morro Bay many who typically do not donate to causes gave of their household savings to create a maritime museum. This included 99% of the board of directors who either gave themselves or found a donor to invest in MBMM.
- 4/ Within a year the structure was build, but then it needed to operate. The board decided as a public benefit community museum, it would open its doors as often as possible with volunteer docents and be FREE to the public. It features the history of our harbor, commercial fishermen and women, early days and participation of the Salinan Tribal members, Coast Guard, Survive Oars original craft, has school tours, the ALMA tug, during Covid 2020 the City funded a Kids Cove for kids to learn about fishing, knot tying and more. The Navy continues to support the DSRV display and the Ludwig Foundation recently provided a \$100,000 maintenance grant to repair the sun/weather damage and cover it to prevent further damage. This submarine is only one of two belonging to the Navy. It is unique and visitor serving Thursdays through Sunday currently. Memorial Bricks, benches, memberships and exhibit donation containers with QR codes for description of the vessels history continue to fund the museum. The museum's store also swells their small but keeping-the-doors- open for operations and future expansion budget.
- 5/ As other businesses shuttered during Covid MBMM's board and volunteers expanded a patio area to hold small events - proceeds donated by a resident. A small core of volunteers based from the Yacht Club refurbished a typical MB

fishing boat for display and the Kids Cove was built. A video presentation of the history of the Abalone Industry was created by Lori Mather, local resident, and two showings at the Bay Theater were sold out with local abalone divers on hand to answer questions by the viewers. So much more has been donated to MBMM for display and currently in storage ready to be featured in a proposed expansion project that has been approved by the City and even the Coastal Commission's blessing in record time. Residents who have held onto historically valued display artifacts are coming forward now TRUSTING the museum is going to be there for the long term to protect and share their valued items.

Now in 2023 I have heard council is concerned about granting a longterm lease of 10 years with two optional 5 year increments. The hesitation to delay MBMM's future is due to the current master planning, including a needed Embarcadero circulation plan, for the area. I hope this delay is not the case.

If there is one shared future hope for our community it is that Morro Bay stays true to its historical small town culture and fishing village roots. MBMM is the public benefit visitor serving business already in full operation preserving that concept with viable plans to expand and document our history for visitors and residents. It has essentially become Morro Bay's Visitor Center that not only preserves our local maritime history, but hosts family activities such as October's Maritime Month Free Family Fun Day, which literally was produced by the community's individual businesses and volunteers stepping up to create their own activities to be enjoyed free to visitors and locals. The museum charged nothing for use of the triangle lot space, coordinated all efforts to provide a magical day where families were amazed and grateful they could come to Morro Bay with as many kids as their family might have and participate in a free chowder contest, free blueberry muffin contest, free scavenger hunt, etc. etc. Did the museum benefit? Indeed, with good will, memberships and donations and lots of smiles.

This August 10-21 the San Diego Maritime Museum will return to Morro Bay again sharing tour proceeds and other marketing resources in full partnership with Morro Bay. They love to come to Morro Bay. We are a great host port and the visibility they receive was the largest of any port on the tour in 2015. They are proud to be able to help us again build the best maritime museum we can. I will also report that last spring my husband and I visited the maritime museums in Astoria, Newport, and Florence Oregon. Each were amazed and a bit envious of our ability to showcase historical vessels outside. Our City has appropriated space and trusted us to provide a public serving product.

We have something unique here and our reputation as a class maritime museum is growing. We are proud of Morro Bay and want to work diligently to integrate gracefully and even prominently into the master planning of the area we are currently situated within.

The extended lease will fit the properties visitor serving zoning. It is the one development project that rarely has anyone speak against and yet receives constant support and accolades from our residents. In my 20 years as a resident and a local journalist I'm still amazed at how loved this project is among our residents.

I sincerely hope the members of the City Council will give their vote to support what so many of our residents have already invested in by their dollars, memberships and volunteer hours. Thank you.

Sincerely,

Judy

Judy Salamacha



Program Chair: Morro Bay Rotary Club
MB Chamber Board & Gov. Advisory Committee
Columnist: Estero Bay News
MBMM Advisory Board