

MINUTES - MORRO BAY CITY COUNCIL  
SPECIAL MEETING – SEPTEMBER 22, 2015  
VETERAN’S MEMORIAL HALL  
209 SURF STREET - 4:00 P.M.

PRESENT:	Jamie Irons	Mayor
	Christine Johnson	Councilmember
	John Heading	Councilmember
	Noah Smukler	Councilmember
ABSENT:	Matt Makowetski	Councilmember
STAFF:	David Buckingham	City Manager
	Joe Pannone	City Attorney
	Dana Swanson	City Clerk
	Sam Taylor	Deputy City Manager
	Susan Slayton	Administrative Services Director
	Eric Endersby	Harbor Director
	Amy Christey	Police Chief
	Steve Knuckles	Fire Chief

ESTABLISH QUORUM AND CALL TO ORDER

A quorum was established with and the meeting was called to order at 4:08pm.

PUBLIC COMMENT RE: ITEMS ON THE AGENDA

<https://youtu.be/egKNz42nPHo?t=2m>

Sandy Tannler, Morro Bay, shared she had read John Meyers’ report and supports the current tourism and marketing structure.

Susan Stewart, Morro Bay resident, business owner and former chairperson of the Community Promotions Committee (CPC), provided background information on the CPC and shared Mr. Haugen is a good resource for small businesses.

John Solu, Morro Bay resident and business owner, shared the hotelier business is unique and “heads in beds” is beneficial to the city and continued success in Morro Bay.

Sabin Grey, Morro Bay business owner, spoke in support of Brent Haugen and his staff and thanked them for supporting all Morro Bay businesses.

Liz Gilson, Chamber of Commerce Director of Operations, shared the Chamber recommends open collaboration between the Tourism Bureau, City officials and City Council, and healthy discussion among hoteliers, the City, the Tourism Bureau, and the Chamber of Commerce.

Homer Alexander, Morro Bay, researched business improvement districts prior to the Tourism Bureau being formed and took exception to certain comments and data provided in the staff report.

Jim Bray, Morro Bay resident and business owner, read a letter sent to the Tourism Bureau from Caroline Beteta, President/CEO of Visit California and leading expert in tourism.

Taylor Newton, Morro Bay resident, business owner and Tourism Business Improvement District (TBID) Advisory Board member stated creativity and talent are important for the city's future and having someone focused on tourism is worth the money.

Aaron Graves, owner of Pleasant Inn and Central Coast Hotel Brokers, spoke with several hoteliers and hoped to hear how the City's plan would improve performance.

Shawn Farmer, owner of Farmer's Kites and Surreys and founder of the Morro Bay Kite Festival noted that in the ten years of the festival, he has received help from City staff, the Chamber and Tourism Bureau preparing for the event, but City staff hasn't been there on the weekend. The Tourism Bureau has been involved in every aspect of the festival.

Michele Jacquez, Morro Bay TBID Advisory Board and Morro Bay Tourism Bureau member, spoke in support of the current tourism and marketing structure and urged the City Council to read Mr. Meyers' report.

Joan Solu, Morro Bay resident, business owner, TBID Advisory Board and Tourism Bureau member, spoke in support of the current operating plan, noting an increase in TOT tax revenue of 50.7% in six years; growth surpassing almost all government agencies in the county. She suggested a strong partnership between the hotelier consortium, regional partners in tourism and economic development, and City leadership.

Ashlee Akers spoke representing Verdin Marketing, the current the agency of record for Morro Bay, Atascadero and Cayucos for tourism marketing. Her firm has experience working with a variety of marketing management structures and have found the most successful to be those with the ability to make decisions and respond quickly in order to stay competitive.

Noreen Martin, Commissioner and Chief Fiscal Officer for the State of California, stated there is a bit of dysfunction to having eleven BIDs in this county and suggested the City look at other counties, such as Napa and Sonoma, where tourism marketing is run separately from the government.

Chuck Davison, President and CEO of Visit San Luis Obispo County, cautioned staff and the City Council to move through this process slowly and have further discussion so the needs of constituents are fairly represented.

Brent Haugen, Executive Director for the Morro Bay Tourism Bureau, stated he has been a resource since April 2014 for City Council, City staff, lodging and business community, event organizers, non-profits and citizens. He addressed one point in staff report which suggested money is being spent without any controls. Budgets are reviewed by the City Council annually

for approval, quarterly reports are provided to the City Council, and monthly reports to the Council-appointed advisory board. If there are concerns, he has not been made aware of them.

The public comment period was closed.

Councilmembers Headding and Johnson responded to comments and questions raised during the public comment period.

#### SPECIAL MEETING AGENDA ITEMS:

I. DISCUSSION OF GOAL 6 – TOURISM MARKETING & PROMOTIONS REVIEW  
<https://youtu.be/egKNz42nPHo?t=47m48s>

City Manager Buckingham and Deputy City Manager Taylor provided the staff report and responded to Council inquiries.

Councilmember Headding clarified the driver for this initiative is the 10-year strategic plan that shows the City must do things significantly differently or suffer in areas of basic services. He believes the model we're beginning to see gets us where we want to be.

Councilmember Smukler is supportive of the tourism effort and the structure that's been established and suggested taking time to engage with stakeholders and look at alternatives more clearly. The strategic planning component is important to pull together as a community and manage limited resources more effectively.

Councilmember Johnson looks forward to collaboration and having people understand the benefit of tourism in the community. The City has infrastructure challenges and it's important to seek collaboration between overnight stays and hoteliers, event creation and promotion, sales tax generating businesses, the Chamber, and the Merchant's Association, and communicate that very clearly with the public.

Mayor Irons noted the overall goal is to improve growth and the success of the TBID and tourism. He is in favor of moving forward at a diligent pace.

No action was taken by the City Council.

II. MODIFICATION OF MORRO BAY TOURISM BUSINESS IMPROVEMENT DISTRICT BOARD BYLAWS AND CONSIDERATION OF APPROVAL OF MORRO BAY TOURISM BUREAU BYLAWS MODIFICATION  
<https://youtu.be/egKNz42nPHo?t=2h10m11s>

Deputy Taylor presented the staff report.

The public comment period for Item II was opened; seeing none, the public comment period was closed.

MOTION: Councilmember Headding moved to approve Resolution No. 65-15 adopting modifications to the “Qualifications” section of the TBID Advisory Board By-Laws, and approve the request of the Morro Bay Tourism Bureau to modify its By-Laws to reflect the TBID By-Laws language. The motion was seconded by Councilmember Johnson and carried unanimously, 4-0.

ADJOURNMENT

The meeting adjourned at 6:22p.m.

Recorded by:

Dana Swanson  
City Clerk