



STAFF REPORT

TO: Property Committee
FROM: Kristen Stout, Business Manager
DATE: August 8, 2019
SUBJECT: **2020 License to do Business on District Property – Request for Proposals**

Recommendation / Proposed Motion

- Recommendation: The 2020 License to do Business on District Property Request for Proposal license availability draft detail and key dates is presented to the Property Committee for their review and comment, per District Policy 3037 – Contracts Management.
- Staff recommends the Committee forward the draft detail and key dates to the Board of Commissioners for approval.

Policy Implications

District Policy 3037 - Contracts Management

District Major Objective/Goal

Objective #2 – Expand money generated opportunities to support Harbor operations that are consistent with affordability and accessibility for the public.

Fiscal Implications / Budget Status

- None at this time.

Alternatives Considered

The following actions were considered but are not recommended at this time:

- None at this time.

Discussion

In 2012, the District developed a competitive proposal process for approving Licenses to do Business on District Property and allowed for two (2) one-year extensions. For the 2019 review, only one licensee is required to submit a proposal for consideration in 2020 as they have been operating since 2017 and are at the end of their 3-year period.

- Momentum Paddlesports, dba Central Coast Kayaks

Request for Proposal –

License Capacity:

For 2020, the District will accept proposals for the following locations and may issue licenses based on the capacity limits:

- a) Avila Beach: There are five commercial enterprises that have permission in 2020 to use portions of Avila Beach including the Junior Lifeguard camp, surf lessons/instruction, rental of kayaks and stand-up paddleboards, and the rental of beach equipment including boogie boards and wet suits. Currently, the District is at capacity for the allowed licenses issued and may not accept additional proposals for this location.
- b) Harford Pier: There are four commercial enterprises that have permission in 2020 to use portions of the Harford Pier for sailing charters, power vessel tours, and ocean-related merchandise. Currently, the District is at capacity for the allowed licenses issued and may not accept additional proposals for this location.
- c) Other - Olde Port Beach: There is one license expiring on Olde Port Beach for a business that provides rentals of kayaks and stand-up paddleboards. The District is not at capacity for licenses issued at this location.
- d) Other - Food Vendor: Current Port San Luis Harbor District lessees which provide prepared food product are eligible to apply for a license.
- e) Business As Proposed: See District Master Plan for available uses at <http://www.portsanluis.com/2149/Master-Plan>.

In addition, the District will limit the number of licenses issued to “like” vendors to two.

Table 1 - Type of Business & Number of Licenses Available	Location		
	Beach	Landing	Other
Sailboat Charter - Capacity Met, no licenses available	-	-	-
Kayak & Stand-up Paddle Board Rentals- 1 license available	1 Olde Port Beach	-	-
Powered Vessel Tours - Capacity Met, no licenses available	-	-	-
Business as proposed- (see District Master Plan for available uses at http://www.portsanluis.com/2149/Master-Plan).	Accepting Proposals	-	Accepting Proposals
Surf Instruction & Summer Camp – Capacity Met, no licenses available	-	-	-
Food Vendors - PSLHD Lessees Only (available to current lessee who currently provides prepared food products)	-	-	-

Food Vendors:

Staff recommends allowing only Port San Luis Harbor District lessee’s which provide prepared food product (per their lease agreement) be eligible to submit a proposal for food vending. As the District has had a difficult history with outside food vendors vending on District property (vendor “wars” and/or contentious disagreements and poor revenue paid to the District), staff recommends limiting a food vending license to a current lessee, if the Harbor Commission approves permitting food vendors.

Table 2 – Timeline:

Key RFP Item	Date
Request for Proposals Issued	September 3, 2019
Deadline for Submission of Questions	September 16, 2019
Answers to Written Questions Posted on Website	September 18, 2019
Proposals Are Due	October 1, 2019, 4:30 pm
Notifications of Interviews, Week of	October 14, 2019
Finalists Interviewed, Week of	October 21, 2019
Property Committee Review	November 7, 2019
Proposed to Harbor Commission for Approval	November 19, 2019

Conclusion

The 2020 License to do Business on District Property Request for Proposal license availability draft detail and key dates is presented to the Property Committee for their review and comment, per District Policy 3037 – Contracts Management. Based on the above information, the Board will be accepting the following license proposals:

1. One available spot for kayak and stand-up paddle board rentals operating at Olde Port Beach based on the two “like vendors” practice.
2. Existing lessees may submit for a license for food vending.
3. Businesses as proposed for beach area(s) or other areas. These proposals are other than those businesses listed in Table 1 and businesses that are allowed in the Port Master Plan.