



STAFF REPORT

TO: Board of Commissioners

FROM: Andrea K. Lueker, Harbor Manager
Kristen Stout, Business Manager

DATE: August 27, 2019

SUBJECT: Harford Landing Trailer Boat Building Request for Proposals – Reissuance

Recommendation / Proposed Motion

- Recommendation: Staff recommends the Harbor Commission approve the reissuance of the Harford Landing Trailer Boat Building Request for Proposals (RFP) due to the voluntary withdrawal of the finalist selected by the Harbor Commission on April 23, 2019, with an amended schedule and minimum base rent and % of gross requirements.
- Motion: Approve the reissuance of the Harford Landing Trailer Boat Building Request for Proposals (RFP) with an amended schedule and minimum base rent and % of gross requirements.

Policy Implications

Contracts Management Policy 3037 established policy for the development of contract agreements for private operations of District facilities.

District Ordinance Chapter 4, paragraph 4.030 authorizes the District to establish agreements with lessees for payment of the private use of District facilities.

District Major Objective/Goal

Objective #2 – Expand money generating 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.

Background

On April 23, 2019, the Harbor Commission selected Brian Englund, dba Kuma Café, as the finalist in the Harford Landing Trailer Boat Building RFP that was issued by the Port San Luis Harbor District, on December 10, 2018. The proposal received from Brian Englund, dba Kuma Café, was the remaining respondent as the other respondent voluntarily withdrew their proposal when additional information was requested by the Business Manager.

Discussion

On August 6, 2019, Brian Englund voluntarily withdrew from negotiations with the District, terminating the lease negotiations process.

Staff recommends the Harbor Commission approve the reissuance of the Harford Landing Trailer Boat Building Request for Proposal with the proposed updated timeline and minimum base rent and % of gross as follows:

Timeline

- Open: September 4, 2019
- Close: December 2, 2019
- Pre-Proposal Meeting & Site Visit: Week of October 7, 2019 (date TBD)
- Question Submittal Deadline: October 31, 2019
- Answers to Questions Posted: November 7, 2019

Minimum Base Rent and % of Gross Figures – Staff recommends including minimums for both the base rent and the % of gross and further recommends language that states proposals that do not include these minimums will be rejected. This language will provide a clear direction for the proposers on the minimums the District will accept.

- If the proposal is predominantly for a market, the District requires the proposal to have the following minimums:
 1. Base Rent – no less than \$14,000/year
 2. % of Gross – no less than 7%
- If the proposal is predominantly for a restaurant, the District requires the proposal to have the following minimums:
 1. Base Rent – no less than \$18,000/year
 2. % of Gross (food) – no less than 4%
 3. % of Gross (alcohol) – no less than 6%

Conclusion

Staff recommends the Board of Commissioners immediately reissue the Request for Proposals for the Harford Landing Trailer Boat Building with the amended timeline and more specific minimums for base rent and % of gross.