



STAFF REPORT

TO: Board of Commissioners

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

DATE: August 27, 2019

SUBJECT: Harford Pier Sportfishing Business Request for Proposals

Recommendation / Proposed Motion

- Recommendation: Review and discuss draft of key details for the release of a Sportfishing Business Request for Proposals (RFP), located on the Harford Pier; recommend approval.
- Motion: Approve and release the Sportfishing Business Request for Proposals (RFP).

Policy Implications

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

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

District Major Objective/Goal

Objective #1 – Expand money generating opportunities to support harbor operations that are consistent with affordability and accessibility for the public.

Fiscal Implications / Budget Status

Recommended minimum rent as outlined in the RFP guarantees that the District's total rent will be approximately equivalent to projected rent collection.

Alternatives Considered

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

- None at this time.

Background

The current lease agreement with Patriot Sportfishing, with an original term date of December 31, 2010, granted a seven-year, year-to-year lease extension, with an expiration of December 31, 2017. In November 2017, the District then approved a one-

year lease extension, with a term date of December 31, 2018. The District then approved a month-to-month lease extension on December 18, 2018.

Due to the expiration of the lease agreement and subsequent lease extensions, staff recommends the issuance of a Request for Proposal for a Sportfishing business located on the Harford Pier.

Discussion

Key Terms of Request for Proposal

I. Goal of RFP

The goal of the RFP is to receive proposals for the operation of a Sportfishing business located on the Harford Pier. The Sportfishing business will be for a business that provides the following:

- Sportfishing and excursion boat trips
- Marine related retail sales, rental or repair of fishing tackle
- Sales may include fresh, frozen, or live bait; novelties; souvenirs; clothing; sodas; sports drinks; snacks; sundries; beer and wine; incidentals; and other items related to coastal dependent and coastal related activities.

II. Site

The location of the sportfishing lease site will be located in the area formerly occupied by BJ's fish market. The pier has undergone the appropriate rehabilitation and is able to sustain a lease site.

The area where the sportfishing business is currently located needs repair and, as the building currently used for the sportfishing business is located directly in the area where the repairs must be made, the existing building must be permanently removed.

The lease site will include approximately 1,925 square feet of space for the following:

- Up to 800 square feet for a building for operations
- 150 square feet for trash enclosure
- 975 square feet for port-o-potty and port-o-potty enclosure, loading zone, and customer/public waiting/viewing area
- Area for hoist and camel

The cost of the port-o-potty, port-o-potty enclosure, trash enclosure, hoist and camel will be the responsibility of the respondent as they are for the operations of the sportfishing business.

III. Building

Respondents will be responsible for construction of a new building, with a maximum square footage of 800 sq. ft. The building can be a prefabricated and/or modular building. The costs associated with the building is the responsibility of the respondent.

Respondents will be responsible for the construction of a trash enclosure and port-o-potty enclosure.

The building and enclosures will be required to follow the Harford Pier Design Guidelines, as provided in the Port San Luis Harbor District Master Plan, Appendix F.

IV. Agreement Term

- Term of 5 years, with a maximum of one 5-year extension.

V. Minimum Rent Bid

- Minimum Annual Rent: \$28,000, with annual CPI increases
- Minimum Gross Percent: 6%

VI. Timeline

The following is the proposed timeline and is dependent upon the relocation of the crab pots which are temporarily occupying the lease site due to the development of Harbor Terrace.

- **Open:** October 1, 2019
- **Close:** December 31, 2019
- **Pre-Proposal Meeting:** November 13, 2019
- **RFP Questions Deadline:** November 22, 2019
- **Answers to Questions Posted:** November 27, 2019

The *Key Terms of the Request for Proposal*, as provided above, are reflected and highlighted in the *Draft Sportfishing Business Request for Proposal (RFP)* (Attachment 1).

The key details for the Sportfishing Business Request for Proposals (RFP) were presented at the August 8, 2019, Property Committee Meeting. The Property Committee requested staff review the setback requirements on the Harford Pier as the draft of the site plan allowed for a setback less than 10 feet. Per the Master Plan, (Chapter 2, Section 2 and Chapter 4, Section 3), a minimum 10-foot setback is required. The site plan has been updated to reflect the requirement (Attachment 4).

Conclusion

Staff recommends the release of Sportfishing Business Request for Proposals (RFP).

- Attachment(s):
1. Draft-Sportfishing Business Request for Proposals
 2. Figure 1: Pre-Construction Conditions – 2017
 3. Figure 2: Existing Conditions
 4. Figure 3: Proposed Sportfishing Lease Site