



Staff Report

TO: Board of Harbor Commissioners

FROM: James B. Pruet, General Manager

DATE: January 15, 2025

SUBJECT: Pillar Point Harbor LLC., Lease Compliance

Topic:

Questions have been raised by the public concerning the current lessee operating Pillar Point RV Park at Surfers Beach and that lessee's compliance with the real property lease with the Harbor District. Further, it has been recommended by the public that if the lease is in default, the Harbor District should terminate the lease to allow the property to be used as a public parking lot.

Conclusion: The lessee is not and has not been in default of the July 1, 2024, lease.

Recommendation/Motion:

Motion: Receive report.

Relevant Documents:

1. Real Property Lease between the San Mateo County Harbor District and Pillar Point Harbor LLC., dba Pillar Point RV Park with Effective Date of July 1, 2024.
2. Half Moon Bay Coastal Development Permit 18-006 approved on July 9, 2019.

Discussion:

This staff report is being developed in response to issues and concerns raised by a member of the public with respect to Pillar Point Harbor LLC's ("Tenant" or "Lessee") compliance with the July 1st, 2024, lease.

On July 1, 2024, the San Mateo County Harbor District entered a real property lease with Pillar Point Harbor LLC., dba Pillar Point RV Park. The leased property is being utilized by Pillar Point Harbor LLC., as a commercial RV Park. The property is located adjacent to Surfers Beach, Half Moon Bay, inside Pillar Point Harbor.

A. The lease, which is attached to this staff report, provides:

1. “Tenant shall...perform all work required of Tenant pursuant to the July 9, 2019, Coastal Development Permit PDP-18-006 ("2019 Coastal Development Permit").
2. “Tenant shall on September 1, 2024, November 1 , 2024, provide to Landlord a written update on Tenant's progress towards and continuing compliance with the requirements of the Coastal Development Permit.”
3. “Tenant...shall:
 - a. “remodel/replace the existing restroom facility within the Premises to comply with all applicable codes and regulations to include the American Disability Act,”
 - b. “submit final exterior design and plans for the restroom to Landlord for Landlord's review, with such exterior design and plans subject to Landlord's and prior written approval, and”
 - c. “submit all required building permits to remodel/replace the existing restroom facility within 60 days of the Effective Date.”
4. “Failure to complete the remodel/replacement of the restroom within 365 days following the issue date of all required permits, shall be an event of default.”

With respect to the first requirement, Pillar Point Harbor LLC., and the San Mateo County Harbor District are in full compliance with the 2019 Coastal Development Permit.

With respect to the second requirement, the Tenant did provide the required updates. The lease required written updates on September 1, 2024, and November 1 , 2024. Pillar Point Harbor, LLC., provided updates on August 20, 2024, and October 30, 2024. Both updates are attached to this staff report. The September 1, 2024, update was provided to the board at the regular meeting on September 18, 2024. See attached staff report.

With respect to the third requirement, as the Tenant researched more on the requirements for plans and approvals from the City of Half Moon Bay, it was noted separate permits and written plans were not required for the intended scope of work. As a result, the Tenant and General Manager conducted a site visit and verbally reviewed the exterior design and plan. The tenant’s plan for the exterior design was to follow the design of the recently completed and approved Surfers Beach Restroom and Green Space project. The General Manager, under the authority of Section 26 of the lease, approved the Lessee’s plan for the exterior.

With respect to the fourth requirement, completion of the restroom remodel within 365 days following the issue date of all permits, the tenant met this requirement. The restroom was completed and approved by the City of Half Moon Bay on November 5, 2024. November 5, 2024, is well within the deadline of July 1, 2025. See Building Permit/Inspection Records attached.

B. Coastal Development Permit 18-006 Requirements:

The City of Half Moon Bay conducted their final inspection on November 5, 2024, and found the Harbor District and Tenants, a joint applicant under the Coastal Development Permit, to be in full compliance with CDP 18-006. See attached email dated December 18, 2024.

Attachments:

- 1) [July 1, 2024 Lease](#)
- 2) [September 1, 2024 Tenant Update](#)
- 3) [September 18, 2024 GM Email](#)
- 4) [September 18, 2024 Staff Report](#)
- 5) [November 1, 2024 Tenant Update](#)
- 6) [CDP-18-006](#)