

MINUTE ITEM

This Calendar Item No. 10
was approved as Minute Item
No. 10 by the State Lands
Commission by a vote of 3
0 at its 6-22-78
meeting.

CALENDAR ITEM

10.

5/78
G14-01.1
Horton

GRANTED LANDS -- CONSIDERATION OF
SUBSTANTIAL COMPLIANCE, SAN MATEO COUNTY
HARBOR DISTRICT, SAN MATEO COUNTY

TRUSTEE: San Mateo County Harbor District
1730 S. Amphlett Blvd., Suite 301
San Mateo, California 94402

LOCATION AND BACKGROUND:

This item concerns tidelands and submerged lands, whether filled or unfilled, in the northerly portion of Half Moon Bay, granted in trust to San Mateo County Harbor District under Chapter 68, Statutes of 1960. The grant, containing 1,235 acres more or less, is approximately 20 miles south of San Francisco on the Pacific Coast side of San Mateo County. Community efforts to obtain an enclosed harbor began in 1911. The County-wide District was first formed in 1933 but became inactive and was reactivated in 1948 after breakwater studies were conducted by United States Army Corps of Engineers.

PURPOSE OF INVESTIGATION:

To determine that the District has substantially complied with the requirement that the lands be improved within 10 years of the effective date of the statute -- that is, by July 7, 1970. If State Lands Commission finds the District failed to do as required, all right, title, and interest in the lands will revert and vest in the State. Lands were granted in furtherance of commerce, navigation, and fisheries, with such enumerated purposes as establishment, improvement and conduct of a harbor, marine airport or marine aviation facilities and public recreational facilities and for such necessary or convenient structures and facilities as wharves, docks, piers, slips, quays. Leases could be granted for not more than 50 years for purposes consistent with the trust.

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CONDUCT OF INVESTIGATION:

On July 28, 1977, the State Lands Commission's staff made a formal request to the District for a report covering the significant items for the 10-year period following effective date of the granting statute. In addition, the District was asked for an update on improvements, expenditures and problems since that time. The District responded March 17, 1978, with a report. On April 21, 1978, staff visited District headquarters in the City of San Mateo and then toured and photographed Pillar Point Harbor with the General Manager. A number of other reports on development and planned development were also consulted.

IMPROVEMENTS TO THE GRANTED LANDS:

The Corps of Engineers completed construction of 2 rubblemound breakwaters that form a protected harbor for commercial fishing vessels and recreational craft in 1961. The west breakwater is 2,620 feet long and the east 4,420. In 1966 the Corps commenced construction of 1,050 foot "dog leg" angled off the west breakwater in order to alleviate wave, wind and surge disturbance within the harbor. Major development of the granted lands occurred within the breakwaters enclosing 245 acres of water area. The District purchased 33 acres of adjacent uplands for development of harbor facilities. Federal funds of \$6.7 million for the breakwaters and dog leg were augmented by \$300,000 local share.

In 1962 the District built a public pier and landing area. The L-shaped pier extends 575 feet to the pierhead line, and the shorter arm of the L runs 250 feet. Slips were extended from the pier as part of the original construction but were later destroyed by wave action. Bulkhead wall, parking, harbor master's office, warehouse, and comfort station were also built that year at \$1,300,000. Other construction followed: 1963, fish handling building, \$93,800; 1964, skiff platform, \$12,000; 1965, fuel platform, \$12,000.

In 1966 operation of Pillar Point Harbor was taken over by San Mateo County. Develop-

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ments under County control were a comfort station and boat launch ramp at an estimated cost of \$20,500. The San Mateo County Harbor District again assumed operation in 1969. Additions to the bulkhead, pier, ladders and floats, concession building and launch ramp, grading and repaving were made between 1969 and 1970 for \$111,400. Between 1960 and 1970 harbor improvements were built at a cost of \$8,750,000, of which \$2,050,000 was locally funded.

SERVICES TO STATEWIDE PUBLIC:

Market analyses for Pillar Point Harbor Feasibility Study indicate the concern of planners to serve boaters from other areas as well as those in the District. Services for commercial and sport fishing, pier and party boat fishing exist. Commercial ocean fishing is important to the region's economy. Statistics for the latest year available, 1973, indicate a catch of 985,800 pounds, with a payment of \$911,800 to fishermen. There are 185 boats at permanent moorings, and a limit of 200 moorings, although in summer good weather a total of 200 more boats can anchor at the harbor. The District maintains boating safety patrols which also patrol beyond the breakwaters on the balance of the granted lands, render tow services to vessels in distress, and conduct firefighting in the area. While Pillar Point Harbor meets the Federal requirement as a harbor of refuge it fails to meet other suggested criteria due to wave action. Destruction of a commercial marina's floating dock, bulkhead and launch ramp as well as its own problems spurred the District to propose other development.

CONTINUING COMPLIANCE WITH STATUTORY REQUIREMENTS:

After the first new major studies were completed and scaled down, conservation groups suggested further reduction in the size and scope of the facility. Between 1974 and 1977 a second engineering firm completed the second proposal in conjunction with meetings and public hearings called by the Harbor Commission to reconcile the

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views of various environmental, commercial fishing, recreational boating interest groups and regulatory agencies.

After the Coastal Commission set conditions and approved the project in October, 1976, the Harbor Commissioners revised the plan to meet the conditions. Major improvements proposed are construction of new rubblemound breakwaters inside existing pier, to accomodate extension of the existing pier, construction of a new fish handling building, construction of 440 single tie boat berths (half to be designated for active commercial fishermen), parking facilities, boat repair and storage yard. Certain portions of the development will depend on transportation and sanitary district corrective actions already budgeted and approved by those agencies.

Portions of the tax revenues collected by the District are now budgeted for development or improvement of harbor projects at other locations within San Mateo County. The State Lands Commission's staff has discussed the necessity of segregating trust funds arising from the Pillar Point Harbor from those in other locations, and District officials have set up a system whereby separate enterprise funds are maintained.

District officials became concerned with the disproportionate increase in operating costs at Pillar Point harbor compared with a much smaller increase in operating revenues in the 5-year period 1970-1975. Consultants were retained and market analyses completed. Management also considered recommendations on trustee lease administration contained in the State Lands Commission, Report on the Use, Development and Administration of Granted Tidelands and Submerged Lands. As they develop new facilities or reexamine present leases, they are seeking to assure fair and reasonable income levels from facilities, assure level of service to the public commensurate with income generated, and ensure compliance of lessees with lease terms and conditions and adherence to local laws, regulations and ordinances.

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EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE SAN MATEO COUNTY HARBOR DISTRICT HAS SUBSTANTIALLY COMPLIED WITH THE TERMS OF CHAPTER 68, STATUTES OF 1960, SECTION 1 (a) AND 1 (b).
2. AUTHORIZE THE EXECUTIVE OFFICER TO NOTIFY THE SAN MATEO COUNTY HARBOR DISTRICT, THE SECRETARY OF THE SENATE, AND THE CHIEF CLERK OF THE ASSEMBLY THAT THE COMMISSION HAS MADE AN INVESTIGATION AS REQUIRED BY THE GRANT STATUTE AND FINDS THAT THE DISTRICT HAS SUBSTANTIALLY COMPLIED WITH THE TERMS OF CHAPTER 68, STATUTES OF 1960, SECTION 1 (a) AND 1 (b).

Attachment: Exhibit "A"

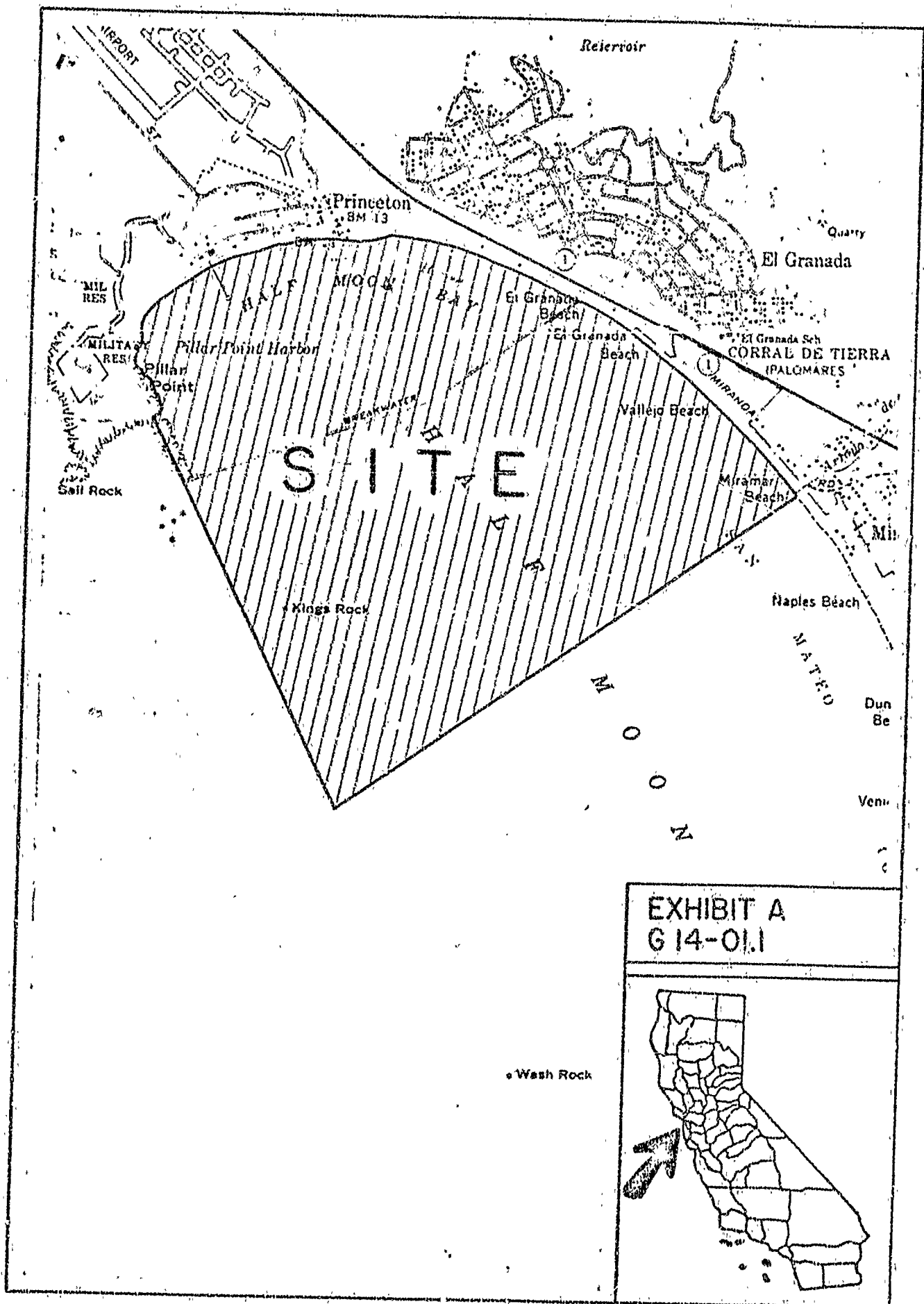


EXHIBIT A
G 14-011