

PERSPECTIVE

CIVIL GRAND JURY REPORT ON HARBOR DISTRICT FLAWED

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The just-released 2013-2014 Civil Grand Jury report on the San Mateo County Harbor District is flawed. The Civil Grand Jury is comprised of well-meaning County residents. However, this Civil Grand Jury does a great dis-service to the public it purports to serve by presenting a report full of inaccuracies and inconsistencies, mis-statements of fact, exaggerated claims not supported by facts, an almost complete ignoring of half of the District's responsibilities, and a lack of understanding of this Special District's purposes and the County's intent in creating the Harbor District.

In the interest of transparency, the Harbor District will respond to the Civil Grand Jury promptly in full detail to correct the Grand Jury's distorted and inaccurate characterization, and so that the public will have an accurate picture of the Harbor District on which to draw their own conclusions. For now, a few examples of the report's inadequacies must suffice.

The Grand Jury requests responses to their report from the County's Local Agency Formation Commission (LAFCo), the Board of Supervisors, the City of Half Moon Bay, and the Harbor District. However, it neglects to ask either the City of South San Francisco or the State Division of Boating and Waterways for responses. The Harbor District operates Oyster Point Marina/Park for South San Francisco under a long term Joint Powers Agreement; the City owns the marina and has a definite interest in the District's future. The Harbor District owes the Division of Boating and Waterways \$5.9 million (after the District's July debt service payment) which remains of the Division's loan balance which financed construction of Pillar Point and Oyster Point. They, too, have a stake in the District's future. These are puzzling omissions in view of the Grand Jury's main recommendation.

The report states: "Lawsuits charging harassment fly between a commissioner and the District's general manager." To our knowledge, no such lawsuits exist.

Another example of the report's negative bias concerns surplus property assets held by the Harbor District. The report states: "Additionally, the District holds assets that are not producing revenue." But the Grand Jury report neglects to mention that the District is (1) actively involved in the process of disposing of one parcel in El Granada the District already declared surplus, (2) is now in the legal process of reclaiming possession of a leasehold at Oyster Point from a lessee that is delinquent in rent payments, and (3) is in the process of obtaining a permit to remove an old pier at Pillar Point.

The report mentions that the Harbor District provides "multiple and varied services" and has grown from its "1933 original, focused plan" to develop a port at Redwood City.

First, the report neglects to mention that the Board of Supervisors created the Harbor District in 1933 with Countywide jurisdiction. Clearly, the Board's intent was to create an agency that could provide its services in multiple locations around the County.

Second, the report's list of services provided includes 13 items, of which 8 are directly within the scope of harbor activities, e. g., dredging operations, pier development and maintenance, commercial fishing, and (boat) launch ramps. Pillar Point Harbor, after all, was created as a Harbor of Refuge for the commercial fishing fleet and other vessels, and was so designated by the State Legislature. The list of the District's "span of control" also includes: "Commercial enterprises such as restaurants and marine services...." – just like so many of the State's other harbors and marinas - and "Public access".

Here's the point: The report states that "about 85% of the special districts in California provide a single, specific service such as ...police or fire protection...", implying that the Harbor District should not be engaged in providing public access such as the West Trail at Pillar Point. This ignores the fact that the County Local Coastal Program calls for encouraging the Harbor District to "continue its efforts to provide public recreation and visitor-serving facilities...including provision of shoreline access and trails."

Non-enterprise items (in this case no revenue generation) like West Trail and Surfers Beach were undertaken by the District in response to great and continuing public interest in the absence of other possible local sponsors. At the time the District joined with the Army Corps of Engineers as Surfers Beach local sponsor, the City of Half Moon Bay, in which the beach is located, was recovering from settlement of a \$40 million lawsuit and in no position to assume that role, a point ignored by the Grand Jury report. Another non-revenue item of great public interest is Search and Rescue activities. With no Coast Guard presence at Pillar Point, the District's Harbor Patrol is the first responder on the San Mateo coast for ocean search and rescue, responding to over 100 distress calls per year. This task is expensive but vitally necessary.

In referring to fiscal oversight, the report makes an exaggerated and inaccurate statement with an apparent intent to mislead the public. It states that "the District has been operating on a 23-year-old Pillar Point harbor long-range master plan, which remains in effect today." In fact, this Pillar Point plan has no financial content, nor was it intended to as a land use concept plan; and, it applied only to Pillar Point, not to Oyster Point.

The District has started a Strategic Business Plan process including extensive public engagement and outreach which will create a blueprint for the District's financial planning and investment decisions including enhancing revenues and reducing draw on property tax revenues, identifying capital facilities needs and sea level rise adaptation measures, sustaining the fishing industry, and achieving operational efficiencies.

It's quite sad that this particular Civil Grand Jury has chosen to sensationalize this report instead of providing a fact-based, unbiased, and well-researched study of the County's unique and valuable resource, the San Mateo County Harbor District.