



## Staff Report

**TO:** Board of Harbor Commissioners

**FROM:** Lizzie Zuroski, Communications Analyst  
**THRU:** Jim Pruett, General Manager

**DATE:** March 16, 2022

**SUBJECT:** SMCHD Event Permit: Half Moon Bay Triathlon

**Issue:**

Review and consider a request for an Event Permit for the Half Moon Bay Triathlon, to include a request to waive a portion of the associated fees.

**Recommended Motion:**

Motion: Approve an Athletic Event 4 Permit, without a fee waiver, to USA Productions, LLC to host a portion of the 2022 Half Moon Bay Triathlon on District owned property and authorize the General Manager take the necessary steps to issue said permit in accordance with District Policy 5.4.1 and Board direction.

**Policy:**

**Policy 5.4.1: Event Policy:**

1. "An application fee, established in the Event Fees Schedule, must be included with the application."
2. "The San Mateo County Harbor District reserves the right to waive required fees for an event that is deemed to serve a significant District or other public interest as determined by the Board of Harbor Commissioners."
3. "To facilitate processing of applications, to reduce Harbor Commission and staff time, costs involved, and to make the process more responsive to the public, the District will distinguish two groups of events:
  - (a) Events which are larger in scope and extent, because they involve large numbers of people, have substantial impacts on harbor operations, and District facilities and staff, and may involve multi-agency coordination; and

(b) Events which are small in scope, and extent, and because they involve a limited number of people, are essentially private, and have minimal or no impact on District facilities and staff.

Events of type (a) require Harbor Commission review and approval. Events of type (b) require General Manager review and approval.”

“When the General Manager or Harbor Commission determines that a completed application has been filed for a permit for an event and that there are no grounds for denying such permit, the General Manager or Harbor Commission shall approve the permit subject to all the general conditions required, plus any special conditions authorized and determined by the General Manager or Harbor Commission to be applicable to the event to address concerns for public health and safety, and/or to eliminate or significantly reduce potential negative impacts on harbor operations.”

“The General Manager or Harbor Commission shall deny an application for a permit if the General Manager or Harbor Commission determines that:

1. The application is incomplete;
2. The information contained in the application is false in any material respect;
3. An application for another event to be held on the same date and in the same location as requested by the applicant has been previously approved or has been previously filed and may be approved; a license, franchise or other permit has previously been granted to another person for the use of the same location on the same date;
4. The location or concentration of participants at the site of the event or at the site of an assembly or disbanding area around the event will prevent proper police, fire or ambulance services to the event or areas continuous to the event; or
5. The location of the event will substantially interfere with construction or maintenance work previously scheduled to take place on the Harbor District premises proposed, to be used or occupied by the event.”

### **Background/Discussion:**

USA Productions, LLC., has requested an Event Permit from the Harbor District to conduct a portion of the 2022 Half Moon Bay Triathlon on Harbor District property, and areas subject to the jurisdiction of the Harbor District. The application was submitted by Ryan Coelho, the CEO of USA Productions and Race Director of the Half Moon Bay Triathlon.

USA Productions, LLC has also requested a waiver of both the Event Permit fee and Water Fee. Applicant is asking for a fee waiver to be granted under the condition that

the applicant donate the waived portion to Sea Hugger, a local nonprofit that shares the District's mission to manage and improve water quality at Pillar Point Harbor.

The event is scheduled to take place on Sunday, April 10, 2022. The applicant has already started advertising the event and has an active webpage for athletes to register.

**The Permit:**

Pursuant to SMCHD Event Policy 5.4.1, the General Manager does not have authority to approve an event permit for an event of this size and complexity. Thus, if it is approved, it must be approved by the Harbor Board.

The Harbormaster of Pillar Point Harbor has been consulted concerning this application and stated the Pillar Point Harbor staff can support the event as outlined.

Taking into consideration the listed reasons to deny a permit in Policy 5.4.1 (listed above), the Staff recommends approval of an Athletic Event 4 Permit.

**The Fee:**

The Harbor District must charge an application fee as published in the Event Fees Schedule. See SMCHD Event Policy 5.4.1.

That portion of the Half Moon Bay Triathlon that is scheduled to take place on District property, or areas under the jurisdiction of the Harbor District, meets the requirements of an Athletic Event 4, in that it requires project review, traffic control, warning signs, limits public access, and will require three or more District staff to manage the event.

USA Productions, LLC is a commercial entity. The Applicant produces several annual sporting events to include:

1. Half Moon Bay Triathlon,
2. California Triathlon,
3. Folsom Triathlon,
4. Monterey Triathlon, and the
5. Oakland Triathlon.

The entry fees for the Half Moon Bay Triathlon range from \$140.00 to \$270.00 per person. According to the event webpage, the entry fee will increase on March 28, 2022.

As an Athletic Event 4, hosted by a commercial LLC, the Event Schedule (Effective July 1, 2021 – June 30, 2022) provides the following with respect to District imposed fees:

|                       |                    |
|-----------------------|--------------------|
| 1. Application Fee:   | \$5,830.00         |
| 2. Permit Fee:        | \$7,930.00         |
| 3. Water Related Fee: | <u>\$5,595.00</u>  |
| <b>Total Fees:</b>    | <b>\$19,355.00</b> |

The applicant has provided, with the event permit application, the District Application Fee of \$5,830. The Permit Fee and Water Related Fee are outstanding and the Applicant is asking for a fee waiver to be granted under the condition that the applicant donate the waived portion to Sea Hugger, a local nonprofit that shares the District's mission to manage and improve water quality at Pillar Point Harbor.

Pursuant to the Event Fee Schedule, the General Manager has the authority to waive the fees up to and including \$2,500 per event for "non-profit coastal dependent applicants." In that the applicant is requesting a waiver of 13,525.00 in fees, and the event is not coastal dependent, the General Manager does not have the authority to waive any fees with respect to this application.

The Harbor Board does have the authority to waive fees and under SMCHD Event Policy 5.4.1, the District specifically "reserves the right to waive required fees for an event that is **deemed to serve a significant District or other public interest** as determined by the Board of Harbor Commissioners." While the HMB Triathlon does promote healthy recreational activities in and around Pillar Point Harbor as well as access to the Harbor, staff does not believe this meets the threshold of "significant" District or public interest.

**History:**

The first year the race was held at Pillar Point Harbor was 2015. In 2015, this Board waived the full fee of \$2,350.00 on the condition that Applicant would donate the same amount to the Half Moon Bay Boys and Girls Club.

In 2015, this Board approved a Revision to the Event Fee Policy 5.4.1, to increase fees as of 7/1/15, one component of which was to enable the District to charge \$5,330.00 for any water-related activities. In 2021, the rates and fees schedule increased the Water Fee to \$5,595.00.

In 2016, this Board granted a 50% fee waiver with the understanding that future years would be permitted at full cost to Permittee. Applicant paid a total of \$7,375.00 after a total fee reduction of \$4,425.00. Applicant was not assessed the \$5,330.00 water fee.

In 2017, Applicant requested a full fee waiver. Applicant was denied the fee waiver based on the agreement from the prior year, and Applicant paid a \$5,000.00 application fee in addition to the required permit fee of \$6,800.00, for a total of \$11,800.00. Applicant was not assessed the \$5,330.00 water fee.

In 2018, Applicant again requested a full waiver of fees. Again, Applicant was denied the fee waiver, and Applicant paid a \$5,000.00 application fee in addition to the required permit fee of \$6,800.00, for a total of \$11,800.00. Applicant was not assessed the \$5,330.00 water fee.

In 2019, Applicant again requested a full waiver of fees. Again, Applicant was denied the fee waiver, and Applicant paid a \$5,000.00 application fee in addition to the required permit fee of \$6,800.00, for a total of \$11,800.00. Applicant was not assessed the \$5,330.00 water fee.

In a letter dated February 25, 2022, Applicant requested a 50% fee waiver for the refundable portion of event fees, which would total \$19,355.00 in full or \$9,677.50 if the 50% fee waiver were granted.

**Overall Recommendations:** Staff is recommending the Board approve the Athletic Permit, but deny the request of USA Productions, LLC for a partial fee waiver based on the event not meeting the “substantial” benefit to the District or other public interest threshold as determined by the Board.

Staff also recommends the Board impose the “water related” fee of \$5,595. District has waived this fee in the past, and not imposed it upon the applicant. However, given the fact that the only reason the applicant needs a permit, is to conduct the swim portion of the Triathlon, a “water activity”, thus “water related” fee should be imposed.

It is Staff’s opinion that the Applicant’s offer to donate the waived fees to Sea Hugger, a non-profit, should have no bearing on this issue.

**Alternatives:**

- 1) Waive 50% of permit fees, for a total of \$6,762.00 waived
- 2) Waive a portion other than 50%
- 3) Waive water-based fees, for a total of \$5,595.00 waived
- 4) Waive all refundable fees of \$13,525.00

**Recommended Motion:**

Motion: Approve an Athletic Event 4 Permit, without a fee waiver, to USA Productions, LLC to host a portion of the 2022 Half Moon Bay Triathlon on District owned property and authorize the General Manager take the necessary steps to issue said permit in accordance with District Policy 5.4.1 and Board direction.

**Attachments:**

- 1) [USA Productions HMB Triathlon Application](#)
- 2) [USA Productions 2022 HMB Triathlon Plan](#)
- 3) [Letter from Ryan Coelho of USA Productions Addressing Harbor Board of Commissioners re: 50% Fee Waiver dated February 25, 2022](#)