



Staff Report

TO: Board of Harbor Commissioners
FROM: James B. Pruet, General Manager
DATE: May 25, 2022
SUBJECT: Commercial Activity Permit for Coastal Cruise, LLC

Requested Action/Issue:

Commercial Activity Permit for Coastal Cruise, LLC to operate an e-bike rental business from Pillar Point Harbor.

Recommendation:

Motion: Approve a Commercial Activity Permit for Coastal Cruise, LLC, to operate a commercial e-bike rental business from Pillar Point Harbor, and authorize the General Manager to take the necessary steps to issue said permit.

Laws/Policies/Regulations:

[See Attachment 3](#)

Background:

On March 3, 2022, Staff received a presentation from Coastal Cruise concerning an e-bike rental business (attached). The business is designed to operate from self-contained converted 20 ft shipping containers. The electrical source to charge the bicycles would come from solar panels attached to the top of the containers.

Coastal Cruise is interested in obtaining a Commercial Activity Permit to install one or two converted containers at Pillar Point Harbor. The initial business will begin with 10 e-bikes and increase as demand increases. The e-bikes would be limited to 15 mph, and would operate along the coast from Fitzgerald Marine Preserve area to south of Half Moon Bay.

The District would receive in revenue:

1. Annual Permit Fee
2. Price per sq ft for container and operations.
3. Percentage of sales, suggested rate: 3.0% for initial CAP, if approved.

On March 16, 2022, a Presentation was made to the Board of Harbor Commissioners and the Board provided guidance to the General Manager to continue to work with Coastal Cruise on the concept.

Discussion:

Coastal Cruise has proposed to use the Electric Bike Company Model E. A Model E has a max speed of 25 mph/1000 watts and a range of up to 70 miles. Maximum load is 350 pounds.



https://electricbikecompany.com/model-e/?gclid=CjwKCAjw9qiTBhBbEiwAp-GE0WxLQP_ywleuEAKj1VzwOSqiR8o_TZon6e12G0g9UXxLj2zXwvtvRBoCwLAQAvD_BwE

The speed of the Model E can be limited through a user interface.

If the Model E is set for speeds over 20 mph, it is classified by the manufacturer as a class 3 E-bike as defined by VEH Section 312.5(c).

If the Model E is set for speeds of 20 mph or less, the-bike is classified by the manufacture as a class 2 e-bike as defined by See VEH Section 312(b).

Coastal Cruiser's business plan is to limit the-bike to 15 mph or less. With the speed limited to 15 mph, the e-bikes are Class 2. As a class 2 e-bike it is permitted to operate on bicycle paths or trails, unless prohibited by ordinance. (California Vehicle Code Section 21207.5(a)).

At the March 16, 2022 Harbor Board Meeting, a concerned was raised as to whether or not e-bikes were allowed on the Coastal Trial.

The Coastal Trail is under the jurisdiction of multiple governmental agencies to include:

- a. State of California,
- b. San Mateo County,
- c. City of Half Moon Bay, and.
- d. San Mateo County Harbor District.

State of California:



Coastal Trail at Venice Beach
Half Moon Bay

In 2016, the California legislature specifically removed e-bikes from the definition of a “motorized” and created a new category “Electric Bicycle” to define e-bikes. (See VEH Section 312.5).

A motorized bicycle or class 3 electric bicycle shall not be operated on a bicycle path or trail unless the local authority or the governing body of a public agency having jurisdiction over the path or trail permits, by ordinance, that operation. (California Vehicle Code Section 21207.5(a)).

The local authority or governing body of a public agency having jurisdiction over a bicycle path or trail, may prohibit, by ordinance, the operation of a class 1 or class 2 electric bicycle on that path or trail

The State Park have posted signs that prohibits both “motorized” bicycles and vehicles. The sign does not prohibit “electric” bicycles.

County of San Mateo: The County prohibits operation of a “motor vehicle” except upon established paved roads or other established paved areas specifically designated and maintained for normal ingress, egress, and parking. (See San Mateo County Ord. Code 3.68.090).

San Mateo prohibits “bicycles” from any County Park or Recreation Area, other than on a path designated and signed for that purpose. (See Mateo County Ord. Code 3.68.120). “Bicycles” is not defined by SMC Ord. Code. The State defines an “electric bicycle” as a “bicycle.” (See San Mateo County Ordinance Code 321).

The Coastal Trail under County jurisdiction is a designated bike trail, as such class 1 and 2 e-bikes are permitted.

City of Half Moon Bay: The City of Half Moon Bay prohibits motor vehicles, monocycles, minibikes, dirt bikes, dune buggies, and any motor-driven cycle or vehicle to operate off a public highway or street. (See HMB Ord. Code 10.48.020 & 10.48.030).

As discussed above, an electric bike is not a motorized vehicle. A class 3 e-bike is prohibited on trails unless specifically permitted by ordinance. Likewise, class 1 and 2 e-bikes are permitted unless specifically prohibited by ordinance. Half Moon Bay does not have an ordinance that prohibits class 1 or 2 e-bikes. As such, class 1 and 2 Bikes are not currently prohibited from operating on that portion of the Coastal Trail under the jurisdiction of the City of Half Moon Bay.

Harbor District: The SMC Harbor District does not prohibit Class 1 or 2 e-bikes.

Recommendation:

Motion: Approve the Commercial Activity Permit for Coastal Cruise, LLC, to operate a commercial e-bike rental business from Pillar Point Harbor, and authorize the General Manager take the necessary steps to issue said permit.

Attachments:

- 1) [Draft Commercial Activity Permit](#)
- 2) [Coastal Cruise Presentation](#)