



## Committee Report Search and Rescue Ad Hoc Committee

**TO:** Board of Harbor Commissioners

**FROM:** Oyster Point Marina Joint Liaison Committee  
President Tom Mattusch  
Commissioner Virginia Chang Kiraly

**DATE:** September 18, 2024

**SUBJECT:** Search and Rescue Ad Hoc Committee Report

**Issue:**

The Harbor District provides ocean rescue, a public safety function for the County of San Mateo. The Harbor District is not specifically funded to provide this vital public safety function.

**Recommendation/Motion:**

Receive staff report and provide feedback and direction to the Search and Rescue Ad hoc Committee and Staff.

**Background/Discussion:**

On July 17, 2024, at the Harbor District Regular Board Meeting, the Board President, Commissioner Mattusch notified the Board of his intent to issue two letters requesting assistance in funding the District's public safety function of maritime search and rescue. One letter was addressed to San Mateo County Supervisor Ray Mueller and the other to the Honorable Joaquin Jimenez, Mayor, City of Half Moon Bay. See attached.

On July 19, 2024, Supervisor Mueller responded to President Mattusch's letter, see email attached. In Supervisor Mueller's response, he posed two questions:

1. "Is the Harbor District projecting a budget surplus this year. The district website appears to show a surplus of \$3.6M dollars?"
  2. "What does the Harbor District project to receive in non-operating revenue from property tax, ERAF, and RDA funding this year? The district website appears to show a projection of approximately 10M dollars?"
1. Supervisor Mueller followed the two questions with the statement "If you could provide verification of this information, I will discuss your response with the County Executive's Office to inform the decision of whether to divert funding

from other public safety, infrastructure, and health and human services needs for residents of the Coast?”

In response to Supervisor Mueller’s July 19<sup>th</sup> email, President Mattusch provided detailed answers to the questions posed. See attached.

In short, with respect to the “budget surplus”, President Mattusch stated “The District is forecasting \$2.8 million in revenue over total operating expenditures for the Fiscal Year ending June 30, 2025. However, the \$2.8 million is not extra or surplus funding. Nor is it guaranteed year to year. The estimated \$2.8 million is earmarked for the Harbor District’s Capital Improvement Plan (CIP). With respect to non-operating revenue, “The Harbor District is projecting \$10,326,000 from taxes in FY2024/2025, which includes an estimated \$2.3 million in excess ERAF. The District receives no RDA funding.

In President Mattusch’ s response, he clarified his request with respect to the one percent tax on vessels registered in San Mateo County. This tax already exists and is collected by the County. It is collected from boat owners, and it is boat owners who benefit the greatest from the Harbor District’s maritime response capabilities.

To continue the discussion on public safety, and at the direction of President Mattusch, the General Manager extended an invitation to Supervisor Mueller for a sit-down meeting. See attached.

On August 30, 2024, and in response to President Mattusch’s request, President Mattusch, Commissioner Domurat, and the General Manager provided a briefing to Supervisor Ray Mueller, District 3, on emergency maritime response funding. To assist in the Discussion, the attached briefing paper was prepared and provided to Supervisor Mueller’s staff. See attached.

In addition to the request for a percentage of the boat/vessel tax to fund the public safety function of ocean rescue, the General Manager discussed Prop 172. Prop 172 added Section 35 of Article XIII to the California Constitution. The implementing regulations for Prop 172 are Government Code Sections 30051-30056: Local Public Safety Fund. The public safety fund is funded through a one-half percent sales tax and is provided to Counties to fund “public safety services”. Public Safety Services include “but is not limited to, sheriffs, police, fire protection, county district attorneys, county corrections, and ocean lifeguards.” The maritime emergency response and maritime assist provided by the Harbor District would qualify as a Public Safety Service. Supervisor Mueller agreed to investigate Prop 172 further and assist the District in requesting funding.

For reference, San Mateo County received the following amounts as a result of the half percent sales tax for public safety:

Date	Amount	Date	Amount
9/27/2023	\$8,489,054.10	10/27/2023	\$8,790,614.54
11/27/2023	\$10,249,288.42	12/27/2023	\$8,678,986.15
1/26/2024	\$8,499,244.41	2/27/2024	\$11,693,837.09
3/27/2024	\$7,763,833.23	4/26/2024	\$7,549,940.31
5/25/2024	\$10,438,530.18	6/25/2024	\$8,646,152.22
7/26/2024	\$11,248,420.06	8/27/2024	\$8,453,599.95

State Controller's Office Half Percent Tax for Public Safety Fiscal Year 2023-2024 San Mateo County.  
[https://www.sco.ca.gov/ard\\_payments\\_pubsafe\\_fy2324.html](https://www.sco.ca.gov/ard_payments_pubsafe_fy2324.html)

As required by Government Code 30051-30056, the County is required to fund Cities within the County for a portion of their public safety expenses. For example, the City of Half Moon Bay received \$32,100 (City of Half Moon Bay 2024/2025 Budget).

Only Counties and Cities are eligible to receive the half percent public safety tax directly. For the Harbor District to receive public safety tax for search and rescue/maritime response, a MOU with the County and/or City must be established detailing any funds transfer.

The District has reached out to the San Mateo County Sheriff's Office to establish a MOU but have been unsuccessful in establishing communication with the Sheriff's Office. Staff will continue to reach out and seek a meeting to discuss the potential of the Sheriff's Office sharing revenue received through the public safety tax to fund the Harbor District's public safety functions. See attached.

For reference, Statewide sales tax Revenues from the mandatory 7.25 percent sales tax were allocated in the following way:

- 5%: California's general fund
- 0.25%: California's general fund
- 0.50%: California's Local Public Safety Fund for Criminal Justice Services
- 0.50%: California's Local Revenue Fund for Health and Social Services
- 1.0625%: California's Local Revenue Fund - general purpose
- 1.25%: Local revenue
- 1.00%: Local city/county operating funds
- 0.25%: Local county transportation funds
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[Sales tax in California - Ballotpedia](#)

**Summary/Recommendation:**

Receive staff report and provide feedback and direction to the Search and Rescue Ad hoc Committee and Staff.

**Attachments:**

- 1) [SMCHD Letter to Supervisor Ray Mueller dated July 17, 2024.](#)
- 2) [SMCHD Letter to Mayor Joaquin Jimenez dated July 17, 2024.](#)
- 3) [Supervisor Ray Mueller email: "Letter Dated July 17<sup>th</sup>", dated July 19, 2024](#)
- 4) [President Tom Mattusch response to Supervisor Mueller's July 19<sup>th</sup> email.](#)
- 5) [General Manager email "WRDA 2024/Search and Rescue" dated July 3, 2024.](#)
- 6) [Coastside Emergency Maritime Response Briefing Paper.](#)
- 7) [General Manager email "Ocean Rescue – Public Safety" dated September 5, 2024.](#)