



VENTURA PORT DISTRICT BOARD OF PORT COMMISSIONERS

Jim Friedman, Chairman
Everard Ashworth, Vice Chairman
Bruce E. Smith, Commissioner
Gregory Carson, Commissioner
Nikos Valance, Commissioner

Oscar Peña, General Manager
Chris Chan, Legal Counsel
Jessica Rauch, Clerk of the Board

PORT COMMISSION WORKSHOP MEETING AGENDA WEDNESDAY, FEBRUARY 10, 2016 AT 11:30AM VENTURA PORT DISTRICT OFFICE 1603 ANCHORS WAY DRIVE, VENTURA, CA

*A **Closed Session** of the Board will be held at approximately **11:00AM** in the Port District Office located at 1603 Anchors Way Drive, Ventura, California to discuss items on the Attachment to Agenda-Closed Session Conference with Legal Counsel and then reconvene thereafter to adjourn the Workshop.*

*The Board will convene in **Open Session** at the Port District Office located at 1603 Anchors Way Drive for its Special Meeting-Workshop at **11:30AM***

ADMINISTRATIVE AGENDA:

CALL TO ORDER: *By Chair Jim Friedman.*

PLEDGE OF ALLEGIANCE: *By Chair Jim Friedman.*

ROLL CALL: *By the Clerk of the Board.*

ADOPTION OF AGENDA (5 minutes)

Consider and approve, by majority vote, minor revisions to agenda items and/or attachments and any item added to, or removed/continued from the Port Commission's agenda. Administrative Reports relating to this agenda and materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the Port District's office located at 1603 Anchors Way Drive, Ventura, CA during business hours as well as on the District's website - www.venturaharbor.com (Port Commission). Each item on the agenda shall be deemed to include action by an appropriate motion, resolution or ordinance to take action on any item.

APPROVAL OF MINUTES

The Minutes of the January 27, 2016 regular meeting will be considered for approval.

PUBLIC COMMUNICATIONS (3 minutes)

The Public Communications period is set aside to allow public testimony on items not on today's agenda. Each person may address the Commission for up to three minutes or at the discretion of the Chair.

CLOSED SESSION REPORT (3 minutes)

Closed Sessions are not open to the public pursuant to the Brown Act. Any reportable actions taken by the Commission during Closed Session will be announced at this time.

BOARD COMMUNICATIONS (5 minutes)

Port Commissioner's may present brief reports on port issues, such as seminars, meetings and literature that would be of interest to the public and/or Commission, as a whole. Port Commissioner's must provide a brief summary and disclose any discussions he or she may have had with any Port District Tenants related to Port District business.

STAFF COMMUNICATIONS (5 minutes)

Ventura Port District Staff will update the Commission on important topics if needed.

ACTION ITEM: (10 minutes)

1) Update on Emergency Conditions at 1691 Spinnaker Drive

Recommended Action: 4/5ths vote.

That the Board of Port Commissioners determine by a four-fifths vote that there is a need to continue the emergency action adopted by the Board on January 13, 2016 to award a contract to Letner Roofing Company to replace the tile roof system on 1691 Spinnaker Drive without giving notice for bids to let a contract.

2) Notice of Completion for the ADA Parking Access Improvements

Recommended Action: Resolution No. 3296.

That the Board of Port Commissioners adopt Resolution No. 3296, accepting the work of J & T Engineering and Construction for the Ventura Harbor ADA parking access improvements and authorize staff to prepare and record a Notice of Completion with the Ventura County Recorder.

3) Update on Harbor Entrance Conditions, Dredging and Economic Impacts to Businesses

Recommended Action: Informational.

That the Board of Port Commissioners receive an update from Harbormaster, John Higgins on the Harbor Entrance Conditions, a report from Dredging Consultant, Richard Parsons on the status of the dredging project and a report from Business Operations Manager, Brian Pendleton on the economic impacts to businesses.

WORKSHOP ITEM: (60 minutes)

1) Overview of Ventura Port District Marketing Plan

Recommended Action: Informational.

That the Board of Port Commissioners receive a presentation on the Ventura Port District's Marketing Plan.

REQUEST FOR FUTURE AGENDA ITEMS

ADJOURNMENT

This agenda was posted on Friday, February 5, 2016 at 5:00 p.m., at the Port District Office and on the Internet - www.venturaharbor.com (Public Notices).

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In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Ventura Port District at (805) 642-8538. Notification 48 hours before the meeting will enable the District to make reasonable arrangements to ensure accessibility.

(28 CFR 35.102.35.104 ADA Title II)

**ATTACHMENT TO PORT COMMISSION AGENDA
CLOSED SESSION CONFERENCE WITH LEGAL COUNSEL**

WEDNESDAY, FEBRUARY 10, 2016

1. Conference with Real Property Negotiators - Per Government Code Section 54956.8:

- | | |
|----------------------|--|
| a) Property: | 1363 Spinnaker Drive, Parcels 2 & 3 |
| Negotiating Parties: | Oscar Peña, Brian Pendleton, Chris Chan |
| Under Negotiation: | Ventura Isle Marina Lease Assignment |
|
 | |
| b) Property: | 1575 Spinnaker Drive #101, 102, 103 |
| Negotiating Parties: | Oscar Peña, Brian Pendleton, Chris Chan |
| Under Negotiation: | The 805 Real Property Negotiations |

FEBRUARY 10, 2016
BOARD OF PORT COMMISSIONERS

APPROVAL OF THE JANUARY 27, 2016 MINUTES



Minutes of Regular Meeting of the Ventura Port District Board of Port Commissioners Held January 27, 2016

The Regular Meeting of the Ventura Board of Port Commissioners was called to order by Chairman Jim Friedman at 7:15PM at the Ventura Port District Office located 1603 Anchors Way Drive, Ventura, CA 93001.

Commissioners Present:

Jim Friedman, Chair
Everard Ashworth, Vice Chair
Gregory L. Carson
Bruce E. Smith
Nikos Valance

Commissioners Absent:

None

Port District Staff:

Oscar Peña, General Manager
Brian Pendleton, Business Operations Manager
Joe Gonzalez, Facilities Manager
Frank Locklear, Marina Manager
Jennifer Talt-Lundin, Marketing Manager
John Higgins, Harbormaster
Gloria Adkins, Accounting Manager
Richard Parsons, Consultant
Jessica Rauch, Clerk of the Board

Legal Counsel:

Timothy Gosney

AGENDA

CALL TO ORDER: By Chairman Jim Friedman at 7:15PM.

PLEDGE OF ALLEGIANCE: By Chairman Jim Friedman.

ROLL CALL: All Commissioners were present.

ADOPTION OF AGENDA

ACTON: Commissioner Ashworth moved, seconded by Commissioner Carson and carried by a vote of 5-0 to adopt the January 27, 2016 agenda.

APPROVAL OF MINUTES

The Minutes of January 13, 2016 workshop meeting were considered as follows:

ACTION: Commissioner Smith moved, seconded by Commissioner Carson and carried by a vote of 5-0 to approve the minutes of the January 13, 2016 workshop meeting.

PUBLIC COMMUNICATIONS: Lynn Mikelatos, owner of The Greek Mediterranean Steak & Seafood, commented that the tenants received a survey on Pirate Days and that she feels that keeping it in July is best. A lot of time and effort has gone into marketing and branding this event

in July and changing it will impact it severely. Councilmember and new Port District liaison, Cheryl Heitmann reported that the City of Ventura's 150th Anniversary is coming up April 2nd and she has been working with Mr. Peña and Ms. Talt-Lundin on the committee. Also, she reported on the 'One Million Acts of Kindness' campaign and encouraged the public to post their or someone else's act of kindness by April 2nd.

CLOSED SESSION REPORT: Mr. Gosney stated that the Board met in closed session; discussed and reviewed all items on the closed session agenda. Staff was given instructions as to how to proceed as appropriate and there was no action taken that is reportable under The Brown Act.

BOARD COMMUNICATIONS: Chairman Friedman thanked staff for their diligence and extra work on the harbor entrance issues. Vice Chairman Ashworth reported on the meeting with Army Corps Brigadier General Mark Toy that occurred on January 19th. He also reported that the Shellfish Initiative is having trouble getting data, but the team is working hard to get back on track. Commissioner Carson also reported on the meeting with Brigadier General Mark Toy, his trip to the CMANC Winter Meeting and also that we have a new lobbyist in Washington D.C.

DEPARTMENTAL STAFF REPORTS: Consultant, Richard Parsons reported that Manson Construction is working overtime to get the dredge here. It is currently docked in Long Beach and we are hoping it will get to the Harbor next Thursday.

UPDATE OF HARBOR CHANNEL: Harbormaster, John Higgins gave the Commission an overview of the situation with the Harbor Channel Entrance. Bob Bartosh, owner of the Ventura Boatyard said this is greatly impacting their commerce and to be careful with how much publicity we do because it could negatively affect the Harbor.

GENERAL MANAGER REPORT: Mr. Peña thanked staff for all they have been doing during this emergency situation with the Harbor Channel Entrance.

LEGAL COUNSEL REPORT: None.

CONSENT AGENDA:

A) Approval of Financial Statements and Checks for the month of November 2015

Recommended Action: Resolution No. 3292.

That the Board of Port Commissioners adopt Resolution No. 3292 accepting and approving the Financial Statements, Payroll and Regular Checks for expenses in November 2015.

ACTION: Commissioner Ashworth moved, seconded by Commissioner Carson and carried by a vote of 5-0 to adopt Resolution No. 3292 accepting and approving the Financial Statements, Payroll and Regular Checks for expenses in November 2015.

B) Approval of New Retail Lease Agreement for Beach Break Surf Shop

Recommended Action: Motion.

That the Board of Port Commissioners approve by motion a new retail lease agreement for the premises located at 1575 Spinnaker Drive #108 consisting of 990 square feet between the Ventura Port District dba Ventura Harbor Village and Beach Break Surf Shop for a two-year term.

ACTION: Commissioner Carson moved, seconded by Commissioner Smith and carried by a vote of 5-0 to a new retail lease agreement for the premises

located at 1575 Spinnaker Drive #108 consisting of 990 square feet between the Ventura Port District dba Ventura Harbor Village and Beach Break Surf Shop for a two-year term.

C) Approval of Three (3) Out of Town Travel Requests

Recommended Action: Motion.

That the Board of Port Commissioners approve by motion the Out of Town Travel Requests for Consultant, Richard Parsons, Commissioner Everard Ashworth, and Commissioner Greg Carson.

This item was pulled from the agenda.

ACTION: Commissioner Smith moved, seconded by Commissioner Carson and carried by a vote of 4-1 (Valance no) to approve the Out of Town Travel Requests for Consultant, Richard Parsons, Commissioner Everard Ashworth, and Commissioner Greg Carson.

D) Notice of Completion for the Installation of a One Ton Derrick Crane

Recommended Action: Resolution No. 3293.

That the Board of Port Commissioners adopt Resolution No. 3293, accepting the work of Cushman Contracting Corporation for the installation of a one ton derrick crane and authorize staff to prepare and record a Notice of Completion with the Ventura County Recorder.

ACTION: Commissioner Smith moved, seconded by Carson and carried by a vote of 5-0 to adopt Resolution No. 3293, accepting the work of Cushman Contracting Corporation for the installation of a one ton derrick crane and authorize staff to prepare and record a Notice of Completion with the Ventura County Recorder.

STANDARD AGENDA:

1) Approval of Fiscal Year 2014-2015 Audit

Recommended Action: Motion.

That the Board of Port Commissioners approve the acceptance of the Basic Financial Statements and Supplementary Information with Independent Auditor's Report for the Year Ended June 30, 2015, prepared by White Nelson Diehl Evans, LLP.

ACTION: Commissioner Carson moved, seconded by Commissioner Smith and carried by a vote of 5-0 to accept the Basic Financial Statements and Supplementary Information with Independent Auditor's Report for the Year Ended June 30, 2015, prepared by White Nelson Diehl Evans, LLP.

2) Approval of Resolution Authorizing First Amendments to the 2008 and 2009 Refunding Certificates of Participation

Recommended Action: Resolution No. 3294

That the Board of Port Commissioners adopt Resolution No. 3294, authorizing the execution and delivery of a First Amendment to the 2008 Installment Purchase Agreement, a First Amendment to the 2009 Installment Purchase Agreement and related matters in connection therewith.

ACTION: Commissioner Ashworth moved, seconded by Commissioner Carson and carried by a vote of 5-0 adopt Resolution No. 3294, authorizing the

execution and delivery of a First Amendment to the 2008 Installment Purchase Agreement, a First Amendment to the 2009 Installment Purchase Agreement and related matters in connection therewith.

The Port Commission adjourned and convened as the Board of Directors of the Ventura Port District Public Facilities Corporation at 8:38PM.

AGENDA

I. Call to Order the Annual Meeting of the Ventura Port District Public Facilities Corporation

A. Election of Officers: President, Vice President, Secretary

B. Ratify the Minutes of the Meeting held January 22, 2014

C. Approval of Resolution Authorizing First Amendment to 2008 Installment Purchase Agreement

Recommended Action: Resolution No. 127.

That the Board of Directors of the Public Facilities Corporation adopt Resolution No. 127, authorizing the execution and delivery of a First Amendment to the 2008 Installment Purchase Agreement and related matters in connection therewith.

II. Adjourn the Annual Meeting of the Public Facilities Corporation

The Board of Directors of the Ventura Port District Public Facilities Corporation adjourned and reconvened the Regular Meeting of the Ventura Port District Board of Port Commissioners at 8:44PM.

3) Discussion Regarding Possible Refinancing of the District's Department of Boating and Waterways Loans

Recommended Action: Motion.

That the Board of Port Commissioners authorize the General Manager to begin discussions with Brandis Tallman LLC for the purpose of refinancing the District's two consolidated loans with the Department of Boating and Waterways.

ACTION: Commissioner Ashworth moved, seconded by Commissioner Carson and carried by a vote of 5-0 to authorize the General Manager to enter into an agreement for Placement Agent Services with Brandis Tallman LLC (BTLLC) for the purpose of establishing BTLLC as Placement Agent for the refinancing of the District's two consolidated loans with the Department of Boating and Waterways and lock in the interest rate of 3.50%.

4) Approval of Mid-Year Budget Adjustments for Fiscal Year 2015 – 2016

Recommended Action: Resolution No. 3295.

That the Board of Port Commissioners adopt Resolution No. 3295 authorizing the Mid-Year Budget Adjustments for Fiscal Year 2015 - 2016.

ACTION: Commissioner Ashworth moved, seconded by Commissioner Carson and carried by a vote of 5-0 to adopt Resolution No. 3295 authorizing the Mid-Year Budget Adjustments for Fiscal Year 2015 – 2016.

5) Update on Emergency Conditions at 1691 Spinnaker Drive

Recommended Action: 4/5ths vote.

That the Board of Port Commissioners determine by a four-fifths vote that there is a need to continue the emergency action adopted by the Board on January 13, 2016 to award a contract to Letner Roofing Company to replace the tile roof system on 1691 Spinnaker Drive without giving notice for bids to let a contract.

ACTION: Commissioner Ashworth moved, seconded by Commissioner Smith and carried by a vote of 5-0 to determine that there is a need to continue the emergency action adopted by the Board on January 13, 2016 to award a contract to Letner Roofing Company to replace the tile roof system on 1691 Spinnaker Drive without giving notice for bids to let a contract.

REQUEST FOR FUTURE AGENDA ITEMS: Commissioner Smith would like a discussion to make explicit what has been operating procedure by which appointments are made of Commissioners to represent the District. He would like two options discussed: 1) The Chair makes the appointment without conference with the Commission; or 2) The Chair makes a recommendation with the consent of the Commission.

ADJOURNMENT: The meeting was adjourned at 9:36PM.

Secretary

FEBRUARY 10, 2016

BOARD OF PORT COMMISSIONERS

STANDARD AGENDA ITEM NO. 1

UPDATE ON EMERGENCY CONDITIONS

AT 1691 SPINNAKER DRIVE

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

STANDARD AGENDA ITEM 1
Meeting Date: February 10, 2016

TO: Board of Port Commissioners
FROM: Richard Parsons, Consultant
SUBJECT: Update on Emergency Condition at 1691 Spinnaker Drive

RECOMMENDATION:

That the Board of Port Commissioners determine by a four-fifths vote that there is a need to continue the emergency action adopted by the Board on January 13, 2016 to award a contract to Letner Roofing Company to replace the tile roof system on 1691 Spinnaker Drive without giving notice for bids to let a contract.

SUMMARY:

The dangerous condition at 1691 Spinnaker Drive still exists. The high winds at the end of January have caused more problems at 1691. The purchase order with Letner Roofing Company for emergency tile roof work was sent January 27, 2016. Letner is presently acquiring materials needed and will be onsite the week of February 8th.

FEBRUARY 10, 2016

BOARD OF PORT COMMISSIONERS

STANDARD AGENDA ITEM NO. 2

J&T ENGINEERING NOTICE OF COMPLETION

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

STANDARD AGENDA ITEM 2
Meeting Date: February 10, 2016

TO: Board of Port Commissioners
FROM: Richard Parsons, Project Manager
SUBJECT: Notice of Completion for the Harbor Village Parking Access Improvements

RECOMMENDATION:

That the Board of Port Commissioners adopt Resolution No. 3296, accepting the work of J & T Engineering and Construction for the Ventura Harbor ADA parking access improvements and authorize staff to prepare and record a Notice of Completion with the Ventura County Recorder.

SUMMARY:

On August 5, 2015, the Ventura Port District entered into a contract with J & T Engineering and Construction to provide parking access improvements at Ventura Harbor Village. All contract work was completed on December 3, 2015 at a final cost of \$310,506.71.

ATTACHMENTS:

Attachment 1 - Resolution No. 3296
Attachment 2 - Notice of Completion

ATTACHMENT 1



RESOLUTION NO. 3296

**RESOLUTION OF THE BOARD OF PORT COMMISSIONERS
OF THE VENTURA PORT DISTRICT
ACCEPTING THE WORK OF J & T ENGINEERING AND CONSTRUCTION
UNDER CONTRACT FOR THE VENTURA HARBOR
ADA PARKING ACCESS IMPROVEMENTS PROJECT**

WHEREAS, Oscar F. Peña, General Manager of the Ventura Port District, advised the Board of Port Commissioners of said District that the work of J & T Engineering and Construction on the project entitled "Ventura Harbor ADA Parking Access Improvements" described in the Agreement between J & T Engineering and Construction and the Ventura Port District, hereinafter referred to as "District", dated August 5, 2015, has been completed and recommends that said work be accepted.

NOW, THEREFORE, BE IT RESOLVED that the Board of Port Commissioners DETERMINES and ORDERS as follows:

1. Said work is hereby accepted.
2. Pursuant to the conditions and specifications of the Agreement and upon the recommendation of the General Manager, J & T Engineering and Construction is released from the obligations under said contract, except as to the conditions of the performance bond, required guarantees and correction of faulty work after payment.
3. The General Manager of the District is hereby directed to execute on behalf of the District and cause to execute on behalf of the District and be recorded in the office of the Ventura County Recorder a Notice of Completion of said work.
4. The General Manager is hereby directed to send a copy of this Resolution to J & T Engineering and Construction as the District's Notice of Acceptance of said work.

PASSED, APPROVED and ADOPTED this 10th day of February 2016.

Attest:

Chairman

Secretary
(Seal)



ATTACHMENT 1

STATE OF CALIFORNIA)
COUNTY OF VENTURA) ss.
CITY OF SAN BUENAVENTURA)

I, Oscar Peña, Secretary of the Ventura Port District, a public corporation, do hereby certify that the above and foregoing Resolution No. 3296 was duly passed and adopted by the Board of Port Commissioners of said District at a regular meeting thereof held on the 10th day of February 2016, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said District this 10th day of February 2016.

Secretary

(Seal)

ATTACHMENT 2

RECORDING REQUESTED BY:
Ventura Port District

AND WHEN RECORDED MAIL TO:
Ventura Port District
1603 Anchors Way Drive
Ventura, CA 93001-4229

NOTICE OF COMPLETION

(Notice pursuant to Civil Code Section 3093, must be recorded within 10 days after completion)

NOTICE IS HEREBY GIVEN THAT:

1. The undersigned is an agent of the owner of the interest stated below.
2. The full name of the owner is Ventura Port District, a public benefit corporation and independent special district organized and existing under the laws of the State of California.
3. The full address of the owner is 1603 Anchors Way Drive, Ventura, CA 93001-4229.
4. The nature of the interest or estate is: fee simple.
5. The full name and full addresses of all co-owners who hold any title or interest with the above-named owner in the property are: Not applicable; there are no co-owners.
6. A work of improvement on the property hereinafter described was completed December 3, 2015.
7. The work accomplished consisted of the paving and ADA access improvements at Ventura Harbor Village.
8. The name of the contractor for the public launch ramp rehabilitation was J & T Engineering and Construction pursuant to a contract, dated August 5, 2015.
9. The property on which said work of improvement was completed is in the City of San Buenaventura, County of Ventura, State of California, and is described as the Ventura Harbor ADA Parking Access Improvement Plans.

Ventura Port District

Date: _____

By: _____
Oscar F. Peña, General Manager

VERIFICATION

I, the undersigned, say that I am the General Manager of the declarant of the foregoing completion; I have read said Notice of Completion and know the contents thereof; the same is true of my own knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on _____, at Ventura, California.

Oscar F. Peña, General Manager

FEBRUARY 10, 2016

BOARD OF PORT COMMISSIONERS

WORKSHOP AGENDA ITEM NO. 1

OVERVIEW OF VENTURA PORT DISTRICT'S

MARKETING PLAN

**VENTURA PORT DISTRICT
BOARD COMMUNICATION**

WORKSHOP AGENDA ITEM 1
Meeting Date: February 10, 2016

TO: Board of Port Commissioners
FROM: Oscar Peña, General Manager and Jennifer Talt-Lundin, Marketing Manager
SUBJECT: Overview of Ventura Port District Marketing Plan

Introduction

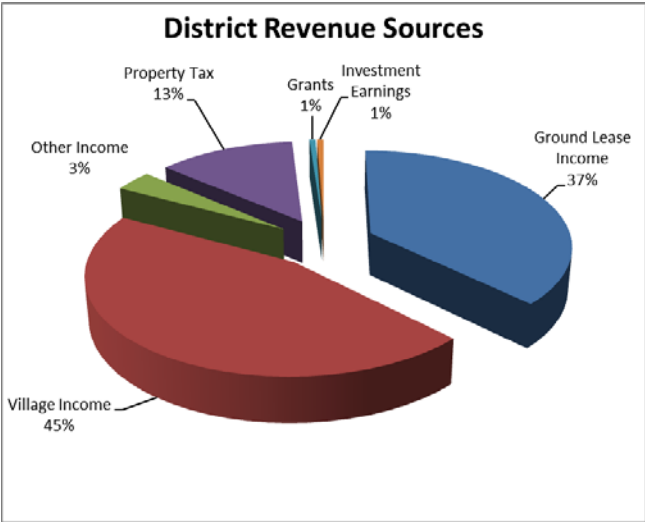
The Ventura Harbor is one of the key tourist destinations in the City of Ventura. It offers a variety of recreational activities on land and water; this includes hotels, a variety of retail, art galleries, fish markets and waterfront restaurants that offer fresh seafood, casual and sit-down culinary cuisines for breakfast, lunch, dinner, happy hours, including a comedy club.

Additional activities include boat rentals, harbor cruises, sailing, dive boat and fishing charters, trips to the Channel Islands National Park, the “American Galapagos” and Channel Islands Visitor Center. The Visitor Center features a bookstore, gift items, live tidal pool with daily talks, viewing towers and exhibits featuring the unique character of each park island. Visitor can also enjoy a 25 minute movie entitled, “Treasure in the Sea”, narrated by Kevin Costner. Island Packers, the official concessionaire to the Channel Islands also offers whale watching charters, wildlife cruises and wine/dinner cruises within the harbor. This is the short list of activities to enjoy in the harbor.

There are many attractions to this working commercial fishing and recreational harbor. The Port District has the privilege of marketing this community asset. Our marketing team is led by Jennifer Talt-Lundin, Marketing Manager who has over 20 years of experience in tourism, marketing, public relations, advertising and event production working for Visit Santa Barbara , Santa Barbara, Oxnard and Santa Paula Downtown Districts, major festivals, broadcast, non-profits and attractions. Lauren Yuncker, the District’s Marketing & Event Coordinator earned her B.A. in Art with an emphasis in Advertising and Public Relations from Chapman University, graduating cum laude. Susan Bogue, our part-time New Revenue Coordinator brings a unique combination of sales, marketing and entrepreneurial expertise to our District Marketing team. Maria Schonder is the District’s part-time social media guru.

We are fortunate to have partners throughout the harbor that make this marketing effort fun and exciting. It is through the success of each business operator in the harbor that the District generates approximately 87% of its revenues. The Port District through its real estate transactions collects a minimum rent and a percentage of each tenant’s gross sales. This includes marinas, boatyards, fuel docks, commercial fishing, yacht clubs, the mobile home park and other business enterprises throughout the harbor. The other 13% comes from a small percentage of property taxes (*See Chart #1*).

Chart #1 – District Revenue Sources

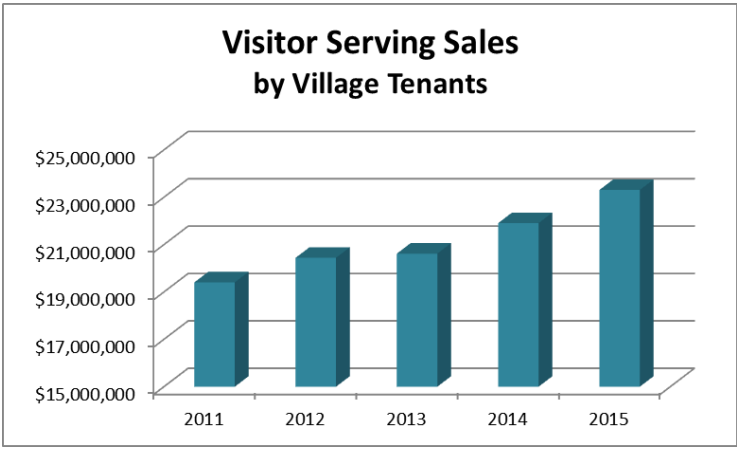


Based upon an Economic Impact Report prepared by the California Economic Forecast located in Santa Barbara, in July 2012 the business activity at the Ventura Harbor had a total economic impact of \$246 million. Of this total, \$86 million remained in Ventura County. The remaining \$162 was spread across California and U.S. Economies. Additionally, since 2005, Ventura Harbor businesses have performed significantly better than the broader Ventura County economy. This is especially true of the commercial fishing operations. This report can be viewed on the Ventura Port District website at www.venturaharbor.com.

Visitor Serving Uses

In this report visitor serving uses is best characterized as the hotels, restaurants, retailers and boat charters doing business in the harbor. The largest concentration of these uses are in the Ventura Harbor Village which is owned and operated by the Port District. The Ventura Harbor Village generates 45% of the District's total revenue as illustrated above. The chart below illustrates the sales generated by the restaurants, retailers and boat charters over the last five (5) years.

Chart #2 – Visitor Serving Sales by Village Tenants



The Marketing Budget

Attachment #1 outlines the marketing budget for the 2015-16FY and the previous five year periods. The marketing revenue category reflects \$157,000 in total marketing revenue. One of Susan Bogue's primary objectives is coordinating with the public and non-profit organizations that need permits for weddings on the beach or large organizations that want to utilize the harbor for fund raising events. Jennifer and Lauren work together for booth/vendor income during larger special events and to secure sponsorships and co-op advertising for events like the Parade of Lights and the Pirate Festival. The total marketing personnel expenses for the 2015-16FY (\$212,000) is 4.72% less than the 2014-15FY budget. Additionally, there was a slight reduction of 2% in the total marketing (other) expenses for the year 2015-16FY. The total marketing expenses for projected 2015-16FY are budgeted at \$503,500.

The larger non-payroll marketing expenses are identified below:

<u>Category</u>	<u>Line Item</u>	<u>Percent of Total Budget</u>
• Advertising	\$134,500	46.14%
• Graphic Design	\$22,000	7.55%
• Maps/Rack Cards	\$16,500	5.66%
• Entertainment	\$23,000	7.89%
• Event Production	\$63,500	21.78%
• Content Marketing	\$13,600	4.67%

These Harbor Marketing Expenses represent 93.69% of the total non-payroll expenses.

Please note that the \$24,000 annual contribution to the Harbor/Downtown Trolley is currently a separate line item on the District's budget. If the Board elects to move this item to the marketing budget section we will do so in the next budget cycle. This expenditure is paid by the Port District and is not offset in any way. The advertising on the trolley is reflected in the marketing budget.

In an effort to establish and monitor our marketing expenses we utilize an approach developed by the Small Business Administration that recommends spending 2-3 percent of revenues for marketing and advertising. We use historical data on the visitor serving revenues generated at Harbor Village which includes restaurant, retail and charters. Using this method and the total revenue of \$23 million, the marketing expense (\$503,500) as a percentage of total revenue is 2.19%. These guidelines help us stay within a 2-3 percent range as we develop our budgets. If we utilize the adjusted marketing expenses of \$346,500 the marketing expense as a percentage of total revenue is 1.51%. Staff believes this is a conservative standard for the District.

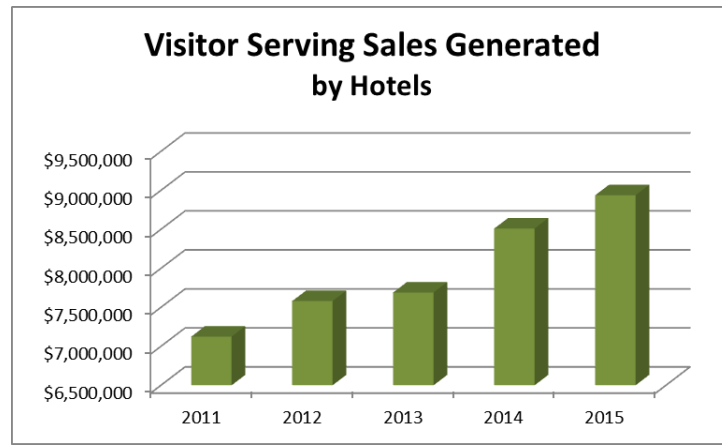
Since the District is the Landlord of the Village we utilize our tenant's sales as part of the equation in determining the marketing budget. The current rental structure which includes a percentage of gross sales makes the District a true partner with tenants in the harbor. The better they perform the higher the revenue for both the tenant and the landlord.

The hotels in the harbor were excluded from this calculation. The Four Points Sheraton and the Holiday Inn Express generate in excess of \$6 million in room revenues. These hotels spend approximately 10% of this figure toward sales and marketing. We are satisfied with this operator's willingness to promote these properties to achieve higher occupancy levels. As with other tenants in the harbor the District receives a percentage of tenant's gross sales.

As the second largest visitor serving property in the harbor we wanted to illustrate the total sales for the Four Points Sheraton and Holiday Inn Express over the last five years. This includes room

revenues, food, beverages and parking. The income from this property is included as part of the ground lease income illustrated on Chart #1.

Chart #3 – Visitor Serving Sales Generated by Hotels



The other Master Lessees in the harbor are responsible for marketing their own businesses at their expense. Unfortunately, the Channel Islands National Park does not have dedicated advertising or promotional fund specific to the Channel Islands National Park; as a result, the District's marketing department includes information about the National Park and Visitor Center in regional and local promotional efforts including our two websites. This has also been very beneficial to the National Park Service and Island Packers as the concessionaire to the Channel Islands. Island Packers is a key marketing partner with the District. Island Packers and our Marketing team participate in several of the tour & travel shows to promote the Channel Islands and almost year-round whale watching.

Developing a successful marketing plan to increase visitation and revenues is one of the primary goals of the Marketing Manager. Below are some marketing strategies that will be discussed with the Board.

- Destination Marketing

Destination marketing enhances the overall appeal and awareness of sense of place. Over the past several years, destinations must redefine their role from one that focuses on relaying information only to one that develops credible engagements with the customers. In such a transparent market today, destinations must work hard to deliver outstanding experiences to customers and build lasting relationships. Destinations have begun to shift from focusing from only listing the hotels, restaurants, attractions, and retail offered to be successful in a competitive marketplace. Destinations must now also engage on an emotional and experiential level to tell a story to encourage visitation. Ventura Harbor Marketing utilizes social media as an important too to reflect the overall destination. Ventura Harbor Facebook, YouTube, Twitter, Instagram, and Pinterest channels currently reflect this balance of destination by showcasing beautiful imagery, as well as the attractions and businesses within. Ventura Harbor's dedicated hashtag campaigns generate brand awareness and provide a searchable tool to build interest, awareness while consumers use it as a communications tool to connect with Ventura Harbor. Annual festivals are designated as Ventura Harbor signature events, driving attendance and increasing brand recognition. Claiming Ventura Harbor as not a "gateway" but "Home to The Channel Islands National Park & Visitor Center" has been crucial to expanding further recognition as a destination within the State as well as collaborating with Central Coast Tourism efforts of "The Original Road Trip" brand to make Ventura Harbor a stop for visitor traveling in California.

With the re-designed Venturaharbor.com the new format allows for greater opportunity to tell the entire harbor story with a dedicated news section, changeable banners, harbor amenities and links and attention to user information. The “Ventura Harbor Views” newsletter is produced twice annually disseminating updates to the public with 11,000 copies inserted into the Ventura Breeze as well as 2,000 distributed within the Harbor /City vicinity. The Downtown-Harbor Trolley back panel ad outreaches with a message of “Follow Me to Ventura Harbor” to keep the Harbor top of mind to the local community. Public relations and advertising are utilized throughout the year to drive a broader scope of visitation and awareness.

- Attraction Focused Marketing

Attraction focused marketing in Ventura Harbor targets increased business sales, new customers and builds loyalty. Ventura Harbor Village, waterfront dining, Channel Islands National Park, whale watching, harbor cruises, boat rentals, Downtown-Harbor Trolley, dive, sail, and sportfishing are considered popular Ventura Harbor attractions and activities. Drawing in regular visitation with a focus on all things “seaside” the current advertising plays to our strongest asset, differentiating ourselves from the local competition. By focusing on the experience of Shop, Dine, Play, Stay, Explore – the primary function of the attraction marketing is to generate sales. Annual promotional campaigns are created (i.e. Warm Yourself Seaside, Four Fun Ways to Get Wet, Love Local – Shop Local, Seaside Bliss, Do you Remember the First Time You Fell in Love with Ocean?, etc.) to outreach to locals and visitors with a call to action. The Marketing team also works directly with many Harbor tenants to develop special promotional concepts and creates opportunities to announce new business as part of the annual plan. Venturaharborvillage.com is the primary portal for information and calendar updates for customers to plan their visit- with the Calendar of Events consistently one of the top visited pages on both sites. Advertising, radio, printed materials, boosted social media, E-newsletters, public relations, and events stimulate top of mind awareness in the marketplace to encourage greater participation and attendance translating into increased sales across a wide demographic market. The presentation will review challenges, strengths, opportunities and impacts.

- Regional & Collaborative Marketing

Partnership allows for companies to extend their customer reach and increase value of overall product. Over the past ten years, the Ventura Harbor has built productive and effective partnerships to engage customers and build brand awareness working in conjunction and cooperation with, but not limited to, Ventura Visitor & Convention Bureau, Ventura County West, Oxnard Convention & Visitor Bureau, California Central Coast Tourism and Hearst Castle, Downtown Ventura Partnership, Ventura Chamber of Commerce, Channel Island National Park, Island Packers, and Visit California. These partnerships have allowed the Ventura Harbor marketing efforts to extend beyond budget and maximize value of cooperative efforts.

This report provides an overview of the Port District’s marketing plan for the visitor serving uses throughout the harbor. We look forward to your comments and ideas.

Attachment #1: Ventura Port District Marketing Budget FY2015-16

**VENTURA PORT DISTRICT
MARKETING BUDGET
FISCAL YEAR 2015-16**

Attachment #1

1/27/2016

	<u>Actual 2010-11</u>	<u>Actual 2011-12</u>	<u>Actual 2012-13</u>	<u>Actual 2013-14</u>	<u>Actual 2014-15</u>	<u>% Incr/ -Decr over fy13-14 act</u>	<u>Budget 2015-16</u>	<u>Adjust</u>	<u>MidYear Budget 2015-16</u>	<u>Comments</u>
MARKETING REVENUE										
Booth/vendor income	-	7,715	10,301	9,968	11,800		10,000		10,000	
Sponsorships/Co-Op Advertising	1,939	25,304	5,158	14,210	17,225		16,500		16,500	
Harbor Event Permit Fees	12,837	19,604	18,762	37,777	43,754		40,500		40,500	
Merchants Promotion Dues	81,313	86,503	87,417	83,405	85,878		90,000		90,000	
TOTAL MARKETING REVENUE	96,089	139,126	121,638	145,360	158,657		157,000	-	157,000	
Increase / -Decrease over prev year	11%	45%	-13%	20%	9%		-1%		-1%	
MARKETING EXPENDITURES										
<u>Harbor Marketing Personnel Expenses</u>										
Regular Salaries	113,336	113,458	119,078	112,084	125,876		126,500		126,500	
Part-time Pay	8,793	12,342	11,561	36,270	28,200		29,000		29,000	
Overtime Pay	2,273	4,429	3,388	884	1,599		2,000		2,000	
Holiday Pay	181	-	208	(208)	39		500		500	
Payroll Taxes	2,438	2,557	2,609	4,466	3,961		4,500		4,500	
Workers Comp Insurance	(800)	1,036	953	1,138	1,800		2,000	(1,000)	1,000	Attributed to the annual JPIA Retro Deposit Cost Analysis
Medical & Life Insurance	14,905	15,578	15,542	13,858	9,583		10,000		10,000	
Employee Optional Benefits	9,669	9,414	9,600	8,407	12,192		13,000		13,000	
Retirement Contributions	25,553	26,329	28,017	26,519	23,243		26,000	(500)	25,500	Adjustment for early payment discount
Total Marketing Personnel Expenses	176,348	185,143	190,956	203,418	206,493		213,500	(1,500)	212,000	
Increase / -Decrease over prev year	4%	5%	3%	7%	2%		3%		3%	
<u>Harbor Marketing Other Expenses</u>										
Advertising	106,338	105,697	115,226	136,688	131,070		134,500		134,500	
Graphic Design/Ad Production	14,064	15,462	16,184	19,900	20,700		22,000		22,000	
Event Banners	1,255	788	381	1,492	641		1,500		1,500	
Maps/Rack Cards/Harbor Brochures	13,972	6,216	8,077	14,465	17,667		16,500		16,500	
Certified Rack	1,874	1,967	2,289	2,528	2,447		2,500		2,500	
Tourism Outreach and Partnership	6,096	7,282	5,845	6,144	3,552		9,000		9,000	
Entertainment-live music	12,764	11,796	16,952	18,932	21,181		23,000		23,000	
Event Production	33,183	52,113	51,572	52,443	56,684		63,500		63,500	
Equipment Rental-Copier Lease	5,492	5,445	5,413	5,323	5,068		5,000		5,000	
Content Marketing/Website Social Media	2,887	3,077	3,820	13,658	13,762		13,600		13,600	
Miscellaneous	286	62	183	72	75		400		400	
Total Marketing Other Expenses	198,211	209,905	225,942	271,645	272,847		291,500	-	291,500	
Increase / -Decrease over prev year	4%	6%	8%	20%	0%		7%		7%	
Total Marketing Expenses	374,559	395,048	416,898	475,063	479,340		505,000	(1,500)	503,500	
Increase / -Decrease over prev year	4%	5%	6%	14%	1%		5%		5%	
NET MARKETING EXPENDITURES	\$ 278,470	\$ 255,922	\$ 295,260	\$ 329,703	\$ 320,683		\$ 348,000	\$(1,500)	\$ 346,500	