



## **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  
Tom Bunn, Legal Counsel  
Dominic Nunneri, Legal Counsel  
Jessica Rauch, Clerk of the Board

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### **PORT COMMISSION AGENDA SPECIAL MEETING AUGUST 2, 2016 AT 12:10PM VENTURA PORT DISTRICT OFFICE 1603 ANCHORS WAY DRIVE, VENTURA, CA**

*A Closed Session of the Board will be held at **12:00PM** at the Port District Office located at 1603 Anchors Way Drive, Ventura, CA, to discuss the items on the Attachment to Agenda- Closed Session Conference with Legal Counsel.*

*The Board will convene in **Open Session** at the Port District Office located at 1603 Anchors Way Drive for its Regular Meeting at **12:10PM**.*

#### **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](http://www.venturaharbor.com) (Public Notices). Each item on the agenda shall be deemed to include action by an appropriate motion, resolution or ordinance to take action on any item.*

#### **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.*

## **STANDARD AGENDA:**

### **1) Extension of Option with Sondermann-Ring Partners**

Recommended Action: Voice Vote.

That the Board of Port Commissioners authorize the General Manager to execute the Thirteenth Amendment to Option Agreement between Ventura Port District (“the Port”) and Sondermann-Ring Partners (“SRP”).

### **2) Approve Sublease Between Ventura Harbor Marine Associates, LLC and Ventura Sportfishing, Inc.**

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve the sublease and Addendum to Standard Sublease between Ventura Harbor Marine Associates, LLC, a California Limited Liability Company (“Sublessor”) and Ventura Sportfishing, Inc., a California Corporation C (“Sublessee”) pursuant to Article 15.3 of the Ground Lease between Ventura Port District and Ventura Harbor Marine Associates, LLC, a California Limited Liability Company (“Assignee”).

## **ADJOURNMENT**

*This agenda was posted on Friday, July 29, 2016 at 5:00 p.m.  
at the Port District Office and on the Internet - [www.venturaharbor.com](http://www.venturaharbor.com) (Port Commission).*



*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**

**TUESDAY, AUGUST 2, 2016**

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

- a) Property: **Parcels 15, 16, 18**  
Negotiating Parties: Oscar Peña, Brian Pendleton, Dominic Nunneri  
Under Negotiation: 13<sup>th</sup> Option Amendment
  
- b) Property: **Parcel 20**  
Negotiating Parties: Oscar Peña, Brian Pendleton, Dominic Nunneri  
Under Negotiation: Ventura Sportfishing Sublease Agreement



# BOARD OF PORT COMMISSIONERS

AUGUST 2, 2016

## STANDARD AGENDA ITEM 1

EXTENSION OF OPTION WITH  
SONDERMANN-RING PARTNERS

**VENTURA PORT DISTRICT  
BOARD COMMUNICATION**

**STANDARD AGENDA ITEM 1**  
Meeting Date: August 2, 2016

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TO: Board of Port Commissioners  
FROM: Brian D. Pendleton, Business Operations Manager  
SUBJECT: Extension of Option with Sondermann-Ring Partners

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**RECOMMENDATION:**

That the Board of Port Commissioners authorize the General Manager to execute the attached Thirteenth Amendment to Option Agreement between Ventura Port District (“the Port”) and Sondermann-Ring Partners (“SRP”).

**BACKGROUND:**

On September 5, 2002, the Port and SRP entered into an Option Agreement for SRP to lease certain real property owned by the Port. The Option Agreement has since been amended twelve times and, under the terms of the Twelfth Amendment, the Option Term was extended through August 31, 2016 in exchange for SRP’s payment of \$5,000 per month to the Port.

SRP intends to submit all financing and other documents constituting satisfaction of conditions precedent to exercise option by August 1<sup>st</sup> for District review. The District has up to 60 days to review the final loan documents. Staff recommends the Board approve the Thirteenth Amendment to the Option Agreement. If approved, the amendment will provide the General Manager with the authority to extend the Option Agreement beyond August 31, 2016 in the event District review is not complete. The extension period shall be for a period of 30 days through September 30, 2016 consistent with the 60 day review period described above. The option payment shall continue at a rate of \$5,000 per month if the General Manager extends the option.

We are grateful to Michael Sondermann for diligently pursuing the Entitlement process over the last thirteen years. District staff worked collaboratively with the City of Ventura, California Coastal Commission and other regulatory bodies as Mr. Sondermann pursued project entitlements.

A draft of the proposed Thirteenth Amendment to Option Agreement is attached for the Board’s consideration. Legal Counsel for both the Port and SRP have reviewed and approved the form of the Thirteenth Amendment.

**ATTACHMENT:**

Attachment 1 – Thirteenth Amendment

## ATTACHMENT 1

### THIRTEENTH AMENDMENT TO OPTION AGREEMENT

This Thirteenth Amendment to Option Agreement (this Amendment) is entered into and effective as of August 2, 2016, by and between VENTURA PORT DISTRICT, a port district formed under and pursuant to Part 4 of the Harbors and Navigation Code of the State of California (“Port”) and Sondermann-Ring Partners-Ventura Harbor, a California limited partnership (“SRP”).

#### RECITALS

A. SRP and Port previously entered into that certain Option to Lease (the “Option Agreement”) dated September 5, 2002, relating to certain real property in the County of Ventura defined in the Option Agreement as the “Premises”. (Any capitalized terms in this Amendment not otherwise defined herein shall have the meaning ascribed to such terms in the Option Agreement).

B. The Option Agreement has since been amended twelve (12) times and, under the terms of the Twelfth Amendment, dated June 22, 2016, the Option Term was extended through August 31, 2016.

C. SRP and the Port mutually desire to amend the Option Agreement by agreeing to authorize the General Manager in his reasonable discretion to further extend the Option Term through September 30, 2016, on the terms and conditions set forth herein.

#### AGREEMENTS

Port and SRP hereby agree as follows:

1. Extension of Option Term.

- a. Section 6.7 of the Option Agreement is hereby deleted and the following inserted in place thereof:

“6.7 In the event that the Option Term expires without the Option granted herein being effectively exercised pursuant to Article 12 hereof, SRP shall have the right nevertheless to obtain monthly extensions of the Option Term through August 31, 2016, by delivering a written Notice of Extension to Port pursuant to Section 18.3 not less than three (3) days prior to the expiration of the Option Term, and, thereafter, prior to the expiration of any extension of the Option Term, enclosing a payment in the amount of \$5,000 for each month, or a portion of a month, during the period from July 1, 2016 through August 31, 2016. The Port’s General Manager, in his reasonable discretion, shall have the authority to extend the Option Term for 30 days from September 1, 2016 through September 30, 2016 by delivering a written

## ATTACHMENT 1

Notice of Extension to SRP not less than three (3) days prior to the expiration of the Option Term.

SRP may obtain multiple monthly extensions of the Option Term by specifying the extension period in the Notice of Extension and paying the extension fee for the multiple month period. Once the Option Term has expired, however, it may not be reinstated or revived without the express prior agreement of Port. Payments made pursuant to this Section 6.7 shall not be credited against the Holding Fee, nor shall any payments under this Section 6.7 be credited against percentage rent obligations under the Lease.

- b. Nothing in this ~~Thirteenth~~ Amendment to Option Agreement is intended to, shall operate to, or shall give SRP the option or right to, extend the Option Term beyond the expiration date of August 31, 2016, unless extended by the Port's General Manager to September 30, 2016.

In the event of a conflict or inconsistency between the terms and provisions of this Thirteenth Amendment and the Option Agreement as previously amended, the terms and provisions of this Amendment shall govern and control.

[SIGNATURES APPEAR ON NEXT PAGE]

ATTACHMENT 1

IN WITNESS WHEREOF, Port and SRP have entered into this THIRTEENTH AMENDMENT TO OPTION AGREEMENT as of the day and year first written above.

**SONDERMANN-RING PARTNERS-VENTURA,**  
a California limited partnership

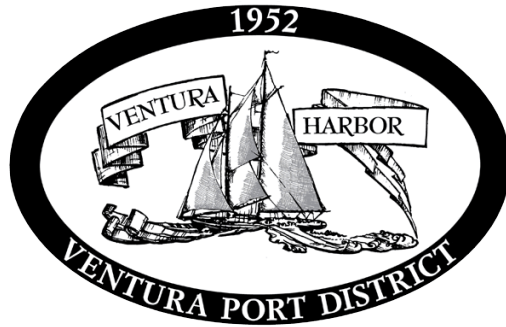
By: Sondermann Enterprises, Inc.  
a California corporation, its General Partner

By: \_\_\_\_\_  
Michael B. Sondermann  
President

**VENTURA PORT DISTRICT,**  
a California Port District

By: \_\_\_\_\_  
Oscar F. Peña  
General Manager





# BOARD OF PORT COMMISSIONERS

AUGUST 2, 2016

## STANDARD AGENDA ITEM 2

APPROVE SUBLEASE BETWEEN  
VENTURA HARBOR MARINE  
ASSOCIATES, LLC AND VENTURA  
SPORTFISHING, INC.

**VENTURA PORT DISTRICT  
BOARD COMMUNICATION**

**STANDARD AGENDA ITEM 2**  
Meeting Date: August 2, 2016

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To: Board of Port Commissioners  
From: Oscar Peña, General Manager  
Subject: Approve Sublease Between Ventura Harbor Marine Associates, LLC and Ventura Sportfishing, Inc.

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**RECOMMENDATION:**

That the Board of Port Commissioners approve the Sublease between Ventura Harbor Marine Associates, LLC, a California Limited Liability Company ("Sublessor") and Ventura Sportfishing, Inc., a California Corporation C ("Sublessee") pursuant to Article 15.3 of the Ground Lease between Ventura Port District and Ventura Harbor Marine Associates, LLC, a California Limited Liability Company ("Assignee").

**SUMMARY:**

The Ground Lease (Master Lease) requires that the Sublessor submit any sublease to the District for review and approval. The District has an obligation to act reasonably in reviewing and granting or denying its approval of any sublease. In reviewing any sublease, District staff confirms that all the terms in the sublease conform to the requirements in the Master Lease.

For example:

- Does the sublease coincide with the permitted uses and the percentage rent required to the District?
- Is the term of the sublease within the term of the Master Lease?
- Does the sublessee indemnify the District from any and all claims, demands, loss or liability of any kind or nature?

These are just a few of the requirements in Article 15.3 of the Master Lease.

Staff recommends approval of this Sublease and the form of the sublease as it conforms to the requirements of the Master Lease.

**BACKGROUND:**

Ventura Sportfishing, Inc. has operated out of Parcel 20 since 2010 and has four (4) sportfishing boats that offer various charters to the public.

The term of the sublease is for a period of three (3) years plus an option of three (3) years. The commencement date of this sublease is July 1, 2019 and shall terminate June 30, 2022. If Ventura Sportfishing exercises the option the term shall commence July 1, 2019 and expires July 31, 2029. The percentage rent paid to the District is currently 6% of gross income from charters, live bait, tackle rental and dock fishing. There is 2% due on food, beer and wine sales from the boat and tackle sales. This percentage rent is subject to an increase every five years from the initial 10 year period. The adjustment and renegotiation period of minimum and percentage rental is set for August 1, 2019. If any of the percentages that affect this sublease are renegotiated, the sublease is obligated to pay the new rates.

This is an excellent amenity to the harbor and a solid sportfishing operation.