



VENTURA
PORT DISTRICT

Established 1952

**BOARD OF PORT COMMISSIONERS
APRIL 3, 2024**

Ventura Harbor

GATEWAY TO THE CHANNEL ISLANDS NATIONAL PARK

- Call to Order
- Pledge of Allegiance
- Roll Call

ADMIN AGENDA

ADMIN AGENDA

Adoption of the APRIL 3, 2024 Agenda

**Approval of Minutes
March 20, 2024
Regular Meeting**

**PUBLIC COMMUNICATION
ADMIN AGENDA
ITEMS NOT ON TODAY'S AGENDA**

00 : 03 : 00

- Board Communications
- Staff and General Manager Reports

ADMIN AGENDA

CONSENT AGENDA ITEMS

A) Approval of Amendment No. 1 to the Office Lease Agreement with Diane Nastasi dba Just About Faces

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve Amendment No. 1 to the Office Lease between Ventura Port District dba Ventura Harbor Village and Diane Nastasi, an individual dba Just About Faces for the premises located at 1559 Spinnaker Drive #202A, consisting of 482 square feet.

B) Approval of Amendment No. 1 to the Retail Lease Agreement with Katherine & James E. Adams dba Lemon & Lei

Recommended Action: Voice Vote.

That the Board of Port Commissioners approve Amendment No. 1 to the Retail Lease Agreement between the Ventura Port District dba Ventura Harbor Village and Katherine & James E. Adams dba Lemon & Lei for the premises located at 1583 Spinnaker Drive, Suite #104A consisting of approximately 500 square feet.

PUBLIC COMMUNICATION CONSENT AGENDA

00 : 03 : 00

**AUTHORIZATION FOR THE GENERAL MANAGER TO
EXECUTE THE NEW MASTER LEASE BETWEEN THE
VENTURA PORT DISTRICT AND DERECKTOR MARINE
HOLDINGS, LLC FOR 1644 ANCHORS WAY DRIVE
(PARCEL 20)**

RECOMMENDATION:

That the Board of Port Commissioners:

- a) Find that Derecktor Marine Holdings, LLC has satisfied all conditions precedent that must be met to exercise its option to enter the new, previously approved 50-year master lease for Parcel 20.
- b) Authorize the General Manager to execute the new master lease with Derecktor Marine Holdings, LLC for Parcel 20.

STANDARD AGENDA ITEM 1

Report by:
Brian D. Pendleton, General Manager

DEREKTOR MARINE HOLDINGS, LLC

- DMH is the current Master Tenant of Parcel 20 as the successor-in-interest to a license and ground lease that expires in 2029.
- In 2020, the District and DMH entered an Assignment and Option to Lease agreement which provided DMH an option to enter a new 50-year master lease:
 - Initial 30-year term, with a 20-year renewal option
 - Develop and construct new improvements on the premises.
- The Option Agreement and proposed Master Lease, which was attached to the agreement as an exhibit, was approved by the Board on October 19, 2020.

OPTION AND MASTER LEASE AMENDMENTS

- Planning-related impacts caused by the City's VenturaWaterPure project (VWP)
- DMH submitted a formal request to the District to consider an amendment to the Option Agreement to:
 - eliminate and/or modify milestones (relating to obtaining approvals for the project) that needed to be met before DMH could exercise its lease option.
- In consideration of the District entering this amendment:
 - DMH agreed to amend the terms of the Ground Lease to add new provisions that protect the District from claims arising out of work on the VWP.

OPTION AND MASTER LEASE AMENDMENTS

- On April 19, 2023, the Board adopted Resolution No. 3470, approving a Notice of a Proposed Ordinance for:
 - (i) a seventh amendment to the Ground Lease;
 - (ii) DMH's requested amendments to the Option Agreement; and
 - (iii) amendments to the proposed Master Lease in the form attached to the Option Agreement as Exhibit B in a newspaper of general circulation in Ventura County
- Following publication of this notice, on May 3, 2023, the Board adopted Ordinance No. 57, authorizing the General Manager to:
 - Execute the Option Agreement, and thereby approving the proposed Master Lease in the form attached to that agreement.

VENTURAWATERPURE

- The City of Ventura broke ground on VWP in Summer 2023 caused need for both temporary construction and permanent easements on Parcel 20, amongst other properties.
- The construction has disrupted activities at and around Parcel 20, and the permanent easement restricts some future development of the site.
- However, the City:
 - Coordinated with the District and DMH to minimize these impacts.
 - Provided compensation to both parties for the use of Parcel 20 and several surrounding properties on a temporary and permanent basis.

OPTION CRITERIA

- Generally, the prior conditions DMH needed to meet to exercise its lease option and implement the new 50-year Master Lease included:
 - 1. Completion of the California Environmental Quality Act (CEQA) process for the development project proposed for Parcel 20.
 - 2. Following the CEQA process, the Board approving the development project proposed for Parcel 20.
 - 3. Completion of entitlements for the proposed development project (i.e., approvals by the City, Coastal Commission, and all other governing agencies).
 - 4. Completion of City building plan check.
 - 5. Demonstration of financing to complete construction of the project.

OPTION CRITERIA (CONT.)

- The approved amendment to the Option Agreement retained conditions 1 and 2.
- Conditions 3 through 5 were eliminated or modified to make it easier for DMH to meet the requirements necessary to exercise its lease option.
- Option can be exercised as soon as
 - (i) the City determines DMH has submitted a complete application for a Coastal Development Permit and
 - (ii) DMH provides evidence reasonably satisfactory to the District that adequate financing is likely available to fund construction of the project.

OPTION CRITERIA (CONT.)

- Following DMH's completion of the CEQA process, on June 7, 2023, the Board adopted Resolution No. 3475 approving DMH's proposed development project for Parcel 20.
- February 22, 2024, the City deemed DMH's application for the project complete.
- March 28, 2024, DMH provided District with evidence "reasonably satisfactory" that adequate financing is likely available for the construction of the project.
- DMH has achieved all milestones and provided all documentation required to exercise the option to implement the Master Lease.

ADDITIONAL OPTION REQUIREMENTS

- The Option Agreement (and/or Master Lease, once implemented) also provide for the following:
 - Before or contemporaneously with DMH's written notice to the District that it is exercising its option, DMH must pay the District:
 - (i) a \$100,000 fee for exercising the option, and
 - (ii) \$15,833.47, which is the remaining balance due toward the \$50,000 non-refundable "option fee"
 - DMH has been making payments on since the agreement was signed to remain eligible to exercise the option once all preconditions have been met.

ADDITIONAL OPTION REQUIREMENTS (CONT.)

- DMH to pay District's out-of-pocket costs and expenses:
 - Legal fees
 - Engineers & Design Consultants
 - Retained by the District to review DMH's submittals related to the planning, designing, and permitting process for the project.
- Reimbursement for legal fees for any amendments to the Option Agreement and/or the Master Lease.
- Restrictions on assignment of the Option Agreement and the Master Lease.
- One or more of DMH's owners to personally guarantee DMH's obligations under the Master Lease to protect the District.

MASTER LEASE & NEXT STEPS

- The approved Master Lease is for a period of 30 years, with a 20-year option.
- It establishes uses and rents to be paid during the tenancy.
- These rents are reflective of revenue impacts due to construction and increase once the project is completed.
- Entitlements
 - City to complete the review and approval for a Coastal Development Permit.
 - City's Design Review Committee (DRC) approved the project design on March 20, 2024.
 - DMH will file a CDP with Coastal Commission for the new marina.
- Once fully entitled, DMH will apply for building permits and begin construction.

PUBLIC COMMUNICATION STANDARD ITEM 1

00 : 03 : 00

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EXECUTE THE NEW MASTER LEASE BETWEEN THE
VENTURA PORT DISTRICT AND DERECKTOR MARINE
HOLDINGS, LLC FOR 1644 ANCHORS WAY DRIVE
(PARCEL 20)**

RECOMMENDATION:

That the Board of Port Commissioners:

- a) Find that Derecktor Marine Holdings, LLC has satisfied all conditions precedent that must be met to exercise its option to enter the new, previously approved 50-year master lease for Parcel 20.
- b) Authorize the General Manager to execute the new master lease with Derecktor Marine Holdings, LLC for Parcel 20.

STANDARD AGENDA ITEM 1

Report by:
Brian D. Pendleton, General Manager

ADOPTION OF RESOLUTION NO. 3495 APPROVING A NOTICE OF
PROPOSED ORDINANCE FOR A NEW 10-YEAR LEASE BETWEEN THE
VENTURA PORT DISTRICT AND THE GREEK AT THE HARBOR
RESTAURANT, INC. DBA THE GREEK MEDITERRANEAN STEAK &
SEAFOOD

RECOMMENDATION:

That the Board of Port Commissioners adopt Resolution No. 3495 authorizing the Ventura Port District to publish a Notice of Proposed Ordinance for a New Restaurant Lease Agreement between the Ventura Port District dba Ventura Harbor Village and The Greek at the Harbor Restaurant, Inc. dba The Greek Mediterranean Steak & Seafood for the premises located at 1583 Spinnaker Drive #101 consisting of a total of 3,894 square feet of interior space, 1,828 square feet of patio for a five-year term with one five-year option.

STANDARD AGENDA ITEM 2

Report by:
Todd Mitchell, Sr. Business Ops Manager

PUBLIC COMMUNICATION STANDARD ITEM 2

00 : 03 : 00

ADOPTION OF RESOLUTION NO. 3495 APPROVING A NOTICE OF PROPOSED ORDINANCE FOR A NEW 10-YEAR LEASE BETWEEN THE VENTURA PORT DISTRICT AND THE GREEK AT THE HARBOR RESTAURANT, INC. DBA THE GREEK MEDITERRANEAN STEAK & SEAFOOD

RECOMMENDATION:

That the Board of Port Commissioners adopt Resolution No. 3495 authorizing the Ventura Port District to publish a Notice of Proposed Ordinance for a New Restaurant Lease Agreement between the Ventura Port District dba Ventura Harbor Village and The Greek at the Harbor Restaurant, Inc. dba The Greek Mediterranean Steak & Seafood for the premises located at 1583 Spinnaker Drive #101 consisting of a total of 3,894 square feet of interior space, 1,828 square feet of patio for a five-year term with one five-year option.

STANDARD AGENDA ITEM 2

Report by:
Todd Mitchell, Sr. Business Ops Manager

**ADOPTION OF RESOLUTION NO. 3496 APPROVING A
TRAINING AGREEMENT WITH THE CALIFORNIA STATE
PARKS DIVISION OF BOATING AND WATERWAYS**

RECOMMENDATION:

That the Board of Port Commissioners adopt Resolution No. 3496 Approving a Training Agreement with the California State Parks Division of Boating and Waterways.

**STANDARD
AGENDA
ITEM
3**

**Report by:
John Higgins, Harbormaster**

PUBLIC COMMUNICATION STANDARD ITEM 3

00 : 03 : 00

**ADOPTION OF RESOLUTION NO. 3496 APPROVING A
TRAINING AGREEMENT WITH THE CALIFORNIA STATE
PARKS DIVISION OF BOATING AND WATERWAYS**

RECOMMENDATION:

That the Board of Port Commissioners adopt Resolution No. 3496 Approving a Training Agreement with the California State Parks Division of Boating and Waterways.

**STANDARD
AGENDA
ITEM
3**

**Report by:
John Higgins, Harbormaster**

**APPROVAL OF AMENDMENT NO. 1 TO THE
CONTRACT WITH F.C.T. CONSTRUCTION LLC FOR THE
VENTURA HARBOR VILLAGE 1567 SPINNAKER DRIVE
FACADE RENOVATION PROJECT AND INCREASE THE
CAPITAL IMPROVEMENT AND ADA IMPROVEMENT
PLAN BUDGET FOR THE PROJECT**

RECOMMENDATION:

That the Board of Port Commissioners:

- a) Approve Amendment No. 1 to the Contract with F.C.T. Construction LLC for the Ventura Harbor Village 1567 Spinnaker Drive Facade Renovation Project in the amount of \$103,120.00.
- b) Approve an increase to the Capital Improvement and ADA Improvement Plan Budget from \$50,000 to \$160,000.

STANDARD AGENDA ITEM 4

Report by:

Todd Mitchell, Sr. Business Ops Manager

PUBLIC COMMUNICATION STANDARD ITEM 4

00 : 03 : 00

**APPROVAL OF AMENDMENT NO. 1 TO THE
CONTRACT WITH F.C.T. CONSTRUCTION LLC FOR THE
VENTURA HARBOR VILLAGE 1567 SPINNAKER DRIVE
FACADE RENOVATION PROJECT AND INCREASE THE
CAPITAL IMPROVEMENT AND ADA IMPROVEMENT
PLAN BUDGET FOR THE PROJECT**

RECOMMENDATION:

That the Board of Port Commissioners:

- a) Approve Amendment No. 1 to the Contract with F.C.T. Construction LLC for the Ventura Harbor Village 1567 Spinnaker Drive Facade Renovation Project in the amount of \$103,120.00.
- b) Approve an increase to the Capital Improvement and ADA Improvement Plan Budget from \$50,000 to \$160,000.

STANDARD AGENDA ITEM 4

Report by:

Todd Mitchell, Sr. Business Ops Manager



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ADJOURNMENT
NEXT MEETING APRIL 17, 2024

Ventura Harbor

GATEWAY TO THE CHANNEL ISLANDS NATIONAL PARK