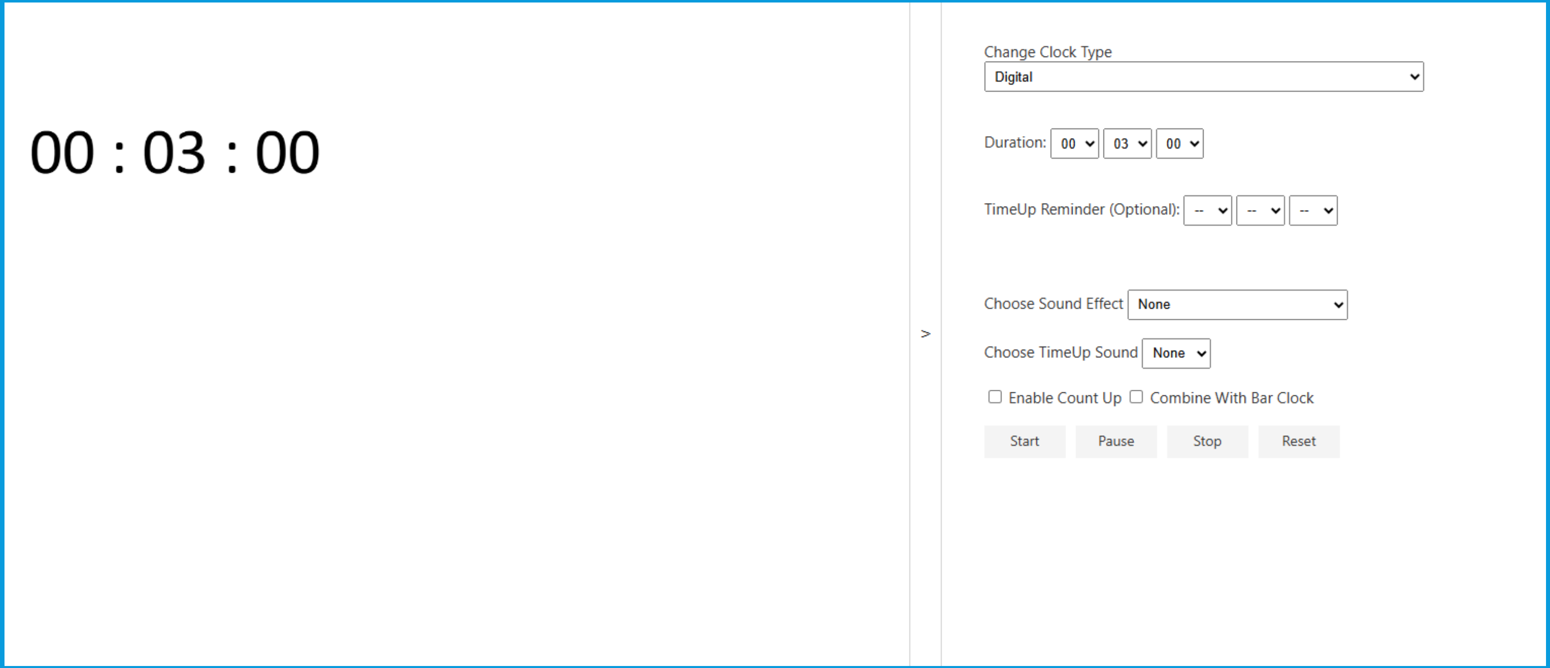
VENTURA
PORT DISTRICT
Established 1952

BOARD OF PORT COMMISSIONERS
CLOSED SESSION @ 5:30PM
MAY 6, 2026

Ventura Harbor

GATEWAY TO THE CHANNEL ISLANDS NATIONAL PARK

PUBLIC COMMUNICATION
CLOSED SESSION AGENDA



VENTURA
PORT DISTRICT
Established 1952

BOARD OF PORT COMMISSIONERS
OPEN SESSION @ 6:00PM
MAY 6, 2026

Ventura Harbor
GATEWAY TO THE CHANNEL ISLANDS NATIONAL PARK

ADMIN AGENDA

- Call to Order
- Pledge of Allegiance
- Roll Call

ADMIN AGENDA

Adoption of the May 6, 2026 Agenda

Approval of Minutes April 15, 2026 Regular Meetings

PUBLIC COMMUNICATION
ADMIN AGENDA
ITEMS NOT ON THE AGENDA

00 : 03 : 00

ADMIN AGENDA

- Closed Session Report
- Board Communications
- Staff and General Manager Reports

CONSENT AGENDA ITEMS

a) Authorization to Procure Replacement Fish Pier Hoist Boom

<u>Recommended Action: Voice Vote.</u>

That the Board of Port Commissioners authorize the General Manager to:

a) Procure a replacement fish pier hoist boom through sole source procurement and without competitive bidding.

b) Execute a contract for the supplies and services needed to complete this procurement.

PUBLIC COMMUNICATION CONSENT AGENDA

00 : 03 : 00

CONSENT AGENDA ITEMS

a) Authorization to Procure Replacement Fish Pier Hoist Boom

Recommended Action: Voice Vote.

That the Board of Port Commissioners authorize the General Manager to:

a) Procure a replacement fish pier hoist boom through sole source procurement and without competitive bidding.

b) Execute a contract for the supplies and services needed to complete this procurement.

ADOPTION OF ORDINANCE NO. 62 FOR THE ASSIGNMENT OF THE EXISTING PARCELS 20 & 14 MASTER LEASE BETWEEN THE VENTURA PORT DISTRICT AND DERECKTOR MARINE HOLDINGS, LLC TO ARGO SMI KINSHIP, LLC *(CONTINUE TO A DATE CERTAIN OF MAY 20, 2026)*

RECOMMENDATION:

That the Board of Port Commissioners issues a notice of continuance to a date certain of May 20, 2026.

STANDARD AGENDA ITEM 1

Report by:
Brian D. Pendleton, General Manager

PUBLIC COMMUNICATION STANDARD ITEM 1

00 : 03 : 00

ADOPTION OF ORDINANCE NO. 62 FOR THE ASSIGNMENT OF THE EXISTING PARCELS 20 & 14 MASTER LEASE BETWEEN THE VENTURA PORT DISTRICT AND DERECKTOR MARINE HOLDINGS, LLC TO ARGO SMI KINSHIP, LLC *(CONTINUE TO A DATE CERTAIN OF MAY 20, 2026)*

RECOMMENDATION:

That the Board of Port Commissioners issues a notice of continuance to a date certain of May 20, 2026.

STANDARD AGENDA ITEM 1

Report by:
Brian D. Pendleton, General Manager

STANDARD AGENDA ITEM 2

Report by:
Brain D. Pendleton, General Manager
Todd Mitchell, Deputy General Manager
Sarah Clancy, Admin Services Manager
Justin Fleming, Capital Projects Manager

FISCAL YEAR 2026 – 2027 BUDGET STUDY SESSION

RECOMMENDATION:

That the Board of Port Commissioners conduct a Fiscal Year 2026–2027 Budget Study Session and provide direction to the General Manager in preparation of the Preliminary Budget and Five-Year Capital Improvement Plan.

FY26-27 BUDGET TIMELINE

- April 2026
  - 04/16/26 – Met with Department Managers for kick-off and timeline
  - 04/21/26 – Budget templates sent to Managers
- May 2026
  - 05/06/26 – Budget Study with Board of Commissioners
  - 05/12/26-05/15/26 – Department meetings with General Manager for preliminary review
  - 05/16/26-05/29/26 – Accounting analysis and consolidation assembly
- June 2026
  - 06/03/26 – Preliminary Budget to Board of Commissioners
  - 06/04/26-06/12/26 – Department changes per GM & Board guidance
  - 06/17/26 – Final Budget to Board of Commissioners

OPERATING REVENUES: MASTER TENANTS

- District collaborating on a number of Master Tenant capital improvement projects to revitalize their properties and grow their businesses:
  - Parcels 20 & 14 (DMH & MAVCCO)
    - Assignment in FY26-27
    - Changes & Construction to come
  - Parcel 17 (VWM)
    - Redevelopment of Marina
    - Mixed-Use Development
  - Parcel 4 (Ventura Marina Community)
    - Infrastructure Upgrades
  - Parcels 3A1 & 3A2 (Ventura Harbor Marine Fuel)
    - Fuel Tank Replacement Project

OPERATING REVENUES: HARBOR VILLAGE

- 1559 Spinnaker construction complete
  - 1 of 2 spaces leased
  - 2nd space has interest
- 1575 Spinnaker construction to be completed by December 2026
  - Currently seeking prospective tenants
- Filled more spaces in FY25-26 = less vacancies
  - ABC Bodyworks
  - Boba by the Sea
  - Golden Hour Goods
  - Innovative Realty
  - Monette Paz Insurance Agency
  - Rowan Boutique

OPERATING REVENUES: COMMERCIAL FISHING

- Squid landings in FY25-26 ended strong
- FY25-26 had unprecedented low transient slip rentals
  - Significant San Pedro landing resulting in over supply, industry stopped fishing
- FY26-27 Outlook
  - Potential El Nino
    - Affects Offloading and Transient Slip Rentals
  - Planning & Entitlements for Modernized Fish Offloading (in partnership with Port of Hueneme)
  - Parcel 19A Dry Storage

OPERATING REVENUES

- **Property Taxes**
  - Funds a portion of VPD Public Safety
  - Ventura County estimating 2% increase for FY26-27

- **Parking Management Plan**
  - Implementation completed in FY25-26
  - Revised downward to reflect stays under 1 hour free
  - Will have more refined data as program progresses

OPERATING EXPENSES

- **DREDGING**
  - Dredging Reserve replenished to $3M at end of FY24-25
  - Federal funding was not included in President's FY26-27 budget
  - Pursuing congressional earmarks for funding

- **STAFFING CONSIDERATIONS**
  - Beginning of VPD Lifeguard Program in 2027
  - Addition of HR staff member due to expanded HR/Admin needs
  - Evaluating staff compensation
    - Cost of living adjustments, merit increases, benefits for both represented and unrepresented employees, promotional opportunities

OPERATING EXPENSES

- **CALPERS**
  - Unfunded Annual Liability (UAL) due for FY26-27 is $524,557 (8% increase)
  - Employer contributions remain stable
    - Slight decrease in 3 out of 4 categories
  - Presentation by Foster & Foster May 20th, 2026

- **GENERAL INSURANCE**
  - Continuing to budget for increases
    - FY26-27 presents a slowing growth rate for cost increases

OPERATING EXPENSES: TENANT IMPROVEMENTS

Continuing to budget planned and unplanned vacancies

District have been successful in reducing turnover

Notable investment to revitalize 1591 Spinnaker (Ultimate Escape Rooms) once tenant vacates

LONG-TERM DEBT

Purpose of Debt	Rate	Principal Remaining	Years Remaining
2016 Refunding of consolidated DBW loans	3.30%	$2,801,600	10
2018 Village marina dock renovation Series A – Tax exempt	4.12%	$1,169,849	12.5
2018 Village marina dock renovation Series B – Taxable	5.25%	$2,241,316	12.5
2021 Refunding of 2008 & 2009 COPs	1.95%	$1,710,000	2

- Estimated FY25-26 Bond Covenant = 231% (requirement is 115%)
- FY26-27 Debt Service = $1,571,720
- 2021 Refunding fully paid by end of FY27-28

GRANT REVENUE

- Received $505k from DBW from launch ramps & boat washdown improvements.
- Awaiting $200k from NFWF from Surfer's Knoll wall & restroom improvements.
- Grant of $15.7 million awarded by the State to the Port of Hueneme to modernize Ventura Harbor's the commercial fish offloading area.

- Applied for PIDP grant to replace the commercial fish pier in 6-8 years' time (~$2.75M in District matching funds required). Was not awarded for 2025; will reapply for 2026.
- Waiting notification of grant status from LWCF for the support of the Parcel 5 park.

CAPITAL & ADA IMPROVEMENT PROJECTS

- Each year, staff review the time sensitivity of critical capital improvement and ADA compliance projects which, if not completed, may result in operational challenges and potential disruptions to business operations. Recommended FY26-27 Projects, consistent with 5-year CIP:
  - 1575 Spinnaker Building Exterior Façade Improvements
  - Harbor Village Roof Replacements (1583 – 2nd floor portion in coming year)
  - Harbor Patrol Long Dock (recommending advancing the timing)
  - 1603 Anchors Way HVAC
  - Resurfacing of District Operated Parking Lots (one in coming year)
  - Parcel 19A Parking Lots: ADA and CDP Compliance

CAPITAL & ADA IMPROVEMENT PROJECTS
(CONTINUED)

- Staff have identified the following discretionary projects that are expected to provide significant benefits to the District's functionality, accessibility, and overall quality and are anticipated to be recommended in FY26-27. This is not a complete list, nor does it imply funding or completion of all of these projects in a fiscal year. Recommended FY26-27 Projects, consistent with 5-year CIP:
  - 1559 Courtyard Tile Replacement & Modernization
  - Harbor Village Wayfinding Signage & Murals
  - Harbor Patrol Boat Replacement

FUTURE CAPITAL IMPROVEMENT PROJECTS

Staff have identified future projects included in the approved five-year CIP that are scheduled beyond FY26–27 and have categorized them as either critical or discretionary priorities.

Critical Future CIP:

- Commercial Fish Pier Maintenance & Long-Term Replacement
- Ongoing Vehicle Replacements
- Additional Roofing Replacements
- Additional Parking Lot resurfacing
- Parking and Promenade Lighting Replacements
- Village 2nd Floor Exterior Walking Deck Resurfacing
- Harbor Village Trash Enclosures

Discretionary Future CIP:

- Parcel 5 Community Park
- Coastal Trail Program (including promenade improvements and street furniture)
- Village Paseo Improvement Project
- 1691 Parking Lot Modification

DISTRICT RESERVES

- At present, the District continues to maintain strong cash reserves. Having received $1.4 million in reimbursement related to the January 2023 storm event and $500 thousand reimbursement from the DBW grant, the District's estimated ending FY25-26 reserves include:
  - Dredging Reserve: $3,000,000
  - Fisheries Improvement Fund: $0
  - Unrestricted Reserve*: $5,527,000
  - Estimated Capital Improvement Reserve: $12,000,000

* Unrestricted Reserve is 40% of the District's operating cost base as of June 30. Based on the mid-year FY25-26 budget, this is: $5,527,000.

PUBLIC COMMUNICATION STANDARD ITEM 2

00 : 03 : 00

STANDARD AGENDA ITEM 2

Report by:
Brain D. Pendleton, General Manager
Todd Mitchell, Deputy General Manager
Sarah Clancy, Admin Services Manager
Justin Fleming, Capital Projects Manager

FISCAL YEAR 2026 – 2027 BUDGET STUDY SESSION

RECOMMENDATION:

That the Board of Port Commissioners conduct a Fiscal Year 2026–2027 Budget Study Session and provide direction to the General Manager in preparation of the Preliminary Budget and Five-Year Capital Improvement Plan.

ADOPTION OF RESOLUTION NO. 3555 APPROVING THE VENTURA HARBOR VILLAGE LEASING POLICY AND RESCIND RESOLUTION NO. 2595

RECOMMENDATION:

That the Board of Port Commissioners adopt Resolution No. 3555 approving the Ventura Harbor Village Real Estate Leasing Policy and rescind Resolution No. 2595.

STANDARD AGENDA ITEM 3

Report by:
Todd Mitchell, Deputy General Manager
Jessica Snipas, Business Ops Manager

Ventura Harbor Village Real Estate Leasing Policy Overview

Purpose and Intent of the Leasing Policy

Clear Framework

The policy establishes a clear leasing framework to guide staff, the Board, and tenants for real estate transactions in Ventura Harbor Village.

Enhancing Consistency and Accountability

The policy establishes a basis for consistency and accountability from both the District and tenants in real estate decision-making.

Aligns With District Goals

Leasing decisions align with Board long term objectives and 5-year goals such as public access, economic vitality, and reinvestment in harbor facilities.

Impartiality and Transparency

The policy provides guidance to address diverse leasing scenarios while ensuring impartiality and transparency for tenants and decision-makers.

Overall Goals of the Leasing Policy

Consistent Lease Management

Standardizes lease negotiations and approvals to ensure fairness and reduce tenant uncertainty.

Lease Terms

Establishes uniform rent structures and operating requirements across all leases for fairness.

Tenant Quality and Stability

Sets clear standards for tenants to encourage strong business performance.

Financial Sustainability and Transparency

Focuses on market-based rents, cost recovery, and clear governance to ensure long-term viability.

Leasing Authority and Decision-Making Roles

Leasing Oversight

The General Manager oversees all leasing activities, ensuring consistency and alignment with District goals.

Staff-Level Approvals for Short-Term Leases

General Manager can approve short-term, pop-up or license agreements that are one year or less.

Board Authority

The Board of Port Commissioners approves leases longer than one year and major amendments at public meetings.

Lease Negotiation Process

Structured Negotiation Framework

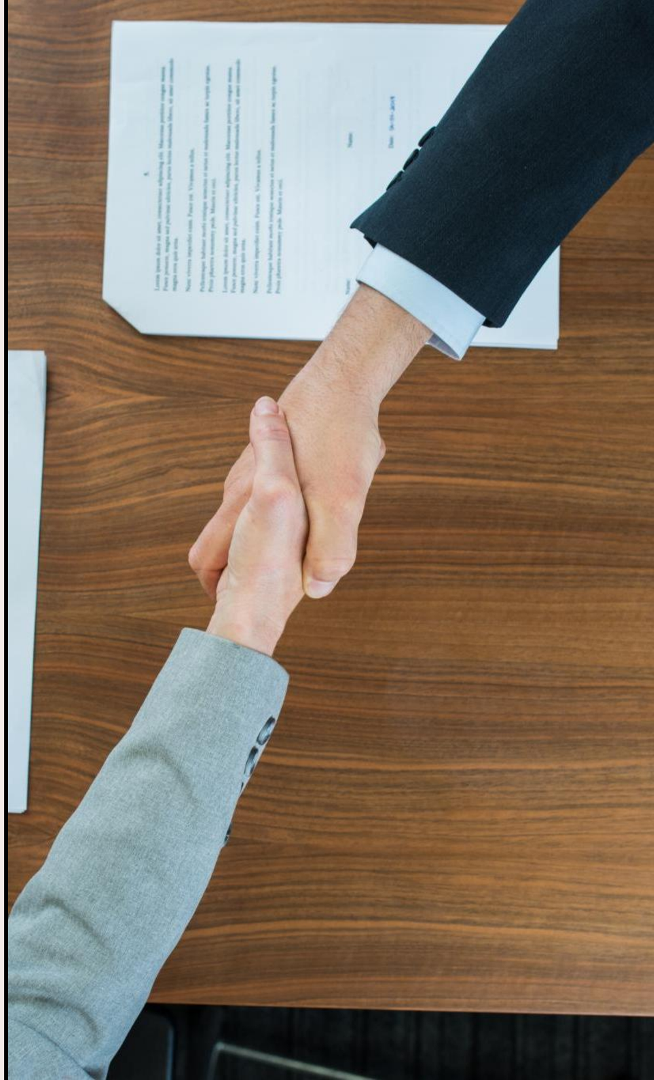
Leasing policy provides a high-level framework guiding lease negotiations.

Use of Term Sheets

Term sheets and clear communication helps clarify lease business terms and reduce misunderstandings before preparing formal lease documents.

Board Review and Approval

Price and terms of payment are reviewed by the Board in closed session, with final approvals in open session ensuring transparency.



Tenant Qualifications

New Tenant Qualifications

Baseline expectations include financial capacity, business experience, and ability to meet lease obligations for new tenants.

Existing Tenant Qualifications

Good standing is defined by timely rent payments, compliance with rules, and proper maintenance of leased spaces.

Performance Metrics

Business performance metrics are considered to ensure tenant accountability. Business improvement plans may be required where tenant qualifications and performance are not being met.

Impact on Village Success

Standards maintain a strong tenant mix, reduce risk, and continue to enhance the Village as a high-quality visitor destination.

Rent Structure and Shared Costs

Market-Based Rent Structure

Rent is structured based on market rates with components (e.g. base rent, percentage rent) and will include annual adjustments tied to either fixed percentage or cost of living index increases.

Shared Costs Expectations

Village tenants contribute to shared costs such as common area maintenance, marketing, and trash.

Minimum Operating Hours

Includes clear expectations for retail, restaurant, and charter leases to meet minimum operating hours to match that of the shopping center.

Policies for District Investment in Tenant Improvements

The policy establishes how the District will invest in tenant improvements, on what kinds of projects, and limits the value of investment.

Broker Commission Policy Introduction

Policy Establishment

A formal broker commission policy was introduced to provide comprehensive, Board-approved guidelines.

Commission Eligibility and Payment

Defines when commissions are payable, aligned with new leases and base lease terms, ensuring long-term focus.

Transparency and Accountability

Payments require Board approval and successful lease execution, promoting transparency and oversight.

Benefits of the Policy

Reduces ambiguity, manages costs, and fosters a predictable, professional leasing environment aligned with strategic goals.

Overall Impact of the Leasing Policy

Foundation for Continued Success

The policy creates a strong framework for managing the District's key public assets with clarity and structure while ensuring a public-private partnership with tenants.

Enhanced Transparency and Consistency

Clear articulation of processes improves transparency and consistency across all leasing activities.

Stakeholder Benefits and Oversight

Staff, Board, and tenants benefit from clear guidance and understanding of leasing standards, expectations, and basis of negotations.

Financial Sustainability and Adaptability

Policy supports sustainable finances through market-based rents and evolves with changing priorities.

Village Updates & Calendar

May 9 - May 10, 2026
Mother's Day Weekend by the Sea

May 9, 2026
Celebrating Women 5K Walk & Expo

May 9, 2026
Mother's Day Weekend Live Music with Tiki Bomb

VIEW CALENDAR

ACTIVITIES & SALES

PUBLIC COMMUNICATION STANDARD ITEM 3

00 : 03 : 00

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STANDARD AGENDA ITEM 3

Report by:
Todd Mitchell, Deputy General Manager
Jessica Snipas, Business Ops Manager

VENTURA PORT DISTRICT

Established 1952

ADJOURNMENT
NEXT MEETING MAY 20, 2026

Ventura Harbor

GATEWAY TO THE CHANNEL ISLANDS NATIONAL PARK