



HARBOR DEPARTMENT

3900 Pelican Way
Oxnard, CA 93035
(805) 973-5950

December 19, 2023

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

SUBJECT: Approval of, and Authorization for the Harbor Director (Director) to Sign, the Amended and Restated Harbor Lease (Lease) with Pacific Corinthian Marina L.P., a California Limited Partnership (PCM), for the Operation and Potential Replacement of the Marina Located on Channel Islands Harbor Parcel Y-3; Finding that the Lease is Categorically Exempt from the California Environment Quality Act; Authorization for the Director to Approve Minor Modifications to the Lease. (Recommendation No. 1 requires 4/5ths vote)

Recommendations:

- 1) Approve and authorize the Harbor Director (Director) to execute the attached Amended and Restated Harbor Lease (Lease) between the County of Ventura and Pacific Corinthian Marina L.P., a California limited partnership, for the operation and potential replacement of the marina commonly known as PCM Marina on Channel Islands Harbor Parcel Y-3. (Requires 4/5ths vote)
- 2) Find that your Board's approval of the Lease is categorically exempt from the California Environment Quality Act (CEQA) pursuant to CEQA Guidelines sections 15301 and 15302, and that no exceptions set forth in CEQA Guidelines section 15300.2 preclude use of these exemptions.
- 3) Authorize the Director to approve minor modifications to the Lease provided that any such modification is consistent with the original purpose of the Lease, does not result in additional costs to the County, and is reviewed and approved as to form by the County Counsel's Office.

Fiscal/Mandates Impact:

Mandatory:	No
Source of Funding:	Lessee
Funding Match Required:	N/A
Impact on Other Departments:	None

Summary of Revenue and Costs:	FY 2023-24	FY 2024-25
Revenue:		
Direct	\$ 104,000	\$ 250,000
Total Revenue	\$ 104,000	\$ 250,000
Costs:		
Direct Costs	\$ 0	\$ 0
Indirect Costs	\$ 0	\$ 0
Total Costs	\$ 0	\$ 0
Net Income	\$ 104,000	\$ 250,000

Current Fiscal Year (FY) Budget Projections:

FY 2023-24 Budget Projection for Harbor Administration - Division 5100				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$ 12,407,216	\$ 12,700,000	\$ 12,700,000	\$ 0
Revenue	\$ 11,327,486	\$ 11,327,486	\$ 11,327,486	\$ 0
Gain/(Loss)	\$ (1,079,730)	\$ (1,372,514)	\$ (1,372,514)	\$ 0

The proposed Amended and Restated Lease (Lease) would produce approximately \$1,750,000 in projected revenue for the Harbor Department during the seven-year term from 2/1/2024 through 1/31/2031.

Integration of Strategic Plan Priorities:

The proposed Lease would potentially result in a rebuilt marina with upgraded County amenities at the Harbor, provide access to the waterside, ADA accessibility to the docks, jobs to the community, and revenues to the Harbor Department – all in furtherance of the County’s strategic plan’s mission of providing superior services and the plan’s goals of: 1) fostering a thriving business ecosystem to create jobs, increase wages, and strengthening the local economy; 2) maintaining and improving dependable public resources to serve the needs of our diverse communities; and 3) attracting and investing in sustainable infrastructure and preservation of our natural resources.

Background:

In January 1984 your board executed a 40-year lease on Parcels Y-3 with Pacific Corinthian Marina L.P., a California limited partnership (Lessee), to build and operate a marina in the Channel Islands Harbor. Since that time the Lessee has been an outstanding lessee in the harbor. The Lessee has maintained a high-quality marina and worked collaboratively with the Harbor Department for the past 40 years. This lease is set to expire on January 31, 2024.

The proposed Lease would allow an additional term of seven years through January 31, 2031, which would provide the Lessee the time needed to reorganize its ownership structure, design a new marina, secure financing, and to obtain permits and entitlements from the California Coastal Commission. The Lessee would be required to give notice to the Harbor by January 31, 2028 of its intent to fully rebuild the marina and improve the landside facilities. If the Lessee chooses not to proceed with a marina rebuild, the percentage rent paid on gross receipts for boat slip rentals and liveaboard fees would increase from 25 to 35 percent from February 1, 2028 through January 31, 2031. If the Lessee elects to rebuild the marina and secures the financing and necessary permits, the Lease would be extended to January 31, 2033, during which time the Lessee would rebuild the marina. Upon completion of the rebuild, the Lessee would receive an additional 40-year extension of the Lease term to January 31, 2073. It is anticipated that a new marina will cost an estimated 15 million dollars to rebuild.

As part of the seven-year lease extension, the Lessee has agreed to spend a minimum of \$500,000 on improvements to its leasehold. These improvements may include new gangways for the docks and improvements to the landside boater facilities. Any funds unspent as part of the improvement upgrades would be refunded to the County as additional rent.

Your Board's approval of the Lease would involve maintenance, repair and replacement of existing structures and facilities on the same site as they are currently located, will have substantially the same purpose and capacity, and involve negligible or no expansion of capacity. Therefore, staff has determined that the Lease is categorically exempt pursuant to CEQA Guidelines sections 15301 and 15302. Staff has also determined that no unusual circumstances or other factors set forth in CEQA Guidelines section 15300.2 preclude use of these categorical exemptions. The Harbor Department will work with the Lessee to ensure that the rebuilt marina will conform to the current Public Works Plan.

Therefore, Harbor staff recommends approval of the Lease (Exhibit One), extending the term of the Lease to January 31, 2031, to enable the Lessee to rebuild the marina. The extension of the Lease is permitted pursuant to Government Code section 25536(a) upon approval by a 4/5ths vote of your Board.

The County Executive Office, the Auditor Controller's Office and County Counsel have reviewed this letter and the Lease.

If you have any questions regarding this item, please contact me at (805) 973-5952.



Michael Tripp
Director

Exhibit 1: Amended and Restated Lease
Exhibit 2: Harbor Parcel Map