



CHANNEL ISLANDS HARBOR

Ventura County Harbor Department

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March 19, 2019

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

SUBJECT: Approval of, and Authorization for the Director of the Harbor Department, or his Designee, to Execute, a Second Amendment to License Agreement with Raw Inspiration, Inc. for Operation of a Farmers' Market at the Channel Islands Harbor

Recommendations:

1. Approve and authorize the Harbor Director, or his designee, to execute the attached Second Amendment to License Agreement (Second Amendment) (Exhibit 1) with Raw Inspiration, Inc. for operation of a farmers' market at the Channel Islands Harbor (Farmers' Market).
2. Authorize the Harbor Director to make corrections, clarifications, and technical modifications to the Second Amendment, subject to County Counsel approval, provided such changes are consistent with the stated intent of the underlying agreement, as previously amended, do not result in the loss of any income to the County, and do not subject the County to additional costs.

Fiscal Impact:

Mandatory:	No
Source of Funding	Raw Inspiration, Inc.
Funding Match Required	No
Impact on Other Departments	None

Summary of Revenue and Costs:	<u>2018-19</u>	<u>2019-20</u>
Revenue	\$ 2,700	\$ 13,475
Direct Costs	\$ 0	\$ 0
Indirect Costs	\$ 0	\$ 0
Net Cost	\$ (2,700)	\$ (13,475)

Current Fiscal Year Budget Projections:

FY 2018-19 Budget Projection for Harbor Enterprise Fund E200 Division 5100				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$10,502,290	\$10,734,008	\$11,447,848	(\$713,840)
Revenue	\$8,858,450	\$8,858,450	\$9,100,450	\$242,000
Net Cost	(\$1,643,840)	(\$1,875,558)	(\$2,347,398)	(\$471,840)

FY19 lease revenue was included in the adopted budget.

Discussion:

The Certified Farmers' Market at the Channel Islands Harbor has been a popular resident and visitor serving amenity for more than 20 years. The Farmers' Market has been historically managed by an operator under a License Agreement with the County of Ventura for the benefit of its Harbor Department (Harbor Department). Under the terms of the contract, the County approves the vendor mix, type, and specific vendors, while the operator manages, advertises, provides insurance, and provides needed equipment (tables, chairs, storage) for the weekly market. The operator also holds all vendor agreements, collects payment of booth fees, and pays the County a fixed fee for use of the public's property.

Periodically, the Harbor Department requests qualifications or proposals for the operations of various concessions, including the Farmers' Market. In October 2013, the Harbor Department solicited requests for proposals to operate the Farmers' Market. The County received submissions from five qualified candidates and went through an extensive interview and selection process. In May 2014, the Harbor Department selected Raw Inspiration, Inc. and the parties entered into a three-year license agreement with Raw Inspiration, Inc. (Exhibit 2). The Agreement included an option for a two-year extension granted to the licensee. In March 2017, Raw Inspiration, Inc. exercised its right to extend the term of the Agreement for two (2) years. To that end, the parties executed a First Amendment to License Agreement in April 2017 (Exhibit 2), with the revised term of the Agreement expiring on April 30, 2019.

Since May 2014, Raw Inspiration, Inc. has managed the Farmers' Market exceptionally well. Hundreds of residents and visitors patronize the Farmers' Market every Sunday and have provided positive feedback on the licensee's operation of the Farmers' Market. When the Harbor Department or patrons have raised concerns, Raw Inspiration, Inc. has addressed them in a timely and sufficient manner.

Based on the past performance of Raw Inspiration, Inc., the Harbor Department is now recommending that your Board approve the attached Second Amendment. The Second

Amendment will extend the operator's term by an additional five years, to April 30, 2024, and also grant licensee options to extend the term of the agreement by two additional one-year periods of time.

This item has been reviewed by County Counsel, the Auditor-Controller's Office and County Executive Office.

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

A handwritten signature in blue ink that reads "Mark Sandoval". The signature is fluid and cursive, with the first name "Mark" and last name "Sandoval" clearly distinguishable.

MARK SANDOVAL
Director

Exhibit 1 – Second Amendment to License Agreement

Exhibit 2 – License Agreement and First Amendment to License Agreement