

CHANNEL ISLANDS HARBOR COOPERATION AGREEMENT

DATED AND EFFECTIVE May 18th, 2021

COUNTY OF VENTURA AND CITY OF OXNARD

This Channel Islands Harbor Cooperation Agreement ("Cooperation Agreement"), effective as of the last date signed below ("Effective Date"), is made and entered into by and between the County of Ventura ("County") and the City of Oxnard ("City"). County and City maybe referred to individually as "Party" or collectively as "Parties."

RECITALS

WHEREAS, the County and the City desire to enter into this Cooperation Agreement to address certain issues of specific common concern, some of which were addressed in the expired 1963 Annexation Agreement, as amended, between the County and the City;

WHEREAS, the County and City desire to establish an engagement process for development projects in the Channel Islands Harbor ("Harbor") that are proposed to be constructed by the County's lessees;

WHEREAS, the County and the City wish to agree to specific one-time funding for specific public projects within the Harbor that the Parties agree will benefit the residents of the City of Oxnard, as well as residents of Ventura County and other visitors to the Harbor;

WHEREAS, the County and City desire to facilitate reconfiguration of Peninsula Road to allow for the development of the Hyatt Hotel project on Peninsula Road ("Hotel Project");

WHEREAS, the County and City desire to reaffirm their relationship regarding the water quality issue in the Oxnard Waterways portion of the Harbor;

WHEREAS, the County and City desire to enter into a master tax sharing agreement regarding annexation of County land into City; and

WHEREAS, the County and the City wish to amend the existing lease agreement ("Lease Agreement") for Fire Station #6 ("Fire Station") so that this facility will remain available to provide fire protection services to the Harbor area and to nearby City and County residents;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and other good and valuable consideration, the Parties hereto agree as follows:

AGREEMENT

1. The County and the City agree to work together in good faith through the Harbor Vision process to identify short-term and long-term goals for the

Harbor, including infrastructure to facilitate the greater public access and utilization of this coastal resource, and approaches and processes for the redevelopment of specific parcels within the Harbor that are consistent with the goals of the California Coastal Act. If the City determines that the projects that are subsequently proposed by the County are in the best interests of the Harbor, the City of Oxnard and Ventura County as a whole, then the City will support the projects (including any necessary Public Works Plan amendments and/or Local Coastal Plan amendments) before the California Coastal Commission.

2.
 - a. Solely as a condition of this Cooperation Agreement in order to benefit the residents of the City of Oxnard and not based upon any other existing obligation of the City, the City shall contribute 50 percent of the maintenance costs of the County-owned public areas of the Harbor, not to exceed \$200,000 annually, for a three-year period starting on July 1, 2021. The County shall continue to be responsible for the maintenance of these County-owned public areas of the Harbor, including parks, parking lots, trees, and restrooms. If the Hotel Project has not been issued a certificate of occupancy by June 30, 2024, then the City shall then pay the lesser of (i) 50 percent of the maintenance costs of the County-owned public areas of the harbor, not to exceed \$200,000 per year, for an additional two (2) years; or (ii) the pro rata share of the amount specified in Section 2(a)(i) calculated through the actual date that the certificate of occupancy is issued for the Hotel Project. Notwithstanding any language in this Section 2 to the contrary, under no circumstances shall the City's contribution towards maintenance costs of the County-owned public areas of the Harbor extend later than June 30, 2026.
 - b. The County will invoice the City on December 1st and May 31st each year of the described time period for 50 percent of the maintenance costs of the County-owned public areas of the Harbor in a not-to-exceed amount of \$100,000 each, with City payment to the County due within sixty (60) days of receipt of the invoice. At the end of the period specified in Section 2(a), it is anticipated, but not required, that the County will have either established a developer-funded mechanism to cover the maintenance costs (i.e. a CFD or LMD) or determined another revenue source to cover the on-going maintenance costs of the County-owned property within the Harbor. Notwithstanding any language in this Section 2(b) to the contrary, at the end of the time period specified in Section 2(a), the City shall cease contributing funding of any kind for the maintenance of the County-owned public areas within the Harbor.

3. Solely as a condition of this Cooperation Agreement in order to benefit the residents of the City of Oxnard and not based upon any other existing obligation of the City, the City agrees to fund the replacement or repair of the following improvements within five (5) years as follows:
 - a. The public parking lot at Kiddie Beach, with a not-to-exceed amount of \$150,000;
 - b. One-half of the cost to replace the parking lots adjacent to lease areas D-2, E, H-1, and II-2, along Harbor Blvd with a not-to-exceed amount of \$1,000,000. The County agrees to fund 50 percent of the cost of this project and all amounts exceeding \$2,000,000 in total project costs;
 - c. Lamps in existing light poles along Harbor Boulevard, with a not-to-exceed amount of \$120,000;
 - d. One-half of the cost to replace the public restroom at Peninsula Park (which will not include a shower or meeting space) with the standard Exeloo Jupiter Twin, with the a not-to-exceed amount of \$162,500. The County agrees to fund 50 percent of the cost of this project and all amounts exceeding \$325,000 in total project costs.; and
 - e. Replacement of a public restroom with the standard Exeloo Jupiter Twin at Kiddie Beach, with a not-to-exceed amount of \$325,000.

The Parties agree that the described repaired or replaced infrastructure will be the ongoing financial responsibility of the County. Except as specifically stated in Section 2, the City will not have financial obligations or obligation of any kind relating to improvements on County-owned property within the Harbor, which shall remain the ongoing obligation of the County.

4. Provided the Hotel Project is completed by June 30, 2024, at the conclusion of the construction for the Hotel Project, the City will repave, to the City's standards, Peninsula Road from W. Channel Islands south to the area that will be improved by the Hyatt House. The estimated cost of this repaving is \$506,000.
5. Within 120 days of the Effective Date of this Cooperation Agreement, City will process the vacation of the City's interest in the portion of Peninsula Road that will be reconfigured at the expense of the County or its designee for the Hotel Project. This vacation will be processed without application by the County and without prejudice to the County's position that no vacation is

required. The vacation will become effective at such time that the City and the County exchange quitclaim deeds that:

- a. From the City, deed to the County the City's interests in the portion of Peninsula Road to be reconfigured for the Hotel Project; and
 - b. From the County, deed to the City an easement in the portion of Peninsula Road to be reconfigured for the Hotel Project that is necessary for public safety access across the cul de sac at the end of Peninsula Road.
6.
 - a. It is the City's position that, because the landside of the Channel Islands Harbor is located within the corporate boundaries of the City and based upon past pattern and practice, all development that is not a County project used solely for a public purpose must first obtain all building permits from the City. It is the County's position that the County is the proper agency to issue all building permits within the landside portion of the Channel Island Harbor.
 - b. Reserving the City and County's respective rights and legal positions regarding this matter, except as specifically outlined below regarding the Hotel Project, the City will continue to process and timely issue building permits for projects in the Harbor.
 - c. For the Hotel Project only, the County will issue the building permits for the Hotel project; provided, however, that at or before the County issues any building permits for the Hotel Project, the County shall assess the City developer impact fees determined by the City, the County shall collect all of the City's developer impact fees as determined by the City, and the County shall timely transmits such fees to the City. The County shall not issue any building permits for the Hotel Project until all of the requirements specified in this Section 6(c) have occurred.
7. The County will continue to assist the City in evaluating solutions to the Harbor's water quality issue, including assistance in funding solution(s) and exploring the One Harbor CFD concept for the purpose of improving and maintaining water quality in the entire Harbor.
8. Within ninety (90) days from the effective date of this Cooperation Agreement, County and City will enter into a 25-year Master Tax Sharing Agreement on terms consistent with the 1983 tax sharing agreement, except that the new agreement shall include language indicating that the agreement


may not be unilaterally terminated by either Party during the first 15 years of this 25-year term.

9. Within 180 days from the Effective Date of this Cooperation Agreement, the County and City shall amend the Fire Station Lease Agreement to (a) extend the term from August 31, 2033 to August 31, 2050, (b) increase the leased area up to 85 feet westerly (at the City's option) to accommodate an expansion of the Fire Station, and (c) if the Fire Station is expanded westerly, the term of the Lease Agreement shall be automatically extended for 50 years from the date of the occupancy of the expanded Fire Station, instead of the extension of the term to August 31, 2050 under this Section 9.
10. For a period of five years from the Effective Date of this Cooperation Agreement, the City will process the vacation of, and at such time that the vacation(s) are finalized, will thereafter deed to the County the City's interests in, the following streets, if requested in writing by the County, in order to provide for more efficient land use planning and additional leasable land area for the County:
 - a. Cabezone Way
 - b. Barracuda Way
 - c. Bluefin Circle
 - d. Albacore Way
 - e. Curlew Way
 - f. Murre Way
 - g. Pelican Way
11. This Cooperation Agreement shall remain in effect for 25 years from the Effective Date.

CITY OF OXNARD


John C. Zaragoza
Mayor

COUNTY OF VENTURA


Linda Parks
Chair of the Board of Supervisors


APPROVED AS TO FORM:


Stephen M. Fischer, City Attorney

APPROVED AS TO FORM:


Tiffany North, County Counsel

APPROVED AS TO CONTENT:


Alexander Nguyen
City Manager

APPROVED AS TO CONTENT:


Michael Powers
Chief Executive Officer

