

Ensuring the commercial viability of a major Ventura County Economic Engine – The Port of Hueneme (PoH) – for a better tomorrow at the City of Oxnard

Purpose: meeting the growth challenges for the PoH to ensure its future commercial viability in an environmentally sustainable manner while significantly contributing to the City of Oxnard's economic base, creating family sustaining jobs, increasing tax revenues and ensuring an overall better future.

The Port of Hueneme – a snapshot:



The PoH is the World Gateway for Ventura County's economy:

- \$1.5 Billion total economic impact
- 13,633 total jobs related to port activity
- \$93 Million in state and local tax revenues
- \$9 Billion in cargo value
- The PoH is an industry environmental Green
- Port leader – Greenest US Port Award of the Year 2017

Challenges: the port industry is facing unprecedented challenges, resulting from:

- Major shipping line consolidation (resulting in fewer clients)
- Increasing ship sizes (requiring modernisation and expansion of port infrastructure)
- Need to process more cargo on same footprint
- More port logistics related land at or near the port to serve port clients
- Lack of capital for major off port initiatives
- requiring public-private initiatives and partnerships

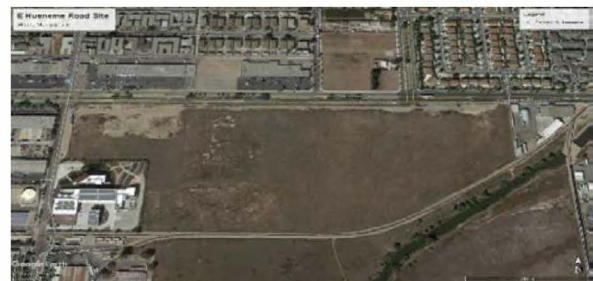
The PoH has been able to flourish and remain competitive – until now. The serious off port land deficit, identified by the following econometric model and client demand for land, indicates that the current off port land deficit is about 300 acres.

This is resulting in the port and its clients operating well above 100 percent operational land capacity, a situation that is not sustainable. This is leading the port's clients not being able to grow their business at the Oxnard Harbor District and seriously considering alternative port locations. If not addressed, this will result in major port and tax revenue and job losses for the community.

Solutions:

- Immediate stop gap land measure required
- Longer term accommodation near port critical

The 'stop gap' measure now required to attract additional business from GLOVIS, that will process an additional **60,000 new cars** through the PoH, which is being fast tracked by the City of Oxnard, is a 34-acre parcel located on the south side of East Hueneme Road just east of Perkins Road:



Without a commitment to deliver this tract soon, this new account will be lost.

This site has been sitting vacant and underperforming for decades. The PoH presented a case for using this site as a stop gap measure months ago to the City of Oxnard, a consensus was reached and a fast track permitting for this temporary use is being developed.

What's at Risk:

- The loss of a major new client for the PoH and the Oxnard Harbor District
- Potential for attracting an additional 60,000 new auto units to the area short term, resulting in:
 - **53 new jobs** with an average, family-sustaining wage of **\$56,315**
 - **\$2.3 million** in additional local tax revenues
 - **\$81,600 per annum** in direct contribution to the city ($\$200 \text{ per acre/per month} = \$200 \times 34 = \$6,800 \times 12 = \$81,600$)

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We Make Cargo Move

- Park-like landscaping investment in the amount of **\$250,000** for the street perimeter of the site, resulting in the beautification of East Hueneme Road
- Business activity at the site replacing a current garbage strewn lot where dangerous activities take place by transients
- **Risk of site being sold**, negating ability to reserve expansion area north of the new water treatment plant without a capital outlay by a government agency

Positive Future Impacts:

The stop gap 34-acre measure discussed herein will also ensure that the City of Oxnard and the PoH will have sufficient time to structure and meet all regulatory requirements for the longer term **250-acre port logistics park with access to rail**. This park will be financed and developed through substantial direct investment by port clients that could exceed **\$400 million**, generate over **5,000 additional jobs** and **\$600 million in additional state and local tax revenues**. This property is one of the only remaining properties **outside of SOAR**.

Additional positive results from this logistics park development will be:

- The loss of a major new client for the PoH and the Oxnard Harbor District
- The **city gaining** a community sports park of approximately two acres in size
- The city gaining a tourist, park like access and walkways to **Ormond Beach Wetlands**
- The PoH's future commercial viability being ensured for the benefit of its share and stake holders
- The PoH being able to gain major competitive advantages through increased intermodal capabilities, land banks to better retain and attract new clients and business respectively
- A positive environmental impact de-congesting roads by concentrating logistics activities within 2.5 miles from its Main Gate with **direct access to rail**
- The generating of processing more cargo faster generating significant positive economic impact to Ventura County and the City of Oxnard
- Creating a business nexus that will have a **major impact on local un and under employment rates**
- A "Showcase" project for public-private partnerships, economic development innovation and environmental leadership for both the City of Oxnard and the PoH

The Net Result:

the critical nature of these projects and the substantial, long reaching, long term positive economic and environmental impact to the citizens of Ventura County and the City of Oxnard should not be underestimated or taken lightly. For the PoH, this represents the best (and possibly only) hope for continued success and competitive viability in its marketplace.

It would be difficult to hope for a more opportune convergence of factors that could result in delivering the positive results described herein. It would be hard to envision an opportunity that could more positively impact the City of Oxnard and the PoH or show the world that together, as partners the City of Oxnard and the PoH are not only open for business, but ready, willing and able to do so in a most innovate, environmentally sustainable manner.

The future is waiting.

Current Costs Incurred by the Port:

Lawyer's Title	\$ 750	Title Request
Kiesel Design	\$ 1,000	Landscaping
Jensen	\$ 1,760	Temp Vehicle Storage
Jensen	\$ 12,828	Temp Vehicle Storage
Aegir	\$ 6,825	Land Expansion Consulting
Aegir	\$ 1,350	Land Expansion Consulting
Aegir	\$ 518	Land Expansion
Aegir	\$ 1,317	Land Expansion
Aegir	\$ 9,150	Logistics Park
Aegir	\$ 10,875	34 Acres
Aegir	\$ 1,744	Expense Reimb - 34 acre
Aegir	\$ 6,600	Land Expansion Consulting
Aegir	\$ 1,141	Expense Reimb - 34 acre
Aegir	\$ 12,000	City of Oxnard Meetings
Aegir	\$ 5,750	Land Need Assessment
Aegir	\$ 1,650	Land Need Assessment
Aegir	\$ 1,513	Land Need Assessment
Aegir	\$ 1,956	Land Need Assessment
Glovis	\$ 9,000	Lighting Study on 34 Acres
Ruxly	\$ 15,000	Future Land Use Video
City of Oxnard	\$12,000	Special land use permit
BBK	\$28,000	Real Estate Legal Counsel
TOTAL	142,727	

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