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FOR IMMEDIATE RELEASE

Channel Islands Marina (CIM) agrees to pay County of Ventura \$175,000 to settle lawsuit related to CIM's former lease in the County's Harbor.

Last year, the Board of Supervisors won an appeal that overturned a trial court judgment that could have cost the County's taxpayers over \$4.5 million. Now, the Board has approved a settlement agreement that requires CIM to pay the County a total of \$175,000 in settlement of all remaining claims in the action.

In the early 1960s, Channel Islands Marina built a marina on County-owned leased land in Channel Islands Harbor. CIM's 40-year marina lease was scheduled to expire in 2003. In advance of that date, the County attempted for several years to reach a new agreement with CIM on a new lease which would have required replacement of the 40-year old docks with new, modern structures. The negotiations were unsuccessful. A few months before the expiration of

its lease, CIM served eviction notices on over 500 boater tenants of its marina. The County filed a lawsuit against CIM requesting a restraining order to stop the evictions because of the terrible disruption it posed to tenants' lives and to the safety of operations in the Harbor. The County also believed the evictions were an effort to force the County to give CIM a new lease on CIM's terms.

CIM eventually gave up on the evictions, its lease expired, and it then filed a countersuit, alleging that the County owed CIM millions of dollars for the 40-year old wooden slips and other structures that it had to leave in place. The trial court agreed with CIM, but the court of appeal completely reversed this judgment.

In the meantime, the County published a request for proposals for a new marina lease, including complete replacement of the old marina. The County received 7 bids for the lease. During the time the legal battle was underway, the County selected a new Lessee, Vintage Marina Partners, received a \$700,000 "opportunity" payment, processed permits through the California Coastal Commission, and has seen a new marina built with Vintage's investment of \$12 Million in tenant improvements that will last at least 40 more years.

In addition, during the time the court actions were underway, the County was able to enter 17 new leases on other Harbor parcels involving more modern lease terms and, in many cases, requirements for significant re-investment.

The approval of this settlement resolves once and for all the disputes between CIM and the County of Ventura.

Board Chair Steve Bennett, speaking on behalf of the Board of Supervisors, said, "The Board is happy, in this difficult financial environment, to avoid further litigation and save the taxpayers money."