

Officials eye Navy acres up for lease

Harbor District could store cars

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After years of fighting, the city of Port Hueneme and the Oxnard Harbor District might have found something they can agree on.

The Navy is putting 125 acres in Port Hueneme up for lease, and the Harbor District hopes to snag some of them for storing imported cars and trucks. The Port Hueneme City Council will discuss the idea Wednesday and seems likely to lend its support.

The lease could eliminate the Harbor District's need for other land in Oxnard or Port Hueneme. That, in turn, might ease some of the tension between the Harbor District, which owns and operates the Port of Hueneme, and the city of Port Hueneme. The Harbor District's pursuit of land for vehicle storage has been a root cause of their conflict.

The Navy has already declared it wants tenants who will use the property for vehicle storage, handling and distribution, exactly what the Harbor District needs land for as it tries to accommodate vehicles unloaded at the port.

A forum early this month for people interested in the Navy property drew a host of auto handling and distribution companies from across the country, Harbor District Executive Director Anthony Taormina said.

City staff members are recommending the City Council on Wednesday give the Harbor District's efforts its blessing.

State law gives cities the power to approve or reject a harbor district's attempts to buy or lease land within city limits, and the Naval Base Ventura County land is within the city of Port Hueneme.

"I appreciate what they're trying to do, and I plan to support it," said Port Hueneme Councilman Jonathan Sharkey.

Last year, the city and Harbor District waged a legal and public relations battle over the Harbor District's plan to store vehicles on a 17-acre lot off Port Hueneme Road. John Laing Homes owns the property, and the city wanted a housing development there instead of a vehicle yard.

The Harbor District threatened eminent domain but eventually gave up its designs on the property, and Laing Homes recently broke ground on its residential project.

Reduce likelihood of clash

Partly because of that battle, the city is looking at ways to take some or all of the authority over the port away from the Harbor District.

During the Laing Homes dispute, the City Council suggested looking for land on the Naval Base as an alternative.

Councilman Murray Rosenbluth said getting more Navy land for port operations would be a "necessary but not sufficient" condition for solving the problems between the city and Harbor District.

Taormina agreed that leasing some Navy land would reduce the likelihood of another clash over property in the city.

The 125 acres that's available on the base is almost as big as the entire Port of Hueneme, and it's much larger than any industrial parcel in Port Hueneme or Oxnard, Taormina said.

"This might be the sum total of what's available in the near future," he said.

Winning lease won't be easy

Every five years, the Navy offers surplus land to private businesses through the lease program.

The 125 acres now up for lease is about 20 acres more than what private businesses leased in the past five-year period.

Mazda, a major lease-holder last time, moved its West Coast operations to San Diego last year. Global Auto Processing Services was another large tenant and will probably bid for land again, Taormina said.

This is the first time the Harbor District is trying to participate in the program, although it does have a joint-use agreement for one of the Navy's wharfs.

Winning a lease won't be easy, Taormina said, because the program seems designed for private businesses, not government agencies like the Harbor District.

"It's unclear whether we can meet the Navy's expectations and still be competitive in the marketplace," he said.

The biggest hurdle is the Navy's requirement that lease holders pay not in cash, but by making improvements to various Navy properties. A private business can easily make this barter-like transaction, but a public agency must be absolutely clear about where its money is going, Taormina said.

"I have things called public process, open contracts, etc," he said.

Still, Taormina said, he's "very optimistic" that the Harbor District will be able to comply with Navy requirements.

Moving vehicles quickly

Even if the Harbor District loses, it could still benefit if an auto processor moves in and then imports vehicles through the Port of Hueneme.

Taormina said he'd rather control the property directly. An outside company could use it for long-term storage, while the Harbor District would move vehicles in and out quickly. That means more business for the port, more tax revenue for the city and more jobs for the community.

Navy officials could not be reached for comment this week. According to a report prepared by the city, the Navy plans to award the contracts in February and move the new tenants in by March.