

SAN DIEGO UNIFIED PORT DISTRICT

ORDINANCE 2770

**ORDINANCE GRANTING 66-YEAR EASEMENT TO
LEONARDINI FAMILY SAN DIEGO PROPERTY,
LLC FOR INGRESS AND EGRESS ACCESS TO
THE PROPERTY LOCATED AT 2499 PACIFIC
HIGHWAY, SAN DIEGO, CA OVER A 1,120
SQUARE FOOT LAND AREA ALONG PACIFIC
HIGHWAY, WITH CONDITIONS**

WHEREAS, the San Diego Unified Port District (District) is a public corporation created by the Legislature in 1962 pursuant to Harbors and Navigation Code Appendix I (Port Act); and

WHEREAS Section 5(b)(4) of the Port Act grants authority to the District to exercise its land management authority and powers over any other lands or interests in lands acquired by the District in furtherance of the District's powers and purposes as provided in Section 87; and

WHEREAS, the District owns a 1,120 square foot parcel of tideland land area along Pacific Highway south of Laurel Street, adjacent to the Dollar Rent a Car property which is located off-tidelands at 2499 Pacific Highway; and

WHEREAS, historically, the District's small land parcel has been leased to Leonardini Family San Diego Property, LLC (Leonardini) for ingress and egress, landscaping and maintenance under short-term Tidelands Use and Occupancy Permits (TUOP); and

WHEREAS, Leonardini owners want to sell their property to Oram's Enterprise's, Inc. (Oram); and

WHEREAS, Oram is currently in escrow with Leonardini to purchase the Dollar Rent a Car property, but needs to secure long-term rights to access over the District's parcel in order to secure financing for the purchase; and

WHEREAS, in order for a buyer to obtain financing for the proposed acquisition and to provide long-term ingress and egress access to the adjacent property, Leonardini has requested a 66-year easement; and

WHEREAS, the easement will be conditioned upon termination of the current short term TUOP with a long-term agreement and the restriction that the proposed development cannot be used for any residential use; and

WHEREAS, the easement will provide rental revenue to the District over 66 years; and

WHEREAS, rent for the first year of the easement is \$4,751 and will increase every five years with the increase in the Consumer Price Index; and

WHEREAS, rent is based on a 7.93% increase above Leonardini's current rent and staff believes it is consistent with the market for an easement in this area.

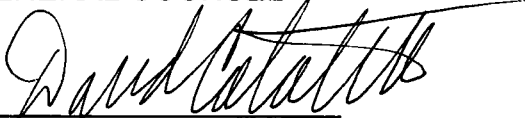
NOW, THEREFORE, the Board of Port Commissioners of the San Diego Unified Port District does ordain as follows:

Section 1. That the sixty-six (66) year easement between San Diego Unified Port District and Leonardini Family San Diego Property, LLC, for ingress and egress access to 2499 Pacific Highway over a 1,120 square foot land area along Pacific Highway, San Diego, CA conditioned upon termination of the current Tidelands Use and Occupancy Permit and the restriction that the proposed development cannot be used for any residential use is hereby approved and granted.

Section 2. The Executive Director or his designated representative is hereby directed to execute said easement with Leonardini Family San Diego Property, LLC. on behalf of the San Diego Unified Port District.

Section 4. This Ordinance shall take effect on the 31st day from its passage by the Board of Port Commissioners.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL


By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 12th day of August 2014, by the following vote:

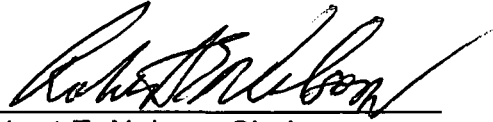
AYES: Bonelli, Castellanos, Moore, Nelson, and Valderrama.

NAYS: None.

EXCUSED: Malcolm, Merrifield.

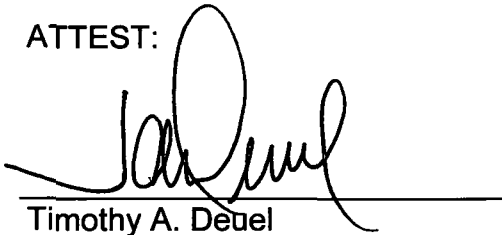
ABSENT: None.

ABSTAIN: None.



Robert E. Nelson, Chairman
Board of Port Commissioners

ATTEST:



Timothy A. Deuel
District Clerk

