SAN DIEGO UNIFIED PORT DISTRICT

ORDINANCE <u>2859</u>

ORDINANCE ACCEPTING QUITCLAIM DEED FROM THE CITY OF SAN DIEGO FOR A VACATED PUBLIC WATER LINE EASEMENT TO FACILITATE THE CONSTRUCTION OF MARRIOTT HALL LOCATED AT 333 W. HARBOR DRIVE

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 87(b) of the Port Act grants authority to the District to lease the tidelands or submerged lands, or parts thereof, for limited periods, not exceeding 66 years, for purposes consistent with the trusts upon which those lands are held, by the State of California; and

WHEREAS, Section 21 of the Port Act requires that all grants, franchises, leases, permits or privileges for more than five years shall be made by ordinance; and

WHEREAS, Host Hotels & Resorts, LP owns Pacific Gateway Ltd. dba Marriott Marquis San Diego Marina (Marriott) located at 333 West Harbor Drive in San Diego; and

WHEREAS, Marriott has a 66-year lease with the District covering its hotel and marina operations, which expires in 2061 (Lease); and

WHEREAS, Marriott is investing approximately \$182 million in the Marriott Marquis & Marina Facilities Improvement Project (Project) which will make significant improvements and renovations throughout the leasehold to be competitive with the newer convention center headquarters hotels in the vicinity; and

WHEREAS, the Project includes replacement of the existing Marriott Hall with a new building including ballroom and meeting space, the construction of a new pedestrian walkway between Marriott and the adjacent Manchester Grand Hyatt known as Marina Walk, which would connect pedestrians from Harbor Drive to the Embarcadero and the addition of a public/private event space along the Embarcadero known as Marina Terrace; and WHEREAS, the footprint of Marriott Hall requires that an existing public water line be relocated in order to provide the appropriate setbacks from the new structure; and

WHEREAS, the existing water line will be abandoned in place and filled with concrete, consistent with current practices; and

WHEREAS, since the old water line will no longer be utilized, the City will prepare a quitclaim deed for the abandoned easement.

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

Section 1. The quitclaim deed from the City of San Diego for a vacated public water line easement to facilitate construction of Marriott Hall located at 333 W. Harbor Drive is hereby accepted.

Section 2. The Executive Director or her designated representative is hereby directed to counter sign the quit claim from the City of San Diego.

Section 3. 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 (

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 10th day of May, 2016, by the following vote:

AYES: Bonelli, Castellanos, Malcolm, Merrifield, and Nelson. NAYS: None. EXCUSED: Moore and Valderrama. ABSENT: None. ABSTAIN: None.

Marshall Merrifield, Chairman Board of Port Commissioners

ATTEST:

Timothy A. Deuel District Clerk

2859

(Seal)