

SAN DIEGO UNIFIED PORT DISTRICT

ORDINANCE 2943

ORDINANCE AMENDING THE FISCAL YEAR (FY) 2019 BUDGET INCREASING THE FY 2019 CAPITAL IMPROVEMENT PROGRAM (CIP) APPROPRIATION BY \$4.4 MILLION TO RECLASSIFY A PREVIOUSLY BOARD APPROVED ACTION TERMINATING THE LEASE WITH CHULA VISTA MARINA/RV PARK, WITH \$3.3 MILLION FUNDED FROM CUMULATIVE UNRESTRICTED RESOURCES AND \$1.1 MILLION FUNDED IN RENT CREDITS FOR THE MARINA LEASEHOLD

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, In connection with the Chula Vista Bayfront Master Plan (CVBMP), on March 2, 2018, the District served a Termination Notice to the Chula Vista Marina/RV Park, Ltd. exercising its option to terminate the lease of the Chula Vista RV Park (RV Park) in consideration of District compensating the Lessee \$4,929,614 comprised of \$7,548 in prorated taxes owed, \$600,000 in demolition credits, \$1,038,096 in rent credits for its adjacent Marina leasehold, and \$3,283,969 in cash; and

WHEREAS, The Chula Vista RV Park (RV Park) is located within a portion of the Chula Vista Bayfront (CVB), on the future location of the Harbor District Park and Resort Hotel and Convention Center (RHCC); and

WHEREAS, a budget amendment is needed to increase the FY 2019 CIP budget by \$4.4 million to reclassify this previously Board approved action as capital expenditure, and as part of the Site Preparation at Chula Vista Bayfront project within FY 2019-2023 5 year CIP; and

WHEREAS, of this increase, \$3.3 million will be funded from the Cumulative Unrestricted Resources, while the remaining \$1.1 million will be funded in the form of rent credits to the Chula Vista Marina lease for the remaining term of the lease equal to \$1,038,096; and

WHEREAS, staff recommends the Board approve the amendment to the FY 2019 Budget.

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

Section 1. The Fiscal Year 2019 Final Budget is hereby amended to increase the Capital Improvement Program (CIP) appropriation by \$4.4 million to reclassify a previously Board approved action terminating the lease with Chula Vista Marina/RV Park with \$3.3 million funded from cumulative unrestricted resources and \$1.1 million funded in rent credits for the Chula Vista Marina leasehold.

Section 2. 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 18th day of June, 2019, by the following vote:

AYES: Bonelli, Castellanos, Malcolm, Merrifield, Moore, Valderrama, and Zucchet

NAYS: None.

EXCUSED: None.

ABSENT: None.

ABSTAIN: None.



Garry J. Bonelli, Chairman
Board of Port Commissioners

ATTEST:



Donna Morales
District Clerk

(Seal)