

RESOLUTION 2013-166

RESOLUTION ESTABLISHING MINIMUM ANNUAL RENT OF \$67,850 FOR CALLAHILLS, INC. DBA RED SAILS INN FOR THE PERIOD DECEMBER 1, 2013 THROUGH NOVEMBER 30, 2023 LOCATED AT 2614 SHELTER ISLAND DRIVE IN THE CITY OF SAN DIEGO

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, Callahills, Inc. dba Red Sails Inn has a lease with the District covering its restaurant, lounge, and marina facility located at 2614 Shelter Island Drive, San Diego, on file in the Office of the District Clerk as Document No. 46792; and

WHEREAS, pursuant to its lease, a Minimum Annual Rent (MAR) adjustment is required for the ten year period from December 1, 2013 through November 30, 2023; and

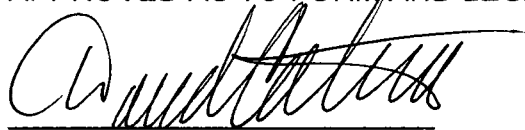
WHEREAS, BPC (Board of Port Commissioners) Policy No. 355 provides that MAR be set at no less than 75% of the average percentage rent paid during the last three years of the preceding rental period; and

WHEREAS, Red Sails Inn has agreed to an increase in MAR from \$63,918 to \$67,850 per year, or 75% of the average percentage rent paid during the last three accounting years.

NOW, THEREFORE, BE IT RESOLVED by the Board of Port Commissioners of the San Diego Unified Port District, as follows:

That the Executive Director or his designated representative is hereby authorized on behalf of the San Diego Unified Port District to establish Minimum Annual Rent of \$67,850 for Callahills, Inc., dba Red Sails Inn located at 2614 Shelter Island Drive in the City of San Diego for the period December 1, 2013 through November 30, 2023.

APPROVED AS TO FORM AND LEGALITY:



PORT ATTORNEY

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 8th day of October, 2013, by the following vote:

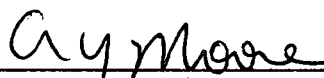
AYES: Castellanos, Malcolm, Merrifield, Nelson, Smith, Valderrama

NAYS: None.

EXCUSED: Moore

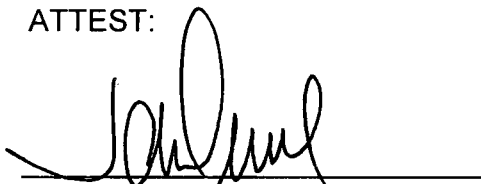
ABSENT: None.

ABSTAIN: None.



Ann Y. Moore, Chair
Board of Port Commissioners

ATTEST:



Timothy A. Deuel
District Clerk

(Seal)