

**RESOLUTION 2013-35**

**RESOLUTION ESTABLISHING MINIMUM ANNUAL RENT OF \$903,107 PER YEAR FOR BARTELL HOTELS, LP DBA HUMPHREY'S HALF MOON INN AND SUITES FOR THE PERIOD APRIL 1, 2013 THROUGH MARCH 31, 2023**

**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**, Bartell Hotels, a California limited partnership dba Humphrey's Half Moon Inn and Suites (Humphrey's) has a lease with the District wherein it operates a hotel and marina located at 2303 Shelter Island Drive in San Diego, California on file in the Office of the District Clerk as Document No. 45625; and

**WHEREAS**, pursuant to its lease, a minimum annual rent (MAR) adjustment is required for the ten-year period from April 1, 2013 through March 31, 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**, Humphrey's has agreed to an increase in the MAR from \$885,10 to \$903,107 per year, or 75% of the average percentage rent paid from the past three accounting years; and

**WHEREAS**, Humphrey's has consistently achieved percentage rents well above its MAR and has the best performance among the competitive set of hotel properties on Shelter Island; and

**WHEREAS**, the current percentage rental rates under the lease are consistent with the BPC adopted percentage rental rates and therefore are proposed to remain the same.

**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 \$903,107 per year for Bartell Hotels a California limited partnership, dba Humphrey's Half Moon Inn and Suites for the Period April 1, 2013 through March 31, 2023.

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 5th day of March, 2013, by the following vote:

AYES: Malcolm, Moore, Nelson, Smith, Valderrama

NAYS: None.

EXCUSED: None.

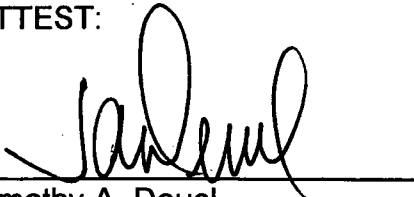
ABSENT: None.

ABSTAIN: None.



Ann Y. Moore, Chair  
Board of Port Commissioners

ATTEST:



Timothy A. Deuel  
District Clerk

(Seal)