

RESOLUTION 2014-34

**RESOLUTION AUTHORIZING STAFF TO
NEGOTIATE LEASE EXTENSION WITH HIW
ASSOCIATES DBA HARBOR ISLAND WEST
MARINA PURSUANT TO BPC (BOARD OF PORT
COMMISSIONERS) POLICY NO. 355**

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, HIW Associates, a general partnership, dba Harbor Island West Marina (HIW) has a Lease with the District which commenced September 1, 1981 and expires March 31, 2023, to operate a 620-slip marina, on file in the Office of the District Clerk Document No. 14085; and

WHEREAS, HIW has proposed an approximately \$20 million redevelopment project to staff and is requesting a lease term extension pursuant to BPC Policy No. 355; and

WHEREAS, BPC Policy No. 355 outlines a lease extension practice and decision criteria for tenants requesting a lease extension which staff has reviewed against HIW's request and found the proposed project meets the criteria; and

WHEREAS, the proposed project would replace and reconfigure the existing wooden dock marina, completely demolish and reconstruct the landside facilities, modernize the marina, enhance public access, create a more energy efficient facility, and may increase rent paid to the District; and

WHEREAS, the District retains sole and absolute discretion to, among other things (a) prepare, adopt or certify a Mitigated Negative Declaration or an Environmental Impact Report pursuant to the California Environmental Quality Act (CEQA), for the project and lease extension, which shall occur prior to any approvals; (b) make decisions regarding approvals or disapprovals related to the lease extension and project, including, without limitation, whether to issue a Coastal Development Permit for the same; (c) adopt any and all feasible mitigation measures to lessen potentially significant environmental impacts of the

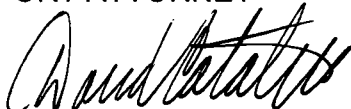
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project; and (d) modify the project or lease extension and/or select alternatives, including the "no project" alternative in connection with the CEQA process; and

WHEREAS, since HIW is a tenant in good standing and has demonstrated its commitment to invest in its leasehold, staff recommends the BPC authorize staff to negotiate a lease extension with HIW pursuant to BPC Policy No. 355.

NOW, THEREFORE, BE IT RESOLVED by the Board of Port Commissioners that the San Diego Unified Port District hereby authorizes the Executive Director or his designee to negotiate lease extension with HIW Associates dba Harbor Island West Marina pursuant to BPC Policy No. 355.

APPROVED AS TO FORM AND LEGALITY:
PORT ATTORNEY



By: ~~Assistant~~ Deputy

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PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 4th day of March, 2014, by the following vote:

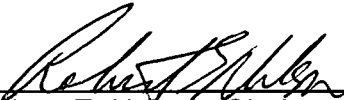
AYES: Bonelli, Castellanos, Malcolm, Merrifield, Moore, Nelson, and Valderrama

NAYS: None.

EXCUSED: None.

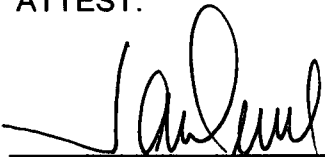
ABSENT: None.

ABSTAIN: None.



Robert E. Nelson, Chairman
Board of Port Commissioners

ATTEST:



Timothy A. Deuel
District Clerk

(Seal)