

RESOLUTION 2015-104

RESOLUTION ESTABLISHING RENT FOR HIGH SEAS MARINE ENTERPRISES, LLC LOCATED AT 2540 SHELTER ISLAND DRIVE IN THE CITY OF SAN DIEGO FOR THE PERIOD OF OCTOBER 1, 2015 THROUGH SEPTEMBER 30, 2025

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 1, (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, High Seas Marine Enterprises, LLC (High Seas) operates a fuel dock and offices for maritime businesses located at 2540 Shelter Island Drive in the City of San Diego; and

WHEREAS, pursuant to its lease with the District, a rent adjustment is required for the ten-year period from October 1, 2015 through September 30, 2025; and

WHEREAS, the lease is comprised of both flat rent and percentage rent payments; and

WHEREAS, High Seas pays flat rent for the three slips and offices for maritime businesses; and

WHEREAS, High Seas has agreed to an increase of 10.4% to the existing flat rent of \$102,672 which would increase flat rent to \$113,376; and

WHEREAS, the increase in flat rent is based upon a review of the nearby comparable properties; and

WHEREAS, High Seas pays percentage rent for all fuel dock related sales; and

WHEREAS, staff's analysis of the current values for fuel dock properties determined that the minimum annual rent (MAR) should remain unchanged at \$71,324 per year with the same percentage rent amounts per category as reflected in the lease.

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 her designated representative is hereby authorized on behalf of the San Diego Unified Port District to establish rent for High Seas Marine Enterprises, LLC located at 2540 Shelter Island Drive in the city of San Diego for the period of October 1, 2015 through September 30, 2025 with flat rent of \$113,376 per year and minimum annual percentage rent of \$71,324 per year with the same percentage rent amounts per category as reflected in the lease.

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 8th day of September, 2015, by the following vote:

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

NAYS: None.

EXCUSED: None.

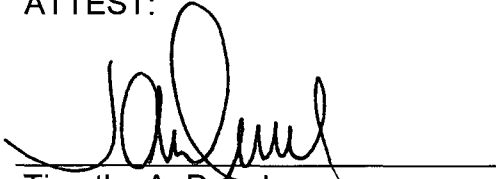
ABSENT: None.

ABSTAIN: None.



Dan Malcolm, Chairman
Board of Port Commissioners

ATTEST:



Timothy A. Deuel
District Clerk

