

RESOLUTION 2015-107

RESOLUTION CONSENTING TO ASSIGNMENT AND ASSUMPTION OF THE LEASEHOLD INTEREST IN THE HILTON SAN DIEGO AIRPORT LOCATED AT 1960 HARBOR ISLAND DRIVE, FROM WATERFRONT HARBOR GL, LLC TO BARTELL HOTELS, A CALIFORNIA LIMITED PARTNERSHIP, DBA HILTON SAN DIEGO AIRPORT

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, Waterfront Harbor GL, LLC a Delaware limited liability company dba Hilton San Diego Airport (Waterfront) operates a 211 room hotel at 1960 Harbor Island Drive (Hotel) under a lease and two lease amendments, which expire in 2048; and

WHEREAS, the Hotel leasehold is comprised of 112,548 square feet of land area and 59,117 square feet of water area; and

WHEREAS, Waterfront is proposing to assign their lease to Bartell Hotels, a California limited partnership, dba Hilton San Diego Airport (Bartell); and

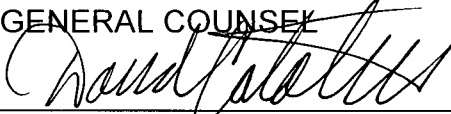
WHEREAS, Bartell, founded in 1984, is one of the largest and oldest independently-owned hotel companies in San Diego and owns seven hotels, of which three are located on District tidelands; and

WHEREAS, the three Bartell hotels located on District tidelands at Shelter Island and America's Cup Harbor include: (1) Best Western Island Palms Hotel and Marina, (2) Humphrey's Half Moon Inn and Suites, and (3) Holiday Inn San Diego Bayside; and

WHEREAS, the assignment of the Hotel would be the first hotel on Harbor Island for Bartell and would expand the Bartell portfolio to four hotels on District tidelands.

NOW, THEREFORE, BE IT RESOLVED that the Board of Port Commissioners of the San Diego Unified Port District, hereby consents to the assignment and assumption of the leasehold interest in the Hilton San Diego Airport located at 1960 Harbor Island Drive, from Waterfront Harbor GL, LLC to Bartell Hotels, A California Limited Partnership, dba Hilton San Diego Airport, subject to the terms and conditions of the subject lease and two lease amendments.

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:

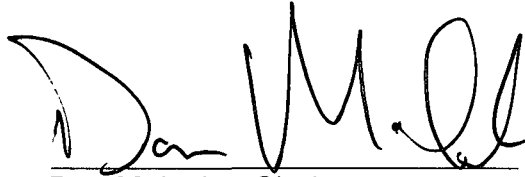
AYES: Bonelli, Malcolm, Merrifield, Moore, Nelson, and Valderrama.

NAYS: None.

EXCUSED: None.

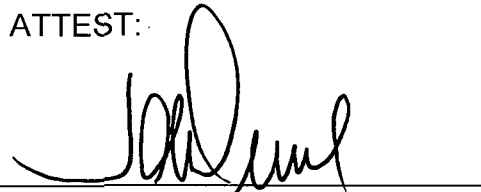
ABSENT: None.

ABSTAIN: Castellanos.



Dan Malcolm, Chairman
Board of Port Commissioners

ATTEST:



Timothy A. Deuel
District Clerk

