

## **RESOLUTION 2015-67**

### **RESOLUTION CONSENTING TO ENCUMBRANCE OF INTREPID LANDING, LLC'S LEASEHOLD ESTATE BY \$1,135,000 TRUST DEED IN FAVOR OF TORREY PINES BANK, WITH CONDITIONS**

**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**, Intrepid Landing, LLC (Intrepid) has a lease with the District at 2702 Shelter Island Drive to operate a commercial property on 32,604 square feet of land located along America's Cup Harbor (Commercial Lease); and

**WHEREAS**, Intrepid's Commercial Lease requires construction of 6,240 square feet of marine sales and service building (Buildings A and B) and a parking lot with a total minimum investment of \$1,200,000; and

**WHEREAS**, Intrepid has requested the District's consent to a new loan from Torrey Pines Bank in the amount of \$1,135,000 to finance the redevelopment; and

**WHEREAS**, the terms of the loan are in accordance with Board Policy No. 355; and

**WHEREAS**, the consent to the lease encumbrance includes the following conditions:

1. The loan amount will not exceed \$1,135,000.
2. The loan term will not extend beyond the current lease expiration date of June 30, 2037.
3. All other terms, conditions, provisions and covenants of the Commercial Lease shall remain and continue in full force and effect and no further encumbrance of the Commercial Lease or any part thereof shall be made without the prior written consent of the District in each instance, as provided in the Commercial Lease.

4. It is understood that the District has not reviewed or approved the terms and conditions of the proposed encumbrance documents, such as the leasehold deed of trust or note secured thereby and is not agreeing to be a party to the leasehold deed of trust, note or other documents.
5. Nothing contained in the conditions of approval shall be construed to modify, amend or waive any provisions of the Commercial Lease.
6. The District's consent to the encumbrance shall be null and void and of no further force and effect if Intrepid does not obtain financing from Torrey Pines Bank, as confirmed by receipt of final loan documents signed by both Intrepid and Torrey Pines Bank, within 90 days of District's consent.
7. Intrepid acknowledges that it will not seek rent relief as a result of not being able to meet its debt service or debt repayment obligations.
8. The District's consent to this encumbrance is conditioned upon the leasehold having no further loans in effect, as confirmed by receipt of a full reconveyance recorded in the Office of the Recorder of San Diego County within 90 days of District's consent.

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

That the San Diego Unified Port District hereby consents to encumbrance of Intrepid Landing, LLC's leasehold estate by \$1,135,000 in favor of Torrey Pines Bank with the above stated conditions.

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 11<sup>th</sup> day of June, 2015, by the following vote:

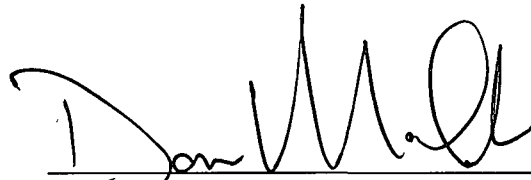
AYES: Bonelli, Castellanos, Malcolm, Merrifield, Moore, Nelson, and Valderrama.

NAYS: None.

EXCUSED: None.

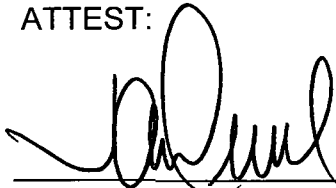
ABSENT: None.

ABSTAIN: None.



Dan Malcolm, Chairman  
Board of Port Commissioners

ATTEST:



Timothy A. Deuel  
District Clerk

