

RESOLUTION 2015-82

RESOLUTION CONSENTING TO SUBLEASE FROM SEAPORT VILLAGE OPERATING CO., LLC DBA THE HEADQUARTERS, LOCATED ON WEST HARBOR DRIVE AT THE FOOT OF PACIFIC HIGHWAY WITH PIZZA HEADQUARTERS, LLC, DBA FLOUR & BARLEY, FOR A 10-YEAR TERM WITH ONE 5-YEAR OPTION TO EXTEND

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, pursuant to Ordinance No. 2663 adopted by the BPC on January 10, 2012 the District entered into a Lease Agreement with SPV covering 273,887 square feet of tidelands located on West Harbor Drive at the foot of Pacific Highway, in the City of San Diego, California, the Old Police Headquarters (OPH), for an entertainment oriented specialty retail development, on file in the Office of the District Clerk as Document No. 58599 (Master Lease); and

WHEREAS, on January 11, 2012, SPV entered into a lease with the District and began construction for the restoration, renovation, and adaptive reuse of the OPH building, since re-branded to be called The Headquarters (THQ); and

WHEREAS, BPC consent is required for subleases at THQ of more than five years; and

WHEREAS, Pizzeria Mozza ceased operations at THQ on November 30, 2014; and

WHEREAS, this proposed sublease for Pizza Headquarters, LLC dba Flour & Barley, represents the replacement tenant for the former Pizzeria Mozza space; and

WHEREAS, the Flour & Barley concept remains a predominantly pizza oriented restaurant and will be able to take advantage of the significant

investment that was already placed into the former Pizzeria Mozza space by utilizing the wood fired pizza oven and other extensive improvements; and

WHEREAS, the proposed sublease is subordinate to SPV's Master Lease, and is consistent with the sublease criteria outlined in BPC Policy 355; and

WHEREAS, SPV is requesting consent for the Flour & Barley sublease.

NOW, THEREFORE, BE IT RESOLVED that the Board of Port Commissioners of the San Diego Unified Port District, hereby consents to the sublease between Seaport Village Operating Company, LLC, a Delaware limited liability company and Pizza Headquarters LLC dba Flour & Barley for 10 years with one 5-year option to extend, subject to the terms and conditions of the Master 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 14th day of July, 2015, by the following vote:

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

NAYS: None.

EXCUSED: None.

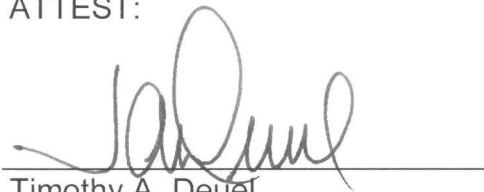
ABSENT: None.

ABSTAIN: None.



Dan Malcolm, Chairman
Board of Port Commissioners

ATTEST:



Timothy A. Deuel
District Clerk

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