

RESOLUTION 2016-117

**RESOLUTION CONSENTING TO ASSIGNMENT
AND ASSUMPTION OF THE LEASEHOLD
INTEREST LOCATED AT 2614 SHELTER ISLAND
DRIVE, SAN DIEGO FROM CALLAHILLS, INC., A
CALIFORNIA CORPORATION DBA RED SAILS INN
TO THE BRIGANTINE, INC., A CALIFORNIA
CORPORATION**

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, Callahills, Inc., a California corporation dba Red Sails Inn (Red Sails) operates a restaurant, lounge, and marina facility at 2614 Shelter Island Drive (Restaurant), under a lease which has been amended once and which expires in 2033; and

WHEREAS, Red Sails is proposing to assign its lease to The Brigantine, Inc., a California Corporation (Brigantine); and

WHEREAS, the assignment of the Restaurant leasehold would be the first District lease with Brigantine; and

WHEREAS, Brigantine was founded in 1969 and is a San Diego based family-owned company with extensive restaurant development and operation experience that owns twelve restaurants with two well-known concepts, Brigantine Seafood and Miguel's Cocina, which collectively exceed annual revenue of \$59 million; and

WHEREAS, Brigantine expects to launch its third concept, Ketch Grill and Tap (Ketch) at this location in late 2016; and

WHEREAS, Ketch will feature seafood in a casual setting along with a selection of craft beers on tap, wines by the glass, and limited selection cocktails.

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 located at 2614 Shelter Island Drive, San Diego from Callahills, Inc., a California Corporation DBA Red Sails Inn to the Brigantine, Inc., a California Corporation subject to the following conditions:

1. The consent of the Board of Port Commissioners of the San Diego Unified Port District to the assignment and assumption of the leasehold interest in 2614 Shelter Island Drive, San Diego to The Brigantine, Inc., shall not be effective until the Ordinance is effective.

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 27th day of July, 2016, by the following vote:

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

NAYS: None.

EXCUSED: None.

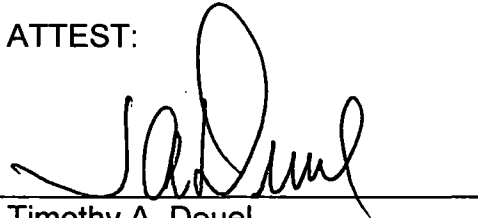
ABSENT: None.

ABSTAIN: None.



Marshall Merrifield, Chairman
Board of Port Commissioners

ATTEST:



Timothy A. Deuel
District Clerk

(Seal)