

RESOLUTION 2016-122

RESOLUTION ESTABLISHING RENT FOR PORT CORONADO ASSOCIATES, LLC DBA CORONADO FERRY LANDING MARKETPLACE LOCATED AT 1201 FIRST STREET IN THE CITY OF CORONADO FOR THE PERIOD JULY 1, 2016 THROUGH JUNE 30, 2021

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, Port Coronado Associates, LLC dba Coronado Ferry Landing (PCA) leases approximately 14 acres from the District to operate a retail center and ferry services at 1201 First Street in Coronado, California pursuant to a 40-year lease which started on July 1, 1986; and

WHEREAS, pursuant to the lease, a rent review is required for the five-year period from July 1, 2016 through June 30, 2021; and

WHEREAS, the property is well managed, is in satisfactory condition and has consistently achieved percentage rents well above the minimum annual rent (MAR); and

WHEREAS, during the three-year period commencing July 1, 2013 and ending June 30, 2016, PCA paid the District an average \$737,880 per year in rent under the subject lease; and

WHEREAS, PCA has agreed to an increase in the MAR from \$412,160 to \$590,304 per year which represents eighty percent (80%) of the average percentage rental paid to the District during the last three accounting years; and

WHEREAS, the current percentage rental rates under the lease are consistent with Board of Port Commissioners adopted rental rates and therefore are proposed to remain unchanged.

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 maintain the present percentage rental rates and increase minimum annual rent from \$412,160 to \$590,304 per year for Port Coronado Associates, LLC dba Coronado Ferry Landing for the period from July 1, 2016 through June 30, 2021.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL

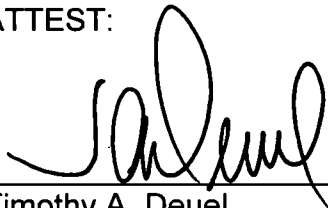

By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 9th day of August, 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)