

RESOLUTION 2018-124

RESOLUTION CONSENTING TO AMENDMENT NO. 3 TO SUBLEASE BETWEEN PORT CORONADO ASSOCIATES, LLC DBA CORONADO FERRY LANDING MARKETPLACE AND CHEESE WINE DESSERTS, LLC DBA CANDELAS ON THE BAY LOCATED AT 1201 FIRST STREET, IN THE CITY OF CORONADO (RESTAURANT) FOR A ONE-YEAR MANAGEMENT AGREEMENT WITH BLUE BRIDGE HOSPITALITY MANAGEMENT, LLC TO OPERATE THE RESTAURANT WITH AN OPTION TO PURCHASE THE REMAINING TERM OF THE SUBLEASE

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 I (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, Section V(A) of the Administrative Practices of BPC Policy No. 355, provides that a tenant may sublease all or part of its lease premises to a qualified subtenant subject to consent by the District; and

WHEREAS, the District entered into a forty-year (40) lease (Lease) with Port Coronado Associates, LLC dba Coronado Ferry Landing Marketplace (Ferry Landing) on July 1, 1986 to develop and operate restaurants, cocktail lounges, shopping facilities, offices for marine-related purposes, and marina slips for pleasure boat berthing, located at 1201 First Street, in the City of Coronado; and

WHEREAS, Ferry Landing received District approval to enter into a 15-year sublease (Sublease) with Cheese Wine Desserts, LLC dba Candelas on the Bay (Candelas) to operate a restaurant in Ferry Landing on January 9, 2007; and

WHEREAS, Ferry Landing is requesting the Board of Port Commissioner's (BPC) consent for Amendment No. 3 (Amendment) to the Sublease with Candelas; and

WHEREAS, the Amendment acknowledges that Candelas entered into a one-year management agreement with Blue Bridge Hospitality Management, LLC (BBH); and

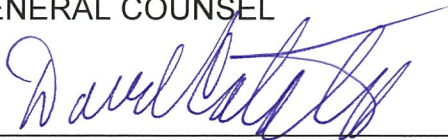
WHEREAS, the Amendment also permits BBH, or an entity formed by BBH, an option to purchase the remaining term of the sublease, which may be exercised at the end of the management agreement; and

WHEREAS, the Amendment is consistent with the terms of the Lease and the criteria set out in Section V(A) of the Administrative Practices of BPC Policy No. 355 and therefore staff recommends that the BPC adopt a resolution consenting to the sublease between Port Coronado Associates, LLC dba Coronado Ferry Landing Marketplace and Cheese Wine Desserts, LLC dba Candelas on the Bay, for a one-year Management Agreement with BBH to operate the Restaurant with an option to purchase the remaining term of the sublease.

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

That the Executive Director and/or her designated representative is hereby authorized on behalf of the District to enter into Amendment No. 3 to Sublease between Port Coronado Associates, LLC dba Coronado Ferry Landing Marketplace and Cheese Wine Desserts, LLC dba Candelas on the Bay located at 1201 First Street, in the City Of Coronado (Restaurant) for a one-year Management Agreement with Blue Bridge Hospitality Management, LLC to operate the Restaurant with an option to purchase the remaining term of the sublease.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL

A handwritten signature in blue ink, appearing to read "David M. Kelly", is written over a horizontal line.

By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 17th day of July 2018, by the following vote:

AYES: Castellanos, Malcolm, Merrifield, Moore, Valderrama, and Zucchet

NAYS: None.

EXCUSED: Bonelli

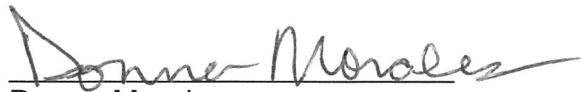
ABSENT: None.

ABSTAIN: None.



Rafael Castellanos, Chairman
Board of Port Commissioners

ATTEST:



Donna Morales
District Clerk

(Seal)