

**DRAFT**

**RESOLUTION 20xx-xxx**

**RESOLUTION CONSENTING TO A SUBLEASE  
BETWEEN LFS DEVELOPMENT, LLC, AND HOTEL  
CIRCLE CONVENIENCE, LLC, FOR A TEN-YEAR  
TERM WITH ONE FIVE-YEAR OPTION, 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 I (Port Act); and

**WHEREAS**, Section 21 of the Port Act authorizes the Board of Port Commissioners (BPC) to pass all necessary ordinances and resolutions for the regulation of the District; 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**, the District entered into a 66-year Lease (Lease) with LFS Development, LLC, (Lane Field South) on June 1, 2016 to operate a 400-room single-branded Intercontinental Hotel located at 901 Bayfront Court in the City of San Diego; and

**WHEREAS**, Lane Field South is requesting approval of a sublease with Hotel Circle Convenience, LLC, (Hotel Circle Convenience) to operate a convenience store and gift shop within the hotel building; and

**WHEREAS**, the proposed sublease with Hotel Circle Convenience is a ten-year term with one five-year option to extend, conditioned upon consent of the sublease by the District BPC; and

**WHEREAS**, for long term subleases (more than five years), BPC Policy No. 355 (BPC 355) states they must meet the following conditions as a requirement to consent of the sublease: the sublease must meet current District lease requirements; provide that the subtenant shall be obligated to pay any master lease rent increases that are applicable to the subleased premises; and, provide that in the event of a conflict between the master lease and the sublease, the master lease prevails; and

**WHEREAS**, since the sublease is consistent with BPC 355, staff recommends that the BPC adopt a resolution consenting to the sublease between Lane Field South and Hotel Circle Convenience.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Port Commissioners of the San Diego Unified Port District, hereby consents to a sublease between LFS Development, LLC, and Hotel Circle Convenience, LLC, for a ten-year term with one five-year option, with conditions.

APPROVED AS TO FORM AND LEGALITY:  
GENERAL COUNSEL

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By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 9th day of October 2018, by the following vote: