

(HA-88-4)  
HOUSING AUTHORITY OF  
THE CITY OF SAN DIEGO  
RESOLUTION NO. 00424  
ADOPTED ON AUGUST 4, 1987

WHEREAS, The City of San Diego has authorized the conveyance of City-owned Sites 2A, 3A, 300, 600 and 639 to the Housing Authority for the purpose of development and operation of low and moderate income rental units; and

WHEREAS, the Baker/Walsh Partnership obtained the right to lease and develop Site 2A, 3A, 300, 600 and 639 through an RFP process; and

WHEREAS, the Housing Authority has approved the form of Ground Lease, and an Option Agreement for Sites 2A, 3A, 300, 600 and 639 was executed on May 7, 1984, between the Housing Authority and Baker/Walsh Partnership; and

WHEREAS, Sites 2A, 3A, 600 and 639, under the Option Agreement, are under lease, completed and in the process of being occupied; and

WHEREAS, the preparation and planning for Site 300 was delayed, taking longer than the parties anticipated; and

WHEREAS, the developer, John B. Walsh, has proceeded in good faith to prepare the site for a 32-unit project; and

WHEREAS, to assist John B. Walsh in developing Site 300 the Housing Authority entered into a second option agreement; and

WHEREAS, on August 8, 1986, the Housing Authority executed a Ground Lease for Site 300 with John B. Walsh; and

WHEREAS, said Ground Lease requires that construction of the improvements shall commence within 30 days after the lease term commences; and

WHEREAS, said Ground Lease requires that construction of the improvements must be completed within 270 days after commencement of construction or, if there are construction delays beyond the tenant's control, within 540 days after the lease term commences; if construction is then not completed, the landlord can elect to terminate the lease; and

WHEREAS, to assist John B. Walsh the Housing Commission has agreed to lend up to \$402,000 as a junior lender on five scattered sites, including Site 300; and

WHEREAS, the Ground Lease on Site 300 does not include the

Housing Commission as a defined mortgagee; NOW, THEREFORE,  
BE IT RESOLVED, by the Housing Authority of The City of San  
Diego, that the Executive Director of the Housing Authority is  
hereby authorized and directed to amend the terms of the Ground  
Lease on Site 300 as follows:

1. To facilitate a newly established construction start date  
of December 31, 1987, the 30 days for commencement of  
construction shall be amended to "five hundred ten (510) days."
2. That the 540-day period for the landlord to elect lease  
termination if construction is not completed shall be amended to  
"nine hundred sixty-six (966) days," thus allowing an additional  
186 days until March 31, 1989, if the tenant experiences  
additional delays beyond his control.
3. That the definition section of the ground lease under the  
heading "MORTGAGEE" shall be amended to include the Housing  
Commission or a governmental entity.

APPROVED: John W. Witt, General Counsel

By

Harold O. Valderhaug

Deputy Counsel

HOV:ps:559

07/30/87

Or.Dept:Hsg.Comm.

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