

RESOLUTION NO. 216622

R-77-135

AUG 18 1976

WHEREAS, Council Policy 700-10 requires the establishment of a fair rate of return for both short and long term (flat rate) leases; and

WHEREAS, Property Department staff has surveyed professional property managers, real estate investors, appraisers, shopping center managers, governmental agencies, and lease specialists to obtain current land yield rates for both short term and long term flat rate leases; and

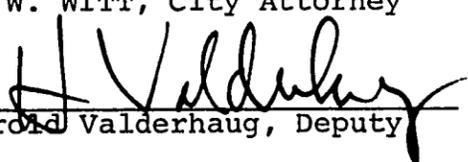
WHEREAS, the consensus indicates a general reliance on the market place which currently provides a range of from 8% to 10% return on fair market value and while a single rate will not be appropriate in all cases, it is recommended that a flexible rate of 8% to 10% be established at this time; and

WHEREAS, deviations from the base rate are appropriate, recommendations for modifications will be made at the time the contract is presented to Council for approval; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, as follows:

That the figure of 8% to 10% is established as the fair rate of return for lease or rental of City-owned real property.

APPROVED: JOHN W. WITT, City Attorney

By 
Harold Valderhaug, Deputy

HOV:n
8-11-76 (rev.)
Or. Dept. Property

Passed and adopted by the Council of The City of San Diego on AUG 18 1976,
 by the following vote:

Councilmen	Yeas	Nays	Excused	Absent
Gil Johnson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Maureen F. O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lee Hubbard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Leon L. Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Floyd L. Morrow	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tom Gade	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jim Ellis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jess D. Haro	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Pete Wilson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

AUTHENTICATED BY:

PETE WILSON
 Mayor of The City of San Diego, California.

(Seal)

EDWARD NIELSEN
 City Clerk of The City of San Diego, California.

By *Kathleen Martinez*, Deputy.

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Resolution Number 216622 Adopted AUG 18 1976