

**RESOLUTION No. 218125** (R-77-1749)

Adopted on **APR 12 1977**

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

That Council Policy 700-10 is hereby amended by adding the following language to page 10 of said policy:

**11. BROKER'S FEE**

1. City can be expected to pay a six percent leasing commission according to the schedule established by Resolution 212958 on April 4, 1975 or a sales commission of six percent (6%) for any parcel listed in the Marketing Catalog for which an offer is received that meets the City's minimum criteria.

2. If the City intends to pay no commission or to pay less than the normal commission for the lease or sale of selected parcels, that information will be noted in the Marketing Catalog or in any prospectus soliciting proposals.

3. City will not pay a commission for any lease or sale which is not consummated.

4. City is not obligated to pay a commission to any Broker who is an officer or has a financial interest or decision-making authority with the proposed lessee or grantee in any lease or sale.

5. City will not pay a commission for sale of property not listed in the Catalog.

6. City will pay a Broker's commission for a new lease with an existing Lessee only when that Lessee has submitted the best proposal in response to the City's solicitation for competitive offers.

7. For sales in excess of \$500,000, the commission will be reduced by 1/2% for each \$500,000 or as negotiated.

For example:

<u>Gross Price</u>	<u>Commission to Broker</u>	<u>Average Commission</u>	<u>Total Gross Sales</u>
1st \$500,000	6% = \$30,000	6%	on \$500,000 or under
2nd \$500,000	5% = \$55,000	5.5%	on \$1,000,000 or under
3rd \$500,000	4% = \$75,000	5%	on \$1,500,000 or under
4th \$500,000	3% = \$90,000	4.5%	on \$2,000,000 or under
5th \$500,000 and over	2% = \$100,000	4%	on \$2,500,000 or under

BE IT FURTHER RESOLVED, that paragraph 4 on page 1 of the policy is hereby amended to read as follows:

4. Real Estate Broker's Fee: The City may pay a commission to a licensed real estate broker representing a principal with whom the City has entered into a bona fide lease contract. The amount of commission shall be in accordance with the commission schedule adopted by resolution of the Council pursuant to Municipal Code Section 22.0905. (See Guideline No. 11 on page 10 of this Policy.)

APPROVED: JOHN W. WITT, City Attorney

By   
Harold O. Valderhaug, Deputy

HOV:sml  
Or.Dept.:Property  
3-23-77

Passed and adopted by the Council of The City of San Diego on APR 12 1977,  
 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lee Hubbard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leon L. Williams	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Floyd L. Morrow	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tom Gade	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Joel M. Strobl	<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.

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

By Kathleen Martinez, Deputy.

(Seal)

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 CITY CLERK  
 1977 MAR 30 AM 8 06  
 SAN DIEGO, CALIF.

Office of the City Clerk, San Diego, California	
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