

RESOLUTION No. 223040

(R- 79-1689
(REV.)

Adopted on MAR 12 1979

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

That Council Resolution Nos. 212958 and 218125, adopted April 4, 1975 and April 12, 1977, respectively, are hereby rescinded in their entireties and the following provisions for payment of Real Estate Broker's Commissions are adopted:

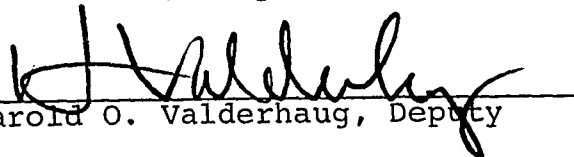
Unless otherwise directed by the Council in specific instances, the City can be expected to pay Real Estate Broker's Commissions for both negotiated and auction sales and leases of City-owned real estate in accordance with the following schedules, subject to the requirements of Section 22.0905 of the Municipal Code entitled "BROKER'S FEE AND REGISTRATION."

I. SALE COMMISSION. The amount of the broker's commission on sales shall be as follows:

<u>Gross Sale Price</u>	<u>Commission Percent of Sale Price</u>
Properties sold for \$50,000 or less	3% - 6% (at the sole discretion of the City Manager)
Up to \$500,000 inc.	3%
Next \$500,000 up to \$1,000,000 inc.	2.5%
Next \$500,000 up to \$1,500,000 inc.	2%
Next \$500,000 up to \$2,000,000 inc.	1.5%
All over \$2,000,000	1%

II. LEASE COMMISSION. The amount of the broker's commission on leases shall be as shown on Exhibit A hereto which is by this reference incorporated herein.

APPROVED: JOHN W. WITT, City Attorney

By 
Harold O. Valderhaug, Deputy

HOV:dm
3/1/79 Rev. 3/20/79

Or. Dept. PF&R

MICROFILMED
01508

LEASE BROKERAGE COMMISSION SCHEDULE

EXHIBIT A

A. Gross or Net Leases

1. Term of Less than five (5) years.

- 3% of the total rental for the 1st 12 months
- 2.5% of the total rental for the 2nd 12 months
- 2% of the total rental for the 3rd 12 months
- 1.5% of the total rental for the 4th 12 months
- 1% of the total rental for the remaining months

2. Term of five (5) years through twenty-five (25) years or more

- 2% of the total rental for the 1st 5 years
- 1% of the total rental for the 2nd 5 years
- .75% of the total rental for the remainder of the term up to 25 years

B. Month to Month Tenancy:

The commission rate in this instance shall be 25% of the first month's rent.

C. Percentage Rental:

As to any leases which contain a percentage rent clause, City shall pay a commission on the percentage rent at the same rate as applicable for the minimum guaranteed rent as above provided. This commission shall be due and payable within thirty (30) days after the Lessee's final payment and accounting of percentage rental for the preceding lease year. At the end of the third full lease year there shall be a settlement as to any commission due on percentage rental for the remainder of the original term, not to exceed twenty-five (25) years, of the lease calculated upon the assumption that the percentage rental for each year of the remainder of the term will be the same as the percentage rental for the third full lease year.

D. Payment of Lease Commission:

Commission shall be due upon execution of a lease and all lease revenue from the new contract received by City shall be paid within thirty (30) days after receipt by City to Broker as commission until such time as the commission is paid in full.

E. Extension of Lease or Additional Space Taken:

An additional lease commission will not be paid should the term of the lease be extended, renewed, or amended.

Notwithstanding any of the foregoing, in no event shall the amount of any commission exceed 3% of the fair market value of the lease property as appraised in accordance with Municipal Code Section 22.0901, LEASES OF REAL PROPERTY, prior to City's execution of the lease agreement.

MICROFILMED

223040 01509

Passed and adopted by the Council of The City of San Diego on MAR 1 2 1979,
 by the following vote:

Councilmen	Yeas	Nays	Not Present	Ineligible
Bill Mitchell	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Maureen F. O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bill Lowery	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leon L. Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fred Schnaubelt	<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"/>
Larry Stirling	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lucy Killea	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Pete Wilson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

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

CHARLES G. ABDELNOUR
 City Clerk of The City of San Diego, California.

(Seal)

By Barbara Burridge, Deputy.

Office of the City Clerk, San Diego, California	
Resolution Number 223040	Adopted MAR 1 2 1979

MICROFILMED
 01510