

BE IT RESOLVED, by the Council of The City of San Diego, that the City Manager be and he is hereby authorized and directed to advertise for and cause a public auction to be held for the sale of the Torrey Pines Properties in accordance with City Manager's Report No. 81-207, dated May 15, 1981, and the following:

1. Auction both Lot 16 and the reservoir site at 10:00 a.m., on Monday, June 29, 1981.
2. The minimum bid for Lot 16 will be \$2,370,000, based on a price of \$20.00/sq. ft., and the minimum bid for the reservoir site will be \$2,310,000, based on \$18.50/sq. ft.
3. The following criteria will be considered in "pre-qualifying" buyers:
  - a. Sale would be to the user of the site who would be precluded from leasing more than 20 percent of the building space to other parties during the first five years following completion of construction. In the case of headquarter uses, the "lease space" would be in addition to the minimum space of 40,000 sq. ft. required of corporate headquarters. In the case of research and development uses, the "lease space" could be included within the minimum building requirement of 40,000 sq. ft.
  - b. Proposed use must be in conformance with the SR zone.

c. Commitment to timely completion of development and use of the property.

d. Acceptance by the bidder before the auction of the following terms and conditions:

(1) City Manager approval of basic concept drawings, landscaping and finished grading plans and construction drawings and related documents for the site. The intent of this review is to ensure architectural quality which is compatible with the surrounding area.

(2) Construction of a facility of at least 40,000 sq. ft.

(3) Start of construction within 270 days following close of escrow. In order to ensure that land speculation does not take place, the purchaser would be required to agree to the City's repurchasing the property if construction is not started (foundations poured) on time.

(4) Completion of construction within 18 months from the start of construction.

(5) Employment of at least 30 persons per acre at the conclusion of the third year of occupancy. This condition will not apply to corporate headquarter uses.

(6) If the property is sold within five years, the City would be entitled to 80 percent of the increase in the value of the land, and if

sold in the 6th through the 10th year, the City would be entitled to 60 percent of the increase in the value of the land. These entitlements would be waived if the purchaser sells the property in order to accommodate expansion of its operations within the City of San Diego.

(6) Unconditional willingness to enter into an agreement which will document the above provisions for purchase, development, and use of the property.

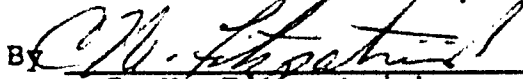
4. A broker's commission would be authorized in accordance with current practices.

5. Ten percent of the minimum bid would be deposited immediately at the conclusion of the auction, and the entire balance would be required at the close of escrow. Escrow is to take no more than 90 days.

6. City Council would reserve the right to accept or reject any or all bids.

BE IT FURTHER RESOLVED, that the City Manager be and he is hereby authorized to determine and establish the eligibility and qualifications of any potential bidder to this auction based upon the information furnished to him by said potential bidders and the criteria set forth and referred to herein and to accept bids only from said pre-qualified bidder at the public auction.

APPROVED: JOHN W. WITT, City Attorney

BY   
C. M. Fitzpatrick  
Senior Chief Deputy

CMF:vl:754  
6/25/81  
Or.Dept.: Clk.

MAY 19 1981

Passed and adopted by the Council of The City of San Diego on  
by the following vote:

Councilmen	Yeas	Nays	Not Present	Ineligible
Bill Mitchell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bill Cleator	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Susan Golding	<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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mike Gotch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dick Murphy	<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.

By *Barbara Beridge* Deputy.

(Seal)

Office of the City Clerk, San Diego, California

Resolution Number R-254239 Adopted MAY 19 1981