

(R-83-1341)

RESOLUTION NUMBER R- 258161

Adopted on MAR 28 1983

RESOLUTION AMENDING COUNCIL POLICY NO. 900-3
REGARDING DISPOSITION OF CITY-OWNED INDUSTRIAL
PROPERTY.

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


That Council Policy No. 900-3 entitled, "DISPOSITION OF
CITY-OWNED INDUSTRIAL PROPERTY" be and it is hereby amended as
set forth in the Council Policy filed in the office of the City
Clerk as Document No. RR- 258161.

BE IT FURTHER RESOLVED, that the City Clerk is hereby
instructed to add the aforesaid to the Council Policy Manual.

BE IT FURTHER RESOLVED, that Resolution No. R-253163
adopted November 24, 1980, be and the same is hereby rescinded.

APPROVED: John W. Witt, City Attorney

By


Harold O. Valderhaug
Deputy City Attorney

HOV:ps:011.1
02/23/83
Or.Dept:Prop.
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CITY OF SAN DIEGO, CALIFORNIA
COUNCIL POLICY

SUBJECT

Disposition Management and Marketing of City-owned
Industrial Property

POLICY
NUMBER

900-3

EFFECTIVE
DATE

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BACKGROUND

The City has actively engaged in the development of industrial and scientific research parks since the 1950's. This development has involved the subdivision and improvement of City lands, including Research Park, Research Park Subdivision Addition, City of San Diego Industrial Park, Torrey Pines Science Park, South San Diego Industrial Park, and Campus Point, Eastgate Technology Park, and Corporate Research Park. More recently, the City has acquired property and redeveloped it for industrial use. Examples include Market Street and Dells Industrial Park. Future industrial developments will be located at Brown Field, on the City's Pueblo Lands, and in redevelopment areas.

Between 1966 and 1977, the Economic Development Corporation (EDC) had an exclusive option on the City's industrial property under which it sold the property, provided that the purchaser committed to a construction schedule and achieved a high employment level in a given time period. In 1978, the City Manager assumed this responsibility.

PURPOSE

To increase employment, improve the local economy, and promote private sector activity through the acquisition, development, and lease or sale of City land for industrial purposes.

DOCUMENT NO. **R-258161**

FILED **MAR 28 1983**

POLICY

OFFICE OF THE CITY CLERK
SAN DIEGO, CALIFORNIA

In general, it shall be the City's goal to maintain a moderate inventory of industrially zoned and improved properties for disposal to specified users.

1. Objectives - City property is to be held for those developments which generally insure a high employment level and provide a specific development schedule. Special consideration may be given to lessees or purchasers who engage in scientific research, manufacturing research and development, high technology light manufacturing, or corporate headquarters. The property will be leased or

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sold to lessees or purchasers with the following characteristics:

- a. Will provide primary sector employment and/or make a significant contribution toward the growth or diversification of the economic base.
 - b. Will engage in activities compatible with the quality of life in San Diego.
 - c. Will insure, where appropriate, a high employment level, generally a minimum of 30 employees per usable acre before the end of the third operating year.
 - d. Will commit to a specific development schedule acceptable to the City, generally not to exceed 180 days (beginning at the close of escrow), with up to 90 days extension at City Manager discretion.
 - e. Will agree to appropriate reversionary rights to the City if performance is not in accordance with the requirements of the disposition agreement.
 - f. Will agree to abide by the provisions of any existing conditions, covenants and restrictions and all applicable laws, ordinances and regulations affecting the development and use of the property.
2. Property Inventory - The City shall continue to develop its inventory of property, and expand that inventory, where appropriate, through acquisition, redevelopment, or the development of surplus public properties. The City shall continue to recycle certain properties for industrial development by acquisition, renovation, clearance and/or consolidation of properties.
 3. Financing of Development Costs - Proceeds from the sale of City-owned industrial properties shall be deposited in the Industrial Development Fund from which up to 50 percent of the proceeds may be utilized for redevelopment of downtown in the short-term and the balance for support of the industrial development program.

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Expenditures from this fund shall be authorized by the Council on a case-by-case basis, and its use to comply with Section 77 of the Charter in all respects.

4. Designation of Responsibilities between the City and the EDC - It shall be the EDC's responsibility to market the land and to suggest the prospective lessee or purchaser to the City Manager. It shall be the City Manager's responsibility to accept or reject EDC's suggestion, negotiate a contract with the prospective lessee or purchaser and recommend the purchaser make a recommendation to the City Council.
5. Sale Procedures - City industrial property will be sold or leased at fair market value, as determined by independent appraisal. This value shall be no more than six months old at the time of Council consideration.
5. Lease Rent or Sales Price - The City shall optimize the lease rent or the sales price to be received from City-owned industrial properties based on relevant factors, including an appraisal of the property which is no more than six months old, prevailing economic conditions, recent trends in industrial lands, and specific benefits to be generated by the user.
6. Exclusive Negotiations - The City Manager may negotiate with a single employer when the objectives cited in Item 1 of this Policy are assured and there is a specific economic benefit. Those proposals need not be subject to advertisement prior to Council consideration, but shall be considered, based on the financial and economic benefits incorporated in the proposal. However, the ultimate responsibility for the selection or rejection of the proposed lessee or purchaser rests with the City Council; however, since it is not generally in the best interests of the City for an agreement to be negotiated in open session, the Council shall either disapprove or return to the City Manager for further negotiation any agreement which it does not approve.

MAR 28 1983

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"/>	
DISTRICT 3	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	VACANT
William Jones	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Ed Struiksmā	<input checked="" type="checkbox"/>	<input 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"/>	
Uvaldo Martinez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Mayor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	VACANT

AUTHENTICATED BY:

BILL CLEATOR

Deputy Mayor of The City of San Diego, California.

CHARLES G. ABDELNOUR

City Clerk of The City of San Diego, California.

By Marjorie L. Porticow, Deputy.

(Seal)

Office of the City Clerk, San Diego, California

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