

(R-87-807)

RESOLUTION NUMBER R- 266888

ADOPTED ON OCT 28 1986

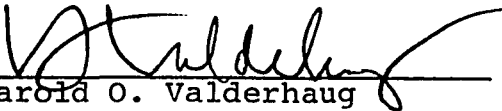
WHEREAS, the City Council on September 30, 1986, passed resolution No. R-266706 authorizing the City Attorney to commence a condemnation action to acquire the leasehold interests (a master lease and two subleases) in City-owned property for the expansion of Sorrento Valley Sewer Pump Station (No. 64); and

WHEREAS, City staff have negotiated a proposed settlement of the issue through the purchase of leasehold interests; and

WHEREAS, in connection with said Resolution R-266706 the City Council authorized the expenditure of funds by Auditor's Certificate No. 8700287 from Sewer Revenue Fund 41506, CIP 46-118.0, for the acquisition of the leasehold interests; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, that the City Council hereby authorizes the expenditure of not to exceed \$210,000 from funds authorized pursuant to said Resolution R-266706 for the acquisition of the leasehold interests of the City's master lease and two subleases and for the payment of relocation costs as required by law, as more particularly set forth in that memorandum dated October 22, 1986 attached hereto and by this reference incorporated herein.

APPROVED: JOHN W. WITT, City Attorney

By   
Harold O. Valderhaug  
Deputy City Attorney

HOV:ps  
10/24/86  
Or.Dept:Prop.  
R-87-807  
Form=r.none

CITY OF SAN DIEGO  
M E M O R A N D U M

CITY OF SAN DIEGO	
CITY ATTORNEY	
<input type="checkbox"/> DIRECTOR	OCT 23 3:26 PM '86
<input checked="" type="checkbox"/> FILE COPY	
<input type="checkbox"/> CHRON. COPY	
<input type="checkbox"/> ORIGINATOR	

FILE: Leases - Bay Investment Company  
DATE: October 22, 1986  
TO: Honorable Mayor and City Council  
FROM: John Lockwood, City Manager  
SUBJECT: Sorrento Valley Pump Station (No. 64)

On September 30, 1986, City Council passed Resolution R266706 authorizing the City Attorney to commence a condemnation action to acquire the leasehold interests (a master lease and two subleases) in City-owned property for the expansion of Sorrento Valley Sewer Pump Station (No. 64).

As you recall, the City has come to terms with the master lessee, Bay Investment Company, but had not arrived at a settlement with the two sublessees.

Since the September 30 meeting, the City and two sublessees have come to a tentative agreement subject to Council's approval.

The proposed settlement is as follows:

- Bay Investment Company, the master lessee:

The leasehold was appraised at \$119,750. Lessee agrees to settle for \$125,000 for the leasehold interest

- Henry and Roxanne Rose, Sublessee:

\$25,000 - Free rent at existing location for four months (September through December 1986) and rental adjustment to offset higher rental at new location.

15,000 - Estimated relocation costs  
\$40,000 Total

R- 266888

00700

- George McCarthy d.b.a. Pacific Beach Imports, Sublessee:

\$15,000 - Free rent at existing location for four months  
(September through December 1986) and rental  
adjustment to offset higher rental at new  
location.

10,000 - Estimated relocation costs  
\$25,000 Total

For a Grand Total of \$190,000 for settlement of the three leasehold  
interests plus escrow, appraisal, title and miscellaneous expenses.

The escrow with the master lessee was set to close on October 24, 1986, but  
has been extended to October 31, 1986. The sublessees would receive  
approximately one-half of their settlement within one week following the  
escrow closing with the master lessee and the balance of the settlement  
upon leaving the premises no later than December 31, 1986.

Should the proposed settlement be acceptable to Council, it is requested  
that a Resolution be adopted in open session on October 28, 1986 so that  
escrow may close on October 31, 1986.

Given the City's need to award a construction contract by January 1, 1987  
and have work commence shortly thereafter on the emergency storage overflow  
facility to meet its compliance schedule with the Regional Water Quality  
Control Board, staff recommends approval of the settlements with the master  
lessee and sublessees.

On a related matter, following the sublessees' vacation of the premises, a  
Resolution will be prepared for Council's approval to rescind the  
Condemnation Resolution R266706 referred to herein.



John Lockwood  
City Manager

JLS:RJC:jw(97-3)

cc: John P. Fowler

UC-3

Passed and adopted by the Council of The City of San Diego on.....**OCT 28 1986**.....  
by the following vote:

Council Members	Yeas	Nays	Not Present	Ineligible
Abbe Wolfsheimer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bill Cleator	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gloria McColl	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
William Jones	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ed Struiksma	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mike Gotch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Judy McCarty	<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 Maureen O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

.....**MAUREEN O'CONNOR**.....  
Mayor of The City of San Diego, California.

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

(Seal)

by.....*Barbara Baxter*....., Deputy.

Office of the City Clerk, San Diego, California

Resolution Number **R-266888** Adopted **OCT 28 1986**