

(O-2003-29)

ORDINANCE NUMBER 19088

ADOPTED ON AUG 05 2002

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO EXECUTE A FIRST AMENDMENT TO LEASE AGREEMENT WITH HYUNDAI RIO VISTA, INC.

WHEREAS, the San Diego Padres currently lease office space from the City of San Diego in the Rio Vista Tower, and need to extend the tenancy due to construction delays with the downtown ballpark project; and

WHEREAS, the City Manager has negotiated a First Amendment to Lease agreement with Hyundai Rio Vista, Inc., to continue the City's leasehold for another three-year term (terminating on January 14, 2005), with one option to renew for an additional three (3) term. However, the City shall have the right to terminate the lease after two years by providing a six-month notice to the landlord; and

WHEREAS, the initial rental rate will be \$43,252.30 per month (\$2.45 per square foot); said rental rate being below market as compared to similar office space in the Mission Valley area; and

WHEREAS, the City will receive a tenant improvement allowance of \$49,800. The allowance will be used as a rent reduction divided over the initial twelve months of the amendment term; NOW, THEREFORE,

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

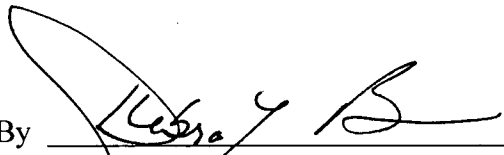
Section 1. That the City Manager is authorized to execute, for and on behalf of the City of San Diego, the First Amendment to Lease agreement with Hyundai Rio Vista, Inc., at an initial monthly rent of \$43,252.30, under the terms and conditions set forth in that First Amendment to Lease agreement on file in the office of the City Clerk as Document No. OO- 19088.

Section 2. That the City Auditor and Comptroller is authorized to expend an amount not to exceed \$84,549.79 from Fund No. 10330. Dept. 930 for FY02.

Section 3. That a full reading of this Ordinance is dispensed with prior to its final passage, a written or printed copy having been available to the City Council and the public a day prior to its final passage.

Section 4. This Ordinance shall take effect and be in force on the thirtieth day from and after its passage.

APPROVED: CASEY GWINN, City Attorney

By 

Debra J. Bevier
Deputy City Attorney

DJB:mm
07/08/02
Or.Dept:REA
Aud.Cert:
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