RESOLUTION NUMBER R- 299590 ADOPTED ON SEP 0 7 2004

WHEREAS, the City is the owner of a 4,030 square foot building located at 6960 Linda Vista Road [the Property]; and

WHEREAS, the property has been leased to Educational Enrichment Systems, Inc.

[EES], a non-profit corporation, since 1992 for a child care facility serving low-income families;

and

WHEREAS, EES has continually maintained and improved the Property during the term of its lease using a combination of CDBG Funds, private donations, state grants, and annual fund raising totaling more than \$331,000; and

WHEREAS, the City of San Diego and EES have negotiated a renewal of the lease for fifteen years (five years with 2-five year options) to manage and operate the Property as a child care center serving low-income families; and

WHEREAS, the under the terms of the proposed lease, EES shall pay no rent but shall pay an annual administrative fee of \$2,621, adjusted annually, and shall be responsible for the continued maintenance and improvement of the Property and its facilities pursuant to a previously approved Development Plan; and

WHEREAS, the City's valuation staff has determined the annual fair market rental value of the Property to be \$64,500; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, that the City Manager is authorized to execute, for and on behalf of the City of San Diego, a lease agreement with Educational Enrichment Systems, Inc., a non-profit corporation, for the operation and management of a child care center serving low-income families at 6960 Linda Vista Road, for an initial term of five years with two additional five-year options to extend, at no rent plus administrative cost recovery, under the terms and conditions set forth in that lease agreement on file in the office of the City Clerk as Document No. RR
299590

APPROVED: CASEY GWINN, City Attorney

Carrie L. Gleeson

Deputy City Attorney

CG:mm 08/23/04

Or.Dept:READ

R-2005-202