

RESOLUTION NUMBER R- 299703

ADOPTED ON SEP 28 2004

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE CITY MANAGER TO EXECUTE A FORTY-YEAR LEASE AGREEMENT WITH BALTIMORE DRIVE, LLC TO DEVELOP, OPERATE, AND MAINTAIN A COMMERCIAL BUILDING ON 1.12 ACRES OF CITY-OWNED PROPERTY ON OLD MURPHY CANYON ROAD.

WHEREAS, in February 2002, the Land Use and Housing Committee authorized the City Manager to enter into exclusive negotiations with Baltimore Drive, LLC [Lessee] for a ground lease and development of a commercial retail building on 1.12 acres of City-owned unused Old Murphy Canyon Road right-of-way at the southwest corner of Aero Drive and Interstate 15 [the Property]; and

WHEREAS, the City and the Lessee, have negotiated a forty-year ground lease at an initial rent, during the construction period (not to exceed one year), of \$500 per month, and thereafter at \$2,334 per month, increased annually by at least five per cent; and

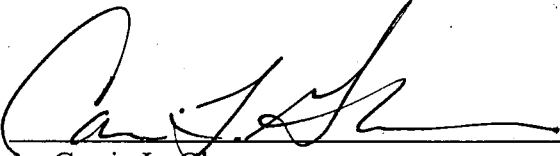
WHEREAS, the City's valuation staff has determined the fair market value of the property in its "as-is" condition to be \$280,000; and

WHEREAS, the property is located on unused right-of-way left over from the realignment of Murphy Canyon Road, and the proposed lease is predicated upon vacation of the right-of-way; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, that the City Manager is hereby authorized to execute, for and on behalf of the City of San Diego, a forty-year lease agreement with Baltimore Drive, LLC to develop, operate, and maintain a retail commercial building on 1.12 acres of City-owned property at an annual rental of \$28,000, following a one-year construction period rental of \$6,000, under substantially the terms and conditions set forth in that certain lease agreement on file in the office of the City Clerk as Document No.

RR- 299703

APPROVED: CASEY GWINN, City Attorney

By 

Carrie L. Gleeson  
Deputy City Attorney

CG:mm  
07/15/04  
Or.Dept:READ  
Job Order: 923118  
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