

RESOLUTION NUMBER R- 308100

DATE OF FINAL PASSAGE APR 22 2013

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO, ACTING IN ITS CAPACITY AS THE BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO, APPROVING AND AUTHORIZING EXECUTION OF LEASE FOR A PORTION OF 625 SIXTH AVENUE IN THE PARK IT ON MARKET – NORTH BUILDING TO SUSHI DEN, A CALIFORNIA COROPRATION.

WHEREAS, from its formation in 1958 until its elimination on February 1, 2012, the Redevelopment Agency of the City of San Diego (Former RDA) administered the implementation of various redevelopment projects, programs, and activities within designated redevelopment project areas throughout the City of San Diego (City); and

WHEREAS, the Former RDA dissolved as of February 1, 2012, in accordance with a deadline for elimination of all redevelopment agencies throughout California set forth in Assembly Bill x1 26 (AB 26), as modified by the California Supreme Court in a final opinion issued on December 29, 2011, in litigation designated as Case No. S194861; and

WHEREAS, pursuant to Resolution No. R-307238 adopted by the City Council effective January 12, 2012, the City of San Diego, solely in its capacity as the designated successor agency to the Former RDA (Successor Agency), elected to serve as the successor agency to the Former RDA; and

WHEREAS, at the time of the Former RDA's dissolution on February 1, 2012, the Successor Agency became vested with all of the Former RDA's authority, rights, powers, duties,

and obligations under the California Community Redevelopment Law and, by operation of law, received all assets, properties, contracts, leases, books and records, buildings, and equipment of the Former RDA; and

WHEREAS, the Former RDA issued the Centre City Redevelopment Project Parking Revenue Bonds, Series 1999A (Bonds) pursuant to that certain Trust Indenture dated November 1, 1999, by and between the Former RDA and U.S. Trust Company, National Association, as Trustee (Trust Indenture); and

WHEREAS, the Bonds financed the construction of certain parking facilities, which include approximately 500 parking spaces and approximately 2,147 square feet of commercial retail space, of which approximately 459 square feet of commercial retail space is currently leased by Sushi Den, a California Corporation (Sushi Den); and

WHEREAS, based on an appraisal conducted in accordance with San Diego Municipal Code §22.0901, the reasonable market rental rate for the commercial retail space to be leased has been determined to range from \$2.50 to \$3.00 per square foot; and

WHEREAS, pursuant to the Trust Indenture, the pledged revenues used as security for the Bonds include rent from the leased commercial retail space constructed and financed by the Bonds; and

WHEREAS, the Successor Agency is obligated to cause payment on the Bonds in accordance with the terms of the Trust Indenture, as recognized on the approved Recognized Obligation Payment Schedules 1, 2 and 3, and is obligated to cause payment on the Bonds until final maturity of the Bonds on September 1, 2025; and

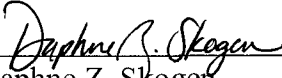
WHEREAS, in light of the ongoing payment obligations pursuant to the Trust Indenture, the Successor Agency has negotiated with Sushi Den that certain new lease (Lease Agreement)

which includes terms, among other things, as follows: (i) the space to be leased by Sushi Den consists of approximately 459 square feet of retail space to be used as a restaurant, coffeehouse, or delicatessen, at the initial base rent of \$1,285.20 per month, based on the rate of \$2.80 per square foot per month, with a right to lease a small storage space at a monthly rate of \$99; (ii) the lease shall be for a term of five (5) years, commencing on May 1, 2013, and terminating on April 30, 2018, and shall include the option to extend the Lease Agreement for one (1) additional five (5) year period, providing that Lessee is not in default; (iii) the rent shall be adjusted annually by a fixed four percent (4%) increase, during both the initial term of the Lease Agreement and the option period, if exercised; NOW, THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, acting in its capacity as the board of the Successor Agency, as follows:

1. The Lease Agreement, including all attachments thereto, is approved.
2. The Mayor or designee is authorized, on the Successor Agency's behalf, to execute the Lease Agreement, a copy which is on file in the office of the City Clerk as Document No. RR- 308100.

APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Daphne Z. Skogen
Deputy City Attorney

DZS:jls
March 25, 2013
Or.Dept: Civic San Diego
Doc. No. 535869_2_1

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of APR 09 2013.

ELIZABETH S. MALAND
City Clerk

By Mary Zumaya
Deputy City Clerk

Approved: 4/22/13
(date)

Bob Filner
BOB FILNER, Mayor

Vetoed: _____
(date)

BOB FILNER, Mayor