

RESOLUTION NUMBER R- 308889

DATE OF FINAL PASSAGE APR 30 2014

ITEM #102
SWB-A
4/22/14

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING AND DIRECTING THE EXECUTION OF A NEW 20-YEAR LEASE WITH BIG TREES NURSERY, INC., FOR THE LEASE OF PROPERTY LOCATED IN SAN PASQUAL VALLEY FOR THE PURPOSE OF OPERATING A TREE AND NATIVE PLANT NURSERY.

WHEREAS, the City of San Diego (City) owns approximately 43.5 acres of real property located in San Pasqual Valley, near the intersection of Highland Valley Road and Pomerado Road in San Diego, California (Property); and

WHEREAS, the Property was originally leased in 1986 to Big Trees Nursery, Inc., a California corporation (Big Trees), for a tree, shrub, and native plant nursery and sales center. The original lease expired in December 2006 and Big Trees has remained in operation at the Property in a holdover status since then; and

WHEREAS, Big Trees now requests a new long-term lease of the Property to continue operation of the nursery and sales center, to reduce the size of the leasehold, and to be able to obtain financing for contemplated improvements to the leasehold; and

WHEREAS, City staff has negotiated a proposed twenty (20) year flat rate lease (New Lease) with Big Trees for the operation of a tree, shrub, and native plant nursery and sales center at the Property. Among other things, the New Lease requires Big Trees to reduce the size of the existing active nursery area on the Property and to establish certain improvements and practices to reduce water runoff into the adjacent Lake Hodges reservoir. The New Lease requires Big Trees to pay the City \$16,320 annually, adjusted periodically for Consumer Price Index increases, along with all costs for ground water used at the Property. The amount of \$16,320

reflects the price of \$1,020 per acre for the sixteen (16) acres that will be actively used for the commercial nursery at the Property; and

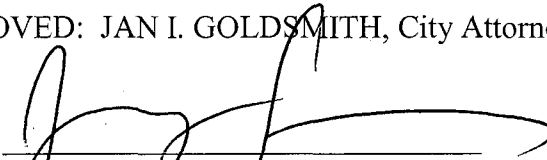
WHEREAS, the market value of the subject real estate is \$1,020 per acre; NOW,
THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, that the Mayor, or his designee, is authorized and directed to execute that certain "Flat Rate Lease," which is on file with the City Clerk as Document No. ~~RR-308889~~, with Big Trees, Inc., a California corporation, for the continued operation of a tree, shrub, and native plant nursery and sales center in San Pasqual Valley at the location described in the "Flat Rate Lease."

BE IT FURTHER RESOLVED, that the Chief Financial Officer is authorized to accept and deposit the lease revenues and all payments for water pursuant to the same "Flat Rate Lease" into Water Operating Fund 700011.

APPROVED: JAN I. GOLDSMITH, City Attorney

By



Jeremy M. Fonseca
Deputy City Attorney

JMF:als
04/02/14
Or.Dept: READ
Doc. No. 758254

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of APR 22 2014.

ELIZABETH S. MALAND
City Clerk

By Karen Crews
Deputy City Clerk

Approved: 4/29/14
(date)

Kevin L. Faulconer
KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on APR 22 2014, by the following vote:

| Councilmembers | Yeas | Nays | Not Present | Recused |
|-----------------|-------------------------------------|--------------------------|-------------------------------------|--------------------------|
| Sherri Lightner | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Ed Harris | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Todd Gloria | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Myrtle Cole | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Mark Kersey | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Lorie Zapf | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Scott Sherman | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| David Alvarez | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Marti Emerald | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Date of final passage APR 30 2014

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

(Seal)

By Karen Crowder, Deputy

Office of the City Clerk, San Diego, California

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