

RESOLUTION NUMBER R- 309324

DATE OF FINAL PASSAGE NOV 25 2014

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING AN AMENDMENT TO THE LEASE FOR THE PROPERTY LOCATED AT 475 WEST BROADWAY TO THE UNITED STATES GOVERNMENT AND DETERMINING THAT THE APPROVAL OF THE LEASE AMENDMENT IS CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT PURSUANT TO CEQA GUIDELINES SECTION 15301.

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, at the time of the Former RDA's dissolution on February 1, 2012, the City, in its capacity as the designated successor agency to the Former RDA (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, pursuant to Code section 34181(c), the seven-member Oversight Board directed the Successor Agency to transfer the Former RDA's affordable housing assets (Housing

Assets) to the City as Housing Successor, and the California Department of Finance (DOF) approved the Oversight Board's decision on January 4, 2013; and

WHEREAS, the Successor Agency transferred the Housing Assets to the Housing Successor on or about January 28, 2013; and

WHEREAS, pursuant to California Health and Safety Code section 34176(d), the Housing Successor has created a new, separate fund, known as the Low and Moderate Income Housing Asset Fund (Housing Asset Fund), for purposes of depositing funds transferred by the Successor Agency to the Housing Successor and retaining any revenues generated from the Housing Assets in the future; and

WHEREAS, Civic San Diego administers affordable housing projects and implements housing functions on behalf of the Housing Successor pursuant to a written consultant agreement, as amended; and

WHEREAS, the City currently leases the property located at 475 West Broadway in downtown San Diego (Property), a Housing Asset, to the United States Government pursuant to that certain U.S. Government Lease for Real Property dated March 6, 2002, as amended by that certain Supplemental Agreement No. 1 dated June 11, 2012 (collectively, the Lease), which (i) provides for the leasing of the Property to the U.S. Government through February 12, 2015; (ii) allows either party to terminate the Lease upon 180 days written notice; (iii) requires payment by the U.S. Government of \$393,600 in annual rent at the rate of \$32,800 per month; and (iv) requires that rental revenue received by the City under the Lease be deposited into a separate reserve account to be used to cover any financial obligations of the City arising under the Lease; and

WHEREAS, the Property includes a building area of 9,452 square feet currently operated as a child care facility; and

WHEREAS, the annual rent of \$393,600 equals a monthly rent of \$3.47 per square foot, which exceeds the current market rental value for the Property of \$2.55 to \$3.25, as determined in accordance with San Diego Municipal Code section 22.0901; and

WHEREAS, Civic San Diego, acting on behalf of the City, has negotiated an amendment to the Lease (Lease Amendment) that extends the term of the Lease through February 11, 2018, and leaves all other material terms and conditions of the Lease in effect; and

WHEREAS, the California Environmental Quality Act (CEQA) (Public Resources Code section 21000 et seq.), section 21084, states that the CEQA Guidelines (California Code of Regulations, Title 14, Chapter 3, Section 15000 et seq.) shall list those classes of projects which have been determined not to have a significant effect on the environment and which shall be exempt from CEQA; and

WHEREAS, pursuant to that authority, CEQA Guidelines sections 15300-15333 list the categorical exemptions promulgated by the California Office of Planning and Research and adopted by the Secretary of the California Natural Resources Agency for those classes of projects which have been determined not to have a significant effect on the environment; and

WHEREAS, the Development Services Department has established that the time extension confirmed in the Lease Amendment (Project) is categorically exempt from CEQA pursuant to CEQA Guidelines section 15301 and that no exception to the exemption, as set forth in CEQA Guidelines section 15300.2, applies to the Lease Amendment; and

WHEREAS, the Council of the City of San Diego (Council) has considered the potential environmental effects of the Project; and

WHEREAS, on November 18, 2014, the Council held a duly noticed public meeting and considered the written record for the Project as well as public comment; and

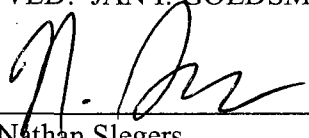
WHEREAS, the Council, using its independent judgment, has determined that the Project will not have a significant effect on the environment because it involves the continued lease of an existing facility with no change in use; NOW, THEREFORE,

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

1. The Lease Amendment, a copy which is on file in the office of the City Clerk as Document No. RR- 309324, is approved.
2. The Mayor or designee is authorized, on the City's behalf, to execute the Lease Amendment.
3. The Chief Financial Officer is authorized to accept and deposit revenues from the Lease, as amended, into the GSA Lease Revenue Fund 200698.
4. The Council determines that the Project is categorically exempt from CEQA pursuant to CEQA Guidelines section 15301, and that an exception to the exemption, as set forth in CEQA Guidelines section 15300.2, does not apply.

APPROVED: JAN I. GOLDSMITH, City Attorney

By

  
\_\_\_\_\_  
Nathan Slegers  
Deputy City Attorney

NLJS:dkr  
10/29/2014  
Or.Dept: Civic San Diego  
Doc. No. 882038

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of NOV 18 2014

ELIZABETH S. MALAND  
City Clerk

By   
Deputy City Clerk

Approved: 11/24/14  
(date)

  
KEVIN L. FAULCONER, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on NOV 18 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage NOV 25 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 *Mary Hernandez*, Deputy

Office of the City Clerk, San Diego, California

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