

Item #53 - 12/15  
(O-2015-101) Tues.

ORDINANCE NUMBER O- 20492 (NEW SERIES)

DATE OF FINAL PASSAGE JUN 05 2015

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING AND DIRECTING THE MAYOR, OR HIS DESIGNEE, TO EXECUTE, DELIVER AND ADMINISTER THAT CERTAIN SECOND AMENDMENT TO LEASE BETWEEN HINES 525 B STREET LP, A DELAWARE LIMITED PARTNERSHIP, AND THE CITY OF SAN DIEGO, WHICH, AMONG OTHER TERMS, AUTHORIZES THE CITY TO EXPAND THE SPACE IT LEASES AT 525 B STREET AND EXTEND THE TERM OF ITS ORIGINALLY LEASED SPACE SO THAT THE TERM FOR ALL THE LEASED SPACE TERMINATES AS OF THE SAME DATE; AND AUTHORIZING THE EXPENDITURE OF FUNDS FOR THE LEASED SPACE.

WHEREAS, on July 9, 2013, the Council of the City of San Diego authorized by ordinance that certain Office Lease (Original Lease) for office space at 525 B Street, between Hines 525 B Street LP (Hines) and the City of San Diego (City), on file with the Office of the City Clerk as Document No. OO-20273; and on December 9, 2013, the Council authorized a First Amendment to said Original Lease (First Amendment), on file with the Office of the City Clerk as Document No. OO-20324 (hereinafter, the Original Lease and the First Amendment shall be referred to jointly as the "Lease"); and

WHEREAS, Hines and City have agreed to amend the Lease for a second time (Second Amendment) to, among other things, allow the City to lease the entire 12<sup>th</sup> floor of the building, containing 19,684 square feet (Expansion Space), for five (5) years, and to extend the Term of the Lease by one year (Lease Extension) so that the Term for the office space already authorized under the Lease and the Term under the Lease Extension for the Expansion Space will terminate

as of the same date, all as more specifically set forth in the proposed Second Amendment; NOW, THEREFORE,

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


Section 1. That the Mayor, or his designee, is hereby authorized and directed to execute, deliver, and take all actions necessary to facilitate the administration of that certain Second Amendment to Lease between Hines 525 B Street LP, a Delaware limited partnership, as landlord, and the City of San Diego, as tenant, on file with the Office of the City Clerk as Document No. OO- 20492 .

Section 2. That the Chief Financial Officer is authorized to expend: (1) funds for the payment of rent for the Expansion Space, and as otherwise required by the Lease and Second Amendment, in an amount of up to \$1,963,283 in Fiscal Years 2016-2020 from Public Works Department Fund 720057; and (2) funds for the Fiscal Year 2020 Lease Extension, and as otherwise required by the Lease and Second Amendment, in an amount of up to \$1,794,696 - - with 47.66% of said amount coming from Public Works Department Fund 720057; 12.71% of said amount coming from Muni Sewer Revenue Fund 700000; 7.27% of said amount coming from Metro Sewer Utility Fund 700001; and 32.36% of said amount coming from Water Utility Operating Fund 700011 - - all of which funds shall be contingent upon the adoption of the Fiscal Year 2016 Appropriation Ordinance and upon the Chief Financial Officer furnishing a certificate certifying that the funds necessary for the expenditures are, or will be, on deposit with the City Treasurer.

Section 3. That a full reading of this ordinance is dispensed with prior to passage, since a written copy was made available to the City Council and the public prior to the day of passage.

Section 4. That this ordinance shall take effect and be in force on the thirtieth day from and after its final passage.

APPROVED: JAN I. GOLDSMITH, City Attorney

By   
Debra J. Bevier  
Deputy City Attorney

DJB:mcm  
April 22, 2015  
Or.Dept:Real Estate Assets Dept.  
Doc. No.: 1001101

I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of JUN 02 2015.

ELIZABETH S. MALAND  
City Clerk

By   
Deputy City Clerk

Approved: 6/5/2015  
(date)

  
KEVIN L. FAULCONER, Mayor

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

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

Passed by the Council of The City of San Diego on JUN 2 2015, by the following vote:

| Councilmembers   | Yeas                                | Nays                     | Not Present                         | Recused                  |
|------------------|-------------------------------------|--------------------------|-------------------------------------|--------------------------|
| Sherrri Lightner | <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"/> |
| Todd Gloria      | <input type="checkbox"/>            | <input type="checkbox"/> | <input checked="" 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"/> |
| Chris Cate       | <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 type="checkbox"/>            | <input type="checkbox"/> |

Date of final passage JUN 05 2015

AUTHENTICATED BY:

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

(Seal)

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

By *Mary Hernandez*, Deputy

I HEREBY CERTIFY that the foregoing ordinance was not finally passed until twelve calendar days had elapsed between the day of its introduction and the day of its final passage, to wit, on

MAY 12 2015, and on JUN 05 2015

I FURTHER CERTIFY that said ordinance was read in full prior to passage or that such reading was dispensed with by a vote of five members of the Council, and that a written copy of the ordinance was made available to each member of the Council and the public prior to the day of its passage.

(Seal)

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

By *Mary Hernandez*, Deputy

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| <p>Office of the City Clerk, San Diego, California</p> <p>Ordinance Number O- <b>20492</b></p> |
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