

RESOLUTION NUMBER R- 310325

DATE OF FINAL PASSAGE APR 13 2016

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE MAYOR OR HIS DESIGNEE TO SELL CERTAIN EXCESS CITY PROPERTIES LOCATED AT HEADQUARTERS POINT/SOUTH SIDE OF LUSK STREET AND TORREY PINES SCIENCE PARK/3050 CALLAN ROAD BY NEGOTIATION; AUTHORIZING THE MAYOR TO ENTER INTO AGREEMENTS TO CONSUMMATE THE SALE; AUTHORIZING THE PAYMENT OF REAL ESTATE BROKERAGE COMMISSIONS RELATED TO THE SALE; AND AUTHORIZING THE AUDITOR AND COMPTROLLER TO ACCEPT AND DEPOSIT THE PROCEEDS OF THE SALE.

WHEREAS, the City of San Diego (City) is the owner of that certain 10.32 acres of unimproved real property located at the Headquarters Point/South Side of Lusk Street, and identified as Assessor's Parcel Number 340-090-55 (Headquarters Point Property), which is valued at Three-Million Two-Hundred Eighty-Thousand Dollars (\$3,280,000.00) as disclosed by an appraisal made by a qualified real estate appraiser within the past six (6) months; and

WHEREAS, the City is the owner of that certain 3.182 acres of unimproved real property located at Torrey Pines Science Park/3050 Callan Road, identified as Assessor's Parcel Number 340-010-45 (Callan Road Property), which is valued at One-Million Eight-Hundred Seventy-Thousand Dollars (\$1,870,000.00) as disclosed by an appraisal made by a qualified real estate appraiser within the past six (6) months; and

WHEREAS, the City has no current or foreseeable operational need for either property and has determined each property to be in excess of the City's needs; and

WHEREAS, if the Council authorizes the Mayor or his designee to sell the properties, the value of the properties as disclosed by the appraisal will become the minimum acceptable sale

price for which each property may be sold, for at least the first twelve (12) months following the passage of this resolution. Thereafter, each property will be re-appraised at least once every twelve months until sold, and if the re-appraised value is greater than the minimum acceptable sale price set on the date of this resolution, the re-appraised value will become the minimum acceptable sale price. However, if after attempting to sell the property, the Mayor or his designee determines that either of the properties cannot be sold at or above the minimal acceptable sale price, the Mayor will seek review and additional direction from the Council as to the disposition of that particular property; and

WHEREAS, if Council authorizes the Mayor to sell the properties, and an offer to purchase the properties that meets the above criteria is received, the Mayor or his designee will be authorized to accept the offer, on terms and conditions that the Mayor or his designee determine to be reasonable and in the best interests of the City, and to execute and deliver on behalf of the City, a purchase and sale agreement, grant deed, and all other agreements and documents necessary to complete the sale transaction and transfer the property to the buyer; and

WHEREAS, the City can only begin analyzing the potential impacts of a particular proposed sale on the existing physical conditions of the property once an actual offer has been received, and no final approval or acceptance of a sale will occur until an environmental review has been completed in accordance with provisions of California Environmental Quality Act section 15004 and the City's Land Development Code; and

WHEREAS, City staff has determined it is in the best interests of the City to retain the services of a real estate broker to represent the City and facilitate the sale of the properties through negotiations on the open market in order to achieve the highest sale price for the City, and that the City should pay real estate broker's commissions, in an amount not to exceed three and one-quarter percent (3.25%) of the sale price for Headquarters Point Property and three and

one-half percent (3.5%) of the sale price of the Callan Road Property, all in compliance with San Diego Municipal Code section 22.0905; and

WHEREAS, the Headquarters Point Property is Pueblo Land subject to San Diego Charter section 219, which was authorized for sale for the general purpose of accommodating scientific research activities, manufacturing research and development activities, corporate headquarters, high technological-like manufacturing activities and related or similar uses, by San Diego Ordinance O-12685 (June 29, 1979) and the ratification of said Ordinance by the electorate on September 18, 1979. Said Ordinance requires that all proceeds from the sale of the Headquarters Point Property be placed into a Capital Outlay Fund to be used solely and exclusively for the purpose of financing acquisition and construction of police sub-stations and other permanent improvements for police purposes; and

WHEREAS, San Diego Charter section 77 requires generally that all proceeds from the sale of City real property be deposited into the City's Capital Outlay Fund; NOW, THEREFORE

BE IT RESOLVED, by the City Council of the City of San Diego, that the Mayor or his designee, is authorized to sell that certain 10.32 acres of unimproved real property located at the Headquarters Point/South Side of Lusk Street, identified as Assessor's Parcel Number 340-090-55, valued at Three-Million Two-Hundred Eighty-Thousand Dollars (\$3,280,000.00), which is the minimum acceptable sale price for at least the twelve-month period following the passage of this resolution.

BE IT FURTHER RESOLVED, that the Mayor or his designee is authorized to sell that certain 3.182 acres of unimproved real property located at Torrey Pines Science Park/3050 Callan Road, identified as Assessor's Parcel Number 340-010-45 (Callan Road Property), valued at One-Million Eight-Hundred Seventy-Thousand Dollars (\$1,870,000.00), which is the minimum acceptable sale price for at least the twelve-month period following the passage of this resolution.

BE IT FURTHER RESOLVED, that the Mayor, or his designee, is directed and authorized to do all of the following in connection with the sale of either property:

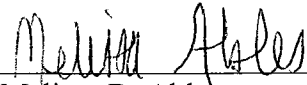
1. Each property shall be re-appraised at least once every twelve (12) months until sold, and the resulting appraised value of the property shall become the minimum acceptable sale price, provided that it is greater than the minimum acceptable sale price set for that specific property by this resolution. If the re-appraised value is less than the minimum acceptable sale price set on the date of this resolution, or the Mayor or his designee determine that a property cannot be sold at or above the minimum acceptable sale price set on the date of this resolution, the Mayor shall seek review and additional direction from the Council as to the disposition of that property.
2. To ensure that the potential impacts of a proposed sale on the existing physical conditions of the property are analyzed and an environmental review is conducted in accordance with the California Environmental Quality Act and the City's Land Development Code prior to making a final decision to accept a specific offer to purchase either property.
3. To accept an offer to purchase either of the properties based on the above criteria, on terms and conditions deemed by the Mayor or his designee to be reasonable and in the best interest of the City, and to execute and deliver, on behalf of the City, a purchase and sale agreement, grant deed, and all other agreements and documents, necessary to complete the sale and transfer the property to the buyer.
4. To retain, on terms deemed by the Mayor or his designee to be reasonable and in the best interests of the City, the services of a real estate broker to represent the City and facilitate the sale of the Property, and to pay said real estate broker a commission related to the sale of the Property in an amount not to exceed three and one-quarter

percent (3.25%) of the sale price of the Headquarters Point Property if a sale of the Headquarters Point Property is consummated, and not to exceed three and one-half (3.5%) of the sale price of the Callan Road Property if a sale of the Callan Road Property is consummated, which shall be done in compliance with San Diego Municipal Code section 22.0905.

BE IT FURTHER RESOLVED, the Chief Financial Officer is authorized and directed to accept the proceeds of the sale of the Headquarters Point Property, net of brokerage commissions and other costs of selling the Headquarters Point Property, and deposit them into the Capital Outlay Pueblo Land /Police Decentralization Fund 400006.

BE IT FURTHER RESOLVED, the Chief Financial Officer is authorized and directed to accept the proceeds of the sale of the Callan Road Property, net of brokerage commission and others costs of selling the Callan Road Property, and deposit then into the Capital Outlay Fund 400002.

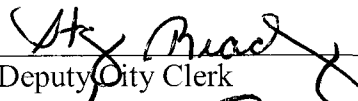
APPROVED: JAN I. GOLDSMITH, City Attorney

By  _____
Melissa D. Ables
Deputy City Attorney

MDA:mcm
March 22, 2016
March 29, 2016 Cor. Copy
Or.Dept: Real Estate Assets Department
Doc. No.: 1250054

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of APR 05 2016.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 4/11/16
(date)


KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on APR 05 2016, 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"/>
Lorie Zapf	<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"/>
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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage APR 13 2016.

(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 Stacy Bracy, Deputy

Office of the City Clerk, San Diego, California

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