

Item 332 - 8/2/16

(R-2017-48)
COR. COPY

Sub Item 'A'

RESOLUTION NUMBER R- 310659

DATE OF FINAL PASSAGE AUG 10 2016

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE MAYOR OR HIS DESIGNEE TO SELL CERTAIN EXCESS CITY PROPERTY LOCATED AT 540 W. LAUREL AND 2513/2515 UNION STREET BY NEGOTIATION AND TO ENTER INTO AGREEMENTS TO COMPLETE THE SALE; AUTHORIZING THE PAYMENT OF REAL ESTATE BROKERAGE COMMISSIONS RELATED TO THE SALE; AND AUTHORIZING THE CHIEF FINANCIAL OFFICER TO ACCEPT AND DEPOSIT THE PROCEEDS OF THE SALE.

WHEREAS, the City of San Diego (City) is the owner of that certain 0.68 acres of improved real property located at the 540 W. Laurel Street and 2513/2515 Union Street, identified as Assessor's Parcel Number 533-072-18 (Property), which is valued at \$2,470,000 as disclosed by an appraisal made by a qualified real estate appraiser; and

WHEREAS, there are two structures on the Property, and it has been asserted by members of the community that the structure which is located at 2513/2515 Union Street, commonly known as the Brad Truax House (Truax House), is potentially an historic resource; and

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

WHEREAS, on April 12, 2016, the City Council passed San Diego Resolution R-310358 on file with the City Clerk, authorizing the Mayor, or his designee, to market the Property for sale using a real estate broker, and to require as a condition of any sale, that the buyer obtain an historical research report regarding the Truax House and provide a copy to the City; and

WHEREAS, City Staff determined that it was in the City's best interest to sell the Property through negotiations in order to obtain the best terms and conditions for the City; and

WHEREAS, the City has received an offer to purchase the property for \$2,500,000, from Nakhshab Development and Design, Inc., a California corporation ("Nakhshab"). Nakhshab has submitted an historical research report to the Historical Resources Board and nominated the Truax House for designation as an historical resource; and

WHEREAS, Nakhshab has indicated that he will maintain, rehabilitate and preserve the Truax House in accordance with the U.S. Secretary of Interior's Standards for the Treatment of Historic Properties in accordance with the City of San Diego's Land Development Code, and all other applicable laws and regulations; and

WHEREAS, the Property was originally purchased with funds from the Special Gas Tax Street Improvement Fund for street and highway purposes, but the City has determined that the Property is no longer needed for such purposes; NOW, THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, that the Mayor or his designee is hereby authorized to sell that certain 0.68 acres of improved real property located at 540 W. Laurel Street and 2513/2515 Union Street, identified as Assessor's Parcel Number 533-072-18 (Property), to Nakhshab Development and Design, Inc., a California Corporation, or its assignee, for \$2,500,000 and to execute a purchase and sale agreement, grant deed, and any other documents and agreements necessary to complete the sale of the Property.

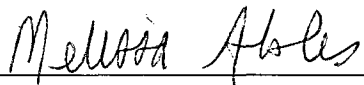
BE IT FURTHER RESOLVED, that the purchase and sale agreement for the Property shall include terms and conditions that include requiring Nakhshab to complete the nomination process for designation of the Truax House as an historical resource; and, as applicable, require that Nakhshab shall comply with the provisions of the City's Land Development Code,

Historical Resources Regulations and Guidelines to determine consistency with the U.S. Secretary of the Interior Standards for the Treatment of Historic Properties, and all other applicable laws and regulations, in preserving, maintaining, and rehabilitating the Truax House.

BE IT FURTHER RESOLVED, that upon completion of the sale, the City may pay a real estate broker commission related to the sale of the Property in an amount not to exceed 4% of the purchase price, which payment shall be made in compliance with San Diego Municipal Code section 22.0905.

BE IT FURTHER RESOLVED, that the Chief Financial Officer is authorized to accept and deposit the proceeds of the sale, net of costs, into Fund 200118 the Special Gas Tax Street Improvement Fund and pursuant to San Diego Charter section 77, that the use of the proceeds from the sale shall be restricted to Gas Tax eligible capital projects.

APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Melissa D. Ables
Deputy City Attorney

MDA:mcm
July 13, 2016
July 28, 2016 Cor. Copy
Or.Dept: Real Estate Assets Dept.
Doc. No.: 1322478

Passed by the Council of The City of San Diego on AUG 02 2016, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherr 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 AUG 10 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.

(Seal)

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

By Sty Brady, Deputy

Office of the City Clerk, San Diego, California
Resolution Number R- 310659