

RESOLUTION NUMBER R- 311544

DATE OF FINAL PASSAGE FEB 14 2018

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE MAYOR OR HIS DESIGNEE TO SELL CERTAIN EXCESS CITY PROPERTY FORMERLY OPERATED AS THE PACIFIC BEACH RESERVOIR LOCATED ON LOS ALTOS ROAD IDENTIFIED AS ASSESSOR'S PARCEL NUMBER 416-043-09 BY NEGOTIATION; AUTHORIZING THE MAYOR OR HIS DESIGNEE TO ENTER INTO AGREEMENTS TO CONSUMMATE 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 INDEPENDENT CONSIDERATION AND THE PROCEEDS OF THE SALE.

WHEREAS, the City is the owner of that certain 4.756 acres of real property (Property) that was previously improved with and operated as the Pacific Beach Reservoir located on Los Altos Road in San Diego, California, identified as Assessor's Parcel Number 416-043-09, which is currently an unimproved lot; and

WHEREAS, the City has removed the reservoir and all of the infrastructure associated with the operations of the Property as the Pacific Beach reservoir; and

WHEREAS, the City has no current or foreseeable use for the Property and has determined the Property to be in excess of the City's needs, with the exception of requiring easements for existing water pipelines, which will be reserved for the City as part of any sale; and

WHEREAS, the value of the Property as disclosed by an appraisal made by a qualified real estate appraiser or a qualified employee of the City within the past six (6) months is \$8,800,000.00; and

WHEREAS, if the Council of the City of San Diego (Council) authorizes the Mayor or his designee to sell the Property, the value of the Property as disclosed by the appraisal will become the minimum acceptable sale price for which the Property may be sold for at least the first twelve (12) months following the passage of this resolution. Thereafter, the 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 the Property cannot be sold at or above the minimum acceptable sale price, the Mayor will seek review and additional direction from the Council as to the disposition of the Property; and

WHEREAS, if the Council authorizes the Mayor to sell the Property, and an offer to purchase the Property 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, transfer the Property to the buyer and reserve the required easements for the City; 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 Property 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 commission in the amount of three percent (3%) of the sales price, all in compliance with San Diego Municipal Code section 22.0905; and

WHEREAS, the Purchase and Sale Agreement may require the buyer to pay City \$100.00 in consideration for City's execution and delivery of the Purchase and Sale Agreement into escrow (Independent Consideration), which shall be immediately released by the Escrow Agent to City, and is non-refundable regardless of whether the sale is completed; and

WHEREAS, San Diego Charter section 77 requires 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 Council of the City of San Diego, that the Mayor or his designee, is authorized to sell that certain 4.756 acres of real property owned by the City, formerly operated as the Pacific Beach reservoir, located on Los Altos Road, in the City of San Diego, identified as APN 416-043-09 and described as an unimproved lot, at a price equal to or greater than Eight Million Eight Hundred Thousand Dollars (\$8,800,000.00), 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 do all of the following in connection with the sale of the Property.

1. The 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 sales price, provided that it is greater than Eight Million Eight Hundred Thousand Dollars (\$8,800,000.00). 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 the 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 the Property.

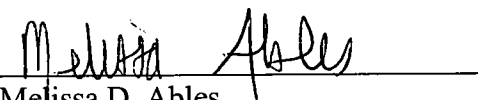
2. To retain, on terms deemed by the Mayor or his designee to be reasonable and in the best interests of the City, the services of a real estate broker to represent the City and facilitate the sale of the Property, and to pay said real estate broker commission related to the sale of the Property in an amount equal to three percent (3%) of the sales price, which shall be done in compliance with San Diego Municipal Code section 22.0905.

3. To accept an offer to purchase the Property based on the above criteria, on terms and conditions deemed by the Mayor or his designee 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 and transfer the Property to the buyer, and reserve the necessary easements for the existing water pipelines for the City.

BE IT FURTHER RESOLVED, that the Chief Financial Officer is authorized and directed to accept the Independent Consideration, and deposit it into the General Fund 100000.

BE IT FURTHER RESOLVED, that the Chief Financial Officer is authorized and directed to accept the proceeds of the sale of the Property, net of brokerage commissions and other costs of selling the Property, and deposit them into the Capital Outlay-Misc. Revenue Fund 400002.

APPROVED: MARA W. ELLIOTT, City Attorney

By 
Melissa D. Ables
Deputy City Attorney

MDA:sc:nja
01/30/18
Or.Dept: READ
Doc. No.: 1678594

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of 2/13/2018.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 2/14/18
(date)


KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on FEB 13 2018, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Barbara Bry	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Ward	<input type="checkbox"/>	<input checked="" 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"/>
Georgette Gomez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage FEB 14 2018

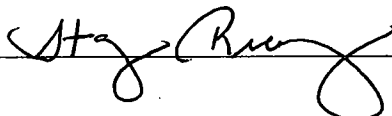
(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

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 , Deputy

Office of the City Clerk, San Diego, California

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