

RESOLUTION NUMBER R- 311582

DATE OF FINAL PASSAGE MAR 19 2018

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 7410 AND 7412 CUVIER STREET TO THE SAN DIEGO HOUSING COMMISSION FOR ONE HUNDRED DOLLARS, AUTHORIZING THE MAYOR OR HIS DESIGNEE TO ENTER INTO AGREEMENTS TO CONSUMMATE THE SALE, AND AUTHORIZING THE CHIEF FINANCIAL OFFICER TO ACCEPT AND DEPOSIT THE INDEPENDENT CONSIDERATION AND PROCEEDS OF THE SALE.

WHEREAS, the City owns that certain real property located at 7410 and 7412 Cuvier Street, San Diego, California 92037, consisting of approximately .448 acres of land, and identified as Assessor's Parcel Number 351-022-07 (Property), that is improved with an eight (8) unit housing complex commonly referred to as "La Jolla Marine Apartments;" and

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

WHEREAS, the value of the Property as disclosed by an appraisal made by a qualified real estate appraiser within the past six (6) months is \$3,920,000; and

WHEREAS, in 1977, the City and Strongly Oriented for Action of San Diego entered into a fifty (50) year lease (Lease) concerning the Property, whereby Strongly Oriented for Action of San Diego agreed to construct and operate eight (8) low and very low income housing units on the Property for the term of the Lease; and

WHEREAS, the City receives approximately \$26,000 per year in rent revenue under the Lease that is deposited into the Low Income Housing Lease Revenue Fund 200398. The San Diego Housing Commission (SDHC) approves expenditures from this fund in accordance with Resolution R-224179, adopted August 6, 1979; and

WHEREAS, the SDHC is a public housing agency created by the City under state law and governed by the San Diego Housing Authority to provide rental assistance, address homelessness, and create and preserve affordable housing; and

WHEREAS, in 2006, the Lease was assigned to the SDHC and the SDHC assumed all rights and obligations as lessee under the Lease; and

WHEREAS, the SDHC has offered to purchase the Property for \$100 to continue providing low income rental housing on the Property in perpetuity; and

WHEREAS, the nominal sale price of \$100 to the SDHC is fair and equitable because the Property sale furthers the public purposes of providing low-income rental housing, alleviating the persistent shortage of affordable housing in the City, and relieving the City of administrative costs and potential liability associated with managing and maintaining the Property; and

WHEREAS, if the Council of the City of San Diego authorizes the Mayor to sell the Property to the SDHC, the Mayor or his designee will be authorized 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 SDHC on terms and conditions that the Mayor or his designee determine to be reasonable and in the best interests of the City; and

WHEREAS, under the terms of the proposed sale, the grant deed will restrict the Property's allowed use to providing low-income rental housing pursuant to the United States Department of Housing and Urban Development program for the elderly under Section 8 of the United States Housing Act of 1937, or other federal, state or local-assisted, low-income rental housing program approved by the City; and

WHEREAS, if the SDHC breaches a condition or covenant in the grant deed, the City will have the right to re-take possession of the Property and exercise the City's reversionary interest in the Property; and

WHEREAS, the purchase and sale agreement may require the SDHC to pay the City \$100 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 the City, and is non-refundable regardless of whether the sale is completed;

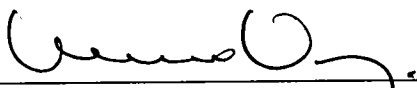
WHEREAS, San Diego Charter section 77 requires all proceeds from the sale of City real property be deposited into the City's Capital Outlay Fund; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, that the Mayor or his designee is authorized to execute and deliver a purchase and sale agreement to sell that certain City-owned land located at 7410 and 7412 Cuvier Street, San Diego, California 92037, consisting of approximately .448 acres of land identified as Assessor's Parcel Number 351-022-07, to the San Diego Housing Commission for One Hundred Dollars (\$100), execute and deliver a grant deed containing the restrictions, covenants, and conditions described in the recitals herein, and execute and deliver any other agreements and documents required to complete the sale and transfer of the Property on terms and conditions deemed reasonable and in the City's best interest by the Mayor or his designee.

BE IT FURTHER RESOLVED, that the Chief Financial Officer is authorized and directed to accept and deposit the proceeds of the sale of the Property, net costs related to the sale, into the Capital Outlay – Low Income Unit Purchase Fund 400008.

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

APPROVED: MARA W. ELLIOTT, City Attorney

By 
Marco A. Verdugo
Deputy City Attorney

MAV:nja
02/13/18
Or.Dept: READ
Doc. No.: 1688328

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of MAR 06 2018.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 3/19/18
(date)


KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on MAR 06 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Ward	<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"/>
Georgette Gomez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage MAR 19 2018

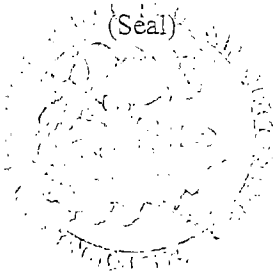
(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

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

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

By Linda Bruin, Deputy



Office of the City Clerk, San Diego, California

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