

RESOLUTION NUMBER R- 311604

DATE OF FINAL PASSAGE MAR 20 2018

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO AUTHORIZING THE SALE OF CITY-OWNED
LAND TO OTAY LAND COMPANY, LLC AND
RESERVATION OF EASEMENTS IN CHULA VISTA.

WHEREAS, in 1912, the City of San Diego (City) acquired various land in what is now the City of Chula Vista, County of San Diego, and these City properties are used for potable water pipelines to provide water to South San Diego, Coronado, and Imperial Beach, and to provide additional backup water service for the Otay Water District; and

WHEREAS, the City property, Assessor's Parcel Number (APN) 644-070-14, is approximately 2.7 acres comprised of a long, narrow strip of land (Property) containing City water pipelines, and is surrounded by property (Otay Land Property) owned by Otay Land Company, LLC, a Delaware limited liability company (Otay Land), in the Otay Ranch Community of the City of Chula Vista; and

WHEREAS, the Otay Ranch Community is being developed with 11 urban villages containing housing, shops, workplaces, schools, parks, civic facilities, etc.; and

WHEREAS, the City of Chula Vista has approved Otay Land's project for construction of approximately 2,050 residential housing units and 100,000 square feet of commercial/retail space on the Otay Land Property (Village 8 West Development), and Otay Land anticipates beginning construction in 2018; and

WHEREAS, Otay Land would like to acquire the Property for the Village 8 West Development; and

WHEREAS, the City will reserve a restricted water pipeline easement from the conveyance of the Property for the City's existing water main pipelines and all related facilities and appurtenances; and

WHEREAS, given that the Property is surrounded by the Otay Land Property and coupled with its long and narrow shape, the Property has little potential value to anyone other than Otay Land; and

WHEREAS, in accordance with Council Policy 700-10, an exclusively negotiated sale is justified when fee interest in a pipeline or other right-of-way is no longer required and it may be sold to a contiguous property owner with the reservation of a restrictive pipeline easement; and

WHEREAS, a real estate broker's commission will not be paid in the sale of the Property; and

WHEREAS, the Property was appraised by an independent MAI appraiser and the fair market value of the Property was determined to be One Hundred and Two Thousand Dollars (\$102,000); and

WHEREAS, the City is reserving a pipeline easement valued to be one half of the fee interest, and therefore, the purchase price for the Property with the pipeline easement reserved is Fifty One Thousand Dollars (\$51,000); NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego that approximately 2.7 acres of City-owned real property in the City of Chula Vista, County of San Diego (APN 644-070-14), is no longer required and may be sold by direct negotiation to a contiguous owner with the reservation of a restrictive pipeline easement on the Property.

BE IT FURTHER RESOLVED, that the Mayor, or his designee, is authorized and directed to sell approximately 2.7 acres of City-owned real property in the City of Chula Vista,

County of San Diego (APN 644-070-14) to Otay Land Company, LLC, a Delaware limited liability company, pursuant to the terms and conditions of that certain Purchase and Sale Agreement on file in the Office of the City Clerk as Document No. RR- 311604, for the price of Fifty One Thousand Dollars (\$51,000).

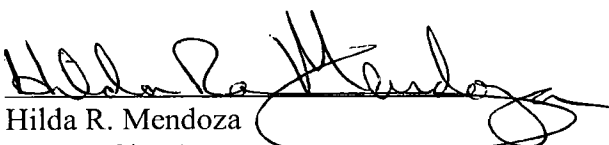
BE IT FURTHER RESOLVED, that the Mayor, or his designee, is authorized to reserve an easement for existing City water pipelines installed under the Property.

BE IT FURTHER RESOLVED, that the Mayor, or his designee, is authorized to execute and deliver all such agreements and all other instruments to effect and complete the transaction contemplated by this Resolution.

BE IT FURTHER RESOLVED, that the Chief Financial Officer is authorized to accept and deposit the proceeds of the sale of the property, net costs related to the sale, into the Capital Outlay Water Fund 400004.

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

APPROVED: MARA W. ELLIOTT, City Attorney

By 
Hilda R. Mendoza
Deputy City Attorney

HRM:js
February 14, 2018
Or.Dept:Real Estate Assets
Doc. No.: 1688796

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

ELIZABETH S. MALAND
City Clerk

By *Linda Strwin*
Deputy City Clerk

Approved: 3/20/18
(date)

Kevin L. Faulconer
KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on MAR 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 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"/>

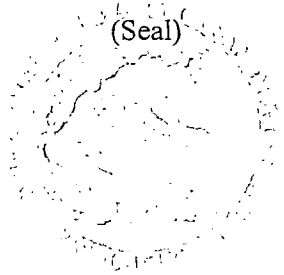
Date of final passage MAR 20 2018

(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 *Ginda Bruin*, Deputy

Office of the City Clerk, San Diego, California
Resolution Number R- 311604