Hem 52 7 4-23-19 (0-2019-116)

ORDINANCE NUMBER O- 21067 (NEW SERIES)

DATE OF FINAL PASSAGE APR 2 5 2019

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE MAYOR TO EXECUTE THE FIRST AMENDMENT TO THE LEASE AGREEMENT WITH AARDEMA FAMILY LIMITED PARTNERSHIP, A CALIFORNIA LIMITED PARTNERSHIP, FOR THE REAL PROPERTY LOCATED AT 411 RAVEN STREET, SAN DIEGO, CALIFORNIA TO BE USED BY THE PARKS AND RECREATION DEPARTMENT.

WHEREAS, Aardema Family Limited Partnership, a California Limited Partnership (Aardema) owns a 2.2-acre property located at 411 Raven Street, San Diego, California, consisting of fenced yard and improved with a 30,000 square foot building with office and warehouse space and two small storage sheds (Property); and

WHEREAS, the City of San Diego (City) has leased the Property from Aardema and the Parks and Recreation Department has occupied the Property since 1994; and

WHEREAS, the Property is used by the City's Parks and Recreation Department for storage, repair, and maintenance of equipment and for office purposes; and

WHEREAS, the Property is zoned IL-2-1 (Industrial Park Zone) and is in a central location for Parks and Recreation Department operational needs; and

WHEREAS the existing lease commenced on June 1, 2014 and expires on May 31, 2019 and provides the City with one five-year option for renewal (Renewal Term) of the lease that must be exercised no later than six months prior to the lease expiration; and

WHEREAS in September 2018, the City sent a letter of intent to exercise the option for renewal; and

WHEREAS the City negotiated the rent per square foot down from \$1.17 per square foot plus operating expenses to \$0.90 per square foot plus operating expenses, which is comparable to

rent for similar sized properties, which will increase annually by three percent (3%) resulting in a total rent of \$1,720,161 plus approximately \$285,000 in estimated operating expenses for the entire Renewal Term; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. That the Mayor, or his designee, is authorized to execute, for and on behalf of the City, that certain First Amendment to Standard Industrial/Commercial Single-Tenant Lease – Net between the City, as lessee, and Aardema Family Limited Partnership, a California Limited Partnership, as lessor, that is on file in the Office of the City Clerk as Document No. 10.21.067, for the renewal of the lease of the real property located at 411 Raven Street, San Diego, California.

Section 2. That the Chief Financial Officer is authorized to appropriate and expend funds up to \$1,720,161 in base rent plus approximately \$285,000 in operating expenses over the Renewal Term of the lease, contingent upon adoption of annual funds for the applicable fiscal year and the Chief Financial Officer furnishing one or more certificates certifying that funds necessary for expenditure, are, or will be, on deposit with the City Treasurer.

Section 3. That a full reading of this Ordinance is dispensed with prior to passage, a written copy having been made available to the Council and the public prior to the day of its passage.

| Section 4. | That this Ordinance shall ta | ake effect and be in force on the thirtieth day | | | | |
|---|------------------------------|---|--|--|--|--|
| from and after its fina | ıl passage. | | | | | |
| APPROVED: MARA | A W. ELLIOTT, City Attorn | ney | | | | |
| By Kathy J. Stein Deputy City A | | | | | | |
| KJS:nja 03/25/19 Or. Dept: READ CC No. 3000011948 Doc. No.: 1964159 | | | | | | |
| I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of APR 2 3 2019 | | | | | | |
| | | ELIZABETH S. MALAND City Clerk | | | | |
| Approved: | 35 19 (date) | Deputy City Cterk KEVIN L. FAULCONER, Mayor | | | | |
| Vetoed: | (date) | KEVIN L. FAULCONER, Mayor | | | | |

The City of San Diego

| | | | | | ROLLER'S CE | _ | E | | | | | |
|--------------------------------|--|--|---|--|--|---|---|---|---|--|--|--|
| | | CERTIFICATE OF UNALLOTTED BALANCE ORIGINATING | | | | | | ORIGINATING | 3000011948 DEPT. NO. 9912 | | | |
| | | | | uired for the allotr Treasury, and is o | | | ourpose set forth in | the foregoing res | solution is available ir | | | |
| Amou | nt: | | | | | | Fund | l: | | | | |
| Purpo | se: | | | | | | | | | | | |
| | | | | <u> </u> | | | | | | | | |
| | | *** | | | ~····································· | | | | | | | |
| Date: | | | | | · · · · · · · · · · · · · · · · · · · | | By: | | - Patricipal Control of the Control | | | |
| | | | COMPTROLLER'S DEPARTMENT | | | | | | | | | |
| Doc. | | | | | ACCOUNTING DATA | Business | · · · · · · · · · · · · · · · · · · · | | | | | |
| Item | Fund | Funded Program | Internal Order | Functional Area | G/L Account | Arca | Cost Center | WBS | Original Amount | | | |
| | | | | | | | | | | | | |
| | | | | | + | | | | | | | |
| | | | | | | | | | | | | |
| L | | | | | | | | TOTAL AMOU | VI | | | |
| | | | | | | | | | FUND OVERRIDE | | | |
| resolution confor contrato the | tion, can mity with ct, that si credit of | be incurred with the requirement ufficient moneys the appropriation | out the violation s of the Charte to meet the obl a from which the | of any of the proving the City of San igations of said costs ame are to be d | o be incurred visions of the Diego, that so Intract are act rawn, and that | by the co Charter of sufficient in tually in that the said | ontract or agreemen of the City of San Dio moneys have been | ego; and I do her appropriated for anticipated to cor ly in the Treasury | eby further certify, in the purpose of said ne into the Treasury, | | | |
| Not to I | Exceed: | | | | \$31,248.00 | | | _ | | | | |
| Vendo | r: | Aardema Family Limited Partnership, LLP | | | | | | | | | | |
| Purpos | e: | First Amendment to the Lease Agreement between Aardema Family Limited Partnership, LLP and the City of San Diego to renew the Lease for five years for the property at 411 Raven Street, San Diego, CA 92102 | | | | | | | ego to renew the Lease | | | |
| Date: | | | Feb | ruary 25, 2019 | | | By: William \ | Weisman COMPTROLLER'S | DEPARTMENT | | | |

| ACCOUNTING DATA | | | | | | | | | |
|-----------------|--------|----------------|----------------|------------------|-------------|----------|-------------|--------------|----------------|
| Doc. | • | | | | | Business | | | |
| Item | Fund | Funded Program | Internal Order | Functional Area | G/L Account | Area | Cost Center | WBS | Original Amoun |
| ı | 100000 | NON-PROGRAM | | OTHR-00000000-GG | 512217 | 9912 | 9912001112 | | \$27,000.00 |
| 2 | 100000 | NON-PROGRAM | | OTHR-00000000-GG | 512217 | 9912 | 9912001112 | | \$4,248.00 |
| | | | | | | - | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | TOTAL AMOUNT | \$31,248.00 |

FUND OVERRIDE CC-361 (REV 7-09)

| Passed by the Council of The City of S | San Diego on | APR 2 3 2019 | , by the following vote: | | | | | |
|---|---|-----------------------|------------------------------|--|--|--|--|--|
| Councilmembers Yo | eas Nays | Not Present | Recused | | | | | |
| Barbara Bry | | | | | | | | |
| Jennifer Campbell | | | | | | | | |
| Chris Ward | | | | | | | | |
| Monica Montgomery | | | | | | | | |
| Mark Kersey | otag | | | | | | | |
| Chris Cate | | | | | | | | |
| Scott Sherman | | | | | | | | |
| Vivian Moreno | | | | | | | | |
| Georgette Gómez | | | | | | | | |
| APR 2 | 5 2019 | | | | | | | |
| Date of final passage | · | | | | | | | |
| ALITHENITICATED DV | | KEVIN L. FAL | | | | | | |
| AUTHENTICATED BY: | IVIA | yor of the City of S | an Diego, California. | | | | | |
| | - | | MALAND | | | | | |
| (Seal) | City | Clerks of The City of | San Diego, California. | | | | | |
| · / | Ву | | , Deputy | | | | | |
| LUEDERY CERTIFY that the for | ogoing ordinance w | as not finally passo | d until twolve calendar | | | | | |
| I HEREBY CERTIFY that the for days had elapsed between the day of | | | | | | | | |
| APR 0 9 2019 | , and on | APR : | 2 5 2019 | | | | | |
| I FURTHER CERTIFY that said ordinance was read in full prior to passage or that such reading was dispensed with by a vote of five members of the Council, and that a written copy of the ordinance was made available to each member of the Council and the public prior to the day of its passage. | | | | | | | | |
| (Seal) | City o | ELIZABETH S. | MALAND San Diego, California | | | | | |
| | Office of the City Clerk, San Diego, California | | | | | | | |
| | Ordinance N | lumber 0 21 | 1067 | | | | | |