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9/10/19

(O-2020-37)

ORDINANCE NUMBER O- **21131** (NEW SERIES)

DATE OF FINAL PASSAGE **SEP 12 2019**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE AMENDMENTS TO THE LEASE BETWEEN CALICO, LLC, CATITUDE, LLC AND THE CITY OF SAN DIEGO FOR LEASE OF PROPERTY LOCATED AT 7950, 8048-8050 OTHELLO AVENUE, SAN DIEGO, CALIFORNIA.

WHEREAS, Calico, LLC and Catitude, LLC (collectively the "Landlord") own the real property located at 7950, 8048-8050 Othello Avenue, San Diego, California (Property); and

WHEREAS, the Property is leased to the City of San Diego (City) pursuant to the AIR COMMERCIAL REAL ESTATE ASSOCIATION STANDARD

INDUSTRIAL/COMMERCIAL SINGLE-TENANT LEASE-NET, on file in the Office of the City Clerk as Document No. OO-20815, as amended by that certain First Amendment to AIR COMMERCIAL REAL ESTATE ASSOCIATION STANDARD

INDUSTRIAL/COMMERCIAL SINGLE-TENANT LEASE-NET, on file in the office of the Real Estate Assets Department (collectively the "Lease"), for office space, storage, and future operation for the repair and maintenance of the Fire-Rescue Department's fire apparatus and support vehicles (Fire Fleet); and

WHEREAS, the projected cost of the initial design to convert the warehouse space into a repair and maintenance facility at the Property that could accommodate the Fire Fleet's vehicles, came in higher than expected; and

WHEREAS, after review by the Fleet Operations Department, staff began working with another architecture firm and the Landlord to define alternative options that would still accommodate the needs of the City and offer the best value for the City; and

WHEREAS, the City has negotiated a second amendment to the Lease that provides for:
(1) an extension of the original Lease term from 10 to 15 years and added a third five-year renewal option; and (2) deletion of Exhibit E to the Lease and replaces it with Exhibit E-1 which sets forth the Design Agreement, describing in greater detail the design and scope of work of the tenant improvements required for a Fire Fleet repair and maintenance facility; and

WHEREAS, the second amendment to the Lease will facilitate the design of the tenant improvements and provide the ability to finalize the construction cost of the tenant improvements; and

WHEREAS, once the design is complete for the tenant improvements, staff will negotiate with Landlord a construction agreement pursuant to an amendment to the Lease; and

WHEREAS, the final construction cost of the tenant improvements will be appropriated in accordance with the future adoption of the Annual Appropriation Ordinance; and

WHEREAS, under City Charter section 99, no contract, agreement or obligation extending for a period of more than five years may be authorized except by ordinance adopted by a two thirds' majority vote of the City Council; 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 and directed to execute the Second Amendment to AIR COMMERCIAL REAL ESTATE ASSOCIATION STANDARD INDUSTRIAL/COMMERCIAL SINGLE-TENANT LEASE-NET, with Calico, LLC and Catitude, LLC, for the real property located at 7950, 8048-8050 Othello Avenue, San Diego, California, the terms of which are more fully set forth therein, and which is on file in the Office of the City Clerk as Document No. OO-21131.

Section 2. That the Chief Financial Officer is authorized to expend an amount not to exceed \$811,286, from P20000, Kearny Mesa Repair Facility, Fund 400676, Fleet Services CIP, for the purpose of executing the design agreement, contingent upon the Chief Financial Officer furnishing one or more certificates certifying that funds necessary for the expenditure are, or will be, on deposit with the City Treasurer.

Section 3. That the Mayor, or his designee, is authorized and directed to execute and deliver an amendment to the lease for 7950, 8048-8050 Othello Avenue, San Diego, California, between Calico, LLC, Catitude, LLC and the City of San Diego, for a contract for the construction of the tenant improvements based on an agreed upon design plan in an amount not to exceed the amount in CIP No. P20000, contingent upon the Chief Financial Officer furnishing one or more certificates certifying that funds necessary for the expenditure are, or will be, on deposit with the City Treasurer, and such contract terms and conditions are deemed reasonable and in the City's best interest by the Mayor or his designee.

Section 4. That the Chief Financial Officer is authorized to expend an amount not to exceed the amount in the CIP No. P20000, Kearny Mesa Repair Facility, Fleet Services CIP, for the purpose of construction of the tenant improvements project at 7950, 8048-8050 Othello Avenue, San Diego, California, contingent upon the adoption of the Annual Appropriation Ordinance for the applicable fiscal year and contingent upon 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 5. 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 6. That this Ordinance shall take effect and be in force on the thirtieth day from and after its final passage.

APPROVED: MARA W. ELLIOTT, City Attorney

By Hilda R. Mendoza
Hilda R. Mendoza
Deputy City Attorney

HRM:nja
07/24/19
Or. Dept: READ
Doc. No.: 2060699

I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of SEP 10 2019.

ELIZABETH S. MALAND
City Clerk

By Linda Irwin
Deputy City Clerk

Approved: 9/12/19
(date)

Kevin L. Faulconer
KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

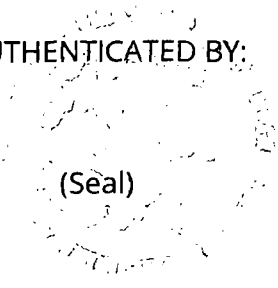
KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on SEP 10 2019, 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"/>
Jennifer Campbell	<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"/>
Monica Montgomery	<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"/>
Vivian Moreno	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Georgette Gómez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage SEP 12 2019.

AUTHENTICATED BY:



(Seal)

KEVIN L. FAULCONER

Mayor of The City of San Diego, California.

ELIZABETH S. MALAND

City Clerk of The City of San Diego, California.

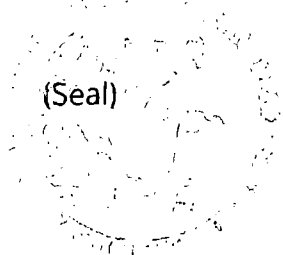
By *Linda Bruen*, Deputy

I HEREBY CERTIFY that the foregoing ordinance was not finally passed until twelve calendar days had elapsed between the day of its introduction and the day of its final passage; to wit, on

AUG 06 2019

and on SEP 12 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)

ELIZABETH S. MALAND

City Clerk of The City of San Diego, California.

By *Linda Bruen*, Deputy

Office of the City Clerk, San Diego, California

21131

Ordinance Number O-_____