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RESOLUTION NUMBER R-313478

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DATE OF FINAL PASSAGE APR 1 4 2021

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING AND DIRECTING THE EXECUTION OF A LEASE AGREEMENT WITH THE SAN DIEGO HOUSING COMMISSION, A PUBLIC AGENCY, FOR 22,216 SQUARE FEET OF OFFICE SPACE LOCATED AT 1122 BROADWAY, SAN DIEGO, CA 92101, AND RELATED ITEMS.

WHEREAS, the building located at 1122 Broadway is a five-story, 109,389 square foot office building, built in 2006, and owned and occupied by the San Diego Housing Commission; and

WHEREAS, the City of San Diego entered into a ten-year lease that commenced on October 1, 2010, for 22,216 square feet of office space on the second floor of the building, to be used by the Family Justice Center (FJC) and the Domestic Violence Division of the San Diego Police Department. There is a trolley stop outside of the building and there are multiple bus stops within walking distance, making it easy for clients, staff, and volunteers to reach the FJC; and

WHEREAS, prior to the expiration of the initial lease, FJC explored other properties but determined the best economic option was to enter into a new lease at the current location; and

WHEREAS, the new lease (Lease) will be effective retroactive to January 1, 2021, with a term of three (3) years with one (1) – two (2) – year renewal option at 90% of the then fair market value. The starting rent is \$2.15 per square foot, per month and includes utilities and janitorial services. The base rent will increase 6% in year two. The Lease includes 40 unreserved parking spaces at \$125.00 per space and a \$17,000 tenant improvement allowance, which is consistent in the market for an existing long-term tenant and a three-year renewal lease term; and

WHEREAS, the total base rent for the initial three-year term of the Lease is \$1,753,908.77; and

WHEREAS, the proposed terms for this Lease are below market when compared to the current average lease rates in the downtown market which average \$2.50 - \$2.90 per square foot, per month for comparable space, and \$145.00 to \$235.00 per parking space for parking within a half mile of this location; and

WHEREAS, the FJC is part of the San Diego City Attorney's Office, and provides free services to women, men, and children who are victims of family violence and sex trafficking. The FJC helps victims find safety, protection from their abuser, legal help, counseling, food, clothing, spiritual support, medical assistance, and many other free services by working with community partners that include the Center for Hope and Strength, Free to Thrive, Immigration Center for Women and Children, Luna and Associates, Attorneys at Law, Military Advocates and San Diego Center for Counseling; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego that the Mayor, or his designee, is authorized and directed to execute that certain Office Lease with the San Diego Housing Commission, a public agency, on file in the Office of the City Clerk as Document No. RR-313478 for 22,216 square feet of office space and the use of 40 unreserved parking spaces located at 1122 Broadway, San Diego, CA 92101 for an initial three (3) year term, with one (1) two-year option to renew, contingent upon the Chief Financial Officer furnishing one or more certificates certifying the funds necessary for expenditure.

BE IT FURTHER RESOLVED, that the Chief Financial Officer is authorized to expend an amount not to exceed \$1,753,908.77 in base rent for the initial three (3) year term of the Lease, contingent upon adoption of annual funds for the applicable fiscal year and 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.

APPROVED: MARA W. ELLIOTT, City Attorney

By

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Kathy Steinman

Kathy J. Steinman Deputy City Attorney

KJS:mb March 16, 2021 Or.Dept: READ CC No.: N/A Doc. No.: 2611667

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of <u>04/06/2021</u>.

ELIZABETH S. MALAND City Clerk

By <u>/s/ Matthew R. Hilario</u> Deputy City Clerk

Vetoed:

Approved:

(date)

(date)

TODD GLORIA, Mayor

Passed by the Council of The City of San Diego on	APR 06 2021	, by the following vote:
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Councilmembers	Yeas	Nays	Not Present	Recused
joe LaCava	Z			
Jennifer Campbell	\mathbf{Z}			
Stephen Whitburn	\mathbf{Z}			
Monica Montgomery Step	ope 🛛 👘			
Marni von Wilpert	Ø			
Chris Cate	Z			
Raul A. Campillo	Ζ			
Vivian Moreno	Ζ			
Sean Elo-Rivera	\mathbf{P}			

Date of final passage _____ APR 1 4 2021

(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:

TODD GLORIA Mayor of The City of San Diego, California.

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

Office of the City Clerk, San Diego, California

313478

Resolution Number R-_

(Seal)