. #58 05/16/2023 (0-2023-146)

ORDINANCE NUMBER O- 21649 (NEW SERIES)

DATE OF FINAL PASSAGE MAY 2 5 2023

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE MAYOR, OR DESIGNEE, TO ENTER INTO A TEN-YEAR PUBLIC PURPOSE LEASE WITH THE SAN DIEGO HUMANE SOCIETY FOR CITY-OWNED REAL PROPERTY LOCATED AT 5480 GAINES STREET, SAN DIEGO, CALIFORNIA 92110, MAKING A FINDING THAT THE LEASE SERVES A VALID PUBLIC PURPOSE, AUTHORIZING A WAIVER OF PORTIONS OF COUNCIL POLICY 700-12, AND RELATED ACTIONS.

WHEREAS, the City of San Diego (City) owns certain improved real property consisting of an approximately 38,000 square-foot building with surface parking located at 5480 Gaines Street, San Diego, California 92110 (Property), and commonly known as the Animal Services Central Shelter; and

WHEREAS, the San Diego Humane Society (SDHS) has leased the Property from the City since July 2018 to provide animal services under an agreement between the City and SDHS; and

WHEREAS, the City has negotiated a new agreement with SDHS to provide animal services within the City for ten years commencing July 1, 2023 (Animal Services Agreement); and

WHEREAS, the City has negotiated a new ten-year lease of the Property with SDHS, to coincide with the term of the Animal Services Agreement under the terms and conditions set forth in that certain lease on file with the Office of the City Clerk as Document No. 00.21649 for the purpose of SDHS providing the services required under the Animal Services Agreement (Lease); and

WHEREAS, under the Lease, SDHS will pay the City a one-time payment of \$100; and WHEREAS, SDHS is a non-profit organization that offers a wide range of programs and services that strengthen the human-animal bond, prevent cruelty and neglect, provide medical care, educate the community on the humane treatment of animals, and provide safety net services

WHEREAS, the Lease serves a valid public purpose because it will allow the City to meet its obligations to provide the required animal control services to the residents of San Diego; and

for all pet families needing assistance with keeping their pets; and

WHEREAS, the California Department of Housing and Community Development (HCD) issued the 2021 Surplus Land Act Guidelines (SLA Guidelines) to provide guidance regarding the noticing and disposition procedures applicable to a local agency's disposition of surplus land under the California Surplus Land Act (SLA); and

WHEREAS, Section 102(h) of the SLA Guidelines sets forth HCD's interpretation that the SLA noticing and disposition procedures apply generally to lease transactions, except with respect to a lease of land on which no development or demolition will occur, or a lease with a term of less than five years (including any extensions, amendments, or options); and

WHEREAS, HCD reviewed the Lease and determined that the Lease is not subject to the SLA because it does not involve any development or demolition within the meaning of Section 102(h) of the SLA Guidelines; and

WHEREAS, as appraised by an independent fee appraiser, the market value of the Property is \$9,812,000; and

WHEREAS, Council Policy 700-12 provides that the Council of the City of San Diego (Council) approval of a prospective non-profit organization's use of City-owned property shall be obtained prior to commencement of lease negotiations and that fair market value shall be obtained for leases of City-owned property to non-profit organizations; and

WHEREAS, the City is requesting that the Council waive portions of Council Policy 700-12 regarding leasing City property at fair market value and commencing lease negotiations because the Lease will provide a benefit to the public; and

WHEREAS, under San Diego Charter section 99, a two-thirds vote of the City Council is required for passage of this Ordinance; and

WHEREAS, the Office of the City Attorney has drafted this Ordinance based on the information provided by City staff, with the understanding that this information is complete, true, and accurate; NOW, THEREFORE,

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

Section 1. That the Mayor, or designee, is authorized to execute that certain ten-year public service lease, on file in the Office of the City Clerk as Document No. <u>00.21649</u> between the City of San Diego, as lessor, and the San Diego Humane Society, a 501(c)(3) corporation, as lessee, for the City-owned real property consisting of an approximately 38,000 square-foot building with surface parking located at 5480 Gaines Street in San Diego, California 92110 (Lease).

Section 2. That the Council finds that the Lease serves the valid public purpose of allowing the City to meet its obligations to provide the required animal services to its residents.

- Section 3. That the Council waives the requirements set forth in Council Policy 700-12 regarding leasing City Property at fair market value and obtaining approval prior to the commencement of lease negotiations.
- Section 4. 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 5. That this Ordinance shall take effect and be in force on the thirtieth day from and after its final passage.

from and after its final passage.	
APPROVED: MARA W. ELLIOTT, City Attorney	,
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Marco A. Verdugo
Deputy City Attorney

MAV:sc 04/20/2023

Or.Dept: DREAM Doc. No.: 3283880

DIANA J.S. FUENTES City Clerk

By Opping Posttons

Approved: 5 24 23 (date)

TODD OLONIA, Mayor

Vetoed:

(NOTE: The date of final passage is May 25, 2023, which represents the date this ordinance was returned to the Office of the City Clerki with the Mayor's signature of approval.)

Passed by the Council of The	City of San Dieខ្	go onM	AY 1 6 2023	_, by the following vote:		
Councilmembers	Yeas	Nays	Not Present	Recused		
Joe LaCava						
Jennifer Campbell	Z					
Stephen Whitburn	Ø					
Monica Montgomery St	eppe 🗾					
Marni von Wilpert						
Kent Lee	Ø					
Raul A. Campillo	Ø					
Vivian Moreno	Ø					
Sean Elo-Rivera	Ø					
Date of final passage	Y 2 5 2023	<u> </u> •				
			TODD GL	ORIA		
AUTHENTICATED BY:		Mayor of The City of San Diego, California.				
(Seal)		City Clerk of The City of San Diego, California.				
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		Ву	<u> </u>	, Deputy		
l HEREBY CERTIFY that t days had elapsed between the						
APR 2 4 2023		ıd on	MAY 2 5 2023	-		
I FURTHER CERTIFY that reading was dispensed with by the ordinance was made availa of its passage.	a vote of five n	nembers of tl	he Council, and th	nat a written copy of		
			DIANA J.S. FU			
(Seal)		City Cle	rk of The City of S	San Diego, California.		
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		Office of the	City Clerk, San Di	ego, California		
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