

201A 2-3-25

(R-2025-226)

RESOLUTION NUMBER R- 316015

DATE OF FINAL PASSAGE FEB 11 2025

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO ADOPTING AN AMENDED VERSION OF COUNCIL POLICY 700-10, TITLED "DISPOSITION OF CITY-OWNED REAL PROPERTY."

RECITALS

The Council of the City of San Diego (Council) adopts this Resolution based on the following:

A. The Council adopted Resolution R-169946 (Mar. 15, 1962) creating Council Policy 700-10, initially titled "Assignment and/or Subletting of City Leases" and later retitled "Disposition of Surplus City-Owned Real Property." The Council has approved amendments to Council Policy 700-10 several times, including most recently in 2012.

B. Council Policy 700-10 establishes protocols for the orderly administration, sale, and leasing of City properties. It is intended to be consistent with, and does not supersede, the requirements of the San Diego Municipal Code, including Chapter 2, Article 2, Division 9 (titled "Contracts – Leases – Sales").

C. The Office of the City Auditor (OCA) conducted several performance audits, most recently in 2021 and 2022, recommending that City staff make updates to Council policies governing real property transactions. In response to those audits, City staff collaborated with the Office of the City Attorney and the Office of the Independent Budget Analyst to holistically review several Council policies related to real property transactions. This collaborative effort, now completed, addressed the OCA's audit recommendations, strengthened internal protocols, and reflected best management practices for real property matters.

D. City staff prepared an amended version of Council Policy 700-10, which carries out the OCA's recommendations and makes other improvements. Among other changes, the

amended Council Policy 700-10: (i) requires that the City’s real estate staff periodically review and, if appropriate, update the City’s real property management plan (formerly known as the portfolio management plan) and present the updated plan for Council approval during a public meeting; (ii) provides an overview of the Surplus Land Act (SLA) and outlines the City’s land clearance process consistent with the SLA; (iii) establishes specific criteria for the sale of City-owned real property and outlines the City’s approval process; (iv) provides guidelines and criteria for new leases and lease renewals on City-owned real property; (v) generally requires the City to sell its real property based on current appraised market value or lease its real property based on current appraised market rent; (vi) allows the City to consider accepting a discounted price in a real property transaction if the transaction will achieve one or more identified public purposes or benefits; (vii) extends the length of time for which an appraisal in a City real property transaction is deemed current to 12 months, instead of six months; (viii) enables City staff to determine current market rent through a statement of value, as opposed to a complete appraisal, in specified circumstances; (ix) clarifies and outlines the process for extending the term of existing leases and confirming that capital investments in lease transactions meet the City’s qualifications; and (x) adds a definitions section for additional clarity.

E. The Office of the City Attorney prepared this Resolution based on the information provided by City staff, with the understanding that this information is complete and accurate.

ACTION ITEMS

Be it resolved by the Council of the City of San Diego:

1. The Council adopts the amended version of Council Policy 700-10, titled “Disposition of City-Owned Real Property,” as set forth in Document No. RR- 316015 filed in the Office of the City Clerk.

2. The City Clerk is instructed to update the Council Policy Manual to include the amended version of Council Policy 700-10.

APPROVED: HEATHER FERBERT, City Attorney

By Kevin Reisch  
Kevin Reisch  
Senior Deputy City Attorney

KJR:jdf  
12/19/24  
Or. Dept: Econ. Dev.  
Doc. No.: 3867231

I certify that the Council of the City of San Diego adopted this Resolution at a meeting held on

FEB 03 2025

DIANA J.S. FUENTES  
City Clerk

By Crystal Medina  
Deputy City Clerk

Approved: 2/11/25  
(date)

Todd Gloria  
TODD GLORIA, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
TODD GLORIA, Mayor

Passed by the Council of The City of San Diego on FEB 03 2025, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	<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"/>
Stephen Whitburn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henry L. Foster III	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marni von Wilpert	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kent Lee	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Raul A. Campillo	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vivian Moreno	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sean Elo-Rivera	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage FEB 11 2025.

(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.

(Seal)

DIANA J.S. FUENTES  
City Clerk of The City of San Diego, California.

By Linda Irwin, Deputy  
For Krystell Medina

Office of the City Clerk, San Diego, California

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