

RESOLUTION NUMBER R- 316017

DATE OF FINAL PASSAGE FEB 1 1 2025

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO ADOPTING AN AMENDED VERSION OF COUNCIL POLICY 700-32, TITLED "ACQUISITION OF REAL PROPERTY."

RECITALS

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

A. Council Policy 700-32, titled "Acquisition of Real Property" and most recently amended in 2012, establishes procedures for most transactions involving the City of San Diego's (City) acquisition of land, whenever Council approval is required. This policy provides guidance to City staff in deciding whether to recommend that the Council approve a City contract or an allocation of City funds for any acquisition. Using best practices, the City's real estate personnel are responsible for the City's land acquisitions and will coordinate with the Office of the City Attorney on any acquisitions involving the City's exercise of eminent domain.

B. 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.

C. City staff prepared an amended version of Council Policy 700-32, which carries out the OCA's recommendations and makes other improvements. Among other changes, the

(R-2025-228 REV.)

amended Council Policy 700-32: (i) clarifies the roles and responsibilities of City personnel in the land acquisition process; (ii) establishes a clear set of guidelines for land acquisitions, resulting in more robust disclosure and transparency; (iii) requires that all contractors and advisors with significant input on land acquisitions have a signed contract with the City and, where applicable, disclose their economic interests; (iv) requires the City to use a competitive solicitation process to select each broker who will assist the City in a proposed land acquisition; (v) ensures that the City will retain its own appraiser and be responsible for oversight of the appraisal process; (vi) requires City staff to complete and disclose the outcome of various steps in the City's acquisitions due diligence checklist before recommending that the Council approve a land acquisition; (vii) identifies the information to be disclosed in and attached to the written staff report presented to the Council when City staff recommends a proposed land acquisition; and (viii) adds a definitions section for additional clarity.

D. During a public meeting on February 3, 2025, the Council made two changes to the "Additional Guidelines" portion of City staff's amended version of Council Policy 700-32, as follows: (a) add "independent building condition assessment, if applicable" in a new clause (d) at the end of Section 8; and (b) add "independent building condition assessment" in a new clause (e) at the end of Section 9.

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:

-PAGE 2 OF 3-

1. The Council adopts the amended version of Council Policy 700-32, titled

"Acquisition of Real Property," including the two additions described in Recital D above, as set forth in Document No. RR- **316017** 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 700-32.

APPROVED: HEATHER FERBERT, City Attorney

Corrin Roise By

Kevin Reisch Senior Deputy City Attorney

KJR:jdf:jn2 12/19/2024 02/04/2025 REV. Or. Dept: Econ. Dev. Doc. No.: 3867310_2

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

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Approved: 2(1

(date)

(date)

Vetoed:

TODD GLORIA, Mayor

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Passed by the Council of The C	City of San Die ຼ	go on FE	EB 03 2025	_, by the following vote:
Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	Z ·			
Jennifer Campbell	Ź			
Stephen Whitburn	Ź			
Henry L. Foster III	Ź			
Marni von Wilpert	Ź			
Kent Lee	Ź			
Raul A. Campillo	Ź			
Vivian Moreno				
Sean Elo-Rivera	$\langle Z \rangle$	·		

Date of final passage FEB 1 1 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:

(Seal)

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

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

By <u>Sinda Arvin</u>, Deputy For Krystell Medina

Office of the City Clerk, San Diego, California

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