S503 11-10-26

(R-2026-579)

RESOLUTION NUMBER R- 317032

DATE OF FINAL PASSAGE NOV 13 2026

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING THE CITY'S LEASE TO FOODSHED COOPERATIVE, INC., A CALIFORNIA GENERAL COOPERATIVE, OF APPROXIMATELY 36.10 ACRES OF REAL PROPERTY LOCATED AT 21250 AND 24330 SAN PASQUAL ROAD IN THE SAN PASQUAL VALLEY FOR AGRICULTURAL PURPOSES AND AUTHORIZING THE CHIEF FINANCIAL OFFICER TO ACCEPT AND DEPOSIT RENTAL PAYMENTS.

RECITALS

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

A. The City of San Diego (City) owns approximately 36.10 acres of real property located at 21250 and 24330 San Pasqual Road in the San Pasqual Valley, consisting of three non-contiguous agricultural parcels commonly known as Parcels A, B, and C (collectively, the Property). Parcels A and C were previously leased to Lindshield Ranches and Development, a California corporation, under a lease that expired on December 31, 2024. Parcel B was not subject to a long-term lease. City staff negotiated a proposed new Ground Lease (Lease) between the City and Foodshed Cooperative, Inc., a California general cooperative (Foodshed), for agricultural purposes. A copy of the proposed Lease is included as Attachment A to the staff report accompanying this Resolution (Staff Report).

B. San Diego Municipal Code section 22.0901 requires each Council resolution approving the lease of City-owned property to contain a statement of the market rental value of the subject real property. Consistent with this requirement, City staff produced a Restricted Appraisal Report concluding that, as of December 5, 2025, the estimated minimum market rental value of the Property is $700 per acre per year, or $25,270 per year, with Parcel C subject to the

greater of the applicable minimum rent or 25 percent of gross sales derived from the sale of citrus, avocados, and row crops, as more particularly set forth in the Lease. A copy of the Restricted Appraisal Report is included as Attachment C to the Staff Report.

C. The term of the Lease is 14 years and 11 months. Under the Lease, Foodshed will pay monthly Base Rent for the first Lease Year in the total amount of $2,105.83, consisting of $1,289.17 for Parcels A and B and $816.66 for Parcel C, with Base Rent increasing annually by 3.5 percent. Rent for Parcel C will be the greater of the applicable Parcel C minimum rent or 25 percent of Gross Revenue derived from the sale of citrus, avocados, and row crops, as more particularly set forth in the Lease. Foodshed will be responsible for the expenses of operation, management, maintenance, repair, use, and occupancy of the Property, as more particularly provided in the Lease.

D. The California Surplus Land Act (SLA), Government Code sections 54220-54234, requires the Council to take formal action at a regular public meeting to declare that City-owned real property is either surplus land or exempt surplus land before the City may take any action to dispose of the real property. Under Government Code section 54221(d), a lease with a term of 15 years or less, including any extension or renewal options, is not a disposition of surplus land for purposes of the SLA. Because the Lease has a term of 14 years and 11 months, it is not a disposition of surplus land and is not subject to the SLA.

E. The City's Public Utilities Department has reviewed the Lease and determined that the uses under the Lease will not adversely impact the City's water system.

F. The Office of the City Attorney prepared this Resolution based on the information provided by City staff (including information provided by affected third parties and verified 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 Lease is approved.

2. The Mayor or designee is authorized, on the City's behalf, to sign and deliver the Lease and all other documents necessary or appropriate to complete the City's leasing of the Property, and to take all other actions necessary or appropriate to carry out the intent of the Lease and this Resolution. A copy of the Lease, when signed by both parties, will be filed in the Office of the City Clerk as Document No. RR-317032.

3. The Chief Financial Officer is authorized to accept and deposit the Lease consideration, including monthly rent payments, into Fund 700011, the Water Utility Operating Fund.

APPROVED: HEATHER FERBERT, City Attorney

By _____
Julie Gough Inman
Deputy City Attorney

JGI:cw:jdf
06/29/2026
Or. Dept: Econ. Dev.
Doc. No.: 4479334

I certify that the Council of the City of San Diego adopted this Resolution at a meeting held on NOV 10 2026.

DIANA J.S. FUENTES
City Clerk

By _____
Deputy City Clerk

Approved: 11/13/26
(date)

_____
TODD GLORIA, Mayor

Vetoed: _____
(date)

_____
TODD GLORIA, Mayor

S503

Passed by the Council of The City of San Diego on November 10, 2026, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	☒	☐	☐	☐
Jennifer Campbell	☐	☐	☒	☐
Stephen Whitburn	☒	☐	☐	☐
Henry L. Foster III	☐	☐	☒	☐
Marni von Wilpert	☐	☐	☒	☐
Kent Lee	☒	☐	☐	☐
Raul A. Campillo	☒	☐	☐	☐
Vivian Moreno	☒	☐	☐	☐
Sean Elo-Rivera	☒	☐	☐	☐

Date of final passage NOV 13 2026.

(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 _____, Deputy

Office of the City Clerk, San Diego, California

Resolution Number **R-317032**