



THE CITY OF SAN DIEGO

OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

Date Issued: December 31, 2008

IBA Report Number: 08-124

City Council Docket Date: January 6, 2009

Item Numbers: 105

Disposition of City owned Real Property

OVERVIEW

On Tuesday, January 6, 2009 the City Council will consider approving the sale of City owned property located on the corner of Del Mar Heights Road and Mercado Drive for a minimum price of \$500,000. If approved, this will be the twenty-ninth City property authorized by the Council for sale over the last three fiscal years. Currently, the sale of City owned property is governed by City Council Policy 700-10. The purpose of this report is to provide an overview of the City's land sale program and the current status of property sales.

FISCAL/POLICY DISCUSSION

In 2006, the Real Estate Assets Department engaged Grubb & Ellis Corporate Services to provide a study on best practices methodology to achieve optimal performance from the City's assets. On January 31, 2007, Grubb & Ellis delivered the report to the City of San Diego. The report noted that the "Real Estate Assets Department of the City of San Diego is in need of a new business model. Until recently, it has functioned in a stewardship role, continuing to apply methods and policies to situations as they arose, without a clear plan." A significant recommendation from the Grubb & Ellis report was the institution of a Comprehensive Portfolio Plan which would be presented and approved by the City Council on an annual basis. The major elements of the Portfolio Plan include:

- Property evaluation and characterization of real estate assets
- Strategy for City occupied real estate
- Investment Portfolio plan (leases to for-profit tenants)
- Review of not-for-profit leases
- Disposition Plan for surplus assets
- Business case development
- Legal document development and review

Office of Independent Budget Analyst

202 C Street, MS 3A • San Diego, CA 92101
Tel (619) 236-6555 Fax (619) 236-6556



Although the Real Estates Assets Department had not completed the overall Portfolio Plan, staff elected to move forward with disposition of City properties deemed to be surplus. On May 21, 2007, staff requested authorization from the City Council to sell nineteen City properties that were deemed to be surplus. To establish if the properties were surplus, staff used the following criterion that they had developed based on industry best practices:

- The property is not currently used by a City department or does not support a municipal function.
- The property is vacant and has no foreseeable use by the City.
- The property is a non-performing or under-performing asset and greater value can be generated by its sale.
- Significant economic development opportunities can be generated by selling the property.

Additional factors that are also considered:

- Will the City be relieved of potential liabilities and/or cost of maintaining property that does not generate income or provide public benefit?
- Property tax increment that will be created by returning the properties to the tax rolls.
- Stimulation of the economy by providing opportunities for private sector investment.
- Generation of revenue for the Capital Outlay Fund or an Enterprise Fund.
- The sale of the property will generate greater economic value than a ground lease, if a ground lease is a feasible option.

The City Council authorized the sale of eighteen of the nineteen properties for a combined minimum value of \$38.0 million. Since May 2007 an additional eleven properties have been approved for sale by the City Council. It is important to note that the Real Estate Assets Department continues to work on a Comprehensive Portfolio Plan and anticipates completion sometime in Fiscal Year 2009.

City Council Policy 700-10

The purpose of City Council 700-10 is to establish a procedure by which unused and marginally used City-owned real estate is reviewed for its potential public use, and for designating unneeded parcels for lease or sale. In addition, the policy also provides a methodology for the sale or exchange of City-owned real estate and establishes policies for the leasing of City-owned real property.

In 2007, based on recommendations from Grubb & Ellis and a comprehensive internal review of Real Estate Assets Department procedures, staff determined that Council Policy 700-10 was in need of updating. The goal of updating Council Policy 700-10 was to ensure that the City had an effective program to manage the City's real estate assets in

a manner that would maximize their value. The recommended changes to the Council Policy integrated the criterion discussed above with other significant process changes including:

- Inclusion of Government Code Section 54222 which requires that a local agency must first notify all governmental agencies operating within the City as to the availability of the property. The agencies are then given 60 days to respond with intent to acquire the property.
- The requirement that an economic analysis of the benefits of lease vs. sale if the property is of the type and location that would make a ground lease feasible.
- The requirement of an appraisal that is less than six months old that is used by the Real Estate Assets Department to establish a minimum sale price. If the property cannot be sold at a price equal or greater than the minimum price approved by the Council the property will be returned to Council for further consideration prior to disposition.
- The requirement that the proposed Real Estate Broker Commission rates be contained in the enabling resolution for the property's sale.
- The requirement that the Mayor report out on the price, terms and conditions of all transactions.

On September 16, 2008, the City Council approved the recommended changes to City Council Policy 700-10. The updated Council Policy went into effect on October 17, 2008.

San Diego City Charter Section 77 – Capital Outlay Fund

As briefly discussed in the Background section of City Council Policy 700-10, the proceeds from the sale of City-owned properties are utilized for Capital Improvements Program projects, as required by the City Charter, Section 77. Charter Section 77 states:

“There is hereby created a fund in the City Treasury, to be known as the Capital Outlay Fund. Into this fund each year there shall be placed all moneys derived from taxation required or needed for capital outlay expenditures and all proceeds received from the sale of city-owned real property.

The moneys in the Capital Outlay fund shall be used exclusively for the acquisition, construction and completion of permanent public improvements, including public buildings and such initial furnishings, equipment, supplies, inventory and stock as will establish the public improvement as a going concern. This fund may also be used for the acquisition, construction and completion of real property, water and sewer mains and extensions, and other improvements of a permanent character and also the replacement or reconstruction of the same, but not the repair or maintenance thereof, and shall

not be used for any other purpose or transferred from said fund, except with the consent of two-thirds of qualified electors of said City, voting at a general or special election.”

To be consistent with Charter Section 77, the Fiscal Year 2008 and 2009 Annual Budgets included a combined total of \$32.10 million in revenue from the sale of surplus property. The revenue has been programmed to fund deferred maintenance projects (\$5.3 Million), Americans with Disabilities Act (ADA) related projects (\$20.0 Million), and design of future deferred maintenance projects (\$6.8 Million).

Status of Land Sales

Since the initial authorization to sell surplus City properties on May 21, 2007, the City has sold a total of 17 properties. The Real Estates Assets Department provided the IBA with an update on the properties that have been sold on December 16, 2008 (see Attachment A). The following table provides a breakdown of the revenue to the General Fund received from the sale of surplus property by Fiscal Year:

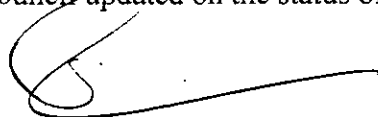
Fiscal Year	Total Revenue Budgeted (General Fund)	Actual Revenue Received
Fiscal Year 2008	\$15,300,000	\$23,961,876
Fiscal Year 2009	\$16,800,000	\$427,000
Total**:	\$32,100,000	\$24,388,876

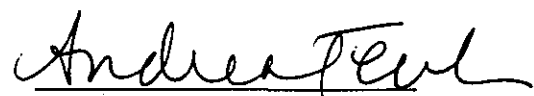
**Two properties that were owned by the Water Department (Silkes Adobe and Plaza Del Lago) were sold generating a total of \$5,560,000 in revenue for the department.

Staff has indicated that the current economic climate could have an impact on the value of the properties that have been authorized for sale but have not been sold. As outlined in Council Policy 700-10, if the department is having difficulty selling the property at the approved price then the department would return to the City Council with a recommendation on the future actions related to the property.

CONCLUSION

The IBA continues to support the sale of City properties that are deemed to be surplus. The IBA will continue to work with the Real Estate Assets Department to keep the City Council updated on the status of land sales.


Jeffrey Sturak
Fiscal & Policy Analyst


APPROVED: Andrea Tevlin
Independent Budget Analyst

Attachment A

COUNCIL UPDATE - STATUS OF APPROVED PROPERTY SALES

No	NAME	ADDRESS	USE	ACRES	APPROVED PRICE	SALES PRICE	DATE SOLD
1	Valencia Library	101 50th Street	Library	0.25	\$530,000	\$530,000	12/19/07
2	Beaumont House	6216 Beaumont 92037	Residential	0.21	\$1,550,000	\$1,550,000	03/10/08
3	Uptown Residential	Otsego Dr@Brookes	Residential	0.26	\$175,000	\$285,000	03/21/08
4	Filippi Lease Site	5353 Kearny Villa Rd.	Ground lease	0.71	\$2,000,000	\$2,400,000	04/18/08
5	Sikes Adobe *	San Dieguito	Farmstead	5.742	\$170,000	\$170,000	04/30/08
6	Fay Ave Vacation (Spinazzi)	Fay Ave & Mira Monte	Residential	0.07	\$286,000	\$286,000	05/27/08
7	Mission Valley/Penske	Camino Del Rio S	Commercial	0.233	\$460,000	\$500,000	05/30/08
8	Sherman Street	3970-90 Sherman Street	Ground lease	6.46	\$12,500,000	\$13,100,000	06/05/08
9	Laurel & State	Laurel & State Sts.	Commercial	0.14	\$300,000	\$370,000	06/11/08
10	Maple St. 4-Plex	505 W. Maple St. 92134	Residential	0.93	\$700,000	\$751,000	06/12/08
11	Fay Ave Vacation (Methodist Church)	Fay Ave & La Jolla Blvd	Commercial	0.56	\$339,876	\$339,876	06/27/08
12	Border Patrol Site	5775 Camiones Way, 9217	Commercial	1.46	\$3,000,000	\$3,000,000	06/26/08
13	Nautilus House	774 Bonair Way 92037	Residential	0.11	\$850,000	\$850,000	06/30/08
14	Plaza Del Lago *	3440 Del Lago Blvd.	Ground lease	4.34	\$5,000,000	\$5,390,000	07/16/08
15	Mission Trails Regulatory System	Portion of Lot 70 & 73, Ran	Easements/Pro	0.40	\$209,000	\$209,000	07/31/08
16	45th Street ROW (Unified School Dist)	Portion of 45th St ROW	Residential	0.21	\$118,000	\$118,000	08/28/08
17	28th & Logan Post Office	28th & Logan	Right of Way	0.0988	\$100,000	\$100,000	10/24/08
18	Morena Commercial - East	E Side W. Morena Blvd.	Commercial	0.82	\$1,050,000		
19	UC Eastgate Site	9514 Towne Ctr.Dr.	Commercial	1.96	\$1,960,000		
20	SE Cor Jamacha	Jamacha & Cardiff	Commercial	0.76	\$725,000		
21	Fay Ave Vacation (Zanetti)	Fay Ave & La Jolla Blvd	Residential	0.02	\$37,000		
22	Crabtree Bldg	303 A St. 92101	Office Building	0.23	\$2,250,000		
23	World Trade Center	1250 6th Ave 92101	Highrise Office	0.69	\$17,700,000		
24	Terminix Lease Site	4850 Pacific Hwy	Ground lease	0.98	\$3,150,000		
25	Langley	300 Block of Langley St	Residential	0.14	\$160,000		
26	Kearny Mesa Rd	At Magnatron	Commercial	0.74	\$300,000		
27	8110 Balboa Gas Station	8110 Balboa Ave	Commercial	1.33	\$3,186,000		
28	Anna Ave	Betw Friars & Pac Hwy	Commercial	0.65	\$25,000		
Total:				28.52	\$58,830,876	\$29,948,876	

* Water Dept Property

000827

REQUEST FOR COUNCIL ACTION
CITY OF SAN DIEGO

1. CERTIFICATE NUMB (FOR AUDITOR'S US) 105
01/06

TO: CITY ATTORNEY

2. FROM (ORIGINATING DEPARTMENT): Real Estate Assets Department

3. DATE: September 22, 2008

4. SUBJECT: Authorization to Sell City-Owned Excess Real Estate and Approve Broker Commission

5. PRIMARY CONTACT (NAME, PHONE, & MAIL STA.)
B. Lane MacKenzie, (619) 236-6050 MS 51A

6. SECONDARY CONTACT (NAME, PHONE & MAIL STA.)
Mary Carlson, (619) 236-6709 MS 51A

7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED

8. COMPLETE FOR ACCOUNTING PURPOSES

FUND				
DEPT.				
ORGANIZATION				
OBJECT ACCOUNT				
JOB ORDER				
C.I.P. NUMBER				
AMOUNT				

9. ADDITIONAL INFORMATION / ESTIMATED COST:
Cost: None
Fiscal Impact: Estimated revenue from sale to be deposited into Capitla Outlay Fund.
Job: 923852
Thomas Guide Page: 1187 H-6

10. ROUTING AND APPROVALS

ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
X	ORIGINATING DEPARTMENT	<i>[Signature]</i>	9/22/08	X	DEPUTY CHIEF	<i>[Signature]</i>	9/25/08
X	DSD/EAS	<i>[Signature]</i>	9/24/08				
	EOCP MEMO 5-3-96			X	CITY ATTORNEY	<i>[Signature]</i>	10/5/08
X	C.F.O./F.M.	<i>[Signature]</i>	9/24/08	X	ORIGINATING DEPARTMENT	<i>[Signature]</i>	10/6/08
X	C.F.O./AUDITOR	<i>[Signature]</i>	9/29/08		DOCKET COORD: <i>[Signature]</i>	COUNCIL LIAISON: <i>[Signature]</i>	12/15/08
X	LIASON	<i>[Signature]</i>	10/1/08	✓	COUNCIL PRESIDENT	<input type="checkbox"/> SPOB <input checked="" type="checkbox"/> CONSENT <input type="checkbox"/> ADOPTION	COUNCIL DATE: 1/6/09
					<input type="checkbox"/> REFER TO:		

11. PREPARATION OF: RESOLUTION(S) ORDINANCE(S) AGREEMENT(S) DEED(S)

1. Authorize the sale of excess City property, identified as Lot 10 in Block 18 of Del Mar Heights (APN 300-361-83), for a price no less than the appraised value of \$500,000.
2. Authorize the Mayor or his designee to sell the Properties either by negotiation, public auction, sealed bid, or by any combination of these methods, at the discretion of the Mayor or his designee in each case.

(continued)

11A. STAFF RECOMMENDATIONS:

Adopt the resolutions.

12. SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION.)

COUNCIL DISTRICT: 1

COMMUNITY AREA: DEL MAR HEIGHTS

ENVIRONMENTAL IMPACT: This activity is categorically exempt from CEQA pursuant to State CEQA Guidelines, Section 15312(A).

CITY CLERK INSTRUCTIONS: DO NOT RECORD. Return documents to Real Estate Assets Department, Attention: Mary Carlson, M.S. 51A, for further handling.

1472 continued

Authorization to Sell City-Owned Excess Real Estate

Job No. 923852

000828

3. Authorize the Mayor or his designee to enter into purchase and sale agreements, close escrow with, and execute and deliver grant deeds to, the individual buyers of the Properties, at prices equal to/or greater than the stated minimum, on terms and conditions deemed reasonable and in the City's best interests by the Mayor or his designee. This authorization will be good for one year from the date of Council approval.
4. Properties that cannot be sold for the Council-approved Minimum Price, will be returned to Council for future disposition.
5. Authorize the payment of a real estate broker's of six percent (6%) commission to Realty Executives relating to the sale of the Property at the discretion of the Mayor or his designee, and in conformance with San Diego Municipal Code Section 22.0905.
6. Authorize the Auditor and Comptroller to accept and deposit the proceeds of the sale of the Properties, net of costs related to the sales, into the Capital Outlay Fund or other fund as designated in the resolution.

REQUEST FOR COUNCIL ACTION
CITY OF SAN DIEGO

1. CERTIFICATE NUMBER (FOR AUDITOR'S USE) **105**
3. DATE: **01/06**
September 22, 2008

TO: **600829**
CITY ATTORNEY

2. FROM (ORIGINATING DEPARTMENT):
Real Estate Assets Department

4. SUBJECT:

Authorization to Sell City-Owned Excess Real Estate and Approve Broker Commission

5. PRIMARY CONTACT (NAME, PHONE, & MAIL STA.)
B. Lane MacKenzie, (619) 236-6050 MS 51A

6. SECONDARY CONTACT (NAME, PHONE & MAIL STA.)
Mary Carlson, (619) 236-6009 MS 51A

7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED

8. COMPLETE FOR ACCOUNTING PURPOSES

FUND				
DEPT.				
ORGANIZATION				
OBJECT ACCOUNT				
JOB ORDER				
C.I.P. NUMBER				
AMOUNT				

9. ADDITIONAL INFORMATION / ESTIMATED COST:
Cost: None
Fiscal Impact: Estimated revenue from sale to be deposited into Capita Outlay Fund.
Job: 923852
Thomas Guide Page: 1187 H-6

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X	ORIGINATING DEPARTMENT	<i>[Signature]</i>	9/22/08	X	DEPUTY CHIEF	<i>[Signature]</i>	9/25/08
X	DSD/EAS	<i>[Signature]</i>	9/24/08				
	EOCP MEMO 5-3-96			X	CITY ATTORNEY	<i>[Signature]</i>	10/6/08
X	C.F.O./F.M.	<i>[Signature]</i>	9/24/08	X	ORIGINATING DEPARTMENT	<i>[Signature]</i>	10/6/08
X	C.F.O./AUDITOR	<i>[Signature]</i>	9/29/08				
Y	LIASON	<i>[Signature]</i>	10/1/08				
					DOCKET COORD: _____	COUNCIL LIAISON: _____	
					COUNCIL PRESIDENT <input checked="" type="checkbox"/>	SPOB <input type="checkbox"/> CONSENT <input type="checkbox"/> ADOPTION <input checked="" type="checkbox"/>	
					REFER TO: _____	COUNCIL DATE: 10/25/08	

11. PREPARATION OF: RESOLUTION(S) ORDINANCE(S) AGREEMENT(S) DEED(S)

- Authorize the sale of excess City property, identified as Lot 10 in Block 18 of Del Mar Heights (APN 300-361-83), for a price no less than the appraised value of \$500,000.
 - Authorize the Mayor or his designee to sell the Properties either by negotiation, public auction, sealed bid, or by any combination of these methods, at the discretion of the Mayor or his designee in each case.
- (continued)

11A. STAFF RECOMMENDATIONS:

Adopt the resolutions.

12. SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION.)

COUNCIL DISTRICT: 1

COMMUNITY AREA: DEL MAR HEIGHTS

ENVIRONMENTAL IMPACT: This activity is categorically exempt from CEQA pursuant to State CEQA Guidelines, Section 15312(A).

CITY CLERK INSTRUCTIONS: **DO NOT RECORD.** Return documents to Real Estate Assets Department, Attention: Mary Carlson, M.S. 51A, for further handling.

000830

3. Authorize the Mayor or his designee to enter into purchase and sale agreements, close escrow with, and execute and deliver grant deeds to, the individual buyers of the Properties, at prices equal to/or greater than the stated minimum, on terms and conditions deemed reasonable and in the City's best interests by the Mayor or his designee. This authorization will be good for one year from the date of Council approval.
4. Properties that cannot be sold for the Council-approved Minimum Price, will be returned to Council for future disposition.
5. Authorize the payment of a real estate broker's of six percent (6%) commission to Realty Executives relating to the sale of the Property at the discretion of the Mayor or his designee, and in conformance with San Diego Municipal Code Section 22.0905.
6. Authorize the Auditor and Comptroller to accept and deposit the proceeds of the sale of the Properties, net of costs related to the sales, into the Capital Outlay Fund or other fund as designated in the resolution.

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A Request for Proposal (RFP) for residential brokerage services was issued through the City's Purchasing Department. Each proposal received was rated on its technical merit by an evaluation committee. The technical scores were then compared with the pricing proposal to select the brokerage firm to market this property.


This action requests approval of the best value proposal which do reflect, in this case, the lowest commission percentage that was received through the bid process described above for the property. Realty Executives was selected as low bidder at 6 %.

FISCAL CONSIDERATIONS: All proceeds from the sale of the properties, net of costs related to their sale, will be deposited in the Capital Outlay Fund as per City Charter Article VII. The total proceeds from these sales are estimated to be \$500,000.

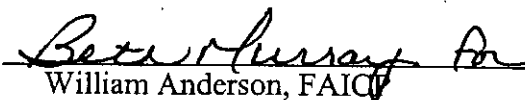
PREVIOUS COUNCIL and/or COMMITTEE ACTION: N/A

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: The Torrey Pines Community Group approved the sale of the excess City land at their meeting of November 13, 2008.

KEY STAKEHOLDERS AND PROJECTED IMPACTS: The key stakeholders would be the City of San Diego which will benefit by: receipt of the sale proceeds; relief from future liability and maintenance expenses associated with the ownership of this property; and additional property taxes from the return of these properties to the tax roles.



James F. Barwick, CCIM
Director, Real Estate Assets



William Anderson, FAICP
Deputy Chief/Chief Operating Officer
City Planning and Development

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ATTACHMENT "A"

Municipal Code 22.0902 "Sale of Real Property (e) states that "the property will be sold by negotiations or by public auction or by sealed bids". **Council Policy 700-10 C. Sale of Real Estate 1.** states "City property designated for sale shall general by offered by public auction."

With the proposed sales of City property that we plan to be taking to Council over the next few years, we intend to be conducting these sales through negotiations. As there seems to be a bit of conflict with how the Council Policy has been written, do we need to obtain a waiver to said policy or actually propose a formal change to this policy.

Attorney Notes/Response: 01/24/2007: The Municipal Code requires (per section 22.0902) that the Council pass a resolution approving a sale of City-owned real property prior to any action by READ. The resolution would designate whether the sale is to be negotiated, by auction, or by sealed bid. The issue is taken up by the Council in advance of putting the property on the market. READ must take each property intended for sale to the Council, justify each sale, and seek direction as to how the property will be sold. Because all questions regarding the right to sell and manner of sale will be predetermined by an enabling resolution, no conflict exists between the Code and Council Policy, no waiver is needed, and no formal policy change is required.

PROPERTY INFORMATION SUMMARY

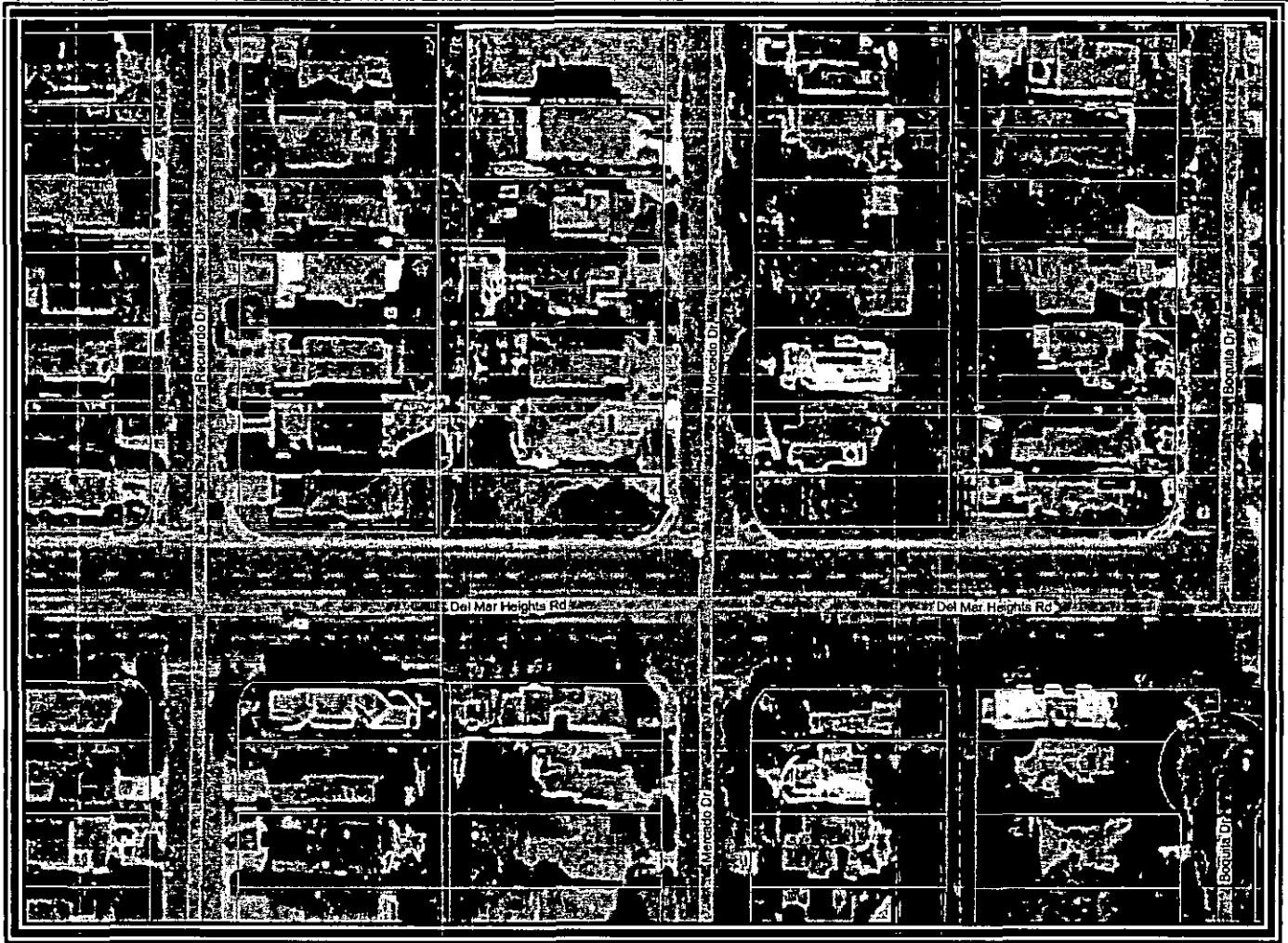
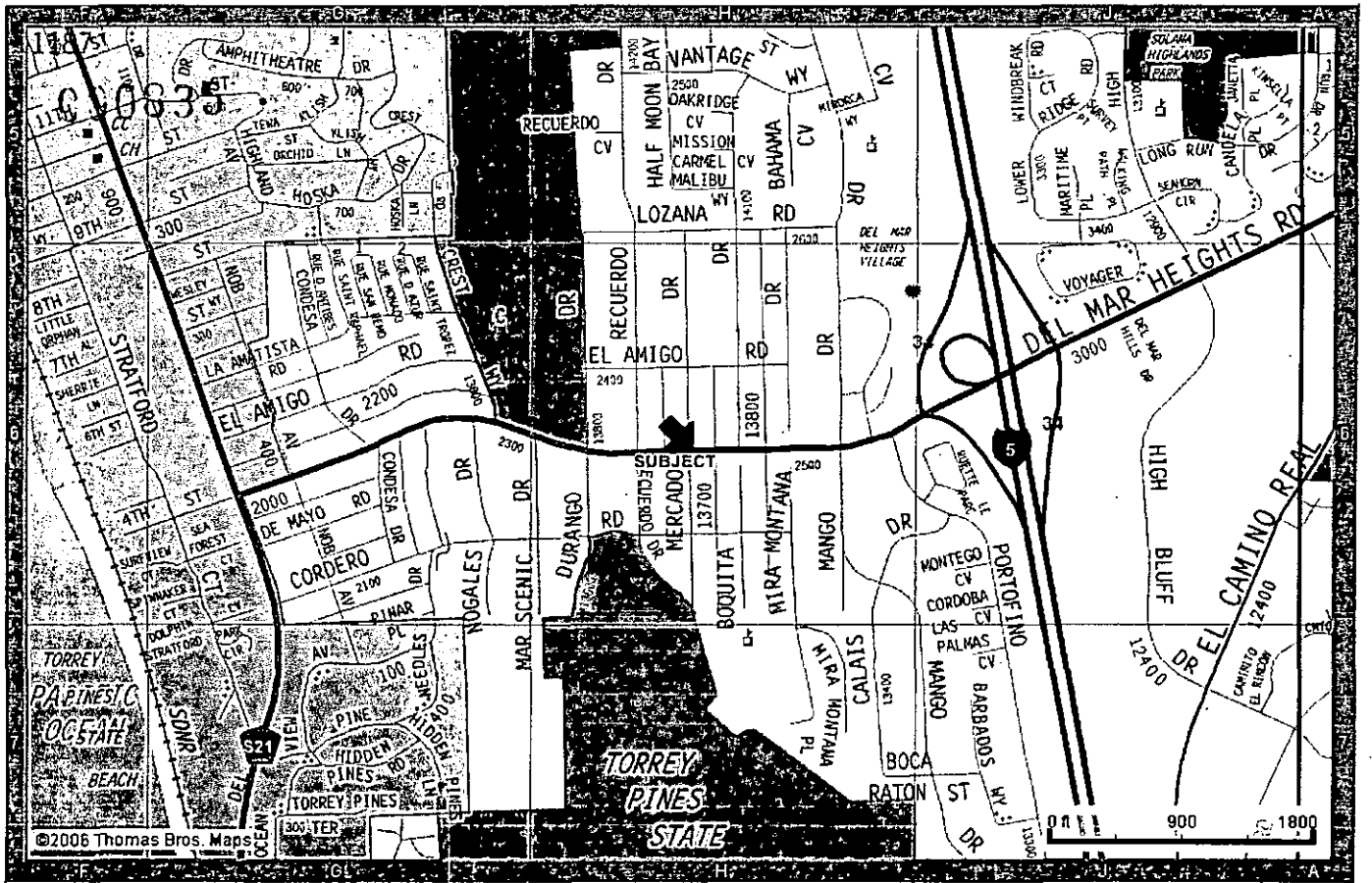
000834

**Del Mar Heights & Mercado
(Site 63)**

1. Legal Description: Del Mar Heights, Block 18, portion of Lot 10
2. Council District: 1
3. Assessors Parcel Number: 300-361-83
4. Thomas Bros Map: 1187-H6
5. Size of Parcel: 0.11 (5,141 square feet) ³²⁴ + 500 (Alley) = 5874
6. Improvements: none- vacant lot
7. Community Plan / Designation: Torrey Pines / Low-Density Residential (5-9 DU/AC)
8. Zoning/Allowed uses: RS-1-6 / Single-family residential on 6,000 sq ft lots.
9. Date of acquisition: 9-6-1963 - 45 years
10. Acquisition Purpose: street widening
11. Price at acquisition: \$3,500 including the portion currently in dedicated street ROW
12. Origin of funds at acquisition: General Fund
13. Appraised and Date of Value: Gary Rasmuson, M.A.I., 7/30/08 for \$500,000
14. Distribution of Proceeds: General City-Capital Outlay Fund 320453
15. Reason for Sale: In excess of city needs..
16. Property file: H202-1

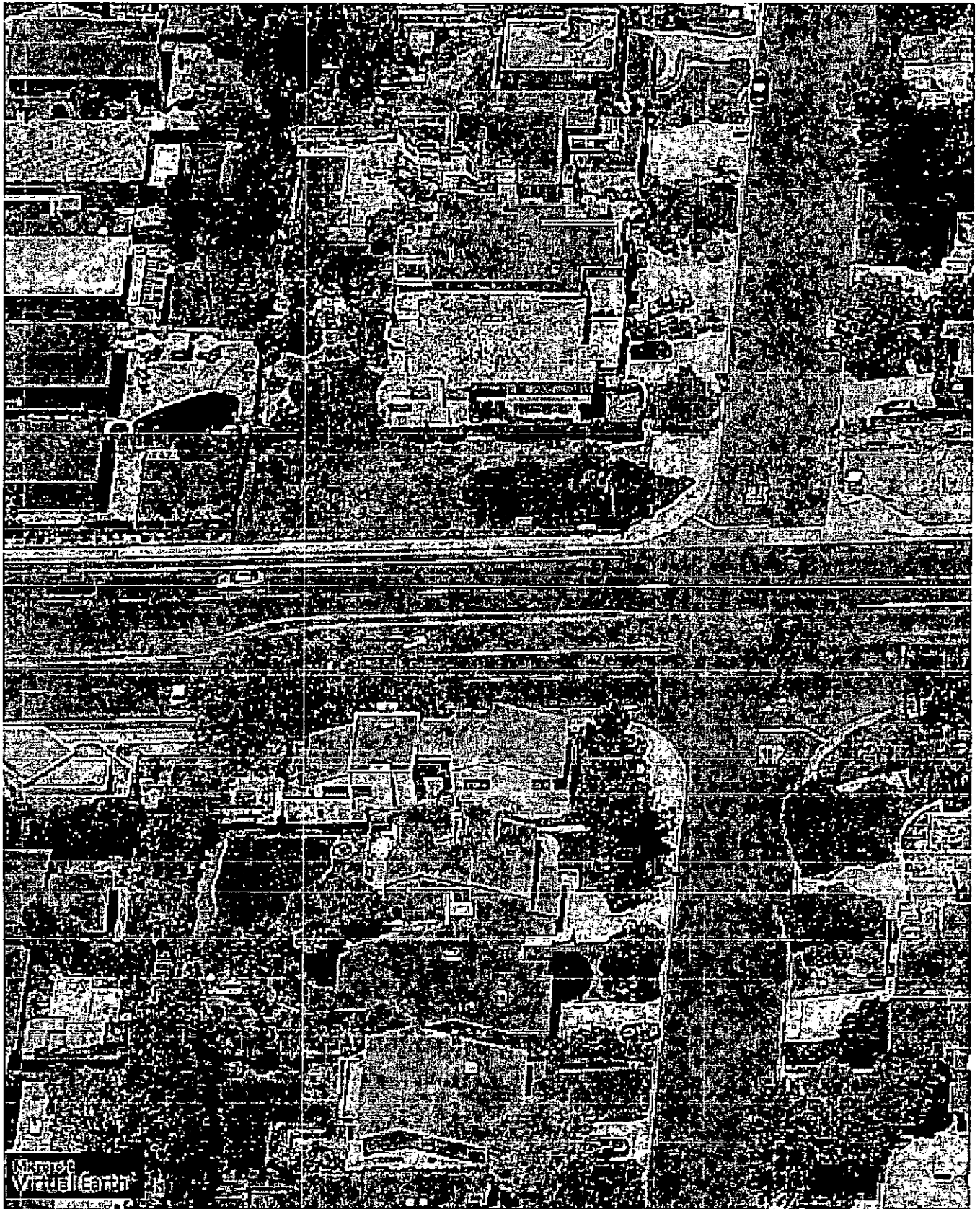
DUE DILIGENCE

The property will be sold "as is" with no warranties, usage or conditions (physical or otherwise), written, implied or expressed by the City of San Diego and its agents or employees. You are basing your purchase on the offered property solely on your findings and research, and that you have satisfied yourself as to the zoning, usage, physical condition inside and out, size and other information that might affect your decision to purchase this property. The information contained in the marketing materials is believed to be correct, however, the City of San Diego assumes no responsibility or liability for its completeness or accuracy.



000836

BIRD'S EYE VIEW



Microsoft
Visual Earth



Torrey Pines Community Planning Board

PO Box 603, Del Mar, CA 92014

www.torreypinescommunity.org

000537

BOARD MEMBERS: Morton Printz, Chair, tpcpb1@hotmail.com; mprintz@ucsd.edu; Cliff Hanna, Vice-Chair, cshanna@sbcglobal.net; Diana Scheffler, Secretary, DScheffler@san.rr.com; Carole Larson, Treasurer; Faye Detsky-Weil, Past Chair; Michael Belch; Barbara Cerny; Michael Foster, Greg Heinzinger; Kenneth Jenkins; Janie Killermann, DPRC Chair, jkillermann@gmail.com; Philip Raphael; Dennis Ridz, Pat Whitt.

REGULAR MONTHLY MEETING

THURSDAY, NOVEMBER 13, 2008 at 7:00 PM

DEL MAR HEIGHTS Multi-Use Room (MUR)

13555 Boquita Dr, Del Mar, CA 92014

PROPOSED AGENDA

NOTE: Times assigned for each item are approximate. Agenda items and order are subject to modification at the beginning of the meeting at discretion of the Chair. Any item may be pulled from Consent Agenda and added to the regular agenda by request. To request an agenda in alternative format - sign language, oral interpreter or Assistive Listening Devices (ALDs) - please contact the Planning Department at (619) 236-6879 five (5) working days prior to the meeting to insure availability.

CALL TO ORDER / INTRODUCTIONS – Chair
(TIME ALLOTTED FOR ITEMS A THROUGH G IS 30 MIN)

A. NON-AGENDA PUBLIC COMMENT – Issues that are not on the Agenda but are within the jurisdiction of the Community Planning Board. Time limit - 3 minutes per speaker.

B. GENERAL ANNOUNCEMENTS BY THE VICE-CHAIR

C. MODIFICATIONS TO THE AGENDA – Action Item: Motion to Approve the Agenda

D. REVIEW AND MOTION TO APPROVE PAST MEETING MINUTES – Secretary Diana Scheffler. Minutes of Regular Board Meeting of July 3, 2008 (Board Only ATTACHMENT D1); Minutes of Special Meeting of August 26, 2008 (Board Only ATTACHMENT ITEM D2); Minutes of Regular Board meeting of September 11, 2008 (Board Only ATTACHMENT ITEM D3).

E. REPORT BY TREASURER – Treasurer Carole Larson.

F. CONSENT AGENDA ITEMS

G. INFORMATION UPDATES (Presentations as presenter is present)

San Diego Police Department – Officer Gaylon Sells

City Planning and Community Investment Department - Lesley Henegar

City Council District 1, Council President Scott Peters Office – Channele Hawken

Mayor Sanders' Office (Stephen Lew)

County Supervisor Pam Slater-Price's Office (Aaron Byzak)

- 000638
- ITEM #1 CONSIDERATION & POSSIBLE ACTION. Proposed sale of vacant lot at Mercado & Del Mar Heights Road.** Discussion of proposed sale of real property located at Lot 10, Block 18 (Mercado & Del Mar Heights Road) by City of San Diego. Board position on vacant lot as future pocket park. – Morton Printz, Mary Carlson, City of San Diego Real Estate Assets.
- ITEM #2 ORAL REPORT & POSSIBLE ACTION. Board Appeal on the project on Long Boat Way to Hearing Officer on October 29, 2008 – Diana Scheffler. (See Attachment 2A)**
- ITEM #3 *Continued from October 9, 2008:* CONSIDERATION & POSSIBLE ACTION.** The Board will consider a proposed set of "Operating Guidelines for the Development Project Review Subcommittee". (See Attachment Item 3A) - Diana Scheffler, Discussion Leader.
- ITEM #4 *Continued from October 9, 2008:* REPORT ON BOARD-SPONSORED GARAGE SALE WITH VOLUNTARY DONATIONS–** Morton Printz, Janie Killermann.
- ITEM #5 REQUEST FOR CONSIDERATION & POSSIBLE ACTION TO FORM A DEL MAR HEIGHTS ROAD AESTHETICS SUBCOMMITTEE –** Carole Larson.
- ITEM #6 ORAL REPORT FROM THE SR-56/I-5 CONNECTOR SUBCOMMITTEE MEETING NOVEMBER 5, 2008.** Dennis Ridz, Barbara Cerny. (See Attachment Item #6A)
- ITEM #7 REQUEST FOR DISCUSSION OF THE CONCEPT OF VIEW PROTECTION WITHIN THE COMMUNITY PLAN.** – Dennis Ridz, Morton Printz.
- ITEM #8 REQUEST FOR BOARD APPROVAL: AUTHORIZE CHAIR TO REQUEST CHANGE IN WESTERN BORDERS OF THE TORREY PINES COMMUNITY TO CITY COUNCIL.** The Board is asked to approve written and oral request to the San Diego City Council to consider redrawing of the western border of the Torrey Pines Community as extending to the Ocean areas westerly from Sorrento valley and extending from approximately the intersection of North Torrey Pines Road and Genessee Avenue northward to the City of Del Mar. – Morton Printz.
- ITEM #9 INFORMATION REPORTS (As available, maximum 5 min)**
Barbara Cerny: County Service Agency 17 Representative.
Faye Detsky-Weil: Parks & Recreation; Pedestrian & School Safety
Cliff Hanna: Transportation Committee
Greg Heinzinger: Telecommunications in an Urban Setting.
Carole Larson: Web Site.
Morton Printz: COMPACT, Railroads & Mass Transit.
Philip Raphael : Noise and Urban Environment.

ITEM #10 NON-AGENDA ITEMS CONSTITUTING NEW OR FUTURE BUSINESS

ADJOURNMENT AT 9:30 PM (Meeting may be extended for unfinished business with Board approval)

The Public is invited to submit agenda items for upcoming meetings please contact the chair.

ATTACHMENTS for BOARD ONLY

COMMUNITY INFORMATIONAL ITEMS. New Project to be Reviewed by DPRC: Sorrento Pointe. Proposal to construct three 40,000 sq. ft. buildings on 15.12 acre site at 12025 Sorrento Valley Road in the IL-3-1 Zone. Notice Date: October 27, 2008.

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RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION AUTHORIZING THE SALE OF CERTAIN
EXCESS CITY PROPERTY IDENTIFIED AS LOT IN BLOCK
18 OF DEL MAR HEIGHTS.

WHEREAS, this action requires the affirmative vote of five (5) members of the City
Council [Council]; and

WHEREAS, the City is the fee owner of that certain real property [Property] located at
Lot 10 in Block 18 of Del Mar Heights [Property], described as a vacant residential lot
consisting of 6,000 square feet, and more particularly described in Property Information Sheet,
attached hereto; and

WHEREAS, as part of an overall portfolio management plan for the City's real estate
assets, the Mayor's staff is reviewing the City's property inventory to determine which properties
are no longer needed and whose disposition will provide a greater public benefit; and

WHEREAS, the current property is not used by a City department nor supports a
municipal function, the property is vacant and has no foreseeable use by the City, and the
property is a non-performing asset and greater value can be generated by its sale; and

WHEREAS, the property was acquired in 1963 for street widening purposes at a cost of
\$3,500; and

WHEREAS, an appraisal of the Property was obtained by the City's Real Estate Assets
Department [READ] from an independent certified MAI appraiser which determined the fair
market value [FMV] of the Property to be Five Hundred Thousand Dollars (\$500,000); and

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WHEREAS, the Property will be re-appraised at least once every twelve months until sold to revise the FMV, which READ will report to Council; and

WHEREAS, the Council deems the FMV to be the minimum acceptable price to be obtained for the Property; and

WHEREAS, if after attempting to sell the Property at the FMV, the Mayor, or his designee, determines that the Property cannot be sold at or above the FMV, the Mayor shall seek review and additional direction from the Council as to the disposition of the Property; and

WHEREAS, the Council deems it in the best interests of the City to authorize the Mayor, or his designee, to sell the Property through negotiation, public auction, sealed bids, or any combination of such methods, in his discretion; and

WHEREAS, the Council deems it in the best interests of the City to authorize the Mayor, or his designee, in his discretion, to retain the services of a real estate broker to represent the City and facilitate the sale of the Property, and that the City should pay real estate brokerage participation and brokerage fees incurred thereby; and

WHEREAS, the brokerage firm shall be Realty Executives and brokerage fees shall be six percent (6%); and

WHEREAS, upon the sale of the Property at a price greater than or equal to the FMV, the Council deems it in the best interests of the City to authorize the Mayor, or his designee, to execute and deliver, on behalf of the City, a purchase and sale agreement, grant deed, and all other agreements and documents necessary and on terms and conditions deemed by the Mayor or his designee to be reasonable and in the best interests of the City to consummate the sale; and

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WHEREAS, the proceeds of the sale of the Property, net of brokerage commissions and other costs of selling the Property, will be accepted by the City Comptroller and deposited into the Capital Outlay Fund; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, that certain real property [Property] owned in fee by the City, located at **Lot 10 in Block 18 of Del Mar Heights**, and more particularly described in the Property Information Sheet, attached hereto, is excess City property and may be sold; and

BE IT FURTHER RESOLVED, the Property may only be sold for a price equal to or greater than Five Hundred Thousand Dollars (\$500,000); and

BE IT FURTHER RESOLVED, the Mayor, or his designee, shall have the authorization for one year; and

BE IT FURTHER RESOLVED, the Mayor, or his designee, is authorized and directed to sell the property through negotiation, public auction, sealed bids, or any combination of such methods, in his discretion; and

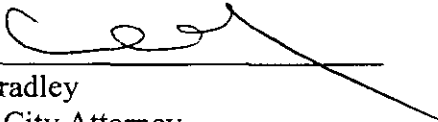
BE IT FURTHER RESOLVED, the Mayor or his designee is authorized to execute and deliver, on behalf of the City, a purchase and sale agreement, grant deed, and all other agreements and documents necessary and on terms and conditions deemed by the Mayor or his designee to be reasonable and in the best interests of the City to consummate the sale; and

BE IT FURTHER RESOLVED, the City Comptroller is authorized and directed to accept the proceeds of the sale of the Property, net of brokerage commissions and other costs of selling the Property, and deposit them into the Capital Outlay Fund 302453; and

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BE IT FURTHER RESOLVED, if after attempting to sell the Property at the minimum price specified herein, the Mayor, or his designee, determines that the Property cannot be sold at or above such price, the Mayor shall seek review and additional direction from the Council as to the disposition of the Property.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By 
Todd Bradley
Deputy City Attorney

TB:bas
10/2/08
Or.Dept: READ
R-2009-436
MMS #6865

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(Date)

JERRY SANDERS, Mayor

Vetoed: _____
(Date)

JERRY SANDERS, Mayor