

RESOLUTION NUMBER R- 310619

DATE OF FINAL PASSAGE AUG 03 2016

ITEM # 150
SUB A
7/25/16

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE CITY OF SAN DIEGO PERCENTAGE GROUND LEASE BETWEEN THE CITY OF SAN DIEGO AND SURF CUP SPORTS, LLC TO LEASE THE PROPERTY COMMONLY KNOWN AS THE POLO FIELDS.

WHEREAS, in 1983, Watt Industries/San Diego Inc. (Watt) conveyed by corporation grant deed (Deed) 600 acres of land in the San Dieguito River Valley to the City of San Diego with deed restrictions governing the use of the property, which expire December 31, 2044; and

WHEREAS, on April 1, 1986, the City entered into a twenty-six year lease agreement (Polo Club Lease) with Fairbanks Polo Club, the predecessor to Rancho Santa Fe Polo Club (Polo Club), for the lease of approximately 120 acres of the property (Polo Fields) conveyed to the City by the Deed. The Polo Club Lease expired on March 31, 2012, and the Polo Club has occupied the Polo Fields on a month-to-month, holdover basis since April, 2012; and

WHEREAS, since 1986, the Polo Fields have been used for polo matches, polo instruction, charity fundraiser events, soccer tournaments, lacrosse tournaments, sporting games for college recruitment, boarding of horses, youth soccer practice, weddings, private parties and other recreational uses and the parking for all of these uses; and

WHEREAS, the Polo Fields consists of open sport fields, roads and a segment of the public Coast to Crest Trail along the southern border of the Polo Fields; and

WHEREAS, in 2005, the City's Code Enforcement issued a Notice of Violation to the Polo Club for grading on the portion of the Coast to Crest Trail which is part of the Polo Fields. Site Development Permit No. 618626, Project No. 169091 (SDP) was issued by the Planning

Commission of the City to the City, as owner, and the Polo Club as lessee/permittee. The SDP was recorded September 13, 2011, in the San Diego County Recorder's Office as Document No. 2011-0473204. The SDP calls for the creation and maintenance of horse exercise track outside of the Coast to Crest Trail, allow access of a public trail for use by equestrians and pedestrians, restoration of the sensitive vegetation, and restoration of areas previously disturbed by trail maintenance outside of the limits of the re-aligned trail, all along the San Dieguito River. The SDP is a covenant running with the Polo Fields; and

WHEREAS, a Request for Proposals (RFP) was issued on July 13, 2015, requesting proposals to lease and operate the property to best serve the needs of the local and regional community, while providing activities, programs and operations in accordance with the Deed. The City received three proposals in response to the RFP. City staff determined two of the proposals were not responsive to the RFP and the proposal from Surf Cup Sports, LLC (Surf Cup) was the only responsive proposal; and

WHEREAS, City staff determined that the Surf Cup proposal was made in accordance with the evaluation criteria specified in the RFP, and is responsive, responsible and delivers the best overall value to the City, and based on the foregoing recommends that the City enter into a percentage ground lease for the use and occupancy of the Polo Fields with Surf Cup; and

WHEREAS, the proposed percentage ground lease to Surf Cup is for a twenty eight year term that will expire on December 31, 2044, which coincides with the expiration of the Deed restrictions. Independent of the ground percentage lease, Surf Cup will resolve the outstanding work pursuant to the SDP, which is to restore the Coast to Crest Trail portion of the Polo Fields, with an estimated cost of \$1,000,000; NOW, THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, that the Mayor, or his designee, is authorized to execute the City of San Diego Percentage Ground Lease between the City of San Diego and Surf Cup Sports, LLC, which is on file in the Office of the City Clerk as Document No. RR- 310619 .

APPROVED: JAN I. GOLDSMITH, City Attorney

By Hilda R. Mendoza
Hilda R. Mendoza
Deputy City Attorney

HRM:meb
June 23, 2016
Or.Dept:READ
Doc. No.: 1311911

I certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUL 25 2016 .

ELIZABETH S. MALAND
City Clerk

By [Signature]
Deputy City Clerk

Approved: 8/3/16
(date)

[Signature]
KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on JUL 25 2016, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherri Lightner	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage AUG 03 2016.

(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:

KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

(Seal)

By  Deputy

Office of the City Clerk, San Diego, California

Resolution Number R- **310619**