

Meeting Date: 07/23/19 (11)

ORDINANCE NO. 10619 (N.S.)

AN ORDINANCE AUTHORIZING AN AGREEMENT ENTITLED DISPOSITION AND DEVELOPMENT AGREEMENT BY AND BETWEEN THE COUNTY OF SAN DIEGO AND BRIDGE HOUSING CORPORATION OR ITS AFFILIATE FOR LEASE AND DEVELOPMENT OF THE REAL PROPERTY LOCATED AT 1501/1555 SIXTH AVENUE IN THE CITY OF SAN DIEGO

WHEREAS, County of San Diego (“County”) is the owner of real property consisting of .69 acres located at 1501/1555 Sixth Avenue, San Diego, CA (Assessor Parcel Numbers 534-014-04 and 534-014-12) (“Property”), and further described as:

Parcel No. 2017-0292-A

Lots 1 through 6 inclusive of Block 7 of Bay View Homestead, in the City of San Diego, County of San Diego, State of California, according to Map thereof No. 150, filed in the Office of the County Recorder of San Diego County, January 29, 1873.

WHEREAS, the County is authorized to lease the Property, for cultural, residential, commercial, or industrial uses or development, pursuant to the applicable law of the State of California, including California Government Code sections 25515 through 25515.5; and

WHEREAS, a Disposition and Development Agreement (“DDA”) has been negotiated with BRIDGE Housing Corporation (“Developer”) providing for the lease and development of the Property with an affordable housing development; and

WHEREAS, the DDA includes a Ground Lease Agreement (“Ground Lease”), to be executed upon satisfaction of the conditions set forth in the DDA, providing for lease of the Property to Developer or its affiliate for a term of 99 years and development of the Property with an affordable housing development; and

WHEREAS, the DDA also includes a County of San Diego Memorandum of Restrictive Covenants and Regulatory Agreement (“Regulatory Agreement”), to be executed and recorded against the leasehold interest in the Property upon satisfaction of conditions set forth in the DDA, specifying affordable housing use requirements for the Property; and

WHEREAS, the DDA and Ground Lease will result in economic benefits to the County through production of affordable housing units and rent payments to the County; and

WHEREAS, the public benefit of the DDA and Ground Lease is expected to be greater than the public benefit which would result from the sale of the Property, and a reasonable expectation exists that the future public need justifies retention of the fee ownership of the Property, because retained ownership will allow direct monitoring and enforcement of the affordability requirements and other Ground Lease requirements by the County, will provide revenue to the County during the Ground Lease term through rent payments, and will allow the County to control future use of the Property following expiration or termination of the Ground Lease; and

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WHEREAS, the Chief Administrative Officer has recommended that the County execute the DDA with Developer or its affiliate; and

WHEREAS, Government Code section 25515.2 subsection (a) requires that an agreement for lease of property to be entered into under Government Code sections 25515 through 25515.5 must be authorized by ordinance; and

WHEREAS, pursuant to Government Code section 25515.2 subsection (b), notice of the time and place of a public hearing concerning the adoption of this ordinance was published on July 8, 2019 and July 15, 2019; and

WHEREAS, pursuant to Government Code section 25515.2 subsection (b), the Board of Supervisors held a public hearing regarding adoption of this ordinance on July 23, 2019.

NOW THEREFORE, the Board of Supervisors of the County of San Diego ordains as follows:

Section 1. The Board finds the foregoing recitals are true and correct.

Section 2. The Board finds that the DDA will help meet the housing needs of the County and will provide economic benefit to the County.

Section 3. The Board finds that the public benefit of the lease of the Property is expected to be greater than the public benefit that would result from the sale of the Property, and that a reasonable expectation exists that the future public need justifies retention of the fee ownership of the Property.

Section 4. The Board authorizes the Director, Department of General Services to execute the DDA with the Developer or its affiliate in the form presented to this Board, and to execute the attachments to the DDA, including the Ground Lease, and any other documents necessary to implement the DDA, its attachments, and this ordinance.

Section 6. The Board authorizes the Agency Director, Health and Human Services Agency, or designee, to execute the Regulatory Agreement.

Section 7. The Board authorizes the Director, Department of General Services, or designee, and the Agency Director, Health and Human Services Agency, or designee, to perform any actions in furtherance or implementation of this ordinance, the DDA, and its attachments.

Section 6. This ordinance shall be effective in accordance with Government Code section 25123.

APPROVED AS TO FORM AND LEGALITY
COUNTY COUNSEL

By: Nathan Slegers, Senior Deputy County Counsel

PASSED, APPROVED, AND ADOPTED by the Board of Supervisors of the County of San Diego this 23rd day of July, 2019.



DIANNE JACOB
Chairwoman, Board of Supervisors
County of San Diego, State of California

The above Ordinance was adopted by the following vote:

AYES: Cox, Jacob, Gaspar, Fletcher, Desmond

ATTEST my hand and the seal of the Board of Supervisors this 23rd day of July, 2019.

ANDREW POTTER
Clerk of the Board of Supervisors

By *C. Rodriguez*
Chrystal Rodriguez, Deputy



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