COUNTY OF SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD REGULAR MEETING

May 18, 2023 10:00 A.M. AT 1600 PACIFIC HIGHWAY, SAN DIEGO, ROOM 302 AGENDA

Attendance by Virtual Meeting made available Zoom Link:

Phone Option: 1-669-900-9128; Webinar ID: 827 1364 5735

- A. Call to Order
- B. Roll Call/ Statement (just cause) and/or Consideration of a Request to Participate Remotely (emergency circumstances) pursuant to Assembly Bill 2449 by an Oversight Board Member (*if necessary and applicable*)
- C. Pledge of Allegiance
- D. Approval of Statement of Proceedings / Minutes of January 19, 2023
- E. Formation of Consent Calendar
- F. Public Communication Speakers: Members of the public may address the Oversight Board on subject matters within the Board's jurisdiction, but not an item on this agenda. Comments for items on this agenda will be taken as each item comes up. Each speaker is limited to three minutes.
- G. Discussion Item(s)
 - 1. Lease contract for Space at 625 Sixth Avenue, San Diego
 - 2. Dept. of Finance Decisions on ROPS 23-24
- H. Action Item(s)
 - 1. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD FOR THE CITY OF SAN DIEGO REDEVELOPMENT SUCCESSOR AGENCY APPROVING A LEASE BETWEEN THE CITY OF SAN DIEGO, SOLELY IN ITS CAPACITY AS THE DESIGNATED SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO, AND NASIR AND LANDA MANSOR,

Supporting documentation and attachments for items listed on this agenda can be viewed online at http://www.sdcounty.ca.gov/community/san-diego-county-oversight-board.html or in the Health & Human Services Agency's Financial & Support Services Division, 1255 Imperial Avenue, 6th Floor, San Diego, CA 92101.

ASSISTANCE FOR THE DISABLED:

DOING BUSINESS AS SAN REMO PIZZA, FOR RETAIL SPACE LOCATED AT 625 SIXTH AVENUE IN THE EAST VILLAGE NEIGHBORHOOD OF THE DOWNTOWN COMMUNITY PLAN AREA

- I. Communications Received: Update from LAFCO regarding Mark Baker's replacement. As of May 1, 2023, returned ballots did not constitute a quorum and the deadline to return ballots was extended to July 3, 2023.
- J. Future Agenda Item(s):
- K. Set Future Meeting Date(s): June 15, 2023 10:00 a.m., July 20, 2023 10:00 a.m., August 17, 2023 10:00 a.m., September 21, 2023 10 a.m.
- L. Adjournment

Supporting documentation and attachments for items listed on this agenda can be viewed online at http://www.sdcounty.ca.gov/community/san-diego-county-oversight-board.html or in the Health & Human Services Agency's Financial & Support Services Division, 1255 Imperial Avenue, 6th Floor, San Diego, CA 92101.

ASSISTANCE FOR THE DISABLED:

COUNTY OF SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD

REGULAR (TELECONFERENCE) MEETING January 19, 2023, 10:00 A.M. MINUTES

Attendance by Virtual Meeting made available

Zoom Link

Phone Option: 1-669-900-9128; Webinar ID: 751 538 3893

A. Call to Order at 10:01

B. Roll Call

PRESENT: Board Members: Brian Hagerty, Mark Baker, Bonnie Dowd, Samuel Merrill and Corinne Wilson

Other Attendees: Claire Lai, Attorney at Law, Max Endoso, Principal Admin Analyst, Ardee Apostol, Group Finance Director and Charissa Japlit, Assistant Group Finance Director

ABSENT: Scott Buxbaum

C. Pledge of Allegiance

D. Approval of Statement of Proceedings / Minutes of January 12, 2023

On motion of Board Member Dowd and seconded by Merrill, THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD approved the minutes of the January 12, 2023 meeting. Oversight Board staff did a roll call vote of each OB member to indicate approval or non-approval during the virtual meeting. Motion passed.

AYES: Hagerty, Baker, Dowd, Merrill and Wilson

E. Formation of Consent Calendar – Under this item, the Oversight Board may place action items under Section H on the consent calendar to be voted on in one motion.

Items to which no opposition has been expressed by the public or this body may be placed on the Consent Calendar to be voted on without discussion.

The following eight (8) items were placed on Consent by the Oversight Board: 2. City of Chula Vista, 4. City of El Cajon, 8. City of Lemon Grove, 9. National City, 10. Oceanside, 11. City of Poway, 13. County of San Diego, 15. City of Santee

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ASSISTANCE FOR THE DISABLED:

ON MOTION of Chair Hagerty, seconded by Member Dowd THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD adopted respective resolutions to approve the Recognized Obligation Payment Schedule (ROPS) 23-24 and Administrative Budget for the above eight (8) Successor Agencies for the period of July 1, 2023 through June 30, 2024, placed on the Consent Calendar for January 19, 2023.

AYES: Hagerty, Baker, Dowd, Merrill and Wilson

F. Public Communication Speakers: Members of the public may address the Oversight Board on subject matters within the Board's jurisdiction, but not an item on this agenda. Comments on items on the agenda will be taken as each item comes up. Each speaker is limited to three minutes. *No comments were received by the Board or were presented at the meeting.*

G. Discussion Item(s)

- Approval of the Recognized Obligation Payment Schedule (ROPS) 23-24 and Administrative Budget for all seventeen (17) Successor Agencies including Supporting Documents for the period of JULY 1, 2023 THROUGH JUNE 30, 2024
- 2. Special Teleconferencing Rule specified under AB 361

Chair Hagerty provided background and opened up the discussion to the Board, a summary of which is provided here:

This vote extends for another 30 days our ability to meet under teleconferencing under AB 361 and the current public health emergency at the State level would be lifted on February 28th 2023 and the County will be probably follow the State's lead and also lift the public health emergency declaration. If we do meet on February 16th, which is our standing regular meeting, this will be last time that we meet via teleconference under AB 361 and hopefully the next meeting will be in person.

Member Dowd added that voting to extend the Special Teleconferencing rule under AB 361 is prudent, she appreciates that the Oversight Board still have this option and she's also hoping that the next meeting is in person.

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ASSISTANCE FOR THE DISABLED:

3. Discussion regarding election of Officers in Accordance with Oversight Board Bylaws, ARTICLE II – OFFICERS, Section 6 – Election

Below is a summary of the discussion between the Board Members and Ms. Lai on term limits and restrictions on electing an absent member to an Officer position.

Member Baker nominated Chair Hagerty for the Chair position in calendar year 2023 and Chair Hagerty accepted. Chair Hagerty asked Ms. Lai if appropriate to proceed on the vote or open the discussion to the Board. Ms. Lai responded that it is appropriate to proceed with the vote unless there is another nomination. There were no other nominations for the Chair position. Ms. Lai confirmed for the Board that the bylaws state the Chairperson and Vice Chairperson positions shall be held for a maximum of four (4) years, and no person shall be elected as for the same office for more than two (2) consecutive terms. As such, since Chair Hagerty took over as Chair in late 2020, he is still eligible to serve as Chair for calendar year 2023.

Member Merrill nominated Member Buxbaum to continue as Vice Chair. Chair Hagerty asked Ms. Lai if appropriate to proceed on the vote even if Vice Chair Buxbaum is not present to accept the nomination. Ms. Lai responded that there is no restriction in the bylaws requiring a member has to be present to be nominated. She added that if Vice Chair Buxbaum objects to his nomination then the Oversight Board can revisit his election at a later date.

4. Review of Oversight Board Bylaws (Attachment 1)

Chair Hagerty provided background and opened up the discussion to the Board, a summary of which is provided here:

We reviewed the bylaws, and we know that we have to give the Oversight Board Members at least seven days advance notice in writing of the proposed changes before the Board votes on them and that's according to Article V – Amendments of the Bylaws. Over the years we made several amendments to the Bylaws. We removed Community Services Group because they were eliminated from the County organization structure. We also eliminated a statement that dealt with approving compensation agreements because that's not in our authority per State law. We amended the attendance requirements and the way that a board member might be asked to leave the board by

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ASSISTANCE FOR THE DISABLED:

the other members in the event that attendance becomes a problem. We also removed the Secretary position las year. I also checked with Counsel to make sure that the new law, AB 2449 does not state anything that contradicts our current bylaws and per Counsel, there is no need to amend our bylaws to align with AB 2449. There are some very important things in the bylaws that we've changed over the years and so we put this out there for periodic review at least once a year to see anything in the bylaws that you object to.

Member Dowd suggested that the Board reconsiders the ability for Officers to serve more than two consecutive terms since the dissolution activities are winding down it might be a little bit more difficult to get Board Members to serve as officers.

Chair Hagerty thanked Member Dowd and added he will take her suggestion under advisement and will work with Oversight Board staff and Counsel on this item. Staff will get back to the Board members if there is a need to change or clarify term limits.

H. Action Item(s)

1. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE CARLSBAD REDEVELOPMENT SUCCESSOR AGENCY FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024.

ON MOTION of Chair Hagerty, seconded by Member Dowd THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD adopted the resolution approving the Carlsbad Redevelopment Successor Agency Recognized Obligation Payment Schedule (ROPS) 23-24 and Administrative Budget including Supporting Documents for the period of July 1, 2023 through June 30, 2024. Oversight Board staff did a roll call vote of each Board member to indicate approval or non-approval during the virtual meeting. Motion passed.

AYES: Hagerty, Baker, Dowd, Merrill and Wilson

2. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING

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ASSISTANCE FOR THE DISABLED:

THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF CHULA VISTA FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024. (See Item E. Approved on Consent)

3. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF CORONADO FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024.

ON MOTION of Chair Hagerty, seconded by Member Merrill THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD adopted the resolution approving the Successor Agency to the Community Development Agency of the City of Coronado Recognized Obligation Payment Schedule (ROPS) 23-24 and Administrative Budget including Supporting Documents for the period of July 1, 2023 through June 30, 2024. Oversight Board staff did a roll call vote of each Board member to indicate approval or non-approval during the virtual meeting. Motion passed.

AYES: Hagerty, Baker, Dowd, Merrill and Wilson

- 4. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE CITY OF EL CAJON SUCCESSOR AGENCY FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024. (See Item E. Approved on Consent)
- 5. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND

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ASSISTANCE FOR THE DISABLED:

ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY TO THE CITY OF ESCONDIDO FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024.

ON MOTION of Chair Hagerty, seconded by Member Dowd THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD adopted the resolution approving the Successor Agency to the City Of Escondido Recognized Obligation Payment Schedule (ROPS) 23-24 and Administrative Budget including Supporting Documents for the period of July 1, 2023 through June 30, 2024. Oversight Board staff did a roll call vote of each Board member to indicate approval or non-approval during the virtual meeting. Motion passed.

AYES: Hagerty, Baker, Dowd, Merrill and Wilson

6. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024.

ON MOTION of Chair Hagerty, seconded by Member Dowd THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD adopted the resolution approving the Imperial Beach Redevelopment Agency Successor Agency Recognized Obligation Payment Schedule (ROPS) 23-24 and Administrative Budget including Supporting Documents for the period of July 1, 2023 through June 30, 2024. Oversight Board staff did a roll call vote of each Board member to indicate approval or non-approval during the virtual meeting. Motion passed.

AYES: Hagerty, Dowd, Merrill and Wilson

ABSTAIN: Baker

7. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY TO THE LA

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ASSISTANCE FOR THE DISABLED:

MESA COMMUNITY REDEVELOPMENT AGENCY FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024.

ON MOTION of Chair Hagerty, seconded by Member Dowd THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD adopted the resolution approving the Successor Agency to the La Mesa Community Redevelopment Agency Recognized Obligation Payment Schedule (ROPS) 23-24 and Administrative Budget including Supporting Documents for the period of July 1, 2023 through June 30, 2024. Oversight Board staff did a roll call vote of each Board member to indicate approval or non-approval during the virtual meeting. Motion passed.

AYES: Hagerty, Baker, Dowd, Merrill and Wilson

- 8. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE LEMON GROVE SUCCESSOR AGENCY FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024. (See Item E. Approved on Consent)
- 9. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE NATIONAL CITY SUCCESSOR AGENCY FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024. (See Item E. Approved on Consent)
- 10. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY OF THE CITY OF OCEANSIDE FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024. (See Item E. Approved on Consent)

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ASSISTANCE FOR THE DISABLED:

- 11. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY TO THE POWAY REDEVELOPMENT AGENCY FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024. (See Item E. Approved on Consent)
- 12. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE CITY OF SAN DIEGO SUCCESSOR AGENCY FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024.

ON MOTION of Chair Hagerty, seconded by Member Dowd THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD adopted the resolution approving the Successor Agency to the City Of San Diego Successor Agency Recognized Obligation Payment Schedule (ROPS) 23-24 and Administrative Budget including Supporting Documents for the period of July 1, 2023 through June 30, 2024. Oversight Board staff did a roll call vote of each Board member to indicate approval or non-approval during the virtual meeting. Motion passed.

AYES: Hagerty, Baker, Dowd, Merrill and Wilson

- 13. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE COUNTY OF SAN DIEGO SUCCESSOR AGENCY FOR THE PERIOD OF JULY 1, 2023-THROUGH JUNE 30, 2024. (See Item E. Approved on Consent)
- 14. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND

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ASSISTANCE FOR THE DISABLED:

ADMINISTRATIVE BUDGET FOR THE CITY OF SAN MARCOS SUCCESSOR AGENCY FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024.

ON MOTION of Chair Hagerty, seconded by Member Dowd THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD adopted the resolution approving the City of San Marcos Successor Agency Recognized Obligation Payment Schedule (ROPS) 23-24 and Administrative Budget including Supporting Documents for the period of July 1, 2023 through June 30, 2024. *Oversight Board staff did a roll call vote of each Board member to indicate approval or non-approval during the virtual meeting.* Motion passed.

AYES: Hagerty, Dowd, Merrill and Wilson

ABSTAIN: Baker

- 15. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE COMMUNITY DEVELOPMENT COMMISSION SUCCESSOR AGENCY OF THE CITY OF SANTEE FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024. (See Item E. Approved on Consent)
- 16. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE SOLANA BEACH SUCCESSOR AGENCY FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024.

ON MOTION of Chair Hagerty, seconded by Member Dowd THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD adopted the resolution approving the Solana Beach Successor Agency Recognized Obligation Payment Schedule (ROPS) 23-24 and Administrative Budget including Supporting Documents for the period of July 1, 2023 through June 30, 2024. *Oversight Board staff did a roll call vote of each Board member to indicate approval or non-approval during the virtual meeting.* Motion passed.

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ASSISTANCE FOR THE DISABLED:

AYES: Hagerty, Dowd, Merrill and Wilson

NAY: Baker

17. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY TO THE VISTA REDEVELOPMENT AGENCY FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024.

ON MOTION of Chair Hagerty, seconded by Member Dowd THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD adopted the resolution approving the Successor Agency to the Vista Redevelopment Agency Recognized Obligation Payment Schedule (ROPS) 23-24 and Administrative Budget including Supporting Documents for the period of July 1, 2023 through June 30, 2024. Oversight Board staff did a roll call vote of each Board member to indicate approval or non-approval during the virtual meeting. Motion passed.

AYES: Hagerty, Dowd, Merrill and Wilson

ABSTAIN: Baker

18. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD AUTHORIZING SPECIAL TELECONFERENCING RULE UNDER AB 361 PURSUANT TO GOVERNMENT CODE SECTION 54953 FOR THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD

On motion of Chair Hagerty and seconded by Member Dowd, THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD approved the RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD AUTHORIZING SPECIAL TELECONFERENCING RULE UNDER AB 361 PURSUANT TO GOVERNMENT CODE SECTION 54953 FOR THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD. Oversight Board staff did a roll call vote of each Board member to indicate approval or non-approval during the virtual meeting. Motion passed.

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ASSISTANCE FOR THE DISABLED:

AYES: Hagerty, Baker, Dowd, Merrill and Wilson

19. Election of Officers in Accordance with Oversight Board Bylaws, ARTICLE II – OFFICERS, Section 6 – Election

On Motion of Member Baker and accepted by Chair Hagerty THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD elected Brian Hagerty as Chair of The Countywide Redevelopment Successor Agency Oversight Board for the calendar year 2023. Oversight Board staff did a roll call vote of each Board member to indicate approval or non-approval during the virtual meeting.

AYES: Hagerty, Baker, Dowd, Merrill and Wilson

On Motion of Member Merrill, THE COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD elected Scott Buxbaum as Vice Chair of The Countywide Redevelopment Successor Agency Oversight Board for the calendar year 2023. Oversight Board staff did a roll call vote of each Board member to indicate approval or non-approval during the virtual meeting.

AYES: Hagerty, Baker, Dowd, Merrill and Wilson

I. Communications Received:

- a. 1/17/23, Tuesday, Clerk of the Board (COB) re Member Baber's replacement: COB is still in the process of setting up a meeting for the City Selection Committee. COB has noted to place this item on the agenda for a replacement on the Redevelopment Successor Agency Board. COB is still waiting for the 2023 calendar from the League of California Cities. b. 1/18/23, Wednesday, Received form and contact name from HHSA HR on yellow badge requirement.
- c. 1/18/23, Wednesday, Response from Keene Simonds of LAFCO re Member Baker's replacement. The replacement process is going to take some time. They will need to follow the procedures required under Government Code 53662(f) and process gets longer if they cannot secure a voting quorum of the independent special districts. They will prepare a call of nominations this week and get it going. They will provide an update to Oversight Board staff on the timeline once they get the nomination packet out. Oversight Board staff sent 2023 meeting calendar with location info to LAFCO and also informed them that there is no per diems.

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ASSISTANCE FOR THE DISABLED:

- J. Future Agenda Item(s): Consideration and potential approval of Oversight Board Bylaws, AB 361
- K. Set Future Meeting Date(s): February 16, 2023 10:00 a.m., March 16, 2023 10:00 a.m., April 20, 2023 10 a.m., May 18, 2023 10:00 a.m.
- L. Adjournment at 11:37 a.m.

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ASSISTANCE FOR THE DISABLED:



COUNTY OF SAN DIEGO

COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD

BRIAN HAGERTY

REBECCA JONES

MARK BAKER

SCOTT BUXBAUM

KELLY HALL

SAMUEL MERRILL

CORINNE WILSON

AGENDA ITEM

COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD

DATE: May 18, 2023

01

TO: Countywide Redevelopment Successor Agency Oversight Board

SUBJECT: APPROVAL OF A LEASE BETWEEN THE CITY OF SAN DIEGO, SOLELY

IN ITS CAPACITY AS THE DESIGNATED SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO, AND NASIR AND LANDA MANSOR, DOING BUSINESS AS SAN REMO PIZZA, FOR RETAIL SPACE LOCATED AT 625 SIXTH AVENUE IN THE EAST VILLAGE NEIGHBORHOOD OF THE DOWNTOWN COMMUNITY PLAN

AREA.

SUMMARY:

Overview

The City of San Diego, solely in its capacity as the designated Successor Agency to the Redevelopment Agency of the City of San Diego (SA) owns the property commonly identified as the Park it on Market Garage (PIOM) located on the north side of Market Street between Sixth and Seventh avenues in downtown San Diego. PIOM opened to the public in 2001. As a former Redevelopment Agency property, it is included in the SA's Amended and Restated Long Range Property Management Plan and as such must ultimately be disposed of in accordance with redevelopment dissolution law.

Within PIOM, Nasir and Landa Mansor, doing business as San Remo Pizza ("Tenant") lease an approximately 459 square-foot retail space on the first floor of PIOM identified as 625 Sixth Avenue, plus a small basement storage space. Tenant currently pays rent in the amount of \$1,858.88 per month.

The current lease was entered into in 2013. The term was for five years with one five-year extension through April 8, 2023. The extension option was exercised on February 24, 2018 by previous San Remo Pizza owner and lessee Bassam Yousif. Tenant purchased the San Remo Pizza business from Mr. Yousif and on August 11, 2021,

SUBJECT: APPROVAL OF A LEASE WITH LANDA AND NASIR MANSOR FOR THE SAN REMO PIZZA SPACE AT 625 SIXTH AVENUE

assumed the rights and responsibilities of this lease through a third assignment of the lease.

Recommendation

1. Adopt a resolution entitled, A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD FOR THE CITY OF SAN DIEGO REDEVELOPMENT SUCCESSOR AGENCY APPROVING A LEASE BETWEEN THE CITY OF SAN DIEGO, SOLELY IN ITS CAPACITY AS THE DESIGNATED SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO, AND NASIR AND LANDA MANSOR, DOING BUSINESS AS SAN REMO PIZZA, FOR RETAIL SPACE LOCATED AT 625 SIXTH AVENUE IN THE EAST VILLAGE NEIGHBORHOOD OF THE DOWNTOWN COMMUNITY PLAN AREA

Fiscal Impact

The proposed Lease is anticipated to generate approximately \$44,613.12 in gross revenue. Funds are used to support property maintenance and operations.

BACKGROUND:

Pursuant to Assembly Bill x1 26 ("AB 26") and Assembly Bill 1484, the Redevelopment Agency of the City of San Diego ("Former RDA"), a former public body, corporate and politic dissolved on February 1, 2012, at which time the City of San Diego Successor Agency to the Redevelopment Agency (SA) assumed all of the Former RDA's assets, rights, and obligations under the California Community Redevelopment Law.

As a former RDA property, PIOM is included in the SA's approved ARPMP. As noted in the ARPMP, due to provisions contained in the Bond Covenants, for at least as long as the Bonds are in place, the SA will retain ownership of PIOM. The subject lease space, 625 Sixth Avenue, is located within PIOM, and is one of two retail spaces within the development.

Revenues Pledged under Bond Obligation until Year 2025: On December 1, 1999, the RDA issued the RDA Centre City Redevelopment Project Parking Revenue Bonds, Series 1999A ("Bonds") pursuant to a Trust Indenture dated November 1, 1999, by and between the Former RDA and the City. The Bonds financed the construction of the PIOM. The maturation date of the Bonds is September 1, 2025. Pursuant to the Bond Indenture, the Pledged Revenues used as security for the Bonds include net operating revenues from the PIOM which encompasses the rent from Tenant

Since opening in 2001, the space has been rented to a number of tenants. The current lease was entered into on April 9, 2013 between the SA and Kwang Jin Seo, doing business as Sushi Den. The lease was for a five-year-term with one five-year extension option.

On July 7, 2014, Jeremy and Isabel Price assumed the Original Lease and on June 13, 2017, Bassam Yousif, doing business as San Remo Pizza, assumed the lease through a Second Assignment of the Lease. The Original Lease was set to terminate on April 9, 2018 and Mr. Yousif

SUBJECT: APPROVAL OF A LEASE WITH LANDA AND NASIR MANSOR FOR THE SAN REMO PIZZA SPACE AT 625 SIXTH AVENUE

exercised the extension option, through a letter dated February 24, 2018, which extended the Original Lease through April 8, 2023.

On August 11, 2021, Tenant assumed the lease through a Third Assignment of the Lease. The current rent is \$1,858.88 per month, including the storage space. Since taking over the lease, Tenant has been timely with payment of rent, and in addition, has been an upstanding tenant, and substantially improved the aesthetic of the space.

Lease Terms:

The proposed terms are summarized as follows:

- Term shall terminate on the later of either September 1, 2025, co-terminus with bond covenants or the date that the Successor Agency transfers its ownership of the premises to the City.
- Extension none.
- Monthly rent \$1,858.88
- Rent increases none.
- Parking parking is not included in the lease. Tenant may secure parking in PIOM at standard rate.
- Effective Date date upon which SA receives final approval as detailed below.

Staff has completed an analysis of lease rates in the downtown area. This analysis showed that for comparable lease spaces (generally commercial/retail spaces of 800 sf or less) rates ranged from approximately \$1.25 per sf/month to \$3.50 per sf/month, with CoStar showing a median rent of \$2.25 per sf/month.

The proposed rent of \$1,858.88 equals a blended rate of \$3.33 per sf/month, including the retail and storage spaces (559 sf), which is within current market rates. As the rent is towards the higher end of the range, no rent increases are proposed during the term of the lease.

Since the current lease was set to terminate on April 8, 2023, the SA issued a letter to Tenant providing for a" holdover period" of up to 90 days to allow for OB and DOF consideration and approval of the proposed Lease. During the holdover period, the terms of the current lease would remain in full force and effect.

<u>Surplus Land Act (SLA)</u>: In an abundance of caution, compliance with the SLA was reviewed and it was determined that the SLA is not applicable to the proposed lease transaction as it does not involve the disposition of "land" as defined by the SLA and meets short-term and no development/construction exemptions.

Staff is requesting approval of the proposed Lease with Landa and Nasir Mansor for the retail space located at 625 Sixth Avenue in downtown San Diego, within the PIOM garage. Approval of the Lease is in the best interests of the taxing entities because it will allow the Successor Agency to continue to generate approximately \$44,613.12 in gross revenue to support property maintenance, operations and debt service on the Bonds.

SUBJECT: APPROVAL OF A LEASE WITH LANDA AND NASIR MANSOR FOR THE SAN REMO PIZZA SPACE AT 625 SIXTH AVENUE

Respectfully submitted,

ARDEE APOSTOL

Group Finance Director, HHSA-ABO

ATTACHMENTS

A – Resolution OB-2023-020

B – Proposed Lease

AGENDA ITEM INFORMATION SHEET

PREVIOUS RELEVANT BOARD ACTIONS:

N/A

MANDATORY COMPLIANCE:

N/A

CONTACT PERSONS:

Max Endoso	Ardee Apostol
Name	Name
619-455-0261	619-338-2100
Phone	Phone
Max.Endoso@sdcounty.ca.gov	Ardee.Apostol@sdcounty.ca.gov
E-mail	E-mail

Resolution No: OB-2023-020 Meeting Date: May 18, 2023

A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD FOR THE CITY OF SAN DIEGO REDEVELOPMENT SUCCESSOR AGENCY APPROVING A LEASE BETWEEN THE CITY OF SAN DIEGO, SOLELY IN ITS CAPACITY AS THE DESIGNATED SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO, AND NASIR AND LANDA MANSOR, DOING BUSINESS AS SAN REMO PIZZA, FOR RETAIL SPACE LOCATED AT 625 SIXTH AVENUE IN THE EAST VILLAGE NEIGHBORHOOD OF THE DOWNTOWN COMMUNITY PLAN AREA.

WHEREAS, the former Redevelopment Agency of the City of San Diego (Former RDA) administered the implementation of various redevelopment projects, programs, and activities within designated redevelopment project areas throughout the City of San Diego ("City"); and

WHEREAS, under California's redevelopment dissolution laws, the Former RDA dissolved as of February 1, 2012, at which time the City, solely in its capacity as the designated successor agency to the Former RDA ("Successor Agency"), assumed the Former RDA's assets and obligations and commenced winding down the Former RDA's operations; and

WHEREAS, the Successor Agency is required to administer the winding down of the Former RDA's operations and to ensure compliance with the Former RDA's obligations in accordance with AB 26, as subsequently amended (collectively, "Dissolution Laws"); and

WHEREAS, the Dissolution Laws specify that the Oversight Board and the California Department of Finance (DOF) must review and approve certain actions and decisions of the Successor Agency, including the Successor Agency's approval of each Recognized Obligation Payment Schedule (ROPS); and

WHEREAS, among other things, each ROPS shows the estimated payments owed by the Successor Agency to third parties for enforceable obligations during the upcoming fiscal period and identifies the funding sources that will be used to make such payments; and

WHEREAS, under California Health and Safety Code ("Code") section 34181(e), the Successor Agency shall determine whether any contracts, agreements, or other arrangements between the dissolved redevelopment agency and any private parties should be terminated or renegotiated to reduce liabilities and increase net revenues to the taxing entities, and present proposed termination or amendment agreements to the Oversight Board for its approval; and

WHEREAS, the Oversight Board may approve any amendments to or early termination of those agreements if it finds that amendments or early termination would be in the best interests of the taxing entities; and

WHEREAS, Code section 34171(d)(1)(E) defines "enforceable obligation" to include "any legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy"; and

WHEREAS, Code section 34171(d)(1)(F)(i) further defines "enforceable obligation" to include "contracts or agreements for the administration or operation of the Successor Agency, in accordance with this part "; and

WHEREAS, the Former RDA issued the Centre City Redevelopment Project Parking Revenue Bonds, Series 1999A ("Bonds") under that certain Trust Indenture dated November 1, 1999, between the Former RDA and U.S. Trust Company, National Association, as Trustee ("Trust Indenture"); and

WHEREAS, the Bonds financed the construction of certain parking facilities located at the northeast corner of Sixth Avenue and Market Street in downtown San Diego, which includes approximately 500 parking spaces and approximately 2,147 square feet of commercial retail space; and

WHEREAS, the Successor Agency currently leases approximately 459 square feet of commercial retail space and a small non-contiguous storage space within the parking facilities to Nasir and Landa Mansor, doing business as San Remo Pizza ("San Remo Pizza"); and

WHEREAS, City staff completed an analysis of lease rates and determined that a rental rate of \$1,858.88 per month for the commercial retail space to be leased by San Remo Pizza is within current market rental rates; and

WHEREAS, under the Trust Indenture, the pledged revenues used as security for the Bonds include rent from the leased commercial retail space constructed and financed by the Bonds; and

WHEREAS, the Successor Agency is obligated to repay the Bonds in accordance with the terms of the Trust Indenture, as recognized on the approved ROPS, and will continue repaying the Bonds until they reach final maturity on September 1, 2025; and

WHEREAS, in light of the ongoing payment obligations under the Trust Indenture, the Successor Agency proposes to enter into the new lease with San Remo Pizza ("Lease") which includes terms, among other things, as follows: (i) the space to be leased by San Remo Pizza consists of approximately 459 square feet of retail space to be used as a restaurant, coffeehouse, or delicatessen, and a small non-contiguous storage space, at the base rent of \$1,858.88 per month; (ii) the Lease shall terminate on the later of September 1, 2025, or the date on which the Successor Agency transfers ownership of the parking facilities, including the leased commercial retail space, to the City in accordance with the Dissolution Laws; and (iii) the rent shall remain unchanged for the term of the Lease; and

Resolution No: OB-2023-020 Meeting Date: May 18, 2023

WHEREAS, the Lease is in the best interests of the taxing entities because it will allow the Successor Agency to generate revenue from the commercial retail space to help repay the Bonds, an enforceable obligation of the Successor Agency;

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board by the Oversight Board as follows:

- 1. The Board finds, in accordance with Code section 34181(e), that the Lease is in the best interest of the local taxing entities.
- 2. The Board finds, in accordance with Code section 34171(d)(1)(F), that the Lease is necessary for the administration or operation of the Successor Agency.
 - 3. The Lease is approved.

PASSED AND ADOPTED by the Oversight Board at a duly noticed meeting of the Oversight Board held on May 18, 2023.

Approved as to Form and Legality By Steven Mattas, Oversight Board Counsel

Brian Hagerty

Chair, Oversight Board

ATTACHMENT B

LEASE

625 Sixth Avenue, San Diego, California 92101

This Lease ("Lease") is entered into by and between CITY OF SAN DIEGO, SOLELY IN ITS
CAPACITY AS THE DESIGNATED SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF SAN DIEGO, A FORMER PUBLIC BODY, CORPORATE AND
POLITIC ("SUCCESSOR AGENCY") and NASIR AND LANDA MANSOR DBA SAN
REMO PIZZA ("LESSEE"), as lessee, to be effective as of,
("Effective Date"), when signed by the parties and approved by the San Diego City Attorney, as
follows:

- 1. <u>Building</u>. This Lease shall be for a portion of the building ("Building") commonly known as "Park it on Market" (the "Park it on Market"), located at the northeast corner of Sixth Avenue and Market Street in San Diego, California.
- 2. Premises. SUCCESSOR AGENCY leases to LESSEE and LESSEE leases from SUCCESSOR AGENCY a portion of the ground floor of Building known as 625 Sixth Avenue, San Diego, CA 92101, consisting of approximately 459 rentable square feet (the "Retail" space), and approximately 100 square feet of storage space located on the basement level of Building (the "Storage" space), as shown on the plan attached to this Lease as EXHIBIT A (collectively, the "Premises"). LESSEE acknowledges and agrees that the square footage figures set forth in this Lease are approximations for reference only, that these approximations are reasonable, and shall not be subject to revision except with an actual physical change in the Premises.
- 3. <u>Use</u>. Uses of Premises shall be limited to a restaurant, a coffeehouse, or a delicatessen, including the sale of coffee, bagels, donuts, pre-made sandwiches, chips, cigarettes, non-alcoholic beverages, beer and wine with approved permits and other products or other related uses as may be approved in writing in advance by the SUCCESSOR AGENCY. LESSEE shall have the right to place non-permanent tables and chairs outside the Premises along the sidewalk adjacent to the Premises. LESSEE shall remove the tables and chairs from the outside area each night. There shall be no additional rent charge for the outside patio area. LESSEE shall be solely responsible for the maintenance of the patio area. The style and quantity of the outside furnishing shall be subject to Lessor's reasonable approval. LESSEE shall be permitted to sell beer and wine from the Retail space, including the patio, provided Lessee obtains all required permits, licenses and approvals for the beer and wine sales and patio furniture.
- 4. <u>SUCCESSOR AGENCY'S Consent, Discretion</u>. Whenever required or permitted under this Lease, SUCCESSOR AGENCY'S consent or approval shall mean the written consent or approval of the Mayor of San Diego, or his or her or their designee ("Mayor"), unless

- otherwise expressly provided. SUCCESSOR AGENCY'S discretionary acts hereunder shall be made in the Mayor's discretion, unless otherwise expressly provided.
- 5. <u>Term of the Lease</u>. The term of this Lease shall commence on the Effective Date and continue until termination on the later of the following: 1) September 1, 2025, or 2) the date that the SUCCESSOR AGENCY transfers its ownership of the Premises to the City of San Diego ("City") ("Termination Date").
- 6. Rent. LESSEE shall pay the total monthly amount of rent of \$1,858.88, consisting of \$1,759.88 per month for the Retail space, plus \$99 per month rent for the Storage space. Payment of Rent under this Lease shall not include any parking rights or fees. LESSEE may opt to rent a space in the garage at regular market rates.
- 7. <u>Time and Place of Payment</u>. LESSEE shall pay rent monthly in advance on or before the first day of each calendar month during the Term. Checks shall be made payable to "City of San Diego" and delivered or mailed to the office of Civic San Diego, 8989 Rio San Diego Drive, Suite 100, San Diego, CA 92108.
- 8. Delinquent Payments. Amounts due to SUCCESSOR AGENCY under this Lease and not paid when due will be referred to the San Diego City Treasurer for collection, and LESSEE shall pay to SUCCESSOR AGENCY a collection-referral fee in the amount of ten percent (10%) of the unpaid amount or one-hundred eighty five dollars and 88 cents (\$185.88), whichever is greater, plus interest on the unpaid amount at the rate of twelve percent (12%) per year. Acceptance of late charges and any portion of the late payment by SUCCESSOR AGENCY shall neither constitute a waiver of LESSEE'S default with respect to late payment nor prevent SUCCESSOR AGENCY from exercising any other rights and remedies available at law or in equity. As required by law.
 - LESSEE is hereby notified that a negative credit report may be submitted to a credit reporting agency if amounts due SUCCESSOR AGENCY are not paid when due.
- 9. Security Deposit. No later than the Effective Date of this Lease, Lessee shall provide to SUCCESSOR AGENCY a security deposit in an amount equal to one month's rent, the amount of one thousand eight hundred fifty-eight dollars and eighty-eight cents (\$1,858.88). SUCCESSOR AGENCY shall not be liable to LESSEE for any interest thereon. Any interest earned from such deposit or redeposit shall not become part of the security deposit, but shall be and remain the property of SUCCESSOR AGENCY. All or any portion of the security deposit shall be available unconditionally to SUCCESSOR AGENCY to cure, in whole or in part, any breach or default of this Lease by LESSEE, or for expenses incurred by SUCCESSOR AGENCY as a result of LESSEE'S breach or default of this Lease. LESSEE shall maintain the security deposit throughout the Term.

- 9.1. <u>Utilization</u>. If SUCCESSOR AGENCY utilizes all or any portion of the security deposit, upon 10 days prior written notice, LESSEE shall reimburse the security deposit to the full required amount.
- 9.2. <u>Increase</u>. Upon thirty (30) days prior written notice by SUCCESSOR AGENCY, LESSEE shall deliver to SUCCESSOR AGENCY additional funds as SUCCESSOR AGENCY may, in its sole determination, require to adequately secure LESSEE'S obligations under this Lease.
- 9.3. <u>Return</u>. Provided LESSEE is not in breach or default of this Lease, SUCCESSOR AGENCY shall return the security deposit, or any balance thereof, to LESSEE within sixty (60) days after the expiration or termination of this Lease.
- 10. Extension Period. None.
- 11. Option to Extend. None.
- 12. <u>Early Termination</u>. LESSEE acknowledges and agrees that SUCCESSOR AGENCY may, in its sole discretion and with notice to LESSEE, cease operating and close the Building. In such case, either party may terminate this Lease upon sixty (60) days prior written notice to the other party. SUCCESSOR AGENCY shall not be obligated for any loss, financial or otherwise, which may be incurred by LESSEE as a result of such termination of this Lease. LESSEE expressly waives any claim for expense or loss which LESSEE might incur as a result of SUCCESSOR AGENCY'S ceasing operation of the Building.
- 13. No Holdover. If LESSEE continues to occupy the Premises after the Termination Date, such occupancy shall neither constitute a renewal or extension of this Lease pursuant to Civil Code Section 1945 or otherwise, nor give LESSEE any right in or to the Premises. If Lessee continues to occupy the Premises after the Termination Date, Successor Agency or City may demand and receive from Lessee monthly rent for the Premises calculated on a per diem basis using the fair-market-rental rate for the Premises determined as of the Termination Date by an appraiser selected by Successor Agency, in its sole and absolute discretion. Successor Agency's acceptance of any such monthly rent shall not constitute a renewal or extension of this Lease pursuant to Civil Code Section 1945 or otherwise, nor give Lessee any right in or to the Premises.
- 14. <u>Prohibited Uses</u>. LESSEE shall not: (a) use the Premises except as permitted under this Lease; (b) make any alterations or changes to the Premises; (c) effect any repairs to the Premises without SUCCESSOR AGENCY'S prior consent; (d) allow or permit any liens or encumbrances to be placed on any portion of the Building; (e) operate or use any machine or device which results in excess use of utilities; (f) use the Premises in any manner which may create a health, safety, or fire hazard; (g) fail to pay all taxes assessed against LESSEE related to its tenancy, use or occupancy of the Premises; or (h) fail to obey the Building's

- "Rules and Regulations," as may be amended from time to time, attached to this Lease as EXHIBIT B.
- 15. <u>Services</u>. The rent payable under this Lease shall include payment for utilities for the Building common areas, janitorial services for the Building common areas.
- 16. <u>Keys</u>. LESSEE has possession of keys for the Premises. Keys shall not be duplicated except by SUCCESSOR AGENCY at LESSEE'S sole cost. LESSEE shall pay to SUCCESSOR AGENCY ten dollars (\$10) per key duplicated. LESSEE assumes the risk of lost keys. LESSEE shall pay SUCCESSOR AGENCY all costs necessitated by a loss of any of LESSEE'S keys, including without limitation changing locks and providing keys to other tenants of the Building. Keys must be returned to SUCCESSOR AGENCY upon expiration or termination of the Lease, or LESSEE'S relocation within the Building.
- 17. <u>Signs</u>. LESSEE shall not erect or display any banners, pennants, flags, posters, signs, decorations, marquees, awnings, or similar devices or adveltising without SUCCESSOR AGENCY'S prior written consent. If any such unauthorized item is found on the Premises, LESSEE shall remove the item at its expense within twenty-four (24) hours' notice by SUCCESSOR AGENCY, or SUCCESSOR AGENCY may remove the item at LESSEE'S cost.
- 18. LESSEE'S Acceptance of Premises. LESSEE acknowledges that the Premises are in good order and condition and shall take possession of the Premises "as is." SUCCESSOR AGENCY has not made and makes no representation or warranty as to the condition or suitability of the Premises for LESSEE'S intended use, and assumes no obligation to alter or improve the Premises. LESSEE has relied solely on its own independent investigations of the condition and suitability of the Premises, and is satisfied with the condition thereof, including but not limited to electrical and fire sprinkler systems, security, asbestos, air quality, and other environmental aspects, seismic and earthquake requirements, and compliance with the Americans with Disabilities Act and applicable zoning, municipal, county, state and federal laws, ordinances and regulations, and any covenants or restrictions of record. LESSEE shall maintain the Premises in good repair, and in a decent, safe, healthy and sanitary condition. LESSEE shall not make any alterations or additions to the Premises without SUCCESSOR AGENCY'S prior written consent. At the expiration or termination of this Lease, LESSEE shall surrender the Premises and any furniture provided under this Lease in as good condition and repair as when LESSEE received the Premises and such furniture, normal wear and tear excepted.
- 19. Entry and Inspection. SUCCESSOR AGENCY reserves and shall always have the right, but not the obligation, to enter the Premises for the purpose of viewing and ascertaining the condition of the Premises, to protect its interests in the Premises, or to inspect the operations conducted on the Premises. If SUCCESSOR AGENCY determines that the Premises are not in a decent, safe, healthy and sanitary condition, SUCCESSOR AGENCY may, after ten (10)

days prior notice to LESSEE, have any necessary maintenance work done at LESSEE'S sole expense. LESSEE shall pay SUCCESSOR AGENCY on demand any and all costs to put the Premises in a decent, safe, healthy, and sanitary condition. If at any time SUCCESSOR AGENCY dete1mines that the Premises are not in a decent, safe, healthy, and sanitary condition, SUCCESSOR AGENCY may, at its discretion and without further notice, require LESSEE to file with SUCCESSOR AGENCY a faithful performance bond to assure prompt correction of any condition which is not decent, safe, healthy, and sanitary. The bond shall be in an amount adequate, in SUCCESSOR AGENCY'S opinion, to correct the unsatisfactory condition. LESSEE shall pay the cost of the bond. The rights reserved in this section shall not create any obligation on SUCCESSOR AGENCY or increase any of SUCCESSOR AGENCY'S obligations under this Lease.

- 20. <u>Improvements/Alterations</u>. No improvements, structures, or installations shall be constructed on the Premises, and the Premises may not be altered by LESSEE without SUCCESSOR AGENCY'S prior written approval. LESSEE shall not make any major structural or architectural design alterations to approved improvements, structures, or installations on the Premises without SUCCESSOR AGENCY'S prior written approval. This provision shall not relieve LESSEE of any obligation under this Lease to maintain the Premises in a decent, safe, healthy, and sanitary condition, including structural repair and restoration of damaged or worn improvements. SUCCESSOR AGENCY shall not be obligated by this Lease to make or assume any expense for any improvements or alterations.
- 21. <u>Maintenance by Successor Agency</u>. Successor Agency shall, at its own cost and expense, maintain in good condition and repair the structural elements of the Building containing the Premises.
- 22. <u>Maintenance by Lessee</u>. Except as otherwise expressly provided in Section 21, Lessee shall at its own cost and expense keep and maintain the Premises and all personal property located in, on, or at the Premises in a good, safe, clean and organized condition, reasonable wear and tear excepted. Lessee's obligation to repair shall specifically include, but not be limited to, necessary repairs to the heating, ventilation, plumbing, and air conditioning systems, interior walls, floor coverings, ceilings, painting and maintenance of exterior walls, the interior and exterior portions of all doors, and patios or sidewalks for the Premises
- 23. <u>Security and Safety of Premises</u>. <u>Lessee</u> shall bear sole responsibility for the security and safety of the Premises during the Term. Lessee shall be responsible for the maintenance, cleanup, and securing of the Premises. Lessee shall comply with all laws, at Lessee's sole cost and expense, with respect to maintaining the Premises in a safe and secure manner during the Term.
- 24. <u>Indemnification</u>. LESSEE shall protect, defend, indemnify, and hold SUCCESSOR AGENCY, Civic San Diego, the City of San Diego ("City") and their elected officials, officers, employees, representatives, and agents harmless from and against any and all claims

asserted or liability established for damages or injuries to any person or property, including injury to LESSEE'S officers, employees, invitees, guests, agents, or contractors, which arise out of or are in any manner directly or indirectly connected with this Lease or LESSEE'S occupancy, use, development, maintenance, or restoration of the Premises, and all expenses of investigating and defending against same, including without limitation attorney fees and costs; provided, however, that LESSEE'S duty to indemnify and hold harmless shall not include any claims or liability arising from the gross negligence, recklessness, or intentional misconduct of SUCCESSOR AGENCY, Civic San Diego, the City and their elected officials, officers, employees, representatives, and agents.

- 25. <u>Insurance</u>. LESSEE shall deliver to Civic San Diego (which is the party managing this property on behalf of the Successor Agency) a current certificate of insurance for:
 - (1) Commercial General Liability Insurance (CGL), providing coverage for bodily injury, including death, personal injury, and property damage with limits of at least Two Million Dollars (\$2,000,000) per occurrence, subject to an annual aggregate of at least Four Million Dollars (\$4,000,000);
 - (2) Workers' Compensation Insurance, as required by the applicable laws of the State of California for all of LESSEE'S employees who are subject to this Lease, with Employers' Liability coverage with a limit of at least One Million Dollars (\$1,000,000).
 - 25.1. <u>Additional Insureds</u>. Pursuant to a separate endorsement [CG20 IO (11/85) or equivalent form], "CIVIC SAN DIEGO," "CITY OF SAN DIEGO SOLELY IN ITS CAPACITY AS THE DESIGNATED SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO, A FORMER PUBLIC BODY, CORPORATE AND POLITIC," AND "CITY OF SAN DIEGO" (AND EACH OF THEIR RESPECTIVE OFFICERS, OFFICIALS, EMPLOYEES, AND VOLUNTEERS)" shall be named as additional insureds in all policies.
 - 25.2. <u>Primary & Non-Contributory</u>. Insurance policies shall be endorsed such that the coverage is primary and non-contributory to any coverage carried or maintained by SUCCESSOR AGENCY, Civic San Diego, and the City.
 - 25.3. Qualified Insurer(s). All insurance required by the terms of this Lease must be provided by insurers companies licensed to do business in the State of California which are rated at least "A-, VI" by the current AM Best Ratings Guide and which are acceptable to SUCCESSOR AGENCY. Non-admitted surplus lines insurers may be accepted provided they are included on the most recent list of California eligible surplus lines insurers (LESLI list) and otherwise meet SUCCESSOR AGENCY requirements.

- 25.4. <u>Deductibles/Retentions</u>. All deductibles and self-insured retentions on any insurance policy are the sole responsibility of LESSEE and must be disclosed and acceptable to SUCCESSOR AGENCY at the time evidence of insurance is provided.
- 25.5. Continuity of Coverage. All policies shall be in effect on or before the first day of the Term, except "course of construction fire insurance" shall be in force on commencement of all authorized construction, and full applicable fire insurance coverage shall be effective upon completion of each insurable improvement. The policies shall be kept in force for the duration of the Term. At least thirty (30) days prior to the expiration of each insurance policy, LESSEE shall furnish a certificate(s) showing that a new or extended policy has been obtained which meets the requirements of this Lease. LESSEE shall provide proof of continuing insurance at least annually during the Term. If insurance lapses or is discontinued for any reason, LESSEE shall immediately notify SUCCESSOR AGENCY and obtain replacement insurance as soon as possible.
- 25.6. <u>Modification</u>. To assure protection from and against the kind and extent of risk existing with the Premises or LESSEE'S use thereof, SUCCESSOR AGENCY, in its reasonable discretion, may require the revision of amounts and coverage at any time during the Term by giving LESSEE thirty (30) days prior written notice. LESSEE shall also obtain any additional insurance required by SUCCESSOR AGENCY for new improvements, changed circumstances, or SUCCESSOR AGENCY'S reasonable re-evaluation of risk levels related to the Premises or LESSEE'S use thereof.
- 25.7. Accident Reports. LESSEE shall immediately report to SUCCESSOR AGENCY any accident causing property damage or injury to persons and related to the Premises or LESSEE'S use thereof. Such report shall contain the names and addresses of the involved parties, a statement of the circumstances, the date and hour of the accident, the names and addresses of any witnesses, and other pertinent information.
- 25.8. <u>Causes of Loss Special Form Property Insurance</u>. LESSEE shall obtain and maintain, at its sole cost, Causes of Loss Special Form Property Insurance on all of LESSEE'S insurable property related to the Premises or LESSEE'S use thereof in an amount to cover 100 percent (100%) of the replacement cost. LESSEE shall deliver to SUCCESSOR AGENCY a certificate of such insurance.
- 26. <u>Hazardous Substances</u>. LESSEE shall not allow the illegal installation, storage, utilization, generation, sale, discharge or release of hazardous or otherwise regulated substances in, on, under, or from the Premises. LESSEE and LESSEE'S agents and contractors shall not install, store, utilize, generate, or sell any hazardous substance on the Premises without SUCCESSOR AGENCY'S prior written consent. LESSEE shall, prior to initiating any operations, obtain all required approvals, licenses and permits from applicable regulatory agencies, including without limitation the San Diego County Department of Environmental Health, local fire agencies, the San Diego County Department of Weights and Measures, the

San Diego County Air Pollution Control District, and the San Diego Regional Water Quality Control Board. Installing, utilizing, storing, or any other presence of a hazardous substance includes boxes, bags, bottles, drums, cylinders, above or below ground tanks, equipment with tanks, or any other type of container, equipment, or device which holds or incorporates a hazardous substance or hazardous waste.

- 26.1. Release. For the purposes of this provision, a release shall include without limitation any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or otherwise disposing of hazardous substances. "Hazardous substances" shall mean any flammable substance, explosive, radioactive material, asbestos, asbestoscontaining material, polychlorinated biphenyl, chemical known to the State to cause cancer or reproductive toxicity, pollutant, contaminant, hazardous waste, medical waste, toxic substance or related material, petroleum, petroleum product or any "hazardous" or "toxic" material, substance, or waste defined by those or similar terms or regulated as such under any Law, any matter, waste, or substance subject to any Law regulating, relating to, or imposing obligations, liability or standards of conduct concerning protection of human health, plant life, animal life, natural resources, property, or the enjoyment of life or property free from the presence in the environment of any solid, liquid, gas, odor, or any form of energy, from whatever source.
- 26.2. <u>Remediation</u>. If LESSEE'S occupancy, use, development, maintenance, or restoration of the Premises results in a release of a hazardous substance, or petroleum related substance or its chemical constituents, LESSEE shall pay all costs of remediation and removal to the SUCCESSOR AGENCY's satisfaction for unrestricted reuse of the Premises, and in accordance with all applicable laws, rules, and regulations of governmental authorities.
- 26.3. Removal. If LESSEE or LESSEE's contractor or agent has received approval and Leases to store, utilize, generate, or install, or otherwise bring hazardous materials or hazardous wastes to the Premises, LESSEE and/or LESSEE's contractor or agent shall remove all hazardous substances and hazardous wastes in any type of container, equipment, or device from the Premises immediately upon or prior to the expiration or termination of this Lease. SUCCESSOR AGENCY reserves the right to conduct inspections of the Premises and/or request documentation demonstrating the legal removal and/or disposal of the hazardous materials, wastes or other containers, equipment, or devices from the Premises. LESSEE shall be responsible for any and all costs incurred by SUCCESSOR AGENCY to remove any container, equipment, or device requiring disposal or removal as required by this provision.
- 26.4. <u>Indemnity</u>. In addition to LESSEE's obligations to indemnify the parties under other provisions of this Lease, LESSEE shall protect, defend, indemnify, and hold SUCCESSOR AGENCY, Civic San Diego, and the City harmless from any and all claims, costs, and expenses related to environmental liabilities resulting from LESSEE'S occupancy, use, development, maintenance, or restoration of the Premises, including without limitation: (i)

costs of environmental assessments; (ii) costs of regulatory remediation oversight; (iii) costs of remediation and removal; (iv) any necessary SUCCESSOR AGENCY, Civic San Diego, and the City response costs; (v) all fines, penalties, or fees assessed by any regulatory agency; (vi) damages for injury to natural resources, LESSEE'S officers, employees, invitees, guests, agents, or contractors, or the public; and (vii) all costs of any health assessments or health effect studies. SUCCESSOR AGENCY shall protect, defend, indemnify, and hold LESSEE harmless from any and all claims, costs, and expenses related to environmental liabilities arising solely from conditions existing, or acts or omissions occurring prior to LESSEE'S occupancy of the Premises.

26.5. Notice of Release. If LESSEE knows or has reasonable cause to believe that a hazardous substance or petroleum related substance or its chemical constituents has been released on, from, or beneath the Premises, LESSEE shall immediately notify SUCCESSOR AGENCY and any appropriate regulatory or reporting agency per California Administrative Code Title 19 and any other applicable laws or regulations. LESSEE shall deliver a written report thereof to SUCCESSOR AGENCY within three (3) days after receipt of the knowledge or cause for belief and submit any required written reports to regulatory or reporting agencies as required by regulation or law. If LESSEE knows or has reasonable cause to believe that such substance is an imminent release or is an imminent substantial danger to public health and safety, LESSEE shall take all actions necessary to alleviate the danger. LESSEE shall immediately notify SUCCESSOR AGENCY in writing of any violation, notice to comply, or notice of violation received or the initiation of environmental actions or private suits related to the Premises.

26.6. Environmental Assessment. Upon reasonable cause to believe that LESSEE' S occupancy, use, development, maintenance, or restoration of the Premises ("LESSEE'S Operations"), resulted in any hazardous substance being released on, from or beneath the Premises, SUCCESSOR AGENCY may cause an environmental assessment under regulatory oversight of the suspect area to be performed by a professional environmental consultant registered with the State of California as a Professional Engineer, Certified Engineering Geologist, or Registered Civil Engineer. The environmental assessment shall be obtained at LESSEE'S sole cost and expense, and shall establish what, if any, hazardous substances have more likely than not been caused by LESSEE'S Operations on, in, from or under the Premises, and in what quantities. If any such hazardous substances exist in quantities greater than allowed by city, county, state, or federal laws, statutes, ordinances, or regulations, or require future restricted re-use of the Premises, then the environmental assessment shall include a discussion of such substances with recommendations for remediation and removal necessary to effect unrestricted re-use and in compliance with those laws or statutes, and estimates of the cost of such remediation or removal. LESSEE shall cause, or if LESSEE fails to do so within a reasonable period of time, as determined by SUCCESSOR AGENCY in its sole discretion, SUCCESSOR AGENCY may cause the remediation and/or removal recommended in the environmental assessment such that unrestricted re-use of the Premises

- and compliance with environmental law and regulations are achieved, and LESSEE shall pay all costs and expenses therefore.
- 27. <u>Asbestos Disclosure</u>. Portions of the structural components of the Building may contain asbestos. LESSEE acknowledges receipt of notice from SUCCESSOR AGENCY of the presence of such asbestos in accordance with Health and Safety Code Section 25915. LESSEE shall disclose to the appropriate parties the existence of asbestos on the Premises, as required by Health and Safety Code Section 25915. LESSEE shall protect, defend, indemnify and hold SUCCESSOR AGENCY, Civic San Diego, and the City harmless from any loss or claim which may result from the existence of asbestos on the Premises.
- 28. <u>Asbestos</u>. If either SUCCESSOR AGENCY or LESSEE makes improvements, alterations, or repairs to the Building or the Premises, the party causing such improvements, alterations, or repairs shall be responsible for any asbestos removal, management, or containment, and shall pay all costs associated therewith. Asbestos removal, management, or containment shall be conducted in accordance with all applicable laws and as approved by SUCCESSOR AGENCY. SUCCESSOR AGENCY reserves the right to inspect any improvements, alterations, or repairs to the Premises or the Building made by LESSEE. SUCCESSOR AGENCY may, at its discretion, station supervisory personnel at the work site to ensure that LESSEE'S obligations under this section are fulfilled. Each party shall coordinate with the other any improvement, alteration, or repair, and, except in the event of an emergency, the party responsible for such work shall provide written notice to the other party at least fifteen (15) days prior to commencing the work.
- 29. <u>Common Areas</u>. The term "common areas" shall mean all areas and facilities outside the Premises and within the exterior boundary line of the Building (including all interior utility raceways within the Building) that are provided and designated by the SUCCESSOR AGENCY from time to time for non-exclusive use by SUCCESSOR AGENCY, LESSEE, and other tenants of the Building.
 - 29.1. <u>LESSEE'S Rights</u>. SUCCESSOR AGENCY grants to LESSEE during the Term, the non-exclusive license to use, in common with others, the common areas as they exist from time to time, subject to any rights reserved by SUCCESSOR AGENCY under this Lease.
 - 29.2. <u>Rules and Regulations (see EXHIBIT B)</u>. SUCCESSOR AGENCY shall have exclusive control and management of the common areas and may, from time to time, establish, modify, amend, and enforce reasonable rules and regulations with respect to the common areas, a current copy of which is attached as EXHIBIT B ("Rules and Regulations"). LESSEE shall abide by the Rules and Regulations, and shall cause its employees, suppliers, shippers, customers, contractors and invitees to abide by the Rules and Regulations. SUCCESSOR AGENCY, Civic San Diego, and the City shall not be responsible to LESSEE for any other tenant's non-compliance with the Rules and Regulations.

- 29.3. Changes. SUCCESSOR AGENCY may, in SUCCESSOR AGENCY'S sole discretion and from time to time, make changes to the common areas, including, without limitation, changes in the location, size, shape, and number of driveways, entrances, parking spaces, parking area, loading and unloading areas, ingress and egress, direction of traffic, landscaped areas, walkways, and utility raceways. SUCCESSOR AGENCY may temporarily close any common area for maintenance purposes, provided reasonable access to the Premises remains available. SUCCESSOR AGENCY may make improvements to the common areas and use the common areas while making improvements, alterations, or repairs to any part of the Building, and do and perfom1 such other acts and make other changes in, to or with respect to the Building as SUCCESSOR AGENCY may deem appropriate.
- 30. Assignment and Subletting. LESSEE shall not assign this Lease or any interest in this Lease, and shall not sublet the Premises or any part of the Premises, or any right or privilege appurtenant to the Premises, or allow any other person, except employees, agents, and guests of LESSEE, to use or occupy the Premises or any part of the Premises, without SUCCESSOR AGENCY'S prior written consent, in each instance. SUCCESSOR AGENCY'S consent to any assignment, subletting, occupation, or use by any other person shall not be deemed to be consent to any subsequent assignment, subletting, occupation, or use by another person. Any assignment or subletting without SUCCESSOR AGENCY'S consent shall be void and shall, at SUCCESSOR AGENCY'S option, terminate this Lease. This Lease shall not, nor shall any interest in this Lease, be assignable as to the interest of LESSEE by operation of law, without SUCCESSOR AGENCY'S written consent. For the purposes of this section "assignment" shall include the transfer of any ownership interest in this Lease by LESSEE or by any partners, principals, or stockholders of LESSEE, as the case may be, from the original LESSEE.
- 31. Compliance with Law. LESSEE shall at all times in the construction, maintenance, occupancy, and operation of the Premises comply with all applicable laws, rules, and regulations, and direction by competent authority at LESSEE'S sole cost and expense. At least annually, LESSEE shall deliver to SUCCESSOR AGENCY copies of all documentary evidence of such compliance received by or otherwise available to LESSEE (e.g., validation of periodic inspection of LESSEE'S fire-suppression equipment in the Premises).
- 32. <u>California Public Records Act</u>. SUCCESSOR AGENCY shall determine, in its sole discretion, whether information provided by LESSEE pursuant to this Lease is or is not a public record subject to disclosure under the California Public Records Act. LESSEE shall hold SUCCESSOR AGENCY, Civic San Diego, the City and their elected officials, officers and employees harmless for SUCCESSOR AGENCY'S, Civic San Diego's, or the City's disclosure of any such information in response to a request for information under the CPRA.
- 33. <u>Equal Benefits.</u> LESSEE shall comply with San Diego Municipal Code sections 22.4301-22.4308, which require lessees of City-owned property to offer the same employment

benefits to employees with spouses and employees with domestic partners. LESSEE shall certify that it will maintain such equal benefits throughout the term of this Lease. LESSEE'S failure to maintain equal benefits shall be a default of this Lease.

- 34. Water Quality Assurances. LESSEE shall comply with San Diego Municipal Code Article 3, Division 3: Stormwater Management and Discharge Control (the "Stormwater Code"), and employ "Best Management Practices" including a "Stormwater Pollution Prevention Plan" as those terms are defined by the Stormwater Code (collectively, "Prevention Plan") and as approved by City under its Stormwater Management Program. Within the first thirty (30) days of the Term, LESSEE shall submit a Prevention Plan satisfactory to City that will control erosion and reduce the amount of "Pollutants," as defined by the Stormwater Code, and other sediments discharged from the Premises. City may review the Prevention Plan periodically. Within thirty (30) days after written notice from City requesting an update of the Prevention Plan, LESSEE shall submit an updated Prevention Plan to City's satisfaction. LESSEE shall implement all changes to the Prevention Plan as required by City and to ensure compliance with all applicable laws, ordinances, and regulations. LESSEE shall inform its employees, contractors, subcontractors, agents and vendors of the Prevention Plan and ensure their compliance therewith.
- 35. Nondiscrimination. LESSEE shall not discriminate on the basis of race, color, gender, gender expression, gender identity, religion, national origin, ancestry, ethnicity, sexual orientation, marital status, age, or disability in LESSEE's use of the Premises, including solicitation, selection, hiring, or treatment of subcontractors, vendors, or suppliers. LESSEE shall provide equal opportunity for subcontractors to participate in subcontracting opportunities. LESSEE understands and agrees that violation of this clause shall be considered a material breach of the contract and may result in contract termination, debarment, or other sanctions.
- 36. <u>Disabled Access Compliance</u>. LESSEE shall comply with Title 24 of the California Code of Regulations (the "Building Code", as defined in Title 24 of the California Health and Safety Code), the Americans with Disabilities Act of 1990 ("ADA"); and any other applicable state and federal laws and regulations enacted protecting the rights of people with disabilities. LESSEE'S compliance shall include the following:
 - (1) LESSEE shall not discriminate against qualified persons with disabilities in any aspects of employment, including recruitment, hiring, promotions, conditions and privileges of employment, training, compensation, benefits, discipline, layoffs, and termination of employment;
 - (2) No qualified individual with a disability may be excluded on the basis of disability from participation in, or be denied the benefits of, services, programs, or activities of LESSEE;
 - (3) LESSEE shall post a statement addressing the requirements of the ADA in a prominent place at the work site;

- (4) Where required by law, LESSEE shall, at LESSEE'S sole cost and in conformance with all applicable building codes, comply with City's disabled access requirements by making accessible any areas of the Premises which deny access to disabled persons; and
- (5) LESSEE shall include language in each sublease agreement indicating the sublessee's agreement to abide by the foregoing provisions.
- (6) LESSEE and each of its sublessees shall be individually responsible for their own ADA compliance program. LESSEE'S failure to comply with the above requirements and/or submitting false infomlation in response to those requirements shall be a default under this Lease.
- 37. Taxes. LESSEE shall pay, before delinquency, all taxes, assessments, and fees assessed or levied upon LESSEE or the Premises during the Term, including the land and any buildings, structures, machinery, equipment, appliances, or other improvements or property of any nature whatsoever erected, installed, or maintained by LESSEE, or levied by reason of LESSEE'S occupancy, use, development, maintenance, or restoration of the Premises, including without limitation licensing and permitting costs and fees. LESSEE acknowledges that this Lease may create a possessory interest subject to property taxation, and that LESSEE may be subject to the payment of taxes levied on that interest. LESSEE shall pay all such possessory interest taxes. LESSEE'S payment for such taxes, fees, and assessments shall not reduce any payment due SUCCESSOR AGENCY.
- 38. <u>Standard of Employees</u>. LESSEE and its employees shall at all times conduct themselves and the operations on the Premises in a creditable manner.
- 39. <u>Cost Recovery</u>. LESSEE shall pay to SUCCESSOR AGENCY administrative fees as required under SUCCESSOR AGENCY'S schedule of such fees as an offset to administrative costs incurred for SUCCESSOR AGENCY staff services that are of benefit to LESSEE. SUCCESSOR AGENCY shall process applicable requests upon receipt of LESSEE'S payment of such a fee. SUCCESSOR AGENCY, in is sole discretion, may update its fee schedule from time to time.
- 40. <u>City Employee Participation Policy</u>. City may unilaterally and immediately terminate this Lease if LESSEE employs an individual who, within the twelve (12) months immediately preceding such employment did, in their capacity as a City officer or employee, participate in negotiations with or otherwise have an influence on a recommendation made to the San Diego City Council related to the selection of LESSEE for this Lease. It is not the intent of this policy that these provisions apply to members of the City Council.

41. Default and Remedies.

- 41.1. <u>Default</u>. LESSEE shall be in default of this Lease if any of the following occurs:
 - (1) LESSEE fails to make any payment required under this Lease when due;
 - (2) LESSEE breaches any of its obligations under this Lease, other than those requiring payment to SUCCESSOR AGENCY, and fails to cure the breach within thirty (30) days following written notice thereof from SUCCESSOR AGENCY, or if not curable within thirty (30) days, fails to commence to cure the breach within thirty (30) days and diligently pursue the cure to completion;
 - (3) LESSEE voluntarily files or involuntarily has filed against it any petition under any bankruptcy or insolvency act or law;
 - (4) LESSEE is adjudicated a bankruptcy; or
 - (5) LESSEE makes a general assignment for the benefit of creditors.
- 41.2. <u>Remedies</u>. Upon LESSEE'S default, SUCCESSOR AGENCY may, at its option, give LESSEE, or any person claiming rights through LESSEE, a written notice to Pay or Quit within 30 days, or SUCCESSOR AGENCY may terminate the Lease and all rights of LESSEE, and all persons claiming rights through LESSEE, to the Premises or to possession of the Premises. Upon termination, SUCCESSOR AGENCY may enter and take possession of the Premises, and may recover from LESSEE the sum of:
 - (1) the worth at the time of award of any unpaid rent that was due at the time of termination;
 - (2) the worth at the time of award of the amount by which the unpaid rent that would have been earned after termination until the time of award exceeds the amount of rental loss, if any, that LESSEE affirmatively proves could have been reasonably avoided;
 - (3) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of rental loss, if any, that LESSEE affirmatively proves could be reasonably avoided;
 - (4) any other amount necessary to compensate SUCCESSOR AGENCY for all the detriment proximately caused by LESSEE'S breach and default, or that in the ordinary course of things, would be likely to result; and

(5) all other amounts in addition to or in lieu of those previously stated as may be permitted from time to time by California law.

As used in clauses 41.2(1) and 41.2(2), above, the "worth at the time of award" is computed by allowing interest at the rate of ten percent (10%) per annum. As used in clause 41.2(3), above, the "worth at the time of award" is computed by discounting that amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus two percent (2%). As used in this section, the term "rent" shall include rent and any other amounts payable by LESSEE under this Lease.

- 41.3. <u>Default if Leasehold is Encumbered</u>. If there is a SUCCESSOR AGENCY-approved deed of trust or mortgage on the leasehold interest, SUCCESSOR AGENCY shall give the mortgagee or beneficiary written notice of LESSEE'S default under this Lease, and the same mortgagee or beneficiary shall have thirty (30) days from the notice to cure the default, or, if the default is not curable within thirty (30) days, to commence to cure the default and diligently pursue the cure to completion. SUCCESSOR AGENCY may extend the cure period if the mortgagee or beneficiary uses reasonable diligence to pursue a cure. If the mortgagee or beneficiary chooses to cure the default through litigation or foreclosure, then SUCCESSOR AGENCY may exercise any of the following options:
- (1) SUCCESSOR AGENCY may correct the default and charge the costs to the account of LESSEE, which charge shall be due and payable on the date that the rent is next due after SUCCESSOR AGENCY'S notice of such costs to LESSEE, and mortgagee or beneficiary;
- (2) SUCCESSOR AGENCY may correct the default and pay the costs from the proceeds of any insurance fund held by SUCCESSOR AGENCY, SUCCESSOR AGENCY and LESSEE, or by SUCCESSOR AGENCY and mortgagee or beneficiary, or SUCCESSOR AGENCY may use the funds of any faithful performance or cash bond on deposit with SUCCESSOR AGENCY, or SUCCESSOR AGENCY may call on the bonding agent to correct the default or to pay the costs of correction performed by or at the direction of SUCCESSOR AGENCY; and
- (3) SUCCESSOR AGENCY may terminate this Lease as to the rights of LESSEE by assuming or causing the assumption of liability for any trust deed or mortgage. LESSEE shall assume and pay any and all penalties or bonuses required by the beneficiaries, trustees or mortgagees as a condition of early payoff of the related obligations by SUCCESSOR AGENCY. SUCCESSOR AGENCY may, as an alternative, substitute the terminated LESSEE with a new lessee reasonably satisfactory to the mortgagee or beneficiary. LESSEE shall pay to SUCCESSOR AGENCY all reasonable costs incurred by SUCCESSOR AGENCY in re-leasing to a new lessee.

If the default is non curable by LESSEE, then any lender holding a beneficial interest in the Premises, whose qualifications as an assignee have been approved by SUCCESSOR

AGENCY, shall have the absolute right to substitute itself to the estate of LESSEE hereunder and to commence performance of this Lease. If the mortgagee or beneficiary gives notice in writing of its election to substitute itself within the thirty (30) day period after receiving SUCCESSOR AGENCY'S written notice of a default, and the default, if curable, is cured by the mortgagee or beneficiary, then this Lease will not terminate pursuant to the default. In that event, SUCCESSOR AGENCY consents to the substitution and authorizes the mortgagee or beneficiary to perform under this Lease with all the rights, privileges, and obligations of LESSEE, subject to the curing of the default, if possible, by mortgagee or beneficiary. In that event, LESSEE shall assign to mortgagee or beneficiary all of its interest in and to the leasehold estate under this Lease.

- 41.4. Abandonment by LESSEE. If LESSEE breaches the Lease and abandons the property, this Lease shall continue in effect as long as SUCCESSOR AGENCY does not terminate this Lease, and SUCCESSOR AGENCY may enforce all of its rights and remedies under this Lease, including but not limited to the right to recover the rent as it becomes due, plus damages.
- 41.5. Waiver. Any waiver by SUCCESSOR AGENCY of a breach or default by LESSEE shall not be a waiver of any other breach or default. No waiver shall be valid and binding unless in writing and executed by SUCCESSOR AGENCY. SUCCESSOR AGENCY'S, Civic San Diego, and the City's delay or failure to enforce a right or remedy shall not be a waiver of that or any other right or remedy under this Lease. The enforcement of a particular right or remedy for a breach or default shall not waive any other right or remedy for the same breach or default, or for any other or later breach or default. SUCCESSOR AGENCY'S, Civic San Diego, and the City's acceptance of any rents shall not be a waiver of any default preceding such payment. LESSEE acknowledges that the Premises are a part of SUCCESSOR AGENCY-owned property held in trust for the benefit of the citizens of the City of San Diego, and that any failure by SUCCESSOR AGENCY to discover a breach or default, or take prompt action to require the cure of any breach or default, shall not result in an equitable estoppel, but SUCCESSOR AGENCY shall at all times, have the legal right to require the cure of any breach or default. SUCCESSOR AGENCY'S acceptance of a partial payment of rent shall not constitute a waiver of the balance of the rent payment due.
- 42. <u>Notices</u>. Any notice required or permitted to be given under this Lease shall be in writing and may be served personally or by United States mail, postage prepaid, and addressed, respectively, as follows:

To Lessee: San Remo Pizza

625 Sixth Avenue San Diego, CA 92101

Attention: Nasir and Landa Mansor

nalanilanora@yahoo.com

To Lessor: City of San Diego, C/O Civic San Diego

8989 Rio San Diego Drive, Suite 100

- San Diego, CA 92108
- Any party entitled or required to receive notice under this Lease may, by notice, designate a different address to which notices shall be sent.
- 43. <u>Partial Invalidity</u>. If any term, covenant, condition, or provision of this Lease is found invalid, void, or unenforceable by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.
- 44. <u>Number and Gender</u>. Words of any gender used in this Lease shall include any other gender, and words in the singular number shall include the plural, when the tense requires.
- 45. <u>Captions</u>. The section headings and captions for various articles and paragraphs shall not be held to define, limit, augment, or describe the scope, content, or intent of any or all pails of this Lease. The numbers of the paragraphs and pages of this Lease may not be consecutive. The lack of consecutive numbers shall have no effect on the enforceability of this Lease.
- 46. <u>Lease Modifications</u>. Any modification, alteration, or amendment of this Lease shall be in writing and signed by all the parties.
- 47. <u>Time is of the Essence</u>. Time is of the essence in the performance of this Lease.
- 48. <u>Survival</u>. Any obligation which accrues under this Lease prior to its expiration or termination shall survive the expiration or termination of this Lease.
- 49. <u>Governance</u>. This Lease shall be governed, construed, and enforced in accordance with the laws of the State of California.
- 50. <u>Counterparts</u>. This Lease may be executed in any number of counterparts, each of which when executed shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 51. Successors and Assigns. Except as otherwise provided in this Lease, all of the terms, covenants, and conditions of this Lease shall apply to, benefit, and jointly and severally bind the successors and assigns of the respective parties.
- 52. Entire Understanding. This Lease contains the entire understanding of the parties. There is no other written or oral understanding between the parties with respect to this Lease or the Premises. Each party has relied solely on its own examination of the Premises and advice from its own attorneys and experts in entering into this Lease. No other party, agent, or attorney of any other party has made any promise, representation, or warranty whatsoever which is not contained in this Lease. No modification, amendment, or alteration of this Lease shall be valid unless it is in writing and signed by all parties. LESSEE shall pay to SUCCESSOR AGENCY an administrative fee for any modification, amendment or

alteration of this Lease requested by LESSEE. Such administrative fees may be revised from time to time.

53. Authority to Contract. Each individual executing this Lease on behalf of another person or legal entity represents and warrants that they are authorized to execute and deliver this Lease on behalf of such person or entity in accordance with duly adopted resolutions or other authorizing actions which are necessary and proper and under such legal entity's articles, charter, bylaws, or other written rules of conduct or governing agreement, and that this Lease is binding upon such person or entity in accordance with its terms. Each person executing this Lease on behalf of another person or legal entity represents and warrants such entity is a valid, qualified corporation, Limited Liability Company, partnership, or other unincorporated association in good standing in its home state and that such entity is qualified to do business in California.

Signatures on following page

SIGNATURE PAGE

LEASE

625 Sixth Avenue, San Diego, California 92101

IN WITNESS WHEREOF, this Lease is signed by the authorized representatives of the parties to be effective as of the Effective Date:

CITY OF SAN DIEGO, SOLELY IN ITS CAPACITY AS
THE DESIGNATED SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF SAN
DIEGO, A FORMER PUBLIC BODY, CORPORATE
AND POLITIC
A California municipal corporation

By:
Christina Bibler
Director
Economic Development

Date:

SAN REMO PIZZA

By:
Nasir Mansor, Owner

By:
Landa Mansor, Owner

Date: 5 / 4 / 2 }

Approved as to form and legality:

MARA W. ELLIOTT, CITY ATTORNEY

BY:

Marguerite Middaugh, Deputy City Attorney

EXHIBITS

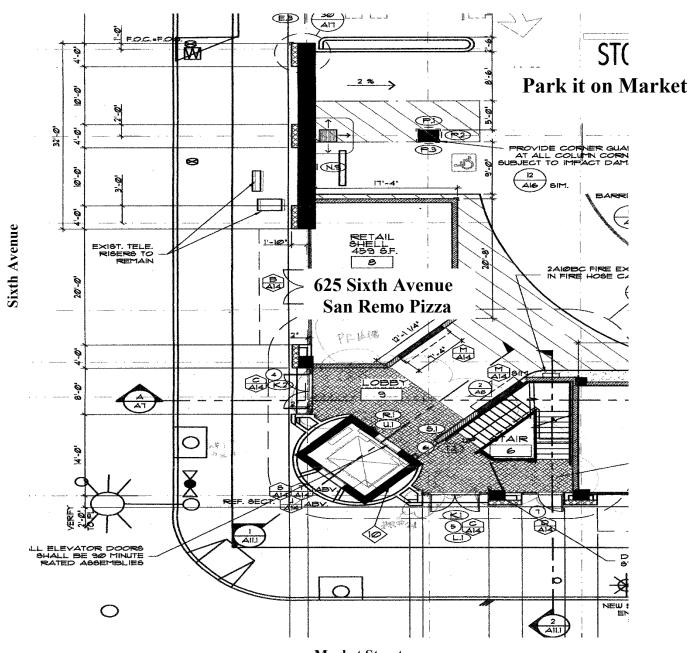
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625 Sixth Avenue, San Diego, California 92101

EXHIBIT A - PREMISES
EXHIBIT B - RULES AND REGULATIONS

EXHIBIT A PREMISES

(Storage Space not Shown)



Market Street

EXHIBIT B

RULES AND REGULATIONS

- 1. The sidewalks, entrances, halls, corridors, elevators and stairways of the Building and Premises shall not be obstructed or used as a waiting or lounging place by any tenant or any tenant's agent, servant, employee, invitee, licensee or visitor. Entrance doors leading from the Premises to the hallways shall not be propped or kept open at any time.
- 2. In case of invasion, riot, public excitement or other commotion, SUCCESSOR AGENCY, Civic San Diego, and the City may prevent access to the Building during the continuance of same. SUCCESSOR AGENCY, Civic San Diego, and the City shall in no case be liable for damages for the admission or exclusion of any person to or from the Building. SUCCESSOR AGENCY, Civic San Diego, and the City may exclude or expel from the Building any person who, in SUCCESSOR AGENCY's, Civic San Diego's, and the City's influence of liquor or drugs, or who is in violation of any of these Rules and Regulations.
- 3. SUCCESSOR AGENCY may require payment of a reasonable charge for any additional keys requested by LESSEE. LESSEE shall not have any keys made for the Premises, alter any lock, or install new or additional locks or bolts on any door without SUCCESSOR AGENCY'S prior written consent. LESSEE shall provide SUCCESSOR AGENCY with a key for any such lock or bolt. Upon the expiration or termination of its tenancy, LESSEE shall deliver to SUCCESSOR AGENCY all keys in its possession for all locks and bolts in the Building. LESSEE shall pay to SUCCESSOR AGENCY immediately upon demand all costs related to LESSEE' S loss of any Building or Premises key or access card.
- 4. LESSEE shall permit SUCCESSOR AGENCY'S, Civic San Diego's, and the City's employees (or their agents' employees) to take care of and clean the Building. LESSEE shall not employ any person other than SUCCESSOR AGENCY'S, Civic San Diego's, or the City's employees (or their agents' employees) for such purpose. LESSEE shall not cause any unnecessary labor by reason of LESSEE'S carelessness or indifference in the preservation of good order and cleanliness of the Premises and the Building. If LESSEE must dispose of crates, boxes, etc., which will not fit into office waste paper baskets, it will be LESSEE'S responsibility to dispose of same. In no event shall LESSEE set such items in the public hallways or other common areas of the Building for disposal. LESSEE shall store all of its trash and garbage within its Premises or in facilities provided by SUCCESSOR AGENCY for that purpose. All garbage and refuse disposal shall be made in accordance with directions issued from time to time by CITY or SUCCESSOR AGENCY.
- 5. SUCCESSOR AGENCY may prescribe the date, time, method and conditions that any personal property, equipment, trade fixtures, merchandise and other similar items shall be delivered to or removed from the Building. No iron safe or other heavy or bulky object shall

be delivered to or removed from the Building, except by experienced safe person, movers or riggers approved in writing in advance by SUCCESSOR AGENCY. LESSEE shall pay SUCCESSOR AGENCY immediately upon demand for all damage done to the Building by the delivery or removal of such items, or by reason of their presence in the Building. Unless equipped with rubber tires, no hand trucks shall be used in any space, or in the public halls of the Building, either by LESSEE, jobbers, or others in the delivery or receipt of merchandise. Any Building freight elevator shall be available for use by all tenants in the Building. LESSEE'S initial move-in and subsequent deliveries of bulky items, such as furniture, safes and similar items shall be subject to such reasonable scheduling as SUCCESSOR AGENCY, in its discretion, shall deem appropriate. Unless otherwise agreed to in writing by SUCCESSOR AGENCY, deliveries during normal office hours shall be limited to normal office supplies and other small items. No deliveries shall be made which impede or interfere with other tenants or the operations of the Building.

- 6. LESSEE shall not cover or obstruct the walls, partitions, skylights, windows, doors, and transoms that reflect or admit light into passageways or into any other part of the Building.
- 7. The restrooms, toilets, urinals, wash bowls, drains and water apparatus shall not be used for any purpose other than that for which they were constructed or installed, and no sweepings, rubbish, chemicals, or other unsuitable substances shall be thrown or placed therein. LESSEE shall pay SUCCESSOR AGENCY immediately upon demand all costs related to any breakage, stoppage or damage resulting from violation of this rule by LESSEE or any of LESSEE'S agents, employees, invitees, licensees or visitors.
- 8. No sign, name, placard, advertisement or notice visible from the exterior of any Premises, shall be inscribed, painted or affixed by LESSEE on any part of the Building without the prior written approval of SUCCESSOR AGENCY. All signs or letterings on doors, or otherwise, must be approved by SUCCESSOR AGENCY and shall be inscribed, painted or affixed by a person approved by SUCCESSOR AGENCY at LESSEE'S sole cost and expense.
- 9. No signaling, telegraphic or telephonic instruments or devices, burglar alarm systems or similar service, or other wire, instruments or devices, shall be installed in or on the Premises without SUCCESSOR AGENCY'S prior written approval. Such installations, and the boring or cutting for wires, shall be made at LESSEE'S sole cost and expense and under the control and direction of SUCCESSOR AGENCY. SUCCESSOR AGENCY may require: (a) the installation and use of such electrical protecting devices that prevent the transmission of excessive currents of electricity into or through the Building; (b) the changing of wires and of their installation and arrangement underground or otherwise as SUCCESSOR AGENCY may direct; and (c) compliance on the part of all using or seeking access to such wires with such rules as SUCCESSOR AGENCY may establish. All such wires used by LESSEE must be clearly tagged at the distribution boards and junction boxes and elsewhere in the Building,

with the number of the Premises to which the wires lead, the purpose for which the wires are used, and the name of the company operating same.

- 10. LESSEE, its agents, servants or employees, shall not:
 - (a) Go on the roof of the Building;
 - (b) Use any additional method of heating or air conditioning in the Premises;
 - (c) Sweep or throw any dirt or other substance from the Premises into any of the halls, corridors, elevators, or stairways of the Building;
 - (d) Bring in or keep in or about the Premises any vehicles or animals of any kind;
 - (e) Install any radio or television antennae or any other device or item on the roof, exterior walls, windows or window sills of the Building;
 - (f) Place objects against glass partitions, doors or windows which would be unsightly from the interior or exterior of the Building;
 - (g) Use the Premises for any manufacturing, storage or sale of merchandise or property of any kind;
 - (h) Cause or permit unusual or objectionable odor to be produced or permeate from the Premises, including, without limitation, duplicating or printing equipment fumes;
 - (i) Install or operate any vending machines in the Premises without SUCCESSOR AGENCY'S prior written consent; or
 - (j) Permit operation of any musical or sound producing instrument or device which may be heard outside the Premises or Building, or which may emit electrical waves which will impair radio or television broadcast or reception from or into the Building.
- 11. LESSEE shall not store or use any hazardous substance in the Premises without SUCCESSOR AGENCY'S prior written consent, including for illustration purposes: (a) ether, naphtha, phosphorous, benzene, gasoline, petroleum, crude or refined earth or coal oils, flashlight powder, kerosene or camphene; (b) any flammable, combustible, explosive or illuminating fluid, gas or material of any kind; or (c) any fluid, gas or material of any kind having an offensive odor, without SUCCESSOR AGENCY'S prior written consent.
- 12. No canvassing, soliciting, distribution of hand bills or other written material, or peddling shall be permitted in the Building, and LESSEE shall cooperate with SUCCESSOR AGENCY in preventing and eliminating same.
- 13. LESSEE shall promptly notify SUCCESSOR AGENCY of all damage to or defects in air conditioning equipment, plumbing, electrical facilities or any part or appurtenance of the Building.

- 14. If the Premises becomes infested with pests or vermin, LESSEE, at its sole cost and expense, shall cause such pests or vermin to be exterminated from time to time to the satisfaction of SUCCESSOR AGENCY, and shall employ such exterminators as shall be approved by SUCCESSOR AGENCY.
- 15. No curtains, blinds, shades, screens, awnings or other coverings or projections of any nature shall be attached to or hung in, or used in connection with any door, window or wall of the Premises or of the Building without SUCCESSOR AGENCY'S prior written consent.
- 16. LESSEE shall not place a load upon any floor of the Premises which exceeds the load per square foot which such floor was designed to carry and which is allowed by law. SUCCESSOR AGENCY may prescribe the weight, size and position of all equipment, materials, furniture or other property brought into the building. Heavy objects shall stand on such platform as determined by SUCCESSOR AGENCY to be necessary to properly distribute the weight, which platform shall be provided at LESSEE'S sole expense. Business machines and mechanical equipment belonging to LESSEE, which cause noise or vibration that may be transmitted to the structure of the Building or to any space therein to such a degree as to be objectionable to SUCCESSOR AGENCY or to any tenant in the Building, shall be placed and maintained by LESSEE, at LESSEE'S sole expense, on vibration eliminators or other devices sufficient to eliminate noise or vibration. SUCCESSOR AGENCY shall not be responsible for the loss or damage of any such equipment or other property for any cause. LESSEE shall pay SUCCESSOR AGENCY immediately upon demand all costs of damage done to the Building by maintaining or moving such equipment or other property.
- 17. LESSEE shall not waste electricity, water or air conditioning, shall cooperate with SUCCESSOR AGENCY to assure the most efficient operation of the Building's heating and air conditioning, shall comply with governmental energy saving rules, laws or regulations of which LESSEE has actual notice, and shall refrain from attempting to adjust controls. LESSEE shall keep corridors and window coverings closed at the end of each business day.
- 18. SUCCESSOR AGENCY may prohibit any advertising by LESSEE which, in SUCCESSOR AGENCY 'S opinion, tends to impair the reputation of SUCCESSOR AGENCY, City or of the Building, or its desirability as an office building for existing or prospective tenants who require the highest standards of integrity and respectability. Upon written notice from SUCCESSOR AGENCY, LESSEE shall immediately refrain from or discontinue such advertising.
- 19. LESSEE shall be responsible for the acts and omissions of its associates, employees, agents and any other person entering the Building or the Premises under the express or implied invitation of LESSEE. LESSEE shall cooperate with SUCCESSOR AGENCY to assure compliance by all such parties with these Rules and Regulations.

- 20. SUCCESSOR AGENCY may make reasonable amendments, modifications and additions to these Rules and Regulations, and make additional reasonable rules and regulations, as in SUCCESSOR AGENCY'S sole judgment may be needed from time to time for the safety, care, cleanliness and preservation or good order of the Building.
- 21. A request by LESSEE will be attended to only upon application at the office of the Building. Employees of SUCCESSOR AGENCY shall not perform any work or do anything outside of their regular duties unless under special instructions from SUCCESSOR AGENCY. No employee is authorized to admit any person (LESSEE or otherwise) to any leased premises without specific instructions from SUCCESSOR AGENCY.
- 22. SUCCESSOR AGENCY may, without notice and without liability to LESSEE, change the name and the street address of the Building of which the Premises are a part. SUCCESSOR AGENCY shall pay for all reasonable costs incurred by LESSEE as a result of changing the street address of the Building, unless the change is requested by an authorized governmental agency.
- 23. LESSEE shall not obtain for use upon the Premises ice, towel or other similar services or accept barbering or shoe polishing services on the Premises, except from persons authorized by SUCCESSOR AGENCY and at the hours and under regulations fixed by SUCCESSOR AGENCY.
- 24. SUCCESSOR AGENCY may waive any one or more of these Rules and Regulations for the benefit of any tenant. No such waiver by SUCCESSOR AGENCY shall be construed as a waiver of such Rules and Regulations in favor of LESSEE or any other tenant, or prevent SUCCESSOR AGENCY from thereafter enforcing any such Rules and Regulations against any or all of the tenants of the Building.
- 25. LESSEE assumes all responsibility for protecting the Premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to the Premises secured. LESSEE shall comply with all safety and fire protection evacuation procedures and regulations established by SUCCESSOR AGENCY or any governmental agency.

Economic Development Department

San Remo Pizza Lease

Oversight Board Meeting Item No. 01 May 18, 2023





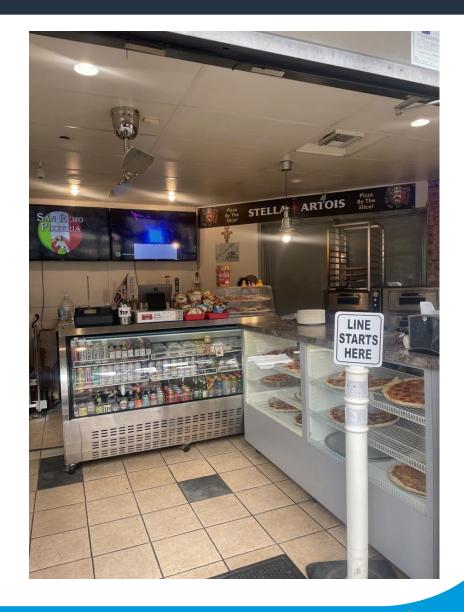
Summary of Requested Actions

Approve Lease between the City of San Diego, solely in its capacity as the designated Successor Agency to the Redevelopment Agency of the City of San Diego and Nasir and Landa Mansor doing business as San Remo Pizza, located at 625 Sixth Avenue.



San Rem Pizza







Background

- Space is located within the Park it on Market Garage (PIOM) at 614 Market Street in downtown San Diego
- Park it on Market opened to the public in 2001
- PIOM is included as part of the Successor Agency's Amended and Restated Long Range Property Management Plan.
- Nasir and Landa Mansor are current tenants and assumed the Lease in August 2021 through a Third Assignment of the Lease



Lease Terms

- Term shall terminate on the later of either September 1, 2025, co-terminus with bond covenants or the date that the Successor Agency transfers its ownership of the premises to the City.
- No extensions
- Rent to remain at \$1,858.88 during term of the Lease
 - Staff completed an analysis of lease rates in downtown area
- Requires Department of Finance 45-day review
- Effective date is upon when Successor Agency receives final

sandiego.gov



Summary of Requested Action

❖ Approve Lease between the City of San Diego, solely in its capacity as the designated Successor Agency of the City of San Diego and Nasir and Landa Mansor doing business as San Remo Pizza, located at 625 Sixth Avenue.

CALIFORNIA DEPARTMENT OF FINANCE: ROPS 23-24 DECISIONS

	R	Requested		pproved		
Successor Agency		RPTTF 1		RPTTF ²	Reduction	California Department of Finance Comments ²
Carlsbad	\$	1,031,937	\$	1,031,937	\$ -	
Chula Vista						Denied \$12,684,553 in outstanding loans (same as 5/17/2019
		3,330,126		3,327,126	(3,000	ruling), and \$3,000 in RPTTF funding. Warning on excessive
						administrative budget
Coronado		21,876,107		21,876,107	-	Warning on excessive administrative budget
El Cajon		4,270,705		4,270,705	-	
Escondido		87,862		87,862	-	
Imperial Beach		2,214,990		2,140,319	(74,671	Required \$74,671 use of existing fund balance instead of new RPTTF
La Mesa		1,151,362	647,2	647 274	(504,088)	Required \$504,088 use of bond proceeds instead of new RPTTF.
				047,274		Warning on excessive administrative budget
Lemon Grove		2,089,982	2,089,982		Corrected outstanding amount; reduced by \$386,255 with no	
		2,069,362		2,069,362	-	impact on RPTTF request
National City		4,266,020		4,266,020	-	Required \$73,902 use of existing fund balance instead of new RPTTF
Oceanside		3,893,075		3,893,075	-	
Poway		14,462,314	14,390,349	14 200 240	(71,965)	Required \$71,965 use of existing fund balance instead of new
				14,330,349		RPTTF. Warning on excessive administrative budget
San Diego City						Reduced RPTTF request for #204 - Balboa Theatre from \$547,154
		72,981,908		72,307,800	(674,108) to \$0. Cut administrative budget request by \$126,954.
San Diego County		2,332,230		2,281,220	(51,010	Required \$51,010 use of existing fund balance instead of new RPTTF
San Marcos		24,672,752		24,672,752	ı	
Santee		3,340,195		3,340,195	-	
Solana Beach		302,711		302,711	ı	
Vista		6,153,450		6,138,450	(15,000	Reduced RPTTF request for #76 - Legal Services Agreement by \$15,000 at successor agency's request

Totals \$ 168,457,726 \$ 167,063,884 \$ (1,393,842) ← (0.8% overall reduction in RPTTF funding requests)

Prepared by County of San Diego staff for 05/18/2023 Oversight Board regular meeting

¹ Based on ROPS Summary documents submitted by successor agencies

² Based on approval letters issued to successor agencies in March/April 2023 by California Department of Finance