

CONSULTANT ANALYSIS - REFERRAL ITEM

ITEM #	DESCRIPTION
R-77-347	Authorizing an Agreement with Pacific Southwest Realty Company providing for acceptance of improvements and termination of agreement affecting City-owned property adjoining Security Pacific Plaza.

Background

In 1970, the City entered into two Agreements with the SECTRAS Corporation, which was merged into Southwest Realty Company in 1971. One, City Document No. 733042, authorized the use of City-owned property for the construction of certain improvements as part of the Security Pacific Plaza. The other, City Document No. 734013, concerned the mutual Grant of Easements, an Encroachment Permit, and Maintenance Agreement for the construction and servicing, and maintenance of pedestrian mall areas, underground parking, and access ways.

On July 24, 1974, Southwest Realty sold the Pacific Plaza to Mr. Edwin Lowe and leased it back from him. The proposed Agreement would provide that the City accept and maintain those improvements which were constructed by SECTRAS on City-owned property. Other designated areas will be maintained by Pacific Southwest Realty and Mr. Lowe. Major provisions of the Agreement are the following:

1. Change of names. Pacific Southwest Realty and Edwin Lowe substituted for SECTRAS Corporation.
2. City approves the improvements constructed by SECTRAS as per Agreement No. 733042.
3. City and Company terminate Agreement No. 733042.
4. Mall Maintenance to be by the City. Other areas to be maintained by Company. Total cost to City: \$6,000 per year.
5. Fountain and Sculpture maintenance to be by the City. In a letter dated August 11, 1976, Pacific Southwest Realty agreed to operate the fountain 50 hours per week.
6. Easements defining areas of public free access and exclusive Company use.
7. Community Concourse Rental Area ("Restaurant Site") to be sole responsibility of City for leasing, operating, and maintaining the area referred to as "restaurant" in Agreement 733042. City to have sole exclusive right to use or sublease the area.

It is noted that Agreement 733042 provides that SECTRAS shall "Cooperate with City in providing easements or other necessary agreements for restaurant or sidewalk cafe purposes and facilities in the ramp area should City so desire, providing that SECTRAS shall not be responsible for the design or construction costs, or operations thereof. (Agreement, Page 4)

Recommendations

City staff has stated that SECTRAS, now Pacific Southwest Realty/Edwin Lowe, has lived up to its part of the 1970 Agreements in a satisfactory manner, and that the proposed Agreement is consistent with the intent and provisions of the original Agreements. Not being aware of any evidence to the contrary, I recommend that the Agreement be approved as proposed by the Manager.



BILL WEATHERFORD

References

- Docket Supporting Information, August 16, 1976
- Letter, Pacific Southwest Realty to City Manager, August 11, 1976
- Request for Council Action, February 8, 1976
- Draft Agreement, January 23, 1976
- Agreements 733042 and 734013, 1970

Committee Action

On September 20, 1976, it was M/S by Ellis/Hubbard to approve as recommended by Manager. Motion carried 3-0, Districts 4 and 6 excused.

DOCKET S RTING INFORMATION
CITY OF SAN DIEGO

DATE:

August 16, 1976

SUBJECT:

Agreement - Pacific Southwest Realty Company

BACKGROUND: (DOUBLE SPACE)

In 1970, the City entered into two agreements with SECTRAS (now known as Security Pacific Realty Co.) concerning improvements on City-owned vacated portions of "B" Street and Second Avenue, adjacent to Security Pacific Plaza. One agreement permitted SECTRAS to construct all public type improvements at its expense on the vacated streets. It also provided that upon completion of construction of the improvements, i. e., landscaping, planter wells, sidewalks, stairs, fountain and area under the parkade access ramp, the City would maintain those portions located in the vacated streets (owned by City). The second agreement provided for the construction, servicing and maintenance of pedestrian mall areas, subterranean parking facilities and access ways in the development of Security Pacific Plaza. Ownership of all improvements in the pedestrian mall area, including the fountain, to belong to the City upon its acceptance of improvements and City to maintain and preserve the pedestrian mall areas at its sole expense.

The new agreement accepts the above-mentioned improvements, terminates the original agreement, summarizes and clarifies the areas of responsibility of the City and Pacific Southwest Realty Co. It will also give City the right to use the 3,200 sq. ft. area under the parkade access ramp for any lawful purpose. Security Pacific Realty Co. has agreed to maintain the flood lights and exhaust vent structures, exit stairwell structures and all underground utility lines, utilities for the operation of the fountain and water for all landscaping within the new concourse area. Security Pacific Realty Co., by memorandum agreement, will operate the fountain up to fifty (50) hours per week at its expense.

FISCAL IMPACT: Operating Account Expenditures-\$4,000-Park&Rec;\$2,000-Gen. Services

BYLINE: (DEPUTY CITY MGR/DEPT. HEAD/AUTHOR INITIALS)

Blair/MacFarlane/FRH:sc

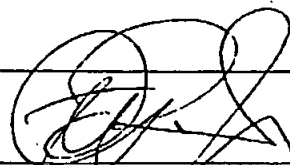
SAN DIEGO, CALIF.

SIGNATURES:

1976 AUG 16 PM 1:23


ORIGINATING DEPT. HEAD

RECEIVED
CITY CLERK'S OFFICE


CITY MANAGER

(FOR MANAGERIAL DEPARTMENTS ONLY)

PACIFIC SOUTHWEST REALTY COMPANY

HEAD OFFICE, 333 SOUTH HOPE STREET, LOS ANGELES, CALIFORNIA 90017

TELEPHONE (213) 613-6211

August 11, 1976

Mr. Hugh McKinley
City Manager
City of San Diego
202 "C" Street
San Diego, California 92101

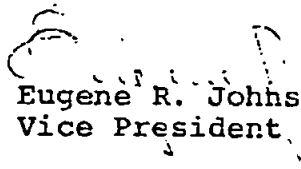
Re: City Agreement -
Operation and Maintenance
of Fountain

Dear Mr. McKinley:

Pursuant to your request, this will constitute our commitment to have the Security Pacific Plaza operate the fountain up to fifty (50) hours per week without additional charge.

The regular hours of operation are 9:00 a.m. to 4:00 p.m., Monday through Friday, plus evenings until 11:00 p.m. when there are special functions in the theatre or concourse. If the City wishes to extend the operation beyond these hours, we will have the building do so at a mutually-agreed upon cost for the additional electricity for operation.

Very truly yours,


Eugene R. Johnson
Vice President

ERJ:il

cc: John Cotton

216882

SEP 29 1976

8/24 please prepare
AUG 24 1976

REQUEST FOR COUNCIL ACTION CITY OF SAN DIEGO			1. CERTIFICATE NUMBER 8062			
TO: CITY ATTORNEY		2. FROM: (ORIGINATOR) PROPERTY		3. DATE February 18, 1976		
4. SUBJECT: Agreement - Pacific Southwest Realty Company						
5. PREPARATION OF: ☒ RESOLUTION(S) ☐ ORDINANCE(S) ☒ AGREEMENT(S) ☐ DEED(S) Authorizing the City Manager to enter into an agreement with Pacific Southwest Realty Company for Acceptance of Improvements and Termination of Agreement and clarification of agreement affecting City-owned property adjoining Security Pacific Plaza. <i>made 2 dupl Set 4 signed</i> <i>orig 75 record 9.2.76</i> <i>E/Conc. Analysis</i>						
6. SUPPORTING INFORMATION: (INCLUDE ONLY INFORMATION NOT COVERED ON FORM 1472A, "DOCKET SUPPORTING INFORMATION") ACTION REQUESTED BY: Property Department DESCRIPTIVE LOCATION: Security Pacific Plaza, 1200 Third Avenue, San Diego, and adjacent area abutting Community Concourse ACTION REQUESTED: Execution of Acceptance of improvements and termination of Agreement. ENVIRONMENTAL ASSESSMENT: The Supervising Planner of the Environmental Quality Division of the Planning Department has found that this action will have no significant effect on the environment in keeping with the intent of the Guidelines for Implementation of the California Environmental Quality Act of 1970 (see attached memo.) HANDLING: City Clerk to record document with County Recorder upon acceptance by City Council COUNCIL DISTRICT #8 - Jess Haro						
7. FOR INFORMATION CONTACT: (NAME & MAIL STA.) HAGAR/FRH <i>W</i> 51-A		8. TELEPHONE NO. 6020		9. CHECK IF "DOCKET SUPPORTING INFORMATION" ATTACHED ☒		
10. COMPLETE FOR ACCOUNTING PURPOSES:		11. ROUTING AND APPROVALS <i>action taken - Virginia Shuman 8/17/76</i>				
FUND	BUDGETED	UNBUDGETED	ROUTE (✓)	APPROVING AUTHORITY	APPROVAL	DATE SIGNED
DEPT. & FUNCTION			✓	DEPARTMENT DIRECTOR	<i>W. R. ...</i>	2/23/76
OBJECT ACCOUNT				CLEARING AUTH. <i>ppw</i>	<i>Tony Fly</i>	7/21/76
COST ACCOUNT			X	Gen Services	<i>James C. ...</i>	4/27/76
WORK ORDER NO.			X	CLEARING AUTH. EQD	<i>...</i>	8/13/76
C.I.P. NO.					<i>...</i>	8/23/76
AMOUNT					<i>...</i>	
12. ESTIMATED COST: \$6,000.00 JOBS: 10006 cc: Docket 11770, 00010 SAN DIEGO, CALIF. 1976 AUG 31 PM 1:23 CITY CLERK'S OFFICE ram			X	CITY MANAGER	<i>...</i>	
				AUDITOR	<i>...</i>	
			✓	CITY ATTORNEY	<i>...</i>	
			✓	ORIGINATING DEPARTMENT	<i>...</i>	
				CITY MANAGER	<i>...</i>	
			✓	CITY CLERK	<i>...</i>	

216882 SEP 29 1976

7/21/76