

CITY OF SAN DIEGO COUNCIL DOCKET



COUNCIL PRESIDENT

Sherrí Lightner • First District

COUNCIL PRESIDENT PRO TEM

Marti Emerald • Ninth District

COUNCILMEMBERS

Lorie Zapf • Second District

Todd Gloria • Third District

Myrtle Cole • Fourth District

Mark Kersey • Fifth District

Chris Cate • Sixth District

Scott Sherman • Seventh District

David Alvarez • Eighth District

**Andrea Tevlin
Independent
Budget Analyst**

**Jan Goldsmith
City Attorney**

**Liz Maland
City Clerk**

Council Chambers, 12th Floor, City Administration Building

Tuesday, April 12, 2016

**AGENDA FOR THE
REGULAR COUNCIL MEETING OF
TUESDAY, APRIL 12, 2016, AT 10:00 AM
CITY ADMINISTRATION BUILDING
COUNCIL CHAMBERS – 12TH FLOOR
202 “C” STREET
SAN DIEGO, CA 92101**

This information will be made available in alternative formats upon request, as required by the Americans with Disabilities Act (ADA), by contacting the City Clerk at (619) 533-4000 or <mailto:cityclerk@sandiego.gov>. Requests for disability-related modifications or accommodations required to facilitate meeting participation, including requests for auxiliary aids, services or interpreters, require different lead times. Please keep this in mind and provide as much advance notice as possible in order to ensure availability. Assistive Listening Devices (ALDs) are available in Council Chambers upon request.

Pursuant to California Senate Bill 343 (Section 54957.5(b) of the Brown Act), late-arriving documents related to City Council meeting agenda items which are distributed to the legislative body prior to and during the Council meeting are available for public review in the Office of the City Clerk on the second floor of the City Administration Building, 202 C Street, San Diego, CA 92101. This relates to those documents received after the agenda is publicly noticed and during the 72 hours prior to the start of the meeting. Please note: Approximately one hour prior to the start of the Council Meeting, the documents will be available just outside Council Chambers in the lobby of the 12th floor of the City Administration Building in a binder labeled “SB 343.” Late-arriving materials received during the City Council meeting are available for review by making a verbal request of City Clerk staff located in Council Chambers.

NOTE: The public portion of the meeting will begin at 9:00 a.m. for public comment on Closed Session items. The City Council will meet in Closed Session this morning from 9:00 a.m. – 10:00 a.m. Copies of the Closed Session agenda are available in the Office of the City Clerk.

ROLL CALL

PLEDGE OF ALLEGIANCE

APPROVAL OF COUNCIL MINUTES

The Council Minutes of the following meetings will be approved by Unanimous Consent unless pulled for discussion:

02/29/2016
03/01/2016
03/07/2016-Adjourned
03/08/2016
03/14/2016
03/15/2016

ADOPTION AGENDA, CONSENT ITEMS

The Consent items are considered to be routine, and the environmental documents have been considered. These items are indicated on the docket by a preceding asterisk (*). Because these items may be handled quickly, if you wish to be heard submit your Request to Speak from prior to the start of the meeting.

ADOPTION AGENDA, CONSENT ITEMS
ORDINANCES TO BE INTRODUCED:

* ITEM-50: Sixth Amendment to Agreement with TEGSCO, LLC, (doing business as AutoReturn) for Management of the Computer Operated Towing Dispatch Center.

ITEM DESCRIPTION:

The Police Department is requesting approval to extend the current Agreement with TEGSCO, LLC, (doing business as AutoReturn) for the software application and management of the Computer Operated Towing Dispatch Center for towing services provided by contracted Licensed Tow Providers and Licensed Impound Providers. The request is to extend the current five-year Agreement with AutoReturn for a period of two years with the option to renew for one additional year. The Agreement is cost-neutral to the City. The cost is offset by a portion of the tow franchise fees paid to the City by the Licensed Impound Providers.

STAFF'S RECOMMENDATION:

Introduce the following ordinance:

(O-2016-99)

Introduction of an Ordinance authorizing the Mayor, or his designee, to execute for and on behalf of the City a Contract Amendment with TEGSCO, LLC, doing business as AutoReturn, for the management of the Computer Operated Towing Dispatch Center, extending the existing five-year Agreement for two years, with an option to renew for one additional one-year period.

NOTE: 6 votes required pursuant to Section 99 of the City Charter.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

There is no cost to the City associated with this contract extension. It is cost-neutral, since the cost is offset by a portion of the tow franchise fees paid to the City by Licensed Impound Providers.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

This was heard at the Public Safety and Livable Neighborhoods Committee meeting on March 23, 2016.

ACTION: Motion by Councilmember Gloria, second by Councilmember Cole, to recommend Council introduce the ordinance and approve the agreement.

VOTE: 4-0; Emerald-yea, Cate-yea, Gloria-yea, Cole-yea.

Ramirez/Chadwick

Primary Contact\Phone: Sergeant Ruben Gutierrez\858-495-7801, MS 732

Secondary Contact\Phone: Lieutenant Darryl Hoover\858-495-7819, MS 732

City Attorney Contact: Peter, Linda L.

ADOPTION AGENDA, CONSENT ITEMS

RESOLUTIONS:

- * ITEM-100: Agreement with NV5, Inc., for professional services for Construction Management Services for the Miramar Clearwell Improvements Project. (Scripps Miramar Ranch and Miramar Ranch North Community Areas. District 5.)

ITEM DESCRIPTION:

Council Authorization to execute the Agreement (H156522) with NV5, Inc., for Construction Management Services of the Miramar Clearwell Improvements Project.

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-509)

Authorizing the Mayor, or his designee, to execute a Phase Funding Agreement with NV5, Inc., for professional services for Construction Management Services of the Miramar Clearwell Improvements Project, in CIP S-11024, Miramar Clearwell Improvements, in an amount not to exceed \$7,444,182, under the terms and conditions set forth in the Agreement;

Authorizing the Chief Financial Officer to appropriate and expend a total amount not to exceed \$7,444,182 of which \$603,627 for Phase I (Fiscal Year 2016) and \$6,840,555 for all subsequent phases from CIP S-11024, Miramar Clearwell Improvements, Fund 700010, Water Utility CIP, for the purpose of executing the Contract, in the following amounts for the corresponding phases, contingent upon the Chief Financial Officer furnishing one or more certificates certifying that the funds necessary for expenditure are, or will be, on deposit with the City Treasurer and contingent upon the City Council approving sufficient funding in each fiscal year:

Phase I (FY 2016): \$603,627

Phase II (FY 2017): \$1,992,504

Phase III (FY 2018): \$2,055,343

Phase IV (FY 2019): \$1,598,813

Phase V (FY 2020): \$1,193,895

Total Contract: \$7,444,182

Authorizing the Chief Financial Officer upon advice from the administering department, to transfer excess budgeted funds, if any, to the appropriate reserves.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

The total cost for the professional Construction Management Services is \$7,444,182. Funding of \$7,444,182 will be available in CIP S-11024, Miramar Clearwell Improvements, Fund 700010, Water Utility CIP, for this purpose. This Agreement is scheduled to be funded in Fiscal Year 2016 for \$603,627, Fiscal Year 2017 for \$1,992,504, Fiscal Year 2018 for \$2,055,343, Fiscal Year 2019 for \$1,598,813 and Fiscal Year 2020 for \$1,193,895 contingent upon the adoption of Fiscal Year 2017 thru Fiscal Year 2020 Appropriation Ordinances and, contingent upon the Chief Financial Officer furnishing one or more certificates certifying that the funds necessary for expenditure under the established contract funding phases are, or will be, on deposit with the City Treasurer.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

On October 3, 2012, the original contract with Simon Wong for the amount of \$4,998,757 was adopted by Ordinance No. O-20195 and approved by the Natural Resources Committee on June 27, 2012.

On December 16, 2015, the First Amendment to the Design Consultant Agreement with Simon Wong for the amount of \$1,796,259 was adopted by Ordinance No. O-20582.

This item was heard at the Infrastructure Committee meeting on March 16, 2016.

ACTION: Motion by Vice-Chair Cole, second by Councilmember Zapf, to recommend council adopt the resolutions and approve the agreement.

VOTE: 3-0; Kersey-yea, Cole-yea, Zapf-yea, Emerald not present.

Gibson/Gomez

Primary Contact\Phone: Myrna Dayton\858-627-3201, MS 18
Secondary Contact\Phone: Michael Marks\858-627-3253, MS 18
City Attorney Contact: Mercer, Mark M.

* ITEM-101: Federal Government - Office of Economic Adjustment - Resiliency and Economic Diversity Grant. (Citywide.)

ITEM DESCRIPTION:

San Diego's regional economy is heavily dependent on defense-related spending. This grant application seeks funding from the Federal Government - Office of Economic Adjustment to support activities by the City of San Diego and regional partners (Grant Sub-Recipients) to engage and organize stakeholders, identify short-term remedies, enhance technology tools which support these efforts, and develop long-term strategies to enhance resiliency and economic diversity of local defense-related businesses.

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-508)

Authorizing the Mayor, or designee, for and on behalf of the City, to apply for and take all necessary actions to secure funding not to exceed \$1.8 million in Office of Economic Adjustment (OEA) Grant Funds;

Authorizing the Mayor, or designee, for and on behalf of the City, to take all actions required to administer the OEA Grant, including entering into an Agreement with Grant Sub-Recipients for the purpose of ensuring all parties' compliance with the Defense Industry Adjustment (DIA) Program, OEA Grant obligations, and all other applicable Federal rules;

Authorizing the Chief Financial Officer to accept, appropriate and expend an amount not to exceed \$1.8 million in OEA Grant Funds;

Authorizing the Chief Financial Officer to establish a special interest-bearing fund for the OEA Grant, if required.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

Approximately \$1.8 million in Grant Funds is being requested/awarded and required matching funds of \$221,651, are being provided by Grant Sub-Recipients. The proposed funding includes cost recovery for City staff time and related expenses to serve as the lead grant applicant and fulfill grant requirements, therefore, no net impact to the General Fund is anticipated.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

This item was heard at the Economic Development and Intergovernmental Relations Committee meeting on March 10, 2016.

ACTION: Motion by Councilmember Cate, second by Councilmember Alvarez, to recommend Council adopt the resolution and approve the agreement.

VOTE: 4-0; Cole-yea, Kersey-yea, Cate-yea, Alvarez-yea.

Please note that budget amounts have been refined since the item was prepared for the Committee and the anticipated amount of the grant application has increased, but not to exceed \$1.8 million and the matching funds from Grant Sub-Recipients has increased to \$221,651 from \$218,650.

Caldwell/Graham

Primary Contact\Phone: Meredith Dibden Brown\619-236-6485, MS 56D

Secondary Contact\Phone: Libby Day\619-533-6309, MS 56D

City Attorney Contact: Skogen, Daphne Z.

- * ITEM-102: Lease Surrender and Termination Agreement between the City of San Diego and Harmonium, Inc., located at 8450 Mira Mesa Boulevard, San Diego CA; and Closure and Transfer of Funds in the Mira Mesa Teen Center Fund to the Mira Mesa Community Fund. (Mira Mesa Community Area. District 6.)

ITEM DESCRIPTION:

This action is to authorize the Surrender and Termination Agreement between the City and Harmonium, Inc. Harmonium is requesting approval to terminate its lease prior to its scheduled expiration in April 2017, due to extreme financial difficulties. Harmonium, a Non-Profit Organization located at 8450 Mira Mesa Boulevard, also known as the Epicentre, has been leasing from the City since 1998. Transfer \$511,187.19 (original amount \$500,000 plus interest) from the Mira Mesa Teen Center Fund 400183 to Mira Mesa Community Fund 400182.

STAFF'S RECOMMENDATION:

Adopt the following resolutions:

Subitem-A: (R-2016-481)

Approving the Lease Surrender and Early Termination Agreement between the City of San Diego and Harmonium, Inc., for the property located at 8450 Mira Mesa Boulevard, San Diego, CA;

Authorizing the Mayor to sign the Lease Surrender and Early Termination Agreement, and any other documents necessary to effectuate the surrender and early termination of said Lease;

Authorizing the Chief Financial Officer to transfer all funds in the Mira Mesa Teen Center Fund 400183 to the Mira Mesa Community Fund 400182, and to thereafter close the Mira Mesa Teen Center Fund 400183.

Subitem-B: (R-2016-482)

Determining that the Project is categorically exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301, and that an exception to the exemption does not apply;

Determining that an exception to the exemption as set forth in CEQA Guidelines Section 15300.2 does not apply.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

Transfer \$511,187.19 (original amount of \$500,000 plus interest) from Mira Mesa Teen Center Fund 400183 to Mira Mesa Community Fund 400182. Real Estate Assets Department will maintain the security alarm at approximately \$220 monthly until the new Lessee occupies the premises.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

This item was heard at the Smart Growth and Land Use Committee meeting on March 9, 2016.

ACTION: Motion by Councilmember Alvarez, second by Councilmember Sherman, to adopt the resolution and transfer of funds.

VOTE: 3-0; Zapf-yea, Sherman-yea, Alvarez-yea, Gloria-not present.

Thompson/Villa

Primary Contact\Phone: Charmaine Gillis\619-236-6986

Secondary Contact\Phone: Patti Phillips\619-236-6766

City Attorney Contact: Ables, Melissa D.

* ITEM-103: City Council Community Projects, Programs, and Services Funding Allocation to Tree San Diego for Tree Steward Program Development. (Citywide.)

ITEM DESCRIPTION:

Approval of the funding allocation from Council District 3, along with authorization from the City Council are requested to allow the Mayor, or his designee, to enter into an Agreement with Tree San Diego for an amount not to exceed \$3,000 for Tree Steward Program Development.

COUNCILMEMBER GLORIA'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-503)

Declaring that the allocation described in this resolution is made for a public purpose;

Authorizing and directing the Mayor, or his designee, to execute, for and on behalf of the City, a Community Projects, Programs, and Services FY 2016 City Council Allocations Agreement between the City of San Diego and the Tree San Diego (Agreement) in an amount not to exceed \$3,000 for the Project described in this resolution, under terms and conditions set forth in the Agreement;

Authorizing the Chief Financial Officer to expend an amount not to exceed \$3,000 from the Community Projects, Programs, and Services Budget Fund No. 100000, Cost Center No. 1103110003, to provide funds for the above-referenced Agreement, contingent upon the Chief Financial Officer first furnishing one or more certificates certifying that the funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

\$3,000 in City Council Community Projects, Programs, and Services Funding from Council District 3: Fund No. 100000, Cost Center No. 1103110003, will be used for Tree Steward Program Development.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION: N/A

Fox

Primary Contact\Phone: Jamie Fox\619-236-6633, MS 10A
Secondary Contact\Phone: Courtney Thomson\619-236-5918, MS 10A
City Attorney Contact: Berry, Jennifer L.

- * ITEM-104: Community Projects, Programs, and Services Funding Allocation to RISE Urban Leadership Institute of San Diego for the RISE Urban Leadership Fellows Program. (Citywide.)

ITEM DESCRIPTION:

Approval of the funding allocations from Council Districts 1, 6, and 7, along with authorization from the City Council are requested to allow the Mayor, or his designee, to enter into an Agreement with RISE Urban Leadership Institute of San Diego for an amount not to exceed \$10,000 for the RISE Urban Leadership Fellows Program.

COUNCILMEMBER CATE'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-502)

Declaring that the allocation described in this resolution is made for a public purpose;

Waiving Council Policy 100-06, Section 3(g), which provides: "An organization may not apply to receive funding for an event or program which has already occurred, nor any capital improvement, goods, supplies, materials, or equipment which have already been purchased";

Authorizing and directing the Mayor, or his designee, to execute, for and on behalf of the City, a Community Projects, Programs, and Services FY 2016 City Council Allocations Agreement between the City of San Diego and the RISE Urban Leadership Institute of San Diego (Agreement) in an amount not to exceed \$10,000 for the Project described in this resolution, under terms and conditions set forth in the Agreement;

Authorizing the Chief Financial Officer to expend an amount not to exceed \$5,000 from Council District 1: Community Projects, Programs, and Services Budget Fund No. 100000, Cost Center No. 1101110001; \$2,500 from Council District 6: Community Projects, Programs, and Services Budget Fund No. 100000, Cost Center No. 1106110006; \$2,500 from Council District 7: Community Projects, Programs, and Services Budget Fund No. 100000, Cost Center No. 1107110007, for a total of \$10,000, all to provide funds for the above-referenced Agreement, contingent upon the Chief Financial Officer first furnishing one or more certificates certifying that the funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

\$10,000 in City Council Community Projects, Programs, and Services Funding from:

\$5,000 from CD1: Fund No. 100000/Cost Center No. 1101110001

\$2,500 from CD6: Fund No. 100000/Cost Center No. 1106110006

\$2,500 from CD7: Fund No. 100000/Cost Center No. 1107110007,
will be used for the RISE Urban Leadership Fellows Program.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION: N/A

Cate

Primary Contact\Phone: James Hauser\619-236-6616, MS 10A

Secondary Contact\Phone: Courtney Thomson\619-236-5918, MS 10A

City Attorney Contact: Berry, Jennifer L.

* ITEM-105: Settlement of sexual harassment and related claims of Benelia Santos-Hunter, Risk Management File No. 8781.

ITEM DESCRIPTION:

This is a lawsuit for alleged sexual harassment and related claims of Benelia Santos-Hunter against former Mayor Robert Filner and the City. The proposed settlement would resolve all of Santos-Hunter's claims against the City and Filner.

CITY ATTORNEY'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-484)

Authorizing the Mayor, or his designee, to pay the sum of \$641,000 from the Public Liability Fund No.720045, in settlement of each and every claim for damages, interest, costs, and fees of any type, including attorney fees, against City of San Diego, its agents and employees, arising from the personal injury claim of *Benelia Santos-Hunter vs. City of San Diego, et al.*, 37-2014-00027634-CU-OE-CTL;

Authorizing the Chief Financial Officer to appropriate and expend \$641,000 from the Public Liability Fund, 720045, contingent upon the Chief Financial Officer first furnishing one or more certificates certifying that the funds necessary for expenditure are, or will be, on deposit with the City Treasurer;

Authorizing the City Comptroller to issue four checks totaling \$641,000, made payable as follows: 1) \$119,800 to the "Gruenberg Law Firm Client Trust Account"; 2) \$166,000 to "Joshua Gruenberg, Attorney"; 3) \$100,000 to "Havelet Assignment Company"; and 4) \$255,200 to Barco Assignments, Ltd.

SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

Settlement in a total amount of \$641,000 will be paid from Public Liability Fund No. 720045.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

The item was approved in Closed Session on February 2, 2016.

Bamberg/Nuesca

Primary\City Attorney Contact\Phone: George Schaefer\619-533-5861

* ITEM-106: Appointment to the Municipal Golf Committee.

MAYOR FAULCONER'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-505)

Council confirmation of the following appointment by the Mayor of the City of San Diego, to serve as a member of the Municipal Golf Committee, for a term expiring as indicated:

<u>NAME</u>	<u>CATEGORY</u>	<u>TERM ENDING</u>
Chris Wahl (La Jolla, District 1) (Filling the vacancy in the seat previously held by Christian Clews, who resigned)	General Business Member	5/1/2017

PROCLAMATIONS/CEREMONIAL ITEMS

NOTE: The following Ceremonial Item will be presented in Council Chambers and approved by Unanimous Consent unless pulled for discussion.

ITEM-30: Official San Diego - Edinburgh Sister City Banner (Flag) Exchange Presentation between Councilmember Mark Kersey and the Edinburgh Sister City Association.

PRESENTED BY MAYOR FAULCONER AND COUNCILMEMBER KERSEY:

Ceremonial Item - Official San Diego - Edinburgh Sister City Banner (Flag) Exchange Presentation.

NOTE: The following Proclamations will be presented in Council Chambers and approved by Unanimous Consent unless pulled for discussion.

ITEM-31: National Public Safety Telecommunicators Week.

PRESENTED BY MAYOR FAULCONER AND COUNCIL PRESIDENT PRO TEM EMERALD:

Proclaiming April 10-16, 2016, to be "National Public Safety Telecommunicators Week" in the City of San Diego.

ITEM-32: Volunteer Appreciation Month.

PRESENTED BY COUNCILMEMBER ZAPF:

Proclaiming April 2016, to be "Volunteer Appreciation Month" in the City of San Diego.

ITEM-33: Friends of the Villa Montezuma Day.

PRESENTED BY COUNCILMEMBER ALVAREZ:

Proclaiming April 12, 2016, to be "Friends of the Villa Montezuma Day" in the City of San Diego.

SPECIAL ORDERS OF BUSINESS

None.

NON-AGENDA PUBLIC COMMENT

This portion of the agenda provides an opportunity for members of the public to address the Council on items of interest within the jurisdiction of the Council. (Comments relating to items on today's docket are to be taken at the time the item is heard.)

Per Section 22.0101, Rule 2.6.2, of the San Diego Municipal Code, comments are limited to two minutes per speaker. Speakers may not allocate their time to other speakers. If there are eight (8) or more speakers on a single issue, the maximum time allotted for that issue will be sixteen (16) minutes. Non-Agenda Public Comment is limited to 30 minutes during the Tuesday morning Council session. Any remaining speakers will be given an opportunity to speak after Council concludes the remaining agenda items for that day. Speaker order will generally be decided on a first-come, first-served basis. However, in the event that there are more than 15 Non-Agenda Public Comment speakers on a particular Tuesday, priority may be given to speakers who have not addressed the legislative body during "Non-Agenda Public Comment" at the last regularly scheduled Council meeting.

MAYOR, COUNCIL, INDEPENDENT BUDGET ANALYST, CITY ATTORNEY, CITY CLERK COMMENT

UPDATES ON PENDING LEGISLATION (MAYOR'S OFFICE)

REQUESTS FOR CONTINUANCE

The Council will consider requests for continuance in the morning or afternoon, based on when the item was noticed to be heard.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS

RESOLUTIONS:

This item may be taken in the morning session if time permits.

ITEM-330: Request for authorization to sell 540 W. Laurel Street and 2513/2515 Union Street and pay real estate broker commission. (Uptown Community Area. District 3.)

ITEM DESCRIPTION:

Authorize the Mayor, or his designee, to sell 540 W. Laurel Street and 2513/2515 Union Street, APN 533-072-16 at or above its appraised value and pay a real estate broker commission based on a percentage of the final sale price for the property.

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-513)

Authorizing the Mayor, or his designee, to sell that certain .68 acres of improved real property located at 540 W. Laurel Street and 2513/2515 Union Street, identified as Assessor's Parcel Number 533-072-18, valued at \$2,470,000, which is the minimum acceptable sale price for at least the twelve-month period following the passage of this resolution;

Directing and authorizing the Mayor, or his designee, to do all of the following in connection with the sale of the Property:

1. The Property shall be re-appraised at least once every twelve (12) months until sold, and the resulting appraised value of the Property shall become the minimum acceptable sale price, provided that it is greater than \$2,470,000. If the re-appraised value is less than the minimum acceptable sale price set on the date of this resolution, or the Mayor, or his designee, determine that the Property cannot be sold at or above the minimum acceptable sale price set on the date of this resolution, the Mayor shall seek review and additional direction from the Council as to the disposition of the Property.
2. To require as a term and condition of any sale that an historical resource research report, of a quality sufficient to meet the requirements of the Historical Resources Guidelines in the Land Development Manual, be prepared within twelve (12) months from the close of escrow, and that a copy of that document be provided to the City.
3. To ensure that the potential impacts of a proposed sale on the existing physical conditions of the Property are analyzed and an environmental review is conducted in accordance with the California Environmental Quality Act (CEQA) and the City's Land

Development Code prior to making a final decision to accept a specific offer to purchase the Property.

4. To accept an offer to purchase the Property based on the above criteria, on terms and conditions deemed by the Mayor, or his designee, to be reasonable and in the best interest of the City, and to execute and deliver, on behalf of the City, a Purchase and Sale Agreement, grant deed, and all other agreements and documents, necessary to complete the sale and transfer the property to the buyer.

5. To retain, on terms deemed by the Mayor, or his designee, to be reasonable and in the best interests of the City, the services of a real estate broker to represent the City and facilitate the sale of the Property, and to pay said real estate broker a commission related to the sale of the Property in an amount not to exceed four percent (4%) of the sale price, which shall be done in compliance with San Diego Municipal Code Section 22.0905;

Authorizing and directing the Chief Financial Officer to accept the proceeds of the sale of the Property, net of brokerage commissions and other costs of selling the Property, and deposit them into the Special Gas Tax Street Improvement Fund 200118.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

Proceeds from the sale, net of costs related to the sale, will be deposited into Special Gas Tax Street Improvement Fund 200118.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

An informational item regarding Excess Property Sales was presented at the Smart Growth and Land Use Committee meeting on June 10, 2015.

This item was heard at the Smart Growth and Land Use Committee meeting on February 10, 2016, (Item No. 4 “Sell 4 Excess City Properties...”) and the three other properties will be presented to Council in a separate action.

ACTION: Motion by Councilmember Gloria, second by Councilmember Alvarez, to recommend Council authorize the sale after 1) a historical analysis of the property 2) determining whether proceeds from the sale can help fund in part a new park and signs 3) determining feasibility of naming an Uptown park after Dr. Brad Truax 4) determining whether money from the gas tax can be used to fund an AIDS memorial.

VOTE: 4-0; Zapf-yea, Gloria-yea, Sherman-yea, Alvarez-yea.

Thompson/Villa

Primary Contact\Phone: Mary Carlson\619-236-6079, MS 51A

Secondary Contact\Phone: Cybele Thompson\619-236-6145

City Attorney Contact: Ables, Melissa D.

This item may be taken in the morning session if time permits.

ITEM-331: ArtsTix Lease Agreement for a Retail Kiosk at the new Horton Plaza Urban Park.
(Downtown Community Area. District 3.)

ITEM DESCRIPTION:

Approve a ten (10) year Lease Agreement with San Diego Performing Arts League doing business as ArtsTix (“ArtsTix”) for occupancy of a retail kiosk at Horton Plaza Park/Development, at the south-west corner of 4th Avenue and Broadway, San Diego, CA 92101.

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-512)

Authorizing and directing the Mayor, or designee, to facilitate the execution of the kiosk lease between the City of San Diego, a California Municipal Corporation, acting by and through its agent, Horton Plaza Services, Inc., a Delaware Corporation, and San Diego Performing Arts League, a 501(c)3 Non-Profit Corporation doing business as ArtsTix, for the occupancy and operation of a kiosk at the new Horton Plaza Urban Park;

Declaring that given the cultural, recreational, educational enrichment, and other public services to be afforded by ArtsTix' use and occupancy of the premises, Council Policy 700-12 is waived to the extent that the City property shall be leased at less than fair market value.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

Per the Programming Agreement, Program Manager, Successor Agency and City acknowledge their mutual objective of (i) maximizing the activation of the Plaza Property with events and (ii) that there be Retail Uses and Events that generate revenues sufficient to at least offset all Program Manager Costs and agree that the policies and procedures regarding planning, development, marketing scheduling, managing, supporting, coordinating and programming the Plaza Property and setting of Use Fees will be established to serve that objective.

Proceeds remaining after payment of Program Manager’s Costs (“Excess Use Fees”) are to be allocated by Program Manager to Program Manager and City as follows: fifty (50%) percent to the Program Manager as Program Manager’s Fee and, fifty (50%) percent to the City to be deposited into the Property Capital Reserves Account Fund 400669 for the restricted purpose of paying the cost of Property Capital Repairs and Replacements when needed.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

RR-306544, dated January 16, 2011, authorizing Cooperation Agreement between the City and Agency for the Purpose of Improving Horton Park and a Portion of Horton Plaza, and providing for the Maintenance, Operation and Programming of the Area.

Thompson/Villa

Primary Contact\Phone: Mary Carlson\619-236-6079, MS 51A

Secondary Contact\Phone: Cybele Thompson\619-236-6145, MS 51A

City Attorney Contact: Bevier, Debra J.

The following item will be considered in the afternoon session which is scheduled to begin at 2:00 p.m.

ITEM-332: Revision to the City of San Diego Reserve Policy.

ITEM DESCRIPTION:

Revision to update the City of San Diego Reserve Policy. Council is requested to increase the General Fund Reserve target to 16.7% of General Fund Operating Revenues and establish a Pension Payment Stabilization Reserve Fund. The Reserve Policy is updated throughout to remove older contribution information and to show the reserve target percentages. Funding recommendations for the reserves will be included in the FY 2016 Year-End Budget Monitoring Report for the FY 2016 reserve target levels and the FY 2017 Proposed Budget for the FY 2017 reserve target levels consistent with the City's Reserve Policy.

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-364)

Revising Council Policy 100-20 entitled "Reserve Policy" as set forth in the Council Policy;

Instructing the City Clerk to update the Council Policy Manual to include revised Council Policy 100-20.

STAFF SUPPORTING INFORMATION:**FISCAL CONSIDERATIONS:**

In order to reach the target funding levels for Fiscal Year 2016 under the revised reserve policy, a total of \$32.5 million will be contributed to the various reserves. Of this total amount, \$27.2 million will be contributed from the General Fund from Excess Equity.

Authorization to increase Fiscal Year 2016 General Fund expenditure appropriations are requested in the amount of \$16.0 million for the Pension Reserve, \$3.0 million for the Public Liability Reserve, and \$2.5 million in the Workers' Compensation Reserve. \$4.8 million in non-general fund expenditure appropriations from fund balance are requested for the Pension Reserve according to the fund allocation schedule provided in Attachment 4. Contributions to the Pension Reserve will be deposited in a new interest-bearing fund called the Pension Payment Stabilization Reserve Fund. The \$0.5 million contributions to the Workers' Compensation Reserve from the non-general funds will be absorbed in current budgets.

No expenditure appropriation authorization is required to increase the General Fund Reserve by \$5.7 million. If the action is approved, \$5.7 million in Excess Equity (General Fund unassigned fund balance) will be designated as part of the Stability Reserve. The \$5.7 million previously categorized as Excess Equity in the Mid-Year Report will be reclassified as in the Stability Reserve, meeting the target of 6.5% in Fiscal Year 2016.

By Fiscal Year 2021, the City is projected to increase the General Fund Reserve, Pension Reserve, and Risk Management Reserves by \$96.9 million. Of this total amount, \$91.6 million will be contributed from the General Fund. A summary of the contributions by reserve is provided in Attachment 3.

At the Budget and Government Efficiency Committee meeting on March 16, 2016, the committee requested that the funding recommendations for these reserves be included in the FY 2016 Year-End Budget Monitoring Report and the FY 2017 Proposed Budget consistent with the City's Reserve Policy, once Excess Equity is updated.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

Council approved the Reserve Policy as Ordinance No. O-19679 on November 20, 2007, and approved revisions as Resolution No. R-303941 on July 29, 2008. The most current revision was approved by City Council on July 17, 2014 (Resolution No. R-309101).

Recommendations to update the Reserve Policy were heard at City Council as two companion items on January 25, 2016. Staff was requested to create a Pension Reserve, increase the General Fund Reserve toward 16.7%, and return to Council with the revised Council Policy 100-20 including proposed appropriate funding levels for reserves as part of the Mayor's Fiscal Year 2017 Budget.

This item was heard at the Budget and Government Efficiency Committee meeting on March 16, 2016.

ACTION: Motion by Councilmember Gloria, second by Councilmember Cole, to recommend Council approval of the revised Reserve Policy with the following modification, and direct that funding recommendations for the General Fund Stability Reserve, the Pension Reserve, the Workers' Compensation Reserve, and the Public Liability Reserve be included in the FY 2016 Year-End Budget Monitoring Report and the FY 2017 Proposed Budget.

Policy Modification - Clarify that the Pension Reserve can only be used for unanticipated increases to the ADC by making the following changes on page 6 of 16 ("Budgeting the Pension Reserve" Section):

"The budgeting of an amount from the Pension Reserve as described by this policy may occur when the City is faced with an unanticipated increase in the ADC payment, and as warranted will be based on the current fiscal conditions of the City ~~for a supplemental source of funds to pay the ADC.~~"

VOTE: 4-0; Gloria-yea, Cole-yea, Cate-yea, Sherman-yea.

Vespi/Lewis

Primary Contact\Phone: Tracy McCraner\619-236-6218, MS 8A
Secondary Contact\Phone: Michael Clark\619-533-6410, MS 8A
City Attorney Contact: Will, Brant C.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS

ORDINANCES TO BE INTRODUCED:

The following item will be considered in the afternoon session which is scheduled to begin at 2:00 p.m.

ITEM-333: Salary Ordinance for Fiscal Year 2017.

ITEM DESCRIPTION:

This action is to approve the annual Salary Ordinance for Fiscal Year 2017. The Salary Ordinance establishes compensation schedules of all officers and employees of the City of San Diego (City) for Fiscal Year 2017, in accordance with San Diego Charter (Charter) Sections 11.1, 70, 130, and 290.

STAFF'S RECOMMENDATION:

Introduce the following ordinance:

(O-2016-106)

Introduction of an Ordinance establishing a schedule of compensation for officers and employees of the City of San Diego for Fiscal Year 2017.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

Approval of the Salary Ordinance is required under the City's Charter as part of the annual budget process.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

Council approval of Memorandum of Understanding (MOUs) with each recognized employee organization:

October 1, 2013:

California Teamsters, Local 911 by San Diego Resolution R-308479 (October 15, 2013)

Deputy City Attorneys Association by San Diego Resolution R-308477 (October 15, 2013)

Local 127, American Federation of State, County, and Municipal Employees, AFL-CIO by San Diego Resolution R-308480 (October 15, 2013)

San Diego City Firefighters, International Association of Firefighters, Local 145 by San Diego Resolution R-308478 (October 15, 2013)

March 23, 2015:

San Diego Police Officers Association by San Diego Resolution R-309613 (March 27, 2015)

December 8, 2015:

San Diego Municipal Employees' Association by San Diego Resolution R-310148
(December 16, 2015)

von Kalinowski/Villa

Primary Contact\Phone: Darrin Schwabe\619-236-5964

Secondary Contact\Phone: Judy von Kalinowski\619-236-6313

City Attorney Contact: Dawson, Joan F.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS

The following item will be considered in the afternoon session which is scheduled to begin at 2:00 p.m.

ITEM-334: FY16 Facilities Condition Assessment Update.

ITEM DESCRIPTION:

This item provides a status update of the three Facilities Condition Assessment Agreements approved in December 2013, and the findings for the 560 City-Occupied (Non-Leased) General Fund facilities that were assessed in FY14, through FY16. In order to assist with establishing a city-approved Service Level standard for City-Occupied (Non-Leased) General Fund Facilities, a proposed Service Level Option is provided to illustrate the effect of funding level on condition and reliability.

STAFF'S RECOMMENDATION:

This item is for information only.

STAFF SUPPORTING INFORMATION:**FISCAL CONSIDERATIONS:**

The proposed Service Level requires approximately \$403M for the 560 City-Occupied (Non-Leased) General Fund Facilities assessed in FY14 through FY16. Two buildings in the City Concourse, City Administration Building (CAB) and City Operations Building (COB), make up 33% of the proposed reinvestment amount. If a limited-cost solution can be developed to replace CAB and COB, the Proposed Reinvestment amount for the remaining 558 buildings is estimated at \$270M for the backlog. As future assessments are completed, projected funding requirements will be revised. The proposed reinvestment of \$177M for the 274 facilities projected in the FY14 Proposed Service Level is included in the FY16 Proposed Service Level. The FY14 proposed reinvestment of \$177M was included in the FY16 to FY20 and the FY17 to FY21 Five-Year CIP Outlook as unfunded needs. Since the average Facility Condition Index (FCI's) change over time due to deterioration, additional funding may be required to maintain the goal FCI's.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

12/9/2013: City Council - Approval of three FCA Contracts (Resolution R-308581).

12/18/2014: CIPRAC Committee - FY14 General Fund Facility Presentation.

1/21/2015: Infrastructure Committee - FY16-FY20 Consolidated Multi-Year Capital Planning Report (MYCP) included \$177M (proposed Service Level for 274 General Fund Facility needs).

6/3/2015: Infrastructure Committee - FY14 Facilities Condition Assessment Update; accepted and forwarded to City Council.

7/13/2015: City Council - FY14 Facilities Condition Assessment Update; FCA data for 274 City-Occupied General Fund Facilities and proposed Service Level presented and accepted.

3/16/2016: Infrastructure Committee - this informational item presented.

Nagelvoort/Gomez

Primary Contact\Phone: Richard Leja\619-533-5112, MS 908A

Secondary Contact\Phone: Leigh Ann Sutton\619-533-3427, MS 908A

The following item will be considered in the afternoon session which is scheduled to begin at 2:00 p.m.

ITEM-335: City Auditor's Performance Audit of the City's Overhead Rate Calculation Process.
(Citywide.)

CITY AUDITOR'S RECOMMENDATION:

Receive the City Auditor's Performance Audit of the City's Overhead Rate Calculation Process.

SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS: N/A

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

The report was presented at the Audit Committee meeting on February 10, 2016, and the Committee took the following action:

ACTION: Motion by Committee Member Hebrank, second by Councilmember Zapf, to accept the report and forward to Council.

VOTE: 5-0; Sherman-yea, Zapf-yea, Hebrank-yea, Spencer-yea, Valdivia-yea.

No changes have been made to the report since it was presented to the Committee.

Luna

Primary Contact\Phone: Kyle Elser\619-533-3007

Secondary Contact\Phone: Danielle Knighten\619-533-3032

NON-DOCKET ITEMS

ADJOURNMENT IN HONOR OF APPROPRIATE PARTIES

ADJOURNMENT