

For Immediate Release: Tuesday, July 02, 2013
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**MAYOR BOB FILNER
CITY OF SAN DIEGO**

NEWS RELEASE

**MAYOR FILNER WILL SAVE CITY TAXPAYERS ALMOST
\$5 MILLION IN NEW OFFICE LEASE!**

(San Diego) – Mayor Bob Filner is proud to announce another lease agreement that will save the City millions of dollars. The new lease at 1010 Second Avenue will save taxpayers \$4.84 million over six years.

“This is a significant savings for the taxpayers and a direct result of rethinking the way the City uses office space downtown,” Mayor Filner said. “I am looking creatively at our downtown leases in order to save taxpayer dollars, which can now go toward needed services such as street repairs, public safety and water lines.”

The new deal was negotiated by Jason Hughes, who was recently appointed by Mayor Filner as an unpaid Special Advisor on Downtown Real Estate. The new lease will provide significant benefits to the taxpayers and City employees.

“After meeting Jason for the first time and discussing his innovative ideas for downtown office space, I knew our approach was going to be in the best interest of taxpayers and employees alike,” the Mayor said. “He came in and looked at how all the City leases relate to each other and what would be the best thing to do to consolidate them over time.”

Key points of the deal at 1010 Second Avenue include:

- \$1.17 per square foot versus the current \$1.74 per square foot
- The lease includes a 3% increase per year for the 6-year lease with the final rate of \$1.36 per square foot still significantly lower than the current rate

	1010 Second Avenue Old Lease	1010 Second Avenue New Lease
Cost per sq. foot	\$1.74	First year - \$1.17 Second year - \$1.21 Third year - \$1.24 Fourth year - \$1.28 Fifth year - \$1.32 Sixth year - \$1.36
Average cost per month	\$246,266	\$178,969
Average cost per year	\$2,955,197	\$2,147,628
Cost over term	\$17,731,179	\$12,885,768
Total savings	n/a	\$4,845,411