

# THE CITY OF SAN DIEGO

## REQUEST FOR PROPOSALS



**FOR THE LEASE AND OPERATION OF  
CITY-OWNED IMPROVED PROPERTY LOCATED AT 2688 E. MISSION BAY DRIVE  
MISSION BAY PARK, SAN DIEGO**

PROPOSAL DEADLINE: 4:00 p.m. Friday

June 10, 2011

LOCATION: Real Estate Assets Department  
17<sup>th</sup> Floor, Civic Center Plaza  
1200 Third Avenue, Suite 1700  
San Diego, CA 92101

CONTACT PERSON: Vladimir Balotsky

TELEPHONE: (619) 235-5248

The City of San Diego invites proposals from qualified firms or individuals, thereafter referred as Proposers, to lease and redevelop the City-owned property known as the Visitor Information Center and located at 2688 East Mission Bay Drive, San Diego, CA 92109 in Mission Park ("Property"). The City's goal is to act in the best interest of the public while maximizing the economic viability of the Property. The City is seeking proposals that will ensure a sustainable revenue source to the City; the components of which are to include leasing, redevelopment, operation and maintenance of Property in accordance with the terms and conditions contained in this Request for Proposals (RFP).

A. BACKGROUND

The Property, which is currently vacant, consists of 2.158-acres of land with a 4,600 square-foot building, landscaping and parking. The Property has excellent visibility and direct access to the Interstate 5. The current surface level parking lot can accommodate up to 86 vehicles. All utilities are connected underground. The existing building was built in March 1969 and was utilized as the San Diego Visitor Information Center through September 2010. The Property is unzoned and designated for San Diego Visitor Information Center by the Mission Bay Park Master Plan Update, adopted August 2, 1994. Visitor services and regional-oriented recreational uses are appropriate. Such uses may include the following: visitor information center, café, restaurant, bike and skate rental, windsurfing, kayaking, stand up paddle board, pedal boat rentals, picnic supplies sale and rentals, etc.

B. TYPE OF PROPOSALS SOUGHT

The City's Real Estate Assets Department, acting on behalf of the Park and Recreation Department, is seeking proposals to redevelop, lease and operate the Property. It would be to each Proposer's advantage to inspect the Property. An open house will be scheduled for this purpose with a representative of the City's Real Estate Assets Department present to answer questions and tour the Property.

Depending upon the proposal, an amendment to the Mission Bay Master Plan Update may be necessary. This would require an additional time period for the proposal review and approval.

Each proposal should reflect the City's desire to have an operator who provides a high level of service to the public while it operates, manages and maintains the Property and related activities in a fiscally responsible manner that produces the most revenue for the City.

Each Proposer in preparing his/her proposal should consider all available industry guidelines as they apply to liability, public health standards, recreational operations, Americans with Disabilities Act (ADA) access, and the highest standards of maintenance of all facilities and equipment.

C. OPERATIONAL PLAN AND FINANCIAL PROJECTIONS

Proposals must include a conceptual plan for the Property, along with any proposed changes or additions to the existing facilities. Proposals shall include, at a minimum, detailed responses for the following requirements:

1. A preliminary site and floor plan showing the general location of all of the existing and any proposed capital improvements and / or major equipment on the premises including a development schedule, any demolition proposed and construction costs. All uses and improvements are subject to approval by the City.
2. Annual gross revenue projections from all operations for the proposed term of the lease; and operational and financial plans.
3. Rent percentages by category.

The selected Proposer must be prepared to provide the necessary trade fixtures and equipment needed to provide a sufficient level of service. Title to those fixtures and equipment would remain vested in the selected operator.

D. PROVISIONS OF LEASE

1. Uses. The proposed primary use by the City would be the operation and maintenance of a visitor-oriented use; café, restaurant, bike and/or skate rental, windsurfing rental, picnic supplies sale and rentals; and other visitor/tourist related and incidental purposes as may be first approved by the City.
2. Term. The proposed term must be justified by the Proposer on the basis of capital investment in equipment, facilities and in promoting the Property and services to the general public. A minimum term of ten (10) years will be considered. Longer terms may be available depending on the proposal and/or capital improvements.
3. Rent. The Proposer should offer a base rent vs. percentage rent. Suggested minimum percentages rent of gross income for business activities are as follow:

<u>Percentages</u>	<u>Business Activities</u>
Ten percent (10%)	Operation of visitor information center.
Four percent (4%) Seven percent (7%)	Sale of food/non-alcoholic beverages. Sales of alcoholic beverages.
Four percent (4%)	Service charges/banquets/gratuities.

Ten percent (10%)	Operation of gift shop.
Ten percent (10%)	Rental operations.
Twenty percent (20%)	All other authorized operations.
Fifty percent (50%)	Of all revenue received from any wireless telecommunication equipment installed and operated from the leased premises.

The annual minimum rent will be adjusted every five years during the term of the lease to eighty percent (80%) of the annual average rents preceding the adjustment date.

4. Records. The selected Proposer shall keep complete and accurate accounting records satisfactory to the City, from which the City can, at all reasonable times, determine the nature and amounts of income subject to rental from the operation of the leased premises. The records will be periodically audited by the City.
5. Right to Assign and Sublet. The selected Proposer may not assign the lease or any interest therein and may not sublease any portion thereof without prior written approval from the City. The City's approval, however, may be conditioned upon the proposed assignee or sublessee agreeing to revisions to the lease or sublease to reflect market conditions or City requirements that are then current. Also, no assignee will be approved who is not at least comparable to the original selected operator in financial and professional capabilities to operate the leased premises.
6. Equity Participation. Selected Proposer shall pay to City two percent (2%) of the gross amount paid for the leasehold in connection with any approved assignment of the agreement; two percent (2%) of any amount paid to the selected operator in consideration of a sublease of all or a majority portion of leasehold; or two percent (2%) of the amount of any increased loan or encumbrance against the Property over and above the amount of the encumbrance needed to finance the improvements. The amount upon which the two percent (2%) shall be based shall be total consideration resulting from the transaction including total cash payments and the market value of non-cash consideration, including but not limited to stock securities.
7. Compliance with Laws. The selected Proposer shall secure and maintain full compliance with all applicable municipal, county, state, and federal laws and regulations at its own cost.
8. Utilities. The selected Proposer must pay for all utility installations and services required for its operation. All utilities shall be installed underground.

9. Nondiscrimination. The selected Proposer shall not discriminate in any manner against any person by reason of race, color, religion, gender, sexual orientation, medical status, national origin, age, marital status, or physical disability in selected Proposer's use of the premises. Selected Proposer shall comply with the City adopted program for equal employment opportunities. This program includes requiring the selected Proposer to submit a Workforce Report, and in some cases an Equal Opportunity Plan. The selected Proposer shall comply with the San Diego Municipal Code sections 22.4301-22.4308, which requires lessees of City-owned property to offer the same employment benefits to employees with spouses and employees with domestic partners. Proposer shall certify that it will maintain such equal benefits throughout the term of the lease.
10. Insurance. The selected Proposer shall be required to carry public liability and property damage insurance, naming the City as an additional insured, in the amount of not less than Two Million Dollars (\$2,000,000) combined single limit liability and to hold the City harmless from liability in connection with any and all selected operator operations. The selected Proposer is required to carry a policy of fire, extended and special form insurance with replacement cost coverage on all permanent property of an insurable nature located upon the leased premises in an amount equal to the full replacement of all improvements. Liability limits are to be per site and not a cumulative limit.
11. Taxes. The selected Proposer must pay all taxes and assessments, including possessory interest taxes levied by reason of its leasehold.
12. Default. The City will reserve the right to terminate the lease in the event of selected Proposer's failure to cure any curable default or breach within thirty (30) days of legal notice thereof.
13. Permits and Licenses. The selected Proposer will be required to obtain all necessary permits and licenses for this type of operation at his/her sole cost and expense. Selection of a proposal or execution of the lease agreement shall not be construed as a waiver by City of any legal or lawful requirement necessary to the issuance of such permits or licenses, nor of any other legal requirement whatsoever.
14. Non-responsibility. The City of San Diego hereby disclaims any responsibility, liability, or obligation to issue any permits or licenses or to waive any legal requirement by reason of selecting a Proposer or executing the lease agreement with the selected Proposer.
15. Improvements and Alterations. All improvements, demolition, or alterations to the Property shall be in accordance with plans and specifications approved in

writing by the City in advance and shall be at the sole cost and expense of the selected Proposer.

16. Maintenance. The Property is offered to be leased "as is" and all maintenance and repairs shall be the responsibility of the selected Proposer throughout the entire term of the lease without expense to the City. The selected Proposer shall maintain the leased premises in a clean, safe and well-maintained condition throughout the term of the lease to the satisfaction of the City and in compliance with all applicable laws.
17. Ownership of Improvements. All improvements except trade fixtures installed by the selected Proposer shall become the property of the City, at the City's option, upon termination of the lease. If the City so determines, the selected Proposer must remove all trade fixtures and personal property upon termination without cost to the City or damage to the premises.
18. Hours of Operation. A regular schedule of days and hours of operation shall be established by the selected Proposer to best serve the public. The schedule shall be approved by the City.

Rate of Charges. All prices of merchandise, equipment, and services shall be comparable with prices of like merchandise, equipment, and services offered in San Diego area. All prices charged may be approved in writing by the City; provided, however, that selected Proposer shall not be required to sell any merchandise or offer any services at a loss.

#### E. RESPONSIBILITY OF PROPOSERS

1. Each Proposer is responsible for making all investigations and examinations necessary for developing and operating the leased premises. Failure to do so will not waive any condition of the lease. It is mutually agreed that the submission of a proposal shall be considered evidence that the proposer has made such investigations and examinations.
2. Proposers may withdraw their proposals at any time prior to the selection of proposer upon written notice to the City Real Estate Assets Department.

#### F. PROPOSAL CONTENTS

All proposals must include as a minimum the information specified below. Failure to include this information will seriously detract from a proposal and may be cause for its rejection. The inclusion of any additional information that will assist in the evaluation is encouraged. The adequacy, depth and clarity of the proposal will influence, to a considerable degree, its evaluation. The proposal submitted must be complete enough for

selection to be made based solely on its contents. Proposers are advised to make their best offer in their proposals as there will be no auction or competitive negotiation of this agreement.

Each proposal **MUST** include the following items:

1. Identification. The complete identity, including social security number, address, daytime phone number, and employment of the Proposer; or the name of the organization, the organization's Federal Tax ID number and the names and addresses of the principals who will be responsible for the operation of the business and their position in the firm. If the business is a privately held corporation, a listing of all stockholders, their interest in the company as related to percentage of ownership, and their interest, if any, in the operations of the entity must be included.
2. Experience. A summary of the Proposer's experience and qualifications for this type of enterprise. If the Proposer is not going to be involved in the day-to-day operation of the Center, then the Proposer must include qualifications and verification that the persons employed as managers are well qualified.
3. Financial Statements. Current financial statements, audited or CPA prepared, or tax returns for the preceding three years is required. Each Proposer shall submit a full and detailed statement of their true financial condition as of April 1, 2011, or as recent as possible if that date is not available. The statement shall include the Proposer's assets, liabilities and net worth, including the availability of and operation capital and its source. If the Proposer plans to use borrowed capital, then the amount of borrowed capital proposed for the improvements and operation and its source and terms of repayment must be included in the financial statement.
4. Proposed Improvements. The proposal must include a preliminary development plan which consists of a preliminary plot plan and proposed schedule of the development.
5. Proposed Term. Proposed term of the lease agreement and the justification therefore in terms of the amount of investment.
6. Rental Offer. Rent shall be offered as a guaranteed minimum annual rent and annual percentage rent by category to the City through the term of the lease. Proposers are welcome to offer the rent higher than the minimum or percentage rent suggested by the City in Section D.3 above.

## G. NONCONFORMING PROPOSALS

The City anticipates leasing the Property under the terms and conditions outlined in this Request for Proposals. Proposers are encouraged to offer terms more favorable to the City than those specified herein. Proposers should bear in mind the competitive nature of the proposal process and the fact that the City will be looking for the proposal which offers the best advantage to the City.

However, the City may also consider proposals offering alternate terms. Proposers requesting reduced rent during construction, rent credits, or other deviations from the provisions of this RFP and sample lease agreement should specifically address the requested changes in their proposals. The City is not obligated to accept any proposal, whether conforming or nonconforming.

## H. PRE-PROPOSAL INSPECTION

To give prospective Proposers an opportunity to view the site and ask questions about the lease agreement, proposal submittal, and related matters, a pre-proposal inspection of the Property will be scheduled. It is strongly suggested that all Proposers attend the pre-proposal inspection. While attendance is not mandatory, it is the sole responsibility of the Proposer to become familiar with the scope of City's requirements prior to submitting a proposal. Submission of a Proposal will be considered evidence that the proposer has familiarized themselves with the nature and extent of the requirements.

Date of Pre-Proposal Inspection:

Tuesday, May 17, 2011

Time: 9:00 a.m. to 10:00 a.m.

Place: 2688 E. Mission Bay Drive, San Diego, CA, 92109 (at 9:00 a.m. at entrance of the building).

Contact: Please contact the proposal coordinator, Vladimir Balotsky by May 16, 2011, at [vbalotsky@sandiego.gov](mailto:vbalotsky@sandiego.gov), phone (619) 235-5248; fax (619) 236-7606, if you are planning to attend.

## I. PROPOSAL SUBMISSION

### 1. Due Date

Proposals must be received at the address listed below no later than 4:00 p.m. on Friday, June 10, 2011.

Proposals received after that time will not be considered.

2. Place of Delivery

All proposals should be delivered to:

City of San Diego  
Real Estate Assets Department  
1200 Third Avenue, Suite 1700  
San Diego, CA 92101  
Attn: Vladimir Balotsky

3. Performance Deposits

All proposals **MUST** include a cashier's check or certified check in the amount of Five Thousand Dollars (\$5,000) payable to City Treasurer as a faithful performance deposit to assure that, if the proposal is selected by the City, that the Proposer will enter in good faith into a lease agreement containing substantially the same terms and conditions as set out in this Request for Proposals and in the selected proposal. No personal checks will be accepted and no interest will be paid on deposits. All unsuccessful proposers' deposits will be refunded within thirty (30) days after the acceptance by the City Council of the successful proposer's proposal.

4. Number of Copies

Proposers are requested to submit five complete copies of their proposals. All materials submitted by Proposers become the property of the City of San Diego and may not be returned, with the exception of the financial information. Financial documents, upon request, will be removed from each proposal and returned to the Proposer upon completion of City's review.

5. Contact Person

The proposal coordinator is Vladimir Balotsky, Supervising Property Agent, City of San Diego. He can be reached at [vbalsky@sandiego.gov](mailto:vbalsky@sandiego.gov), phone (619) 235-5248, fax (619) 236-6706, between 8:00 a.m. and 5:00 p.m., Monday through Friday.

J. PROPOSAL EVALUATION AND SELECTION

The City reserves the right to award the lease to the Proposer who will best serve the interests of the City. The City reserves the right, based upon its deliberations and in its

opinion, to accept or reject any or all proposals. The City also reserves the right to waive minor irregularities or variations to the specifications and in the bidding process. Proposals are usually evaluated in a two-step process by an evaluation committee of qualified City staff and if necessary other persons selected by the City. In step one, the committee will evaluate all responsive proposals based upon the information and references contained in the proposals as submitted. The committee will score and rank all responsive proposals and determine a minimum of three (3), if more than three (3) proposals are responsive, to be finalists for further consideration. If less than three (3) responsive proposals are received, the committee will give further consideration to responsive proposals received. In step two, if the City deems it necessary, finalists will be required to provide an oral presentation by appearing before the evaluation committee or by conference telephone call for clarification purposes only. The committee may inspect finalists' facilities and perform other due diligence as it may determine. The committees will then re-score and re-rank the finalists proposals. The first ranked Proposer resulting from this process will be recommended to the City Council for award. The recommended Proposer may be required to appear before the City Council to answer questions for lease award. Award of the lease will be based on the evaluation criteria listed below:

1. **Operational Proposal (Maximum 20 points):**

The quality, attractiveness of the proposal. Understanding the needs, goals and objectives of the City. Responsiveness to requirements described in RFP, conformance with City objectives while providing highest and best use of the Property. The extent to which a proposal clearly addresses the elements of this RFP is a key factor in selection. A thorough, well-written proposal is essential.

2. **Professional experience (Maximum 20 points):**

A summary of the Proposer's experience and qualifications for this type of enterprise. The Proposer should include verification that he/his employees are well qualified to conduct the business. Review past experience of the Proposer in successfully managing an operation of this type of business. The Proposer should have at a minimum 3-years experience in the past 5 years operating similar operations.

3. **Rental Offer and Financial Projections (Maximum 25 points):**

The amount of rent offered by the Proposer. Break even analysis. Revenue projections for the proposed term of the lease

4. **Financial Capability (Maximum 25 points):**

The Proposer must exhibit the necessary financial responsibility and strength to successfully operate the leasehold for the term of the lease.

5. **Community/Public Service (Maximum 10 points):**

The Proposer's ability to contribute to the residents and visitors of the City of San Diego enjoyment of Mission Bay.

**Total Points: 100**

K. ADDITIONAL INFORMATION FROM PROPOSERS

The City reserves the right to request information from Proposers beyond that specified in this Request for Proposals. As stated above, Proposers may be requested to appear before an evaluation committee, but will not be obligated to do so. However, the City may make a selection based on the information contained in the proposals above. Therefore, Proposers are advised to submit thorough, complete proposals.

L. INCURRED COSTS

The City will not be responsible for any costs incurred by Proposers in the preparation and submission of proposals.

M. REVIEW OF PROPOSALS BY THE GENERAL PUBLIC

All proposals received shall be considered confidential until the City Real Estate Assets Department makes a recommendation to the City Council, at which time the proposals shall become public information and available to the public for review. However, all financial statement portions of each proposal **SHALL BE** permanently considered confidential and, therefore, not available for public review.

N. CITY RIGHT TO REJECT ALL PROPOSALS

The City of San Diego reserves the right to reject all offers and proposals regarding this project, including those submitted by the Proposers who have any outstanding debt with the City.

O. QUALIFICATION OF PROPOSAL

THIS IS NOT A BID SOLICITATION AND THE CITY IS NOT OBLIGATED TO ACCEPT ANY PROPOSAL OR TO NEGOTIATE WITH ANY PROPOSER. THE CITY COUNCIL RESERVES THE RIGHT TO REJECT ANY OR ALL PROPOSALS

WITHOUT CAUSE OR LIABILITY. ALL TRANSACTIONS ARE SUBJECT TO FINAL APPROVAL BY THE CITY COUNCIL.

P. NON-DISCRIMINATION NOTICE

It is the policy of the City not to discriminate against the disabled in employment or provision of services. The information contained in this Request for Proposals will be made available in alternative formats to disabled persons upon request. It is the policy of the City of San Diego to encourage equal opportunity in its professional service contracts. The City endeavors to do business with firms sharing the City's commitment to equal opportunity and will not do business with any firm that discriminates on the basis of race, religion, color, ancestry, age, gender, sexual orientation, disability, medical condition, or place of birth.

Q. COMPLIANCE WITH CITY'S EQUAL OPPORTUNITY CONTRACTING PROGRAM

- a. Equal Opportunity Contracting. Proposer acknowledges and agrees that it is aware of, and will comply with, City Council Ordinance No. 18173 (San Diego Municipal Code Sections 22.2701 through 22.2708, as amended), EQUAL EMPLOYMENT OPPORTUNITY OUTREACH PROGRAM, a copy of which is on file in the Office of the City Clerk and by this reference is incorporated herein. Proposer and all of its subcontractors are individually responsible to abide by its contents.

Proposer shall comply with Title VII of the Civil Rights Act of 1964, as amended; Executive Orders 11246, 11375, and 12086; the California Fair Employment Practices Act; and any other applicable federal and state laws and regulations hereafter enacted. Proposer will not discriminate against any employee or applicant for employment on any basis prohibited by law.

Proposer submitted and City acknowledges receipt of a current Work Force Report or a current Equal Employment Opportunity (EEO) Plan, as required by Section 22.2705 of the San Diego Municipal Code, which sets forth the actions that Proposer will take to achieve the City's commitment to equal employment opportunities. Copy of Work Force Report is attached as Exhibit "C".

Proposer shall insert the foregoing provisions in all subcontracts for any work covered by the proposal so that such provisions will be binding upon each subcontractor. Proposer agrees that compliance with EEO provisions flowing from the authority of both parties will be implemented, monitored, and reviewed by the City's Equal Opportunity Contracting Program staff.

- b. Equal Benefits. Proposer 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. Proposer shall certify that it will maintain such equal benefits throughout the term of the lease.
- c. Local Business and Employment. Proposer acknowledges that the City of San Diego seeks to promote employment and business opportunities for local residents and firms in all City contracts. Proposer shall, to the extent legally possible, solicit applications for employment, and bids and proposals for subcontracts, for work associated with the proposal from local residents and firms as opportunities occur. Proposer shall hire qualified local residents and firms whenever feasible.

Proposer understands that failure to comply with the above requirements and/or submitting false information in response to these requirements may result in rejection of the proposal by the City and debarment of the proposer from participating in City contracts for a period of not less than one (1) year.

#### R. RETURN OF FAITHFUL PERFORMANCE DEPOSIT

All good faith deposits will be returned to unsuccessful Proposer(s) within thirty days of final City Council approval of the selected Proposer. For the selected Proposer, the deposit will be applied to the lease deposit upon completion of lease negotiations and execution of the lease by the Proposer. Should the selected Proposer unilaterally withdraw from lease negotiations, the deposit will be forfeited to the City.

#### S. ASBESTOS DISCLOSURE

City discloses that portions of the structural component of the Property may contain asbestos. Proposer acknowledged having received notice from City of the presence of such asbestos in accordance with Health and Safety Code Section 25915. Proposer shall indemnify and hold City harmless from any loss or claim which may result from existence of asbestos on the Property.

#### T. REAL ESTATE BROKER'S COMMISSION

The City of San Diego will not pay a brokerage commission in this Request for Proposal.

#### U. SCHEDULE OF EXHIBITS

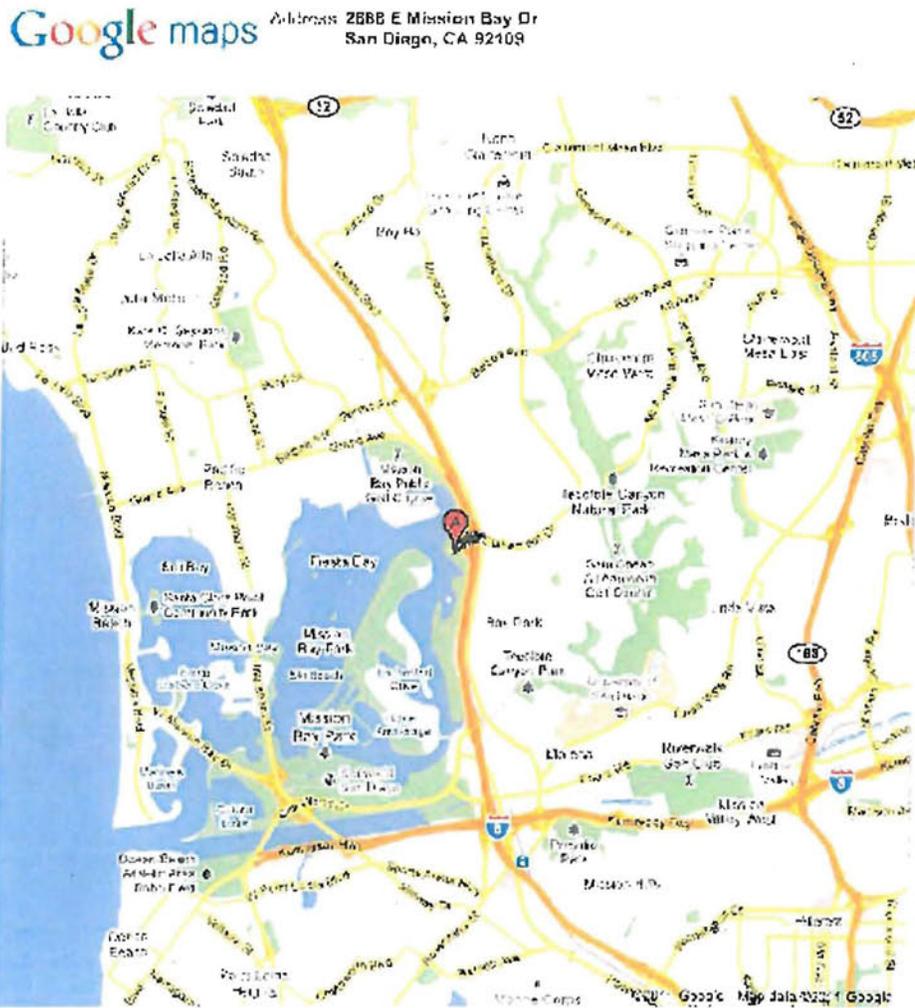
1. Exhibit "A" – Aerial View of the Property
2. Exhibit "B" – Distance to Major Attractions and Destination
3. Exhibit "C" Photos of the Property
4. Exhibit "D" - Work Force Report
5. Exhibit "E" – Lessee Questionnaire

EXHIBIT "A" - AERIAL VIEW OF THE PROPERTY



EXHIBIT "B" – DISTANCE TO MAJOR ATTRACTIONS AND DESTINATIONS

EXHIBIT "B"



DISTANCE TO MAJOR ATTRACTIONS AND DESTINATIONS  
MISSION BAY GOLF COURSE - 0.5 MILES;  
SEA WORLD - 3 MILES;  
SAN DIEGO OLD TOWN - 3.5 MILES;  
SAN DIEGO DOWNTOWN - 6.5 MILES;  
UTC - 8 MILES;  
LA JOLLA - 7.5 MILES;

EXHIBIT "C"  
View of the Property



EXHIBIT "C"  
View of the Property



EXHIBIT "C"  
View of the Property



EXHIBIT "C"  
View of the Property



EXHIBIT "C"  
View of the Property



EXHIBIT "C"  
View of the Property



EXHIBIT "C"  
Interior view of the Property



EXHIBIT "C"  
Interior view of the Property





**WORK FORCE REPORT – NAME OF FIRM:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**OFFICE(S) or BRANCH(ES):** \_\_\_\_\_ **COUNTY:** \_\_\_\_\_

**INSTRUCTIONS:** For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) Black, African-American
- (2) Hispanic, Latino, Mexican-American, Puerto Rican
- (3) Asian, Pacific Islander
- (4) American Indian, Eskimo
- (5) Filipino
- (6) White, Caucasian
- (7) Other ethnicity; not falling into other groups

OCCUPATIONAL CATEGORY	(1) Black		(2) Hispanic		(3) Asian		(4) American Indian		(5) Filipino		(6) White		(7) Other Ethnicities	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
	Management & Financial													
Professional														
A&E, Science, Computer														
Technical														
Sales														
Administrative Support														
Services														
Crafts														
Operative Workers														
Transportation														
Laborers*														

\*Construction laborers and other field employees are not to be included on this page

Totals Each Column														
--------------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Grand Total All Employees

Non-Profit Organizations Only:

Board of Directors														
Volunteers														
Artists														

EXHIBIT "E" LESSEE QUESTIONNAIRE

CITY OF SAN DIEGO

LESSEE'S AND SUBLESSEE'S QUESTIONNAIRE  
FOR ALL LEASES, ASSIGNMENTS AND SUBLEASES

Pursuant to the City of San Diego City Charter Section 225: "Mandatory Disclosure of Business Interests," before the City will process requests to (Sub)Lease, all information requested in this Questionnaire must be completed by the proposed (Sub)Lessee. Even though a proposed Sublessee may complete the Questionnaire, the Questionnaire must be delivered or mailed to the City with a cover letter signed by the City Lessee or proposed Lessee. **THE CITY WILL NOT ACCEPT THE QUESTIONNAIRE, DOCUMENTS, OR OTHER INFORMATION DIRECTLY FROM A SUBLESSEE.**

All information furnished in this Questionnaire must be complete and accurate. Omissions, inaccuracies, or misstatements may cause the rejection and/or subsequent revocation of the City's Lease, consent to Sublease, or consent to Assignment of (Sub)Lease.

In submitting this Questionnaire, the proposed (Sub)Lessee completing the Questionnaire authorizes the City to make any inquiry or investigation it believes necessary to substantiate or supplement the information furnished in the Questionnaire, and authorizes others to release such information to the City.

Exact name of existing Lessee (always complete):

\_\_\_\_\_

Exact name of proposed Lessee (complete only if applicable):

\_\_\_\_\_

Exact name of existing Sublessee (complete only if applicable):

\_\_\_\_\_

Exact name of proposed Sublessee (complete only if applicable):

\_\_\_\_\_

Date this Questionnaire completed: \_\_\_\_\_, \_\_\_\_\_.

The information furnished in and with this Questionnaire is true, complete, and correct to the best of my knowledge.

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Thank you for taking the time to complete the Questionnaire. Lessees may contact Real Estate Assets if they have any questions. Please return the completed Questionnaire, with any additional information or documents to:

REAL ESTATE ASSETS DEPARTMENT  
1200 THIRD AVENUE STE. 1700  
SAN DIEGO, CA 92101  
TEL.: (619) 236-6020 FAX: (619) 236-6706

**This Questionnaire contains 15 pages.**

**PROPOSED (SUB)LESSEE**

1. Name of proposed (Sub) Lessee exactly as it will appear on the actual tenancy document:

---

---

---

2. Mailing Address of proposed (Sub)Lessee for purposes of notice or other communication relating to the proposed tenancy:

---

---

---

Telephone No.: \_\_\_\_\_ Fax. No.: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

3. Billing Address (*only if different from Mailing Address*);

---

---

---

Telephone No.: \_\_\_\_\_ Fax. No.: \_\_\_\_\_

4. Proposed (Sub)Lessee intends to operate as a:

Sole Proprietorship (    );          Partnership (    );          Corporation (    );

Limited Liability Company (    );    Other \_\_\_\_\_

Explain if necessary:

5. Effective date of assignment (complete only if applicable): \_\_\_\_\_



**PARTNERSHIP STATEMENT**

If proposed (Sub)Lessee is a partnership, please answer the following:

1. Date of Organization: \_\_\_\_\_

2. General Partnership (  )  
 Limited Partnership (  )  
 Other (  ) Explain \_\_\_\_\_  
 \_\_\_\_\_

3. Statement of Partnership recorded: Yes (  ) No (  )

Date	Book	Page	County

4. Has the partnership conducted business in San Diego County?  
 Yes (  ) No (  ) If so, when? \_\_\_\_\_  
 If so, where? \_\_\_\_\_

5. Name, address, and partnership share of each general and limited partner. If a general partner is another partnership, a corporation, or a limited liability company (LLC), please complete separate pages 3; or 4 and 5; or 6, as appropriate for such entity (type proposed [Sub]Lessee name [from page 2] on the top of each page for identification purposes). If a limited partner holding a 10% or greater interest is another partnership, a corporation, or an LLC, pages 3; or 4 and 5; or 6 must also be completed for such entity (type proposed [Sub]Lessee name [from page 2] on the top of each page).

General/Limited	Name	Address	Share %

6. Attach a complete copy of the Partnership Agreement. If a Partnership Agreement has been previously submitted, a new Partnership Agreement need be submitted only if the Partnership Agreement on file with the City is no longer current.

**CORPORATION STATEMENT**

If proposed (Sub)Lessee is a corporation, please answer the following:

1. Type of corporation: C ( ) Subchapter S ( )
2. When incorporated? \_\_\_\_\_
3. Where incorporated? \_\_\_\_\_
4. Is the corporation authorized to do business in California? Yes ( ) No ( )  
If so, as of what date? \_\_\_\_\_
5. The corporation is held:
  - a. Publicly ( ) Privately ( )
  - b. If publicly held, how and where is the stock traded?  
\_\_\_\_\_

6. Please list the following:	<u>Authorized</u>	<u>Issued</u>	<u>Outstanding</u>
a. Number of voting shares:	_____	_____	_____
b. Number of nonvoting shares:	_____	_____	_____
c. Number of shareholders:			_____
d. Value per share of Common Stock:		Par	\$ _____
		Book	\$ _____
		Market	\$ _____

7. Please furnish the name, title, address, and the number of voting and nonvoting shares of stock owned by each officer and, in addition, the same information for each stockholder owning more than 10% of any class of stock.

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

No. of Shares: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

No. of Shares: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

No. of Shares: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

No. of Shares: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

No. of Shares: \_\_\_\_\_

(Additional page(s) may be added if needed to complete list of stockholders [type proposed (Sub)Lessee name (from page 2) on the top of each page].)

8. Attach complete copies of the Articles of Incorporation (and any Certificate(s) of Amendment thereto, as the case may be) of the Corporation, and the Bylaws of the Corporation (and any Amended and Restated Bylaws, as the case may be), and any other applicable Corporate documents.

Any partnership, corporation, or LLC owning more than a 10% ownership interest must also complete separate pages 3; or 4 and 5; or 6, as appropriate for each entity (type proposed [Sub]Lessee name [from page 2] on the top of each page for identification purposes). Also, furnish the financial data for such partnership, corporation, or LLC, as required on page 7. If there is an ownership chain of additional partnerships, corporations, or LLCs, the above requirements extend to each such entity having either: (1) a 10% or greater direct, indirect, beneficial ownership, or membership interest in

the proposed (Sub)Lessee; or (2) effective control of the proposed (Sub)Lessee, regardless of the percentage of ownership or membership interest.

**LIMITED LIABILITY COMPANY STATEMENT**

If the proposed (Sub)Lessee is an LLC, please answer the following:

1. Date of Organization: \_\_\_\_\_
2. Where Organized: \_\_\_\_\_
3. Is the Company authorized to do business in California?
  - a. Yes ( ) No ( )
  - b. If so, as of what date? \_\_\_\_\_
4. Has the Company conducted business in San Diego County?
  - a. Yes ( ) No ( )
  - b. If so, when? \_\_\_\_\_
  - c. If so, where? \_\_\_\_\_
5. Please furnish the name, address, and membership share held by each manager and officer, and each member owning more than a 10% membership interest. If a member is a partnership, corporation, or another LLC, please complete separate pages 3; or 4 and 5; or 6, as appropriate for such entity (type proposed [Sub]Lessee name [from page 2] on the top of each page).

Manager/Officer/ Member	Name	Address	Share %

6. Attach a complete copy of the Operating Agreement. If an Operating Agreement has been previously submitted, a new Operating Agreement need be submitted only if the Operating Agreement on file with the City is no longer current.

## FINANCIAL AND OTHER BACKGROUND INFORMATION

### FINANCIAL STATEMENT

(Sub)Lessee, general partners of (Sub)Lessee, owner-corporations of (Sub)Lessee, members of (Sub)Lessee owning more than a 10% membership interest, and any person or business entity guaranteeing the performance of (Sub)Lessee **must attach a complete report, prepared in accordance with good accounting practice, reflecting current financial condition.** The report **must** include a balance sheet **and** annual income statement. The person or entity covered by the report must be prepared to substantiate all information provided.

### OTHER INFORMATION

Each (Sub)Lessee, each general partner of (Sub)Lessee, each owner-corporation of (Sub)Lessee, each member of (Sub)Lessee owning more than a 10% membership interest, any person or business entity guaranteeing the performance of (Sub)Lessee, any person or entity owning more than a 10% interest of (Sub)Lessee, and any guarantor of (Sub)Lessee must answer the following questions:

1. **Surety Information** - Has a surety or bonding company ever been required to perform on the default of any of the individuals or entities?
  - a. Yes ( ) No ( )
  - b. If yes, please attach a statement naming the surety or bonding company, date, amount of bond, and the circumstances surrounding said default and performance.
2. **Bankruptcy Information** - Have any of the individuals or entities ever been adjudicated bankrupt or are any presently a debtor in a pending bankruptcy action?
  - a. Yes ( ) No ( )
  - b. If yes, please give dates, court jurisdiction, and amount of liabilities and assets.
3. **Pending Litigation** - Are any of the individuals or entities presently a party to ANY pending litigation?
  - a. Yes ( ) No ( )
  - b. If yes, please provide detailed information for each action.
4. **Claims, Liens, or Judgments** - Are any of the individuals or entities now subject to any outstanding claims, liens, or judgments?
  - a. Yes ( ) No ( )
  - b. If yes, please provide detailed information for each claim, lien, or judgment.

**REFERENCES FOR PROPOSED (SUB)LESSEE**

Please list four persons or firms with whom you have conducted business transactions during the past three years. Two of the references must have knowledge of your debt payment history, with at least one being a financial institution. Two of the references must have knowledge of your business experience.

**REFERENCE NO. 1**

Name: \_\_\_\_\_

Firm: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Nature and magnitude of purchase, sale, loan, business, association, etc.:

\_\_\_\_\_  
\_\_\_\_\_

**REFERENCE NO. 2**

Name: \_\_\_\_\_

Firm: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Nature and magnitude of purchase, sale, loan, business, association, etc.:

\_\_\_\_\_  
\_\_\_\_\_

**REFERENCE NO. 3**

Name: \_\_\_\_\_

Firm: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Nature and magnitude of purchase, sale, loan, business, association, etc.:

\_\_\_\_\_  
\_\_\_\_\_

**REFERENCE NO. 4**

Name: \_\_\_\_\_

Firm: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Nature and magnitude of purchase, sale, loan, business, association, etc.:

\_\_\_\_\_  
\_\_\_\_\_

**CITY OF SAN DIEGO PERSONAL DESCRIPTION AND RELEASE**

PLEASE NOTE: All partners, both general and limited; all stockholders owning more than 10% of any class of stock of corporations; all members of a limited liability company; and sole proprietors requesting to (sub)lease, must each complete this page before the tenancy request can be processed. (You may reproduce and use copies of this page, if necessary.)

The following personal information is required to initiate a credit investigation. The business and personal reputation of principals, partners, and members will be considered in qualifying Lessees or in consenting to Sublessees.

First, Middle, & Last Name \_\_\_\_\_  
Date of Birth \_\_\_\_\_  
Place of Birth \_\_\_\_\_  
Social Security Number \_\_\_\_\_  
Driver's License Number/State \_\_\_\_\_  
Home Address \_\_\_\_\_  
\_\_\_\_\_  
Previous Address \_\_\_\_\_  
\_\_\_\_\_  
Home Telephone No. \_\_\_\_\_  
Employer \_\_\_\_\_  
Occupation \_\_\_\_\_  
Business Address \_\_\_\_\_  
Business Telephone No. \_\_\_\_\_  
Business Fax No. \_\_\_\_\_

The City is hereby authorized to request a credit report and other information covering my financial and business history.

Date \_\_\_\_\_ Signed \_\_\_\_\_

**Print or type exact name of proposed (Sub)Lessee from page 2 of Questionnaire:**

\_\_\_\_\_

## **METHOD OF OPERATION**

Please describe your proposed business operation on the property to be (Sub)Leased. Discuss any optional services and uses which you propose to provide.

**PROPOSED METHOD OF FINANCING  
DEVELOPMENT OR LEASEHOLD PURCHASE**

Describe the method of financing for the Leasehold purchase or any new or additional development on the Leasehold. Include a schedule of approximate dates when construction of each significant improvement is expected to be commenced and completed.

**ESTIMATE OF GROSS RECEIPTS**

If this Questionnaire is being completed by a prospective Lessee, please show the best estimate of the average annual gross sales for each significant use or service, and for each significant optional use or service which the Lessee and its Sublessees (if any) plan to conduct on or from the property. (If the Questionnaire is being completed by a Sublessee, only the estimate of the Sublessee's gross sales is required.) This data will be used by the City to analyze the proposed Lease or Sublease Consent application. The time periods shown should not be assumed to necessarily represent the term of a (Sub)Lease that may be granted or consented to by the City.

Average annual gross sales for each proposed significant use during each of the first five operating years:

Year of Operation	Uses (Identify Each Use)				
1	\$	\$	\$	\$	\$
2					
3					
4					
5					

## **EXPERIENCE STATEMENT**

Please describe in detail the duration and extent of your business experience, with special emphasis upon experience with the type of business which you propose to conduct on City property. Also state in detail the pertinent experience of the persons who will be directly involved in development and management of the business.

**TERMS AND CONDITIONS OF PURCHASE, SALE,  
OR TRANSFER OF (SUB)LEASEHOLD INTEREST**

(NOTE: Complete this page only if the transaction involves a Lease assignment.)

Please summarize the terms and conditions of the purchase, sale, or transfer of Leasehold interest(s) which requires City consent, as specified in the Assignment-Sublease provisions of the City Lease. Please attach copies of the applicable sales agreement(s), escrow instructions, assignment agreement(s), or other documents in conjunction with the sale, purchase, or transfer of the (Sub)Leasehold interest(s).