

SAN DIEGO METROPOLITAN TRANSIT DEVELOPMENT BOARD

ORDINANCE NO. 8

An Ordinance of the San Diego Metropolitan Transit  
Development Board Approving the Form and  
Authorizing the Execution of a Sublease Agreement  
Between the Board and the County of San Diego,  
and a Ground Lease, Easement and Deed  
Between the Board and the  
San Diego Regional Building Authority

WHEREAS, the San Diego Metropolitan Transit Development Board (the "Board") wishes to institute proceedings to finance the acquisition and construction of an office building and parking structure (the "Facilities") on that certain land (the "Site") (together, the "Project") located in the City of San Diego and more particularly described in Exhibit A to the form of Lease Agreement, by and between the San Diego Regional Building Authority (the "Authority") as lessor and the County of San Diego (the "County") as lessee (the "Lease Agreement");

WHEREAS, the Board proposes to sublease a portion of the Project from the County pursuant to a sublease agreement, by and between the County and the Board (the "Sublease Agreement") and to pay certain sublease payments thereunder in the amounts and at the times sufficient, together with payments made by the County under the Lease Agreement, to provide for the retirement of lease revenue bonds (the "Bonds") issued by the Authority to finance the acquisition, construction and improvement thereof;

WHEREAS, the Board proposed to sell to the Authority that portion of the Site on which the parking structure portion of the Facilities is to be located (the value of the Site being \$837,000), such sale to be made pursuant to that certain grant deed on file with the Clerk of the Board (the "Grant Deed");

WHEREAS, the Board proposes to grant to the Authority an easement for purposes of ingress and egress for a certain portion of the Site as more particularly described in Exhibit "A" to that certain easement on file with the Clerk of the Board (the "Easement");

WHEREAS, the Board is required by Article 9 of Chapter 5 of Part 1 of Division 2 of the California Government Code (commencing with Section 54240 of said Code) to approve the Lease Agreement by ordinance which is subject to referendum;

WHEREAS, approval of the items specified in this ordinance are discretionary acts which are part of the Project, the Board is lead agency under the California Environmental Quality Act ("CEQA") for the overall Project, including this discretionary action, and has prepared and approved a negative declaration for the Project finding that there will be no significant adverse environmental effects resulting from the Project;

NOW, THEREFORE, BE IT ORDAINED BY THE SAN DIEGO METROPOLITAN TRANSIT DEVELOPMENT BOARD AS FOLLOWS:

SECTION 1: FINDINGS AND DETERMINATIONS

The San Diego Metropolitan Transit Development Board hereby finds and determines that it is necessary and proper for municipal purposes that the Board enter into the Sublease Agreement with the County.

SECTION 2: APPROVAL OF SUBLEASE AGREEMENT

The Board hereby approves, and authorizes and directs the Chairman of the Board to execute and the Clerk of the Board to attest and affix the seal of the Board to, the Sublease Agreement in substantially the form thereof on file with the Clerk of the Board, together with any changes as may be approved by the General Manager or Director of Administration and Controller and which do not materially affect the substance or materially increase the obligations of the Board; provided that such Sublease Agreement shall not be executed until the Facilities have been built. For purposes of this Ordinance, the Facilities will be considered built upon the Completion Date (as that term is defined in the Sublease Agreement). The total principal components of the Sublease payments to be paid by the Board under the Sublease Agreement shall not exceed the amount of \$11,344,720. The amount of the lease payments to be made by the Board to the County under the Sublease Agreement shall conform to the Board's proportionate share of principal and interest payments of the lease revenue bonds to be issued by the Authority to finance the acquisition and construction of the Facilities plus its proportionate share of ground rent to be made under the Ground Lease. The Board shall also be required under the Sublease Agreement to pay additional payments (as defined in the Sublease Agreement).

SECTION 3: APPROVAL OF GROUND LEASE; GRANT DEED; EASEMENT

The Board hereby approves, and authorizes and directs the Chairman of the Board to execute and the Clerk of the Board to attest and affix the seal of the Board to the Ground Lease, Grant Deed and Easement, in substantially the forms thereof on file with the Clerk of the Board, together with any changes as may be approved by the General Manager and which do not materially affect the substance of the terms of the Ground Lease, the Grant Deed or the Easement, as the case may be. The Board acknowledges that the Board is receiving only nominal consideration under the Grant Deed for the Site because the true value of the Site is being treated as an equitable contribution from the Board, and the true value of such equitable contribution has been taken into consideration in determining the Board's payment obligation under the Sublease Agreement.

SECTION 4: NOTICE OF DETERMINATION

The Clerk of the Board is directed to file a Notice of Determination for the Board's approval of this ordinance, acting as agency for the Project, pursuant to Title 14, California Administrative Code, Section 15075.

SECTION 5: OFFICIAL ACTIONS

The Chairman of the Board, the General Manager, the Director of Administration and Controller, the Clerk of the Board, the General Counsel to the Board and any and all other officers of the Board are each authorized and directed in the name and on behalf of the Board to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate the execution and delivery of the Lease Agreement by the Board upon completion of the Facilities.

SECTION 6: EFFECTIVE DATE OF ORDINANCE

This Ordinance shall become effective thirty (30) days from and after the date of its final passage. This Ordinance shall be subject to referendum pursuant to and as provided in Section 54241 of the Government Code of the State of California and the laws of the State of California.

PASSED, APPROVED, AND ADOPTED this 27th day of August, 1987.

  
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Chairman  
San Diego Metropolitan  
Transit Development Board

This Ordinance was adopted by the following vote:

AYES: Bartell, Burns, Cleator, Cooper, Emery, Ewen, Harbin,  
McCarty (for McColl), Mills, Senechal (for Nagel), Reber,  
Struiksma and Williams

NAYES: None.

ABSENT: McCandliss, McColl, Nagel, O'Connor

ABSTAINING: None.

ATTEST my hand and the seal of the Metropolitan Transit Development Board  
this 27th day of August, 1987.

  
Clerk of the Board  
San Diego Metropolitan  
Transit Development Board

Approved as to form:

  
General Counsel  
San Diego Metropolitan  
Transit Development Board

Adopted: August 27th, 1987

TFL:JPL:1st  
A/6, 8/27/87