

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CHULA VISTA ADDING CHAPTER 19 (HOUSING
AUTHORITY FEES) TO THE CITY'S MASTER FEE
SCHEDULE AND ESTABLISHING FEES RELATED TO
HOUSING AUTHORITY BOND ISSUANCES

WHEREAS, the California Debt Limit Allocation Committee (CDLAC) was created to set and allocate California's annual debt ceiling, and administer the State's tax-exempt bond program to issue the debt through its adopted CDLAC Regulations;

WHEREAS, private activity bonds, specifically multifamily mortgage revenue bonds, are a significant funding source to support the development and financing of affordable housing for low income households and require an allocation of bond authority from CDLAC;

WHEREAS, to receive an allocation of bond authority from CDLAC, a local or state governmental agency or joint powers authority must submit an application to CDLAC on behalf of a private project that has a qualified public benefit;

WHEREAS, since 1993, with the establishment of the Chula Vista Housing Authority (Housing Authority) by the City Council of the City of Chula Vista (City Council) by its Resolution 1993-17021, the Housing Authority has exercised its powers as set forth in California Health and Safety Code Section 34350 et. seq. to issue bonds in support of the development and financing of affordable housing in the City of Chula Vista (City);

WHEREAS, staff has prepared the Chula Vista Multifamily Mortgage Revenue Bond Policies, inclusive of fees for the administrative costs associated with holding a public hearing in compliance with the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA), preparation of the bond issuance, and ongoing administration and monitoring costs (e.g. financial and site monitoring, and annual reporting) required throughout the Qualified Project Period and until expiration of the CDLAC Compliance Period, consistent with CDLAC's regulations and guidance and in compliance with IRS requirements;

WHEREAS, the Housing Authority, in its collection and establishment of fees for the preparation, issuance, administration and ongoing compliance and monitoring of bonds for private projects that have a qualified public benefit, provides its services to a limited segment of the public, specifically housing developers, to obtain unique services and substantial economic benefits available to them only under the State of California's tax-exempt bond program to issue the debt, not the least of which may be financing at interest rates substantially lower than conventional financing interest rates, if such rates are available, and/or the ability to obtain financing without equity compensation to the lender;

WHEREAS, an analysis of the staff effort and the current fully burdened hourly rates for impacted staff associated with preparing, issuing and the ongoing administration, compliance

and monitoring of bonds for private projects has been conducted to determine the cost of service associated with providing these administrative services;

WHEREAS, in order to achieve full and equitable cost recovery for bond issuance, administration, compliance and monitoring services provided, the Council and the Housing Authority wishes to add Chapter 19 of the City's Master Fee Schedule, as set forth in Exhibit 1, attached hereto and incorporated herein by reference as if set forth in full;

WHEREAS, the proposed fees do not exceed the estimated reasonable cost of providing the associated services;

WHEREAS, Article XIII C of the California Constitution requires a vote of the electorate to increase any levy, charge, or exaction imposed by a local government, unless specifically exempted;

WHEREAS, the proposed fees are exempt from the vote requirement per Sections 1(e)(2) and 1(e)(3);

WHEREAS, the proposed amendments to the Master Fee Schedule Chapter 19 shall become effective upon adoption of this Resolution by the City Council and the Housing Authority; and,

WHEREAS, in accordance with the requirements of CEQA, the Environmental Review Coordinator has determined that the activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista and the Chula Vista Housing Authority, that it does hereby amend the City's Master Fee Schedule to add Chapter 19 (Housing Authority) to establish administrative fees related to the Housing Authority Multifamily Housing Revenue Bond financing program as set forth in Exhibit 1 to this Resolution.

Presented by

Approved as to form by

Kelly G. Broughton, FASLA
Development Services Director

Glen R. Googins
City Attorney/Housing Authority Counsel