



CITY COUNCIL AGENDA STATEMENT



March 23, 2021

File ID: 21-0063

TITLE

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING THE SECOND AMENDMENT TO THE LEGAL SERVICES AGREEMENT FOR THE FORMATION OF THE BAYFRONT PROJECT SPECIAL TAX FINANCING DISTRICT BETWEEN THE CITY AND BEST BEST & KRIEGER, LLP

RECOMMENDED ACTION

Council adopt the resolution.

SUMMARY

The City of Chula Vista and Best Best & Krieger, LLP (BBK) entered into an agreement in November 2018, wherein BBK shall represent the City in the matter of the formation of the Bayfront Project Special Tax Financing District. On March 10, 2020, the first amendment increased the agreement's not to exceed compensation amount from \$50,000 to \$75,000. A second amendment to increase the agreement's not to exceed compensation amount from \$75,000 to \$81,000 is recommended.

ENVIRONMENTAL REVIEW

The Development Services Director has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines because it will not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable

DISCUSSION

In furtherance of the development of the Chula Vista Bayfront Master Plan (CVBMP), the City undertook the formation of the Bayfront Project Special Tax Financing District (the "District"). The City entered into an agreement with BBK for legal services in the matter of the formation of the District (Attachment 1). The agreement included a not-to-exceed compensation amount of \$50,000. In addition, the first amendment increased the agreement's not to exceed compensation amount from \$50,000 to \$75,000, which has now been exhausted. In order to complete the formation proceedings and advise the City during the initial CVBMP financing, BBK has requested a contract amendment, increasing the not-to-exceed compensation amount to

\$81,000. The Second Amendment to the legal services agreement with BBK for the formation of the District reflecting this increased compensation amount has been prepared and is recommended for approval (Attachment 2).

DECISION-MAKER CONFLICT

Staff has reviewed the property holdings of the City Council members and has found no property holdings within 1,000 feet of the boundaries of the property which is the subject of this action. Consequently, this item does not present a disqualifying real property-related financial conflict of interest under California Code of Regulations Title 2, section 18702.2(a)(7) or (8), for purposes of the Political Reform Act (Cal. Gov't Code §87100, *et seq.*).

Staff is not independently aware and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

Approving the Second Amendment to the agreement with BBK increases the not-to-exceed compensation from \$75,000 to \$81,000. No additional fund appropriation is requested.

ONGOING FISCAL IMPACT

The cost to administer the District, if established, and the issuance of bonds by the District shall be paid from the proceeds of special taxes to be levied within the District or the proceeds of bonds issued by the District. There is, therefore, no ongoing fiscal impact to the City's General Fund or Development Services Fund as a result of this action.

ATTACHMENTS

1. Best Best & Krieger LLP Services Agreement
2. First Amendment
3. Second Amendment

Staff Contact: Tiffany Allen, Development Services Department