

RESOLUTION NO. 2019 - _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING A DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS BY AND BETWEEN THE CITY OF CHULA VISTA AND VILLAGE OF ESCAYA APARTMENTS, LLC, AND VILLAGE OF ESCAYA MIXED USE, LLC, TO PROVIDE 30 RESIDENTIAL UNITS IN OTAY RANCH VILLAGE 3 TO BE OPERATED AS AFFORDABLE RENTAL HOUSING FOR MODERATE INCOME HOUSEHOLDS IN SATISFACTION OF THE CITY'S BALANCED COMMUNITIES POLICY

WHEREAS, the City of Chula Vista Housing Element established Policy 5.1.1 of the City's Housing Element of the General Plan ("Balanced Community Policy"), which requires the occupancy and affordability of ten percent (10%) of each housing development of 50 or more units for low- and moderate-income households, with at least one half of those units (5% of project total units) being designated for low-income households (the "Affordable Housing Obligation"). The Balanced Community Policy also allows, under specified circumstances, alternative means of compliance; and

WHEREAS, HomeFed Village III Master, LLC ("Village 3 Owner") owns the property known as Village 3 of Otay Ranch and entered into a Balanced Communities Affordable Housing Agreement for Otay Ranch Village 3 ("Affordable Housing Agreement") with the City of Chula Vista ("City") outlining the construction of 1,265 residential units, with a corresponding affordable housing obligation of 127 affordable housing units consisting 64 low-income units and 63 moderate-income units ("Village 3 Affordable Housing Obligation"); and

WHEREAS, Otay Land Company, LLC, a Delaware limited liability company, and HomeFed Otay Land II, LLC, a Delaware limited liability company (collectively, "Village 8 Owner") and City entered into an Affordable Housing Transfer Agreement to allow the transfer of the Village 3 Affordable Housing Obligation for 64 low-income housing units and 33 moderate-income housing units ("Transferred Affordable Housing Obligation") to the development of Otay Ranch Villages 8 West and 8 East (collectively, "Village 8"); and

WHEREAS, Village of Escaya Apartments, LLC and Village of Escaya Mixed Use, LLC ("Property Owner") proposes to construct and operate a 272-unit mixed-use residential project (the "Project") on a 10.4 acre site comprised of three parcels (MU-1, MU-2, and CPF-1) within the "Village Green District" of the Village 3 SPA Plan's village core (as more particularly described on the Property Legal Description attached hereto as Exhibit "A", the "Property"); and

WHEREAS, it is Property Owner's intent to enter into and record a Declaration of Covenants, Conditions and Restrictions to provide 30 residential units within the Project to be operated as affordable rental housing for moderate-income households (the "Affordable Units") to satisfy the balance of Village 3 Owner's moderate-income housing requirement as set forth in

that Affordable Housing Agreement; and

WHEREAS, 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 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, that it hereby approves the execution and recordation of a Declaration of Covenants, Conditions and Restrictions to provide 30 residential units within the Project to be operated as affordable rental housing for moderate-income households in satisfaction of the balance of Village 3 Owner’s moderate-income housing requirement, in substantially the form presented to the City, and make such modifications, changes or additions to the Declaration, as may be required or approved by the Office of the City Attorney, a copy of which shall be kept on file in the Office of the City Clerk.

Presented by

Approved as to form by

Kelly G. Broughton, FASLA
Development Services Director

Glen R. Googins
City Attorney