

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING THE ADVANCE DEPOSIT AND REIMBURSEMENT AGREEMENT FOR COMMUNITY FACILITIES DISTRICT NO. 16-I (MILLENNIA) BETWEEN THE CITY AND SLF IV-MILLENNIA, LLC AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY

WHEREAS, the City and McMillin Otay Ranch, LLC, (the “Applicant”) entered into a Development Agreement (the “Development Agreement”) for the purposes and mutual benefits set forth therein to provide for the development of the Eastern Urban Center, now known and referred to as “Millenia” (the “Property”) with SLF IV-MILLENNIA, LLC as an assignee; and

WHEREAS, the Development Agreement provides that the Applicant, as the Master Developer, may submit a written request to the City (“CFD Request”) requesting that the City establish a Community Facilities District pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (Government Code Section 53311 and following) (the “Mello-Roos Act”) to finance the acquisition and construction of public facilities in accordance with the Financing Plan and the Goals and Policies. The Development Agreement further provides that upon receipt of such request and application and the deposit with City of sufficient funds to pay City’s costs to undertake the proceedings to establish such Community Facilities District, the City shall use reasonable efforts to, among other actions, establish such Community Facilities District; and

WHEREAS, Applicant intends to submit such a CFD Request to the City to request that the City initiate proceedings under the provisions of the Mello-Roos Act to establish such a Community Facilities District (to be designated “Community Facilities District No. 16-I” or “CFD No. 16-I”) to finance the acquisition and/or construction of certain public improvements; and

WHEREAS, Applicant agrees to advance funds to the City as required pursuant to the Development Agreement for the payment of all initial consulting and administration costs and expenses related to the proceedings to consider the formation of CFD No. 16-I and to subsequently authorize, issue and sell bonds for CFD No. 16-I. Such monies shall be subject to reimbursement or credit pursuant to the provisions of the Advance Deposit and Reimbursement Agreement upon the successful sale of bonds for CFD No. 16-I and the receipt by the City of the proceeds of such bonds; and

WHEREAS, prior to January 1, 2015, Applicant solicited bids for and contracted for the construction of certain improvements required to be constructed pursuant to the Development Agreement; and

WHEREAS, the parties hereto wish to enter into the Advance Deposit and Reimbursement Agreement to memorialize the terms and conditions pursuant to which the Applicant shall advance monies and the monies so advanced may, subject to certain conditions contained therein, be reimbursed or credited against future special tax obligations and to preserve the ability for CFD No. 16-I to finance the City's acquisition of certain public improvements.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista, that it hereby approves the Advance Deposit and Reimbursement Agreement for CFD No. 16-I, between the City and SLF IV-MILLENIA, LLC, in the form presented, with such minor modifications as may be required or approved by the City Attorney, a copy of which shall be kept on file in the Office of the City Clerk, and authorizes and directs the City Manager to execute same.

Presented by

Approved as to form by

David Bilby
Director of Finance

Glen R. Googins
City Attorney