

The Corky McMillin Companies

RECEIVED
CHULA VISTA CITY CLERK
May 31, 2017
2017 JUN -5 A 11: 08

Donna Norris, City Clerk
City of Chula Vista
276 Fourth Ave., Bldg. A
Chula Vista, CA 91910

Re: CVMC 15.50 Request for Reimbursement District

Dear Ms. Norris:

The Corky McMillin Companies ("McMillin") respectfully request that the City Council take action to begin the process to establish a reimbursement district pursuant to Chula Vista Municipal Code section 15.50.040 for reimbursements due in connection with McMillin's design and construction of Town Center Drive.

Town Center Drive, a four-lane commercial promenade, was constructed in 2005 as part of the development of Otay Ranch Town Center. McMillin bore the entire cost of constructing Town Center Drive. McMillin also performed the grading for the Otay Ranch Town Center then sold the project to General Growth Properties. Otay Ranch Town Center accesses Town Center Drive, and that proportionate share was dealt with in the land sales transaction.

Town Center Drive was constructed across and provides the only access to two parcels, about 160 total acres, owned by developer Baldwin and Sons. (APN Nos. 643-051-30-00 and 643-020-85-00.) In 2004, Baldwin and McMillin entered into Right of Way and Reimbursement Agreement. Despite benefitting from McMillin's construction of Town Center Drive, Baldwin has refused to honor its contractual obligations, or record the agreement against the two parcels.

In 2009, (the same year Town Center Drive was accepted into the City,) Baldwin reconfigured the two parcels, adjusted lot lines, consolidated land, and received a Certificate of Compliance from the City to enable Baldwin to proceed with development. Last year, in 2016, an SPA Amendment entitled Baldwin to proceed with the Freeway Commercial Otay Ranch project. Freeway Commercial includes two hotels with a combined 300 rooms, 310 apartments, 72 single family homes, 200 multi-family units, other mixed use, and a public park. Town Center Drive provides the sole access for this entire planned development.

To date, none of the developers or property owners, including Baldwin, who have gained access through and subsequently benefitted from McMillin's construction of Town Center Drive have made the requisite contributions and reimbursements for the costs of said improvements. In accordance with Chapter 15.50 of the CVMC, inclusive of section 15.50.10, McMillin made and paid for the cost of off-site road improvements, Towne Center Drive, and all such property owners who subsequently benefit have made no contribution. Therefore, please place the proposed establishment of a reimbursement district on the public agenda for the next regularly scheduled City Council meeting on Tuesday, June 6, 2017.

Very truly yours,

Mark D. McMillin
President

cc: Gary Halbert
Kelly Broughton
William Pate
Guy Asaro



The Corky McMillin Companies

City of Chula Vista
Kelly Broughton
276 Fourth Avenue,
Chula Vista, CA 91910

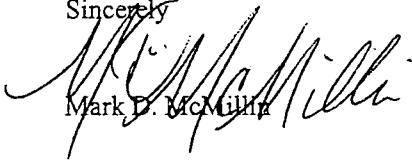
June 8, 2017

RE: Baldwin Reimbursement Agreement

Dear Mr. Broughton,

The McMillin Companies agree to have the request for approval by Council to form a reimbursement district be moved to June 20th City Council hearing.

Sincerely



Mark D. McMillin