

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING AN AMENDED AND RESTATED AGREEMENT AND ASSOCIATED DOCUMENTS MEMORIALIZING A STATE DENSITY BONUS PURSUANT TO GOVERNMENT CODE SECTION 65915 ET SEQ. BETWEEN THE CITY AND HAMILTON PLAZA LTD, INCLUDING ALLOWING THE RENTAL OF DWELLING UNITS AT AN AFFORDABLE RENT UNTIL THEY ARE SOLD AT AN AFFORDABLE SALES PRICE AT KINGSWOOD MANOR

WHEREAS, Hamilton Plaza LTD., a California Limited Partnership, (“Property Owner”) as the legal owner of the fee title to the real property described as 54 through 94 Kingswood Drive (the “Property”), submitted to the City of Chula Vista (“City”) a proposal pursuant to State Density Bonus Law, Government Code Section 65915 et seq (“Stated Density Bonus Law”) for the development of ten (10) additional three-bedroom units with associated parking and amenities to an existing forty (40) unit residential development known as Kingswood Manor; and

WHEREAS, consistent State Density Bonus Law, Property Owner proposed to construct ten (10) additional units, a twenty-five percent density bonus over the existing forty (40) unit residential development, with any three (3) three bedroom units to be affordable for purchase by low income households at or below 80 percent of the Area Median Income ("AMI") and fourteen (14) three bedroom units affordable to moderate income households at or below 120 percent of AMI ("Project"); and

WHEREAS, to ensure that the Project would be constructed, used and operated in accordance with State Density Bonus Law, City and Property Owner entered into an agreement titled “Housing Cooperation Agreement” dated May 9, 2000 and recorded as Document No. 2000-0252932 in the Office of the San Diego County Recorder (the “Original Agreement) setting forth terms and conditions relating to the Project’s ten units to be occupied and rented as affordable to qualifying lower-income households; and

WHEREAS, that Original Agreement was subsequently amended via the “First Amendment to Housing Cooperation Agreement” dated June 15, 2010 and recorded as Document No. 2010-0421268 in the Office of the San Diego County Recorder (the “First Amendment”) to provide for the sale of individual units at an affordable purchase price to three qualifying low-income households at or below 80 percent of the Area Median Income (“AMI”) and 14 moderate income households at or below 120 percent of AMI; and

WHEREAS, the Project has been constructed and Property owner now seeks to provide the Project with individual units available for sale to low- and moderate-income households consistent with the First Amendment, but also seeks to be able to rent units as “for rent” affordable units until such time individual units are sold, which shall be in accordance with the Original Agreement; and

WHEREAS, it is City's and Property Owner's intent to enter into an Amended and Restated Agreement ("Amended and Restated Agreement" or "Agreement") to (i) provide for the density bonus, incentives and waivers in accordance with the State Density Bonus Law and (ii) the creation and maintenance of a specified percentage of the dwelling units on the Property for lower- and moderate-income housing in accordance with the Original Agreement and First Amendments hereby incorporated into this Amended and Restated 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 approves the Amended and Restated Agreement, between the City and Hamilton Plaza LTD., a California Limited Partnership to provide benefits to project sponsors of housing projects that set aside residential units on site at below market rate rent or sales in accordance with the State Density Bonus Law, Government Code section 65915 et seq. and all other associated documents necessary for implementation of the Agreement, in the forms 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 or his designee to execute same.

Presented by

Approved as to form by

Kelly G. Broughton, FASLA
Director of Development Services

Glen R. Googins
City Attorney