

**AMENDED AND RESTATED JOINT COMMUNITY FACILITIES AGREEMENT
[Chula Vista Bayfront Project Special Tax Financing District]**

This AMENDED AND RESTATED JOINT COMMUNITY FACILITIES AGREEMENT (“Agreement”) is entered into as of February ____, 2021 by and between the City of Chula Vista, a California chartered municipal corporation (“City”) and the San Diego Unified Port District, a public corporation (“District”). The City and District may be individually referred to herein as, a “Party”, and collectively as, the “Parties”.

RECITALS

WHEREAS, the City and District are parties to that certain Joint Community Facilities Agreement dated February 24, 2020 filed in the office of the District Clerk as Document No. 72175 (the “Original JCFA”); and

WHEREAS, the City has formed the Bayfront Project Special Tax Financing District (“Financing District”) pursuant to Chapter 3.61 of the City Municipal Code to levy special taxes (“Special Taxes”) to generate special tax revenue (“Special Tax Revenues”) from the Financing District Area (defined below) to pay for the financing or construction of certain public infrastructure improvements and the financing of the construction of a convention center to be located on parcel H-3 of the CVBMP Area (defined below) (“Convention Center”); and

WHEREAS, RIDA Chula Vista, LLC (“RIDA”) will construct and finance a resort hotel on parcel H-3 of the CVBMP Area (“Hotel”); and

WHEREAS, a map showing the boundaries of the Chula Vista Bayfront Master Plan (“CVBMP”) is attached hereto as Exhibit A (“CVBMP Area”); and

WHEREAS, a map showing the boundaries of the Financing District is attached hereto as Exhibit B (“Financing District Area”); and

WHEREAS, the Financing District Area includes areas outside the CVBMP Area; and

WHEREAS, collection of Special Tax Revenues commenced on July 1, 2020 (“Collection Date”); and

WHEREAS, the Parties desire to amend and restate in its totality the Original JCFA as set forth herein; and

WHEREAS, the legislative body of each Party has determined that this Agreement will be beneficial to the residents and tenants of and visitors to the Financing District Area.

NOW THEREFORE, in consideration of the mutual promises set forth herein, and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Parties: The Parties to the Agreement are the District and the City.
2. Term: The term of the Agreement commenced on February 24, 2020, the effective date of the Original JCFA, and terminates concurrent with the termination of the Financing District.
3. Purpose: The purpose of this Agreement is to set forth the essential terms for the allocation and payment of Special Tax Revenues for the financing, development, operation, maintenance, and servicing of various improvements, in accordance with agreed upon priorities, all as more particularly set forth herein.
4. Financing District Formation Documents: On November 5, 2019, the City Council of the City of Chula Vista ("City Council") adopted certain formation documents for the Financing District attached as Exhibit C to the Original JCFA ("Original Financing District Formation Documents"). In connection with this amendment and restatement of the Original JCFA, the City intends to propose certain revisions to the Original Financing District Formation Documents to the City Council at its regularly held Council meeting on February 16, 2021, such revised documents to be, in substantially the form attached hereto as Exhibit C ("Revised Financing District Formation Documents"). If approved by the City Council and the qualified electors in the Financing District, the Revised Financing District Formation Documents will result in a change in the "Maximum Annual Special Tax Rate" set forth in the Financing District Formation Documents from 5% to 5.5%, which change shall be effective following an adoption by the City Council of a revised ordinance levying the Special Taxes at the increased rate; provided that such increase shall not be retroactive to the Collection Date. The District shall have the right to vote in the special election to be called by the City Council with respect to the Revised Financing District Formation Documents and on any future material changes to the Financing District Formation Documents in accordance with applicable provisions of Chapter 3.61 or the Mello-Roos Community Facilities Act of 1982.
5. Allocation and Reimbursement of Special Tax Revenues:
 - 5.1 Priorities for Allocation of Special Tax Revenues: To the extent available, Special Tax Revenues shall be used in the following priority:
 - (1) to pay for the financing of the construction of the Convention Center and certain public infrastructure improvements financed through Authority Bonds (defined below) (collectively, the "Priority Improvements");

(2) to pay for the construction or the financing of public improvements that are either located within the CVBMP Area or outside the CVBMP Area, but located within the City of Chula Vista, if required as mitigation measures, project design features, or otherwise required in the Project Approvals (defined below) to be performed by the City or the District as required (including obtaining permits and certificate of occupancy) to allow for the Hotel and Convention Center to operate (“Other Improvements”);

(3) to pay for the operation, maintenance, servicing and replacement costs of the public infrastructure described in Item Nos. 1 and 2 above, except for the Convention Center (“Priority O&M”); or

(4) to pay for the construction or financing of other public improvements as described in Exhibit D that are located in or immediately adjacent to the Financing District Area and that are not Priority Improvements or Other Improvements (“Additional Improvements”), and the operation, maintenance, servicing and replacement costs of any Additional Improvements and other “Authorized Services” as described in Exhibit E (“Additional O&M”).

The term “Project Approvals” shall mean the Project EIR (defined below), the Port Master Plan, any Coastal Development Permit, and any agreements related to the CVBMP Area. Upon completion of any of the Priority Improvements, any expansions, replacements, or other capital enhancements to the Priority Improvements shall be treated as “Other Improvements” under the terms of this Agreement. The Priority Improvements, Other Improvements, Additional Improvements, Priority O&M, and Additional O&M may be financed, performed, or constructed by the City, District, RIDA, or a third-party entity.

5.2 Mechanisms for Payment of Special Tax Revenues for Eligible Projects/Services:

- a. Priority Improvements. Special Tax Revenues dedicated to pay for the financing of the construction of the Priority Improvements shall be disbursed pursuant to agreements between one or more of the District, the City, the Financing District, the Chula Vista Bayfront Facilities Financing Authority (“Authority”) and RIDA.
- b. Other Improvements and Priority O&M. If the City or District expend their respective funds on the construction of any portion of the Other Improvements or in providing the Priority O&M, such Party shall be entitled to reimbursement out of available Special Tax Revenues upon providing the City’s designated Financing District administrator with reasonable evidence that such Party has completed, or has caused the completion of such Other Improvements or Priority O&M. Such Party may elect to perform the

work itself or contract with any third party at its election to perform the work. If Special Tax Revenues are not immediately available for reimbursement, as and to the extent that Special Tax Revenues become available in accordance with the priorities set forth in Section 5.1, the City shall cause the payment of Special Tax Revenues to such Party in installment payments until such amounts are reimbursed in full pursuant to a separate agreement between the Parties. Each Party shall be reimbursed pro rata based on the total annual amounts expended by each Party for the Other Improvements and Priority O&M, which shall include any amounts accrued and not reimbursed in prior years.

c. Additional Improvements & Additional O&M: If the City expends its funds on the construction of any Additional Improvements or in providing the Additional O&M, the City shall be entitled to reimbursement out of available Special Tax Revenues upon providing the City's designated Financing District administrator with reasonable evidence that the City has completed, or has caused the completion of such Additional Improvements or Additional O&M. The City may elect to perform the work itself or contract with any third party at its election to perform the work. If Special Tax Revenues are not immediately available for reimbursement, as and to the extent that Special Tax Revenues become available in accordance with the priorities set forth in Section 5.1, the City shall cause the payment of Special Tax Revenues to the City in installment payments until such amounts are reimbursed in full.

6. Binding: The Parties agree that this Agreement is a binding agreement between the Parties. Moreover, each Party agrees that, to the extent it expends funds or devotes resources to discussions relative to this Agreement, it shall do so at its sole cost and expense, without expectation of reimbursement, upon its own initiative and not in reliance on this Agreement or any representations of the other Parties. If either Party to this Agreement shall fail to perform or fulfill any obligation required of it under this Agreement and shall not have cured or commenced to cure such failure within thirty (30) days following written notice thereof from the non-defaulting party (or has commenced to cure such failure, but is not diligently proceeding to cure such failure), then the Party shall be in default under this Agreement (each such event or occurrence, a "Event of Default"). In the event of an Event of Default, the non-defaulting Party may, in its sole and absolute discretion, elect to either: (a) extend the time for the defaulting Party to perform the applicable obligation(s) hereunder for a period of time acceptable to the non-defaulting Party beyond the cure period set forth in this Section 6, or (b) proceed with an action or proceeding for specific performance.

7. Discretionary Actions: The Priority Improvements, Other Improvements, and Priority O&M (collectively "Special Tax Revenue Projects") have been analyzed

in the Final Environmental Impact Report for the Chula Vista Bayfront Master Plan and Port Master Plan Amendment (UPD #83356-EIR-658, SCH #2005081077), dated June 18, 2010, on file in the Office of the District Clerk bearing Document No. 56562 ("Project EIR") in accordance with the California Environmental Quality Act ("CEQA"). However, to the extent that any future improvements, including without limitation the Additional Improvements and Additional O&M, have not been identified as of the date of this Agreement, such improvements may require further environmental review in accordance with CEQA. This Agreement shall not bind the District and/or City, as applicable, to approving any Special Tax Revenue Projects, or additional CEQA analysis, if any, necessary for the same, including feasible mitigation measures, project alternatives (without limitation the a "no project alternative") or a statements of overriding considerations, if required. The Parties understand, acknowledge and agree that, notwithstanding the terms and conditions of this Agreement, the Special Tax Revenue Projects may require discretionary approvals, including without limitation, agreements related to real property or operation, maintenance, servicing or replacement of improvements, California Coastal Act approvals, conditional project approvals and other discretionary permits and entitlements (collectively, "Discretionary Actions"). Nothing in this Agreement shall commit the respective Party to a definite course of action or in any way diminish the respective Party's exercise of its discretion for any Discretionary Action. Any and all Discretionary Actions may be exercised in the sole and absolute discretion of the respective Party exercising such direction. The Parties assume the risk that a Discretionary Action may not be taken or approved.

8. Entire Agreement. This Agreement constitutes the entire understanding and agreement of the Parties, integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes the Original JCFA.
9. Governing Law. This Agreement and all of the rights and obligations of the Parties hereto and all of the terms and conditions hereof shall be construed, interpreted, and applied in accordance with and governed by and enforced under the laws of the State of California.

**[SIGNATURE PAGE TO AMENDED AND RESTATED JOINT COMMUNITY
FACILITIES AGREEMENT]**

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

APPROVED AS TO FORM AND
LEGALITY:

SAN DIEGO UNIFIED PORT DISTRICT,
a public corporation

GENERAL COUNSEL

By: _____
Assistant/Deputy

By: _____
[]

CITY OF CHULA VISTA,
a chartered municipal corporation

By: _____

APPROVED AS TO FORM:

By: _____
Glen R. Googins,
City Attorney

EXHIBIT "A"

Depiction of CVBMP Area

(to be attached prior to execution.)

DRAFT



Chula Vista Bayfront Master Plan Illustrative Locally and State-Approved Land Use Plan by City of Chula Vista and Port of San Diego

EXHIBIT "B"

Depiction of Financing District Area

(to be attached prior to execution.)

DRAFT

MAP OF PROPOSED BOUNDARIES OF THE BAYFRONT PROJECT SPECIAL TAX FINANCING DISTRICT

CITY OF CHULA VISTA
COUNTY OF SAN DIEGO
STATE OF CALIFORNIA



Legend

 COMMUNITY FACILITIES DISTRICT BOUNDARIES


FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA THIS 11th DAY OF September, 2019.

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF THE BAYFRONT PROJECT SPECIAL TAX FINANCING DISTRICT OF THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF CHULA VISTA AT A REGULAR MEETING THEREOF, HELD ON THE 10th DAY OF September, 2019, BY ITS RESOLUTION NO. 2019-1167.


CITY CLERK
CITY OF CHULA VISTA



FILED THIS 12th DAY OF SEPTEMBER, 2019, AT THE HOUR OF 11:02 O'CLOCK A.M. IN THE BOOK 40 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, PAGE(S) 20 AND AS INSTRUMENT NO. 2019-7000361 IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA.


BY DEPUTY - Ernest J. Dronenburg, Jr.
COUNTY RECORDER
COUNTY OF SAN DIEGO
STATE OF CALIFORNIA

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL DIMENSIONS SHOWN ON THIS MAP SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE SAN DIEGO COUNTY ASSESSOR'S MAPS FOR THOSE PARCELS LISTED.

THE SAN DIEGO COUNTY ASSESSOR'S MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.

2019-7000361

BK-48 PG 38



MAP OF PROPOSED BOUNDARIES OF CITY OF CHULA VISTA BAYFRONT PROJECT SPECIAL TAX FINANCING DISTRICT

COUNTY OF SAN DIEGO
STATE OF CALIFORNIA



Legend

 COMMUNITY FACILITIES DISTRICT BOUNDARY



2019-7000361

BK 40 PG 39

BK 40 PG 39



2019-7000361

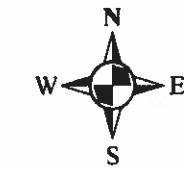
MAP OF PROPOSED BOUNDARIES OF CITY OF CHULA VISTA BAYFRONT PROJECT SPECIAL TAX FINANCING DISTRICT

COUNTY OF SAN DIEGO
STATE OF CALIFORNIA



Legend

-  PARCELS SOUTH selection
-  COMMUNITY FACILITIES DISTRICT BOUNDARY



2019-1000361

BK 40 PG 40

BK 40 PG 40

2019-1000361

MAP OF PROPOSED BOUNDARIES OF CITY OF CHULA VISTA BAYFRONT PROJECT SPECIAL TAX FINANCING DISTRICT

SHEET 4 OF 6

COUNTY OF SAN DIEGO
STATE OF CALIFORNIA



Legend

 COMMUNITY FACILITIES DISTRICT BOUNDARIES



2019-7000361

BK 48 PG 41

BK 48 PG 41

2019-7000361

MAP OF PROPOSED BOUNDARIES OF CITY OF CHULA VISTA BAYFRONT PROJECT SPECIAL TAX FINANCING DISTRICT

COUNTY OF SAN DIEGO
STATE OF CALIFORNIA



Legend

 COMMUNITY FACILITIES DISTRICT BOUNDARIES



2019-7000-361

BK 40 PG 42

BK 40 PG 42

2019-7000-361

**MAP OF PROPOSED BOUNDARIES OF CITY OF CHULA VISTA
BAYFRONT PROJECT SPECIAL TAX FINANCING DISTRICT**

COUNTY OF SAN DIEGO
STATE OF CALIFORNIA

Map Reference Number	Assessor's Parcel Number	Sheet
1	565-010-30-00	2
2	565-310-33-00	2
3	565-310-32-00	2
4	567-011-05-00	3
5	567-021-29-00	3
6	567-021-38-00	3
7	567-021-37-00	3
8	567-021-36-00	3
9	567-031-26-00	3
10	567-031-27-00	3
11	760-048-24-00	4
12	760-048-00-03	4
13	760-048-05-00	4
14	571-330-31-00	4
15	760-235-35-00	4
16	571-330-33-00	4
17	571-330-32-00	4
18	571-240-01-00	5

2019-7000361

BK 40 PG 43



BK 40 PG 43

2019-7000361

EXHIBIT "C"

Revised Financing District Formation Documents
(to be attached prior to execution.)

DRAFT

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA, ACTING AS THE LEGISLATIVE BODY OF THE BAYFRONT PROJECT SPECIAL TAX FINANCING DISTRICT DECLARING ITS INTENTION TO CONSIDER CHANGES TO THE RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES AUTHORIZED TO BE LEVIED THEREIN AND EXPAND TERRITORY WHEREIN IMPROVEMENTS MAY BE LOCATED AND SERVICES MAY BE PROVIDED

WHEREAS, the City Council (the “City Council”) of the City of Chula Vista (the “City”), has previously initiated proceedings, held a public hearing, formed the Bayfront Project Special Tax Financing District (the “District”) by the adoption of Resolution No. 2019-220 on November 19, 2019 (“Resolution No. 2019-220”), conducted an election and received a favorable vote from the qualified electors of the District, authorizing the levy of special taxes in the District, all as authorized pursuant to Chapter 3.61 of the Chula Vista Municipal Code (Chapter 3.61); and

WHEREAS, City and the San Diego Unified Port District (the “Port District”) entered into that certain Joint Community Facilities Agreement (Chula Vista Bayfront Project Special Tax Financing District), which is proposed to be amended and restated by the Amended and Restated Joint Community Facilities Agreement on file with the City Clerk and to be approved concurrently with the adoption of this Resolution (the “JCFA”) to set forth the essential terms for the allocation and payment of special tax revenues generated from the District; and

WHEREAS, the qualified electors of the District, voting in a special mail ballot election held on February 18, 2020, approved Proposition A which authorized the District to levy special taxes at rates not to exceed 5% of Rent annually charged on Hotel Property and Campsite Property (as such terms are defined Resolution No. 2019-220) within the District pursuant to a rate and method of apportionment of such special taxes (the rate and method of apportionment of special taxes approved shall be referred to as the “Existing RMA”); and

WHEREAS, in order to generate additional funds for public improvements and services to be financed by the District, the City Council, acting as the legislative body of the District, has determined that the public convenience and necessity require the City Council to initiate proceedings to consider modifications to the Existing RMA to: (1) increase the maximum rate at which to levy the special tax to 5.5% of Rent annually charged on Hotel Property and Campsite Property and (2) extend the term of the special tax; and

WHEREAS, Resolution No. 2019-220 set forth a limitation on territory wherein the Improvements (as defined in Resolution No. 2019-220) could be located and wherein the Services (as defined in Resolution No. 2019-220) could be provided; and

WHEREAS, an expansion of the territory wherein the Improvements may be located and the Services may be provided would be beneficial to the residents and tenants of, and visitors to, the District; and

WHEREAS, the City Council, acting as the legislative body of the District, has

determined that the public convenience and necessity require the City Council to initiate proceedings to consider an expansion of the territory wherein the Improvements may be located and the Services may be provided; and

WHEREAS, the City Council desires to initiate such proceedings and to set the time and place for a public hearing on this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHULA VISTA, ACTING AS THE LEGISLATIVE BODY OF THE BAYFRONT PROJECT SPECIAL TAX FINANCING DISTRICT, AS FOLLOWS:

SECTION 1. Recitals. The above recitals are all true and correct.

SECTION 2. Determinations. It is hereby determined by this City Council that public convenience and necessity require modification of the Existing RMA and changes to the territory where the Improvements may be located and the Services may be provided.

SECTION 3. Declaration of Intention to Consider the Modifications of the Existing RMA. This City Council hereby declares its intention to consider modification of the Existing RMA so that the rate and method of apportionment of special taxes authorized to be levied within the District reads as set forth in Exhibit A attached hereto and incorporated herein by this reference (the "Amended RMA").

SECTION 4. Declaration of Intention to Consider Expansion to Territory Wherein Improvements May be Located and Services May be Provided. This City Council hereby declares its intention consider an expansion to the territory where Improvements may be located and Services may be provided. The Improvements shall be located, and the Services shall be provided, within or outside the CVBMP (as defined in the JCFA) territory, subject to the priorities established in the JCFA.

SECTION 5. Notice of Public Hearing. NOTICE IS GIVEN THAT on April 13, 2021, at the hour of 5:00 o'clock p.m., in the regular meeting place of the City Council being the Council Chambers, City Hall, located at 276 Fourth Avenue, Chula Vista, California, a public hearing will be held where this City Council will consider this Resolution and to consider the approval of the modification of the Existing RMA and the expansion of territory wherein the Improvements shall be located and the Services shall be provided, all as described herein. At the above-mentioned time and place for public hearing any persons interested, including taxpayers and property owners, may appear and be heard, in accordance with the current format of City Council meetings pursuant to the Governor of the State of California's Executive Order N-29-20, should it still be in effect. The testimony of all interested persons for or against the modification of the Existing RMA or the expansion of territory wherein the Improvements shall be located and the Services shall be provided will be heard and considered. Any protests pertaining to the regularity or sufficiency of the proceedings shall be in writing and clearly set forth the irregularities and defects to which the objection is made. Any written protest not personally presented by the author of such protest at the public hearing shall be filed with the City Clerk of the City (the "City Clerk") at or before the time fixed for the public hearing. Written protests may be withdrawn in writing at any time before the conclusion of the public hearing.

If a written majority protest as determined pursuant to Chapter 3.61 is filed against the proposed modification of the Existing RMA, the proposed modification shall be eliminated from the resolution and the proceedings with respect to the modification of the Existing RMA shall be abandoned. If a written majority protest as determined pursuant to Chapter 3.61 is filed against the expansion of territory wherein the Improvements shall be located and the Services shall be provided, the expansion of territory shall be eliminated from the resolution and the proceedings with respect to the expansion of territory wherein the Improvements shall be located and the Services shall be provided shall be abandoned. Notwithstanding the abandonment of the proceedings with respect to the modification of the Existing RMA or the expansion of territory wherein the Improvements shall be located and the Services shall be provided, new proceedings to modify the Existing RMA and expand the territory wherein the Improvements shall be located and the Services shall be provided may be initiated at any time thereafter.

The public hearing may be continued from time to time without further notice, but shall be completed within two years of the original hearing date.

SECTION 6. Report. A report (the “Report”) was submitted by Willdan Financial Services (“Willdan”), as special tax consultant, at the Establishment Public Hearing (as defined in Resolution No. 2019-220) which contained a brief description of the Improvements and Services by type which would adequately meet the needs of the District and their estimate of the cost of providing those Improvements and Services and, with regard to those Improvements proposed to be acquired upon the completion thereof and those Incidental Expenses (as such term is defined in Resolution 2019-220) proposed to be paid for, an estimate of the fair and reasonable cost of such Improvements and such Incidental Expenses. This City Council hereby directs Willdan to amend the Report to reflect the proposed modification of the Existing RMA and the expansion of territory where the Improvements shall be located and the Services shall be provided. Such report shall be made a part of the record of the public hearing to be held pursuant to Section 5 hereof.

SECTION 7. Election. If, following the public hearing described in Section 5, the City Council determines to approve the Amended RMA and the expansion of territory wherein the Improvements shall be located and the Services shall be provided, the City Council shall then submit question of levying the special taxes pursuant to the Amended RMA and expanding the territory in which the Improvements shall be located and the Services shall be provided to the Landowners (as such term is defined in Chapter 3.61) as the qualified electors of the District pursuant to Chapter 3.61 and the applicable provisions of the California Elections Code. Each Landowner, or the authorized representative thereof, shall have one (1) vote for each acre or portion of an acre of land owned within the District.

SECTION 8. Publication of Notice. Notice of the time and place of the public hearing shall be given by the City Clerk by causing the publication of a notice of public hearing in the legally designated newspaper of general circulation, such publication pursuant to Section 6061 of the Government Code, with such publication to be completed at least seven (7) days prior to the date set for the public hearing.

The City Clerk shall also cause notice to be given by first-class mail to each Landowner of property within the District. Such notice shall be mailed at least 15 days before the public

hearing and shall contain the same information as is required to be contained in the notice published pursuant to the preceding paragraph.

Presented by:

Approved as to form by:

Tiffany Allen
Director of Development Services

Glen R. Googins
City Attorney

EXHIBIT A

AMENDED RATE AND METHOD OF APPORTIONMENT

AMENDED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

BAYFRONT PROJECT SPECIAL TAX FINANCING DISTRICT

The Special Tax authorized by the Bayfront Project Special Tax Financing District (the “District”) shall be levied on all Taxable Property and collected within the District as provided herein commencing in Fiscal Year 2020-2021, in an amount determined by the City Council of the City of Chula Vista, acting as the legislative body of the District, through the application of the amended rate and method of apportionment of the Special Tax set forth below (the “Amended RMA”). All of the real property within the District, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“Act” means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

“Assessor’s Parcel” means a lot or parcel designated on an Assessor’s Parcel Map with an assigned Assessor’s Parcel number within the boundaries of the District.

“Assessor’s Parcel Map” means an official map of the Assessor of the County designating parcels by Assessor’s Parcel number.

“Bond Documents” means any indenture of trust, bond indenture, fiscal agent agreement, trust agreement, loan agreement, resolution or other instrument setting forth the terms of any Bonds, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Bonds” means any binding obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refunding thereof, to which the Special Tax has been pledged.

“Boundary Map” means the “Map of Proposed Boundaries of the Bayfront Project Special Tax Financing District, City of Chula Vista, County of San Diego, State of California,” filed September 12, 2019 in Book 48 of Maps of Assessments and Community Facilities Districts in the office of the County Recorder.

“Calendar Year” means the period commencing January 1 of any year and ending the following December 31.

“Campsite” shall have the meaning given such term in Chapter 3.61.

“Campsite Property” means an Assessor’s Parcel of Taxable Property which consists of any Campsite or Campsites.

“Chapter 3.61” means Chapter 3.61 of the Chula Vista Municipal Code.

“City” means the City of Chula Vista.

“City Council” means the City Council of the City, acting as the legislative body of the District, or its designee.

“City Manager” means the City Manager of the City.

“County” means the County of San Diego.

“Director of Finance” means the Director of Finance of the City.

“District” means the Bayfront Project Special Tax Financing District established by the City pursuant to Chapter 3.61.

“Effective Date” means the first day of the month immediately following the effective date of the ordinance enacted by the City Council providing for the levy of the Special Tax pursuant to the Amended RMA.

“Exempt Property” means all Assessor’s Parcels within the District which are exempt from the Special Tax pursuant to law or Section F herein.

“Fiscal Year” means the period commencing on July 1 of any year and ending the following June 30.

“Hotel” shall have the meaning given such term in Chapter 3.61.

“Hotel Property” means an Assessor’s Parcel of Taxable Property which consists of any Hotel or Hotels.

“Landowner” shall have the meaning given such term in Chapter 3.61.

“Maximum Special Tax Rate” means the maximum rate of the Special Tax determined in accordance with Section C below, which may be levied for the privilege of Occupancy by Transients of the Campsite(s) or Hotel(s), as applicable, located on each Assessor’s Parcel of Campsite Property or Hotel Property.

“Occupancy” shall have the meaning given such term in Chapter 3.61.

“Operator” shall have the meaning given such term in Chapter 3.61.

“Port District” means the San Diego Unified Port District.

“Public Property” means any property within the boundaries of the District that is owned or held in trust by or irrevocably dedicated to the City, the federal government, the State of California, the County, the Port District, or any other public agency.

“Rent” shall have the meaning given such term in Chapter 3.61.

“Resolution of Formation” means the resolution adopted by the City Council pursuant to Chapter 3.61 establishing the District.

“Special Tax” means the special tax authorized by the District to be levied by the City Council pursuant to Chapter 3.61.

“Taxable Property” means all Assessor’s Parcels that are not exempt from the Special Tax pursuant to law or this Rate and Method of Apportionment of Special Tax.

“Transient” shall have the meaning given such term in Chapter 3.61.

B. CLASSIFICATION OF ASSESSOR’S PARCELS

Beginning with Fiscal Year 2020-2021, each Assessor’s Parcel shall be classified as Taxable Property or

Exempt Property. In addition, each Assessor’s Parcel of Taxable Property shall be further classified as Campsite Property or Hotel Property. Commencing with Fiscal Year 2020-2021, all Campsite Property and Hotel Property shall be subject to the levy of the Special Tax pursuant to Section C below.

C. SPECIAL TAX

The Maximum Special Tax Rate of the Special Tax authorized to be levied on each Assessor’s Parcel classified as Campsite Property or Hotel Property shall be determined pursuant to Table 1 below. The City Council may, by resolution, levy the Special Tax at a rate less than the Maximum Special Tax Rate, such rate to become effective no sooner than the first day of the first month at least sixty (60) days following the effective date of such resolution. Should the City Council adopt a resolution levying the Special Tax at a rate less than the Maximum Special Tax Rate, such rate shall remain in effect until the City Council adopts a different Special Tax rate by resolution, subject always to the limitations of the Maximum Special Tax Rate.

Table 1

Period Beginning	Period Ending	Maximum Special Tax Rate
July 1, 2020	One day prior to Effective Date	5.0% of Rent
Effective Date	June 30, 2060	5.5% of Rent
July 1, 2060	June 30, 2075	2.5% of Rent
July 1, 2075	June 30, 2086	1.0% of Rent

The Special Tax associated with Rent that is charged for Occupancy by Transients shall be considered levied at the same time the Transient ceases such Occupancy. If a Public Property is classified as Campsite Property or Hotel Property due to the grant of a lease or other possessory interest in such Assessor’s Parcel of Public Property to the Operator of a Campsite or Hotel thereon, the Special Tax shall only be levied during such time that such grant of lease or possessory interest is effective and shall cease upon the termination or expiration of such grant of lease or possessory interest.

D. MANNER OF COLLECTION

The Special Tax shall be due and remitted pursuant to the provisions of Section 3.61.120 of Chapter 3.61.

E. PREPAYMENT OF THE SPECIAL TAXES

The Special Tax may not be prepaid.

F. EXEMPTIONS

Assessor’s Parcels not classified as Campsite Property or Hotel Property shall be exempt from the levy of the Special Tax.

G. FAILURE TO SUBMIT SPECIAL TAX

If the Operator of any Campsite or Hotel located on an Assessor’s Parcel of Campsite Property or Hotel Property, or the Landowner of an Assessor’s Parcel of Campsite Property or Hotel Property that is not Public Property, fails or refuses to pay the Special Tax levied on such Assessor’s Parcel when due, the Director of Finance shall proceed in such manner as deemed best to obtain facts and information on

which to base his/her estimate of such Special Tax. As soon as the Director of Finance has acquired such facts and information upon which to base such Special Tax for such Campsite Property or Hotel Property, the Director of Finance shall proceed to determine the amount of such Special Tax due plus any penalties thereon, as described below ("Determination of Special Tax Due"). In the case that such determination is made, the Director of Finance shall give a Determination of Special Tax Due by serving it personally or by depositing it in the United States mail, postage prepaid, addressed to such Operator or such Landowner, as applicable, at its last known address. Such Operator or such Landowner, as applicable, may file an appeal as provided in Section I herein.

The Special Tax on any Campsite Property or Hotel Property which is not paid within the time required shall be subject to the same penalties applicable to the transient occupancy tax in subsections A and B of Section 3.40.080 of the Chula Vista Municipal Code. For any Special Taxes and penalties that remain outstanding as of July 1 of each Fiscal Year, the City Council may direct the Director of Finance to cause the submission of any of the delinquent Special Taxes and penalties to the County for inclusion on the property tax bill for such Assessor's Parcel(s) in accordance with Section 3.61.130 of Chapter 3.61; provided, however, that any delinquent Special Taxes and penalties with respect to any Assessor's Parcel of Public Property that is classified as Campsite Property or Hotel Property due to the grant of a lease or other possessory interest in such Assessor's Parcel of Public Property to the Operator of a Campsite or Hotel thereon shall only be levied on and constitute a lien against the Operator's leasehold or possessory interest in such Assessor's Parcel of Public Property, all as contemplated by Section 53340.1 of the Act, as modified by Chapter 3.61, and shall not be an obligation for which the Landowner of such Assessor's Parcel of Public Property is billed or responsible.

H. MAINTENANCE OF RECORDS; SPECIAL TAX AUDIT

It shall be the duty of the Operator of any Campsite or Hotel located on any Assessor's Parcel classified as Campsite Property or Hotel Property that is subject to the Special Tax to keep and preserve, for a period of three years, all records as may be deemed necessary by the Director of Finance (and that will, at a minimum, include a record of all Rents collected) to determine the Special Taxes levied upon such Campsite Property or Hotel Property by the City Council. The Director of Finance shall have the right to inspect such records at all reasonable times.

I. APPEAL

Any Operator of a Campsite or Hotel located on any Campsite Property or Hotel Property or any Landowner of any Campsite Property or Hotel Property claiming that the amount or application of the Special Tax reflected in any Determination of Special Tax Due on such Campsite Property or Hotel Property is not correct, may appeal such Determination of Special Tax Due by filing a notice of appeal with the City Clerk within fifteen (15) calendar days of the serving or mailing of such Determination of Special Tax Due. If such appeal is made by an Operator that is not also the Landowner of such property, then the Operator shall also provide a copy of such notice of appeal to the Landowner at the same time the Operator files the notice of appeal with the City Clerk. Upon receipt of any such notice, the City Clerk shall forward a copy of such notice to the City Manager who shall establish as part of the proceedings and administration of the District a special three-member Appeal Committee. The Appeal Committee may establish such procedures as it deems necessary to undertake the review of any such appeal. The Appeal Committee shall interpret this Rate and Method of Apportionment and make determinations relative to the annual administration of the Special Tax and any appeals by Landowners, or Operators, as herein specified. The decision of the Appeal Committee shall be final, conclusive, binding as to all persons and shall be served upon the Operator or Landowner in writing at the last known address of such Operator or Landowner. Any amount found due shall be immediately due and payable upon service

of the Appeal Committee findings. If the Appeal Committee decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the Operator or Landowner, a cash refund shall not be made, but a credit shall be given against the future Special Taxes on that Assessor's Parcel.

J. TERM OF THE SPECIAL TAXES

The Special Tax shall be levied as long as necessary to pay for authorized expenditures as specified in Section 3.61.080 of Chapter 3.61 but to no later than June 30, 2086.

EXHIBIT "D"

Description of Additional Improvements

(to be attached prior to execution.)

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DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

1. Convention Center Facility (as defined in Chula Vista Municipal Code Chapter 3.61);
2. Street improvements, including grading, paving, curbs, gutters, sidewalks, street signalization, signage, street lights, furnishings, and parkway and median landscaping related thereto;
3. Gateway signage;
4. Pedestrian and bicycle paths;
5. Storm drains and other water quality devices to ensure regional permit compliance;
6. Public utilities (including but not limited to water, reclaimed water, sewer, electric, gas, and telephone);
7. Public parks, open space and recreation facilities;
8. Fire protection and emergency response facilities;
9. Parking improvements;
10. Museums and cultural facilities;
11. Ecological and sustainability educational improvements;
12. Energy efficiency, water conservation, and renewable energy improvements;
13. Land, rights-of-way and easements necessary for any facilities to be financed by the District; and
14. Equipment, apparatus, facilities or fixtures with an expected useful life of 5 years or longer necessary for any of the foregoing or necessary to provide any of the services described in Exhibit E.

EXHIBIT "E"

Description of Authorized Services

(to be attached prior to execution.)

DESCRIPTION OF THE AUTHORIZED SERVICES

Authorized Services shall include the operation, maintenance, servicing, and replacement of the authorized Improvements (see Exhibit D), together with the following additional Services:

1. Landscaping, including, but not limited to trees, shrubs, grass, other ornamental vegetation located in or on slopes, parkways and medians;
2. Facilities that are directly related to storm water conveyance, including, but not limited to pipes and drainage inlets, detention basins, linear bioretention, and parks;
3. Walls and fencing;
4. Parks, including landscaping, facilities, walls, fencing, lighting, and trails;
5. Streetscape improvements, including lighting, furnishings and appurtenances;
6. Parking improvements;
7. Transportation services;
8. Promotion of public events and tourism;
9. Security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the City or other service provider; and
10. Repair of the authorized Improvements.

For purposes of this description of the Services to be funded by the levy of Special Taxes within the District, "maintenance" includes, but is not limited to, the furnishing of services and materials for the ordinary and usual maintenance, operation, management and servicing of any of the authorized Improvements, including:

1. Repair, removal, or replacement of the authorized Improvements;
2. Providing for the life, growth, health, and beauty of habitat, including the cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury;
3. The removal of trimmings, rubbish, debris, silt, and other solid waste;
4. The cleaning, sandblasting, and painting of walls and other facilities to remove or cover graffiti;
5. The elimination, control, and removal of rodents and vermin;
6. The operation and management of open space and natural habitat, including biological monitoring and evaluation of collected data;
7. The conduct of biological activities necessary to sustain the species being protected;
8. The operation and maintenance of pedestrian bridges and community gardens within or appurtenant to such open space or habitat area(s); and
9. The maintenance and cleaning of drainage and other storm water control facilities required to provide storm water quality control.

"Service" or "servicing" means the furnishing of:

10. Electric current or energy, gas, or other illuminating agent for any public lighting facilities or for the lighting or other operation of any other Improvements; and
11. Water for the irrigation of any landscaping or the operation or maintenance of any other Improvements.