



CITY COUNCIL AGENDA STATEMENT



December 3, 2019

File ID: 19-0519

TITLE

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING A PROJECT DEVELOPMENT COOPERATION AGREEMENT BETWEEN THE CITY OF CHULA VISTA AND LAKEVIEW I, LLC, LAKEVIEW II, LLC, AND MOLLER OTAY LAKES INVESTMENT, LLC

RECOMMENDED ACTION

Council adopt the resolution.

SUMMARY

Lakeview I, LLC, a California limited liability company, Lakeview II, LLC, a California limited liability company, and Moller Otay Lakes Investment, LLC, a Delaware limited liability company are the Project applicant for Otay Ranch Village 13 (Project) located in the County of San Diego. The Project would implement a master-planned community consisting of residential uses, commercial uses, an elementary school, a fire station and a Village Core connected through a system of roadways, public parks, trails, open space, and private recreational amenities. The Project also would include conveyance of approximately 787 acres of land (1.188 acres for every developed acre) to the Otay Ranch Resource Management Plan (RMP) Preserve. The Project is located within unincorporated San Diego County (County), approximately 0.25 miles east of the Chula Vista city limits. The Project area encompasses approximately 1,869 acres and is located primarily northeast of Otay Lakes Road. The County is the lead agency with regard to the Project.

The Project is part of the approximately 23,000-acre Otay Ranch General Development Plan/Otay Subregional Plan jointly processed and approved by the County of San Diego and City of Chula Vista in 1993. As part of the public review process for the Project, City staff identified City facilities that may be utilized by residents that would reside in the proposed Project. To offset these future uses, the City and Project applicant are proposing to enter into a Development Cooperation Agreement to provide benefit contributions to the City.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed activity (i.e., the "Project Development Cooperation Agreement") 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 State CEQA Guidelines because it will not result in a physical change in the environment; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. In addition, notwithstanding the foregoing, the proposed activity" also qualifies for an Exemption pursuant to Section 15061(b)(3) of the

State CEQA Guidelines because there is no possibility that the activity in question will have a significant effect on the environment. Thus, no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

N/A

DISCUSSION

The Project, once constructed, would likely result in increased use of City facilities by the Project's residents. To offset these future effects, the City proposed a benefit contribution be provided in the amount of \$5,500 per residential dwelling constructed within the Project. City staff believes this is a reasonable contribution to address these future uses. Absent this agreement, this Project could be approved by the County without addressing these concerns.

The agreement also addresses future collaboration efforts between the City and the Project applicant to complete the extension of the portion of Otay Lakes Road within the City, the sewer connection into the Salt Creek Interceptor (including payment of the Salt Creek Interceptor Development Impact Fee), and mitigation obligations of the Project applicant.

DECISION-MAKER CONFLICT

Staff has reviewed the property holdings of the City Council members and has found no property holdings within 1,000 feet of the boundaries of the property which is the subject of this action. Consequently, this item does not present a disqualifying real property-related financial conflict of interest under California Code of Regulations Title 2, section 18702.2(a)(11), for purposes of the Political Reform Act (Cal. Gov't Code §87100, *et seq.*).

Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

There are no current year fiscal impacts associated with the processing of this agreement.

ONGOING FISCAL IMPACT

It is anticipated that future funding for City facilities will be generated by the approval of this agreement.

ATTACHMENTS

1. Developer executed Project Development Cooperation Agreement

Staff Contact: Kelly Broughton, Director, Development Services