



# CITY COUNCIL AGENDA STATEMENT



March 10, 2020

File ID: 20-0085

## **TITLE**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING THE FIRST AMENDMENT TO THE LEGAL SERVICES AGREEMENT FOR THE FORMATION OF THE BAYFRONT PROJECT SPECIAL TAX FINANCING DISTRICT BETWEEN THE CITY AND BEST BEST & KRIEGER, LLP

## **RECOMMENDED ACTION**

Council adopt the resolution.

## **SUMMARY**

The City of Chula Vista and Best Best & Krieger, LLP (BBK) entered into an agreement in November 2018, wherein BBK shall represent the City in the matter of the formation of the Bayfront Project Special Tax Financing District. An amendment to increase the agreement's not to exceed compensation amount from \$50,000 to \$75,000 is recommended.

## **ENVIRONMENTAL REVIEW**

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 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. Thus, no environmental review is required.

## **BOARD/COMMISSION/COMMITTEE RECOMMENDATION**

Not applicable

## **DISCUSSION**

In furtherance of the development of the Chula Vista Bayfront Master Plan (CVBMP), the City undertook the formation of the Bayfront Project Special Tax Financing District (the "District"). The City entered into an agreement with BBK, for legal services in the matter of the formation of the District (Attachment 1). The agreement included a not-to-exceed compensation amount of \$50,000, which has now been exhausted. In order to complete the formation proceedings and advise the City during the initial CVBMP financing, BBK has requested a contract amendment, increasing the not-to-exceed compensation amount to \$75,000. The First Amendment to the legal services agreement with BBK for the formation of the District reflecting this increased compensation amount has been prepared and is recommended for approval (Attachment 2).

### **DECISION-MAKER CONFLICT**

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Council members do not create a disqualifying real property-related financial conflict of interest under 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**

Approving the First Amendment to the agreement with BBK increases the not-to-exceed compensation from \$50,000 to \$75,000. No additional fund appropriation is requested.

All expenses incurred by the City in undertaking the proceedings to consider the formation of the Bayfront District and subsequently authorizing, issuing, and selling bonds of the Bayfront District to finance the acquisition and construction of eligible public facilities will be reimbursed from future Bayfront District bond proceeds or special tax revenues, resulting in no net impact to the General Fund or the Development Services Fund.

### **ONGOING FISCAL IMPACT**

The cost to administer the Bayfront District, if established, and the issuance of bonds by the Bayfront District shall be paid from the proceeds of special taxes to be levied within the Bayfront District or the proceeds of bonds issued by the Bayfront District. There is, therefore, no ongoing fiscal impact to the City's General Fund or Development Services Fund as a result of this action.

### **ATTACHMENTS**

1. Best Best & Krieger LLP Services Agreement
2. First Amendment

*Staff Contact: Tiffany Allen, Development Services Department*