

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING AND AUTHORIZING OF A JOINT EXERCISE OF POWERS AGREEMENT INVOLVING THE CSCDA COMMUNITY IMPROVEMENT AUTHORITY AND THE CASALAGO (EASTLAKE) PROPERTY AND THE RELATED PUBLIC BENEFIT AGREEMENT AND APPROVING THE ISSUANCE OF REVENUE BONDS BY THE AUTHORITY FOR THE PURPOSE OF FINANCING THE ACQUISITION OF THE CASALAGO (EASTLAKE) PROPERTY

WHEREAS, pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”), certain public agencies (the “Members”) have entered into a Joint Exercise of Powers Agreement Relating to the California Statewide Communities Development Authority (“CSCDA”), dated as of October 15, 2020 (the “Agreement”), in order to form the CSCDA Community Improvement Authority (the “Authority”), for the purpose of promoting economic, cultural and community development, and in order to exercise any powers common to the Members or granted by the Act, including by the issuance of bonds, notes or other evidences of indebtedness; and

WHEREAS, the City of Chula Vista (the “City”), has determined that it is in the public interest and for the public benefit that the City become an Additional Member of the Authority pursuant to Section 12 of the Agreement solely in order to fund the acquisition of the CasaLago (Eastlake) (“CasaLago”) property by the Authority; and

WHEREAS, the Authority is authorized to issue and sell revenue bonds for the purpose, among others, of financing or refinancing the construction, acquisition, and rehabilitation of capital projects, including the CasaLago property; and

WHEREAS, the Authority proposes to grant to the City, *inter alia*, in connection with the financing of the middle-income rental housing Project (“Workforce Housing Project”) on terms acceptable to the City at the CasaLago property the right to cause the Authority to sell the CasaLago property, starting upon the date fifteen (15) years from the issuance of the Bonds pursuant to a Public Benefit Agreement (the “Public Benefit Agreement”), by and between the Authority and the City, a draft form of which has been filed with the City Clerk; and

WHEREAS, Authority warrants that the issuance of Bonds shall be subject to the approval of the Authority of all financing documents relating thereto to which the Authority is a party and that City shall have no responsibility or liability whatsoever with respect to the Bonds; and

WHEREAS, Authority warrants, that the adoption of this Resolution shall not obligate the City or any department thereof to (i) provide any financing to acquire or construct any Project or any refinancing of any Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary for the acquisition, construction, rehabilitation or operation of any Project; (iii) make any contribution or advance any funds whatsoever to the Authority; or (iv) except as provided in this Resolution, take any further action with respect to the Authority or its membership therein; and

WHEREAS, the City Council's Workforce Housing Policy, requires, *inter alia*, that the proposed JPA must be reviewed by the Housing Advisory Commission, that a third-party review, as a minimum, the financial aspects of the proposal be conducted, and in this proposal said requirements were not met given that Authority has a date by which the purchase agreement must be completed; and

WHEREAS, the City Council's Workforce Housing Policy, authorizing a waiver of its required terms based upon finding by the City Council; and

WHEREAS, it is in the public interest and for the public benefit that the City Council approve the issuance of the Bonds by the Authority for the aforesaid purposes.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista, as follows:

Section 1. That the foregoing recitals are true and correct.

Section 2. That the City hereby requests to become an Additional Member of the Authority pursuant to Section 12 of the Agreement solely to finance the acquisition of the CasaLago property. The Agreement is hereby approved, and the City Manager is authorized to execute said agreement and the City Clerk or such Clerk's designee is hereby authorized and directed to attest thereto.

Section 3. That the City Manager is authorized to execute a Public Benefit Agreement on terms acceptable to the City Manager and in substantially in the form presented with such changes as may be requested or required by the City Manager or City Attorney (and subject to further negotiation as needed).

Section 4. That the City Council hereby approves the issuance of Bonds by the Authority to finance the acquisition of the CasaLago property.

Section 5. That the City approved this Resolution because Authority warrants that the issuance of Bonds shall be subject to the approval of the Authority of all financing documents relating thereto to which the Authority is a party and that City shall have no responsibility or liability whatsoever with respect to the Bonds.

Section 6. That the City approved this Resolution because Authority warrants that the adoption of this Resolution shall not obligate the City or any department thereof to (i) provide any financing to acquire or construct any Project or any refinancing of any Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary for the acquisition, construction, rehabilitation or operation of any Project; (iii) make any contribution or advance any funds whatsoever to the Authority; or (iv) except as provided in this Resolution, take any further action with respect to the Authority or its membership therein.

Section 7. That the City Council finds that a waiver of the above detailed actions required to be completed as part of the evaluation process set forth in the City Council's Workforce

Housing Policy is necessary to allow Authority to timely complete their sale agreement and therefore the City Council finds the aforementioned requirements may be waived.

Section 8. That the executing officers(s), the City Clerk and all other proper officers and officials of the City are hereby authorized to execute such other agreements, documents, and certificates, and to perform such other acts and deeds, as may be necessary or convenient to implement the purposes of this Resolution and the transactions herein authorized.

Section 9. That the City Clerk shall forward a certified copy of this Resolution and an originally executed Agreement to the Authority:

CSCDA Community Improvement Authority
1100 K Street, Suite 101
Sacramento, California 95814
Attention: Chair

Section 10. That this Resolution shall take effect upon its passage and execution of the attendant Public Benefit Agreement by the Authority and City Manager on terms acceptable to the City Manager.

Presented by

Approved as to form by

Tiffany Allen
Director of Development Services

Glen R. Googins
City Attorney