

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA AUTHORIZING FORMATION OF THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2022-27 (CITY OF CHULA VISTA – SUNBOW) THROUGH THE BOND OPPORTUNITIES FOR LAND DEVELOPMENT (BOLD) PROGRAM PURSUANT TO THE MELLO-ROOS COMMUNITY FACILITIES ACT OF 1982, AS AMENDED, APPROVING A JOINT COMMUNITY FACILITIES AGREEMENT AND AUTHORIZING RELATED ACTIONS

WHEREAS, the City of Chula Vista (“City”) is a municipal corporation and charter city duly organized and existing under and pursuant to the Constitution and the laws of the State of California (“State”) and has previously authorized the use of the California Municipal Finance Authority’s (“CMFA”) Bond Opportunities for Land Development Program (“BOLD Program”) to allow the owners of property to be developed within the City to participate in the BOLD Program subject to the approval of the City Council; and

WHEREAS, the CMFA has established the BOLD Program to allow the financing of certain public facilities and/or certain development impact fees that finance public facilities (together, “Improvements”) levied by local agencies in the State through the levy of special taxes pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended (the “Act”); and

WHEREAS, ACI Sunbow, LLC, a California limited liability company (“Sunbow”), the developer of the Sunbow development project (“Project”) has requested that the City allow them to utilize the BOLD Program and to allow the CMFA to form the California Municipal Finance Authority Community Facilities District No. 2022-27 (City of Chula Vista – Sunbow) (“Sunbow CFD”) under the Act, to levy special taxes within the Sunbow CFD, and to issue bonds secured by such special taxes under the Act to finance the Improvements, provided that Sunbow voluntarily agrees to participate and consent to the levy of such special taxes and the issuance of such bonds; and

WHEREAS, the City Council has previously approved Council Policy Number 505-04 “Statement of Goals and Policies Regarding Establishment of Community Facilities Districts,” (the “City’s Goals and Policies”) and with the exception of: (1) the prohibition on financing development impact fees; (2) the prohibition on the escalation of the maximum special tax to pay for public facilities; (3) the payment to the City of compensation equal to one percent (1%) of the total authorized bonded indebtedness; (4) the requirement that an appraisal be coordinated by, done under the direction of, and addressed to the City; and (5) the requirement that all consultants including the appraiser, be selected and retained by the City, the Sunbow CFD shall be formed in accordance with the City’s Goals and Policies on file with the City Clerk and incorporated herein by this reference; and

WHEREAS, the Sunbow CFD shall be authorized to finance City capital facilities and related costs (City Infrastructure) in satisfaction of certain City development impact fees (“City Fees”) authorized to be financed under the Act and certain City capital facilities to be constructed by or on behalf of Sunbow (the “Acquisition Improvements” and with the City Infrastructure and the City Fees, the “Facilities”); and

WHEREAS, the Acquisition Improvements shall be accepted and moneys shall be disbursed in accordance with an Acquisition Financing Agreement to be entered into among the CMFA, the City and Sunbow (the “Acquisition Agreement”); and

WHEREAS, the City Council has determined the Sunbow CFD will provide benefit to the community at large as well as a benefit to the properties within the Sunbow CFD of the types described in the City’s Goals and Policies; and

WHEREAS, the City Council has determined that the public facilities authorized to be financed by the Sunbow CFD are of the types described in the City’s Goals and Policies; and

WHEREAS, under Section 53316.2 of the Act, the CMFA may form the Sunbow CFD to finance the Facilities in connection with the Project and issue bonds, the proceeds of which are used by the City for City Infrastructure, provided the CMFA and the City enter into a joint community facilities agreement; and

WHEREAS, the form of a Joint Community Facilities Agreement by and between the CMFA and the City (“JCFA”) setting forth the administration of the Sunbow CFD has been presented to and considered for approval by the City Council, and with the aid of staff has reviewed and considered the JCFA, finds that it will be beneficial to residents of the City and that it is suitable for approval, subject to the conditions set forth in this Resolution; and

WHEREAS, following the adoption of this Resolution, all further proceedings with respect to the formation of the Sunbow CFD and the issuance of special tax bonds and other debt for the Sunbow CFD shall be undertaken by CMFA with the exception of the Acquisition Agreement which may be approved by the City Council after the adoption of this Resolution, and prior to the issuance of special tax bonds and/or other debt for the Sunbow CFD.

NOW, THEREFORE, BE IT RESOLVED by the City Council, that:

SECTION 1. Recitals. Each of the above recitals is true and correct and are hereby incorporated into this Resolution as though fully set forth herein.

SECTION 2. Goals and Policies. The formation of the Sunbow CFD is hereby authorized provided, that the Sunbow CFD will be formed in accordance with the City’s Goals and Policies with the following exceptions: (1) the prohibition on financing development impact fees; (2) the prohibition on the escalation of the maximum special tax to pay for public facilities; (3) the payment to the City of compensation equal to one percent (1%) of the total authorized bonded indebtedness; (4) the requirement that an appraisal be coordinated by, done under the direction of, and addressed to the City; and (5) the requirement that all consultants including the appraiser, be selected and retained by the City.

SECTION 3. Approval of JCFA. The form of the JCFA as presented to this City Council and on file with the City Clerk is hereby approved. The City Manager and such other official or officials of the City as may be designated in writing by this City Council (each, an “Authorized Officer” and together, the “Authorized Officers”) are each authorized to execute the JCFA for and on behalf of the City with such changes thereto as such Authorized Officer, following consultation with the City Attorney and Best Best & Krieger LLP, deem to be in the best interests of the City.

SECTION 4. Authorizations. The Authorized Officers and other officers, employees and agents of the City, are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution. All actions heretofore taken by the Authorized Officers and other officers, employees and agents of the City with respect to the CMFA and the BOLD Program and the matters described herein are hereby approved, confirmed and ratified.

SECTION 5. Effective Date. This Resolution shall take effect immediately upon its adoption. The City Clerk is hereby authorized and directed to transmit a certified copy of this Resolution to the Secretary of the CMFA.

Presented by

Approved as to form by

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Laura C. Black, AICP  
Director of Development Services

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Glen R. Googins  
City Attorney