



Maria Kachadoorian
City Manager
276 Fourth Avenue
Chula Vista, CA 91910

06/29/2022

RE: Otay Ranch Transportation Development Impact Fees (TDIF) Reimbursement/Credit for the SR-125 interchanges between Village 8 East and Village 9.

Dear Ms. Kachadoorian,

Please see the attached letter dated 7/30/2020. In this letter, HomeFed Corp requested that we receive TDIF credits for the CALTRANS Project Initiation Document (PID) for the development of the SR-125 interchange(s) between Village 8 East and Village 9. The PID is in to CALTRANS for their final approval.

HomeFed is in the process of beginning the next phase of the project; the Project Report/Environmental Document (PR/ED). In order to simplify the process, Bill Valle indicated that the city would be willing to be the lead environmental agency. In order to do this, the city would need to request this from CALTRANS and enter into a cooperative agreement. We would request that you initiate being the PR/ED lead at your earliest convenience. In addition, HomeFed would like to continue to receive TDIF credits in lieu of reimbursement.

If you should have any questions, please contact the undersigned.

Sincerely,

A handwritten signature in black ink that reads 'Jeff O'Connor'. The signature is written in a cursive, flowing style.

Jeff O'Connor

Vice President

CC: Pedro Orso-Delgado
Bill Valle



Maria Kachadoorian

7/30/2020

City Manager

276 4th Ave.

Chula Vista, CA 91910

RE: Otay Ranch Transportation Development Impact Fees (TDIF) Reimbursement/Credit

Dear Ms. Kachadoorian,

HomeFed Corporation would like to formally apply for TDIF Reimbursement/Credit for the SR-125 Interchange(s).

As you are aware, the City has been collecting TDIF for projects including two interchanges over SR-125 at MainStreet/Hunte Parkway and Otay Valley Road.

HomeFed has been in preliminary dialogue with Caltrans and is in the process of entering into a Highway Improvement Agreement (HIA). This agreement would initiate a project with Caltrans to perform the needed Preliminary Engineering, identify a scope of work to move ahead into the next development phases and ultimately lead to constructing the projects.

The Caltrans process will be a four-step process, and each one will be done in conjunction with the City of Chula Vista as well as SANDAG, the current operator of the SR-125 Toll Rd via a franchise agreement with Caltrans.

The City of Chula Vista has previously performed some work on these projects, and the preliminary estimate at the time for both interchanges was \$56 million in 2016; now in 2020, those costs would be in the range of \$65 million.

This first step is called a Project Initiation Document via a Project Study, and it would take about 1 year to be completed. Typically, this document is approximately 1% of the estimated Construction Cost, so by today's cost, it would be in the order of magnitude of \$650k.

The second step is the Project Report/Environmental Document, and this phase would probably take possibly 2 years and would cost approximately 10% or \$6.5 million.

Once this is approved, the third step is the actual Project Design/Construction Documents and Bidding of the project, and this would range in the order of 12% or \$7.8million, and would take approximately 2 years to complete.



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Finally, once the Project is out to construction, it would take 3 years to build and the Construction Engineering and Inspection would be in the range 15% of the estimated cost, or \$9.5 million.

For this initial phase, The Project initiation Document, HomeFed would like to formally request that we receive credits in lieu of reimbursement.

Please contact me if you have any questions or concerns.

Sincerely,

Kent Aden

President
HomeFed Communities

Cc:

Tiffany Allen, City of Chula Vista
Bill Valle, City of Chula Vista
Frank Rivera, City of Chula Vista
Kimberly Elliott, City of Chula Vista
Curt Smith, HomeFed Corporation
Pedro Orso-Delgado