

RESOLUTION NO. 2022-016

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CHULA VISTA  
RECOMMENDING THE CITY COUNCIL AUTHORIZE A SECOND AMENDMENT TO  
THE DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF CHULA VISTA  
AND MCMILLIN OTAY RANCH, LLC.

WHEREAS, on August 26, 2009, the City's Planning Commission held a duly noticed public hearing on the Development Agreement and at the conclusion of the hearing recommended approval of the Development Agreement by and between the City of Chula Vista and McMillin Otay Ranch, LLC.; and

WHEREAS, on September 15, 2009, the City Council held a duly noticed public hearing on the Development Agreement at the conclusion of which the City Council introduced and conducted the first reading of the ordinance approving the Agreement and subsequently on October 6, 2009 adopted Ordinance No. 3143 approving the Agreement and said agreement was recorded with the San Diego County Recorder's Office on October 27, 2009 as Document No. 2009-0595116; and

WHEREAS, on June 13, 2018 the City's Planning Commission held a duly noticed public hearing on a First Amendment to the Development Agreement and at the conclusion of the hearing recommended approval of the First Amendment; and

WHEREAS, On July 10, 2018, the City Council held a duly noticed public hearing on this First Amendment, at the conclusion of which the City Council introduced and conducted the first reading of the ordinance approving the First Amendment; and subsequently, on July 17, 2018, adopted Ordinance No. 3431 approving the First Amendment and said Amendment was recorded with the San Diego County Recorder's Office on July 27, 2018; and

WHEREAS, the purpose of the First Amendment was a Material Change to the project proposed by the Master Developer to reduce the total amount of development in the Eastern Urban Center without reducing infrastructure; and

WHEREAS, McMillian Otay Ranch, LLC was the Original Master Developer and now Meridian Communities, LLC, is the successor in interest; and

WHEREAS, the Parties have agreed to amend the Development Agreement a second time in order to facilitate the development of uses within the Eastern Urban Center, known today as Millenia, that both City and Developer desire; and

WHEREAS, the intent of the Development Agreement and Eastern Urban Center Sectional Planning Area Plan is to serve as a mechanism to further the comprehensive development vision for Millenia to advance a vibrant, mixed-use, pedestrian-oriented urban center that will serve as the economic and social focal point of Eastern Chula Vista creating an urban employment center which will establish a strong, well-located employment sub-market and add new local jobs including higher-quality office employment opportunities; and

WHEREAS, to continue with the establishment of a high-quality Class "A" office submarket within Millenia, it is the desire of the Developer and the City to have the City guide the economic development opportunity of up to 1.7 million square feet of Class "A" office space available on the 10.93-acre Lot 1 of Millenia (APN 643-066-09-00); and

WHEREAS, Lot 1 of Millenia shall be subdivided with a 2.1-acre portion of the southerly parcel being retained by the Master Developer and developed as a reputable flag hotel as a permissible use under the Eastern Urban Center Sectional Planning Area Plan; and

WHEREAS, as part of the Second Amendment to the Development Agreement, the Developer shall provide the remaining 8.83 acres of Lot 1 to the City for the price of \$1 and shall hold the land for the City for a period up-to 60 months and at any time requested by the City, will transfer ownership directly to a user of the City's choice; and

WHEREAS, in exchange for acquisition of 8.83 acres of Lot 1, City agrees to expedite the review of developing the allowable remaining residential units within the Eastern Urban Center on Lot 19 of Millenia (APN 643-060-69-00); and

WHEREAS, the Eastern Urban Center Sectional Planning Area Plan has entitled 2,983 residential units and 2,659 units have been permitted to-date allowing Master Developer to build up to the remaining 324 residential units on Lot 19; and

WHEREAS, Lot 19 was previously entitled for up-to 700,000 square feet of office development and such entitlements shall be transferred to the City's portion of Lot 1, a shift permissible under the auspices of the Eastern Urban Center Sectional Planning Area Plan Density Transfer provisions; and

WHEREAS, The Director of Development Services has reviewed the project for compliance with the California Environmental Quality Act (CEQA) and has determined that the Development Agreement Amendment was adequately covered in previously certified Final Second Tier Environmental Impact Report (EIR 07-01) – SCH No. 2007041074 for Otay Ranch Eastern Urban Center (EUC) Sectional Planning Area (SPA) Plan and Tentative Map; thus, no further CEQA review or documentation is required; and

WHEREAS, the Director of Development Services set the time and place for a hearing on the subject amendment to the Second Development Agreement, and notice of said hearing, together with its purpose, was given by its publication in a newspaper of general circulation in the City at least ten days prior to the hearing; and

WHEREAS, the Planning Commission held a duly noticed public hearing to consider said amendment to the Development at the time and place as advertised in the Council Chambers, 276 Fourth Avenue, and said hearing was thereafter closed.

NOW, THEREFORE, BE IT RESOLVED that the City of Chula Vista Planning Commission does hereby recommend that the City Council of the City of Chula Vista adopt an ordinance amending the Development Agreement between the City of Chula Vista and McMillin Otay Ranch, LLC thereby implementing the changes described herein and within the entire record of the Second Development Agreement Amendment; and

BE IT FURTHER RESOLVED THAT a copy of this Resolution be transmitted to the City Council.

Presented by:

Approved as to form by:

\_\_\_\_\_  
Eric C. Crockett  
Deputy City Manager

\_\_\_\_\_  
Glen R. Googins  
City Attorney

PASSED AND APPROVED BY THE PLANNING COMMISSION OF THE CITY OF CHULA VISTA,  
CALIFORNIA, this \_\_\_\_ day of \_\_\_\_\_, 2022, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Max Zaker, Chair

ATTEST:

\_\_\_\_\_  
Patricia Salvacion, Secretary