

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

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING AMENDMENTS TO THE FISCAL YEAR 2022-23 CAPITAL IMPROVEMENT PROGRAM BUDGET, APPROPRIATING \$96.4 MILLION FOR PROJECT (GGV0267); AND AUTHORIZING INTERFUND LOANS NOT TO EXCEED \$39.1 MILLION FROM THE TRUNK SEWER CAPITAL RESERVE FUND TO THE PUBLIC FACILITY DEVELOPMENT IMPACT FEE FUND, THE DEVELOPER CONTRIBUTIONS – ECONOMIC DEVELOPMENT FUND, AND THE DEVELOPER CONTRIBUTIONS – PUBLIC BENEFIT FUND; AND APPROPRIATING FUNDS ACCORDINGLY (4/5 VOTE REQUIRED)

WHEREAS, the City has worked over the years to establish a university on 383 acres of city-owned and entitled land in Otay Ranch; and

WHEREAS, the City has the land and entitlements both secured, after decades of planning, the City is finally well-positioned to work toward physical development of the University-Innovation District; and

WHEREAS, the City will enter into a revised Memorandum of Understanding with San Diego State University (“SDSU”) for 50,000 square feet within the facility for SDSU’s Television, Film and New Media Production Studios Project; and

WHEREAS, the development of a new destination library in compliance with the Library Strategic Facilities Plan, that would serve as the City’s first new library since 1995 and meet the minimum 60,000 square foot need for library space, provide 50,000 square feet for an academic partner to launch the first phase of the University, provide 58,000 square feet of Class “A” office space in warm shell condition for an industry user to lease, and provide a 6,100 square foot amenity building for tenant attraction; and

WHEREAS, the vertical development of a Millenia Office building to attract qualified tenants for the remaining 1.8 million square feet of Class “A” office space; and

WHEREAS, the City Charter states that at any meeting after the adoption of the budget, the City Council may amend or supplement the budget by a motion adopted by the affirmative votes of at least four members; and

WHEREAS, on May 24, 2022, City Council approved the adoption of the Fiscal Year 2022-2023 Capital Improvement Program (CIP) budget; and

WHEREAS, Staff recommends amendments to the budget for the Fiscal Year 2022-2023 Capital Improvement Program budget for a new capital projects titled Cinematic Arts Academic & Library (GGV0267); and

WHEREAS, there is a net impact to the various funds as identified in the table below and staff is requesting to amend the Capital Improvement Budget by \$96,413,391; and

WHEREAS, Council approval of interfund loans from the Trunk Sewer Capital Reserve Fund to the Public Facility Development Impact Fee (PFDIF) Fund, the Developer Contributions – Economic Development Fund, and the Developer Contributions – Public Benefit Fund, in the not to exceed loan amounts of \$8.9 million, \$22.2 million, and \$8.0 million, respectively, is necessary for cash flow purposes; and

WHEREAS, City Council Policy No. 220-06 authorizes the establishment of interfund loans for cash flow management purposes; and

WHEREAS, the proposed interfund loans are anticipated to be repaid in full within ten years; and

WHEREAS, interfund loan amounts will be advanced on a quarterly basis in order to minimize borrowing costs; and

WHEREAS, any and all loaned amounts will be repaid with interest at a rate equal to the City's pooled investment rate of return, currently approximately 1.8%; and

WHEREAS, as a result of the projected timing for repayment of the loans, and the applied interest rate, the Trunk Sewer Capital Reserve will not be adversely impacted.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista, that it hereby amends the Capital Improvement Program budget for Project GGV0267 and approves the following appropriations:

<b>Fund</b>	<b>Amount</b>
Public Facilities Development Impact Fee – Library Component	\$ 31,780,433
Developer Contributions Fund – Economic Development	\$ 11,000,000
Developer Contributions Fund – Public Benefit	\$ 23,632,958
State Grants Fund	\$ 30,000,000
<b>Total</b>	<b>\$ 96,413,391</b>

BE IT FURTHER RESOLVED by the City Council of the City of Chula Vista, does hereby authorize and direct the City Manager to finalize and execute interfund loan from the Trunk Sewer Capital Reserve Fund Balance to the PFDIF Fund, the Developer Contributions – Economic Development Fund, and the Developer Contributions – Public Benefit Fund for the funding of the Cinematic Arts Academic and Library Development Project, in the not to exceed loan amounts of \$8.9 million, \$22.2 million, and \$8.0 million, respectively, with interest accruing at the City's pooled investment rate, and repayment at the earliest practical date from the sources and revenues described above.

Presented by

Approved as to form by

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Eric Crockett  
Deputy City Manager

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Glen R. Googins  
City Attorney