

RESOLUTION NO. 2019-220

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CHULA VISTA FORMING AND ESTABLISHING THE
BAYFRONT PROJECT SPECIAL TAX FINANCING DISTRICT
AND AUTHORIZING SUBMITTAL OF THE LEVY OF
SPECIAL TAX WITHIN THE BAYFRONT PROJECT SPECIAL
TAX FINANCING DISTRICT TO THE QUALIFIED ELECTORS
OF SUCH DISTRICT

WHEREAS, the City of Chula Vista, California (the “City”) is a municipal corporation and charter city duly organized and existing under a charter pursuant to which the City has the right and power to make and enforce all laws and regulations with respect to municipal affairs and certain other matters in accordance with and as more particularly provided in Sections 3, 5, and 7 of Article XI of the Constitution of the State of California and the Charter of the City; and

WHEREAS, Chapter 3.61 of the Chula Vista Municipal Code (“Chapter 3.61”) was enacted for the purpose of establishing a procedure for financing certain public and private improvements and maintenance and services to serve the Chula Vista Bayfront Project through the establishment of the Bayfront Project Special Tax Financing District (the “District”), the levy and collection of special taxes within the District and the issuance of bonds of the District secured by such special taxes for the purpose of financing a Convention Center Facility (as defined in Chapter 3.61) and certain other public and/or private improvements; and

WHEREAS, the City Council of the City (the “City Council”) duly adopted its Resolution No. 2019-168 on September 10, 2019 (the “Resolution of Intention”) wherein the City Council declared its intention and initiated proceedings to consider the establishment of the District, to set forth the proposed boundaries for the District, to indicate the Improvements (as defined herein below) and the Services (as defined herein below) proposed to be financed by the District, to indicate the proposed rate and apportionment of a special tax sufficient to finance the purchase, construction, expansion, improvement, rehabilitation, replacement and upgrade, including ongoing capital repairs, of the Improvements and the Services, and the administration of the District and to repay any indebtedness incurred by the District, and to set a time and place for a public hearing relating to the establishment of the District (the “Establishment Public Hearing”); and

WHEREAS, pursuant to the Resolution of Intention, the City Council directed that a report (the “Report”) be filed, at or before the time of the Establishment Public Hearing, with the City Council containing a brief description of the Improvements and Services by type which will be required to adequately meet the needs of the District, an estimate of the cost of providing such Improvements and Services and, with regard to those Improvements proposed to be acquired upon the completion thereof and those Incidental Expenses (as such term is defined in Government Code Section 53317(e)) proposed to be paid for, an estimate of the fair and reasonable cost of such Improvements and Incidental Expenses; and

WHEREAS, such Report was timely filed with the City Council; and

Resolution No. 2019-220

Page No. 2

WHEREAS, the City Council also adopted its Resolution No. 2019-169 (“Resolution Declaring Necessity to Incur Bonded Indebtedness”) on September 10, 2019, declaring that the public convenience and necessity requires that a bonded indebtedness be incurred by the District in an amount not to exceed \$125,000,000 to contribute to the financing of the Improvements; and

WHEREAS, the Resolution Declaring Necessity to Incur Bonded Indebtedness fixed the time and place for a public hearing to be held on the intention of the City Council to incur a bonded indebtedness of the District to contribute to the financing of the Improvements, such indebtedness to be secured by all or a portion of the levy of special taxes within the District (the “Indebtedness Public Hearing” and, together with the Establishment Public Hearing, the “Public Hearings”); and

WHEREAS, pursuant to the Resolution of Intention and the Resolution Declaring Necessity to Incur Bonded Indebtedness, the Public Hearings were set by the City Council for Tuesday, October 15, 2019, at the hour of 5:00 p.m., or as soon thereafter as the City Council might reach the matters, in the Council Chambers, City Hall, 276 Fourth Avenue, Chula Vista, California; and

WHEREAS, there are on file with the City Clerk, separate proofs of publication of the Notice of Public Hearing regarding the establishment of the District and the necessity to incur bonded indebtedness of the District (the “Notice of Public Hearing”) in the Star News and a Certificate of Mailing of Notice of Public Hearings (the “Certificate of Mailing”) showing mailed notice of the Public Hearings to each property owner within the District; and

WHEREAS, at the time and place specified for the Public Hearings, the City Council consolidated and opened the Public Hearings and approved a motion to continue the Public Hearings to November 5, 2019, at the hour of 5:00 p.m., or as soon thereafter as the City Council might reach the matters, in the Council Chambers, City Hall, 276 Fourth Avenue, Chula Vista, California; and

WHEREAS, on November 5, 2019 at the time and place specified for the continued Public Hearings, the City Council reopened the consolidated Public Hearings and approved a motion to continue the Public Hearings to November 19, 2019, at the hour of 5:00 p.m., or as soon thereafter as the City Council might reach the matters, in the City Council Chambers, City Hall, 276 Fourth Avenue, Chula Vista, California; and

WHEREAS, at the time and place specified for the continued Public Hearings, the City Council reopened and held the consolidated Public Hearings, and all persons interested, including, but not limited to, all taxpayers and property owners within the District were given an opportunity to appear and be heard, and to present any matters relating to the establishment of the District, the rate and method of apportionment of the special tax proposed to be levied within the District, the extent of the District, the financing of the Improvements and the Services and all other related matters, and the Report and such testimony was heard and considered by this City Council; and

WHEREAS, there has been presented to the City Council the form of an agreement entitled Joint Community Facilities Agreement (Chula Vista Bayfront Project Special Tax Financing District) (the “JCFA”) by and between the City and the San Diego Port District (the “Port District”) pursuant to Government Code Section 53316.2 to set forth the essential terms for the allocation

and payment of the Special Tax Revenues (as such term is defined in the JCFA) for the development, operation, maintenance and servicing of various improvements located only (a) within the Chula Vista Bayfront Master Plan (the "CVBMP") territory; or (b) outside the CVBMP territory but required by mitigation measures specified within the Project EIR (as such term is defined in the JCFA) and for which the Port District or City are responsible; and

WHEREAS, prior to the adoption of this Resolution, the City Council did, by the adoption of Resolution No. 2019-219, approve the JCFA and determine that the JCFA will be beneficial to the residents and tenants of, and visitors to, the territory within boundaries of the District; and

WHEREAS, the City Council desires to amend the Resolution of Intention to change the term of the Special Tax (as defined in Section 8 hereinbelow) to limit such term to read as set forth in paragraph "J. Term of the Special Tax" of the Rate and Method of Apportionment of Special Taxes in Exhibit C attached hereto (the "Rate and Method of Apportionment"); and

WHEREAS, all communications relating to the establishment of the District, the financing of the Improvements and Services and the levy of the Special Tax pursuant to the Rate and Method of Apportionment have been presented, and it has further been determined by this City Council that a majority protest as specified by Chapter 3.61 has not been received against the establishment of the District, the furnishing of any of the Improvements or Services or the levy of the Special Tax pursuant to the Rate and Method of Apportionment.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHULA VISTA, AS FOLLOWS:

SECTION 1. Recitals. The above recitals are all true and correct.

SECTION 2. Determinations. It is hereby determined by this City Council that:

- A. All prior proceedings pertaining to the formation of the District were valid and taken in conformity with the requirements of the law, and specifically the provisions of the Chapter 3.61, and that this finding and determination is made pursuant to the provisions of Chapter 3.61.
- B. The change in the term of the Special Tax to read as set forth in the Rate and Method of Apportionment shall not increase the maximum Special Tax or the probable Special Tax to be paid by any Operator (as such term is defined in the Rate and Method).
- B. The written protests received, if any, do not represent a majority protest as defined by the applicable provisions of Chapter 3.61 and as applied to the District, the Improvements or the Services or the levy of the Special Tax pursuant to the Rate and Method of Apportionment and, therefore, the establishment of the District, the furnishing of the Improvements and Services and the Special Tax proposed to be levied within the District have not been precluded by majority protest pursuant Chapter 3.61.
- C. The District, as proposed, conforms to the provisions of Chapter 3.61.

Resolution No. 2019-220

Page No. 4

- D. The Registrar of Voters of the County of San Diego has certified that no person is registered to vote within the territory proposed to be included in the District.
- E. Pursuant to Chapter 3.61 the qualified electors of the District shall be the Landowners of the District as such term is defined in Chapter 3.61 and each such Landowner who is the owner of record as of the close of the Establishment Public Hearing or any subsequent owner if the City Clerk is informed, by reliable evidence, of a change in ownership after that time and at least 24 hours before the deadline to submit ballots, or the authorized representative thereof, shall have one vote for each acre or portion of an acre of land that such Landowner owns within the District.
- F. The City Clerk, acting as the election official, has consented to conducting any required election on a date which is less than 125 days following the adoption of any resolution forming and establishing the District.

SECTION 3. Report. The Report, as now submitted by Willdan Financial Services, special tax consultant, shall stand as the report as required pursuant to Chapter 3.61 for all future proceedings and all terms and contents are approved as set forth therein. The Report shall be made a part of the record of the Establishment Public Hearing.

SECTION 4. Name of District. The City Council does hereby establish and declare the formation of the District known and designated as the “Bayfront Project Special Tax Financing District.”

SECTION 5. Boundaries of the District. The boundaries of the District are generally described as follows:

All that property as shown on a map as previously approved by this City Council, such map entitled “Map of Proposed Boundaries of the Bayfront Project Special Tax Financing District, City of Chula Vista, County of San Diego, State of California,” a copy of which is on file in the Office of the City Clerk. The boundary map of the proposed District has been filed pursuant to Sections 3111 and 3113 of the Streets and Highways Code of the State of California in the Office of the County Recorder of the County of San Diego, at Page 38-44 of Book 48 of the Book of Maps of Assessment and Community Facilities Districts for such County.

SECTION 6. Description of the Improvements. The District is authorized to finance the purchase, construction, expansion, improvement, rehabilitation, replacement and upgrade, including ongoing capital repairs, of certain public and private improvements pursuant to the provisions of Chapter 3.61 and any other method permitted by law. The improvements shall be located only (a) within the CVBMP territory; or (b) outside the CVBMP territory but required by mitigation measures specified within the Project EIR (as such term is defined in the JCFA) and for which the Port District or City are responsible. A general description of such improvements is set forth in Exhibit “A,” attached hereto and incorporated herein by this reference (the “Improvements”).

All such Improvements shall have an estimated useful life of five years or longer. The Improvements are facilities that the City and/or the Port District are authorized by law to construct, own, or operate, or to which they may contribute revenue.

The cost of the Improvements includes Incidental Expenses and may include, but not be limited to, the cost of planning, designing and engineering the Improvements; all costs associated with the establishment of the District, the issuance and administration of bonds to be issued by the District, including the payment of any rebate obligation due and owing to the federal government, the determination of the amount of any special taxes to be levied; the cost of collecting any special taxes; and costs otherwise incurred in order to carry out the authorized purposes of the District, together with any other expenses incidental to the purchase, construction, expansion, improvement, rehabilitation, replacement and upgrade, including ongoing capital repairs of the Improvements, as set forth in Section 3.61.080 of Chapter 3.61.

SECTION 7. Description of Services. The District is authorized to finance maintenance and services authorized to be financed pursuant to the provisions of Chapter 3.61. A general description of the maintenance and services authorized to be financed is set forth in Exhibit “B,” attached hereto and incorporated herein by this reference (the “Services”). The Services shall be provided only in the territory located within the CVBMP. The Services shall include, but not be limited to, the provision of all labor, material, administration, personnel, equipment and utilities necessary to maintain such improvements.

The City Council finds that the Services are necessary to meet increased demands placed upon the City and/or the Port District, as applicable, as a result of development occurring within the boundaries of the District and the Services will not supplant services already available within the boundaries of the District.

SECTION 8. Special Tax. Except where funds are otherwise available, a special tax sufficient to pay for costs of the Improvements as specified in Section 6 above and the Services as specified in Section 7 above (the “Special Tax” or “Special Taxes”), will be levied pursuant to the provisions of Chapter 3.61 in the method described in the Rate and Method of Apportionment set forth in Exhibit “C”, attached hereto and incorporated herein by this reference. The revenues derived from the levy of the Special Taxes shall be allocated and utilized pursuant to the priorities established in the JCFA and/or any Implementation Agreement (as defined in the JCFA).

For further particulars as to the Rate and Method of Apportionment reference is made to the attached and incorporated Exhibit “C,” which sets forth in sufficient detail the rate and method of apportionment to allow each Landowner or Operator (as such terms are defined in Chapter 3.61) within the District to estimate the maximum amount that such Landowner or Operator will have to pay.

The Special Taxes will be due and remitted with the Operator’s payment of transient occupancy taxes as set forth in Chapter 3.40 of the Chula Vista Municipal Code (“Chapter 3.40”). If a Landowner is not an Operator, the Landowner shall cause the Operator to remit the Special Taxes imposed with the Operator’s payment of transient occupancy tax and any Special Taxes shall only be levied on and constitute a lien against the Operator’s leasehold or possessory interest in such Assessor’s Parcel of Public Property, all as contemplated in Section 53340.1 of the Act, as

Resolution No. 2019-220

Page No. 6

modified by Chapter 3.61 and shall not be an obligation for which the Landowner of such Assessor's Parcel of Public Property is billed or responsible. Such Landowner obligation may be met by including a requirement to remit the Special Taxes in a lease or other real property instrument for a Campsite Property or Hotel Property (each as defined in the Rate and Method of Apportionment) and enforcing such requirement, as provided for in the real property instrument. However, the Special Tax is not imposed on the Transient (as defined in Chapter 3.40), but on the parcel or leasehold or possessory interest in a parcel containing a Hotel or Campsite (as such terms are defined in Chapter 3.61). The Operator may, but is not required to, pass the Special Tax through to the Transients and collect it with Rent (as defined in Chapter 3.40). Despite the method of collection and administration, the Special Tax is distinct from the City's transient occupancy tax and, subject to the Rate and Method of Apportionment, may be enforced, in the event of nonpayment, as provided in the Mello-Roos Community Facilities Act of 1982, including through a judicial foreclosure; however, the City Council reserves the right to utilize any other lawful means of billing, collecting, and enforcing the Special Taxes, including billing on the secured property tax roll, direct and supplemental billing, any other legal authority to collect delinquent Special Taxes, penalties and interest and when lawfully available, judicial foreclosure of the lien of the Special Taxes.

Subject to the Rate and Method of Apportionment, any Special Taxes delinquent as of July 1 of any fiscal year, together with any penalties and interest accrued as of that date, may, at the option of the City Council, acting as the legislative body of the District, be placed on the secured property tax roll in that fiscal year and be levied on the parcel or leasehold or possessory interest in the parcel, as applicable, for which such Special Taxes are delinquent, where it shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall be subject to the same penalties and the same procedure, sale and lien priority in case of delinquency as is provided for ad valorem taxes.

The Special Taxes are imposed by the District and not the City. The Special Tax shall be levied by the District, in any year, only on a parcel or a leasehold or a possessory interest in a parcel within the District for the use of such property during such year as Hotel Property or Campsite Property.

SECTION 9. Special Taxes Accountability Measures. Pursuant to and in compliance with the provisions of Government Code Section 50075.1, this City Council hereby establishes the following accountability measures pertaining to the levy by the District of the Special Taxes described in Section 8 above:

- A. Each Special Tax shall be levied for the specific purposes set forth in Section 8 above.
- B. The proceeds of the levy of each such Special Tax shall be applied only to the specific applicable purposes set forth in Sections 6, 7 and 8 above.
- C. The District shall establish a separate account into which the proceeds of each such Special Tax shall be deposited.

- D. The City Manager, or his or her designee, acting for and on behalf of the District, shall annually file a report with the City Council as required pursuant to Government Code Section 50075.3.

SECTION 10. Preparation of Annual Tax Roll. If there is an annual tax roll prepared for the District, the name, address and telephone number of the office, department or bureau which will be responsible for preparing the annual current roll of Special Tax levy obligations for the District and which shall be responsible for estimating future Special Tax levies pursuant to Chapter 3.61, are as follows:

Finance Department
City of Chula Vista
276 Fourth Avenue
Chula Vista, CA 92010
(619) 691-5250

SECTION 11. Substitution Improvements. The description of the Improvements, as set forth in Exhibit A hereto, is general in its nature. The final nature and location of the Improvements will be determined upon the preparation of final plans and specifications therefor. Such final plans may show substitutes in lieu of, or modification to, the above described types of facilities and any such substitution shall not be a change or modification in the proceedings as long as the facilities provide a service substantially similar to that as set forth in this Resolution.

SECTION 12. Election. This City Council herewith submits the levy of the special tax to the qualified electors of the District as specified in Section 2E above, such electors being the Landowners in the District, with each Landowner having one (1) voter for each acre or portion thereof of land which he or she owns within the District.

[SIGNATURES ON THE FOLLOWING PAGE]

Resolution No. 2019-220

Page No. 8

Presented by

Approved as to form by

DocuSigned by:


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Kelly G. Broughton, FASLA
Director of Development Services

DocuSigned by:


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Glen R. Googins
City Attorney

PASSED, APPROVED, and ADOPTED by the City Council of the City of Chula Vista, California, this 19th day of November 2019 by the following vote:

AYES: Councilmembers: Diaz, Galvez, McCann, Padilla, and Casillas Salas

NAYS: Councilmembers: None

ABSENT: Councilmembers: None

DocuSigned by:


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Mary Casillas Salas, Mayor

ATTEST:

DocuSigned by:


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Kerry K. Bigelow, MMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO)
CITY OF CHULA VISTA)

I, Kerry K. Bigelow, City Clerk of Chula Vista, California, do hereby certify that the foregoing Resolution No. 2019-220 was duly passed, approved, and adopted by the City Council at a regular meeting of the Chula Vista City Council held on the 19th day of November 2019.

Executed this 19th day of November 2019.

DocuSigned by:


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Kerry K. Bigelow, MMC, City Clerk

EXHIBIT A

DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

1. Convention Center Facility (as defined in Chula Vista Municipal Code Chapter 3.61);
2. Street improvements, including grading, paving, curbs, gutters, sidewalks, street signalization, signage, street lights, furnishings, and parkway and median landscaping related thereto;
3. Gateway signage;
4. Pedestrian and bicycle paths;
5. Storm drains and other water quality devices to ensure regional permit compliance;
6. Public utilities (including but not limited to water, reclaimed water, sewer, electric, gas, and telephone);
7. Public parks, open space and recreation facilities;
8. Fire protection and emergency response facilities;
9. Parking improvements;
10. Museums and cultural facilities;
11. Ecological and sustainability educational improvements;
12. Energy efficiency, water conservation, and renewable energy improvements;
13. Land, rights-of-way and easements necessary for any facilities to be financed by the District; and
14. Equipment, apparatus, facilities or fixtures with an expected useful life of 5 years or longer necessary for any of the foregoing or necessary to provide any of the services described in Exhibit B.

Resolution No. 2019-220

Page No. 10

EXHIBIT B

DESCRIPTION OF THE AUTHORIZED SERVICES

Authorized Services shall include the operation, maintenance, servicing, and replacement of the authorized Improvements (see Exhibit A), together with the following additional Services:

1. Landscaping, including, but not limited to trees, shrubs, grass, other ornamental vegetation located in or on slopes, parkways and medians;
2. Facilities that are directly related to storm water conveyance, including, but not limited to pipes and drainage inlets, detention basins, linear bioretention, and parks;
3. Walls and fencing;
4. Parks, including landscaping, facilities, walls, fencing, lighting, and trails;
5. Streetscape improvements, including lighting, furnishings and appurtenances;
6. Parking improvements;
7. Transportation services;
8. Promotion of public events and tourism;
9. Security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the City or other service provider; and
10. Repair of the authorized Improvements.

For purposes of this description of the Services to be funded by the levy of Special Taxes within the District, "maintenance" includes, but is not limited to, the furnishing of services and materials for the ordinary and usual maintenance, operation, management and servicing of any of the authorized Improvements, including:

1. Repair, removal, or replacement of the authorized Improvements;
2. Providing for the life, growth, health, and beauty of habitat, including the cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury;
3. The removal of trimmings, rubbish, debris, silt, and other solid waste;
4. The cleaning, sandblasting, and painting of walls and other facilities to remove or cover graffiti;
5. The elimination, control, and removal of rodents and vermin;

6. The operation and management of open space and natural habitat, including biological monitoring and evaluation of collected data;
7. The conduct of biological activities necessary to sustain the species being protected;
8. The operation and maintenance of pedestrian bridges and community gardens within or appurtenant to such open space or habitat area(s); and
9. The maintenance and cleaning of drainage and other storm water control facilities required to provide storm water quality control.

“Service” or “servicing” means the furnishing of:

1. Electric current or energy, gas, or other illuminating agent for any public lighting facilities or for the lighting or other operation of any other Improvements; and
2. Water for the irrigation of any landscaping or the operation or maintenance of any other Improvements.

Resolution No. 2019-220

Page No. 12

EXHIBIT C

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

BAYFRONT PROJECT SPECIAL TAX FINANCING DISTRICT

The Special Tax authorized by the Bayfront Project Special Tax Financing District (the “District”) shall be levied on all Taxable Property and collected within the District as provided herein commencing in Fiscal Year 2020-2021, in an amount determined by the City Council of the City of Chula Vista, acting as the legislative body of the District, through the application of the rate and method of apportionment of the Special Tax set forth below. All of the real property within the District, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“Act” means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

“Assessor’s Parcel” means a lot or parcel designated on an Assessor’s Parcel Map with an assigned Assessor’s Parcel number within the boundaries of the District.

“Assessor’s Parcel Map” means an official map of the Assessor of the County designating parcels by Assessor’s Parcel number.

“Bond Documents” means any indenture of trust, bond indenture, fiscal agent agreement, trust agreement, resolution or other instrument setting forth the terms of any Bonds, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Bonds” means any binding obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refunding thereof, to which the Special Tax has been pledged.

“Boundary Map” means the “Map of Proposed Boundaries of the Bayfront Project Special Tax Financing District, City of Chula Vista, County of San Diego, State of California,” filed September 12, 2019 in Book 48 of Maps of Assessments and Community Facilities Districts in the office of the County Recorder.

“Calendar Year” means the period commencing January 1 of any year and ending the following December 31.

“Campsite” shall have the meaning given such term in Chapter 3.61.

“Campsite Property” means an Assessor’s Parcel of Taxable Property which consists of any Campsite or Campsites.

“Chapter 3.61” means Chapter 3.61 of the Chula Vista Municipal Code.

“City” means the City of Chula Vista.

“City Council” means the City Council of the City, acting as the legislative body of the District, or its designee.

“City Manager” means the City Manager of the City.

“County” means the County of San Diego.

“Director of Finance” means the Director of Finance of the City.

“District” means the Bayfront Project Special Tax Financing District established by the City pursuant to Chapter 3.61.

“Exempt Property” means all Assessor’s Parcels within the District which are exempt from the Special Tax pursuant to law or Section F herein.

“Fiscal Year” means the period commencing on July 1 of any year and ending the following June 30.

“Hotel” shall have the meaning given such term in Chapter 3.61.

“Hotel Property” means an Assessor’s Parcel of Taxable Property which consists of any Hotel or Hotels.

“Landowner” shall have the meaning given such term in Chapter 3.61.

“Maximum Annual Special Tax Rate” shall, for any Fiscal Year, not exceed five percent (5%) of all Rent charged during such Fiscal Year for the privilege of Occupancy by Transients of the Campsite(s) or Hotel(s), as applicable, located on each Assessor’s Parcel of Campsite Property or Hotel Property.

“Occupancy” shall have the meaning given such term in Chapter 3.61.

“Operator” shall have the meaning given such term in Chapter 3.61.

“Port District” means the San Diego Unified Port District.

“Public Property” means any property within the boundaries of the District that is owned or held in trust by or irrevocably dedicated to the City, the federal government, the State of California, the County, the Port District, or any other public agency.

“Rent” shall have the meaning given such term in Chapter 3.61.

“Resolution of Formation” means the resolution adopted by the City Council pursuant to Chapter 3.61 establishing the District.

“Special Tax” means the special tax authorized by the District to be levied by the City Council pursuant to Chapter 3.61.

“Taxable Property” means all Assessor’s Parcels that are not exempt from the Special Tax pursuant to law or this Rate and Method of Apportionment of Special Tax.

“Transient” shall have the meaning given such term in Chapter 3.61.

B. CLASSIFICATION OF ASSESSOR’S PARCELS

Each Fiscal Year, beginning with Fiscal Year 2020-2021, each Assessor’s Parcel shall be classified as Taxable Property or Exempt Property. In addition, each Assessor’s Parcel of Taxable Property shall be further classified as Campsite Property or Hotel Property. Commencing with Fiscal Year 2020-2021, all Campsite Property and Hotel Property shall be subject to the levy of the Special Tax pursuant to Section C below.

Resolution No. 2019-220

Page No. 14

C. SPECIAL TAX

For each Fiscal Year commencing Fiscal Year 2020-2021, the City Council shall, by resolution adopted on or before May 31st preceding such Fiscal Year, levy the Special Tax on each Assessor's Parcel classified as Campsite Property or Hotel Property at a rate not to exceed the Maximum Annual Special Tax Rate. For each succeeding Fiscal Year, the Special Tax shall be levied at the same rate as the rate levied in the preceding Fiscal Year unless the City Council shall, by resolution adopted by May 31st of the preceding Fiscal Year, levy the Special Tax at a different rate than the rate levied in the preceding Fiscal Year not to exceed the Maximum Annual Special Tax Rate.

The Special Tax associated with Rent that is charged for Occupancy by Transients shall be considered levied at the same time the Transient ceases such Occupancy. If a Public Property is classified as Campsite Property or Hotel Property due to the grant of a lease or other possessory interest in such Assessor's Parcel of Public Property to the Operator of a Campsite or Hotel thereon, the Special Tax shall only be levied during such time that such grant of lease or possessory interest is effective and shall cease upon the termination or expiration of such grant of lease or possessory interest.

D. MANNER OF COLLECTION

The Special Tax shall be due and remitted pursuant to the provisions of Section 3.61.120 of Chapter 3.61.

E. PREPAYMENT OF THE SPECIAL TAXES

The Special Tax may not be prepaid.

F. EXEMPTIONS

Assessor's Parcels not classified as Campsite Property or Hotel Property shall be exempt from the levy of the Special Tax.

G. FAILURE TO SUBMIT SPECIAL TAX

If the Operator of any Campsite or Hotel located on an Assessor's Parcel of Campsite Property or Hotel Property, or the Landowner of an Assessor's Parcel of Campsite Property or Hotel Property that is not Public Property, fails or refuses to pay the Special Tax levied on such Assessor's Parcel when due, the Director of Finance shall proceed in such manner as deemed best to obtain facts and information on which to base his/her estimate of such Special Tax. As soon as the Director of Finance has acquired such facts and information upon which to base such Special Tax for such Campsite Property or Hotel Property, the Director of Finance shall proceed to determine the amount of such Special Tax due plus any penalties thereon, as described below ("Determination of Special Tax Due"). In the case that such determination is made, the Director of Finance shall give a Determination of Special Tax Due by serving it personally or by depositing it in the United States mail, postage prepaid, addressed to such Operator or such Landowner, as applicable, at its last known address. Such Operator or such Landowner, as applicable, may file an appeal as provided in Section J herein.

The Special Tax on any Campsite Property or Hotel Property which is not paid within the time required shall be subject to the same penalties applicable to the transient occupancy tax in subsections A and B of Section 3.40.080 of the Chula Vista Municipal Code. For any Special Taxes and penalties that remain outstanding as of July 1 of each Fiscal Year, the City Council may direct the Director of Finance to cause the submission of any of the delinquent Special Taxes and penalties to the County for inclusion on the property tax bill for such Assessor's Parcel(s) in accordance with Section 3.61.130 of Chapter 3.61;

provided, however, that any delinquent Special Taxes and penalties with respect to any Assessor's Parcel of Public Property that is classified as Campsite Property or Hotel Property due to the grant of a lease or other possessory interest in such Assessor's Parcel of Public Property to the Operator of a Campsite or Hotel thereon shall only be levied on and constitute a lien against the Operator's leasehold or possessory interest in such Assessor's Parcel of Public Property, all as contemplated by Section 53340.1 of the Act, as modified by Chapter 3.61, and shall not be an obligation for which the Landowner of such Assessor's Parcel of Public Property is billed or responsible.

H. MAINTENANCE OF RECORDS; SPECIAL TAX AUDIT

It shall be the duty of the Operator of any Campsite or Hotel located on any Assessor's Parcel classified as Campsite Property or Hotel Property that is subject to the Special Tax to keep and preserve, for a period of three years, all records as may be deemed necessary by the Director of Finance (and that will, at a minimum, include a record of all Rents collected) to determine the Special Taxes levied upon such Campsite Property or Hotel Property by the City Council. The Director of Finance shall have the right to inspect such records at all reasonable times.

I. APPEAL

Any Operator of a Campsite or Hotel located on any Campsite Property or Hotel Property or any Landowner of any Campsite Property or Hotel Property claiming that the amount or application of the Special Tax reflected in any Determination of Special Tax Due on such Campsite Property or Hotel Property is not correct, may appeal such Determination of Special Tax Due by filing a notice of appeal with the City Clerk within fifteen (15) calendar days of the serving or mailing of such Determination of Special Tax Due. If such appeal is made by an Operator that is not also the Landowner of such property, then the Operator shall also provide a copy of such notice of appeal to the Landowner at the same time the Operator files the notice of appeal with the City Clerk. Upon receipt of any such notice, the City Clerk shall forward a copy of such notice to the City Manager who shall establish as part of the proceedings and administration of the District a special three-member Appeal Committee. The Appeal Committee may establish such procedures as it deems necessary to undertake the review of any such appeal. The Appeal Committee shall interpret this Rate and Method of Apportionment and make determinations relative to the annual administration of the Special Tax and any appeals by Landowners, or Operators, as herein specified. The decision of the Appeal Committee shall be final, conclusive, binding as to all persons and shall be served upon the Operator or Landowner in writing at the last known address of such Operator or Landowner. Any amount found due shall be immediately due and payable upon service of the Appeal Committee findings. If the Appeal Committee decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the Operator or Landowner, a cash refund shall not be made, but a credit shall be given against the future Special Taxes on that Assessor's Parcel.

J. TERM OF THE SPECIAL TAXES

The Special Tax shall be levied as long as necessary to pay for authorized expenditures as specified in Section 3.61.080 of Chapter 3.61 for a period not to exceed the longer of: (a) forty years from the first day of the month immediately following the effective date of the ordinance enacted by the City Council providing for the levy of the Special Tax; or (b) the date on which all indebtedness of the Chula Vista Bayfront Facilities Financing Authority, with respect to which District Special Tax revenues have been pledged, has been paid in full.

RESOLUTION NO. 2019-221

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CHULA VISTA, ACTING AS THE LEGISLATIVE BODY OF
THE BAYFRONT PROJECT SPECIAL TAX FINANCING
DISTRICT, DEEMING IT NECESSARY TO INCUR A BONDED
INDEBTEDNESS OF SUCH DISTRICT

WHEREAS, the City Council (the “City Council”) of the City of Chula Vista (the “City”), previously adopted its Resolution No. 2019-168 on September 10, 2019 (the “Resolution of Intention”) and proposed to establish the Bayfront Project Special Tax Financing District (the “District”) under and pursuant to the terms and provisions Chapter 3.61 of the Chula Vista Municipal Code (“Chapter 3.61”) and to levy a special tax therein to finance the purchase, construction, expansion, improvement, rehabilitation, replacement and upgrade, including ongoing capital repairs of certain public and private improvements located only (a) within the Chula Vista Bayfront Master Plan (the “CVBMP”); or (b) outside the CVBMP territory but required by mitigation measures specified within the Project EIR (as such term is defined in the Joint Community Facilities Agreement (Chula Vista Bayfront Project Special Tax Financing District) and for which the San Diego Unified Port District or the City are responsible, as described in Exhibit “A,” attached hereto and incorporated herein by this reference (the “Improvements”); and

WHEREAS, the Resolution of Intention fixed the time and place for a public hearing to be held where the City Council will consider the establishment of the District, the rate and method of apportionment of the Special Tax (as defined in the Resolution of Intention) proposed to be levied within the District, the extent of the District, the financing of certain types of public and private improvements, maintenance and services and all other related matters (the “Establishment Public Hearing”); and

WHEREAS, the City Council also adopted its Resolution No. 2019-169 (the “Original Resolution Declaring Necessity to Incur Bonded Indebtedness”) on September 10, 2019, declaring that the public convenience and necessity requires that a bonded indebtedness be incurred by the District in an amount not to exceed \$125,000,000 to contribute to the financing of the Improvements; and

WHEREAS, the Resolution Declaring Necessity to Incur Bonded Indebtedness fixed the time and place for a public hearing to be held on the intention of the City Council to incur a bonded indebtedness of the District to contribute to the financing of the Improvements, such indebtedness to be secured by all or a portion of the levy of special taxes within the District (the “Indebtedness Public Hearing” and, together with the Establishment Public Hearing, the “Public Hearings”); and

WHEREAS, pursuant to the Resolution of Intention and the Original Resolution Declaring Necessity to Incur Bonded Indebtedness, the Public Hearings were set by the City Council for Tuesday, October 15, 2019, at the hour of 5:00 p.m., or as soon thereafter as the City Council might reach the matters, in the Council Chambers, City Hall, 276 Fourth Avenue, Chula Vista, California; and

Resolution No. 2019-221

Page No. 2

WHEREAS, there are on file with the City Clerk, separate proofs of publication of the Notice of Public Hearing regarding the establishment of the District and the necessity to incur bonded indebtedness of the District (the “Notice of Public Hearing”) in the Star News and a Certificate of Mailing of Notice of Public Hearings (the “Certificate of Mailing”) showing mailed notice of the Public Hearings to each property owner within the District; and

WHEREAS, at the time and place specified for the Public Hearings, the City Council consolidated and opened the Public Hearings and approved a motion to continue the Public Hearings to November 5, 2019, at the hour of 5:00 p.m., or as soon thereafter as the City Council might reach the matters, in the Council Chambers, City Hall, 276 Fourth Avenue, Chula Vista, California; and

WHEREAS, on November 5, 2019 at the time and place specified for the continued Public Hearings, the City Council reopened the consolidated Public Hearings and approved a motion to continue the Public Hearings to November 19, 2019, at the hour of 5:00 p.m., or as soon thereafter as the City Council might reach the matters, in the City Council Chambers, City Hall, 276 Fourth Avenue, Chula Vista, California; and

WHEREAS, subsequent to the adoption of the Original Resolution Declaring Necessity to Incur Bonded Indebtedness, there was additional analysis of the reasonably foreseeable revenues to be generated by the District and on November 12, 2019, the City Council adopted Resolution No. 2019-208 (the “Amended Resolution Declaring Necessity to Incur Bonded Indebtedness” and, together with the Original Resolution Declaring Necessity to Incur Bonded Indebtedness, the “Resolution Declaring Necessity to Incur Bonded Indebtedness”) to increase the amount of authorized bonded indebtedness of the District to \$175,000,000 and notice of such proposed increase was published in the Star News on November 8, 2019 (the “Amended Notice of Public Hearing”); and

WHEREAS, at the time and place specified for the continued Public Hearings, the City Council reopened and conducted the Public Hearings, all persons interested, including, but not limited to, all taxpayers and property owners within the District were given an opportunity to appear and be heard, and to present any matters relating to the necessity for incurring bonded indebtedness of the District to contribute to the financing of the Improvements; and the testimony of all interested persons and all taxpayers and property owners for or against the authorization to issue bonds of the District or any other matters in the Resolution Declaring Necessity to Incur Bonded Indebtedness was heard and considered by the City Council; and

WHEREAS, the City Council has adopted on this date Resolution No. 2019-220 establishing the District (the “Resolution of Formation”) which sets forth the Special Tax to be authorized to be levied within the District and the Improvements and Services that may be financed with the proceeds of such Special Tax; and

WHEREAS, at this time the City Council, acting as the legislative body of the District, desires to proceed to make the determination of necessity to incur a bonded indebtedness for the District, to declare the purposes for such debt, and to authorize the submittal of a proposition to the qualified electors of the District, being the landowners of the District, all as authorized and required by Chapter 3.61.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHULA VISTA, ACTING AS THE LEGISLATIVE BODY OF THE BAYFRONT PROJECT SPECIAL TAX FINANCING DISTRICT, AS FOLLOWS:

SECTION 1. Recitals. The above recitals are all true and correct.

SECTION 2. Authority. This Resolution is adopted pursuant to the provisions of Chapter 3.61.

SECTION 3. Findings and Declarations. The City Council hereby specifically finds and declares that the actions authorized hereby constitute and are with respect to municipal affairs of the City and that the statements, findings, and determinations of the City Council set forth above are true and correct.

SECTION 4. Notice of the Indebtedness Public Hearing. The City Council accepts the proof of the Notice of Public Hearing, the Amended Notice of Public Hearing and the Certificate of Mailing and finds, based thereon, that the proper notice of the Indebtedness Public Hearing has been given in accordance with Chapter 3.61 and that the Indebtedness Public Hearing was conducted with proper and legal notice in all respects.

SECTION 5. Necessity for Bonded Indebtedness. The City Council hereby expressly deems that the public convenience and necessity require that a bonded indebtedness of the District be incurred as authorized under the terms and provisions of Chapter 3.61 to contribute to the financing of the Improvements.

SECTION 6. Purpose for Bonded Indebtedness. The specific purpose for the proposed bonded indebtedness is to contribute to the cost of financing of the Improvements.

The cost of financing the Improvements may include, but not be limited to, all costs and estimated costs incidental to, or connected with, the accomplishment of the purpose for which the bonded indebtedness is proposed to be incurred, including but not limited to, the estimated costs of the purchase, construction, expansion, improvement, rehabilitation, including ongoing capital repairs, and inspection of the Improvements; satisfaction of contractual obligations relating to expenses or the advancement of funds for expenses existing at the time the bonds are issued pursuant to Chapter 3.61; architectural, engineering, inspection, legal, fiscal, and financial consultant fees; bond and other reserve funds; discount fees; interest on any bonds as authorized pursuant to Chapter 3.61; election costs; all costs associated with the establishment of the District; all costs associated with the issuance of the bonds, including, but not limited to, fees of bond counsel, costs of obtaining credit ratings, bond insurance premiums, fees for letters of credit, and other credit enhancement costs, and printing costs; costs of the administration of bonds to be issued for the District, including the payment of any rebate obligation due and owing to the federal government, the determination of the amount of any Special Taxes to be levied; the cost of collecting any Special Taxes; Incidental Expenses (as such term is defined in Government Code Section 53317(e)) and costs otherwise incurred in order to carry out the authorized purposes of the District.

Resolution No. 2019-221

Page No. 4

SECTION 7. Territory to Pay for Bonded Indebtedness.

This City Council determines that the property subject to the levy of the Special Tax within the District will pay for the bonded indebtedness of the District. A general description of the District is as follows:

All that property as shown on a map as previously approved by this City Council, such map entitled "Map of Proposed Boundaries of the Bayfront Project Special Tax Financing District, City of Chula Vista, County of San Diego, State of California," a copy of which is on file in the Office of the City Clerk. The boundary map of the District has been filed pursuant to Sections 3111 and 3113 of the Streets and Highways Code of the State of California in the Office of the County Recorder of the County of San Diego, at Page 38-44 of Book 48 of the Book of Maps of Assessment and Community Facilities Districts for such County.

SECTION 8. Bond Authorization. The amount of the bonded indebtedness of the District may include all costs and estimated costs incidental to, or connected with, the accomplishment of the purpose for which the indebtedness is proposed to be incurred as authorized pursuant to Chapter 3.61, including all costs described in Section 6 above. The amount of the indebtedness proposed to be authorized shall not exceed \$175,000,000.

SECTION 9. Bond Term and Interest Rate. This City Council hereby further determines that the maximum term of bonds and/or any series shall not exceed forty (40) years, and such bonds may be issued in differing series, at differing times. The maximum rate of interest to be paid on such bonds may not exceed the greater of either twelve percent (12%) per annum or the maximum rate permitted by law at the time of sale of any of such bonds. The bonds, except where other funds are made available, shall be paid exclusively from the annual levy of the Special Tax within the District, and are not secured by any other taxing power or funds of the District or the City. The bonded indebtedness may be in the form of bonds, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private borrowing or individuals, or long-term contracts as permitted by Chapter 3.61.

SECTION 10. Accountability Measures. Pursuant to and in compliance with the provisions of Article 1.5 (commencing with Section 53410) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, this City Council hereby establishes the following accountability measures pertaining to any bonded indebtedness incurred by or on behalf of the District:

- A. Such bonded indebtedness shall be incurred for the applicable specific purposes set forth in the Section 6.
- B. The proceeds of any such bonded indebtedness shall be applied only to the applicable specific purposes identified in Section 6.
- C. The document or documents establishing the terms and conditions for the issuance of any such bonded indebtedness shall provide for the creation of an account into which the proceeds of such indebtedness shall be deposited.

- D. The City Manager or his or her designee, acting for and on behalf of the District, shall annually file a report with this City Council, as the legislative body of the District, as required by Government Code Section 53411.

SECTION 11. Election. The proposition related to the incurring of the bonded indebtedness for the District (the “Bond Indebtedness Proposition”) shall be submitted to the appropriate qualified voters of the District, together with ballot propositions to authorize the levy of Special Taxes within the District and to establish an appropriations limit for the District, at a special election to be held on February 18, 2020, and such election shall be a mail ballot special election to be conducted by the City Clerk (the “Election Official”). The mail ballots are required to be received in the office of the Election Official by the hour of 12:00 p.m. on February 18, 2020, at which time the election shall be closed.

If the Bond Indebtedness Proposition receives the approval of two-thirds or more of the votes cast within the District, with votes allocated pursuant to Chapter 3.61, the bonds of the District may be issued and sold for the purposes authorized.

[SIGNATURES ON THE FOLLOWING PAGE]

Resolution No. 2019-221

Page No. 6

Presented by

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Kelly G. Broughton, FASLA
 Director of Development Services

Approved as to form by

DocuSigned by:

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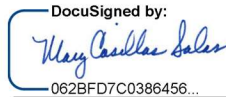
Glen R. Googins
 City Attorney

PASSED, APPROVED, and ADOPTED by the City Council of the City of Chula Vista, California, this 19th day of November 2019 by the following vote:

AYES: Councilmembers: Diaz, Galvez, McCann, Padilla, and Casillas Salas

NAYS: Councilmembers: None

ABSENT: Councilmembers: None

DocuSigned by:

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Mary Casillas Salas, Mayor

ATTEST:

DocuSigned by:

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Kerry K. Bigelow, MMC, City Clerk

STATE OF CALIFORNIA)
 COUNTY OF SAN DIEGO)
 CITY OF CHULA VISTA)

I, Kerry K. Bigelow, City Clerk of Chula Vista, California, do hereby certify that the foregoing Resolution No. 2019-221 was duly passed, approved, and adopted by the City Council at a regular meeting of the Chula Vista City Council held on the 19th day of November 2019.

Executed this 19th day of November 2019.

DocuSigned by:

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Kerry K. Bigelow, MMC, City Clerk

EXHIBIT A

DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

1. Convention Center Facility (as defined in Chula Vista Municipal Code Chapter 3.61);
2. Street improvements, including grading, paving, curbs, gutters, sidewalks, street signalization, signage, street lights, furnishings, and parkway and median landscaping related thereto;
3. Gateway signage;
4. Pedestrian and bicycle paths;
5. Storm drains and other water quality devices to ensure regional permit compliance;
6. Public utilities (including but not limited to water, reclaimed water, sewer, electric, gas, and telephone);
7. Public parks, open space and recreation facilities;
8. Fire protection and emergency response facilities;
9. Parking improvements;
10. Museums and cultural facilities;
11. Ecological and sustainability educational improvements;
12. Energy efficiency, water conservation, and renewable energy improvements;
13. Land, rights-of-way and easements necessary for any facilities to be financed by the District; and
14. Equipment, apparatus, facilities or fixtures with an expected useful life of 5 years or longer necessary for any of the foregoing or necessary to provide any of the services described in authorized by the resolution forming the District.

RESOLUTION NO. 2019-222

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA, ACTING AS THE LEGISLATIVE BODY OF THE BAYFRONT PROJECT SPECIAL TAX FINANCING DISTRICT, CALLING A SPECIAL MAIL BALLOT ELECTION AND SUBMITTING TO THE QUALIFIED ELECTORS OF SUCH DISTRICT SEPARATE PROPOSITIONS TO AUTHORIZE THE LEVY OF SPECIAL TAXES THEREIN, TO AUTHORIZE SUCH DISTRICT TO INCUR A BONDED INDEBTEDNESS SECURED BY THE LEVY OF SPECIAL TAXES THEREIN AND TO ESTABLISH AN APPROPRIATIONS LIMIT FOR SUCH DISTRICT

WHEREAS, the City Council (“City Council”) of the City of Chula Vista (the “City”), on September 10, 2019, adopted its Resolution No. 2019-168 (the “Resolution of Intention”) and its Resolution No. 2019-169, as amended by Resolution No. 2019-208 adopted on November 12, 2019 (“Resolution Declaring Necessity to Incur Bonded Indebtedness”) thereby initiating proceedings to establish the Bayfront Project Special Tax Financing District (the “District”) pursuant to Chapter 3.61 of the Chula Vista Municipal Code (“Chapter 3.61”); and

WHEREAS, both the Resolution of Intention and the Resolution Declaring Necessity to Incur Bonded Indebtedness set public hearings to be held concurrently on October 15, 2019 (collectively, the “Public Hearings”); and

WHEREAS, at the time and place specified for the Public Hearings, the City Council consolidated and opened the Public Hearings and approved a motion to continue the Public Hearings to November 5, 2019, at the hour of 5:00 p.m., or as soon thereafter as the City Council might reach the matters, in the Council Chambers, City Hall, 276 Fourth Avenue, Chula Vista, California; and

WHEREAS, on November 5, 2019 at the time and place specified for the continued Public Hearings, the City Council reopened the consolidated Public Hearings and approved a motion to continue the Public Hearings to November 19, 2019, at the hour of 5:00 p.m., or as soon thereafter as the City Council might reach the matters, in the City Council Chambers, City Hall, 276 Fourth Avenue, Chula Vista, California; and

WHEREAS, at the close of the continued Public Hearings, the City Council determined that there was no majority protest under the provisions of Chapter 3.61; and

WHEREAS, at the conclusion of the continued Public Hearings, the City Council, acting pursuant to Chapter 3.61, adopted Resolution No. 2019-220 establishing the District (the “Resolution of Formation”) and Resolution No. 2019-221 deeming it necessary that a bonded indebtedness be incurred by the District (the “Resolution Deeming It Necessary to Incur Bonded Indebtedness”); and

Resolution No. 2019-222

Page No. 2

WHEREAS, pursuant to Chapter 3.61 it is necessary that the City Council submit to the qualified electors of the District three separate propositions (collectively, the “Propositions” and individually, a “Proposition”) to: (i) authorize the levy of special taxes within the District as specified in the Resolution of Formation, (ii) authorize the District to incur a bonded indebtedness of such District as provided by the Resolution Deeming It Necessary to Incur Bonded Indebtedness and (iii) establish an appropriations limit for the District; and

WHEREAS, Chapter 3.61 provides that the election called for the purpose of submitting the Propositions to the qualified electors of the District must be held at least 90 days, but not more than 180 days following the adoption of the Resolution of Formation; and

WHEREAS, the City Council, acting as the legislative body of the District, desires to call a special mail ballot election (the “Election”) to be held on February 18, 2020 (the “Election Date”) for the purpose of submitting the Propositions to the qualified electors; and

WHEREAS, Chapter 3.61 provides that if the Election is to be held less than 125 days following the adoption of the Resolution of Formation, the concurrence of the official conducting the election shall be required; and

WHEREAS, the City Clerk, as the official designated pursuant to Chapter 3.61 as the official to conduct the Election (the “Election Official”), has concurred with the shortening of time for conducting the Election to the Election Date.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHULA VISTA, ACTING AS THE LEGISLATIVE BODY OF THE BAYFRONT PROJECT SPECIAL TAX FINANCING DISTRICT, AS FOLLOWS:

SECTION 1. Recitals. The above recitals are all true and correct.

SECTION 2. Findings and Declaration. The City Council hereby specifically finds and declares that the vote in the Election called by this Resolution shall be by the Landowners (as such term is defined in Chapter 3.61) as the qualified electors of the District pursuant to Chapter 3.61 and the applicable provisions of the Elections Code of the State of California (the “Elections Code”). Each Landowner, or the authorized representative thereof, shall have one (1) vote for each acre or portion of an acre of land owned within the District.

SECTION 3. Call of Election. The City Council hereby calls and schedules the Election for the Election Date on the Propositions.

SECTION 4. Propositions. If the Proposition for the levy of the special tax and the Proposition for incurring the bonded indebtedness receives the approval of two-thirds (2/3) or more of the votes cast on each respective Proposition, bonds may be authorized, issued and sold for the applicable purposes set forth in the Resolution Deeming It Necessary to Incur Bonded Indebtedness and the applicable special tax may be levied as provided in the Resolution of Formation. If the Proposition to establish the appropriations limit for the District receives the approval of a majority of the votes cast on such Proposition, such appropriations limit shall be established.

SECTION 5. The Propositions. The Propositions to be submitted to the qualified electors at the election shall generally be as follows:

PROPOSITION A

Shall the measure to authorize the Bayfront Project Special Tax Financing District (the “District”) to levy special taxes at rates not to exceed 5% of Rent charged on Hotel Property and Campsite Property (as such terms are defined in Resolution No. 2019-220 accompanying this ballot) within the District, until the end of the term set forth in such resolution, raising an estimated \$30,000,000 annually to finance Improvements and Services described in such resolution, be approved?

Yes _____

No _____

PROPOSITION B

Shall the measure to authorize the Bayfront Project Special Tax Financing District (the “District”) to incur a bonded indebtedness of the District in an amount not to exceed \$175,000,000, to be secured by special taxes subject to the approval of Proposition A above, be approved?

Yes _____

No _____

PROPOSITION C

Shall the measure to establish an Article XIII B appropriations limit equal to \$125,000,000 for the Bayfront Project Special Tax Financing District be approved?

Yes _____

No _____

SECTION 6. Vote. The appropriate mark placed on the line following the word “YES” shall be counted in favor of the adoption of the proposition, and the appropriate mark placed on the line following the word “NO” in the manner as authorized, shall be counted against the adoption of such proposition.

Resolution No. 2019-222

Page No. 4

SECTION 7. Election Procedure. The Election Official is hereby authorized to take any and all steps necessary for the holding the Election. The Election Official shall perform and render, or cause to be performed and rendered, all services and proceedings incidental to and connected with the conduct of the Election, which services shall include, but not be limited to, the following activities as are appropriate to the Election:

- A. Prepare and furnish to the election officers necessary election supplies for the conduct of the Election.
- B. Print the requisite number of official ballots, tally sheets and other necessary forms.
- C. Furnish and address official ballots for the qualified electors.
- D. Deliver the official ballots to the qualified electors or their authorized representatives, as required by law.
- E. Receive the returns of the Election materials and supplies.
- F. Sort and assemble the Election materials and supplies in preparation for the canvassing of the returns.
- G. Canvass the returns of the Election.
- H. Furnish a tabulation of the number of votes given in the Election.
- I. Conduct and handle all other matters relating to the proceedings and conduct of the election in the manner and form as required by law.

SECTION 8. Arguments and Impartial Analysis.

- A. The City Council authorizes (i) any member(s) of the City Council and (ii) any Landowner eligible to vote on the Propositions, and/or an organization or association meeting the requirements of Elections Code Section 9287(b), to file written arguments in favor of or against the Propositions set forth in Section 5 of this Resolution, and may change the argument until and including December 3, 2019, after which no arguments for or against the Propositions may be submitted to the Election Official. Arguments in favor of or against the Propositions shall each not exceed 300 words in length. Each argument shall be filed with the Election Official, signed, and include the printed name(s) and signature(s) of the author(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument. The author(s) of an argument may allow additional persons to sign the argument at the discretion of the author(s). The additional signers are not required to meet the qualifications specified in Elections Code Section 9282.

- B. The Election Official shall comply with all provisions of law establishing priority of arguments for printing and distribution to the voters, and shall take all necessary actions to cause the selected arguments to be printed and distributed to the voters.
- C. Pursuant to Section 9280 of the Elections Code, the City Council directs the Election Official to transmit a copy of the Propositions to the City Attorney. The City Attorney shall prepare an impartial analysis of the Propositions, not to exceed 500 words in length, showing the effect of the Propositions on the existing law and the operation of the Propositions. The City Attorney shall transmit such impartial analysis to the Election Official, who shall cause the analysis to be published in the voter information guide along with the Propositions as provided by law. The impartial analysis shall be filed by the deadline set for filing of arguments as set forth in subsection (A) above. The impartial analysis shall include a statement indicating whether the Propositions were placed on the ballot by a petition signed by the requisite number of voters or by the City Council.
- D. The provisions of this Section 8 herein shall apply only to the Election and shall then be repealed.

SECTION 9. Rebuttals.

- A. Pursuant to Section 9285 of the Elections Code, when the Election Official has selected the arguments for and against the Propositions which will be printed and distributed to the voters, the Election Official shall send copies of the argument in favor of the measures to the authors of the argument against, and copies of the argument against to the authors of the argument in favor. The authors or persons designated by them may prepare and submit rebuttal arguments not exceeding 250 words. The rebuttal arguments shall be filed with the Election Official not later than December 13, 2019. Rebuttal arguments shall be printed in the same manner as the direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.
- B. The provisions of this Section 9 herein shall apply only to the Election and shall then be repealed.

SECTION 10. Public Examination. Pursuant to Elections Code Section 9295, the Propositions, the impartial analysis, the arguments for and against and the rebuttal arguments, if any, will be available for public examination for no fewer than ten (10) calendar days immediately following the filing deadline for those materials. The Election Official shall post notice in the Election Official's office of the specific dates that the examination period will run.

SECTION 11. Additional Election Provisions. The Election shall be subject to the following addition provisions:

A. For each of the propositions set forth in Section 5, each Landowner who is the owner of record as of the close of the Public Hearings or any subsequent owner if the City Clerk is informed, by reliable evidence, of a change in ownership after that time and at least 24 hours before the deadline to submit ballots, or the authorized representative thereof, shall have one vote for each acre or portion of an acre of land that such Landowner owns within the District.

Resolution No. 2019-222

Page No. 6

B. The Election shall be conducted by mailed ballot, there shall be no polling places for the Election, and 12:00 p.m. on the Election Date is set as the deadline for ballots to be received by the Election Official.

C. The Election Official is authorized and directed to publish the notice of the Election, as soon as possible following the adoption of this Resolution, in the Star News.

D. All ballots shall be mailed by the Election Official to the Landowners no sooner than January 20, 2020 and all voted ballots are required to be received by the Election Official not later than 12:00 p.m. on the Election Date in order to be counted.

E. The Election shall be held and conducted, and the votes canvassed and the returns made, and the results determined, as provided herein, and in all particulars not prescribed in this Resolution, the Election shall be held and conducted and the votes received and canvassed in the manner provided by law for holding special elections consistent with Chapter 3.61.

F. The Election Official shall commence the canvass of the returns of the Election as soon as possible following the deadline for ballots to be received and shall report the returns to the City Council at its next regularly scheduled meeting following the conclusion of the canvass.

G. Upon receipt of the report of the returns, the City Council may, by resolution, declare the results of the Election.

[SIGNATURES ON THE FOLLOWING PAGE]

Presented by

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Kelly G. Broughton, FASLA
Director of Development Services

Approved as to form by

DocuSigned by:

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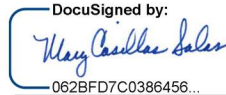
Glen R. Googins
City Attorney

PASSED, APPROVED, and ADOPTED by the City Council of the City of Chula Vista, California, this 19th day of November 2019 by the following vote:

AYES: Councilmembers: Diaz, Galvez, McCann, Padilla, and Casillas Salas

NAYS: Councilmembers: None

ABSENT: Councilmembers: None

DocuSigned by:

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Mary Casillas Salas, Mayor

ATTEST:

DocuSigned by:

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Kerry K. Bigelow, MMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO)
CITY OF CHULA VISTA)

I, Kerry K. Bigelow, City Clerk of Chula Vista, California, do hereby certify that the foregoing Resolution No. 2019-222 was duly passed, approved, and adopted by the City Council at a regular meeting of the Chula Vista City Council held on the 19th day of November 2019.

Executed this 19th day of November 2019.

DocuSigned by:

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Kerry K. Bigelow, MMC, City Clerk