

RESOLUTION NO. 2023-189

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CHULA VISTA APPROVING AN AGREEMENT FOR
DEFERRAL OF DEVELOPMENT IMPACT AND SEWER
CAPACITY FEES FOR SPRINGHILL SUITES HOTEL
BETWEEN THE CITY AND EASTLAKE HOSPITALITY
VENTURES LLC

WHEREAS, Eastlake Hospitality Ventures LLC is developing a 179-room Springhill Suites Hotel at 870 District Place (the “Project”) at 870 District Place; and

WHEREAS, the Project will be of public benefit by providing new, amenitized visitor accommodations, creating jobs, and generating significant recurring annual Transient Occupancy Tax revenues to the City; and

WHEREAS, Chula Vista Municipal Code Sections 3.50.160 and 3.54.160 provide for fee deferral incentives regarding Eastern Transportation Development Impact Fees and Public Facilities Development Impact Fees for hotel and motel projects; and

WHEREAS, the City of Chula Vista is separately authorized to defer Sewer Capacity Fees pursuant to its general Charter City authority and its general police powers authority to act in the public interest. Further, CVMC 3.45 requires the City to adopt a Master Fee Schedule, which Schedule gives the City Council authority to waive or defer fees, and to impose terms and conditions as may be deemed appropriate for such actions; and

WHEREAS, the proposed Agreement for Deferral of Development Impact and Sewer Capacity Fees (the “Agreement”) provides fee deferral incentives to the Project by allowing for deferral of \$2,243,343.10 in Eastern Transportation Development Impact Fees, Public Facilities Development Impact Fees, and Sewer Capacity Fees for no more than four (4) years. Deferral of the fees will facilitate development of the Project and enable its attendant employment, visitor, and public benefits; and

WHEREAS, the terms of the Agreement include interest accrual at a fair market rate of three and one half percent (3.5%) per annum, with the principal and all interest accrued thereon, due and payable forty-eight (48) months from the issuance of the Certificate of Occupancy for the Project, with the obligation to repay evidenced by a promissory note is secured by a first priority pledge of a bank account or brokerage account, whose minimum balance shall be maintained at a level no less than the principal amount of deferred fees described above, or, alternatively, by a deed of trust to be recorded against the property; and

WHEREAS, City staff recommends approval of the Agreement for Deferral of Development Impact and Sewer Capacity Fees for the Springhill Suites Hotel Project; and

Resolution No 2023-189

Page No. 2

WHEREAS, the City Clerk set the time and place for the City Council to consider the Agreement for Deferral of Development Impact and Sewer Capacity Fees for the Springhill Suites Hotel Project, and notice of the consideration of the matter, together with its purpose, was properly provided consistent with State law and City Codes; and

WHEREAS, the Chula Vista City Council has reviewed and considered all materials for the Agreement for Deferral of Development Impact and Sewer Capacity Fees for the Springhill Suites Hotel Project; and


WHEREAS, the matter was considered at the time and place as advertised in the Council Chambers, 276 Fourth Avenue, before the Chula Vista City Council.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista, that it approves the Agreement for Deferral of Development Impact and Sewer Capacity Fees, between the City and Eastlake Hospitality Ventures LLC, in the form presented, with such minor modifications as may be required or approved by the City Attorney, a copy of which shall be kept on file in the Office of the City Clerk, and authorizes and directs the Mayor to execute same.

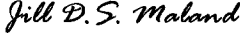
[SIGNATURES ON THE FOLLOWING PAGE]

Presented by

Approved as to form by

DocuSigned by:

 68970191600C4C4...

 Laura C. Black, AICP
 Director of Development Services

DocuSigned by:

 EFB949DC9B5747E...

 Jill D.S. Maland
 Lounsbury Ferguson Altona & Peak
 Acting City Attorney

PASSED, APPROVED, and ADOPTED by the City Council of the City of Chula Vista, California, this 5th day of December 2023 by the following vote:

AYES: Councilmembers: Cardenas, Chavez, Gonzalez, Preciado, and McCann
 NAYS: Councilmembers: None
 ABSENT: Councilmembers: None

DocuSigned by:

 7804EC23B90B473...

 John McCann, Mayor

ATTEST:

DocuSigned by:

 3074D104EAF342E...

 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. 2023-189 was duly passed, approved, and adopted by the City Council at a regular meeting of the Chula Vista City Council held on the 5th day of December 2023.

Executed this 5th day of December 2023.

DocuSigned by:

 3074D104EAF342E...

 Kerry K. Bigelow, MMC, City Clerk