

RESOLUTION NO. 2017-194

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING IN CONCEPT AN INCENTIVE PACKAGE TO ENTICE AMAZON TO LOCATE ITS PROPOSED NEW CORPORATE HEADQUARTERS IN CHULA VISTA AND AUTHORIZING AND DIRECTING STAFF TO NEGOTIATE AND BRING BACK FOR COUNCIL ACTION FINAL AGREEMENTS IMPLEMENTING SAME

WHEREAS, on September 2, 2017, Amazon released a Request for Proposal (RFP) seeking locations that could accommodate up to eight million square feet of new office space for a second headquarters; and

WHEREAS, the RFP requested a description of the incentives a jurisdiction would be willing to offer Amazon to locate their headquarters within the jurisdiction; and

WHEREAS, the City of Chula Vista has the best location in the San Diego metropolitan statistical area (MSA) for siting Amazon's second headquarters, in that, the proposed project sites meet Amazon's Site Requirements (including proximity to a population center, major highways and arterial roads, international airports, and mass transit) and Building Requirements (including square footage needs for Phase I and beyond 2027), as well as a variety of housing, numerous recreational opportunities, a diverse and talented work force, and connectivity between buildings and facilities; and

WHEREAS, the RFP requested that each MSA submit one proposal to Amazon and the San Diego Regional Economic Development Corporation (SDREDC) is the representative for the San Diego MSA; and

WHEREAS, the City is participating with SDREDC and South County Economic Development Council on the vetting of proposed locations being submitted throughout the region for the proposal to Amazon; and

WHEREAS, City staff identified the Chesnut Millenia Office Park and the Innovation District property as ideal sites for Amazon's second headquarters; and

WHEREAS, City staff has prepared a conceptual incentive package relative to the two sites to be included in SDREDC's regional submittal, and the conceptual incentive package proposal contemplates:

- Various incentives to Amazon to realize the positive economic impact their headquarters would bring to the City; and
- A commitment to processing Design Review applications within 90 days of receiving a complete application; and

- Economic Incentive Credits in lieu of collecting Transportation Development Impact Fees (TDIF) pursuant to Section 3.54.090 of the Chula Vista Municipal Code, in an amount up to \$10 million dollars; and
- The opportunity for Amazon to build phases III and IV on the Innovation District property with no compensation for the real estate; and
- A partnership between Amazon and the City to attract and select institutions of higher education that will educate their current and future workforce; and
- An annual payment to Amazon equal to the property tax received by the City for space owned or occupied by Amazon for thirty years per phase of development.

WHEREAS, prior to committing to a formal incentive proposal, or entering into final agreements with Amazon, the City will conduct further legal analysis to ensure compliance with all applicable federal, state, and local laws, including confirming availability of the proposed incentives and any necessary terms and conditions, identifying any findings necessary to support the public assistance offered, and conducting the necessary CEQA analysis.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista, that it supports the conceptual incentive package proposal, in the form submitted, and authorizes it to be submitted to SDREDC for inclusion in the regional submittal to Amazon, on behalf of the San Diego MSA, to entice Amazon to locate its proposed new corporate headquarters in Chula Vista.

BE IT FURTHER RESOLVED that, should Amazon select the San Diego MSA proposal, including the City's conceptual incentive package proposal:

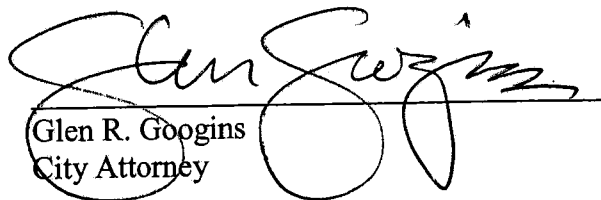
1. City staff is authorized and directed to negotiate with Amazon regarding the terms and conditions of a final proposal and all agreements necessary to implement the final proposal; and
2. Prior to entering into any such final agreements, the City will conduct further legal analysis to ensure compliance with all applicable federal, state, and local laws, including confirming availability of the proposed incentives and any necessary terms and conditions, identifying any findings necessary to support the public assistance offered, and conducting the necessary CEQA analysis.

Presented by



Eric C. Crockett
Director of Economic Development

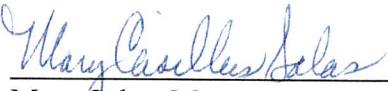
Approved as to form by



Glen R. Googins
City Attorney

PASSED, APPROVED, and ADOPTED by the City Council of the City of Chula Vista, California, this 17th day of October 2017 by the following vote:

AYES: Councilmembers: Aguilar, Diaz, McCann, Padilla, and Salas
NAYS: Councilmembers: None
ABSENT: Councilmembers: None



Mary Salas, Mayor

ATTEST:



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. 2017-194 was duly passed, approved, and adopted by the City Council at a regular meeting of the Chula Vista City Council held on the 17th day of October 2017.

Executed this 17th day of October 2017.



Kerry K. Bigelow, MMC, City Clerk

