

AGENDA

Regular Meeting

GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT

Community Meeting Center
11300 Stanford Avenue

May 10, 2005

Council Chamber

ROLL CALL: MEMBER DALTON, MEMBER KREBS, MEMBER LEYES,
VICE CHAIR ROSEN, CHAIR NGUYEN

Member Leyes absent at Roll Call but joined the meeting at 6:20 p.m.

Members of the public desiring to speak on any item of public interest, including any item on the agenda except public hearings, must do so during Oral Communications at the beginning of the meeting. Each speaker shall fill out a card stating name and address, to be presented to the City Clerk, and shall be limited to five (5) minutes. Members of the public wishing to address public hearing items shall do so at the time of the public hearing. Additionally, any person requiring auxiliary aids and services due to a disability should contact the City Clerk's office to arrange for special accommodations.

Closed Session

6:18 p.m.

1. PUBLIC INPUT: (Anyone wishing to address only Closed Session items may do so at this time.)

None. Member Rosen indicated that he will not participate in the Closed Session due to a conflict of interest.

2. CLOSED SESSION:

- 2.a. CONFERENCE WITH REAL PROPERTY NEGOTIATOR PURSUANT TO GOVERNMENT CODE SECTION 54956.8

Properties: Parcels commonly referred to as the "Promenade Center" and "Former Costco Site" at northwest corner of Brookhurst and

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Chapman and comprised of the following parcels listed by Assessor Parcel Number (APN), address, and current owner(s):
APNs 132-402-09, 12, 13, 16, 18, 34, 36, 37 and 38 (9500 block of Chapman Avenue) HGGA Promenade L.P., BB Promenade, LLC and 3535 Promenade, LLC
APN 132-402-32 (11822 Gilbert Street)
Gilbert Street Developers, LLC

Agency's Negotiator:
Matthew Fertal, City Manager/Agency Director

Negotiating Parties:
Garden Grove Agency for Community Development
Thomas Lynch, of HGGA Promenade L.P. and Hughes Investments
Thomas Falcon, Gilbert Street Developers, LLC

Under Negotiation: Price and terms related to the potential acquisition of certain rights and restrictions contained in recorded reciprocal easement agreements (together, "REA") affecting the Promenade Center and the Former Costco Site. The specific REAs at issue include: (i) Reciprocal Easement and Operation Agreement between Hughes/Lyon Garden Grove Associates ("HGGA") and Costco Wholesale Corporation recorded February 27, 1987 as Document No. 87-108247; (ii) Amended and Restated Reciprocal Easement Agreement between HGGA and the Chikasawas recorded February 27, 1987, as Document No. 87-108242; and (iii) supplements to the above-referenced REAs dated 1987 and 1990. The purpose of the closed session is to apprise and update the Agency Board as to the status of the acquisition negotiations to acquire rights in and extinguish certain provisions of the REA.

ACTION: Discussed. No action taken.

RECESS: 7:10 p.m.

Open Session

7:30 p.m.

3. ORAL COMMUNICATIONS - PUBLIC: (To be held simultaneously with City Council and Sanitary District Oral Communications.)

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- 3.a. Michael Tidus, representing Gilbert Street Developers, addressed the Agency concerning Agenda item 6.a. He spoke about the Reciprocal Easement Agreement (REA) and indicated they should be paid fair market value for the property. (F: A-53.3) (XR: A-55.303) (XR: A-55.110) (XR: A-55.106)
- 3.b. Nick Ni, representing Gilbert Street Developers, addressed the Agency concerning Agenda item 6.a.. He too noted that they want full market value for the property. (F: A-53.3) (XR: A-55.303) (XR: A-55.110) (XR: A-55.106)
- 3.c. Vickie Talley, representing Hughes Investments, addressed the Agency concerning Agenda item 6.a., referencing a communication dated May 10, 2005, wherein they note their offer of \$4.6 million for the 9.16-acre site and requested the Members vote against the proposed Resolution of Necessity. (F: A-53.3) (XR: A-55.303) (XR: A-55.110) (XR: A-55.106)
- 3.d. Thom Falcon, representing Gilbert Street Developers, addressed the Agency concerning Agenda item 6.a., noting that they had met with Hughes Investments unsuccessfully, and further noting that the REA would be valuable for parking spaces. (F: A-53.3) (XR: A-55.303) (XR: A-55.110) (XR: A-55.106)
- 3.e. Tom Lynch, representing Hughes Investments, addressed the Agency concerning Agenda item 6.a., noting that WalMart is interested in their site and has indicated theirs is the best site. (F: A-53.3) (XR: A-55.303) (XR: A-55.110) (XR: A-55.106)
- 3.f. Harry Pearce addressed the Agency, noting that he opposes the proposed condemnation, further noting that any gain in revenue would be taken down by a lawsuit that would most probably be filed. (F: A-53.3) (XR: A-55.303) (XR: A-55.110) (XR: A-55.106)

4. CONSENT ITEMS:

- 4.a. Minutes of the Adjourned Regular Meeting of the Agency held March 29, 2005. (F: Vault)

ACTION: Approved.
(5 Ayes.)

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5. PUBLIC HEARING:

- 5.a. Public Hearing to consider a Purchase and Sale Agreement with Paul and Lidia Placinta for the sale of an Agency-owned remnant parcel located at 11071 Paloma Avenue. (F: A-84.1)

ACTION: Hearing held. Agreement approved.
(5 Ayes.)

6. ITEMS FOR CONSIDERATION:

- 6.a. Consideration of Resolution of Necessity to acquire and extinguish by eminent domain portions of certain reciprocal easement rights affecting certain real properties owned by HGGA Promenade and other entities located at the 9500 block of Chapman Avenue, identified as Assessor's Parcel Numbers 132-402-09, 12, 13, 16, 18, 34, 36, 37 and 38; and certain real property owned by Gilbert Street Developers, located at 11822 Gilbert Street, identified as Assessor's Parcel No. 132-402-32, for redevelopment and other public purposes. (Continued from meeting of April 12, 2005) (F: A-55.303) (XR: A-55.110) (XR: A-55.106)

ACTION: Motion to adopt Resolution of Necessity failed to carry.
(3 Ayes. Krebs voted no. Rosen absent.)

7. MATTERS FROM AGENCY MEMBERS AND DIRECTOR:

None.

8. ADJOURNMENT: 8:51 p.m.

PLEASE NOTE THAT THERE WILL NOT BE AN AGENCY MEETING ON THE REGULAR MEETING DATE OF TUESDAY, MAY 24, 2005.