

MINUTES
GARDEN GROVE AGENCY
FOR
COMMUNITY DEVELOPMENT

A Regular meeting of the Garden Grove Agency for Community Development was called to order in the Council Chamber of the Community Meeting Center, 11300 Stanford Avenue, on Tuesday, January 10, 2006, at 6:16 p.m.

ROLL CALL: PRESENT: (4) CHAIR NGUYEN, MEMBERS DALTON, KREBS, ROSEN

ABSENT: (1) MEMBER LEYES (joined the meeting at 6:19 p.m.)

PUBLIC INPUT

There were no comments from the public relative to the Closed Session items.

ADJOURN TO CLOSED SESSION

At 6:17 p.m., under the Ralph M. Brown Act, the Chair announced that the meeting was being adjourned to Closed Session in the Founders Room to discuss the following:

CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8

Properties: The following parcels listed by Assessor Parcel Number (APN), address, if available, and current owner:

APN 231-491-21 (Sunbelt), 231-491-20 (Jen Fu Lin & Hong Y L Lin), 231-521-01 (Jerry Bowen), 231-521-02 (Jerry Bowen), 231-521-03 (Richard Kil & Yong Hui Kil), 231-521-04 (Richard Kil & Yong Hui Kil), 231-521-05 (Richard Kil & Yong Hui Kil)

Agency's Negotiators: Matthew Fertal, Agency Director; Chet Yoshizaki, Economic Development Director; Greg Blodgett, Economic

Development Project Manager; Celeste Stahl Brady, Agency Counsel; Jon E. Goetz, Agency Counsel

Negotiating Parties: Garden Grove Agency for Community Development and Ajesh Patel Prosperal Hotels

Under Negotiation: Potential disposition, real property sale, price(s) and terms of payment of the above-listed parcels of real property.

Factors Affecting Price and Terms under Negotiation:

- Acquisition of subject property
- Recorded covenants
- Scope of redevelopment of subject property and offsite improvements
- Physical condition of property at close of escrow
- Condition of title to property at close of escrow
- Indemnities of Buyer/Seller
- Representations and warranties of Seller
- Potential highest and best use of property and potential alternative land uses

Factors affecting time of payment:

- Conditions to closing of escrow:
- Due diligence period
- Environmental condition and remediation of property, if any

CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8 (F: A-55.319)

Properties: Parcels owned by the Agency located at the northeast corner of Chapman Avenue and Magnolia Boulevard, and comprised of the following parcels listed by Assessor Parcel Number (APN) and address:

- APN 132-442-25, 9002 Marylee Drive, Garden Grove

- APN 132-442-26, 9001 Chapman Avenue, Garden Grove
- APN 132-442-27, 9011 Chapman Avenue, Garden Grove
- APN 132-442-28, 9031 Chapman Avenue, Garden Grove
- APN 132-442-29, 9041 Chapman Avenue, Garden Grove

Agency's Negotiators: Matthew Fertal, Agency Director; Chet Yoshizaki, Economic Development Director; Alison Moore, Economic Development Project Manager; Greg Blodgett, Economic Development Project Manager; Celeste Stahl Brady, Agency Counsel; Jon E. Goetz, Agency Counsel

Negotiating Parties: Garden Grove Agency for Community Development and Thom Falcon, La Quinta Homes; Rebecca Weimer, Weimer & Associates; and Manuel Nunes, TriStone.

Under Negotiation: Potential disposition, real property sale, price(s) and terms of payment of the above-listed parcels of real property.

Factors Affecting Price and Terms under Negotiation:

- Physical condition of property at close of escrow
- Condition of title to property at close of escrow
- Indemnities of Buyer/Seller
- Representations and warranties of Seller
- Potential highest and best use of property and potential alternative land uses

Factors affecting time of payment:

- Conditions to closing of escrow:
- Due diligence period
- Environmental condition and remediation of property, if any

CONFERENCE WITH LEGAL COUNSEL FOR INITIATION OF LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(c) (F: A-55.321)

The Agency acquired, and now owns and operates, certain real property located at 12721 Harbor Boulevard, Garden Grove and commonly referred to as the Travel Country RV Park ("Property"). Agency Board will hold a closed session pursuant to Government Code Section 54956.9(c) to confer with legal counsel, the Agency Director, and staff and to provide direction and/or authority about (i) whether or not to initiate litigation, including filing unlawful detainer action(s) and/or related legal proceedings from commencement through completion of such action(s), against the occupants of Space No. 77-A, 67, and 34 at the Property, including Anna M Thomas, Nadine Gomez, Carlos Gomez, Rick Zapiain, and all others in possession at Space No. 77-A, and Amber Buchholz Jennings, John Jennings and all others in possession at Space No. 67, and Roberto Arellano, Jr., Robert Arellano, Sr., and all others in possession at Space No. 34 and (ii) continuing property management of the Property, including as and if necessary, to authorize initiation of litigation, including filing unlawful detainer action(s) and/or related legal proceedings from commencement through completion of such action(s), regarding Space No. 77-A, 67, 34, and any other person or persons in alleged unlawful possession at the Property based on facts and circumstances that support the need to initiate litigation.

RECESS

At 7:12 p.m., the Chair declared a recess.

RECONVENE

At 7:21 p.m., the meeting reconvened with Chair Nguyen and all Agency Members in attendance, and it was announced that none of the Agency Closed Sessions were discussed, and will be discussed at the conclusion of the City Council meeting.

RECESS

At 7:22 p.m., the Chair declared a recess.

RECONVENE

At 7:45 p.m., the meeting reconvened with Chair Nguyen and all Agency Members in attendance.

ORAL COMMUNICATIONS - PUBLIC

Tony Rector addressed the Agency requesting an update on the status of bringing an Indian Casino to Garden Grove. He also commented that questions he had posed at an earlier meeting have not been answered. He also spoke about other restaurants that should be contacted for a Restaurant Row in the city. (F: A-53.3) (XR: 60.12)

RECESS

At 8:28 p.m., the Chair declared a recess.

RECONVENE

At 8:45 p.m., the meeting reconvened with Chair Nguyen and all Agency Members in attendance.

COOPERATION, PURCHASE AND SALE AGREEMENT WITH THE CITY OF GARDEN GROVE FOR THE ACQUISITION OF CITY-OWNED PROPERTY LOCATED AT 12461 SPRINGDALE STREET (F: A-55.319) (XR: 55) (XR: 84.1)

Staff report dated January 10, 2006, was introduced, and staff provided background information concerning this matter. It was noted that this item is also listed on the City Council agenda for discussion.

It was moved by Member Rosen, seconded by Member Krebs, and carried by unanimous vote, that this matter be discussed concurrently with the City Council.

COOPERATION, PURCHASE AND SALE AGREEMENT WITH THE CITY OF GARDEN GROVE FOR THE ACQUISITION OF CITY-OWNED PROPERTY LOCATED AT 12851 WESTLAKE AVENUE, 10831-51 ACACIA PARKWAY, 13502 LANNING STREET, AND 13501-02 BARNET WAY (F: A-55.319) (XR: 55) (XR: 84.1)

It was moved by Member Rosen, seconded by Member Krebs, and carried by unanimous vote, that this matter be discussed concurrently with the City Council.

MINUTES (F: Vault)

It was moved by Member Rosen, seconded by Member Krebs, and carried by unanimous vote, that the minutes of the Regular Meeting

of the Agency held December 13, 2005, be and hereby are approved.

RECESS

At 8:52 p.m., the Chair declared a recess.

RECONVENE

At 8:57 p.m., the meeting was reconvened with Chair Nguyen and all Agency Members in attendance for the purpose of discussing the following two items jointly with the City Council Members.

COOPERATION, PURCHASE AND SALE AGREEMENT WITH THE CITY OF GARDEN GROVE FOR THE ACQUISITION OF CITY-OWNED PROPERTY LOCATED AT 12461 SPRINGDALE STREET (F: A-55.319) (XR: 55) (XR: 84.1)

This item was discussed concurrently with the City Council.

Member Leyes inquired that inasmuch as Springdale Street is not in the Agency project area, what is the rationale for doing this.

The Director noted that in part this is a way to provide relocation sites or to further the housing objectives for relocation obligations.

In response to an inquiry by Member Leyes, staff noted that this land would not be made available to other cities and agencies in this transaction.

Member Krebs commented that he fails to see the logic of giving the land to the Agency. It should be put out to bid for sale, with the proceeds being added to the City's General Fund.

Chair Nguyen commented that the Agency would reimburse the City upon the sale of the land.

Member Rosen expressed his agreement with Member Krebs, noting that he does not see the advantage either.

The Director noted that the proceeds of the sale would end up in the City's General Fund, and this is not a new process. By facilitating the sale through the Agency, there is more control over the buyer and the developer. He further noted that the proceeds would not be subject to tax increment and should be explored for relocation.

Member Rosen commented that he does not see a relocation to Springdale Street occurring.

Member Leyes noted that the Green's Glass relocation site was Single-Family residential and was rezoned to accommodate Green's Glass.

The City Attorney clarified that the agreement will be amended to reflect that upon the sale of the properties, all proceeds will be paid to the City's General Fund.

Chair Nguyen moved, seconded by Member Leyes, that the Cooperation, Purchase, and Sale Agreement with the City of Garden Grove for the acquisition of City-owned property located at 12461 Springdale Street, be and hereby is approved, as amended; the Chair and Secretary are authorized to execute the Agreement when appropriate to do so; and the Secretary is authorized to accept the Grant Deed on behalf of the Agency.

The foregoing motion carried by the following vote:

AYES:	MEMBERS: (3)	DALTON, LEYES, NGUYEN
NOES:	MEMBERS: (2)	KREBS, ROSEN
ABSENT:	MEMBERS: (0)	NONE

COOPERATION, PURCHASE AND SALE AGREEMENT WITH THE CITY OF GARDEN GROVE FOR THE ACQUISITION OF CITY-OWNED PROPERTY LOCATED AT 12851 WESTLAKE AVENUE, 10831-51 ACACIA PARKWAY, 13502 LANNING STREET, AND 13501-02 BARNET WAY (F: A-55.319)
(XR: 55)

This item was discussed concurrently with the City Council.

Staff report dated January 10, 2006, was introduced and reviewed by staff.

Member Rosen noted that the agreement should be amended with the same language as noted for the previous agreement.

Member Krebs noted that he has the same concern with this agreement.

Member Rosen noted that these are narrow parcels and are different than the Springdale one and should be sold at the earliest opportunity.

Member Leyes reiterated that the Agency has more control than the City has on the selection of a project and developer.

Chair Nguyen moved, seconded by Member Leyes, that the Cooperation, Purchase, and Sale Agreement with the City of Garden Grove for the acquisition of City-owned property located at 12851 Westlake Avenue, 10831-51 Acacia Parkway, 13502 Lanning Street, and 13501-02 Barnet Way, be and hereby is approved, as amended; the Chair and Secretary are authorized to execute the Agreement when appropriate to do so; and the Secretary is authorized to accept the Grant Deed on behalf of the Agency. Said motion carried by the following vote:

AYES:	MEMBERS: (4)	DALTON, LEYES, ROSEN, NGUYEN
NOES:	MEMBERS: (1)	KREBS
ABSENT:	MEMBERS: (0)	NONE

RECESS

At 9:30 p.m., the Chair declared a recess.

RECONVENE AND ADJOURN TO CLOSED SESSION

At 11:28 p.m., the meeting was reconvened under the Ralph M. Brown Act, and the Chair announced that the meeting will adjourn to Closed Session in the Founders Room to discuss the three Closed Session items previously disclosed.

RECONVENE IN OPEN SESSION

At 12:14 a.m. on Wednesday, January 11, 2006, p.m., the meeting was reconvened in the Council Chamber with Chair Nguyen and all Agency Members in attendance, and the Chair announced that the item previously disclosed concerning Ajesh Patel Prosperal Hotels was not discussed. Direction was given relative to the matter relating to the northeast corner of Chapman Avenue and Magnolia Boulevard, being that it was the consensus of the Agency Members to negotiate with Thom Falcon, La Quinta Homes, as developer for the subject property. Lastly, direction was given relative to the matter relating to the Travel Country RV Park, being that it was the consensus of the Agency Members to proceed with three evictions and to proceed with any evictions in the future for late payments and gross violations of the Occupancy Agreement and RV Park Rules and Regulations without returning to the Agency. (F: A-55.320) (XR: A-55.321)

ADJOURNMENT

At 12:15 a.m. on Wednesday, January 11, 2006, the meeting was declared adjourned.

RUTH E. SMITH
SECRETARY