

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 27, 2004, at 7:00 p.m.

ROLL CALL: PRESENT: (5) CHAIRMAN ROSEN, MEMBERS BROADWATER, DALTON, LEYES, TRAN

ABSENT: (0) NONE

ALSO PRESENT: Director, George Tindall; Assistant Director, Matthew Fertal; Economic Development Manager, Glen Krieger; Finance Officer, Kingsley Okereke; Neighborhood Improvement Manager, Kim Huy; Legal Counsel, John Shaw; and Secretary, Ruth Smith.

ORAL COMMUNICATIONS – PUBLIC

Bob Owens addressed the Agency, suggesting that Agency Members attend neighborhood redevelopment meetings so they can hear staff's comments. (F: A-53.3)

Ed Hodges addressed the Agency concerning the Brookhurst Triangle, requesting that the proposal from Charles Kim and Ted Yoon be considered favorably. (F: A-53.3) (XR: A-116.7)

Steve Reganold addressed the Agency expressing concerns about the development of the Brookhurst Triangle and asking that consideration be given to the quality of life of residents in the area. (F: A-53.3) (XR: A-116.7)

RECESS

At 7:15 p.m., the Chairman declared a recess.

RECONVENE

At 7:50 p.m., the meeting was reconvened with Chairman Rosen and all Agency members in attendance.

LICENSE AGREEMENT WITH THE KOREAN FESTIVAL COMMITTEE OF ORANGE COUNTY FOR THE USE OF AGENCY-OWNED PROPERTY LOCATED AT 12791-12882 BROOKHURST STREET FOR THE 2004 KOREAN FESTIVAL (F: A-55.296) (XR: 42.7a) (XR: 55)

Staff report dated January 27, 2004, was introduced.

It was moved by Member Broadwater, seconded by Member Leyes, and carried by unanimous vote, that the License Agreement by and between the Agency for Community Development and the Korean Festival Committee of Orange County, for the use of Agency-owned property located at 12791-12882 Brookhurst Street for the 2004 Korean Festival, be and hereby is approved; and the Director and Secretary are authorized to execute the agreement.

ADOPTION OF A RESOLUTION APPROVING THE BORROWING OF A PORTION OF THE AGENCY'S LOW AND MODERATE INCOME HOUSING FUNDS FOR THE PURPOSE OF PAYING THE EDUCATIONAL REVENUE AUGMENTATION FUND PAYMENT FOR FISCAL YEAR 2003-04 (F: A-34.1)

Staff report dated January 27, 2004, was introduced.

RESOLUTION NO. 638

It was moved by Member Broadwater, seconded by Member Dalton, and carried by unanimous vote, that full reading of Resolution No. 638 be waived, and said Resolution entitled A RESOLUTION OF THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT APPROVING THE BORROWING OF A PORTION OF ITS LOW AND MODERATE INCOME HOUSING FUNDS FOR THE PURPOSE OF PAYING ITS EDUCATIONAL REVENUE AUGMENTATION FUND (ERAF) PAYMENT FOR FISCAL YEAR 2003-04, be and hereby is adopted.

DISCUSSION REGARDING DEVELOPMENT PROPOSALS FOR THE BROOKHURST TRIANGLE (F: A-116.7)

Staff report dated January 27, 2004, was introduced, and the Director provided brief background information concerning this item. Attention was also drawn to comments from residents made since the information was put on display in the City Hall Lobby, and presented for the record.

In response to an inquiry from Member Tran, staff indicated that the development proposal supplemental information on the City's web site and in the City Hall lobby is current.

Chairman Rosen spoke about the six proposals that have been received, noting that some of them have high-rise towers, some have low-rise towers, and some have no towers. They have different types of parking structures; some use the whole acreage and some don't. He would like information

concerning which proposals and which proponents can do their project without having to receive any City assistance, which would be his preference. Who is most likely to see the project through to the finish. What is the financial depth and experience of the applicants, noting that two of them are on the New York Stock Exchange and one is on the American Stock Exchange. Who has plans that are amenable to phasing. And what is the effect of using or not using the northerly two acres.

Member Leyes noted that the locations of the towers are different in the various proposals. He asked what analysis staff is willing to provide on the relative advantage of the placement of those towers and how that might affect the neighborhoods to the west and north and how it might affect traffic and the phasing. He also requested some analysis of the amounts on the returns, noting the purchase price and the development value do not seem to track. He asked for another spread sheet on what factors the applicants considered in estimating the development value. He also requested information on the advantages of structured parking versus open parking. He commented that this is a valuable piece of real estate, and he would like to see the Agency obtain a return on its investment without providing any assistance. Another issue that has not been dealt with is the impact on City infrastructure, noting that there may have to be engineering surveys and reports called for. He would like to see a project that not only provides a return on the initial investment, but that carries its weight in terms of mitigating the impact on infrastructure not just for the City but for the school district as well. And lastly, he would like to see a timetable showing how long it would take from choosing a developer to the commencement of actual development, including acquisition of the remaining parcels as well as an Environmental Impact Report, which would probably be required.

Member Dalton noted this project would impact the entire community, citing infrastructure, sewers, roads, and traffic concerns. He indicated his agreement with Chairman Rosen and Member Leyes that no City or Agency assistance is to be provided. He commented that this project would hopefully generate revenue for the general fund.

Member Tran referenced a deadline that was previously set for financial proposal submissions. Staff noted that if the Agency wishes to narrow the field, those finalists would be asked to provide additional financial information.

Member Broadwater noted that it is quite costly for the developers to come up with all the financial information, so it would be better to choose some finalists, and then ask them for their financials.

Member Tran noted that he is not ready to make any decisions until the questions raised this evening are answered.

The Director noted that staff could come back with some recommendations on the processing of the applications, taking into consideration the comments made and the issues raised this evening.

Chairman Rosen also expressed some concern that marketing studies have not been done to determine whether towers are feasible on this site, noting the importance of finding out whether the proponents are willing to invest their own money on the bet that they will work.

The Director noted that they also would need an analysis of whether a hotel on the site is viable.

Member Broadwater referenced the comments provided by residents, noting that one of them indicates that Garden Grove needs more low-income housing. However, the Agency members are saying there is to be no Agency assistance. Another comment was that Garden Grove needs a Trader Joe's. He noted that he has gone all the way to the President of Trader Joe's to bring one in, with no success.

Chairman Rosen moved, seconded by Member Leyes, that staff bring back specific recommendations on February 10, 2004, with the proviso that no Agency assistance be given.

Councilman Tran expressed concern that February 10 might not provide enough time for staff.

The foregoing motion carried by unanimous vote.

#### RECESS

At 8:23 p.m., the Chairman declared a recess.

#### RECONVENE AND ADJOURN TO CLOSED SESSION

At 10:05 p.m., the meeting was reconvened and adjourned to the Founders Room for Closed Session under the Ralph M. Brown Act. It was announced that pursuant to Government Code section 54956.8, the Agency will give direction to its Negotiator (Agency Director) concerning price and terms of payment for property located at 11822 Gilbert Street. The party with whom the Agency is negotiating is Thom Falcon, Gilbert Street Developers.

Present in Closed Session, in addition to Chairman Rosen and all Agency Members, were Director, George Tindall; Assistant Director, Matthew Fertal; Assistant City Manager, Les Jones; and Neighborhood Improvement Manager, Kim Huy.

#### RECONVENE

At 10:09 p.m., the meeting was reconvened with Chairman Rosen and all Agency members in attendance, and it was announced that the matter previously disclosed was discussed and no others. The second item listed on the agenda for discussion in Closed Session concerning properties bounded

by Brookhurst Street, Brookhurst Way, and Garden Grove Boulevard was not discussed.

ADJOURNMENT

At 10:10 p.m., the meeting was declared adjourned.

RUTH E. SMITH  
SECRETARY