

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, February 8, 2005, at 6:58 p.m.

ROLL CALL: PRESENT: (5) CHAIR NGUYEN, MEMBERS DALTON, KREBS, LEYES, ROSEN

ABSENT: (0) NONE

ALSO PRESENT: Director, Matthew Fertal; Assistant Director, Les Jones; Finance Officer, Kingsley Okereke; Economic Development Manager, Chet Yoshizaki; Legal Counsel, John Shaw; and Secretary, Ruth Smith.

ORAL COMMUNICATIONS – PUBLIC (F: A-53.3)

Nancy O'Shaughnessy addressed the Agency, commenting that she is not in favor of a WalMart store in Garden Grove because she does not want to subsidize it. She suggested that outlet stores, i.e., Tuesday Mornings, be brought in for that property. She also voiced her support for a casino in Garden Grove.

RECESS

At 7:07 p.m., the Chair declared a recess.

RECONVENE

At 7:39 p.m., the meeting was reconvened with Chair Nguyen and all Agency Members in attendance.

MINUTES (F: Vault)

It was moved by Member Krebs, seconded by Member Dalton, and carried by unanimous vote, that the minutes of the Regular Meeting of the Agency for Community Development held January 25, 2005, be and hereby are approved.

AFFORDABLE HOUSING AGREEMENT WITH SAGHIR ASLAM TO PURCHASE AND REHABILITATE 16 MULTIFAMILY HOUSING UNITS LOCATED AT 10782 AND 10802 PALMA VISTA AVENUE (F: 117.160) (XR: A-55.193)

Staff report dated February 8, 2005, was introduced, and staff provided background information on this matter.

Member Rosen asked staff what happened to Mr. Aslam's former project, to which staff responded that because of timing, the project did not go forward. However the rehab work on a previous project has been completed and they are currently getting ready to paint. All the terms of the prior agreement have been adhered to.

Member Dalton noted that money is tight in the City right now, with no return for this \$238,000 investment for five years. He is not sure that this is the best use of that money at this time. He also requested that in the future Agency Members be notified about applications for the use of Housing Set-Aside funds before they get to the escrow stage.

In response to an inquiry by Member Rosen, staff noted that Mr. Lee is the current owner of the property. Discussion ensued as to which capital repairs or replacements needed to be made because of Municipal Code requirements. Member Rosen asked staff if Mr. Lee has been cited, to which staff responded that they just recently were made aware of the situation.

Member Leyes noted that Housing Set-Aside funds are a different source of funds and this is a legitimate use of those funds. He moved that this agreement with Mr. Aslam be approved. Motion died for lack of a second.

Member Rosen noted that during a time when the City is experiencing budgetary problems, he is not sure these funds should be used for this type of project, further noting that no interest would be accrued during the five years of no payments.

Member Dalton noted that Code Enforcement is going to be stepped up, noting that it is the responsibility of property owners to address maintenance problems involving their properties.

MATTERS FROM AGENCY MEMBERS

Member Leyes requested that staff provide information to the Members relative to the use of Housing Set Aside funds for clarification as to what these funds can and cannot be spent on. (F: A-53.1) (XR: A-34.6)

Member Dalton requested that staff notify the Members about applications for the use of Housing Set Aside funds before they get to the escrow stage. (F: A-53.1) (XR: A-34.6)

RECESS

At 7:56 p.m., the Chair declared a recess.

RECONVENE AND ADJOURN TO CLOSED SESSION

At 9:22 p.m., the meeting was reconvened in the Founders Room and was adjourned to Closed Session under the Ralph M. Brown Act to discuss the following:

Agency Board Conference with Legal Counsel – Initiation of Litigation, Government Code Section 54956.9(c).

Pursuant to the Polanco Act (Health & Safety Code Section 33459, et seq,) the Agency has pursued and continues to pursue environmental remediation of certain real property located at 11906 through 11930 Garden Grove Boulevard, Garden Grove, California (near Rockinghorse). The Agency Board will hold a Closed Session per Government Code Section 54956.9(c) to confer with legal counsel, the Agency Director, and staff about whether to initiate litigation in conformity with the Polanco Act against potential responsible parties for cost recovery, including potential recovery of remediation costs and all eligible costs ancillary thereto.

RECONVENE

At 9:58 p.m., the meeting was reconvened with Chair Nguyen and all Agency members in attendance, and it was announced that the matter previously disclosed was discussed and no others.

ADJOURNMENT

At 9:59 p.m., the meeting was declared adjourned.

RUTH E. SMITH
SECRETARY