

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, April 26, 2005, at 7:35 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; Legal Counsel, John Shaw; Special Counsel, Celeste Brady; and Deputy Secretary, Priscilla Stierstorfer.

ORAL COMMUNICATIONS – PUBLIC

Ray Littrell commented regarding the proposed use of Eminent Domain, stating the Agency should not get in between two businesses by using Eminent Domain. If houses are allowed on the Gilbert Street property, they will deteriorate the commercial center. (F: A-53.3)

Herb Lieberman commented regarding the proposed purchase and sale agreement with Hewson Development listed on the agenda. He noted his concern that the property was not offered using an open bid process. He urged the Agency to postpone its decision so he would have an opportunity to submit a proposal. (F: A-53.3) (XR: A-55.313)

RECESS

At 8:45 p.m., the Chair declared a recess.

RECONVENE

At 9:25 p.m., the meeting was reconvened with Chair Nguyen and all Agency Members in attendance.

PUBLIC HEARING – PROPOSED PURCHASE AND SALE AGREEMENT TO HEWSON DEVELOPMENT CORPORATION FOR AGENCY-OWNED PROPERTY LOCATED AT 11900 GILBERT STREET AND AN ADJACENT PARCEL IDENTIFIED AS APN 132-402-20 (F: A-55.313)

Staff report dated April 26, 2005, was introduced.

Chair Nguyen declared the public hearing opened and asked if anyone wished to address the Agency on this matter.

Ray Littrell commented that this item has already been before the Agency and was continued. He indicated that the advertisement should have been in the paper 14 days prior to the hearing, and he felt that it was not properly advertised.

Bob Owens commented that he was told that this would be a Social Security office. He questioned why there weren't any plans available, and how much redevelopment money was being used. He inquired as to how many jobs will be created and filled by Garden Grove residents.

John Ramirez questioned whether this project will need approval for entitlements. Chair Nguyen commented that the project will go through the site plan process with the Planning Commission.

Special Counsel commented regarding the notice in the newspaper, noting that this item has been advertised for six weeks. It was listed on the agenda three times and continued twice because the developer's name changed and because there was a typo in the parcel number. She commented that it is a straight purchase and sale agreement, which is above the appraised value of the property. She noted that the Agency has fully complied with the hearing requirements, and it is not being sold for redevelopment.

Joel Hewson commented that they are waiting to be awarded the contract. It is in the final phase. They will have to do some remediation on the right-of-way.

Chair Nguyen inquired as to the length of the lease. Mr. Hewson commented that it is a 15-year lease.

Member Leyes commented that the Agency is not giving the developer any redevelopment money for this project.

Special Counsel commented that it is a condition of the agreement that there is no redevelopment money, and the property will go back on the tax role.

Member Krebs inquired as to the process that was used to solicit this developer. The Director commented that the City responded to an offer by Mr. Hewson to buy the property. He noted that the Agency has owned the property for 15 years and has not had any offers of this magnitude.

Member Rosen commented that moving this facility to a new building might help people get better service. He noted that this item has been advertised for over a month and the property has been on the market for 15 years. He was not in favor of continuing this item again and possibly killing a viable offer.

Member Dalton commented that land values have gone up so much, and people have looked at that property. He noted that there is no redevelopment assistance with the project. This is a private building and there will be taxes paid. The lease from Social Security will be for 15 years, and it will bring more customers to the shopping center.

There being no further response from the audience, the public hearing was declared closed.

It was moved by Member Rosen, seconded by Member Krebs, and carried by unanimous vote, that the Purchase and Sale Agreement by and between the Garden Grove Agency for Community Development and Hewson Development for the sale of Agency-owned property located at 11900 Gilbert Street and an adjacent parcel identified as APN 132-402-20, be and hereby is approved; and the Chair and Secretary are authorized to execute the pertinent documents.

ADJOURNMENT

At 9:45 p.m., the meeting was declared adjourned.

PRISCILLA STIERSTORFER
DEPUTY SECRETARY