

MINUTES
GARDEN GROVE AGENCY
FOR
COMMUNITY DEVELOPMENT

An adjourned regular meeting of the Garden Grove Agency for Community Development was called to order in the "A" Room of the Community Meeting Center, 11300 Stanford Avenue, on Wednesday, October 8, 2003, at 7:10 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; and Deputy Secretary, Priscilla Stierstorfer.

ORAL COMMUNICATIONS – PUBLIC

David Lautherboren noted his concern that beverages were not available for the audience. (F: 53.3)

CONSIDERATION OF PLANS SUBMITTED FOR PROPERTY LOCATED ON THE NORTHWEST CORNER OF BROOKHURST STREET AND GARDEN GROVE BOULEVARD, KNOWN AS THE BROOKHURST TRIANGLE (F: A-116.7)

Staff report and PowerPoint presentations were provided.

The Assistant Director commented that over the years the area has deteriorated. He noted that seven vacant acres are owned by the Agency and the remaining nine and one half-acres are privately owned. The 1995 General Plan allows up to an additional 5,281 residential units over the next 20 years. The Housing Element for the current five-year period calls for the construction of 1,235 additional housing units to meet the City's regional housing needs. However, during the past five years, approximately 460 units of new housing have been built, which is less than half the number of new housing units contemplated.

The Assistant Director commented that 75 Request for Proposals (RFP'S) were sent and seven proposals were received. The RFP's objective is to develop the entire 16.5-acre site with a mix of residential, commercial, and retail. The Assistant Director indicated that master plan proposals were received from Brandywine Development, Lennar Triangle Partners, Brookfield

Homes, The Olson Company, Opus West Corporation, Shea Properties, Urban Pacific, Meredith Enterprises, Charles Kim & Ted Yoon, and Parkcrest Development Corporation. In addition, two non-profit organizations, Triangle Community Center Committee and the Nhan Ai Foundation, proposed to utilize a portion of the Triangle site for a Korean and Vietnamese Cultural Centers.

In response to Member Tran, the Assistant Director commented that the housing requirements may be met anyplace in the city; however, adding residential to the Triangle will come close to meeting the requirement set in the Housing Element.

The Director commented that the State allocates to each community the goal of housing units that must be met, and the State is getting more stringent that the goal is met. The City is required to update the Housing Element every year.

Member Leyes commented that in two proposals there are 576 residential units in four towers, but the economics are much higher. The Assistant Director noted that the City tried to maximize the amount of units; but the proposals are fewer, which increased the value. He commented that if you intensify the use, the property tax and land value should increase.

Chairman Rosen opened the meeting to allow comments from the audience.

Susan Choi commented that everyone agrees that it is a golden opportunity to change the face of Garden Grove by developing the Triangle. The proposal should be selected by how much revenue it can generate for the city. She was in favor of a community center similar to the Brea Community Center that provides a number of services to the citizens. A multi-cultural community center would satisfy the needs of everyone in Garden Grove.

Linh Nguyen supported the proposal for a Vietnamese museum and library.

Carolyn Rowland commented that there should be a multi-cultural facility rather than one Vietnamese center or one Korean center, which would divide the community. The center could also contain a gym surrounded with park acreage, which the city is short of. She indicated that 18-story buildings would increase the density, while other cities like Los Angeles are tearing down their high density, high-rise buildings. She noted that Garden Grove does not need another retail center to fail.

Dale Washington commented that there has been a lot of progress in the Harbor Corridor, and it is exciting to think of high-rise buildings in the Triangle area. He noted that the Vietnamese project will take two acres and will be self-funded. It is intended to be something different that will fit in the community.

Herb Lieberman commented that there has been a division because of articles in the paper with the Korean and Vietnamese proposals. He was in favor of a community center. The present Community Meeting Center is booked one year in advance and does not meet the needs of the community. The city needs another community center with greater capacity, less reservation time, and less cost.

Cy LaBree commented that the city needs a community center or a sports facility with more space, not a cultural center. He was not in favor of 14-story buildings and felt that the housing requirements could be met by having five or six story building in different areas of the city. He noted that whatever is built there should be for the benefit of everyone in the city.

Sheldon Singer commented that he was in favor of the proposal submitted by Charles Kim & Ted Yoon. The high-rise residential buildings will bring in sales tax and property tax and will create new jobs in the city. The community center in the corner can be ethnic for whoever wants to put something in there. The proposal contains a 200-unit hotel for the center of town. He was in favor of more residential and less commercial.

Phat Bui commented that he is in favor of the Vietnamese library and museum project. However, the entire project should not be exclusive for one group. The library and museum will be open to the public and will display accomplishments of the United States and Vietnamese people.

Member Leyes commented that a letter was received from the Foundation that Mr. Bui is involved in. They stated that they would like two to three acres, and they do not expect the land to be given to them at no cost. The Foundation will purchase the property. Mr. Bui noted that they are interested in the Triangle because it is close to the Vietnamese community. He indicated that their original proposal has changed to a four-story library building with a memorial.

Ed Hodges commented that the proposal of Charles Kim & Ted Yoon appearsto have all the elements that the City is looking for. It would be something that everyone will be proud of.

Francis Lee commented that Garden Grove Hospital and the Korean community have close business ties in the community. The Korean people thought that Garden Grove had a lot of opportunity. They still buy and lease a lot of land along the Garden Grove Freeway. There are a lot of businesses here that bring in thousands of Korean people. Garden Grove has the largest Korean Festival and unique shops and restaurants. The Korean community has done a lot to revitalize the city with Garden Grove Hospital as the largest employer in the city. He commented that there needs to be a Korean center that will attract old and young Korean people to this area. He urged the Agency to approve the plan submitted by Charles Kim & Ted Yoon.

Tunghwan Choi commented that the entire center must be developed at one time with retail, office, residential, and community center entertainment. The area should serve all the ethnic groups at no cost to the City. The Agency should choose a developer that has the funds and experience in developing similar projects. A citizens' oversight committee should also be appointed.

RECESS

At 8:30 p.m., the Chairman declared a recess.

RECONVENE

At 8:50 p.m., the meeting was reconvened with Chairman Rosen and all Agency members in attendance.

CONSIDERATION OF PLANS SUBMITTED FOR PROPERTY LOCATED ON THE NORTHWEST CORNER OF BROOKHURST STREET AND GARDEN GROVE BOULEVARD KNOWN AS THE BROOKHURST TRIANGLE (CONTINUED) (F: A-116.7)

Laurie Merrick commented that there should be more meetings to receive residents' input. She hoped that the City does not donate any land or sell any at less than fair market prices. She was unsure how compatible an 18-story tower would be for the area. There should not be any cost to the City including infrastructure, water, police, and fire. Developers also fail to look at the school district's impact. There could be a lot of students in these residential towers. If the City cannot keep the retail going at Brookhurst and Chapman, she questioned how the City can keep it at this location. The City of Huntington Beach recently built a sports complex. They would not have built it if they didn't expect to make money.

Robert Ha commented that this city needs a community center to accommodate large numbers of people. The city also needs a cultural center to help the minority people and businesses. The intent is to build a multi-cultural center, not something to isolate any ethnic group.

Roxanne Chow commented that she is on the Vietnamese Museum Project team, and the land for the project will be purchased with private funds. She noted that it is not a cultural center. It will house a library, museum, and a four-story education center where people can research and honor the American soldiers who fought for freedom and democracy. The project will provide hundreds of jobs, retail shops, restaurants, and a performing arts auditorium. The project will attract millions of tourists from Disneyland and the hotels in Garden Grove. The Vietnamese Americans have made a lot of growth in this community, and this is an opportunity for all the community to work together.

Hoang Huy Tu commented that he supported the Vietnamese library and museum project. He noted that there are a lot of Vietnamese business

owners, and there have been a lot of contributions from the Vietnamese people.

Charles Kim commented that there has been a lot of confusion with the process and questioned how many more hearings there will be. Chairman Rosen commented that this is a public gathering with no set timetable. There will be more detailed plans developed from the comments provided. There has to be more public hearings by the Planning Commission and the City Council.

Mr. Kim inquired whether there will be more applications or proposals accepted. Chairman Rosen commented that they could look at more plans.

Mr. Kim inquired whether there was any type of low-income requirement on this project. The Assistant Director commented that has yet to be determined. He noted that there might have to be some component to make housing funds eligible for this project.

Mr. Kim commented that this project is very important to everyone in the city. He would like a project that brings a balance to the community.

Joyce Metcalfe commented that the project should bring revenue to the city at no cost to the city.

Ann Winchell commented that she was against a private cultural center, and public land should be used for public use. She was in favor of a community center and residential uses on Garden Grove Boulevard.

Dietrich Nicholson inquired as to how much housing money was used to purchase the land. The Assistant Director commented that the property was purchased with \$6 million in Housing set-aside funds.

Mr. Nicholson was in favor of a multi-cultural center. He commented that it could be staffed with volunteers. We don't need another shopping center since the ones we have cannot make it. We also do not need another hotel. He was in favor of low and moderate apartments for senior citizens at that location and a gym for the kids.

Sungmin Park commented that he owns the Holiday Express and is a member of the Parkcrest Development Corporation. He noted that there have been many ideas presented, and the Council needs to be practical, since some proposals will not work. He commented that he is having a low occupancy at his hotel, and the City does not need another hotel at that location. He noted that there needs to be something that generates revenue and something that attracts different groups of people. There needs to be an entertainment center and convention space to attract people from all over the world. People are forced to go to Anaheim because Garden Grove does not have convention space.

Member Tran commented that a letter of interest was received from Parkcrest Development Corporation and inquired whether they will be submitting a proposal. Mr. Park commented that they would like to participate and will submit a proposal in one month.

Member Tran commented that Mr. Park was not in favor of another hotel. Mr. Park noted that his occupancy is 35%, the Ramada Inn is below 40%, and Anaheim is less than 50% in most cases. He was aware that this is off-season for hotels, but he felt it would be taking a big risk to construct another hotel. He indicated that this community needs more housing and meeting space.

A member of the audience commented that she retired and came to Garden Grove, and a lot of other Korean people are coming to this community. She indicated that there is a need for a Korean town and a senior center.

Member Broadwater commented that he would like to see a time frame on this development. He was not in favor of new plans being submitted after all the comments have been heard. There are a variety of different cultures in this community. He noted that the Korean people are talking about a cultural center. He was not opposed to the proposed memorial or a cultural center. He noted that the City does not have the money to put a park at that site. Some people were against high-rise residential and some people were in favor of it. The City of Orange has high-rise residential on Garden Grove Boulevard. The population is increasing, and people have to live somewhere.

Member Leyes commented that he was not in favor of picking a date and closing off proposals. The City should have a vision for this site and invite more proposals. There should be a timeframe to receive more proposals. He had no problem with a Vietnamese library and memorial, but he did not think that it should be on this site. He noted that if the land is dedicated to the library and memorial, it does not make any other proposal feasible. There is a lot of room in Garden Grove for that kind of project. He commented that some of the people involved in the Korean center have been here for a number of years. He indicated that type of center could be feasible in this area with the Korean Business District; however, it does not need to be on this site. He noted that there is a demand for high-rise residential. The City needs to look at more proposals along with the cost of the infrastructure and the cost to the school district. The developer should bear these costs, which would make it difficult for a non-profit organization or a special interest group.

Member Dalton commented that he was in favor of allowing a developer to modify the proposal that has already been submitted. This is the largest piece of vacant land that the City has. and there has to be something there that generates revenue. Nobody here thinks they are getting any land for free. He indicated that the Agency is not in a position to give any land away or to supplement money. He noted his concern with having another hotel and whether a hotel would survive in that area. Nor did he think a cultural center would attract people to stay in a hotel.

The Director commented that the project would have to be a multi-phase project because it will take at least two years to assemble all the parcels on the property. He noted that there will be more public hearings.

Member Tran reiterated that if a developer has the finances to purchase the remaining 10 acres, it will take two years before construction can begin. The Director commented that because of the time it takes to make offers and provide relocation assistance, it is most likely that it will be built in phases.

Member Tran was in favor of setting a deadline since the Triangle has been left undeveloped for 20 years. He noted that there needs to be time for more hearings and proposals. The interest level is now. He indicated that when he went to South Korea last week, he met with developers that are also interested in looking at this project. The developers were told that other developers are also interested and have submitted proposals. Whatever is developed on that site has to make financial sense, and there has to be a market for what is there. He indicated that the print media has reported ethnic friction, which is not here. The Vietnamese and Korean people have supported each other. He noted that whether there is a Vietnamese library or a Korean cultural center, it will not be a problem. We have a very diverse community in Garden Grove. He noted that the City is obligated to provide culture, aesthetics, and history to the community.

Chairman Rosen commented that he was not in favor of setting a deadline at this time. He noted that if there is some trend that emerges from the public meetings, the developers might want to change their proposals. He noted that he met with some of the developers at the Shopping Center Conference in May and some of them expect subsidies, which are not there. The land should be sold at fair market value with no subsidies to developers. He noted that there are a lot of ideas that can be merged together with a lot of opportunity to be creative. He indicated that the proposals will have to be narrowed down, and some people will be unhappy. He commented that with multi-parking structures, more could be built on the site; however, he did not agree with low cost housing. Some people were concerned with having towers, but there was not a lot of opposition. He noted that having towers might alleviate high density in neighborhoods.

Member Tran was in favor of having a soft deadline for proposals so that the Agency knows what they are dealing with since this is such a huge project.

Member Leyes inquired whether they would go out for more RFP's or contact the developers who submitted proposals and ask them to modify them.

The Director suggested that they do both—modify the proposals and solicit new ones. He indicated that the Agency needs to provide guidance as far as land use.

Member Leyes commented that guidance should be provided in the RFP with a list of items that are acceptable. Let their economics drive their proposals. He noted that he would like to see the economics of the proposals and have the developers discuss them. He commented that given the economy as it exists today, the Agency should not offer any kind of subsidy. He was in favor of a time frame for the response to the RFP.

Chairman Rosen commented that he would like to ask staff for their recommendation. He requested that this subject be listed on the agenda of October 28, and staff can provide a report on recommendations and a time frame. He added that there did not seem to be a lot of enthusiasm for lofts.

Member Broadwater commented that there was interest for an entertainment center.

Member Leyes indicated that there was no interest in another hotel for that site; however, it is up to a private developer if he wants to take that risk. He noted that part of the financial package has to be realistic and must include the impact on infrastructure, fire, police, and sewer system.

Member Dalton was not in favor of low- to moderate-income housing, if this is going to be a showcase area. He noted that if they build a quality product, it would sell.

In response to Member Tran, the Director commented that when this land became available to purchase, 20% of Housing set-aside funds were used to purchase it. We will have to replace those funds or we will have to look at low to moderate housing for that area. The City preferred to replace the funds.

In response to Member Tran, the Director commented that if they agree on 500 residential units, 10% to 15% would have to be low to moderate housing.

ADJOURNMENT

At 10:15 p.m., the meeting was declared adjourned.

PRISCILLA STIERSTORFER
DEPUTY SECRETARY