



- The Agency continued to market the Century Triangle site and evaluate potential developers.
- The Agency continued to work with property owners in order to purchase two and three-quarter-acre parcels of land on Harbor Boulevard, south of the Target department store.
- In September 2007, staff received four proposals for the 35-acre Central Hub site (Gabrielino-Tongva Tribe, Vision Maker Worldwide, Park 8 Place and the McWhinney Corporation). Staff recommended that the Agency proceed with the McWhinney proposal – a 1,200 room hotel with an integrated four to six acre water park amenity for hotel guests, up to 80,000 square feet of meeting space and 120,000 square feet of commercial space to include retail, dining and entertainment.
- In December 2007 the Agency approved a Purchase and Sale Agreement for the sale of Agency owned property at 12461 Springdale (northwest corner of Lampson & Springdale) to Medallion Health Properties, LLC for the purchase price of \$1.1 million dollars.
- In February 2008 the Agency closed escrow on real property located at 12251 and 12261 Thackery Drive to facilitate creating a deeper site for a second hotel by Kam Sang, Inc. Negotiations continue for a third property on Thackery Drive.
- In February 2008, the Economic Development Department website was updated to include a commercial property search, via the LoopNet system, which allows users to obtain listings of all commercial property available for sale or lease in Garden Grove. Property types range from agriculture, to sports and entertainment. In addition, International WEST can now be viewed on-line from anywhere in the world by accessing the Google Earth website at <http://www.earth.google.com>.
- The Agency continued to market the Brookhurst Triangle site and in March 2008 entered into a Negotiation Agreement with JPI for a potential mixed-use development.
- In March 2008 the Agency approved an Owner Participation Agreement for expansion of the Embassy Suites Hotel. The second tower will include 225 new rooms, a 40,000 square foot ballroom, meeting and related space, as well as a 5,000-square foot restaurant and 3,000-square feet in food and other retail sales space. Project completion slated for late 2010. To facilitate building of the parking lot, the Agency owned driving ranged closed on March 1, 2008.
- In April 2008 the Agency sublet the top floor of the Agency owned building at 11277 Garden Grove Boulevard to St. Anselm's Cross Cultural Community Center. The goal of the center is to empower immigrant and under-served communities to lead healthy and self-sufficient lives in American society.

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- The Agency, in conjunction with its marketing and branding consultant ERGO Worldwide, continued to implement the marketing of International West. This includes a new design for the banners hanging throughout the area.
- Construction of seven single-family detached homes ranging in size from 1,460 to 2,315 square feet was completed on eight parcels of real property that were sold to GG Homes LLC (Thom Falcon and Pacific Grand Construction). The homes are now located at the northeast corner of Chapman and Magnolia (9002 Marylee Drive, 9001 Chapman Avenue, 9011 Chapman Avenue, 9031 Chapman Avenue and 9041 Chapman Avenue) and 12851 Westlake Drive and 10831 Acacia Parkway. Land sale proceeds are estimated at \$1.25 Million with estimated property tax increment of \$40,000.
- In Spring 2008, construction commenced on the Oggi's Pizza and Brewery, the fourth restaurant in our restaurant cluster at Harbor and Chapman. It is anticipated that the restaurant will open in October 2008. 50-75 new jobs are expected as a result.
- In May 2008, the Agency closed escrow on real property located at 10071 and 10081 Garden Grove Boulevard and entered into a month-to-month lease with Hardin Hyundai to continue operation of the automobile dealership until further development can occur.
- In May 2008, the Agency completed a feasibility study for the addition of a theme park at the 95-acre Willowick Golf Course site.
- The Agency continued to showcase the Master Plan, which was updated by EDAW in May 2008. Conferences included the International Association of Amusement Parks and Attractions (IAAPA), America's Lodging Investment Summit (ALIS), Urban Land Institute (ULI) and the International Council of Shopping Centers (ICSC).
- On May 13, 2008 the Agency approved a bank loan agreement with Union Bank of California not to exceed \$32 Million. Proceeds will be used to complete the purchase of real property for the Brookhurst Triangle and other Harbor Boulevard properties. Agency plans to payoff the loan balance within three years with proceeds of the land sale.
- The Agency commissioned John E. Husing, Ph.D., to develop an Economic Strategy for the City of Garden Grove. The information in the final report was used to formulate the City's Economic Development Element of the General Plan and provided a guide to assist the Agency in its economic programs. The report provided a detailed explanation and justification of the economic issues that the City faces. All identified issues were accompanied with their own economic development recommendation(s). This report was presented to the Agency and adopted on May 27, 2008.

- In June 2008, the Agency fulfilled a State obligation by completing its required midterm review and amendment of its Five Year Implementation Plan of 2004-2009. A public hearing was held as the Agency reviewed its progress, highlighted its accomplishments, and adopted any new projects and/or programs from the initial adoption of the 2004-2009 Plan.
- On June 10, 2008, the Agency authorized a Note Purchase Agreement and Promissory Note to refinance an existing Promissory Note of the Agency in reference to the Katella Cottages project, which eliminated blighting conditions and replaced them with a 42-unit single-family residential development on a 4.59-acre site located on the south side of Katella Avenue just west of Gilbert Street.
- Construction continued for the new Sheraton Hotel. The grand opening for the new 288-room hotel is scheduled for November 12, 2008. Thirty million dollars in new private investment will bring 250 new jobs and nearly \$1 million annually in new revenues to the City.
- The Economic Development Department continues management of the Travel Country RV Park. Many improvements have been made and new rules have been issued to maintain a clean and orderly park. Currently, 51 spaces are occupied (down from 113 when we first acquired and assumed management of the park).
- The Economic Development Department continued to implement its Business Retention Program, which has been well received by the business community. Programs and partnerships are listed and described below:
  - The Mayor's Business Breakfast was designed to welcome new businesses to our community and help to answer any questions they may have. The fourth Mayor's Business Breakfast was held on October 16, 2007 at the Marriott Hotel and Resort. The Garden Grove Chamber of Commerce, the Small Business Development Council and SCORE had informational tables set up and City staff was on hand to answer questions and provide information regarding services available to them. Departments/Divisions in attendance included Planning, Building, Business License, Public Works, Police Department and Fire Department. A Business-to-Business feature was added, to facilitate the networking process and give participants the opportunity to promote and display their business information. Attendees were very enthusiastic about the event and appreciative of the City's outreach efforts.
  - The Mayor's Link is a visitation/outreach effort by the Mayor and City staff to personally connect with existing small to medium size businesses and assess needs and future assistance that the City can provide. This past fiscal year, the Economic Development Department staff coordinated 14 visitations with the Mayor to local businesses.

- Garden Grove Salutes is an effort to say "thank you" to the businesses that have made significant contributions to the community and local economy. We are also staying attuned to their ongoing needs and challenges for business growth. In fiscal year 2007-08, the Economic Development Department partnered with the Garden Grove Chamber of Commerce to honor two businesses at their annual Installation of Officers. Farmers and Merchants Bank was honored for their Community Involvement and OfficeMax was honored for their Economic Impact.
- Business Beautification Program: The Economic Development Department partnered with the Community Relations Division and sponsored the "Business Beautification Award" for small, medium and large businesses. This was held in conjunction with the Garden Grove Pride event on April 28, 2008. Photos of nominees were displayed on-line on the department's website and 1,370 votes were received. Honors were given to Green's Glass (small), CHOC Dental Clinic (medium) and St. Gobain's Performance Plastics (large).
- Business Needs Survey Outreach Program: To continue our focus on the needs of the business community, the Business Retention Team of the Economic Development Department conducted a Business Needs Survey designed to identify immediate needs, future plans and opportunities for the community to deliver programs and services. To date, over 100 surveys have been returned. The overall consensus has been that Garden Grove is a good place to do business, mainly due to its central location and proximity to local freeways. Main concerns include traffic congestion, dealing with language barriers, and fear of crime.
- Small Business Development Center (SBDC): The Economic Development Department continues to partner with SBDC in order to sponsor and host biannual training seminars at the Community Meeting Center. "Essential Steps to Starting a Successful Business" was held on October 24, 2007 and "Effective Marketing Strategies to Grow Your Business" was held on April 24, 2008. Each seminar contained approximately 30 attendees.
- California Manufacturing Technology Consulting (CMTC): The Economic Development Department and Garden Grove Chamber of Commerce partnered with CMTC to provide information to small manufacturers regarding the Small Manufacturers Advantage program. The goal of this free program is to provide recommendations that help Garden Grove manufacturers attain their business goals and improve productivity and profitability.
- Garden Grove Chamber of Commerce: The Economic Development Department became a member of the Chamber of Commerce in August 2007 and hosted a networking mixer that same month. Information

regarding our Business Retention Program and Redevelopment Agency projects was on display for approximately 60 attendees.

FISCAL IMPACT

Not applicable.

COMMUNITY VISION IMPLEMENTATION

- Seek to improve the shopping, dining, and entertainment opportunities available to the Garden Grove community;
- Improve the City's economic base through the development of tax-generating uses where appropriate;
- Improve the aesthetics of the community and eliminate blighting influences; and,
- Ensure that development does not undermine the traditional "hometown feel" of the community.

RECOMMENDATION


It is recommended that the Agency:

- Approve the FY 2007-2008 Annual Report; and
- Forward the report to the City Council for approval and authorization to transmit the report to the Controller of the State of California.

  
CHET YOSHIZAKI  
Economic Development Director

By:   
Stacy Margolin  
Administrative Analyst

**Recommended for Approval**

  
Matthew Fertal  
Director

Attachment: FY 2007-2008 Agency Annual Report

mm(h:Staff/SM/Agency Annual Rpt 2007-08 sr 120908v1.doc)