



CITY OF GARDEN GROVE

March 17, 2016

Successor Agency to the Garden Grove Agency for Community Development
Garden Grove, California

Mesirow Financial, Inc.
San Francisco, CA

Samuel A. Ramirez & Co., Inc.
Los Angeles, CA

Stifel, Nicolaus & Company, Incorporated
Los Angeles, CA

*Re: \$36,540,000 Successor Agency to the Garden Grove Agency for Community
Development Garden Grove Community Project Tax Allocation Bonds, Issue of 2016*

Ladies and Gentlemen:

We have acted as counsel to the Successor Agency to the Garden Grove Agency for Community Development (the "Successor Agency"), in connection with the issuance of the \$36,540,000 Successor Agency to the Garden Grove Agency for Community Development Garden Grove Community Project Tax Allocation Bonds, Issue of 2016 (the "Bonds") by the Successor Agency. We have examined the original, certified copies, or copies otherwise identified to our satisfaction as being true copies of such documents, certificates, and records as we have deemed relevant and necessary (except as we have specifically limited the scope of our investigation herein) as the basis for the opinions set forth herein. Capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Bond Purchase Contract dated February 24, 2016 (the "Purchase Contract"), between the Successor Agency and Mesirow Financial, Inc., on behalf of itself and Samuel A. Ramirez & Co., Inc. and Stifel, Nicolaus & Company, Incorporated (collectively, the "Underwriters") or the Indenture of Trust dated as of June 1, 2014, as supplemented by the First Supplemental Indenture of Trust dated as of March 1, 2016 (collectively, the "Indenture"), each by and between the Successor Agency and U.S. Bank National Association, as Trustee. Relying on such examination and pertinent law, and subject to the limitations and qualifications hereinafter set forth, we are of the opinion that:

1. The Successor Agency is a public entity validly existing under the laws of the State of California.
2. The Successor Agency Resolutions approving and authorizing the execution and delivery of the Agency Documents and approving the Official Statement dated February 24, 2016, as

Bao Nguyen
Mayor

Steven R. Jones
Mayor Pro Tem

Christopher V. Phan
Council Member

Phat Bui
Council Member

Kris Beard
Council Member

Successor Agency to the Garden Grove Agency for Community Development
Mesirow Financial, Inc.
Samuel A. Ramirez & Co., Inc.
Stifel, Nicolaus & Company, Incorporated
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supplemented by the Supplement to Official Statement dated March 14, 2016 (collectively, the "Official Statement") were duly adopted, and the Successor Agency Resolutions are in full force and effect and have not been modified, amended, rescinded or repealed since their respective dates of adoption.

3. The Agency Documents have been duly authorized, executed and delivered by the Successor Agency and constitute valid, legal and binding agreements of the Successor Agency enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally, or by the exercise of judicial discretion and the limitations on legal remedies against governmental entities in the State of California.

4. Except as otherwise disclosed in the Official Statement, there are no outstanding bonds, notes or other obligations of the Successor Agency which are payable out of tax increment of the Project Area.

5. Except as otherwise disclosed in the Official Statement and to the best of our knowledge, after due inquiry, there is no litigation, proceeding, action, suit, or investigation at law or in equity before or by any court, governmental agency or body, pending or threatened against the Successor Agency, challenging the creation, organization or existence of the Successor Agency, or the validity of the Agency Documents or seeking to restrain or enjoin the repayment of the Bonds or in any way contesting or affecting the validity of the Agency Documents or contesting the authority of the Successor Agency to enter into or perform its obligations under any of the Agency Documents, or which, in any manner, questions (a) the right of the Successor Agency to use the Pledged Tax Revenues for repayment of the Bonds or affects in any manner the right or ability of the Successor Agency to collect Pledged Tax Revenues, pledge the Pledged Tax Revenues or collect tax allocation revenues or (b) the plan limits applicable to the Project Area as described in the Official Statement.

6. As a result of the issuance of the Bonds there are no other obligations payable from and secured by a pledge of the Pledged Tax Revenues other than the Bonds and the Series 2014 Bonds and no obligations payable on a parity of payment basis to the extent described in the Indenture, other than the 2008 Loan.

Respectfully submitted,



Omar Sandoval
General Counsel



JONES HALL

March 17, 2016

475 Sansome Street
Suite 1700
San Francisco, CA 94111
t. 415.391.5780
f. 415.276.2088

Successor Agency to the
Garden Grove Agency for Community Development
11222 Acacia Parkway
Garden Grove, California 92840

Meslrow Financial Inc.
150 California Street, 20th Floor
San Francisco, California 94101

Re: \$36,540,000 Successor Agency to the Garden Grove Agency for
Community Development Garden Grove Community Project
Tax Allocation Bonds, Issue of 2016

Ladies and Gentlemen:

We have acted as disclosure counsel to the Successor Agency to the Garden Grove Agency for Community Development (the "Successor Agency") in connection with issuance of the Garden Grove Community Project Tax Allocation Bonds, Issue of 2016 (the "Bonds"). This letter is being delivered in our capacity as disclosure counsel to the Successor Agency.

We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement dated February 18, 2016 with respect to the Bonds (together with all appendices and supplements thereto, the "Preliminary Official Statement") and the Final Official Statement dated February 24, 2016 with respect to the Bonds (together with all appendices and supplements thereto, the "Final Official Statement"), and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. However, in connection with the Preliminary Official Statement and the Final Official Statement, we have reviewed certain documents and have been in contact with representatives of the Successor Agency; representatives of Stradling Yocca Carlson & Rauth, a Professional Corporation, as bond counsel to the Successor Agency; representatives of Urban Futures Incorporated, as financial advisor to the Successor Agency; representatives of HdL Coren & Cone, as fiscal consultant to the Successor Agency; representatives of Meslrow Financial, Inc., on behalf of itself and Ramirez & Co., Inc. and Stifel, Nicolaus & Company, Incorporated as underwriters of the Bonds; and others; concerning the contents of the Preliminary Official Statement and the Final Official Statement and related matters.



Successor Agency to the Garden Grove Agency
for Community Development
Mesirow Financial, Inc.
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During the course of our work on this matter, no information has come to our attention which would cause us to believe that the Preliminary Official Statement as of its date and the Final Official Statement as of its date and as of the date hereof (except for any financial and statistical data and forecasts, numbers, estimates, assumptions and expressions of opinion, information concerning Build America Mutual Assurance Company, as insurer of the Bonds, and information concerning The Depository Trust Company and the book-entry system for the Bonds contained or incorporated by reference in the Preliminary Official Statement and the Final Official Statement, which we expressly exclude from the scope of this sentence) contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

The preceding paragraph is not an opinion but in the nature of negative observations based on certain limited activities performed by specific lawyers in our firm in our role as disclosure counsel to the Successor Agency. The scope of those activities performed by us for purposes of delivering this letter were inherently limited and do not purport to encompass all activities necessary for compliance with applicable securities laws. In addition, those activities performed by us relied on third party representations, warranties, certifications and opinions, including and primarily, representations, warranties and certifications made by the Successor Agency, and are otherwise subject to the conditions set forth herein.

This letter is furnished by us solely for your benefit and may not be relied upon by any other person or entity. We disclaim any obligation to supplement this letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in the law that may hereafter occur, and our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Justin H. [unclear]', written over a horizontal line.

A Professional Law Corporation



ORRICK, HERRINGTON & SUTCLIFFE LLP
777 SOUTH FIGUEROA STREET
SUITE 3200
LOS ANGELES, CALIFORNIA 90017-5855

tel +1-213-629-2020
fax +1-213-612-2499

WWW.ORRICK.COM

March 17, 2016

Mesirow Financial, Inc.
150 California Street, 20th Floor
San Francisco, California 94111

Re: Successor Agency to the Garden Grove Agency for Community Development
Garden Grove Community Project Tax Allocation Bonds, Issue of 2016

Ladies and Gentlemen:

We have acted as legal counsel for you in connection with your purchase on behalf of yourself and Samuel A. Ramirez & Co., Inc. and Stifel, Nicolaus & Company, Incorporated, as underwriters (collectively, the "Underwriters") of the above-referenced bonds (the "Bonds") pursuant to a Bond Purchase Contract, dated as of February 24, 2016, by and between you and the Successor Agency to the Garden Grove Agency for Community Development (the "Successor Agency"). The Bonds are being issued pursuant to the provisions of the Community Redevelopment Law, Part 1 of Division 24 (commencing with Section 33000) and the Dissolution Act and the Indenture of Trust dated as of June 1, 2014, as supplemented by the First Supplemental Indenture of Trust dated as of March 1, 2016 (collectively, the "Indenture"), each entered into by the Successor Agency and U.S. Bank National Association, as trustee (the "Trustee"). Issuance of the Bonds has been authorized by the Successor Agency pursuant to Resolution No. 36-15 adopted on October 13, 2015 (the "Resolution"), and by the Oversight Board for the Successor Agency pursuant to Resolution No. 47-15 adopted on October 14, 2015 (the "Oversight Board Resolution"). The California Department of Finance (the "DOF") provided a letter dated November 30, 2015 to the Successor Agency stating that based on the DOF's review and application of the law, the Oversight Board Resolution approving the 2016 Bonds was approved by the DOF. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

In rendering our opinion, we have examined originals or copies certified or otherwise identified to our satisfaction of (i) the Bond Purchase Contract, (ii) the Indenture, (iii) the Resolution and the Oversight Board Resolution, (iv) the letters, certificates and opinions delivered to you pursuant to the provisions of Section 7(d) of the Bond Purchase Contract, and (iv) such other documents, certificates, instructions and records as we have considered necessary or appropriate as a basis for our opinion.



ORRICK

Mesirow Financial, Inc.,
March 17, 2016
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We have assumed, but not independently verified, that the signatures on all documents, letters, opinions and certificates which we have examined are genuine, that all documents submitted to us are authentic and were duly and properly executed by the parties thereto and that all representations made in the documents that we have reviewed are true and accurate.

Based upon and subject to the foregoing, we are of the opinion that the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended; provided that no opinion is expressed with respect to the Insurance Policy.

The scope of our engagement does not include providing you with an opinion addressing the contents of the official statement relating to the Bonds dated February 24, 2016. You have relied with respect thereto on a letter addressed to you and the Successor Agency, dated the date hereof, from Jones Hall, A Professional Law Corporation, San Francisco, California, the disclosure counsel with respect to the Bonds. Similarly, we express no opinion with respect to the validity of the Bonds, the tax treatment of the interest thereon or the compliance with, or applicability of, any "blue sky" laws of any state as they relate to the offer or sale of the Bonds.

We are furnishing this letter to you solely for your benefit as representative of the Underwriters of the Bonds. Our engagement with respect to this matter has terminated as of the date hereof, and we disclaim any obligation to update this letter. This letter is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by owners of Bonds or by any other party to whom it is not specifically addressed.

Faithfully yours,



ORRICK, HERRINGTON & SUTCLIFFE LLP



BAM

March 17, 2016

Successor Agency to the Garden Grove
Agency for Community Development
11222 Acacia Parkway
Garden Grove, CA 92840

Mesirow Financial, Inc.
150 California Street, Suite 2000
San Francisco, CA 94111

U.S. Bank National Association
Corporate Trust Services, 633 West Fifth Street, 24th Floor
Los Angeles, CA 90071

RE: Bond Insurance Policy: Municipal Bond Insurance Policy No. 2016B0160
DSR Policy: Debt Service Reserve Policy No. 2016R0160
Member: Successor Agency to the Garden Grove Agency for
Community Development, California
Bonds: Tax Allocation Refunding Bonds, Issue of 2016, maturing
on October 1 of the years 2022 through 2031, inclusive and
October 1, 2033

Date of the Official Statement: February 24, 2016

Ladies and Gentlemen:

I am Counsel of Build America Mutual Assurance Company, a New York mutual insurance company ("BAM"). You have requested my opinion in such capacity as to the matters set forth below in connection with the issuance by BAM of its above-referenced Bond Insurance Policy and DSR Policy (collectively, the "Policies"). In that regard, and for purposes of this opinion, I have examined such corporate records, documents and proceedings as I have deemed necessary and appropriate.

Based upon the foregoing, I am of the opinion that:

1. BAM is a mutual insurance company duly organized and validly existing under the laws of the State of New York and authorized to transact financial guaranty insurance business therein.
2. The Policies have been duly authorized, executed and delivered by BAM.

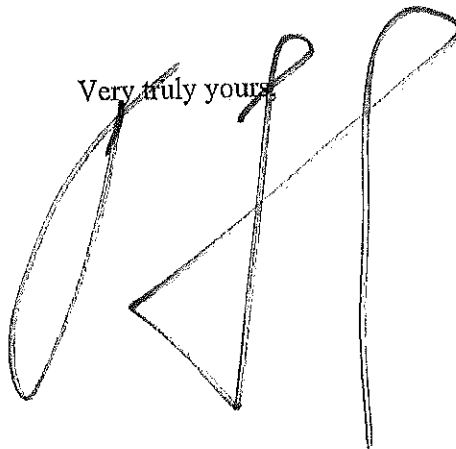
3. Each of the Policies constitutes the valid and binding obligation of BAM, enforceable in accordance with its terms, subject, as to the enforcement of remedies, to bankruptcy, insolvency, reorganization, rehabilitation, moratorium and other similar laws affecting the enforceability of creditors' rights generally applicable in the event of the bankruptcy or insolvency of BAM and to the application of general principles of equity.
4. The issuance of the Policies qualifies the Member as a member of BAM until the Bonds are no longer outstanding. As a member of BAM, the Member is entitled to certain rights and privileges as provided in BAM's charter and by-laws and as may otherwise be provided under New York law. The Policies are non-assessable and create no contingent mutual liability.

In addition, please be advised that I have reviewed the description of the Bond Insurance Policy under the caption "BOND INSURANCE" in the Official Statement related to the above-referenced Bonds. There has not come to my attention any information which would cause me to believe that the description of the Bond Insurance Policy, as of the date of the Official Statement or as of the date of this opinion, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. Please be advised that except as described above, I express no opinion with respect to any information contained in, or omitted, from the Official Statement.

I am a member of the Bar of the State of New York, and do not express any opinion as to any law other than the laws of the State of New York.

This letter and the legal opinions herein are intended for the information solely of the addressees hereof and solely for the purposes of the transactions described in the Official Statement and are not to be relied upon by any other person or entity (including, without limitation, any person or entity that acquires bonds from an addressee of this letter.) I do not undertake to advise you of matters that may come to my attention subsequent to the date hereof that may affect the conclusions expressed herein.

Very truly yours,

A handwritten signature in black ink, consisting of several loops and a long vertical stroke, positioned below the text "Very truly yours,".

March 17, 2016

Successor Agency to the Garden Grove Agency for Community Development
Garden Grove, California

Mesirow Financial Inc., on behalf of itself and the other
underwriters of the below-captioned bonds
San Francisco, California

Build America Mutual Assurance Company
New York, New York

Re: \$36,540,000 Successor Agency to the Garden Grove Agency for
Community Development
Garden Grove Community Project
Tax Allocation Refunding Bonds, Issue of 2016

Ladies and Gentlemen:

We have acted as counsel for U.S. Bank National Association, a national banking association (the "Trustee") in connection with the First Supplemental Indenture of Trust, dated as of March 1, 2016 (the "Supplemental Indenture"), by and between the Successor Agency to the Garden Grove Agency for Community Development (the "Successor Agency") and the Trustee, as trustee, relating to the above-captioned bonds, and are generally familiar with the Articles of Association and the Bylaws of the Trustee and are also familiar with the corporate proceedings of the Trustee with regard to its authorization, execution and delivery of the Supplemental Indenture. The Supplemental Indenture is supplemental to the Indenture of Trust, dated as of June 1, 2014 (the "Original Indenture"), by and between the Successor Agency and the Trustee, as trustee, and the Original Indenture and the Supplemental Indenture are referred to herein, collectively, as the "Indenture." Capitalized terms used herein shall have the respective meanings ascribed to them in the Indenture, except as otherwise defined herein.

We have examined such documents and reviewed such questions of law as we have considered necessary and appropriate for purposes of this opinion. In such review, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, and the conformity with originals of all documents submitted to us as copies. Where questions of fact material to our opinions expressed below were not established independently, we have relied upon statements of officers of the Trustee as contained in certificates of officers of the Trustee.

Based upon the foregoing, we are of the opinion that:

1. The Trustee is a national banking association duly organized, validly existing and in good standing under the laws of the United States of America and is authorized to exercise trust powers.

2. The Trustee has all requisite corporate power, authority and legal right to execute and deliver the Supplemental Indenture and to perform its obligations thereunder, and has taken all necessary corporate action to authorize the execution and delivery of the Supplemental Indenture.

3. The Trustee has duly authorized, executed and delivered the Supplemental Indenture. Assuming the due authorization, execution and delivery thereof by the Successor Agency, the Indenture is the legal, valid and binding agreement of the Trustee, enforceable in accordance with its terms against the Trustee.

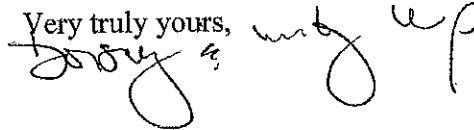
The opinions set forth above are subject to the following qualifications and exceptions:

(a) the opinions are subject to the effect of any applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other similar laws of general application affecting creditors' rights; and

(b) the opinions are subject to the effect of general principles of equity, including (without limitation) concepts of materiality, reasonableness, good faith and fair dealing, and other similar doctrines affecting the enforceability of agreements generally (regardless of whether considered in a proceeding in equity or at law).

Our opinions expressed above are limited to the laws of the State of California and the federal laws of the United States of America.

The foregoing opinions are being furnished to you solely for your benefit and may not be relied upon by, nor may copies be delivered to, any other person without our prior written consent.

Very truly yours,


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