

ORDINANCE NO. 1576

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE APPROVING AND ADOPTING THE REDEVELOPMENT PLAN FOR THE BROOKHURST/CHAPMAN PROJECT.

THE CITY COUNCIL OF THE CITY OF GARDEN GROVE DOES ORDAIN AS FOLLOWS:

SECTION 1: The purpose and intent of the Redevelopment Plan for the Brookhurst/Chapman Project is to encourage the redevelopment and rehabilitation of an existing commercial shopping area, the construction of new commercial facilities, and the modification of public improvements to facilitate privately financed development thereby improving the business opportunities for owners and tenants of the project area, increasing the tax base to the City and all taxing agencies, and providing improved shopping services to the entire community.

SECTION 2: On March 14, 1977, pursuant to Section 33000 et seq of the Health and Safety Code of the State of California, the City Council of the City of Garden Grove and the Garden Grove Agency for Community Development held a joint public hearing to consider the Redevelopment Plan for the Brookhurst/Chapman Project. The following items were considered:

1. The determination by the Planning Commission that the Redevelopment Plan for the Brookhurst/Chapman Project is in conformity with the Garden Grove General Plan pursuant to their Resolution No. 2920.
2. The report of the Garden Grove Agency for Community Development on the Redevelopment Plan for the Brookhurst/Chapman Project approved March 7, 1977.
3. All evidence and testimony for and against the adoption of the Redevelopment Plan.

SECTION 3: After due and careful consideration at said public hearing on March 14, 1977, the City Council findings are as follows:

1. The project area is characterized as underutilized, underproductive, uncompetitive with neighboring shopping centers, and contains deficiencies in public improvements and traffic circulation. The project area is a blighted area, the redevelopment of which is necessary to effectuate the public purposes declared in the California Community Redevelopment Law.
2. The implementation of the Redevelopment Plan will redevelop the area in conformity with the Community Redevelopment Law and will promote the public peace, health, safety and welfare in that it will eliminate the problems noted in paragraph 1 above.
3. The adoption and implementation of the Redevelopment Plan is economically sound and feasible in that it will improve the economic and employment base of the community and will provide improved shopping services to the residents of Garden Grove and adjacent areas.
4. The Redevelopment Plan is determined to be consistent with and conforms to the General Plan of the City of Garden Grove following review and conclusion of the Planning Commission on January 27, 1977, and following a public hearing and conclusion of the City Council held on March 14, 1977.
5. The carrying out of the Redevelopment Plan would promote the public peace, health, safety and welfare of the community and would effectuate the purposes and policies of the Community Redevelopment Law as the physical and economic health of the project area will be significantly improved.

6. The condemnation of real property is necessary to the execution of the Redevelopment Plan and adequate provisions have been made for payment for property to be acquired as provided by law.
7. There are no families and persons residing in the project area, and therefore there is no need to relocate any families or persons displaced from the project area.
8. The inclusions of any land, buildings, or improvements which are not detrimental to the public health, safety or welfare is necessary for the effective redevelopment of the area of which they are a part, and any such area included is necessary for the effective redevelopment and rehabilitation and is not included for the purpose of obtaining the allocation of tax increment revenues from such area pursuant to Section 33670 without other substantial justification for its inclusion.
9. The elimination of blight and the redevelopment of the project area would not be reasonably expected to be accomplished by private enterprise acting alone without the aid and assistance of the Agency.

SECTION 4: The Brookhurst/Chapman Project is expected to be financed in part or in full from revenues derived from the allocation of taxes pursuant to Section 33670 of the Health and Safety Code of the State of California. The City Council is convinced that the effect of tax increment financing will not cause a severe financial burden or detriment on any taxing agency deriving revenues from the Brookhurst/Chapman Project Area.

SECTION 5: Following the public hearing held on March 14, 1977, the City Council approved and adopted the Redevelopment Plan for the Brookhurst/Chapman Project, which plan is the official redevelopment plan of the Brookhurst/Chapman Project and is incorporated by reference.

SECTION 6: The City of Garden Grove may provide funds through the Garden Grove Agency for Community Development to achieve this plan upon the approval of the City Council of the City of Garden Grove. Said expenditure of funds will be repaid by the Agency pursuant to the provisions of the Redevelopment Plan and the appropriate laws of the State of California.

SECTION 7: The City of Garden Grove may undertake and complete any proceedings necessary to carry out the Redevelopment Plan.

SECTION 8: The Redevelopment Plan for the Brookhurst/Chapman Project is hereby approved and adopted pursuant to Section 33365 of the Health and Safety Code of the State of California and is the official redevelopment plan of the Brookhurst/Chapman project area.

SECTION 9: This ordinance shall take effect thirty (30) days after adoption and shall within fifteen (15) days of adoption be published with the names of the Council members voting for and against the same in the Orange County Evening News, a newspaper of general circulation, published and circulated in the City of Garden Grove.

The foregoing Ordinance was passed by the City Council of the City of Garden Grove on the 21st day of March, 1977.

/s/ J. TILMAN WILLIAMS

MAYOR

ATTEST:

/s/ JERI LOUISE STATELY
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS:
CITY OF GARDEN GROVE)

I, JERI LOUISE STATELY, City Clerk of the City of Garden Grove do hereby certify that the foregoing Ordinance was introduced and presented on March 14, 1977, with vote as follows:

AYES: COUNCILMEMBERS: (4) BARR, DONOVAN, KRIEGER, WILLIAMS
NOES: COUNCILMEMBERS: (1) ERICKSON
ABSENT: COUNCILMEMBERS: (0) NONE

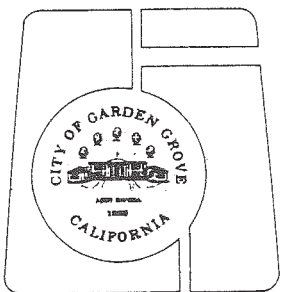
and was passed on March 21, 1977, by the following vote:

AYES: COUNCILMEMBERS: (4) BARR, DONOVAN, KRIEGER, WILLIAMS
NOES: COUNCILMEMBERS: (0) NONE
ABSENT: COUNCILMEMBERS: (1) ERICKSON

/s/ JERI LOUISE STATELY
CITY CLERK

PROPOSED
REDEVELOPMENT PLAN
FOR
BROOKHURST/CHAPMAN PROJECT

GARDEN GROVE
AGENCY FOR COMMUNITY DEVELOPMENT



GARDEN GROVE

March 10, 1977

GARDEN GROVE CITY COUNCIL

J. TILMAN WILLIAMS
Mayor

MILTON KRIEGER
Mayor Pro Tem

ELERTH S. ERICKSON
Councilman

KATHRYN L. BARR
Councilwoman

WALTER E. DONOVAN
Councilman

RICHARD R. POWERS
City Manager

GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT

KATHRYN L. BARR
Chairman

WALTER E. DONOVAN
Vice Chairman

MILTON KRIEGER
Member

J. TILMAN WILLIAMS
Member

ELERTH S. ERICKSON
Member

RICHARD R. POWERS
Director

TABLE OF CONTENTS

	Page
I. Introduction	1
II. Project Area Boundaries	1
III. Project Objectives	2
IV. Neighborhood Impact	5
V. Proposed Redevelopment Actions	7
VI. Development of the Project	17
VII. Methods for Financing the Project	21
VIII. Actions by the City	26
IX. Administration and Implementation of Plan	28
X. Duration of This Plan	29
XI. Procedure for Amendment	30
 Map of Project Area Boundary and Proposed Land Uses	 3

I. INTRODUCTION

This is the Redevelopment Plan (hereinafter referred to as the "Plan") for the Brookhurst/Chapman Project located in the redevelopment survey area in the City of Garden Grove, County of Orange, State of California. This Plan has been prepared by the Garden Grove Agency for Community Development (hereinafter referred to as "Agency") pursuant to the Community Redevelopment Law (California Health and Safety Code, Section 33000 et. seq.).

II. PROJECT AREA BOUNDARIES

The boundaries of the Brookhurst/Chapman Project are illustrated on the Map of the Project Area. The Project Area contains approximately 44.9 acres of land. The legal description of the boundaries of the Project Area is as follows:

That certain property in the City of Garden Grove, County of Orange, State of California, described as follows:

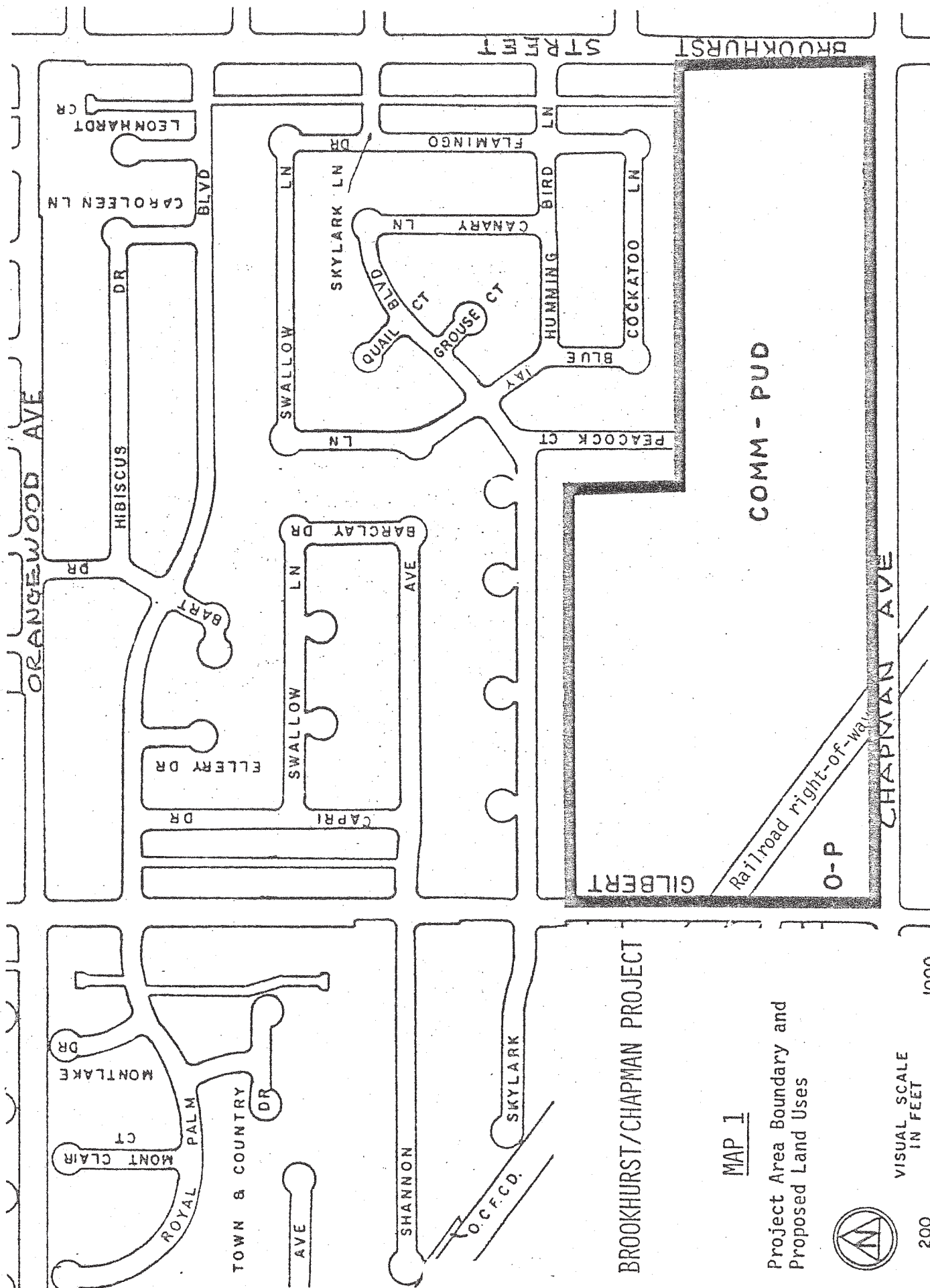
Beginning at the intersection of a line parallel with and 50 feet Northerly measured at right angles from the Southerly line of the Southeast Quarter of Section 30, Township 4 South, Range 10 West, in the City of Garden Grove, County of Orange, State of California, partly in Rancho Los Alamitos and partly in Rancho Los Coyotes as shown on a map recorded in Book 51, page 10 of Miscellaneous Maps in the office of the County Recorder of said county, with a line parallel with and 40 feet Easterly measured at right angles from the Westerly line of the Southeast Quarter of said section; thence Northerly along said last mentioned parallel line to the Southerly line of the Northwest Quarter of the Northwest Quarter of the Southwest Quarter of the Southeast

Quarter of said Section; thence North 89° 25' 45" East 660.82 feet along said Southerly line to the East line of the West Half of the Southwest Quarter, of the Southeast Quarter of said Section 30; thence North 0° 53' 12" West 0.88 feet along said East line to the South line of the North 330 feet of the Southwest Quarter of the Southeast Quarter of said Section; thence North 89° 26' 54" East 660.81 feet to the East line of the Southwest Quarter of the Southeast Quarter of said section; thence Southerly along said last mentioned Easterly line to the Northwest corner of Lot 19 of Berryfield as shown on a map recorded in Book 4, page 97 of said Miscellaneous Maps; thence Easterly along the Northerly line of said Lot 19 and along the Northerly line of Lots 17 and 18 of said Berryfield to a line parallel with and 60 feet Westerly, measured at right angles from the Easterly line of Lot 17 of said tract; thence Southerly along said last mentioned parallel line to a line parallel with and 50 feet Northerly measured at right angles from the Southerly line of the Southeast Quarter of said Section 30; thence Westerly along said last mentioned parallel line to the point of beginning.

Except therefrom that portion included within the lines of public streets as now established.

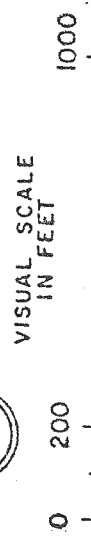
III. PROJECT OBJECTIVES

The objectives of the Brookhurst/Chapman Project are to encourage the redevelopment and rehabilitation of an existing commercial shopping area - the Orange County Plaza and associated properties - the construction of new commercial facilities and the modification of public improvements to facilitate privately financed development.



MAP 1

Project Area Boundary and
Proposed Land Uses



The Orange County Plaza, which is approximately twenty years old, was the first major retail shopping center in Orange County. Over the years the Plaza has become obsolete and blighted and therefore uncompetitive with neighboring shopping centers. Conditions such as economic dislocation, deterioration and disuse resulting from faulty planning and a prevalence of depreciated values, impaired investments and economic maladjustment have led to a reduction of, or lack of, proper utilization of the area to such an extent that it constitutes a serious economic burden on the community which cannot reasonably be expected to be reversed or alleviated by private enterprise acting alone.

The existing blighted and underproductive conditions of the project area have placed the subject property in a very unfavorable competitive position with respect to the sale of retail convenience and shoppers goods in Orange County. Inasmuch as the Brookhurst/Chapman project area contains the largest shopping center in Garden Grove and there is no suitable vacant land available in the City upon which a comparable size shopping center could be developed, redevelopment and expansion of the existing commercial development in the Project Area are necessary to ensure that adequate shopping facilities are available to properly serve the residents of the community.

* The Garden Grove Agency for Community Development can, through the redevelopment process, provide the catalyst to achieve the desired improvements and revitalization of the Plaza. Agency participation in the Project may:

1. Provide public agency leadership to offset competition from nearby regional shopping centers and other redevelopment projects receiving public agency support.

2. Assist private owners in solving lease negotiation problems.
3. Provide corrective land use actions which interrelate between zoning and redevelopment.
4. Fund, if necessary, public parking facility improvements and write-down costs of on-site building relocation.
5. Fund and construct off-site public improvements if deemed essential.
6. Coordinate redevelopment of the Plaza property with the plans of the Orange County Transit District for future transit corridor use.
7. Provide inter-relationship with the surrounding commercial properties at Brookhurst Street and Chapman Avenue.

The public and private cooperative efforts of the redevelopment process contained in this plan should result in the creation of an environmentally and aesthetically pleasing project, stimulation and attraction of private investment thereby improving the City's economic health, an increase in employment opportunities in the community, expansion of service and retail facilities to better serve the residents of Garden Grove, and an improvement of the City's tax base.

IV. NEIGHBORHOOD IMPACT

A. Acquisition and Relocation

If necessary, the relocation of businesses in the Project Area will be accomplished pursuant to the Relocation Guidelines that have been adopted by the Agency.

B. Traffic Circulation

The existing circulation facilities surrounding the site have been planned and designed to accommodate anticipated development but may require some modification to more adequately serve the shopping center.

C. Environmental Quality

The shopping center complex will be redesigned to be compatible with the surrounding area and should have no negative environmental impact on the residential neighborhood to the north.

D. Community Services

Redevelopment in this Project Area will result in the improvement of the shopping center to better serve the residents of the area.

E. Residences and Schools

Inasmuch as no residential dwelling units exist or are proposed in the Project Area, no additional school age children will be generated from the Project Area.

F. Property Values

The redevelopment of the existing shopping center on this site will substantially improve the value of the property in the Project Area and the resulting tax flow to all public agencies. The impact of this improvement on the assessments of the surrounding residential and commercial areas depends upon the practices of the County Assessor.

G. Other Physical and Social Matters

The improved shopping center will provide a much needed service to the residents of the area.

V. PROPOSED REDEVELOPMENT ACTIONS

A. Property Acquisition

1. Acquisition of Real Property

Except as specifically exempted herein, the Agency may acquire but is not required to acquire, real property located in the Project Area in accordance with this Plan by gift, devise, exchange, purchase, eminent domain, or any other lawful method. All other avenues of acquisition will be expended to implement this Plan prior to the use of eminent domain.

The Agency is not authorized by law to acquire real property owned by public bodies which do not consent to such acquisition. The Agency is authorized, however, to acquire public property if it becomes private property by being transferred by deed, lease, or otherwise to private ownership or control before the Agency completed land disposition within the entire Project Area if the Agency and the private owner enter into a participation agreement.

The Agency shall not acquire real property to be retained by an owner pursuant to a participation agreement if the owner fully performs under the Agreement. The Agency is authorized to acquire any other interest in real property less than a fee.

2. Acquisition of Personal Property

Generally, personal property shall not be acquired. However, where necessary in the execution of this Plan, the

Agency is authorized to acquire personal property in the Project Area by any lawful means except eminent domain.

3. Time Limitation for Eminent Domain Proceedings

If the Agency utilizes eminent domain proceedings to acquire property within the Project Area, it must commence said proceedings within 12 years of the date of the adoption of this Plan unless extended by amendment of the Redevelopment Plan.

B. Participation by Owners and Re-entry Preference to Persons Engaged In Business in the Project Area

1. Owner Participation

a. General Provisions

Persons who are owners of real property in the Project Area shall be given the opportunity to participate in new development by retaining all or a portion of their properties, by acquiring adjacent or other properties in the Project Area, or by selling their properties to the Agency and purchasing other properties in the Project Area.

In the event an owner-participant fails or refuses to newly develop his real property pursuant to this Plan and the agreement, the real property or any interest therein may be acquired by the Agency and sold or leased for development in accordance with this Plan.

If conflicts develop between the desires of participants for particular sites or land uses, the Agency is authorized to establish reasonable priorities and preferences among the owners and tenants.

In addition to opportunities for participation by individual persons and firms, participation to the extent it is feasible

shall be available for two or more persons, firms or institutions, to join together in partnerships, corporations, or other joint entities.

Participation opportunities shall necessarily be subject to and limited by such factors as the expansion of public facilities; elimination and changing of land uses; realignment of streets; the ability of owners to finance acquisition and development in accordance with the Plan; and any reduction in the total number of individual parcels in the Project Area.

b. Rules for Participation Opportunities

Every property owner in the Brookhurst/Chapman Project may participate in the redevelopment of this Project Area pursuant to the adopted Rules and Regulations for Owner Participation in the Brookhurst/Chapman Project adopted by the Agency on February 22, 1977, pursuant to Resolution No. 71.

c. Participation Agreements

Each participant shall enter into a binding agreement with the Agency by which the participant agrees to develop or use the property in conformity with the Plan and to be subject to the provisions hereof. In such an agreement, participants who retain real property shall be required to join in the recordation of such documents as are necessary to make the provisions of this plan applicable to their properties.

Whether or not a participant enters into a participation agreement with the Agency, the provisions of this Plan are

applicable to all public and private property in the Project Area.

2. Preferences for Re-entry Into Project Area

The Agency shall extend reasonable preferences to persons who are engaged in business in the Project Area to re-enter in business within the Redevelopment Area if they otherwise meet the requirements prescribed by the Redevelopment Plan as set forth in the Rules for Re-entry for the Brookhurst/Chapman Project Area as adopted by the Agency on February 22, 1977, pursuant to Resolution No. 72.

C. Cooperation with Public Bodies

The Agency, by law, is not authorized to acquire real property owned by public bodies without the consent of such public bodies. The Agency, however, will seek the cooperation of all public bodies that own or intend to acquire property in the Project Area. The Agency shall impose on all public bodies the planning and design controls contained in the Plan to insure that present uses and any future development by public bodies will conform to the requirements of this Plan.

D. Property Management

During such time as property, if any, in the Project Area is owned by the Agency, such property shall be under the management and control of the Agency. Such property may be rented or leased by the Agency pending its disposition for redevelopment.

E. Relocation of Persons Displaced by the Project

1. Replacement Dwelling Units

There are no dwelling units currently located in the

Project Area. However, if there were within the Project Area any dwelling units housing persons and families of low or moderate income that would be destroyed or removed from the low and moderate income housing market as part of the Redevelopment Project, the Agency would, within four years of such destruction or removal, rehabilitate, develop, or construct or cause to be rehabilitated, developed, or constructed, for rental or sale to persons and families of low or moderate income, an equal number of replacement dwelling units at an affordable rent within the Project Area or within the territorial jurisdiction of the Agency, in accordance with the provisions of Sections 33413 and 33413.5.

2. Assistance in Finding Other Locations

The Agency shall assist all persons (including families, business concerns, and others) displaced by the project in finding other locations and facilities. In order to carry out the project with a minimum of hardship to persons displaced from their homes, the Agency shall assist individuals and families in finding housing that is decent, safe, sanitary, within their financial means, in reasonable convenient locations, and otherwise suitable to their needs. The Agency is also authorized to provide housing inside or outside the Project Area for displaced persons.

3. Relocation Payments

The Agency shall make relocation payments in accordance with the State Relocation Guidelines adopted by the Agency.

F. Site Preparation and Improvements

1. Preparation of Building Sites

The Agency is authorized to clear and prepare or cause to be cleared and prepared as building sites any real property in the Project Area owned by the Agency.

2. Public Improvements

The Agency is authorized to install and construct or to cause to be installed and constructed the public improvements and public utilities (within or outside the Project Area) necessary to carry out the Plan. Such public improvements include, but are not limited to, overpasses, underpasses, bridges, streets, curbs, gutters, sidewalks, street lights, sewers, storm drains, sewage facilities, traffic signals, water distribution systems, parks, plazas, playgrounds, motor vehicle parking facilities, and landscaped areas.

G. Improvement of Structures by the Agency

The Agency is authorized to rehabilitate or to cause to be rehabilitated any building or structure in the Project Area owned by the Agency. The Agency is also authorized and directed to advise, encourage, and assist in the improvement, rehabilitation, or restoration of property in the Project Area not owned by the Agency.

H. Property Disposition and Development

1. Real Property Disposition and Development

a. General

For the purposes of this Plan, the Agency is

authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest in real property.

To the extent permitted by law, the Agency is authorized to dispose of real property by leases or sales by negotiation without public bidding.

All real property acquired by the Agency in the Project Area shall be sold or leased to public or private persons or entities for development for the uses permitted in the Plan. Real property may be conveyed by the Agency to the City or any other public body without charge.

The Agency shall reserve such powers and controls in the disposition and development documents as may be necessary to prevent transfer, retention, or use of property for speculative purposes and to insure that development is carried out pursuant to this Plan.

All purchasers or lessees of property shall be made obligated to use the property for the purposes designated in this Plan, to begin and complete development of the property within a period of time which the Agency fixes as reasonable, and to comply with other conditions which the Agency deems necessary to carry out the purposes of this Plan.

b. Purchase and Development Documents

To provide adequate safeguards to insure that the provisions of this Plan will be carried out and to

prevent the recurrence of blight, all real property sold, leased or conveyed by the Agency, as well as all property subject to participation agreements, shall be made subject to the provisions of this Plan by leases, deeds, contracts, agreements, declarations of restrictions, provisions of the zoning ordinance, conditional use permits, or other means. Where appropriate, as determined by the Agency, such documents or portions thereof shall be recorded in the Office of the Recorder of the County.

The leases, deeds, contracts, agreements, and declarations of restrictions may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitudes, or any other provision necessary to carry out this Plan.

All property in the Project Area is hereby subject to the restriction that there shall be no discrimination or segregation based upon race, color, sex, marital status, religion, national origin, or ancestry, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of property in the Project Area. All property sold, leased, conveyed, or subject to a participation agreement shall be made expressly subject by appropriate documents to the restriction that all deeds, leases, or contracts for the sale, lease, sublease, or other transfer of land in the Project Area shall contain such non-discrimination and non-segregation clauses as are required by law.

c. Development

Notwithstanding the provisions of Section 33440, the Agency may, with the consent of the City Council, pay all or part of the value of the land for and the cost of the installation and construction of any building, facility, structure, or other improvement which is publicly owned either within or without the Project Area, if the City Council determines: (1) that such buildings, facilities, structures, or other improvements are of benefit to the Project Area or the immediate neighborhood in which the project is located, regardless of whether such improvement is within another project area, or in the case of a project area in which substantially all of the land is publicly owned that such improvement is of benefit to an adjacent project area of the Agency, and (2) that no other reasonable means of financing such buildings, facilities, structures, or other improvements, are available to the community. Such determinations by the Agency and the City Council shall be final and conclusive.

When the value of such land or the cost of the installation and construction of such building, facility, structure, or other improvement, or both, has been, or will be, paid or provided for initially by the community or other public corporation, the Agency may enter into a contract with the community or other public corporation under which it agrees to reimburse the community or other public corporation for all or part of the value of such land or all or part of the cost of

such building, facility, structure, or other improvement, or both, by periodic payments over a period of years.

The obligation of the Agency under such contract shall constitute an indebtedness of the Agency for the purpose of carrying out the redevelopment project for such Project Area, which indebtedness may be made payable out of taxes levied in such Project Area and allocated to the Agency under subdivision (b) of Section 33670, or out of any other available funds.

In a case where such land has been or will be acquired by, or the cost of the installation and construction of such building, facility, structure or other improvement has been paid by, a parking authority, joint powers entity, or other public corporation to provide a building, facility, structure, or other improvement which has been or will be leased to the community, such contract may be made with, and such reimbursement may be made payable to, the community.

During the period of development in the Project Area, the Agency shall insure that the provisions of this Plan and of other documents formulated pursuant to this Plan are being observed, and that development in the Project Area is proceeding in accordance with development documents and time schedules.

Development plans for projects in the Project Area, both public and private, shall be submitted to the Agency and the City Planning Commission ("Planning Commission") for approval and architectural review. All development must conform to this plan and all applicable local laws.

2. Personal Property Disposition

For the purposes of this Plan the Agency is authorized to sell, lease, exchange, transfer, assign, pledge, encumber, or otherwise dispose of personal property.

VI. DEVELOPMENT OF THE PROJECT

A. General Controls and Limitations

All real property in the Project Area is hereby made subject to the controls and requirements of this plan or any other plans adopted by the Agency to carry out this plan.

No real property shall be developed, rehabilitated, or otherwise changed after the date of the adoption of this Plan except in conformance with the provisions of this Plan or any other plans adopted by the Agency to carry out this Plan.

1. New Construction

All new construction shall comply with all applicable local laws in effect from time to time including, but not limited to the Building, Electrical, Heating and Ventilating, Housing and Plumbing Codes of the City and the City Zoning Ordinances.

2. Existing Non-conforming Uses

The provisions of the City Zoning Ordinances shall govern the regulation of existing non-conforming uses in the Project Area.

3. Limitations on the Type, Size, Height, Number and Proposed Use of Buildings

The type, size, height, number and proposed use of buildings in the Project Area shall be limited by the land use regulations

of the City of Garden Grove and further regulated by the Agency.

4. Open Spaces, Landscaping and Street Layout

Open space as defined in the Open Space Element of the Garden Grove General Plan adopted pursuant to Section 65302 of the State Government Code includes "Specific forms of urban landscape which are used to enhance the natural and spatial values of the environment in which we reside. Such landscape includes not only public park and school land for active use, but also specific types of open space with limited availability for active use, which are of significant size to serve to promote the natural beauty of the community."

Based on the above definition, there is no open space proposed in the Project Area, however the Project Area will include public right-of-way, easements, paved parking, spaces around buildings and other outdoor areas within the Project Area not covered by buildings.

It is anticipated that there will be no public streets within the boundaries of the Project Area. The street layout surrounding the Project Area is depicted on Map 1 on page 3.

5. Property to be Devoted to Public Purposes

Property within the Project Area to be devoted to public purposes includes the existing railroad right-of-way as shown on Map 1. It is anticipated that the Agency will acquire interest in real property not to be utilized for buildings for the purpose of improving said property as a parking area. The

only other property to be devoted to public purposes are easements for public utilities.

6. Utilities

The Agency shall require that all utilities be placed underground when physically and economically feasible, or when not feasible, above ground utilities may be permitted.

7. Incompatible Uses

No use or structure which by reason of appearance, traffic, smoke, glare, noise, odor, or similar factors would be incompatible with the surrounding areas or structures shall be permitted in any part of the Project Area. Within the Project Area, except with the approval of the Agency, there shall be no extraction of oil, gas, or other mineral substances, nor any opening or penetration for any purpose connected therewith within 500 feet of the surface.

8. Nondiscrimination and Nonsegregation

There shall be no discrimination or segregation based upon race, color, sex, marital status, creed, religion, national origin, or ancestry permitted in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of property in the Project Area.

B. Design for Development

Within the limits, restrictions, and controls established in the plan, the Planning Commission is authorized to establish

heights of buildings, land coverage, setback requirements, design, criteria, traffic circulation, traffic access, and other development and design controls necessary for proper development of both private and public areas within the Project Area.

C. Development Review

The Agency in cooperation with the Garden Grove City Council and the Planning Commission will encourage review and provide all necessary safeguards to insure the development of the Brookhurst/Chapman Project pursuant to this Plan. Through the application of the site plan review and all applicable provisions of the Garden Grove Municipal Code, the above-mentioned agencies will insure the development of this Project Area pursuant to this Plan. The City Council may retain those controls and establish any restrictions or covenants to run with the land sold or leased for private use for such periods of time and under such conditions as the City Council deems necessary to effectuate the purpose of this part. The establishment of such controls is public purpose pursuant to Section 33336 of the Health & Safety Code of the State of California.

VII. METHODS FOR FINANCING THE PROJECT

A. General Description of the Proposed Financing Methods

The Agency is authorized to finance this Project with financial assistance from the City, State of California, Federal Government, property tax increments, interest income, Agency bonds, or any other available source.

Advances and loans for survey and planning and for the operating capital for nominal administration of this Project may be provided by the City until adequate tax increments or other funds are available or sufficiently assured to repay the loans and to permit borrowing adequate working capital from sources other than the City. The City as it is able may also supply additional assistance through City loans and grants for various public facilities.

As available, gas tax funds from the State of California and the County of Orange may be used for the street system. As available, federal loans and grants may be used to finance portions of Project costs.

The Agency is authorized to issue bonds if appropriate and feasible in an amount sufficient to finance all or any part of the Project. Bonded indebtedness shall not exceed \$5,000,000 outstanding at one time without an amendment of the Plan.

The Agency is authorized to obtain advances, borrow funds and create indebtedness in carrying out this Plan. The principal and interest on such advances, funds, and indebtedness may be paid from tax increments or any other funds available to the Agency.

B. Tax Increments

All taxes levied upon taxable property within the Brookhurst/Chapman Project each year by or for the benefit of the State of California, County of Orange, City of Garden Grove, any district, or other public corporation (hereinafter sometimes called "taxing agencies") after the effective date of the ordinance approving this Redevelopment Plan shall be divided as follows:

1. That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of said taxing agencies upon the total sum of the assessed value of the taxable property in the Redevelopment Project as shown upon the assessment roll used in connection with the taxation of such property by such taxing agency, last equalized prior to the effective date of such ordinance, shall be allocated to and when collected shall be paid into the funds of the respective taxing agencies as taxes by or for said taxing agencies on all other property are paid (for the purpose of allocating taxes levied by or for any taxing agency or agencies which did not include the territory of the Project on the effective date of such ordinance but to which such territory is annexed or otherwise included after such effective date, the assessment roll last equalized on the effective date of said ordinance shall be used in determining the assessed valuation of the taxable property in the Project on said effective date); and

2. That portion of said levied taxes each year in excess of such amount shall be allocated to and when collected shall be paid into a special fund of the Agency to pay the principal of and interest on bonds, loans, monies advanced to, or indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the Agency to finance or refinance, in whole or in part, this Redevelopment Project. Unless and until the total assessed value of the taxable property in the Project exceeds the total assessed value of the taxable property in the Project shown by the last equalized assessment roll referred to in paragraph one hereof, all of the taxes levied and collected upon the taxable property in the Project shall be paid into the funds of the respective taxing agencies. When said bonds, loans, advances and indebtedness, if any, and interest thereon, have been paid, all monies thereafter received from taxes upon the taxable property in the Project shall be paid into the funds of the respective taxing agencies as taxes on all other property are paid.

The portion of taxes mentioned in paragraph two above shall be irrevocably pledged for the payment of the principal of and interest on the advance of monies, or making of loans, or the incurring of any indebtedness (whether funded, refunded, assumed, or otherwise) by the Agency to finance or refinance the Project in whole or in part.

The Agency is authorized to make such pledges as to specific advances, loans and indebtedness as appropriate in carrying out the Project.

C. Financial Limitations

In carrying out this Plan the Agency shall not receive dollar allocations from other taxing agencies of more than \$600,000 per year. Furthermore, the Agency shall not establish loans, advances, and indebtedness to finance in whole or in part the Redevelopment Project later than 40 years after the adoption of this Plan.

D. Alleviation of Financial Burden

The Agency may in any year during which it owns property in the Redevelopment Project pay directly to the City, County, any district, including but not limited to, a school district, or other public corporation for whose benefit a tax would have been levied upon such property had it not been exempt, an amount of money in lieu of taxes.

A proportionate share of any money paid by the Agency to the City and County pursuant to this section shall be disbursed by the City and County to any school district with territory located within the redevelopment project area in the City and County.

"Proportionate share," as used in this section, means the ratio of the school district tax rate, which is included in the total tax rate of the City and County, to the total tax rate of the City and County.

The Agency may also pay to any taxing agency with territory located within the Project Area other than the City, any amounts of money which in the Agency's determination is appropriate to alleviate any financial burden or detriment caused to the taxing

agency by the Redevelopment Project.

E. Provisions for Improving or Increasing the Community's Supply of Housing

It is expected that because of increased employment opportunities within the Project Area, that the implementation of the Plan may generate some need for increasing and improving the community's supply of housing for persons and families of low- or moderate-income, as defined in Health and Safety Code Section 41056, and very low income households, as defined in Health and Safety Code Section 41067.

It is anticipated that the Agency will not utilize any of the taxes which are allocated to it pursuant to Health and Safety Code Section 33670 for the purposes of increasing and improving the community's supply of housing for persons and families of low- or moderate-income and very low income households, except as provided herein below, in that a substantial effort to meet low- and moderate-income housing is being made in the community equivalent in impact to the funds otherwise required to be set aside pursuant to Health and Safety Code Section 33334.2. The funds currently available are as follows:

<u>Source</u>	<u>Amount</u>
HCD Grant Funds (FY 1977-78)	\$ 359,000
Section 8 Rent Subsidy Payment Program Current Subsidy Payments*	<u>270,000</u>
	\$ 629,000

*One half of Housing Authority's 3-year goal approved by HUD.

In the event that in any given year in which taxes are allocated to the Agency pursuant to Section 33670 the funds available for the benefit of the community for low- and moderate-income housing is not

equivalent to the funds that would be required to be set aside pursuant to Section 33334.2, i.e., 20 percent of all taxes which are allocated to the Agency pursuant to said Section 33670, the Agency shall make up the difference between said 20 percent and the funds otherwise available for such purposes from the taxes which are allocated to the Agency pursuant to said Section 33670 and shall deposit same in a low- and moderate-income housing fund.

VIII. ACTIONS BY THE CITY

The City shall aid and cooperate with the Agency in carrying out this Plan and shall take all actions necessary to ensure the continued fulfillment of the purposes of this Plan and to prevent the recurrence or spread in the area of conditions causing blight. Action by the City shall include, but not be limited to, the following:

- A. Institution and completion of proceedings for opening, closing, vacating, widening, or changing the grades of streets, alleys, and other public rights-of-way, and for other necessary modifications of the streets, the street layout, and other public rights-of-way in the Project Area. Such action by the City may include the requirement of abandonment and relocation by the public utility companies of their operations in public rights-of-way as appropriate to carry out this Plan.
- B. Institution and completion of proceedings necessary for changes and improvements in publicly-owned public utilities within or affecting the Project Area.
- C. Revision of zoning within the Project Area to permit the land uses and development authorized by this Plan.

- D. Performance of the above, and of all other functions and services relating to public health, safety, and physical development normally rendered in accordance with a schedule which will permit the development of the Project Area to be commenced and carried to completion without unnecessary delays.
- E. The undertaking and completing of any other proceedings necessary to carry out the Project.
- F. It is anticipated that the City will expend funds for public improvements for the benefit of the Project Area.

IX. ADMINISTRATION AND IMPLEMENTATION OF THE PLAN

The administration and implementation of this Plan or other documents implementing this Plan shall be performed by the City and/or Agency, as established from time to time by the City Council.

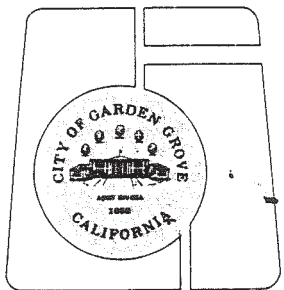
X. DURATION OF THIS PLAN

The duration of the controls of this Plan shall be effective and in force for a period of ten years from the date of adoption of this Plan by the City Council; this term may be extended by resolution of the City Council.

IX PROCEDURE FOR AMENDMENT

This Plan may be amended by means of the procedures established under the Community Redevelopment Law or by any other procedure hereafter established by law.

ADDENDUM TO PART C
OF THE REPORT
ON THE
REDEVELOPMENT PLAN
FOR THE
BROOKHURST/CHAPMAN PROJECT



GARDEN GROVE

Prepared by:
Garden Grove Agency for Community Development
For Submittal to:
Garden Grove City Council
March 10, 1977

PROJECT AREA

The property, known as Orange County Plaza, containing a variety of commercial uses and the adjoining properties between Brookhurst and Gilbert, on the north side of Chapman, and lying south of a single family residential neighborhood is the area known as the Brookhurst/Chapman Project Area containing 44.9 acres.

Seven parcels of land lie within this boundary:

1. A property triangular in shape owned by the Woman's Civic Club of Garden Grove at Gilbert and Chapman (2.1 acres).
2. An abandoned Southern Pacific railroad right-of-way bounding the Woman's Civic Club extending from Gilbert to Chapman (1.7 acres).
3. A medical clinic operated by Kaiser Permanente facing on Gilbert (0.7 acres).
4. A vacant parcel facing on Gilbert at the northwest corner of the Project Area owned by Groman (1.6 acres).
5. The Orange County Plaza shopping center owned by Orange County Plaza Associates (30.4 acres).
6. A separately owned parcel of what is known as the Orange County Plaza fronting on Brookhurst and owned by Chikasawa & Associates (8.0 acres).
7. A service station site at the southeast corner of the property at Brookhurst Street and Chapman Avenue owned by Jung Enterprises (0.4 acres).

FINANCING

The area suffers from problems of physical and economic burdens on the community which cannot reasonably be expected to be reversed or alleviated by private enterprise acting alone. There are inadequate public improvements

and a prevalence of depreciated values.

Public improvements are presently anticipated to include off-street parking, traffic signals, fire hydrants, and circulation improvement.

One of the owners has indicated Phase I construction of additional new facilities which are contingent upon actions contemplated by the Redevelopment Plan, to include a bank, home improvement center, a savings and loan, and two restaurants.

		Anticipated Market Value New Private Improvements	
16,500 sq. ft.	Bank		\$ 925,000
40,000 " "	Home Improvement Center . . .		1,750,000
5,500 " "	Savings and Loan		310,000
6,250 " "	Fast Food Restaurant.		400,000
6,000 " "	Dinner Type Restaurant.		<u>450,000</u>
Total New Construction Cost			\$3,835,000
Assessed Value @ 25%			\$ 958,750
Times tax rate \$10.6264			\$ 101,880
Less up to 20% to Housing Fund (see section VII.E of the Redevelopment Plan)			<u>(20,376)</u>
Incremental net available			\$ 81,504
		Rounded to	81,500

The Agency proposes placement of up to \$750,000 of public improvements; the City anticipates additional expenditures, presently estimated at \$180,000, for traffic signals, street improvements and water system modification.

It is presently anticipated that the City will advance up to \$750,000 to the Agency in the form of a loan plus interest which will constitute indebtedness and thereby be repaid from future incremental tax revenues derived from increased assessed valuation within the Project Area.

Amortization of the Agency debt to the City will commence in Fiscal Year 1978-79 when it is expected that incremental tax revenues will first be distributed to the Agency in connection with the Brookhurst/Chapman Project and will continue until Agency debts are amortized.

The owner anticipates additional new investment in 1979 with Phase II which will require an additional \$2,000,000 of private investment to create an enclosed mall for the central portion of the property to be about 500 feet in length, centered generally on the existing Penney's Department Store to be accompanied by extensive upgrading by Penney's and other tenants and owners to exceed an additional \$1,000,000. Also, 5,000 square feet of new shops will be constructed.

The Phase II improvements, with the exception of the new shops, will only partially add to the assessed value. The assessor has reappraised and reduced the value of a major portion of the improvements in this year on an income basis of valuation rather than on a construction cost basis of valuation (replacement cost less depreciation). In particular, many of the proposed improvements may be considered amenities not directly related to income such as the covered mall, new fixtures, new store fronts, etc. It is believed reasonable to expect that at least one third and perhaps more of those improvements will appear on the subsequent assessment roll. As sales and thereby income improve, additional increases in assessed valuation are anticipated. One third of Phase II construction would be \$1,000,000 or an additional \$250,000 of assessed valuation which would provide about \$21,200 of net additional incremental tax revenues (allowing for the Housing Fund).

Additional new Phase III construction is anticipated by 1981 involving updating of convenience good outlets or their possible relocation on site

with some changes in use to increase the attractiveness and variety offered. Additional private improvements are expected by other owners within the Project Area which, together with Phase III, should add increased assessed valuation, boost sales and regain the competitive position of this project area.

In the event future bond financing becomes necessary, the Agency shall, prior to such financing, have proposed and accept a financial plan which shall contain adequate provisions for the payment of principal and interest on such bonds.