

Subject: Re: San District
From: Matthew Reid <matt.reid@landanddesign.com>
Date: Mon, 23 Feb 2015 09:57:11 -0800
To: Jim Dellalonga <jimde@ci.garden-grove.ca.us>
CC: Greg Blodgett <greg1@zimbra.ci.garden-grove.ca.us>

Thanks

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
619.567.2447 x101 **office**
858.735.1858 **cell**
619.489.3669 **efax**
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)
matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

On Feb 20, 2015, at 11:21 AM, Jim Dellalonga <jimde@ci.garden-grove.ca.us> wrote:

Matt,

It is Item 9 on the Consent Calendar under Steering Committee. See attached.

Jim DellaLonga
Senior Project Manager
City of Garden Grove
714.741.5788
<City Logo Small.jpg>

From: "Matthew Reid" <matt.reid@landanddesign.com>
To: "Jim Dellalonga" <jimde@ci.garden-grove.ca.us>, "Greg Blodgett" <greg1@zimbra.ci.garden-grove.ca.us>
Sent: Thursday, February 19, 2015 8:43:32 PM
Subject: San District

Jim,
Would you verify the compensation agreements are on the agenda for the OC San District for 25th?

Sent from my iPhone
Matthew Reid

Land & Design, Inc.

3755 Avocado Blvd | #516 | LaMesa, CA 91942

619.567.2447 x101 **office**

858.735.1858 **cell**

619.489.3669 **efax**

Skype - matthew.reid.ca

matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

<02-25-2015 Board Meeting Agenda.pdf>

Re: Update Meeting

Subject: Re: Update Meeting

From: Matthew Reid <matt.reid@landanddesign.com>

Date: Tue, 24 Feb 2015 08:38:15 -0800

To: Allan Roeder <allanr@ci.garden-grove.ca.us>

CC: Dave Rose <drose3@charter.net>, "Thomas P. Clark Jr." <TClark@sycr.com>

Thanks!

Sent from my iPhone

Matthew Reid

Land & Design, Inc.

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858.735.1858 cell

619.489.3669 efax

Skype - [matthew.reid.ca](https://www.skype.com/people/matthew.reid.ca)

matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

On Feb 24, 2015, at 8:33 AM, Allan Roeder <allanr@ci.garden-grove.ca.us> wrote:

Matt,

I've put this on my calendar and am checking with Kingsley, et al as to their availability.

Allan

----- Original Message -----

From: "Thomas P. Clark Jr." <TClark@sycr.com>

To: "Matthew Reid" <matt.reid@landanddesign.com>

Cc: "Allan Roeder" <allanr@ci.garden-grove.ca.us>, "Dave Rose" <drose3@charter.net>

Sent: Tuesday, February 24, 2015 6:48:47 AM

Subject: Re: Update Meeting

Works for me

Sent from my iPhone

On Feb 24, 2015, at 6:38 AM, Matthew Reid <matt.reid@landanddesign.com> wrote:

10am ok?

Sent from my iPhone

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
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matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

On Feb 23, 2015, at 9:16 PM, Allan Roeder <allanr@ci.garden-grove.ca.us> wrote:

Matt,

I think a Monday meeting to compare notes and see where we are at is in order.

Allan

Sent from my iPad

On Feb 23, 2015, at 4:30 PM, Matthew Reid <matt.reid@landanddesign.com> wrote:

Allan,

Pursuant to our conversation and meetings with Tom Clark, City Staff and others, we'd like to have a meeting to strategize next steps as it relates to moving our project forward.

We would like to meet next Monday (3/2/2015) if you are available.

Please advise....

Matthew Reid
Land & Design, Inc.
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matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

Re: Hotel Room for City Council Retreat on 3/13, 7:00 am to 4:00 pm

Subject: Re: Hotel Room for City Council Retreat on 3/13, 7:00 am to 4:00 pm
From: Greg Blodgett <greg1@ci.garden-grove.ca.us>
Date: Tue, 24 Feb 2015 15:07:38 -0800 (PST)
To: Matthew Reid <matt.reid@landanddesign.com>

no unless you want to attend the city council retreat its open to the public

----- Original Message -----

From: "Matthew Reid" <matt.reid@landanddesign.com>
To: "Greg Blodgett" <greg1@zimbra.ci.garden-grove.ca.us>
Sent: Tuesday, February 24, 2015 2:56:24 PM
Subject: Re: Hotel Room for City Council Retreat on 3/13, 7:00 am to 4:00 pm

Was this supposed to come to me?

Sent from my iPhone

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
619.567.2447 x101 office
858.735.1858 cell
619.489.3669 efax
Skype - matthew.reid.ca
matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

On Feb 24, 2015, at 2:31 PM, Greg Blodgett <greg1@zimbra.ci.garden-grove.ca.us> wrote:

Sent from my iPhone

Begin forwarded message:

From: "Phil Wolfgramm" <phil@kamsangco.com>
Date: February 24, 2015 at 2:16:32 PM PST
To: "'Greg Blodgett'" <greg1@ci.garden-grove.ca.us>
Cc: <chris.halderson@sheratongardengrove.com>, <shirley@kamsangco.com>
Subject: RE: Hotel Room for City Council Retreat on 3/13, 7:00 am to 4:00 pm

Greg,

Possibility all set. Our GM, Chris, will confirm with you soon.

Re: Hotel Room for City Council Retreat on 3/13, 7:00 am to 4:00 pm

Phil Wolfgramm
Kam Sang Co., Inc.
411 E. Huntington Drive #305
Arcadia, CA 91006
Tel: 626-446-2988 (ext. 23)
Fax: 626-446-3392
Email: phil@kamsangco.com
(please note email address)

-----Original Message-----

From: Greg Blodgett [<mailto:greg1@ci.garden-grove.ca.us>]
Sent: Tuesday, February 24, 2015 1:50 PM
To: Phil Wolfgramm
Subject: Fwd: Hotel Room for City Council Retreat on 3/13, 7:00 am to 4:00 pm

----- Forwarded Message -----

From: "Maria Stipe" < marias@ci.garden-grove.ca.us >
To: "Greg Blodgett" < greg1@ci.garden-grove.ca.us >
Sent: Tuesday, February 24, 2015 1:41:37 PM
Subject: Hotel Room for City Council Retreat on 3/13, 7:00 am to 4:00 pm

Hi Greg,

Have you gotten any feedback regarding potential room availability for the City Council Retreat on 3/13? We'll have 18 Council and staff, plus members of the public. The retreat will start at 8:00 am and end at 3:00 pm.

Maria

Subject: Re: Message from "ricoh106"
From: Matthew Reid <matt.reid@landanddesign.com>
Date: Fri, 27 Feb 2015 14:55:03 -0800
To: Greg Blodgett <greg1@ci.garden-grove.ca.us>

Does this include the 4 homes on Choisser that were purchased?

Matthew Reid

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matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

On Feb 9, 2015, at 5:41 PM, Greg Blodgett <greg1@ci.garden-grove.ca.us> wrote:

Matt

Attached is a summary of all cost incurred for site c acquisition, relocation, demolition and entitlements \$15.779 Million.

----- Forwarded Message -----

From: katrenas@ci.garden-grove.ca.us
To: "Greg Blodgett" <greg1@ci.garden-grove.ca.us>
Sent: Monday, February 9, 2015 5:20:24 PM
Subject: Message from "ricoh106"

This E-mail was sent from "ricoh106" (Aficio MP 6001).

Scan Date: 02.09.2015 17:20:24 (-0800)
Queries to: katrenas@ci.garden-grove.ca.us<20150209172024585.pdf>

Subject: Re: Message from "ricoh106"
From: Greg Blodgett <greg1@zimbra.ci.garden-grove.ca.us>
Date: Sun, 1 Mar 2015 11:36:11 -0800 (PST)
To: Matthew Reid <matt.reid@landanddesign.com>

Yes

Sent from my iPhone

On Feb 27, 2015, at 2:55 PM, Matthew Reid <matt.reid@landanddesign.com> wrote:

Does this include the 4 homes on Choisser that were purchased?

Matthew Reid

Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
619.567.2447 x101 office
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matt.reid@landanddesign.com

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To: "Greg Blodgett" <greg1@ci.garden-grove.ca.us>
Sent: Monday, February 9, 2015 5:20:24 PM
Subject: Message from "ricoh106"

This E-mail was sent from "ricoh106" (Aficio MP 6001).

Scan Date: 02.09.2015 17:20:24 (-0800)

|| Queries to: katrenas@ci.garden-grove.ca.us<20150209172024585.pdf>

Subject: Land & Design Letter to City of Garden Grove.docx
From: Matthew Reid <matt.reid@landanddesign.com>
Date: Mon, 2 Mar 2015 09:52:31 -0800
To: "Allan L. Roeder" <allanr@ci.garden-grove.ca.us>
CC: Tom Clark <tclark@sycr.com>, Tom Crosbie <tcrosbie@cgs3.com>, Greg Blodgett <greg1@zimbra.ci.garden-grove.ca.us>, Dave Rose <drose3@charter.net>, David Rose <drose3@hotmail.com>

Please see attached.

Thank you.

Sent from my iPhone
Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
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Land & Design Letter to City of Garden Grove.docx	Content-Type: application/vnd.openxmlformats-officedocument.wordprocessingml.document Content-Encoding: base64
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Part 1.1.3

Part 1.1.3	Content-Type: text/html Content-Encoding: quoted-printable
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CROSBIE GLINER SCHIFFMAN SOUTHARD & SWANSON LLP

Attorneys at Law

12750 HIGH BLUFF DRIVE, SUITE 250

SAN DIEGO, CALIFORNIA 92130

TELEPHONE (858) 367-7676

FACSIMILE (858) 345-1991

WRITER'S E-MAIL ADDRESS

tcrosbie@cgs3.com

WRITER'S DIRECT PHONE NO.

(858) 367-7692

March 2, 2015

VIA E-MAIL AND HAND DELIVERY

City of Garden Grove
11222 Acacia Parkway
Garden Grove, CA 92840
Attn: Allan Roeder
Interim City Manager

Re: **GROVE DISTRICT RESORT HOTEL DEVELOPMENT AGREEMENT**

Dear Mr. Roeder:

This firm represents Land & Design, Inc. ("L&D") in connection with that certain Grove District Resort Hotel Development Agreement, dated April 9, 2013 (the "Agreement"), between the City of Garden Grove ("City") and L&D relative to the proposed development of a resort hotel and other ancillary uses (collectively, the "Project") on certain real property located within the City. Terms used in this letter and not otherwise defined herein have the meanings given to them in the Agreement.

L&D has been informed by representatives of the City that the City believes that the Outside Closing Date is September 1, 2015. Please note, however, that pursuant to the express terms and provisions of the Agreement, including, without limitation, Section 201.3 of the Agreement and Item No. 3 of Exhibit "D" thereto, the Outside Closing Date has not yet been determined, as the Outside Closing Date is to be determined when the City accepts conveyance of fee title to the Agency Property. L&D understands that it is likely that the City will accept such conveyance in mid-2015, at which time the dates for Item Nos. 4 through 17 of Exhibit "D" to the Agreement will be determined. Please further note that, by this letter, L&D is not limiting or waiving any of its other rights or remedies under other terms of the Agreement.

Please be assured that L&D remains firmly committed to the Project and fully desires continue to partner with the City on this exciting Project and to consummate the transaction contemplated by the Agreement, as evidenced by the time and expense that L&D has invested in the Project to date. In that regard, and as L&D previously disclosed to representatives of the City, there are extremely exciting things are on the horizon for the Project.

CROSBIE GLINER SCHIFFMAN SOUTHARD & SWANSON LLP
Attorneys at Law

City of Garden Grove
March 2, 2015
Page 2

If I can be of any additional assistance on this and/or any other matters, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "T. Crosbie".

Thomas B. Crosbie

TBC:jh

cc: Thomas P. Clark, Jr. Esq.
Matthew Reid, Land and Design
David A. Rose III

Subject: Grove District Resort Hotel Development Agreement
From: June Hunter <jhunter@cgs3.com>
Date: Mon, 2 Mar 2015 18:36:06 +0000
To: "allanr@ci.garden-grove.ca.us" <allanr@ci.garden-grove.ca.us>
CC: "drose3@charter.net" <drose3@charter.net>, "matt.reid@landanddesign.com" <matt.reid@landanddesign.com>, "tclark@sycr.com" <tclark@sycr.com>, "Tom Crosbie" <tcrosbie@cgs3.com>

SENT ON BEHALF OF TOM CROSBIE

All:

Please see the attached correspondence regarding the above.

Thank you.

jb

June Hunter
Legal Secretary

Crosbie Gliner Schiffman Southard & Swanson LLP
12750 High Bluff Drive, Suite 250
San Diego, California 92130
DID: 858.367.7653
jhunter@cgs3.com
www.cgs3.com



Land Design Letter to City of Garden Grove.pdf	Content-Description: Land Design Letter to City of Garden Grove.pdf Content-Type: application/pdf Content-Encoding: base64
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CROSBIE GLINER SCHIFFMAN SOUTHARD & SWANSON LLP

Attorneys at Law

12750 HIGH BLUFF DRIVE, SUITE 250

SAN DIEGO, CALIFORNIA 92130

TELEPHONE (858) 367-7676

FACSIMILE (858) 345-1991

WRITER'S E-MAIL ADDRESS

tcrosbie@cgs3.com

WRITER'S DIRECT PHONE NO.

(858) 367-7692

March 2, 2015

VIA E-MAIL AND HAND DELIVERY

City of Garden Grove
11222 Acacia Parkway
Garden Grove, CA 92840
Attn: Allan Roeder
Interim City Manager

Re: **GROVE DISTRICT RESORT HOTEL DEVELOPMENT AGREEMENT**

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CROSBIE GLINER SCHIFFMAN SOUTHARD & SWANSON LLP
Attorneys at Law

City of Garden Grove
March 2, 2015
Page 2

If I can be of any additional assistance on this and/or any other matters, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "T. Crosbie".

Thomas B. Crosbie

TBC;jh

cc: Thomas P. Clark, Jr. Esq.
Matthew Reid, Land and Design
David A. Rose III

Subject: Re: Message from "ricoh106"
From: Greg Blodgett <greg1@ci.garden-grove.ca.us>
Date: Thu, 2 Apr 2015 20:04:25 -0700 (PDT)
To: Matthew Reid <matt.reid@landanddesign.com>

We did acquire 4 but 2 were included as part of the project and 2 not in the projects as mitigation measures for

Sent from my iPhone

On Apr 2, 2015, at 6:29 PM, Matthew Reid <matt.reid@landanddesign.com> wrote:

Greg,

Please review. There only appear to be two houses listed on Choisser. Didn't the City acquire 4? This also appears to have FUTURE costs included / to-be-spent? So this is a budget not what was actually spent?
Do you have something that shows actual spent dollars?

Thanks

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
858.735.1858 cell
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)
matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

Begin forwarded message:

From: Greg Blodgett <greg1@ci.garden-grove.ca.us>
Subject: Fwd: Message from "ricoh106"
Date: February 9, 2015 at 5:41:13 PM PST
To: "Reid, Matthew" <matt.reid@landanddesign.com>

Matt

Attached is a summary of all cost incurred for site c acquisition, relocation, demolition and entitlements \$15.779 Million.

----- Forwarded Message -----

From: katrenas@ci.garden-grove.ca.us

To: "Greg Blodgett" <greg1@ci.garden-grove.ca.us>

Sent: Monday, February 9, 2015 5:20:24 PM

Subject: Message from "ricoh106"

This E-mail was sent from "ricoh106" (Aficio MP 6001).

Scan Date: 02.09.2015 17:20:24 (-0800)

Queries to: katrenas@ci.garden-grove.ca.us
<20150209172024585.pdf>

Task: HOTEL COSTS - SITE C - HARBOR BOULEVARD - ACQUISITION

revised: 02.05.15

	Name of			Appraisal		Utility		Total
	Property Owner	Address	APN	Service	Acquisition	Relocation	Demolition	
1	Jen & Hong Lin	12222 Harbor	231-491-21	\$3,700	\$2,154,320	\$0	\$0	\$2,158,020
2	Jerry & Tom Bowen	12252 Harbor	231-521-01	\$0	\$0	\$0	\$1,020	\$1,020
3	Jerry & Tom Bowen	12252 Harbor	231-521-02	\$3,700	\$2,856,420	\$0	\$23,069	\$2,883,189
4	Richard & Hui Yong Kil	12262 Harbor	231-521-03	\$0	\$0	\$0	\$0	\$0
5	Richard & Hui Yong Kil	12272 Harbor	231-521-04	\$0	\$0	\$0	\$0	\$0
6	Richard & Hui Yong Kil	12292 Harbor	231-521-05	\$3,700	\$5,240,000	\$500,000	\$60,000	\$5,803,700
7	Nida Neff	12302 Harbor	231-521-06	\$3,700	\$1,200,000	\$0	\$30,000	\$1,233,700
8	Nida Neff	12511 Twintree	231-521-07	\$3,700	\$400,000	\$0	\$25,000	\$428,700
9	Nida Neff	12531 Twintree	231-521-08	\$3,700	\$400,000	\$0	\$25,000	\$428,700
10	Robert Donovan	12551 Twintree Ln	231-521-09	\$3,700	\$390,000	\$0	\$25,000	\$418,700
11	Arlene Kenning	12571 Twintree Ln	231-521-10	\$3,700	\$393,377	\$0	\$25,000	\$422,077
12	Wayne and Lynn Lohse	12237 Choisser Rd	231-491-18	\$3,700	\$444,955	\$0	\$25,000	\$473,655
13	James & Sharon Weishaar	12239 Choisser Rd	231-491-19	\$3,700	\$445,000	\$0	\$25,000	\$473,700
TOTAL ACQUISITION COSTS				\$37,000	\$13,924,072	\$500,000	\$264,089	\$14,725,161

Task: HOTEL COSTS - SITE C - HARBOR BOULEVARD - OTHER COSTS

	Organization	Activity	Dollar Amount
1	Joe's Italian Ice	Relocation	\$ 240,000
2	Joe's Italian Ice	Waiver of Rents Agreements	\$ 154,000
3	EDAW	Entitlements	\$ 45,000
4	SOMAS Engineering	Water Report	\$ 60,000
5	Soil Company	Soils Report	\$ -
6	RK Engineering	Traffic Study	\$ 20,000
7	Lidgard and Associates	Appraisal Study	\$ 10,000
8	Horwath	Economics	\$ 25,000
9	Demoliton Company	Clear Site	\$ 250,000
10	Environmental	Comtamination	\$ 250,000
TOTAL OTHER COSTS			\$1,054,000

TOTAL COST \$15,779,161 (Includes Total Acquisition and Other Costs)

Re: Meeting

Subject: Re: Meeting
From: Matthew Reid <matt.reid@landanddesign.com>
Date: Fri, 3 Apr 2015 15:07:25 -0700
To: "Allan L. Roeder" <allanr@ci.garden-grove.ca.us>
CC: Dave Rose <drose3@charter.net>

Great, thanks

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
858.735.1858 cell
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matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

On Apr 3, 2015, at 3:05 PM, Allan Roeder <allanr@ci.garden-grove.ca.us> wrote:

Matt,
Tuesday around noon looks fine for my calendar - I will have my Assistant Melanie confirm on Monday. Have a great weekend.
Allan

Sent from my LG Optimus G Pro™, an AT&T 4G LTE smartphone

----- Original message-----

From: Matthew Reid
Date: Fri, Apr 3, 2015 2:39 PM
To: Allan L. Roeder;
Cc: Dave Rose;
Subject: Meeting

Allan,
We would like to meet with you this coming Tuesday around noon if that works for you. Lunch?
We have a meeting in OC at 10am so noon or later should be fine.
Let us know.
Thanks

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
858.735.1858 cell
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matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

Subject: Re: updated report | File Number-604754-Address-Vacant Land, Garden Grove (Email Ref=1010260153)
From: Matthew Reid <matt.reid@landanddesign.com>
Date: Mon, 6 Apr 2015 17:11:52 -0700
To: "JaHudson@firstam.com" <JaHudson@firstam.com>
CC: Greg Blodgett <Greg1@ci.garden-grove.ca.us>

Thanks

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
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matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

On Apr 6, 2015, at 4:19 PM, JaHudson@firstam.com wrote:

Good afternoon:

After a very busy year-end and first quarter, I am trying to catch up and noticed that an updated preliminary report had been done in December, but I don't see any record that it was sent out.

I hope I'm not duplicating anything, but attached is the updated report for your files. Let me know if you need to see any underlying documents and I will be happy to have it hyperlinked for you.

Let me know if need anything else at this point.

Thank you,

Janine

File No.: NCS 604754 SD

Buyer: Land & Design, Inc.

Sellers:

Garden Grove Agency for Community
City of Garden Grove, a municipal corpor
City of Garden Grove, as Successor Agenc
Mann Entprises Inc.

Property Address: Vacant Land, Garden Grove, CA

You can download Acrobat Reader at <http://www.adobe.com/products/acrobat/readstep2.html>

Janine Hudson
Sr. Commercial Escrow Officer
First American Title Company
National Commercial Services
Phone: 858-410-5767 Ext.
Fax: 877-478-3006 Ext.

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Thank you.~

FAFLD

<Preliminary Report - SCAL Updated 12-10-14.PDF>

Subject: Mr. Abyeta
From: Matthew Reid <matt.reid@landanddesign.com>
Date: Wed, 8 Apr 2015 10:43:56 -0700
To: "Allan L. Roeder" <allanr@ci.garden-grove.ca.us>
CC: Dave Rose <drose3@charter.net>, Tom Crosbie <tcrosbie@cgs3.com>, David Rose <drose3@hotmail.com>

Allan,
Please see attached. If you should have any questions, please give me a call.
Thanks

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
858.735.1858 cell
Skype - [matthew.reid.ca](https://www.skype.com/people/matthew.reid.ca)
matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

2015_04_08 Abeyta response.pdf	Content-Type: application/pdf Content-Encoding: base64
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— Part 1.1.3 —

Part 1.1.3	Content-Type: text/html Content-Encoding: quoted-printable
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LAND & DESIGN, INC.

CONSTRUCTION | DEVELOPMENT | SUSTAINABLE INTEGRATION

3755 Avocado Blvd, #516 | La Mesa, CA 91941 | 619.567.2447 o | www.landanddesign.com

April 8, 2015

City of Garden Grove
11222 Acacia Parkway
Garden Grove CA 92840

VIA EMAIL / MAIL

Attention: Mr. Allan Roeder/ Interim City Manager

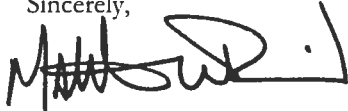
Dear Mr. Roeder,

Thank you for your letter dated April 6, 2015 regarding Mr. Abeyta and his properties along Twintree Ln and Harbor Blvd.

At this time due to investor concerns regarding property control, we have no interest in entering into agreement(s) with tenant(s) and/or property owners referenced above.

If you should have any questions, please give me a call.

Sincerely,



Matthew W. Reid
President

cc: Dave Rose / E-Ticket Hospitality (**email only**)
Tom Crosbie / Crosbie Gliner Schiffman Southard & Swanson LLP (**email only**)

Subject: Re: Hotel Resort Project DOF update
From: Allan Roeder <allanr@ci.garden-grove.ca.us>
Date: Sat, 25 Apr 2015 12:59:56 -0700 (PDT)
To: Matthew Reid <matt.reid@landanddesign.com>
CC: Dave Rose <drose3@charter.net>

Will do...

----- Original Message -----

From: "Matthew Reid" <matt.reid@landanddesign.com>
To: "Allan L. Roeder" <allanr@ci.garden-grove.ca.us>
Cc: "Dave Rose" <drose3@charter.net>
Sent: Saturday, April 25, 2015 12:42:22 PM
Subject: Re: Hotel Resort Project DOF update

Thanks Allan. Keep the pressure on.

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
858.735.1858 cell
Skype - matthew.reid.ca
matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

On Apr 25, 2015, at 12:31 PM, Allan Roeder <allanr@ci.garden-grove.ca.us> wrote:

Matt,

This is very good news...certainly a very credible, well funded partner for the team.

As of yesterday, my understanding is that we have only one outstanding agency (County of Orange and its subsidiary agencies) left to sign off. Although the BOS action on this is scheduled after the City Council, Oversight & Successor agency meetings of 5/12/15, I directed staff to place the item on those agendas subject to County approval so we can pick up some time. We are scheduled to meet with DOF in Sacramento on Tuesday in an effort to address any questions/concerns they may have so they don't take the legal, maximum amount of time for review & approval. The eviction process for the occupied business and two residential units is already well underway and I do not anticipate any problems.

In short, I think we're doing all we can despite a legal/legislative process designed to frustrate success - not sure what else I can say on that score??

We will move as quickly as possible without jeopardizing the project and all of your hard work.

Allan

*****CONFIDENTIAL
COMMUNICATIONS*****

Tom,

Please forward the confidential communication to Allan Roeder (interim City Manager) please.

Allan,

We are extremely close (emphasis intended) to signing a deal with our Capital and Development Partner (one group) Bainbridge out of LaJolla. The managing partner is a personal friend and Dave and I have been working hard to bring this to fruition. Bainbridge just funded, and are the developers, of a \$15 billion project in Seoul South Korea, called Guri World City Design Center. Essentially, building a new City! Here is a link to an overview of the project: <https://youtu.be/kgoSw-xQiI>

This is a VERY well capitalized organization involved in some of the largest development projects around the world, including NFL "related" projects currently being discussed in the LA "area"...can't say much more. Their head of development is the former head of MGM design/development, Bill Smith. He was responsible for building City Center in Vegas...\$10 billion project. Partners in the firm are Orel Hershiser, former Dodgers Pitcher and Hall of Fame Inductee, and Bill Russell, former center for the Boston Celtics.

Please visit their website here. <http://www.bainbridge.com/>

Time is of the absolute essence to not "stub" our toe at this most critical time. Please let me know where we stand on securing final signatures and DOF approval as not a dime will be spent unless there is confidence the land will be secured.

I cannot emphasis enough the critical juncture in which this project stands . The capital is there, ready to go and we MUST get moving with designs, engineering, etc... to pull permits so as not to have any "market" issues or our flag walk because of these lengthy City delays...

This will be an amazing development and "cornerstone" project for Garden Grove. Please provide us with an update as soon as possible please.

Thank you

*****CONFIDENTIAL
COMMUNICATIONS*****

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
858.735.1858 cell
Skype - matthew.reid.ca
matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

Subject: Re: OCWD status
From: Matthew Reid <matt.reid@landanddesign.com>
Date: Tue, 5 May 2015 10:31:19 -0700
To: "Allan L. Roeder" <allanr@ci.garden-grove.ca.us>
CC: Dave Rose <drose3@charter.net>, David Rose <drose3@hotmail.com>

Terrific, thanks

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
858.735.1858 cell
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)
matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

On May 5, 2015, at 10:22 AM, Allan Roeder <allanr@ci.garden-grove.ca.us> wrote:

Matt,

We're through with the Water District and we have the County of Orange scheduled to take action today. On the assumption there will be no problems with the County, we're ready for the next steps. Based on the recent visit with DOF, the next steps should shorten the process and I've asked my staff to succinctly summarize what those are so we have them to you before the end of the week.

Allan

Re: Water District?

Subject: Re: Water District?
From: Matthew Reid <matt.reid@landanddesign.com>
Date: Tue, 5 May 2015 15:24:05 -0700
To: Greg Blodgett <greg1@ci.garden-grove.ca.us>

you mean the County is tonight....

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
858.735.1858 cell
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)
matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

On May 5, 2015, at 2:05 PM, Greg Blodgett <greg1@ci.garden-grove.ca.us> wrote:

It is on for tonight

do you have time to discuss later

----- Original Message -----

From: "Matthew Reid" <matt.reid@landanddesign.com>
To: "Allan L. Roeder" <allanr@ci.garden-grove.ca.us>
Cc: "Greg Blodgett" <Greg1@ci.garden-grove.ca.us>
Sent: Tuesday, May 5, 2015 7:34:54 AM
Subject: Water District?

Did the OCWD sign off?

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
858.735.1858 cell
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)

Re: Water District?

matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

Will serve letters on Water

Subject: Will serve letters on Water
From: Matthew Reid <matt.reid@landanddesign.com>
Date: Tue, 5 May 2015 16:33:42 -0700
To: Greg Blodgett <Greg1@ci.garden-grove.ca.us>

Greg,

Please find out what we need to do to get water "will serve" letters for our project....

Matthew Reid

Land & Design, Inc.

3755 Avocado Blvd | #516 | LaMesa, CA 91942

858.735.1858 cell

Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)

matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

Subject: Re: OCWD status
From: Matthew Reid <matt.reid@landanddesign.com>
Date: Fri, 8 May 2015 13:41:59 -0700
To: "Allan L. Roeder" <allanr@ci.garden-grove.ca.us>

I'll review and next week is fine.
Thank you.

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
858.735.1858 cell
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)
matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

On May 8, 2015, at 1:34 PM, Allan Roeder <allanr@ci.garden-grove.ca.us> wrote:

Matt,

Quick question...

I can get you a status report today that you will completely understand and appreciate. What I wasn't as certain about is whether you were looking for something you could provide directly to your new financial partners? You know how convoluted the ROPS process is and I don't want to give you something that (if needed to be presented to your partners) would sound like...well...government??? Nothing like government to scare off investors. But if a "Here's what we've done, here's what's next and this is when we will be finished" works for you, we can get it to you shortly. If you need something much more polished and written so non-government types can understand it, it'll have to be next Monday.

Allan

----- Original Message -----

From: "Matthew Reid" <matt.reid@landanddesign.com>
To: "Allan L. Roeder" <allanr@ci.garden-grove.ca.us>
Sent: Wednesday, May 6, 2015 8:55:21 PM
Subject: Re: OCWD status

Thank you

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
858.735.1858 cell
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)
matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

On May 6, 2015, at 6:33 PM, Allan Roeder <allanr@ci.garden-grove.ca.us> wrote:

Matt,
We will have it to you before the end of this week.
Allan

Sent from my iPad

On May 6, 2015, at 3:16 PM, Matthew Reid <matt.reid@landanddesign.com> wrote:

Allan,
I understand everything went as planned at the County last night. Nice work.
Please have staff send me that status report as soon as possible.
Thanks

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
858.735.1858 cell
Skype - [matthew.reid.ca](https://www.skype.com/people/matthew.reid.ca)
matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

On May 5, 2015, at 10:22 AM, Allan Roeder <allanr@ci.garden-grove.ca.us> wrote:

Matt,

We're through with the Water District and we have the County of Orange scheduled to take action today. On the assumption there will be no problems with the County, we're ready for the next steps. Based on the recent visit with DOF, the next steps should shorten the process and I've asked my staff to succinctly summarize what those are so we have them to you before the end of the week.

Allan

Subject: Re: Site C/Compensation Agreement Status Report
From: Matthew Reid <matt.reid@landanddesign.com>
Date: Fri, 8 May 2015 14:33:02 -0700
To: "Allan L. Roeder" <allanr@ci.garden-grove.ca.us>

Thank you Allan. You may want Jim to go back to the Council meeting minutes on April 9, 2013 (the date when our GRDHDA was approved by City Council)...I believe Site C transfer already was voted upon pending the final approvals...which now you have. I could be wrong...that was a long time ago.

Anyway, good news, thanks.

Matthew Reid

Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
858.735.1858 cell
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)
matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

On May 8, 2015, at 2:17 PM, Allan Roeder <allanr@ci.garden-grove.ca.us> wrote:

Here you go...

----- Forwarded Message -----

From: "Jim Dellalonga" <jimde@ci.garden-grove.ca.us>
To: "Allan Roeder" <allanr@ci.garden-grove.ca.us>
Cc: "Greg Blodgett" <gregl@ci.garden-grove.ca.us>, "Kingsley Okereke" <kingsley@ci.garden-grove.ca.us>
Sent: Friday, May 8, 2015 2:13:34 PM
Subject: Site C/Compensation Agreement Status Report

Allan,

To date, all of the taxing entities have approved the removal of the Water District from the Compensation Agreement. The last two entities were the OC Sanitation District and the County of Orange. We expect the executed documents shortly. As we have planned, the next steps in this process would be to go to the City and Successor Agency, then the Oversight Board, and finally to the Department of Finance (DOF) to get authorization to transfer the property from the Successor Agency to the City. Approval by these bodies could happen relatively quickly depending on how soon we could get this on their respective Agendas. The real wild card here would be the review and approval of the DOF, which has up to 100 days to review real property transactions/transfers.

With that said, when we (Kingsley, Tom Clark, and I) recently met with the DOF to conduct the Meet and Confer process on our current Recognized Obligation Payment Schedule (ROPS), they (DOF staff) indicated to us that the Successor Agency should have already transferred to the City all of the properties for Government Use AND those for Future Development. Staff specifically asked the DOF representatives if DOF approval and compensation agreements were needed prior to transfer of these properties, because Garden Grove staff was previously told that they were required. The DOF reps told us that compensation agreements were not needed prior to the transfer and that DOF did not need to review or approve the compensation agreements at all.

Hearing this, as well as similar indications from the DOF from other clients, Tom Clark is recommending that we immediately transfer the government use and future development properties (including those parcels that make up the Site C project site) from the Successor Agency to the City pursuant to the DOF approved Long Range Property Management Plan. To do this, we need to have the City Council accept the properties from the Successor Agency and we need to get authorization from the Successor Agency to transfer. We were able to schedule this to occur at the May 12, 2015 City Council/Successor Agency meeting and conveyance of the property would occur shortly thereafter. Even though we just found out about this, it provides certainty and saves us a tremendous amount of time to not have to have the DOF review and approve the transfer over a 100 day review period.

The compensation agreements are still necessary, though as are the appraisal of the Site C parcels and the payment of the OC Water District's share of property tax as indicated by the appraisal of the Site C parcels. So, the payment of those items by Land & Design is still required. We will have that final amount in the next week or two. Additionally, we are taking the approval of the appraiser to the Oversight Board for approval on Wednesday, May 13, 2015. DOF will have to review and approve this, but it won't interfere with the property transfer to the city.

Jim DellaLunga
Senior Project Manager
City of Garden Grove
714.741.5788

<City Logo Small.jpg>

Subject:

From: Greg Blodgett <greg1@ci.garden-grove.ca.us>

Date: Mon, 11 May 2015 09:19:21 -0700 (PDT)

To: Matthew Reid <matt.reid@landanddesign.com>

http://gardengrove.granicus.com/MetaViewer.php?view_id=3&event_id=634&meta_id=54151

Greg Blodgett
SR Project Manager
City of Garden Grove
Economic Development

Re: Will serve letters on Water

Subject: Re: Will serve letters on Water
From: Matthew Reid <matt.reid@landanddesign.com>
Date: Mon, 11 May 2015 13:14:01 -0700
To: Greg Blodgett <Greg1@ci.garden-grove.ca.us>

Need these? Update?

Sent from my iPhone

Matthew Reid
Land & Design, Inc.

3755 Avocado Blvd | #516 | LaMesa, CA 91942

619.567.2447 x101 office

858.735.1858 cell

619.489.3669 efax

Skype - [matthew.reid.ca](https://www.skype.com/people/matthew.reid.ca)

matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

On May 5, 2015, at 4:33 PM, Matthew Reid <matt.reid@landanddesign.com> wrote:

Greg,

Please find out what we need to do to get water "will serve" letters for our project....

Matthew Reid

Land & Design, Inc.

3755 Avocado Blvd | #516 | LaMesa, CA 91942

858.735.1858 cell

Skype - [matthew.reid.ca](https://www.skype.com/people/matthew.reid.ca)

matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

Subject: Re: Will Serve Letter for Water
From: Matthew Reid <matt.reid@landanddesign.com>
Date: Thu, 21 May 2015 08:32:10 -0700
To: "Allan L. Roeder" <allanr@ci.garden-grove.ca.us>

Thank you

Matthew Reid

Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
858.735.1858 cell
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)
matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

On May 21, 2015, at 8:31 AM, Allan Roeder <allanr@ci.garden-grove.ca.us> wrote:

Already on it...

Allan

----- Original Message -----

From: "Matthew Reid" <matt.reid@landanddesign.com>
To: "Allan L. Roeder" <allanr@ci.garden-grove.ca.us>
Cc: "Greg Blodgett" <Greg1@ci.garden-grove.ca.us>
Sent: Thursday, May 21, 2015 7:49:36 AM
Subject: Will Serve Letter for Water

Allan,

I've mentioned to Greg several times now that I need a copy of the "will serve" letter from the water district that was received during the entitlement stage of Site C when it was entitled a few years ago. In light of further water restrictions undoubtedly coming upon southern california, it is possible we get the project teed up and not have the ability to get water meters.

Water districts are required, during environmental reviews, to issue "will serve" letters for potential projects and account for them in their demand projections (which I'm sure you already know). Because the CA drought is national news, investors want to know we will get water meters when investment is made....

I'm not sure what the hold up is as I've not received anything yet. Can you please have someone find the document or request a new or duplicate from the water district please?

Let me know if you have any questions.

Thank you

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
858.735.1858 cell
Skype - [matthew.reid.ca](https://www.skype.com/people/matthew.reid.ca)
matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

Subject: Fwd: Will Serve Letter for Water

From: Greg Blodgett <greg1@ci.garden-grove.ca.us>

Date: Fri, 22 May 2015 05:18:45 -0700 (PDT)

To: Jim Dellalonga <jimde@ci.garden-grove.ca.us>, Paul G <paulg@garden-grove.org>

Fyi

Sent from my iPhone

Begin forwarded message:

From: Bill Murray <wem@ci.garden-grove.ca.us>

Date: May 21, 2015 at 8:27:41 PM PDT

To: Greg Blodgett <greg1@ci.garden-grove.ca.us>

Cc: Allan Roeder <allanr@ci.garden-grove.ca.us>, Susan Emery <susan1@ci.garden-grove.ca.us>

Subject: RE: Will Serve Letter for Water

Greg, I found the report. If you could help with the harbor issue it would be appreciated.

Sent from my Verizon Wireless 4G LTE smartphone

----- Original message -----

From: Greg Blodgett <greg1@ci.garden-grove.ca.us>

Date: 05/21/2015 8:18 PM (GMT-08:00)

To: Bill Murray <wem@ci.garden-grove.ca.us>

Cc: Allan Roeder <allanr@ci.garden-grove.ca.us>, Susan Emery <susan1@ci.garden-grove.ca.us>, Greg Blodgett <greg1@ci.garden-grove.ca.us>

Subject: Re: Will Serve Letter for Water

This will serve letter is a request is from site c investors
For site c development of a 450 million dollar
Investment that will generate the city 5 million in tot
And 5 to 7 million in fees which will help solve our structural budget deficit

It would be very helpful to the developers lenders to obtain a will serve letter they are ready to sign
their franchise and partner agreements now that city has control of the land.

I will call the consultant and get the water report from psomas in the morning.

Sent from my iPhone

On May 21, 2015, at 7:41 PM, Bill Murray <wem@ci.garden-grove.ca.us> wrote:

Allan,

As eluded to below, this is not a new concern and staff has reviewed the records and we do not possess the original letter or a copy thereof. In fact, I am not sure that such a letter was ever written. Unfortunately the previous Water Manager's records are no longer available. What this means is that I will have to research the matter and review the existing Water Supply Analysis prepared by Psomas and verify its findings then write a "will serve" letter.

Unfortunately at this time we are being delayed by the Water Park with respect to obtaining electricity from their site to power the median and parkway lighting. SCE designed it that way..... We are doing everything we can to avoid change orders on the Harbor job. So the result is valuable time is being diverted to the Harbor electrical issue that could be spent researching and then eventually writing the "will serve" letter.

Bill

----- Original Message -----

From: Allan Roeder <allanr@ci.garden-grove.ca.us>
To: Susan Emery <susan1@ci.garden-grove.ca.us>, Bill Murray <wem@ci.garden-grove.ca.us>
Cc: Greg Blodgett <greg1@ci.garden-grove.ca.us>
Sent: Thu, 21 May 2015 08:30:42 -0700 (PDT)
Subject: Fwd: Will Serve Letter for Water

Bill, Susan:

Please note the email below from Matt Reid regarding a "Will Serve" letter for Site C. Greg informs me that he has checked with some of your respective staff and the letter hasn't turned up as yet? Given current circumstances with the drought, I don't think Matt's concerns to be overstated with respect to this being a concern to investors. I know both of your respective staff have a lot on their hands right now but this seemingly (???) should be a matter of copying a letter from a file (assuming there was such a letter issued at the time of entitlement).

I would appreciate it if you could have the appropriate staff person forward a copy to Greg so we can check this off the list of today items...for the moment.

Allan

----- Forwarded Message -----

From: "Matthew Reid" <matt.reid@landanddesign.com>
To: "Allan L. Roeder" <allanr@ci.garden-grove.ca.us>
Cc: "Greg Blodgett" <Greg1@ci.garden-grove.ca.us>
Sent: Thursday, May 21, 2015 7:49:36 AM
Subject: Will Serve Letter for Water

Allan,

I've mentioned to Greg several times now that I need a copy of the "will serve" letter from the water district that was received during the entitlement stage of Site C when it was entitled a few years ago.

In light of further water restrictions undoubtedly coming upon southern california, it is possible we get the project teed up and not have the ability to get water meters.

Water districts are required, during environmental reviews, to issue "will serve" letters for potential projects and account for them in their demand projections (which I'm sure you already know). Because the CA drought is national news, investors want to know we will get water meters when investment is made....

I'm not sure what the hold up is as I've not received anything yet. Can you please have someone find the document or request a new or duplicate from the water district please?

Let me know if you have any questions.

Thank you

Matthew Reid
Land & Design, Inc.
3755 Avocado Blvd | #516 | LaMesa, CA 91942
858.735.1858 cell
Skype - [matthew.reid.ca](https://www.skype.com/user/matthew.reid.ca)
matt.reid@landanddesign.com

Check out our new website www.landanddesign.com

Subject: Fwd: Message from "ricoh106"

From: Greg Blodgett <greg1@ci.garden-grove.ca.us>

Date: Fri, 22 May 2015 16:22:29 -0700 (PDT)

To: James Eggart <jamese@ci.garden-grove.ca.us>, Kingsley Okereke <kingsley@ci.garden-grove.ca.us>, Susan Emery <susan1@ci.garden-grove.ca.us>

CC: "Clark, tom" <tclark@sycr.com>, Greg Blodgett <greg1@ci.garden-grove.ca.us>, Matthew Reid <matt.reid@landanddesign.com>

site c document for next weeks meeting Wednesday at 11:00 with Matthew Reid

----- Forwarded Message -----

From: katrenas@ci.garden-grove.ca.us

To: "Greg Blodgett" <greg1@ci.garden-grove.ca.us>

Sent: Friday, May 22, 2015 1:07:45 PM

Subject: Message from "ricoh106"

This E-mail was sent from "ricoh106" (Aficio MP 6001).

Scan Date: 05.22.2015 13:07:36 (-0700)

Queries to: katrenas@ci.garden-grove.ca.us

20150522130736749.pdf	Content-Type: application/pdf
	Content-Encoding: base64

*Fri. 22 May 2013
16:22:29 - 0700*

GARDEN GROVE CITY COUNCIL

RESOLUTION NO. 9172-13

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE, CALIFORNIA, APPROVING GROVE DISTRICT RESORT HOTEL DEVELOPMENT AGREEMENT BETWEEN THE CITY OF GARDEN GROVE AND LAND & DESIGN, INC.

THE CITY COUNCIL OF THE CITY OF GARDEN GROVE, CALIFORNIA, DOES HEREBY FIND AS FOLLOWS:

A. Land & Design, Inc. ("Developer") has proposed a development project consisting of a combination of hotels, retail, restaurant, and entertainment venues, and related parking facilities (the "Project"), for an approximately five (5) acre site located at the northeast corner of Harbor Boulevard and Twintree Lane (the "Site").

B. A small portion of the Site is owned by the City of Garden Grove, and the remainder of the Site is owned by the former Garden Grove Agency for Community Development (the "Agency").

C. On June 14, 2011, the Agency and the Developer entered into a Disposition and Development Agreement ("DDA") pertaining to the Site and the Project. In conjunction with the Agency's consideration and approval of the DDA, the City Council conducted a joint public hearing with the Agency, considered the evidence and testimony presented at the public hearing, and adopted Resolution No. 9045-11 making certain findings and consenting to the Agency's approval of the DDA. The findings contained in Resolution No. 9045-11 and the evidence and testimony presented at the June 14, 2011 joint public hearing are hereby incorporated by reference into this Resolution.

D. On or about December 12, 2012, the State Department of Finance determined that the DDA is not an "enforceable obligation" pursuant to the RDA Dissolution Act (Parts 1.8 and 1.85 of Division 24 of the Community Redevelopment Law, California Health and Safety Code Sections 33000, et seq.).

E. On November 13, 2012, the City Council adopted Resolution No. 9153-12 approving the International West Hotel – Harbor East (Site C) Mitigated Negative Declaration and Mitigation Monitoring Program, which analyzes the anticipated environmental impacts of the Project and provides for specified mitigation measures.

F. The City and Developer propose to enter into that certain Grove District Resort Hotel Development Agreement attached hereto at Exhibit "A" (the "Agreement"). Pursuant to the proposed Agreement, the Developer would agree to construct a resort hotel project on the Site meeting certain quality thresholds and consisting of up to three hotels, event/meeting space, a retail/restaurant/

entertainment component, and adequate structured parking (the "Project") and to operate the separate components of the Project in accordance with specified covenants. To assure the financial feasibility necessary to allow the construction and operation of the Project to proceed, the City would agree to convey the Site to the Developer, to make certain annual financial assistance payments to the Developer in an amount measured by the tax revenues to the City generated by the Project over a period of up to twenty (20) years, and to provide certain other economic assistance (collectively, the "Covenants Consideration"). Pursuant to the terms of the proposed Agreement, the City's obligation to convey the Site to the Developer is expressly contingent upon the approval by the City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development ("Successor Agency"), the Oversight Board to the Successor Agency, and the Department of Finance of a Long Range Property Management Plan providing for transfer of the portion of the Site owned by the Agency to the City at no cost for development purposes.

G. The Council has been presented a report prepared by Horwath HTL, LLC ("Horwath"), dated March 20, 2013, containing an updated economic evaluation of the proposed Project on the Site, which report is hereby incorporated by reference into this Resolution. Based on the cost and revenue numbers for the Project, Horwath's report concludes that the Project's development costs compared to the estimated income and development values reasonably expected from the Project generates a negative residual land value, or financial feasibility gap, of approximately \$31.5 million, inclusive of City assistance in the form of conveyance of the Site at no cost to Developer. In addition, Horwath also evaluated other potential hotel and room number combinations permitted under the Agreement and concluded that all combinations resulted in a similar negative residual land value / feasibility gap.

H. On April 9, 2013, the City Council conducted a duly noticed Public Hearing, at which it considered the terms of the proposed Agreement, the March 20, 2013 Horwath report, the value of the assistance to provided by the City pursuant to the Agreement, the benefits the City will derive from the Agreement, the report of City Staff, and other evidence and testimony provided at the Public Hearing.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDEN GROVE, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. Based on the evidence and testimony provided at the April 9, 2013 Public Hearing, the City Council hereby makes the following findings:

- A. The development and operation of the Project on the Site, as provided in the Agreement, is in the vital and best interest of the City and the welfare of its residents and is in accordance with the public purposes

and provisions of applicable state and local laws. Without limiting the foregoing, development and operation of the Project will result in substantial benefits to the City, which include (i) additional "Grove District" branding, (ii) job creation and enhanced revenues to the City resulting from construction and operation of the Project, including property taxes, sales taxes, and transient occupancy taxes, (iii) enhanced marketability that is likely to extend out-of-town leisure and convention visitors' lengths of stay in the City as a result of additional attractions and high-quality retail shopping and dining opportunities, and (iv) additional high-quality entertainment, restaurant and retail opportunities for the residents of Garden Grove and the surrounding area(s).

- B. The benefits provided by the Project will result in substantially more benefits to the City than the costs to the City of providing the Covenants Consideration provided for in the Agreement.
- C. The Project would not be able to be developed and operated without the assistance to be provided pursuant to the Agreement.
- D. The Agreement will result in only that assistance to the Developer which is necessary to fund the economic feasibility gap created by the quality of the Project required by this Agreement, and the total value of the assistance to be provided by the City pursuant to the Agreement will not exceed the feasibility gap for the Project.
- E. The amount of each payment required to be made by the City under the Agreement is a fair exchange for the consideration actually furnished pursuant to the Agreement by Developer during each fiscal year of the City in which payment is made; each payment to be made by the City under the Agreement has been calculated so that it will not exceed the resources available to make such payment; and in no event shall the City be immediately indebted to Developer for the aggregate payments provided for pursuant to the Agreement.

SECTION 2. The Grove District Resort Hotel Development Agreement between the City of Garden Grove and Land & Design, Inc., attached hereto at Exhibit "A", is hereby approved.

SECTION 3. The City Manager is hereby authorized to execute the Agreement and any related attachments, including any minor modifications as appropriate, and any other pertinent documents necessary to effectuate and/or implement the Agreement.

SECTION 4. The City Manager or his duly authorized representative is further authorized to implement the Agreement and take all further actions and execute all documents referenced therein and/or necessary and appropriate to carry out the Agreement. The City Manager or his duly authorized representative is hereby authorized to the extent necessary during the implementation of the Agreement to make technical or minor changes thereto after execution, as necessary to properly implement and carry out the Agreement, provided the changes shall not in any manner materially affect the rights and obligations of the City.

SECTION 5. The City Clerk shall certify to the adoption of this Resolution.

Adopted this 9th day of April 2013.

ATTEST:

/s/ BRUCE A. BROADWATER

MAYOR

/s/ KATHLEEN BAILOR, CMC

CITY CLERK

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

I, KATHLEEN BAILOR, City Clerk of the City of Garden Grove, do hereby certify that the foregoing Resolution was duly adopted by the City Council of the City of Garden Grove, California, at a meeting held on the 9th day of April 2013, by the following vote:

AYES: COUNCIL MEMBERS: (5) BEARD, JONES, NGUYEN, PHAN, BROADWATER
NOES: COUNCIL MEMBERS: (0) NONE
ABSENT: COUNCIL MEMBERS: (0) NONE

/s/ KATHLEEN BAILOR, CMC

CITY CLERK

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Matthew J. Fertal
Dept: City Manager
Subject: APPROVAL OF GROVE DISTRICT
RESORT HOTEL DEVELOPMENT
AGREEMENT WITH LAND & DESIGN,
INC. (HARBOR BOULEVARD &
TWINTREE LANE)

From: Kingsley Okereke
Dept: Finance
Date: April 9, 2013

OBJECTIVE

The purpose of this report is to provide information in connection with a Public Hearing for the City Council to consider the Grove District Resort Hotel Development Agreement ("Agreement") by and between the City of Garden Grove and Land & Design, Inc. (the "Developer").

BACKGROUND

The Developer has proposed a development project consisting of a combination of hotels, retail, restaurant, and entertainment venues, and related parking facilities (the "Project"), for an approximately five (5) acre site located at the northeast corner of Harbor Boulevard and Twintree Lane (the "Site"). A small portion of the Site is owned by the City, and the remainder of the Site is owned by the former Garden Grove Agency for Community Development (the "Agency").

On June 14, 2011, the former Agency and the Developer entered into a Disposition and Development Agreement ("DDA") pertaining to the Site and the Project. However, the State Department of Finance subsequently determined that the DDA is not an "Enforceable Obligation" pursuant to the RDA Dissolution Act (Parts 1.8 and 1.85 of Division 24 of the Community Redevelopment Law, California Health and Safety Code Sections 33000, et seq.).

In order to facilitate the development and operation of the Project on the Site, in November 2012, the City Council approved General Plan Amendment No. GPA-2-12(B), Planned Unit Development No. PUD-128-12, and the International West Hotel - Harbor East (Site C) Mitigated Negative Declaration and Mitigation Monitoring Program. Planned Unit Development No. PUD-128-12 authorizes the development of a hotel development project on the Site that consists of an aggregate total of a maximum of 769 rooms within one (1) Upper Upscale Hotel and two (2) Additional Hotels, with up to 39,000 square feet of conference space, a maximum of 20,000 aggregate square feet of interior restaurant space within the

three (3) hotels, up to 45,000 square feet of restaurant/entertainment space constructed on free-standing pads, and structured parking to serve the Project.

DISCUSSION

Pursuant to the proposed Agreement, the Developer would agree to construct a resort hotel project on the Site meeting certain quality thresholds and consisting of up to three hotels, event/meeting space, a retail/restaurant/entertainment component, and adequate structured parking (the "Project") and to operate the separate components of the Project in accordance with specified covenants. To assure financial feasibility necessary to allow the construction and operation of the Project to proceed, the City would agree to convey the Site to the Developer and to make certain annual financial assistance payments to the Developer in an amount measured by the tax revenues to the City generated by the Project over a period of up to twenty (20) years. The proposed Agreement between the City and the Developer is necessary to facilitate development of the proposed Project.

Summary of Deal Points

The proposed Agreement contains the business terms for implementing the Project and establishes the obligations and responsibilities of both the City and the Developer. Following is a summary of pertinent deal points contained within the proposed Agreement:

1. Conveyance of Site to Developer

The City's and the Developer's obligations under the Agreement are expressly contingent upon the approval by the Successor Agency, the Oversight Board, and the Department of Finance of a Long Range Property Management Plan providing for transfer of the portion of the Site owned by the Agency to the City at no cost for development purposes. Provided such approval is obtained, and subject to satisfaction of other specified conditions precedent, the City will then convey the entire Site to the Developer, cleared of all structures, in consideration of the Developer's construction and operation of the Project in accordance with the Agreement.

2. Site remediation.

The City will pay up to \$250,000 for site remediation if it is determined that site remediation is required.

3. Escrow.

Escrow is scheduled to close on or before September 1, 2015. The Schedule of Performance provides for up to two six (6) month extensions of this outside closing

date, provided the Franchise Agreement for the Upper Upscale Hotel remains in effect and neither the Developer nor Franchisor is in breach or default of the Agreement.

4. Third Party Property

Planned Unit Development No. PUD-128-12 encompasses property adjacent to the Site that is currently privately owned by a third party, Sunbelt Investments. Under the proposed Agreement, the Developer has the option of acquiring this Third Party Property, at its own cost, and adding it to the Site for purposes of developing a portion of the Project on it. The City would not be obligated under the Agreement to acquire this Third Party Property for the Developer, however, and the Developer is not required to incorporate it into the Project. If the Developer chooses to do so, however, the Third Party Property would be subject to all of the same covenants and obligations of the Developer under the Agreement that apply to the rest of the Site.

5. Scope of Project

The proposed Agreement permits the Developer to construct the project contemplated in Planned Unit Development No. PUD-128-12. Pursuant to the Schedule of Performance, construction of the Project is to be completed within twenty-six (26) months of Close of Escrow.

Hotel Component

Pursuant to the Agreement, the Developer will construct a combination of hotels consisting of at least one (1) full-service hotel of "upper upscale" quality (the "Upper Upscale Hotel(s)") and up to two (2) additional limited and/or full service hotels of at least "midscale" quality (the Additional Hotel(s)), and which contain, in the aggregate, a maximum of seven hundred sixty nine (769) rooms, a maximum of thirty-nine thousand (39,000) square feet of event/meeting space, and a maximum of twenty thousand (20,000) aggregate square feet of interior restaurant/bar space.

The Upper Upscale Hotel must contain no less than three hundred (300) rooms and not less than ten thousand (10,000) square feet of event/meeting space, and the finishes, standards and quality of the Upper Upscale Hotel(s) must equal or exceed those of the Westin Pasadena. The Additional Hotels must contain no less than one hundred twenty-five (125) rooms each and no less than two hundred fifty (250) rooms combined, and the finishes, standards and quality of the Additional Hotel(s) must equal or exceed those of the Homewood Suites Garden Grove.

Retail/Restaurant/Entertainment Component

The Project must include a minimum of five thousand (5,000) and a maximum of sixty-five thousand (65,000) square feet of retail/restaurant/entertainment establishments, including one (1) or more restaurants (the "Retail/Restaurant/Entertainment Component").

Parking Structures

The Developer will be required to construct adequate structured parking to serve the Project.

6. City Approval of Financing, Franchisors, and Operators

Developer's construction financing, the Hotel flags/operators and related franchise agreements, and the tenants/operators of the retail/restaurant/entertainment venues are all subject to City approval. Certain Hotel brands/operators and restaurant and entertainment venues are deemed pre-approved (Exhibit L to Agreement).

7. Land Use Approvals

If the Project is consistent with the provisions of Planned Unit Development No. PUD-128-12 and the conceptual site plan included therein, no further discretionary site plan approvals for the Hotels or parking structures will be necessary. In order to fully implement the Project, however, the Developer will be required to obtain certain additional land use entitlements from the City, including, without limitation, a subdivision map to consolidate the properties within the Site and/or to permit development of the parking Structures across legal lot lines (the "Subdivision Map"), a statutory development agreement between the City and the Developer, conditional use permits to allow for the sale of alcoholic beverages, conditional use permit(s) to allow for the operation of a health club(s), spa(s), and/or gym(s) on the Site, and approvals of site plans for each freestanding pad to be constructed as part of the Retail/Restaurant/Entertainment Component. In addition, if the ultimate building configuration, building height, or other characteristics of the Project significantly differ from those expressly contemplated in Planned Unit Development No. PUD-128-12, then the Developer will be required to obtain the additional necessary discretionary land use approvals and pay for any associated additional environmental review.

The Developer's securing of all necessary land use approvals for the Project is a condition precedent to the Close of Escrow and City's conveyance of the Site to the Developer.

Provided the Project is substantially consistent with the Conceptual Site Plan, the City will pay all costs associated with preparation of the Subdivision Map. The Developer will be responsible for all other costs, charges, and fees associated securing the necessary land use approvals, including, without limitation, the City's customary development fees.

8. Right of Re-Entry

If the Developer abandons the Project prior to completion of construction, the City has the right to re-enter and re-take possession of the Site and re-vest title in the City.

9. Off-Site Infrastructure

The City will be responsible for the cost of installation of a traffic signal at the entrance to the Project and related raised median improvements within Harbor Boulevard, as well as necessary public improvements required to be installed in the public right-of-way in conjunction with the Project; however, the Developer will be responsible for all sidewalks, driveways, street lights, pedestrian light standards, signs, parkway landscaping, and/or other improvements constructed behind the back of the curb face.

10. Developer's Operating Covenants

In addition to requiring City approval of the Hotel brands/operators, the Agreement requires the Hotels to meet specified quality thresholds and contain specific amenities. Further, once developed, the Developer and any successor owners will be required to continue to use, operate and maintain the Site and separate Project components in accordance with the covenants set forth in the Agreement.

11. City Financial Assistance

To assist in creating future financial feasibility necessary to allow the construction and operation of the Project to proceed, the Agreement provides for the City to make certain annual financial assistance payments to the Developer over a period of twenty (20) years in an amount measured by the tax revenues to the City generated by the Project. Based on the assumptions utilized by the City's economic consultant in calculating the Project's residual land value, the Net Present Value ("NPV") of these financial assistance payments over 20 years is estimated to be approximately \$17.6 million. The amount and length of the assistance payments are summarized as follows:

- Each Upper Upscale Hotel
 - 60% of amount of TOT revenues received by City with respect to Hotel
 - 50% of amount of Sales Tax revenues attributable to operation of Hotel received by City
 - Length of assistance payments: 20 years
- Each Additional Hotel
 - 50% of amount of TOT revenues received by City with respect to Hotel
 - 50% of amount of Sales Tax revenues attributable to operation of Hotel received by City
 - Length of assistance payments: 10 years
- Retail/Restaurant/Entertainment Component
 - 50% of amount of Sales Tax revenues attributable to each separate retail/restaurant/entertainment venue
 - Length of assistance payments: 20 years

Updated Residual Land Value Evaluation

At the City's request, Horwath HTL, LLC ("Horwath"), the City's economic consultant prepared an updated economic evaluation of the proposed Project on the Site. Horwath's analysis assumes a 360 room Upper Upscale Hotel, a 150 room suites oriented hotel, and a 150 room select service hotel. Based on the cost and revenue numbers provided by the Developer, Horwath concluded that the Project's development costs compared to the estimated income and development values reasonably expected from the Project generates a negative residual land value of approximately \$31.5 million, inclusive of City assistance in the form of conveyance of the Site at no cost to Developer. This financial feasibility gap is consistent with industry standards for a project of this type. Horwath also evaluated other potential hotel and room number combinations permitted under the Agreement and concluded that all combinations resulted in a similar negative residual land value. Accordingly, development of the Project would not be feasible without the economic assistance provided for in the Agreement.

City Benefits

Development and operation of the Project will result in substantial benefits to the City. These benefits include:

- It is estimated that the Project will generate approximately between \$3.8 and \$4.9 million per year (in today's dollars) in additional tax revenue to the City over the life of the Project.

<u>Type</u>	<u>Estimated Range (Annually)</u>
TOT	\$3.5 Million - \$4.3 Million
Sales Tax	\$160,000- \$360,000
Property Tax	\$192,000 - \$268,000

- The Project is projected to generate approximately 750 to 1025 construction jobs and permanent and temporary hotel restaurant and retail jobs.
- Enhanced marketability that is likely to extend out-of-town leisure and convention visitors' lengths of stay in the City as a result of additional attractions and high-quality retail shopping and dining opportunities.
- Additional high-quality entertainment, restaurant and retail opportunities for the residents of Garden Grove and the surrounding areas.
- Benefits from additional "Grove District" branding.

Environmental Review

The Project contemplated by this Agreement was analyzed in the International West Hotel - Harbor East (Site C) Mitigated Negative Declaration and Mitigation Monitoring Program, adopted by the City Council on November 13, 2012. Accordingly, no additional environmental review is required at this time.

FINANCIAL IMPACT

There will be no immediate financial impact to the City as a result of this Agreement. The City and/or former Garden Grove Agency for Community Development already own the entire Site. The Party's obligations under the Agreement are contingent upon future approval of a Long Range Property Management Plan providing for transfer of the Agency-owned portion of the Site to the City at no cost. If such a transfer occurs, the City will incur certain expenses related to clearance of the Site, environmental remediation (if necessary) the preparation of a subdivision map, and the construction of certain off-site public improvements. The cost of these items is not expected to exceed \$1,000,000.

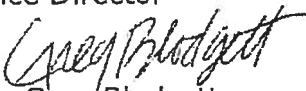
Once the Project is constructed and begins operating, it will generate an estimated \$3.8 and \$4.9 million additional annual tax revenue to the City. The tax revenue generated by the Project will exceed the required City financial assistance payments to the Developer by more than 40% in the first 10 years of the Project's operation and by more than 50% in the next 10 years of the Project's operation.

RECOMMENDATION

Staff recommends the City Council take the following actions:

- Conduct a Public Hearing;
- Adopt the attached Resolution approving the attached Grove District Resort Hotel Development Agreement with Land & Design, Inc.; and
- Authorize the City Manager to execute the Agreement, including any minor modifications as appropriate, and any other pertinent documents necessary to effectuate and/or implement the Agreement.

KINGSLEY OKEREKE
Finance Director

By: 
Greg Blodgett
Senior Project Manager

Attachment 1: Resolution
Attachment 2: Proposed Agreement
Attachment 3: Horwath HTL Report

Recommended for Approval


Matthew Fertal
City Manager

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE,
CALIFORNIA, APPROVING GROVE DISTRICT RESORT HOTEL DEVELOPMENT
AGREEMENT BETWEEN THE CITY OF GARDEN GROVE AND LAND & DESIGN, INC.

THE CITY COUNCIL OF THE CITY OF GARDEN GROVE, CALIFORNIA, DOES
HEREBY FIND AS FOLLOWS:

A. Land & Design, Inc. ("Developer") has proposed a development project consisting of a combination of hotels, retail, restaurant, and entertainment venues, and related parking facilities (the "Project"), for an approximately five (5) acre site located at the northeast corner of Harbor Boulevard and Twintree Lane (the "Site").

B. A small portion of the Site is owned by the City of Garden Grove, and the remainder of the Site is owned by the former Garden Grove Agency for Community Development (the "Agency").

C. On June 14, 2011, the Agency and the Developer entered into a Disposition and Development Agreement ("DDA") pertaining to the Site and the Project. In conjunction with the Agency's consideration and approval of the DDA, the City Council conducted a joint Public Hearing with the Agency, considered the evidence and testimony presented at the Public Hearing, and adopted Resolution No. 9045-11 making certain findings and consenting to the Agency's approval of the DDA. The findings contained in Resolution No. 9045-11 and the evidence and testimony presented at the June 14, 2011, joint Public Hearing are hereby incorporated by reference into this Resolution.

D. On or about December 12, 2012, the State Department of Finance determined that the DDA is not an "Enforceable Obligation" pursuant to the RDA Dissolution Act (Parts 1.8 and 1.85 of Division 24 of the Community Redevelopment Law, California Health and Safety Code Sections 33000, et seq.).

E. On November 13, 2012, the City Council adopted Resolution No. 9153-12 approving the International West Hotel – Harbor East (Site C) Mitigated Negative Declaration and Mitigation Monitoring Program, which analyzes the anticipated environmental impacts of the Project and provides for specified mitigation measures.

F. The City and Developer propose to enter into that certain Grove District Resort Hotel Development Agreement attached hereto as Exhibit "A" (the "Agreement"). Pursuant to the proposed Agreement, the Developer would agree to construct a resort hotel project on the Site meeting certain quality thresholds and consisting of up to three hotels, event/meeting space, a retail/restaurant/entertainment component, and adequate structured parking (the "Project") and to operate the separate components of the Project in accordance with specified covenants. To assure the financial feasibility necessary to allow the construction

and operation of the Project to proceed, the City would agree to convey the Site to the Developer, to make certain annual financial assistance payments to the Developer in an amount measured by the tax revenues to the City generated by the Project over a period of up to twenty (20) years, and to provide certain other economic assistance (collectively, the "Covenants Consideration"). Pursuant to the terms of the proposed Agreement, the City's obligation to convey the Site to the Developer is expressly contingent upon the approval by the City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development ("Successor Agency"), the Oversight Board to the Successor Agency, and the Department of Finance of a Long Range Property Management Plan providing for transfer of the portion of the Site owned by the Agency to the City at no cost for development purposes.

G. The City Council has been presented a report prepared by Horwath HTL, LLC ("Horwath"), dated March 20, 2013, containing an updated economic evaluation of the proposed Project on the Site, which report is hereby incorporated by reference into this Resolution. Based on the cost and revenue numbers for the Project, Horwath's report concludes that the Project's development costs compared to the estimated income and development values reasonably expected from the Project generates a negative residual land value, or financial feasibility gap, of approximately \$31.5 million, inclusive of City assistance in the form of conveyance of the Site at no cost to Developer. In addition, Horwath also evaluated other potential hotel and room number combinations permitted under the Agreement and concluded that all combinations resulted in a similar negative residual land value/feasibility gap.

H. On April 9, 2013, the City Council conducted a duly noticed Public Hearing, at which it considered the terms of the proposed Agreement, the March 20, 2013 Horwath report, the value of the assistance to provided by the City pursuant to the Agreement, the benefits the City will derive from the Agreement, the report of City Staff, and other evidence and testimony provided at the Public Hearing.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDEN GROVE, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. Based on the evidence and testimony provided at the April 9, 2013 Public Hearing, the City Council hereby makes the following findings:

- A. The development and operation of the Project on the Site, as provided in the Agreement, is in the vital and best interest of the City and the welfare of its residents and is in accordance with the public purposes and provisions of applicable state and local laws. Without limiting the foregoing, development and operation of the Project will result in substantial benefits to the City, which include (i) additional "Grove District" branding, (ii) job creation and enhanced revenues to the City resulting from construction and operation of the Project, including

property taxes, sales taxes, and transient occupancy taxes, (iii) enhanced marketability that is likely to extend out-of-town leisure and convention visitors' lengths of stay in the City as a result of additional attractions and high-quality retail shopping and dining opportunities, and (iv) additional high-quality entertainment, restaurant and retail opportunities for the residents of Garden Grove and the surrounding area(s).

- B. The benefits provided by the Project will result in substantially more benefits to the City than the costs to the City of providing the Covenants Consideration provided for in the Agreement.
- C. The Project would not be able to be developed and operated without the assistance to be provided pursuant to the Agreement.
- D. The Agreement will result in only that assistance to the Developer which is necessary to fund the economic feasibility gap created by the quality of the Project required by this Agreement, and the total value of the assistance to be provided by the City pursuant to the Agreement will not exceed the feasibility gap for the Project.
- E. The amount of each payment required to be made by the City under the Agreement is a fair exchange for the consideration actually furnished pursuant to the Agreement by Developer during each fiscal year of the City in which payment is made; each payment to be made by the City under the Agreement has been calculated so that it will not exceed the resources available to make such payment; and in no event shall the City be immediately indebted to Developer for the aggregate payments provided for pursuant to the Agreement.

SECTION 2. The Grove District Resort Hotel Development Agreement between the City of Garden Grove and Land & Design, Inc., attached hereto as Exhibit "A", is hereby approved.

SECTION 3. The City Manager is hereby authorized to execute the Agreement and any related attachments, including any minor modifications as appropriate, and any other pertinent documents necessary to effectuate and/or implement the Agreement.

SECTION 4. The City Manager or his duly authorized representative is further authorized to implement the Agreement and take all further actions and execute all documents referenced therein and/or necessary and appropriate to carry out the Agreement. The City Manager or his duly authorized representative is hereby authorized to the extent necessary during the implementation of the Agreement to make technical or minor changes thereto after execution, as necessary to properly implement and carry out the Agreement, provided the

changes shall not in any manner materially affect the rights and obligations of the City.

SECTION 5. The City Clerk shall certify to the adoption of this Resolution.