

RESOLUTION NO. 18-007

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH OVERSIGHT OF THE SUCCESSOR AGENCY TO THE GARDEN GROVE REDVELOPMENT AGENCY APPROVING THE TRANSFER OF CERTAIN REAL PROPERTY TO NEW AGE GARDEN GROVE LLC IN ACCORDANCE WITH THE LONG RANGE PROPERTY MANAGEMENT PLAN AND THE DISSOLUTION LAWS

WHEREAS, the Successor Agency to the Garden Grove Agency for Community Development (“Successor Agency”) is a public body corporate and politic, organized and operating under Parts 1.8 and 1.85 of Division 24 of the California Health and Safety Code, and the successor to the former Garden Grove Agency for Community Development (“former Agency”) that was previously a community redevelopment agency organized and existing pursuant to the Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.* (“CRL”); and

WHEREAS, Assembly Bill x1 26 (“AB x1 26”) added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code and which laws were modified, in part, and determined constitutional by the California Supreme Court in the petition *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861 (“*Matosantos* Decision”), which laws and court opinion caused the dissolution of all redevelopment agencies and winding down of the affairs of former redevelopment agencies; thereafter, such laws were amended further by Assembly Bill 1484 (“AB 1484”) (together AB x1 26, the *Matosantos* Decision, and AB 1484 are referred to as the “Dissolution Laws”); and

WHEREAS, as of February 1, 2012 the former Agency was dissolved pursuant to the Dissolution Laws and as a separate public entity, corporate and politic the Successor Agency administers the enforceable obligations of the former Agency and otherwise unwinds the former Agency’s affairs, all subject to the review and approval by the oversight board (“Oversight Board”); and

WHEREAS, Health and Safety Code Section 34191.5(b) requires the Successor Agency to prepare a “long-range property management plan” (also referred to herein as the “LRPMP”) addressing the future disposition and use of all real property of the former Agency no later than six months following the issuance to the Successor Agency of a finding of completion by the State Department of Finance (“DOF”) pursuant to Health and Safety Code Section 34179.7; and

WHEREAS, the Successor Agency prepared an LRPMP and the LRPMP prepared by the Successor Agency was approved by the Successor Agency, the Oversight Board, and the DOF; and

WHEREAS, DOF issued a finding of completion to the Successor Agency on May 15, 2013; and

WHEREAS, the approved LRPMP designates the subject real property (identified in lines 8 through 20 on the matrix attached to the LRPMP) (the "Property," composed of "Phase I Property" and "Phase II Property.") as property to be conveyed to New Age Garden Grove, LLC ("New Age") in accordance with the Disposition and Development Agreement (the "DDA") by and between the former Agency and New Age, and in accordance with LRPMP; and

WHEREAS, the Phase I Property was conveyed to New Age in accordance with the DDA and the LRPMP; and

WHEREAS, the DDA provides that the Phase II Purchase Price (defined in the DDA) shall be \$24,400,000; provided that Section 510 of the DDA allowed New Age to elect (and New Age has elected) to increase the number of Affordable Rental Units from 60 to 120 in which case the DDA requires the Successor Agency to pay to New Age \$6,400,000 at the closing of the Phase II Property from its Housing Set Aside Fund (defined in the DDA); and

WHEREAS, all cash balances in the Housing Set Aside Fund were distributed to the affected taxing entities upon dissolution of the former Agency; and

WHEREAS, the Successor Agency will transfer the Phase II Property to New Age, and

WHEREAS, the conveyance of the Phase II Property to New Age complies with the CRL, the Dissolution Laws and the LRPMP;

NOW, THEREFORE, BE IT RESOLVED THAT THE ORANGE COUNTYWIDE OVERSIGHT BOARD does hereby resolve as follows:

Section 1. The foregoing recitals are true and correct and constitute a substantive part of this Resolution.

Section 2. The Oversight Board hereby confirms the finding of the Successor Agency that a credit against the Phase II Purchase Price of \$6,400,000 has the same economic effect on the taxing entities as if the Successor Agency had retained such Housing Set Aside Funds and paid same to New Age at the closing of the Phase II Property.

Section 3. The Oversight Board hereby approves and authorizes the conveyance of the Phase II Property in accordance with the approved LRPMP and the DDA at a purchase price of \$18,000,000, being the Phase II Purchase Price of \$24,400,000 less the \$6,400,000 payment to the Developer required by Section 510 of the DDA.

Section 4. The Chair of the Oversight Board shall sign the passage and adoption of this Resolution and thereupon the same shall take effect and be in force.

Section 5. The Successor Agency Director is hereby directed to transmit this Resolution to DOF.

The foregoing was passed and adopted by the following vote of the Orange Countywide Oversight Board on Tuesday, September 18, 2018:

AYES: Board Members: CHRIS GAARDER, STEVE FRANKS, DEAN WEST,  
CHARLES BARFIELD, PHILLIP E. YARBROUGH, BRIAN  
PROBOLSKY

NOES:  
EXCUSED:  
ABSTAINED: STEVE JONES

  
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BRIAN PROBOLSKY  
CHAIRMAN

STATE OF CALIFORNIA    )  
  )  
COUNTY OF ORANGE    )

**I, ANTHONY KUO, Clerk of the Orange Countywide Oversight Board, Orange County, California, hereby certify that a copy of this document has been delivered to the Chairman of the Board and that the above and foregoing Resolution was duly and regularly adopted by the Orange Countywide Oversight Board.**

**IN WITNESS WHEREOF, I have hereto set my hand.**

  
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ANTHONY KUO  
Clerk  
Orange Countywide Oversight Board

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Agenda Date: Tuesday, September 18, 2018

Item No: 8a