

MINUTES

GARDEN GROVE CITY COUNCIL

A Regular Meeting of the City Council of the City of Garden Grove was called to order in the Council Chamber of the Community Meeting Center, 11300 Stanford Avenue, Garden Grove, on Tuesday, August 10, 2010, at 5:37 p.m.

ROLL CALL: PRESENT: (4) MAYOR DALTON, COUNCIL MEMBERS
BROADWATER, JONES, NGUYEN

ABSENT: (1) COUNCIL MEMBER DO (absent at Roll Call,
but joined the meeting at 6:30 p.m.)

PUBLIC INPUT ON CLOSED SESSION ITEM

None.

RECESS

At 5:38 p.m., the meeting was recessed to the Founders Room for a Study Session.

RECONVENE IN FOUNDERS ROOM FOR CLOSED SESSION

At 6:30 p.m., under the Ralph M. Brown Act, the meeting was reconvened for Closed Session in the Founders Room to discuss the following:

CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION

Significant exposure to litigation pursuant to Government Code Section 54956.9(a) – Patel v. City of Garden Grove

CONFERENCE WITH LEGAL COUNSEL -

Pursuant to Government Code Section 57957
Public Employee Discipline/Dismissal/Release

RECESS

At 6:55 p.m., the Mayor declared a recess.

RECONVENE IN OPEN SESSION

At 7:11 p.m., Mayor Dalton reconvened the meeting with all Council Members present.

It was announced that the previously disclosed items were discussed and no reportable action was taken.

INVOCATION AND PLEDGE

Keith Jones, Public Works Director, gave the Invocation. Council Member Nguyen led the Pledge of Allegiance to the Flag of the United States of America.

COMMUNITY SPOTLIGHT - RECOGNITION OF MISS GARDEN GROVE 2010, DEE DEE SAETIA, AND HER COURT, AND OF GARDEN GROVE'S OUTSTANDING TEEN 2010, JENNAE DURAN, AND HER COURT (F: 52.3) (XR: 42.2)

Mayor Dalton called forward Dee Dee Saetia, Miss Garden Grove 2010, and her court members, and Jennae Duran, Miss Garden Grove's Outstanding Teen 2010, and her court members. Each were presented with certificates and mementos in recognition of their volunteerism in the community during their 2010 reign.

ORAL COMMUNICATIONS – PUBLIC COMMENTS

Roy Alvarado commented on the security risk in his neighborhood that borders Willowick Golf Course, and asked the City to consider adjusting the fence surrounding the Golf Course.

Lee Ostendorf thanked the City Council for supporting her application to bring a Farmers Market back to Main Street, and invited the Council Members to the ribbon cutting on Sunday, August 15, at Noon.

Charles Mitchell commented on the sink hole that was repaired at the Newland/Yockey Storm Drain Water and Sewer Improvements Project, and on the proposed Shopping Cart Ordinance.

ORAL COMMUNICATIONS - COUNCIL MEMBER COMMENTS

None.

RECESS

At 7:31 p.m., the Mayor declared a recess.

RECONVENE

At 7:34 p.m., Mayor Dalton reconvened the City Council meeting with all Council Members present.

RESOLUTION HONORING THE 15TH ANNIVERSARY OF THE MAIN STREET CAR SHOW (F: A-122.5)

It was moved by Council Member Nguyen, seconded by Council Member Do, and carried by unanimous vote that the Resolution honoring the 15th anniversary of the Main Street Car Show be and hereby is approved. The Mayor presented the Resolution to Gary Brown, representative from the Main Street Car Show organizers.

AGREEMENT WITH THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY FOR THE PREPARATION OF THE CITY'S 2010 URBAN WATER MANAGEMENT PLAN (F: 55) (XR: 112.10)

Staff report dated August 10, 2010, was introduced.

It was moved by Council Member Nguyen, seconded by Council Member Do, and carried by unanimous vote that the Agreement by and between the City of Garden Grove and the Municipal Water District of Orange County (MWDOC) for the preparation of the City's 2010 Urban Water Management Plan, in the amount not to exceed \$29,222, be and hereby is approved; and the Mayor is authorized to execute the agreement on behalf of the City.

ACCEPTANCE OF PROJECT AS COMPLETE FOR PROJECT NO. 7420 – NEWLAND/YOCKEY STORM DRAIN WATER AND SEWER IMPROVEMENTS (F: 92.proj. 7420) (XR: 24.11)

Staff report dated August 10, 2010, was introduced.

It was moved by Council Member Nguyen, seconded by Council Member Do, and carried by unanimous vote that Project No. 7420 – Newland/Yockey Storm Drain Water and Sewer Improvements be accepted as complete; the Mayor is authorized to execute the Notice of Completion of Public Works Improvement and Work; and the Finance Director is authorized to release the retention payment when appropriate to do so.

AGREEMENT WITH COAST SIGN, INC. FOR DESIGN, MANUFACTURING, AND INSTALLATION SERVICES FOR A CIVIC CENTER DYNAMIC MESSAGE SIGN (F: 55) (XR: 24.11)

Staff report dated August 10, 2010, was introduced.

It was moved by Council Member Nguyen, seconded by Council Member Do, and carried by unanimous vote that the Agreement by and between the City of Garden Grove and Coast Sign, Inc., to provide design, manufacturing, and installation services for a Civic Center dynamic message sign, in the amount not to exceed \$53,852, be and hereby is approved; and the City Manager is authorized to execute the agreement on behalf of the City.

AGREEMENT WITH ENGINEERING RESOURCES FOR LAND DEVELOPMENT INSPECTION AND PLAN CHECKING SERVICES (F: 55) (XR: 24.11)

Staff report dated August 10, 2010, was introduced.

It was moved by Council Member Nguyen, seconded by Council Member Do, and carried by unanimous vote that the Agreement by and between the City of Garden Grove and Engineering Resources of Southern California to provide on-call services for land development review and inspection, in the amount of \$150,000, be and hereby is approved; and the City Manager is authorized to execute the agreement on behalf of the City.

AMENDMENT TO THE AGREEMENT WITH CALIFORNIA FORENSIC PHLEBOTOMY INC., TO PROVIDE BLOOD COLLECTION SERVICES FOR THE POLICE DEPARTMENT (F: 55) (XR: 82.1)

Staff report dated August 10, 2010, was introduced.

It was moved by Council Member Nguyen, seconded by Council Member Do, and carried by unanimous vote that Amendment No. 1 to the Agreement by and between the City of Garden Grove and California Forensic Phlebotomy, Inc., to provide blood collection services for the Police Department, in the amount not to exceed \$95,000, be and hereby is approved; and the City Manager is authorized to execute the agreement on behalf of the City.

PURCHASE ORDER TO ECONOLITE CONTROL PRODUCTS FOR TRAFFIC SIGNAL CONTROLLERS (F: 60.4) (XR: 24.11)

Staff report dated August 10, 2010, was introduced.

It was moved by Council Member Nguyen, seconded by Council Member Do, and carried by unanimous vote that the Finance Director is hereby authorized to issue a purchase order not to exceed \$100,000, to Econolite Control Products for the purchase of Econolite controllers for the City's traffic signal system.

MINUTES (F: Vault)

It was moved by Council Member Nguyen, seconded by Council Member Do, and carried by unanimous vote that the City Council minutes for the Regular Meeting held June 8, 2010, be and hereby are received and ordered filed.

WARRANTS (F: 60.5)

It was moved by Council Member Nguyen, seconded by Council Member Do, and carried by unanimous vote that Regular Warrants 475081 through 477243, and Wires W645 through W656; and Payroll Warrants 166516 through 166700, Direct Deposits D190785 through D191467, and Wires W1575 through W1578, which have been audited for accuracy and availability of funds by the Finance Director, be and hereby are approved.

WAIVER OF FULL READING OF ORDINANCES LISTED

It was moved by Council Member Nguyen, seconded by Council Member Do, and carried by unanimous vote that full reading of all Ordinances listed for consideration of adoption be waived.

PUBLIC HEARING - PLANNED UNIT DEVELOPMENT NO. PUD-125-10, AND DEVELOPMENT AGREEMENT NO. DA-181-10, INCLUDING THE ADOPTION OF A NEGATIVE DECLARATION TO REZONE A 2.67 ACRE SITE FROM COMMUNITY CENTER SPECIFIC PLAN-COMMUNITY COMMERCIAL DISTRICT (CCSP-CC43) TO A PLANNED UNIT RESIDENTIAL TO ALLOW A 53-UNIT TOWNHOUSE, MULTI-FAMILY RESIDENTIAL SUBDIVISION ON THE NORTHWEST CORNER OF TAFT STREET AND CENTURY BOULEVARD (F: 116.PUD-125.10) (XR: 106.DA-181-10) (XR: 80.1)

DUE TO A POTENTIAL CONFLICT OF INTEREST, COUNCIL MEMBER JONES RECUSED HIMSELF FROM THE FOLLOWING MATTER.

COUNCIL MEMBER JONES LEFT THE MEETING AT 7:42 P.M.

Staff report dated August 10, 2010, was introduced and reviewed by staff.

Mayor Dalton declared the Public Hearing open and asked if anyone wished to address the City Council on the matter.

Peggy Bergin inquired as to the number of units allowed if this project was not built under a PUD, what the traffic impact would be to the area, and how well will the buildings age. She is unhappy that no active green space is included in the project, other than the trail.

Jim Barisic, of Brandywine homes, indicated that the project includes 53 town homes, and is proud of what is being presented in "Century Village." The project represents many man-hours between City staff and his Development Team, and he concurs with all the conditions of approval.

There being no further response from the audience, the Public Hearing was declared closed.

It was moved by Council Member Nguyen, seconded by Council Member Do, and carried by unanimous vote that full reading of all Ordinances listed for consideration of adoption be waived.

ORDINANCE NO. 2778 was introduced for first reading and the title read in full, entitled AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE ADOPTING A NEGATIVE DECLARATION AND APPROVING PLANNED UNIT DEVELOPMENT NO. PUD-125-10, CHANGING THE ZONING DESIGNATION FROM CCSP-CC43 (COMMUNITY CENTER SPECIFIC PLAN – COMMUNITY COMMERCIAL DISTRICT) TO PLANNED UNIT DEVELOPMENT NO. PUD-125-10

It was moved by Council Member Do, seconded by Council Member Nguyen, and carried by unanimous vote of those present that Ordinance No. 2778 be and hereby is passed to second reading.

ORDINANCE NO. 2779 was introduced for first reading and the title read in full, entitled AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE ADOPTING A NEGATIVE DECLARATION AND ADOPTING DEVELOPMENT AGREEMENT NO. DA-181-10 BETWEEN BRANDYWINE HOMES (DEVELOPER) AND THE CITY OF GARDEN GROVE

It was moved by Council Member Do, seconded by Council Member Nguyen, and carried by unanimous vote of those present that Ordinance No. 2779 be and hereby is passed to second reading.

COUNCIL MEMBER JONES RETURNED TO THE MEETING AT 7:52 P.M.

PUBLIC HEARING - PLANNED UNIT DEVELOPMENT NO. PUD-133-99 (REVISED 05/REVISED 09), INCLUDING THE ADOPTION OF A NEGATIVE DECLARATION TO MODIFY THE PERMITTED USES AT THE CRYSTAL CATHEDRAL CAMPUS, INCLUDING 13280 CHAPMAN AVENUE, GARDEN GROVE (F: 116.PUD-133-99 Rev.05/Rev.09) (XR: 106.105) (XR: 80.1)

Staff report dated August 10, 2010, was introduced and reviewed by staff.

Mayor Dalton declared the Public Hearing open and asked if anyone wished to address the City Council on the matter.

There being no response from the audience, the Public Hearing was declared closed.

Council Member Broadwater asked Jim Penner, Crystal Cathedral representative, to answer City Council's questions.

Mr. Penner indicated that should the property be sold, the area could be fenced off to separate the properties, and that, if needed, a reciprocal parking agreement would be entered into with any new owner of the property. Possible uses for the building could be general law or medical offices, or a trade school. With the approval of the modification to the PUD, there is flexibility in marketing the property.

It was moved by Council Member Nguyen, seconded by Council Member Do, and carried by unanimous vote that full reading of all Ordinances listed for consideration of adoption be waived.

ORDINANCE NO. 2780 was introduced for first reading and the title read in full, entitled AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE APPROVING A REVISION TO PLANNED UNIT DEVELOPMENT NO. PUD-133-99 (REV. 05/REV. 09), TO MODIFY THE PERMITTED USES TO ALLOW GENERAL AND MEDICAL OFFICES, MEDICAL CLINICS, AND TRADE SCHOOLS

It was moved by Council Member Broadwater, seconded by Council Member Nguyen, and carried by unanimous vote that Ordinance No. 2780 be and hereby is passed to second reading.

AWARD OF CONTRACT TO AKM CONSULTING ENGINEERS FOR THE WELL NO. 31 EQUIPPING PROJECT (F: 112.11 Well 31) (XR: 24.12)

Staff report dated August 10, 2010, was introduced.

It was moved by Council Member Nguyen, seconded by Council Member Do, and carried by unanimous vote that the contract for professional engineering services for the Well No. 31 Equipping Project, in the amount of \$398,316, be and hereby is awarded to AKM Consulting Engineers; and the City Manager is authorized to execute the agreement on behalf of the City.

SECOND READING OF ORDINANCE NO. 2777 (F: 50.2) (XR: 24.1)

It was moved by Council Member Nguyen, seconded by Council Member Do, and carried by unanimous vote that full reading of all Ordinances listed for consideration of adoption be waived.

ORDINANCE NO. 2777 was presented for second reading and adoption and the title read in full, being AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE REPEALING SECTIONS 8.30.130 AND 8.30.150 OF CHAPTER 30 OF TITLE 8 OF THE GARDEN GROVE MUNICIPAL CODE AND ADDING CHAPTER 31 TO TITLE 8 OF THE GARDEN GROVE MUNICIPAL CODE RELATING TO SHOPPING CARTS

Following the reading of the Ordinance title, it was moved by Council Member Do, seconded by Council Member Jones, and carried by unanimous vote that Ordinance No. 2777 be and hereby is declared adopted.

MATTERS FROM THE MAYOR, CITY COUNCIL MEMBERS, AND CITY MANAGER

Council Member Broadwater commented on the lessening of graffiti he has noticed throughout the City.

Council Member Nguyen asked staff for an update on the traffic issues at the intersection of Brookhurst Street and Westminster Avenue near Dawson Street she raised at a previous meeting; she asked the Police Department to look into an anonymous report of an increase in traffic noise, possibly street racing, during the early morning hours along Chapman Avenue between Gilbert Street and Magnolia Street; and she encouraged the residents to buy in Garden Grove.

Council Member Jones commented that his father-in-law's business, located on a major arterial street, unfortunately is tagged by graffiti on a regular basis, but the City is quick to clean it up.

ADJOURNMENT

At 8:02 p.m., the meeting was declared adjourned.

KATHLEEN BAILOR, CMC
CITY CLERK

MINUTES

GARDEN GROVE CITY COUNCIL

A Study Session of the Garden Grove City Council was called to order in the Founders Room of the Community Meeting Center, 11300 Stanford Avenue, on Tuesday, August 10, 2010, at 5:45 p.m.

ROLL CALL: PRESENT: (4) MAYOR DALTON, COUNCIL MEMBERS
BROADWATER, DO, JONES, NGUYEN

ABSENT: (1) COUNCIL MEMBER DO (joined the meeting at
5:48 p.m.)

ORAL COMMUNICATIONS - PUBLIC

None.

VIETNAM WAR MUSEUM EXPLORATORY COMMITTEE REPORT AND
PRESENTATION (F: 122.66) (XF: 68.4)

Council Members Broadwater and Nguyen, along with staff, presented a report from the Vietnam War Museum Exploratory Committee, which included recommendations on the next steps from Pro Forma Advisors and BRC Imagination Arts to conduct a full feasibility assessment, visitor studies, gather community input, and develop printed and concept/promotional materials. Townsend Public Affairs, Inc., presented a report that included a list of potential public and private funding opportunities that could be available for the museum.

Staff was directed to proceed with establishing a Non-Profit Corporation, create a website to allow fundraising, and expand the Exploratory Committee into a Blue Ribbon Committee to gain support and funding.

ADJOURNMENT

At 6:30 p.m., the Study Session was declared adjourned.

KATHLEEN BAILOR, CMC
CITY CLERK

MINUTES

GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT

A Regular Meeting of the Garden Grove Agency for Community Development was called to order in the Council Chamber of the Community Meeting Center, 11300 Stanford Avenue, Garden Grove, on Tuesday, August 10, 2010, at 7:01 p.m.

ROLL CALL: PRESENT: (5) CHAIR BROADWATER, MEMBERS DALTON, DO, JONES, NGUYEN

ABSENT: (0) NONE

JOINT ACTION WITH THE GARDEN GROVE HOUSING AUTHORITY - REDEMPTION AND DEFEASANCE OF 1996 BONDS FOR STUART DRIVE/ROSE GARDEN AFFORDABLE HOUSING PROJECTS (F: 117.16C) (XR: A-34.2)

Staff report dated August 10, 2010, was introduced and reviewed by staff.

Information was provided concerning the Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants and an Agreement Regarding Redemption and Defeasance of 1996 Bonds among the Garden Grove Housing Authority (Authority), the Garden Grove Agency for Community Development (Agency), Stuart Drive/Rose Garden Limited Partnership (Owner), and the Bank of New York Mellon Trust Company (Trustee), related to the Stuart Drive and the Rose Garden Affordable Housing Apartment Projects.

The Agency and Bertram Partners, Inc., the predecessor to the Owner, entered into an Affordable Housing Agreement (AHA) on July 11, 1995 for the acquisition, rehabilitation, and long-term operation of two affordable rental housing projects, the Stuart Drive Apartments and the Rose Garden Apartments. On March 28, 1996, the Garden Grove Housing Authority Multifamily Housing Revenue Bonds, the Garden Grove Housing Authority Taxable Multifamily Housing Revenue Bonds Series 1996B, and the Garden Grove Housing Authority Housing Set-Aside Tax Increment Revenue Bonds Series 1996C were issued by the Authority in connection with the financing of the acquisition and

rehabilitation of the Stuart Drive Apartments and Rose Garden Apartments.

To ensure the continued effectiveness of all covenants for the full term of the Affordability Period, and in connection with the redemption of the Bonds and Owner's repayment in full of the Agency Assistance, the Authority, Agency, Owner, and Trustee are required to enter into the Amended Regulatory Agreement amending and restating the original Regulatory Agreement in its entirety and removing provisions rendered obsolete or inapplicable by reason of the full repayment of the Bonds and Agency Assistance. The Owner covenants that 100 percent of the Project's housing units shall continue to be restricted for occupancy at Affordable Rent to Low Income tenants with not less than 10 percent of the housing units restricted to Very Low Income tenants, with the exception of one manager's unit at each apartment complex until July 14, 2032.

To facilitate the redemption of the Bonds, the payoff of the Owner's existing first mortgage loan, and repayment of Agency Assistance, the Owner, Agency, and Authority need to enter into an Agreement Regarding Redemption and Defeasance of 1996 Bonds. Concurrently with the recordation of the Amended Regulatory Agreement, the Owner will repay the Agency Assistance and all sums of principal and interest due to the Trustee causing the Bonds to be redeemed in full.

**HOUSING AUTHORITY
RESOLUTION NO. 162**

It was moved by Commissioner Dalton, seconded by Commissioner Do, and carried by unanimous vote that full reading of Resolution No. 162 be waived, and said Resolution entitled A RESOLUTION OF THE GARDEN GROVE HOUSING AUTHORITY APPROVING AND AUTHORIZING THE EXECUTION OF AGREEMENT REGARDING REDEMPTION RELATING TO THE GARDEN GROVE HOUSING AUTHORITY MULTIFAMILY HOUSING REVENUE BONDS (STUART DRIVE/ROSE GARDEN APARTMENTS PROJECT), SERIES 1996A, 1996B, AND 1996C; APPROVING AND AUTHORIZING EXECUTION OF THE AMENDED AND RESTATED REGULATORY AGREEMENT RELATED THERETO; APPROVING AND AUTHORIZING EXECUTION OF SUCH OTHER DOCUMENTS RELATIVE TO AND IN IMPLEMENTATION OF THE BOND REDEMPTION AND AGENCY TAX INCREMENT COMMITMENT AND THE REPAYMENT OF THE AGENCY ASSISTANCE; AND MAKING OTHER FINDINGS IN CONNECTION THEREWITH, be and hereby is adopted.

AGENCY
RESOLUTION NO. 688

It was moved by Member Nguyen, seconded by Member Dalton, and carried by unanimous vote that full reading of Resolution No. 688 be waived, and said Resolution entitled A RESOLUTION OF THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT APPROVING AND AUTHORIZING THE EXECUTION OF AGREEMENT REGARDING REDEMPTION RELATING TO THE GARDEN GROVE HOUSING AUTHORITY MULTIFAMILY HOUSING REVENUE BONDS (STUART DRIVE/ROSE GARDEN APARTMENTS PROJECT), SERIES 1996A, 1996B, AND 1996C; AND APPROVING AND AUTHORIZING EXECUTION OF THE AMENDED AND RESTATED REGULATORY AGREEMENT RELATED THERETO; AND APPROVING AND AUTHORIZING EXECUTION OF SUCH OTHER DOCUMENTS RELATIVE TO AND IN IMPLEMENTATION OF THE BOND REDEMPTION AND AGENCY TAX INCREMENT COMMITMENT AND THE REPAYMENT OF THE AGENCY ASSISTANCE; AND MAKING OTHER FINDINGS IN CONNECTION THEREWITH, be and hereby is adopted.

RECESS

At 7:09 p.m., the Chair declared a recess.

RECONVENE

At 7:20 p.m., Chair Broadwater reconvened the Agency meeting with all Members present.

ORAL COMMUNICATIONS – PUBLIC COMMENTS

None.

ORAL COMMUNICATIONS – AGENCY MEMBER COMMENTS

None.

AMENDMENT TO AGREEMENT WITH OVERLAND, PACIFIC, AND CUTLER, INC., FOR ACQUISITION, RELOCATION, AND PROPERTY MANAGEMENT SERVICES (F: A-55.290) (XR: 43.4) (XR: 57.9)

Staff report dated August 10, 2010, was introduced.

It was moved by Member Dalton, seconded by Member Jones, and carried by unanimous vote that Amendment No. 1 to the Agreement by and between the Garden Grove Agency for Community

Development and Overland, Pacific, and Cutler, Inc., increasing the term by one year for professional consulting services to include design development for acquisition, relocation, and property management services on an as-needed basis, with an additional amount of \$100,000, be and hereby is approved; and the Agency Director is authorized to execute the agreement on behalf of the Agency.

MINUTES (F: Vault)

It was moved by Member Dalton, seconded by Member Nguyen, and carried by unanimous vote that the Agency minutes for the meeting held June 22, 2010, be and hereby are received and filed.

JOINT ACTION WITH THE GARDEN GROVE HOUSING AUTHORITY -
REDEMPTION AND DEFEASANCE OF 1996 BONDS FOR STUART DRIVE/ROSE
GARDEN AFFORDABLE HOUSING PROJECTS (F: 117.16C) (XR: A-34.2)

This matter was considered earlier in the meeting.

ADJOURNMENT

At 7:33 p.m., the meeting was declared adjourned.

KATHLEEN BAILOR, CMC
SECRETARY

MINUTES

GARDEN GROVE HOUSING AUTHORITY

A Special Meeting of the Garden Grove Housing Authority was called to order in the Council Chamber of the Community Meeting Center, 11300 Stanford Avenue, Garden Grove, on Tuesday, August 10, 2010, at 7:00 p.m.

ROLL CALL: PRESENT: (7) CHAIR NGUYEN, COMMISSIONERS BROADWATER, DALTON, DO, JONES, NEVAREZ, O'CONNOR

ABSENT: (0) NONE

ORAL COMMUNICATIONS

Public Comments: None.

Commissioner Comments: None.

TERMINATION OF RESTRICTIONS AT 13096 BLACKBIRD STREET, GARDEN GROVE (F: H-117.9) (XR: 43.4)

Staff report dated August 10, 2010, was introduced.

It was moved by Commissioner Do, seconded by Commissioner Dalton, and carried by unanimous vote that the Termination of Covenants, Conditions, and Restrictions be approved; and the Director be authorized to execute the document; and that staff be directed to record the document.

JOINT ACTION WITH THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT - REDEMPTION AND DEFEASANCE OF 1996 BONDS FOR STUART DRIVE/ROSE GARDEN AFFORDABLE HOUSING PROJECTS (F: 117.16C) (XR: A-34.2)

Staff report dated August 10, 2010, was introduced and reviewed by staff.

Information was provided concerning the Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants and an

Agreement Regarding Redemption and Defeasance of 1996 Bonds among the Garden Grove Housing Authority (Authority), the Garden Grove Agency for Community Development (Agency), Stuart Drive/Rose Garden Limited Partnership (Owner), and the Bank of New York Mellon Trust Company (Trustee), related to the Stuart Drive and the Rose Garden Affordable Housing Apartment Projects.

The Agency and Bertram Partners, Inc., the predecessor to the Owner, entered into an Affordable Housing Agreement (AHA) on July 11, 1995 for the acquisition, rehabilitation, and long-term operation of two affordable rental housing projects, the Stuart Drive Apartments and the Rose Garden Apartments. On March 28, 1996, the Garden Grove Housing Authority Multifamily Housing Revenue Bonds, the Garden Grove Housing Authority Taxable Multifamily Housing Revenue Bonds Series 1996B, and the Garden Grove Housing Authority Housing Set-Aside Tax Increment Revenue Bonds Series 1996C were issued by the Authority in connection with the financing of the acquisition and rehabilitation of the Stuart Drive Apartments and Rose Garden Apartments.

To ensure the continued effectiveness of all covenants for the full term of the Affordability Period, and in connection with the redemption of the Bonds and Owner's repayment in full of the Agency Assistance, the Authority, Agency, Owner, and Trustee are required to enter into the Amended Regulatory Agreement amending and restating the original Regulatory Agreement in its entirety and removing provisions rendered obsolete or inapplicable by reason of the full repayment of the Bonds and Agency Assistance. The Owner covenants that 100 percent of the Project's housing units shall continue to be restricted for occupancy at Affordable Rent to Low Income tenants with not less than 10 percent of the housing units restricted to Very Low Income tenants, with the exception of one manager's unit at each apartment complex until July 14, 2032.

To facilitate the redemption of the Bonds, the payoff of the Owner's existing first mortgage loan, and repayment of Agency Assistance, the Owner, Agency, and Authority need to enter into an Agreement Regarding Redemption and Defeasance of 1996 Bonds. Concurrently with the recordation of the Amended Regulatory Agreement, the Owner will repay the Agency Assistance and all sums of principal and interest due to the Trustee causing the Bonds to be redeemed in full.

HOUSING AUTHORITY
RESOLUTION NO. 162

It was moved by Commissioner Dalton, seconded by Commissioner Do, and carried by unanimous vote that full reading of Resolution No. 162 be waived, and said Resolution entitled A RESOLUTION OF THE GARDEN GROVE HOUSING AUTHORITY APPROVING AND AUTHORIZING THE EXECUTION OF AGREEMENT REGARDING REDEMPTION RELATING TO THE GARDEN GROVE HOUSING AUTHORITY MULTIFAMILY HOUSING REVENUE BONDS (STUART DRIVE/ROSE GARDEN APARTMENTS PROJECT), SERIES 1996A, 1996B, AND 1996C; APPROVING AND AUTHORIZING EXECUTION OF THE AMENDED AND RESTATED REGULATORY AGREEMENT RELATED THERETO; APPROVING AND AUTHORIZING EXECUTION OF SUCH OTHER DOCUMENTS RELATIVE TO AND IN IMPLEMENTATION OF THE BOND REDEMPTION AND AGENCY TAX INCREMENT COMMITMENT AND THE REPAYMENT OF THE AGENCY ASSISTANCE; AND MAKING OTHER FINDINGS IN CONNECTION THEREWITH, be and hereby is adopted.

AGENCY
RESOLUTION NO. 688

It was moved by Member Nguyen, seconded by Member Dalton, and carried by unanimous vote that full reading of Resolution No. 688 be waived, and said Resolution entitled A RESOLUTION OF THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT APPROVING AND AUTHORIZING THE EXECUTION OF AGREEMENT REGARDING REDEMPTION RELATING TO THE GARDEN GROVE HOUSING AUTHORITY MULTIFAMILY HOUSING REVENUE BONDS (STUART DRIVE/ROSE GARDEN APARTMENTS PROJECT), SERIES 1996A, 1996B, AND 1996C; AND APPROVING AND AUTHORIZING EXECUTION OF THE AMENDED AND RESTATED REGULATORY AGREEMENT RELATED THERETO; AND APPROVING AND AUTHORIZING EXECUTION OF SUCH OTHER DOCUMENTS RELATIVE TO AND IN IMPLEMENTATION OF THE BOND REDEMPTION AND AGENCY TAX INCREMENT COMMITMENT AND THE REPAYMENT OF THE AGENCY ASSISTANCE; AND MAKING OTHER FINDINGS IN CONNECTION THEREWITH, be and hereby is adopted.

ADJOURNMENT

At 7:10 p.m., the meeting was declared adjourned.

KATHLEEN BAILOR, CMC
SECRETARY