

**Oversight Board of the Successor Agency to
The Garden Grove Agency for Community Development**

INTER-DEPARTMENT MEMORANDUM

To:	Matthew J. Fertal	From:	Kingsley Okereke
Dept:	Director	Dept:	Finance
Subject:	ADOPTION OF A RESOLUTION APPROVING THE REVISED LONG RANGE PROPERTY MANAGEMENT PLAN	Date:	December 11, 2013

OBJECTIVE

The purpose of this report is to request that the Oversight Board of the Successor Agency to the Garden Grove Agency for Community Development ("Oversight Board") adopt a resolution approving the revised Long Range Property Management Plan pursuant to Health and Safety Code Section 34191.5 and transmit said Long Range Property Management Plan to the Department of Finance ("DOF") for approval.

BACKGROUND/ANALYSIS

Pursuant to Assembly Bill 1484, within six (6) months of receiving a Finding of Completion, the Successor Agency is to prepare a Long Range Property Management Plan ("Plan") that addresses the disposition and use of the former redevelopment agency's real property (Section 34191.5(b)). This plan is to be submitted to both the Oversight Board and the DOF for approval.

On November 22, 2013, staff received a letter from the DOF not approving the Plan pending correction or adjustment of certain items (Attachment 2). Staff has made the adjustments and corrections required. On December 10, 2013, the Successor Agency adopted a resolution approving the Plan and authorized its transmittal to the Oversight Board for approval. The updated Plan is attached. A brief summary of the DOF requested changes follows (as a result of a change on the Plan, the numbering on the revised plan is slightly different):

- Items 1 – 7 Water Park Hotel – Indicate on the Plan that a utility easement for the property was approved by the Oversight Board and DOF that impacts these properties. The utility easement is now identified on the attached Plan.
- Items 8 – 20 Brookhurst Triangle – The DOF indicated that the Plan should specify the use of the proceeds from the land sale associated with this project/disposition and development agreement. Staff has shown on the plan that the proceeds in excess of enforceable obligations will be used to pay the enforceable obligations associated with the project, and that the net proceeds will be remitted to the County to be distributed to the taxing entities.
- Former Item 30 Site B2 Property – Because of its proximity to the Site B2 Hotel Project, this property was inadvertently included as part of the Site B2 Disposition and Development Agreement enforceable obligation. As it is not part of that agreement and it is outside of the former redevelopment project area, staff has placed it in the Property to be Sold category. It is now listed as Item No. 55.

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- Former Items 31 – 32 Education Center Parking Lot (now Items 30-31) – These items were disallowed and DOF recommended that they be moved to a permissible category. As a result, staff moved these items to the Government Use category due to the connection to educational uses.
- Former Item 41 Former Fandango Restaurant (now Item 40)– Although this property is in the correct category, the DOF has disallowed this item because the Agency has not indicated that it intends to enter into compensation agreements with the taxing entities. The Agency contends that pursuant to Health and Safety Code sections 34191.5(c)(2)(A) and 34191.5(c)(2)(B), the property is allowed to be transferred to the City and no compensation agreements are necessary.
- Former Items 42 – 46 Site C Properties (now items 41-45)- Although these properties are in the correct category, the DOF has disallowed them because the Agency has not indicated that it intends to enter into compensation agreements with the taxing entities. The Agency contends that pursuant to Health and Safety Code sections 34191.5(c)(2)(A) and 34191.5(c)(2)(B), the properties are allowed to be transferred to the City and no compensation agreements are necessary.

FINANCIAL IMPACT

Completion of the projects impacted by the properties listed in the Plan will have a significant impact on revenue generation for the City of Garden Grove and the various taxing entities. Additionally, broker and listing fees, and the costs associated with obtaining appraisals or other valuation analyses are eligible Recognized Obligation Payment Schedule expenses and will be placed on future ROPS for approval by the DOF.

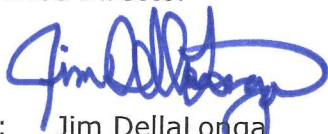
RECOMMENDATION

Staff recommends that the Oversight Board:

- Adopt the attached resolution approving the revised Long Range Property Management Plan pursuant to Section 34191.5 of the Health and Safety Code; and
- Authorize the Director to transmit the revised Long Range Property Management Plan to the Department of Finance for approval.



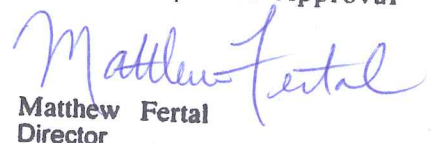
KINGSLEY OKEREKE
Finance Director



By: Jim DellaLunga
Senior Project Manager

Attachment 1: Long Range Property Management Plan
Attachment 2: Department of Finance Letter
Attachment 3: Resolution

Recommended for Approval



Matthew Fertal
Director