

CITY OF GARDEN GROVE
INTER-DEPARTMENT MEMORANDUM

To: Matthew Fertal
Dept: City Manager
Subject: RESOLUTION OF THE CITY COUNCIL DECLARING ITS INTENTION TO INITIATE PROCEEDINGS TOWARD DISSOLUTION OF VEHICLE PARKING DISTRICT NO. 2

From: Chet Yoshizaki
Dept: Economic Development
Date: May 26, 2009

OBJECTIVE

Consider a Resolution of Intention to Initiate Proceedings to Dissolve Vehicle Parking District No. 2 (Attachment 1).

BACKGROUND

On January 4, 1955, the Orange County Board of Supervisors passed Ordinance No. 726 forming Vehicle Parking District No. 2 (VPD) under the provisions of the Vehicle Parking District Act of 1943 (VPD Law). Following the City of Garden Grove's (City) incorporation, the VPD was transferred by the County of Orange (County) to the City on December 9, 1958 and thereafter operated pursuant to the VPD Law. The City Council is the governing and legislative body of the VPD under the VPD Law. The Title 2, Chapter 32, Section 090 of the Garden Grove Municipal Code establishes the "Parking and Main Street Commission" that serves a dual role as the board of parking commissioners under the VPD Law and as the Main Street commissioners for the Main Street Historical Retail Combining Zone and Main Street Assessment District. See attached for a depiction of the VPD boundaries and parking lots.

ANALYSIS

Over the past 25 years the functions of and need for operation of a vehicle parking district in the community have continued to decline, as multiple new developments have been designed and constructed with their own, designated parking located on-site, such as the Home Depot, Costco, Office Depot, and the Garden Grove Educational Center. The declining need for and usefulness of the VPD is evidenced by the underutilization of the parking lots within the VPD, the various proceedings undertaken by the City Council during the past two decades for change of land use, substitution of parking spaces, and parking studies conducted in connection with the VPD, eliminates the need for the VPD. Despite the reduced need for a

vehicle parking district in the community, the City has continued to incur various costs associated with the administration and ongoing operation of the VPD and continues to receive only a modest tax apportionment estimated at \$1,415 for the current fiscal year.

The substitution and change of use proceedings along with ongoing administration and operation of the VPD have required the City to undertake extensive and expensive proceedings that are not normally required for operation of a City-owned parking lot or other publicly-owned land. Examples of such costs include significant administrative costs due to consultant fees, legal charges, and staff time. The dissolution of the VPD would streamline any future policy direction of the City Council regarding the VPD parking lots, while the City maintains control of public parking and public lands within its authority and powers under California law.

In consultation with Agency counsel and the City Attorney in order to initiate proceedings toward dissolving the VPD, the City Council will follow a series of procedures and proceedings similar to the manner in which the VPD was originally formed.

The first step in these proceedings will be for the City Council to consider and take action on a Resolution of Intention to dissolve the VPD. In summary, the Resolution of Intention includes:

- A statement that the City finds it is in the public interest to initiate proceedings toward dissolution of the VPD and that the dissolution is necessary and appropriate for the City's efficient and effective administration of the City's parking facilities.
- A statement that the City intends to stop restricting the use of general levy tax revenue being allocated exclusively for the benefit of the VPD.
- Direction to staff to set a date, time, and place for a public hearing after adoption of the Resolution of Intention to Dissolve Vehicle Parking District No. 2.
- After the public hearing, the City Council will consider and take action on the first reading of an ordinance dissolving the VPD and certain other actions.
- Also, for these proceedings staff shall prepare and present for City Council consideration and action a second ordinance, and if the Ordinance of Dissolution of VPD No. 2 proceeds and is adopted, this second ordinance shall provide for amendment of the Garden Grove Municipal Code, Title 2, Chapter 32, Section 090 (and other relevant sections) to modify and delete all references to the VPD and the board of parking place commissioners and to modify and establish a single

role and purpose of the renamed "Main Street Commission" to continue to serve as the Main Street commissioners for the Main Street Historical Retail Combining Zone and to the extent required by law the Main Street Assessment District.

Staff recommends adoption of the attached Resolution of Intention, including directing staff to set a date, time and place for a Public Hearing following adoption of a Resolution of Intention, and to cause publication, posting, and mailing of such Notice of Public Hearing regarding the Proposed Dissolution of VPD No. 2.

At the date, time and place of the Public Hearing regarding the Proposed Dissolution of VPD No. 2, staff recommends that the City Council proceed to conduct a public hearing and receive oral and written testimony, whether for, against, or neutral, to the proposed dissolution of Vehicle Parking District No. 2. Thereafter, the City Council may close the public hearing, consider all information in support of, in opposition to, or neutral to the dissolution proceedings, and then consider and take action on first reading of an Ordinance of Dissolution of VPD No 2.

The Parking and Main Street Commission held a regular meeting on May 14, 2009. The agenda and unofficial minutes for this meeting are attached for reference. In addition, a written motion called Motion to Table/Postpone Item #1 Under Other Matters of the Parking and Main Street Commission Agenda-Intention to Initiate Proceedings toward Dissolution of Vehicle Parking District #2 was provided to Staff during the meeting (Attachment 5).

FINANCIAL IMPACT

- There are no costs associated with the adoption of the Resolution of Intention.

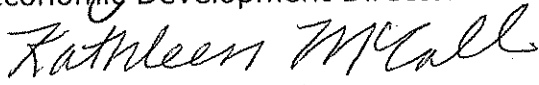
COMMUNITY VISION IMPLEMENTATION

- None.

RECOMMENDATION

- Adopt the attached Resolution of Intention regarding the Proposed Dissolution of VPD No. 2.


CHET YOSHIZAKI
Economic Development Director


By: Kathleen McCall
Economic Development Specialist

Attachment 1: Resolution of Intention re Proposed Dissolution of VPD No. 2

Attachment 2: Map of VPD Boundaries and Parking Lots

Attachment 3: Parking and Main Street Commission Agenda-May 14, 2009

Attachment 4: Draft Parking and Main Street Commission Minutes-May 14,
2009

Attachment 5: Motion to Table/Postpone Item #1 Under Other Matters;
Parking and Main Street Commission Agenda

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Recommended for Approval


Matthew Fertal
City Manager