

**CITY OF GARDEN GROVE
INTER-DEPARTMENT MEMORANDUM**

To:	Matthew Fertal	From:	Susan Emery
Dept:	City Manager	Dept:	Community Development
Subject:	RELOCATION PLAN	Date:	July 28, 2009

OBJECTIVE

It is requested that City Council adopt the attached Resolution approving the Relocation Plan for the potential displacement of eligible tenant households at the Grove Park apartments ("Relocation Plan") related to implementation of a proposed Affordable Housing Agreement between the City of Garden Grove and JHC-Acquisitions, LLC, an affiliate of Jamboree Housing Corporation ("Developer"), for the 104-unit Grove Park acquisition/rehabilitation affordable housing project ("Project").

BACKGROUND

The HOME Program, HOME Regulations, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. 4201-4655, and implementing regulations in 49 CFR Part 24, and the California Relocation Assistance Act, Government Code Section 7260, *et seq.* and the implementing regulations in Title 25, Section 6000, *et seq.* of the California Code of Regulations (together, "Relocation Law") establish the rights and obligations of state and local public entities relating to displacement of residents occurring as a direct result of the implementation of a public program or project. The Relocation Law requires preparation, consideration and action on a relocation plan if displacement, whether temporary or permanent, might occur. The City Council is vested with the authority to review and take action on the Relocation Plan. The Relocation Law mandates a review period of 30 days prior to adoption of the Relocation Plan by the City Council.

The City and Developer have negotiated the terms of an Affordable Housing Agreement for the Project that, if approved, will include acquisition and rehabilitation of 13 apartment buildings in the Buena Clinton neighborhood and the long-term operation and management of 104 units of affordable housing by the Developer. If the Affordable Housing Agreement is approved and implemented, the Project will require the temporary displacement of existing households during the Rehabilitation and may require the permanent displacement of a limited number of households.

DISCUSSION

In planning for the Project the Developer and City staff have caused to be prepared a Relocation Plan pursuant to the Relocation Law. The draft Relocation Plan has

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been made available to the public for at least 30 days prior to this City Council meeting, including outreach to the residents and community through publication of a notice in the newspaper, posting information on the City's website, and making copies of the Relocation Plan available at the City Hall Public Counter, the Buena Clinton Family Resource Center, and the Garden Grove Regional Library. Pursuant to the Relocation Law, the Relocation Plan includes: A description of temporary housing needs and benefits of occupant households during the Rehabilitation, and re-housing needs for permanent displacement of the occupant households, if any, that may be displaced; evaluation of comparable replacement housing resources; assessment of last resort housing obligations; and related relocation information.

After the 13 properties are acquired by the Developer, each eight-plex building will be rehabilitated one-by-one until the full Rehabilitation is complete. As each eight-plex building is rehabilitated, residents will be required to move temporarily (and a few, if any, permanently) from the Project. Except during the Rehabilitation work on their applicable eight-plex at which time tenant households will be temporarily displaced and provided relocation assistance and benefits, during the Rehabilitation phase existing tenants may continue to occupy their apartments pursuant to their current rental agreements.

During the preparation of the Relocation Plan, the current owner of the 13 apartment buildings declined to allow interviews with any of the tenant households. The Relocation Plan has been prepared based on information supplied by the Housing Authority because information about many tenant households exists with the Housing Authority due to the vast majority of tenants already holding portable Section 8 housing vouchers. The Relocation Plan was prepared by and information for the plan was collected by the City's consultant, Overland, Pacific and Cutler, Inc., who is also a consultant to the Developer. This Relocation Plan presented for City Council consideration and action meets the requirements of the Relocation Law. Prior to actual relocation of persons the following will occur:

1. Fair and reasonable relocation payments will be provided to eligible persons;
2. Eligible persons will be adequately informed of the relocation assistance, benefits, policies, practices and procedures, including grievance procedures, available to them; and
3. Orderly, timely, and efficient relocation to comparable replacement housing, temporary or permanent, as applicable, will be made available to eligible persons without regard to race, color, religion, sex, marital status, or national origin with minimum hardship to those affected.

The total cost to provide temporary relocation assistance and benefits and, as and if applicable permanent relocation assistance and benefits, for the existing tenant households is estimated to be \$363,000. This amount includes estimated temporary relocation assistance and benefits for tenant households that move out on a short-term basis while each of the 13 apartment buildings are rehabilitated on

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a one-by-one basis, and permanent relocation assistance and benefits for a limited number, if any, of tenant households who may be required to move permanently from the Project. Pursuant to the Affordable Housing Agreement, if approved, all costs associated with relocation will be paid from the Developer's source of funds for the Project and not from the City Loan provided under that agreement.

FINANCIAL IMPACT

The relocation expenditures are estimated to be \$363,000. All costs associated with relocation will be paid by the Developer and the Affordable Housing Agreement prohibits expending proceeds of the City Loan of HOME Program funds for any relocation costs.

COMMUNITY VISION IMPLEMENTATION

The Grove Park Project assists with the Strategic Plan goal to seek quality housing opportunities.


RECOMMENDATION

It is recommended that the City Council:

- Adopt the attached City Council Resolution approving the Relocation Plan
- Authorize the City Manager and his designees to implement the Relocation Plan.



SUSAN EMERY
Community Development Director



By: Allison Mills
Senior Project Manager

Attachment 1: City Resolution
Attachment 2: Relocation Plan

Approved for Agenda Listing



Matthew Fertal
City Manager