

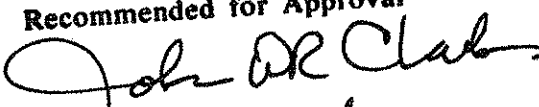
City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Matthew J. Fertal From: Kathy Bailor
Dept.: City Manager Dept.: City Manager
Subject: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE DESIGNATING THE GARDEN GROVE RECOVERY ZONE FOR PURPOSES OF SECTIONS 1400U-1, 1400U-2 AND 1400U-3 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED. Date: January 26, 2010

Staff Report for this item will be available on yellow at the meeting.


KATHY BAILOR
City Clerk

Recommended for Approval

Matthew Fertal
City Manager for

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE DESIGNATING THE GARDEN GROVE RECOVERY ZONE FOR PURPOSES OF SECTIONS 1400U-1, 1400U-2 AND 1400U-3 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED

WHEREAS, the City of Garden Grove is a municipal corporation duly organized and existing and pursuant to the Constitution and laws of the State of California (the "City");

WHEREAS, Section 1400U-1 of the Internal Revenue Code (Code) authorizes the City to designate a "Recovery Zone" for the purpose of issuing Recovery Zone Economic Development Bonds under Section 1400U-2 of the Code, and for the purpose of issuing Recovery Zone Facility Bonds under Section 1400U-3 of the Code;

WHEREAS, the term "Recovery Zone" means (1) any area designated by the City as having significant poverty, unemployment, rate of home foreclosures, or general distress; (2) any area designated by the City as economically distressed by reason of the closure or realignment of a military installation pursuant to the Defense Base Closure and Realignment Act of 1990; and (3) any area for which a designation as an Empowerment Zone or a Renewal Community is in effect;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDEN GROVE DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. All of the above recitals are true and correct, and this Council so finds and determines.

Section 2. The City's "Recovery Zone", for purposes of Sections 1400U-1, 1400U-2 and 1400U-3 of the Code, is hereby designated to be the area denoted on the map attached to this Resolution, consisting generally of an overlaying of the following existing designations in the City: (a) Project Areas of the Community Development Agency of the City of Garden Grove as currently designated or subsequently adopted or amended; and (b) Properties zoned Commercial or Industrial (including any category of Commercial in the City) under the Zoning Code of the City.

Section 3. The City hereby finds that the "Recovery Zone" described above meets the requirements of Section 1400U-1 of the Code, in that the area therein is already designated as an area having significant poverty, unemployment, rate of home foreclosures, or general distress.

Section 4. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to designate the Garden Grove Recovery Zone and otherwise to carry out, give effect to, and comply

with the terms and intent of this Resolution. Such actions heretofore taken by such officers are hereby ratified, confirmed, and approved.

Section 5. The City of Garden Grove is hereby authorized to issue Recovery Zone Economic Development Bonds and Recovery Zone Facility Bonds for projects located within the Garden Grove Recovery Zone.

Section 6. The Executive Director of Community Development is hereby authorized and directed to deliver to the California Debt and Investment Advisory Commission a certified copy of this resolution, to deliver a Plan of Issuance with respect to Recovery Zone Facility Bonds and Economic Development Bonds.

Section 7. This Resolution shall take effect from and after its adoption.