

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