

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

***Garden Grove City Council
And
Garden Grove Agency for Community Development***

To:	Matthew Fertal	From:	Economic Development
Dept:	City Manager/Director	Dept:	
Subject:	COOPERATION, PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF GARDEN GROVE AND THE AGENCY FOR COMMUNITY DEVELOPMENT FOR REAL PROPERTY ADJOINING AVALON LANE SOUTHWEST OF TRASK AVENUE AND FAIRVIEW STREET (APN: 101-652-09)	Date:	December 14, 2010

OBJECTIVE

To consider the adoption of a Resolution approving a Cooperation, Purchase, and Sale Agreement ("Cooperation Agreement") between the City of Garden Grove ("City") and the Garden Grove Agency for Community Development ("Agency") for the Agency's acquisition of real property adjoining Avalon Lane southwest of Trask Avenue and Fairview Street, identified by Assessor's Parcel No. 101-652-09.

BACKGROUND/DISCUSSION

On April 13, 2010, the City Council approved Planned Unit Development No. PUD-124-10, and Development Agreement No. DA-180-10 as part of the development of twenty (20) detached single-family residences on approximately 2.48 acres. As part of the conditions of approval, the City is to negotiate with the County of Orange for the acquisition of the subject property that is contained within the boundaries of the Tentative Tract Map. The subject property consists of approximately 1,109 square feet of vacant land that was utilized as an alley (see Attachment 1). Pomelo, LLC, (the "Developer"), acquired the adjacent properties and the subject property will be utilized to provide secondary emergency access.

The attached Cooperation, Purchase, and Sale Agreement (Attachment 4) would authorize the conveyance of the Property from the City to the Agency. The Agency has negotiated the disposition of the subject property with the Developer for the construction of the residential project.

COOPERATION, PURCHASE AND SALE AGREEMENT
BETWEEN THE CITY OF GARDEN GROVE AND THE
AGENCY FOR COMMUNITY DEVELOPMENT
FOR REAL PROPERTY ADJOINING AVALON LANE
SOUTHWEST OF TRASK AVENUE AND FAIRVIEW STREET
(APN: 101-652-09)
December 14, 2010
Page 2

FINANCIAL IMPACT

The purchase price for the Property shall be an amount equal to the purchase price to be received by the Agency for the Property from the Developer in the amount of \$16,635.

RECOMMENDATION

It is recommended that the City Council:

- Adopt the attached Resolution approving the Cooperation, Purchase, and Sale Agreement conveying the subject property, Parcel No. 101-652-09, to the Agency for Community Development; and
- Authorize the City Manager to execute the agreement and all necessary related documents on behalf of the City.

It is recommended that the Agency:

- Adopt the attached Resolution approving the Cooperation, Purchase, and Sale Agreement accepting the subject property, Parcel No. 101-652-09, from the City; and
- Authorize the Director to execute the agreements and all necessary related documents on behalf of the Agency.

GREG BROWN
Real Property Manager

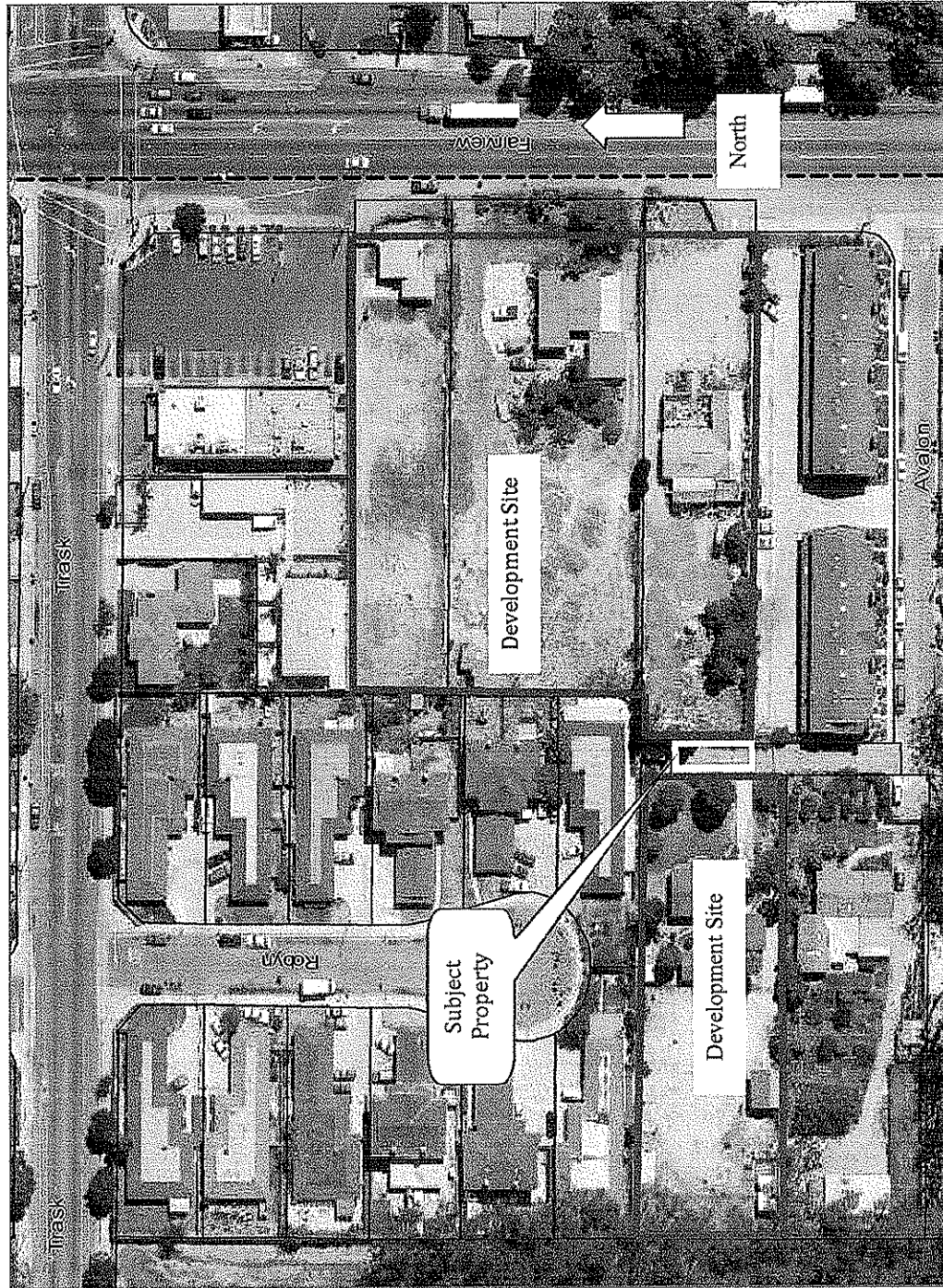
By:  Carlos Marquez
Real Property Agent

Recommended for Approval


Matthew Ferial
City Manager

Attachment 1: Site Map
Attachment 2: City Council Resolution
Attachment 3: Agency Resolution
Attachment 4: Cooperation, Purchase, and Sale Agreement

Site Map of Subject Property



RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE APPROVING A COOPERATION AGREEMENT BY AND BETWEEN THE CITY OF GARDEN GROVE AND THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT PURSUANT TO HEALTH AND SAFETY CODE SECTION 33220

WHEREAS, the City of Garden Grove (City) is authorized pursuant to Government Code Section 37350 to "... purchase, lease, receive, hold, and enjoy real and personal property, and control and dispose of it for the common benefit";

WHEREAS, the Garden Grove Agency for Community Development (Agency) is a redevelopment agency validly existing and exercising powers pursuant to the California Community Redevelopment Law, Part 1 of Division 24, Section 33000 *et seq.* of the Health and Safety Code;

WHEREAS, the Agency is charged with implementing the Redevelopment Plan ("Redevelopment Plan") as adopted for the Garden Grove Community Project;

WHEREAS, the City has the right to purchase approximately 1,109 square feet of vacant land generally identified by Assessor's Parcel Number 101-652-09, and located in the city of Garden Grove (Property), which Property is more particularly described in the Legal Description of the Property attached hereto as Exhibit A and incorporated herein by reference;

WHEREAS, the Property is currently owned by the County of Orange, California (County);

WHEREAS, the Property is in close proximity to the Garden Grove Community Project Area, which both parties agree has or will serve as a benefit to the Agency and the Project Area;

WHEREAS, the Agency desires to acquire the Property in order to effectuate the terms and provisions as set forth in the Redevelopment Plan;

WHEREAS, the City may, pursuant to Health and Safety Code Section 33220, sell or convey its property to the Agency for the purpose of aiding and cooperating in the planning, undertaking, and construction or operation of a redevelopment project;

WHEREAS, the Agency is considering the approval of that certain Offer and Agreement to Purchase Real Property (Purchase Agreement) between the Agency and Pomelo LLC, a California limited liability company (Developer), which provides for the Agency to convey the Property to the Developer for the fair market value of the Property; and

WHEREAS, the City and the Agency propose to enter into the Cooperation Agreement (Agreement) pursuant to which the City will convey the Property to the Agency immediately upon City's acquisition of the Property from the County.

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

Section 1. The City Council finds and determines that the sale of the Property to the Agency will aid the Agency in the implementation of the Redevelopment Plan pursuant to the Purchase Agreement and hereby approves the Agreement and the Purchase Agreement.

Section 2. The City Council hereby finds and determines that the disposition of the Property by the Agency pursuant to the Purchase Agreement will assist in the elimination of blight within the Project Area by providing for the proper reuse and redevelopment of a portion of the Project Area which was declared blighted.

Section 3. The City Manager (or his designee) is hereby authorized, on behalf of the City, to sign all documents, to make all approvals and take all actions necessary or appropriate to carry out and implement the Agreement and the Purchase Agreement.

EXHIBIT A

LEGAL DESCRIPTION

AVALON LANE
Facility No.: Z99577
Parcel No.: 101

The south 3 acres of the north 9 acres of the east half of the northeast quarter of the southeast quarter of Section 3, Township 5 South, Range 10 West, in Rancho Las Bolsas, City of Garden Grove, County of Orange, State of California, as shown on a map, filed in book 51, page 12 of Miscellaneous Maps, in the office of the County Recorder of said county.

Excepting therefrom the North 20.00 feet.

Also excepting the East 360.00 feet.

Also excepting the West 280.87 feet.

Also excepting that portion lying southerly of the south line of the North 471.00 feet of the northeast quarter of the southeast quarter, of said Section 3.

Containing 1109 Square Feet, more or less.

See EXHIBIT B attached and by reference made a part.

APPROVED

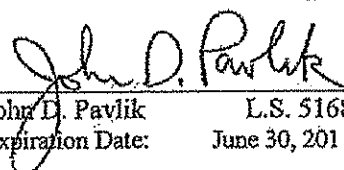
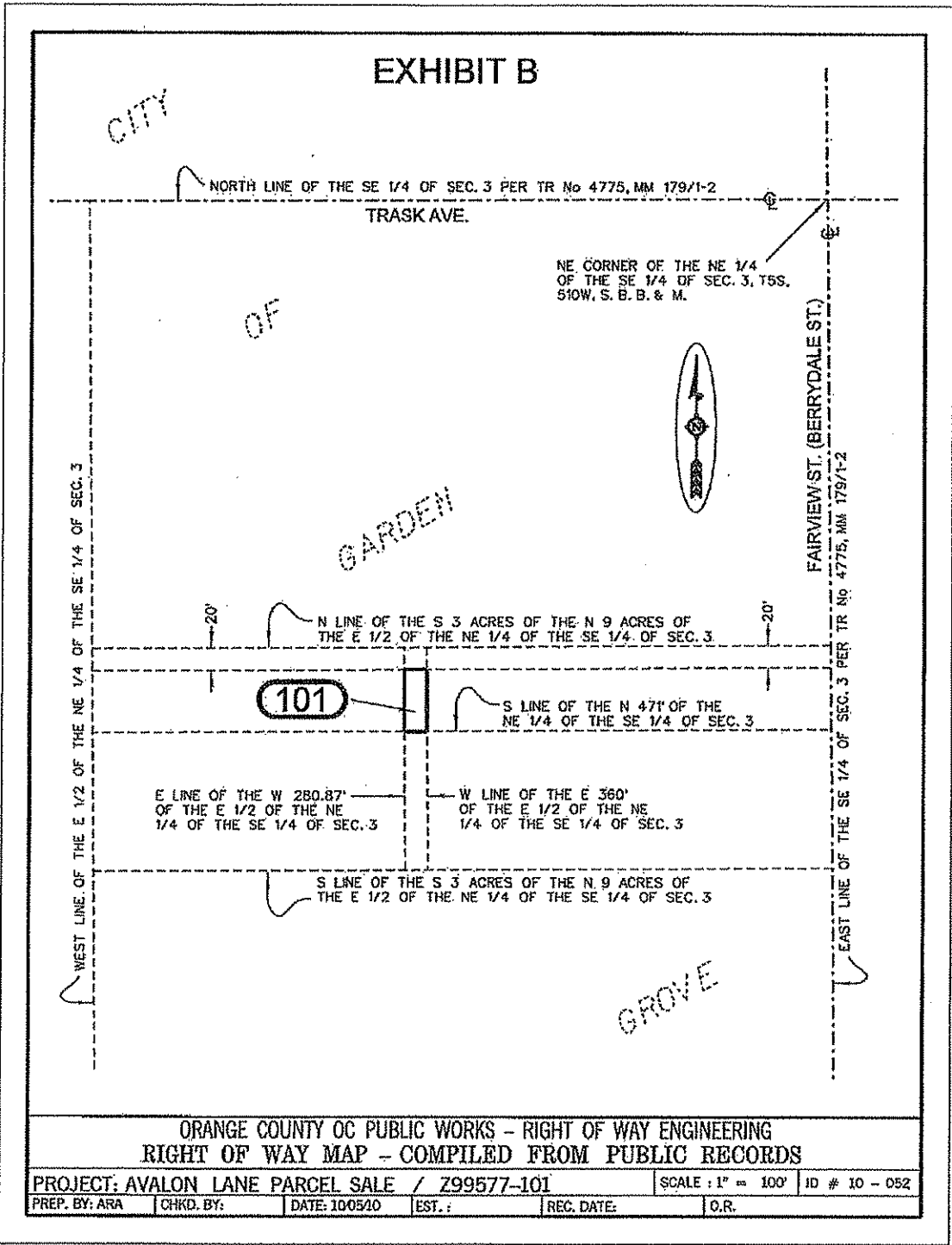
 Date: 10/18/10
John D. Pavlik L.S. 5168
Expiration Date: June 30, 2011



EXHIBIT A-1

EXHIBIT B



GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT

RESOLUTION NO. ____

**A RESOLUTION OF THE GARDEN GROVE AGENCY FOR
COMMUNITY DEVELOPMENT APPROVING A
COOPERATION AGREEMENT BY AND BETWEEN THE
AGENCY AND THE CITY OF GARDEN GROVE PURSUANT
TO HEALTH AND SAFETY CODE SECTION 33220**

WHEREAS, the Garden Grove Agency for Community Development (Agency) is a redevelopment agency validly existing and exercising powers pursuant to the California Community Redevelopment Law, Part 1 of Division 24, Section 33000 *et seq.* of the Health and Safety Code;

WHEREAS, the Agency is charged with implementing the Redevelopment Plan (Redevelopment Plan) as adopted for the Garden Grove Community Project;

WHEREAS, the City of Garden Grove (City) has the right to purchase approximately 1,109 square feet of vacant land generally identified by Assessor's Parcel Number 101-652-09, and located in the city of Garden Grove (Property), which Property is more particularly described in the Legal Description of the Property attached hereto as Exhibit A and incorporated herein by reference;

WHEREAS, the Property is currently owned by the County of Orange, California (County);

WHEREAS, the Property is in close proximity to the Garden Grove Community Project Area, which both parties agree has or will serve as a benefit to the Agency and the Project Area;

WHEREAS, the Agency desires to acquire the Property in order to effectuate the terms and provisions as set forth in the Redevelopment Plan;

WHEREAS, the City may, pursuant to Health and Safety Code Section 33220, sell or convey its property to the Agency for the purpose of aiding and cooperating in the planning, undertaking, and construction or operation of a redevelopment project;

WHEREAS, the Agency is considering the approval of that certain Offer and Agreement to Purchase Real Property (Purchase Agreement) between the Agency and Pomelo LLC, a California limited liability company (Developer), which provides for the Agency to convey the Property to the Developer for the fair market value of the Property; and

WHEREAS, the City and the Agency propose to enter into the Cooperation Agreement (Agreement) pursuant to which the City will convey the Property to the Agency immediately upon City's acquisition of the Property from the County.

NOW, THEREFORE, THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT DOES RESOLVE AS FOLLOWS:

Section 1. The Agency finds and determines that the acquisition of the Property from the City will aid the Agency in the implementation of the Redevelopment Plan pursuant to the Purchase Agreement and hereby approves the Agreement and the Purchase Agreement.

Section 2. The Agency hereby finds and determines that the disposition of the Property by the Agency pursuant to the Purchase Agreement will assist in the elimination of blight within the Project Area by providing for the proper reuse and redevelopment of a portion of the Project Area which was declared blighted.

Section 3. The Agency Director (or his designee) is hereby authorized, on behalf of the Agency, to sign all documents, to make all approvals and take all actions necessary or appropriate to carry out and implement the Agreement and the Purchase Agreement.

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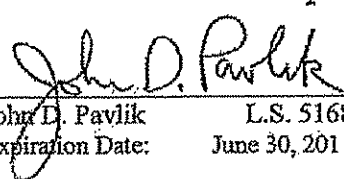
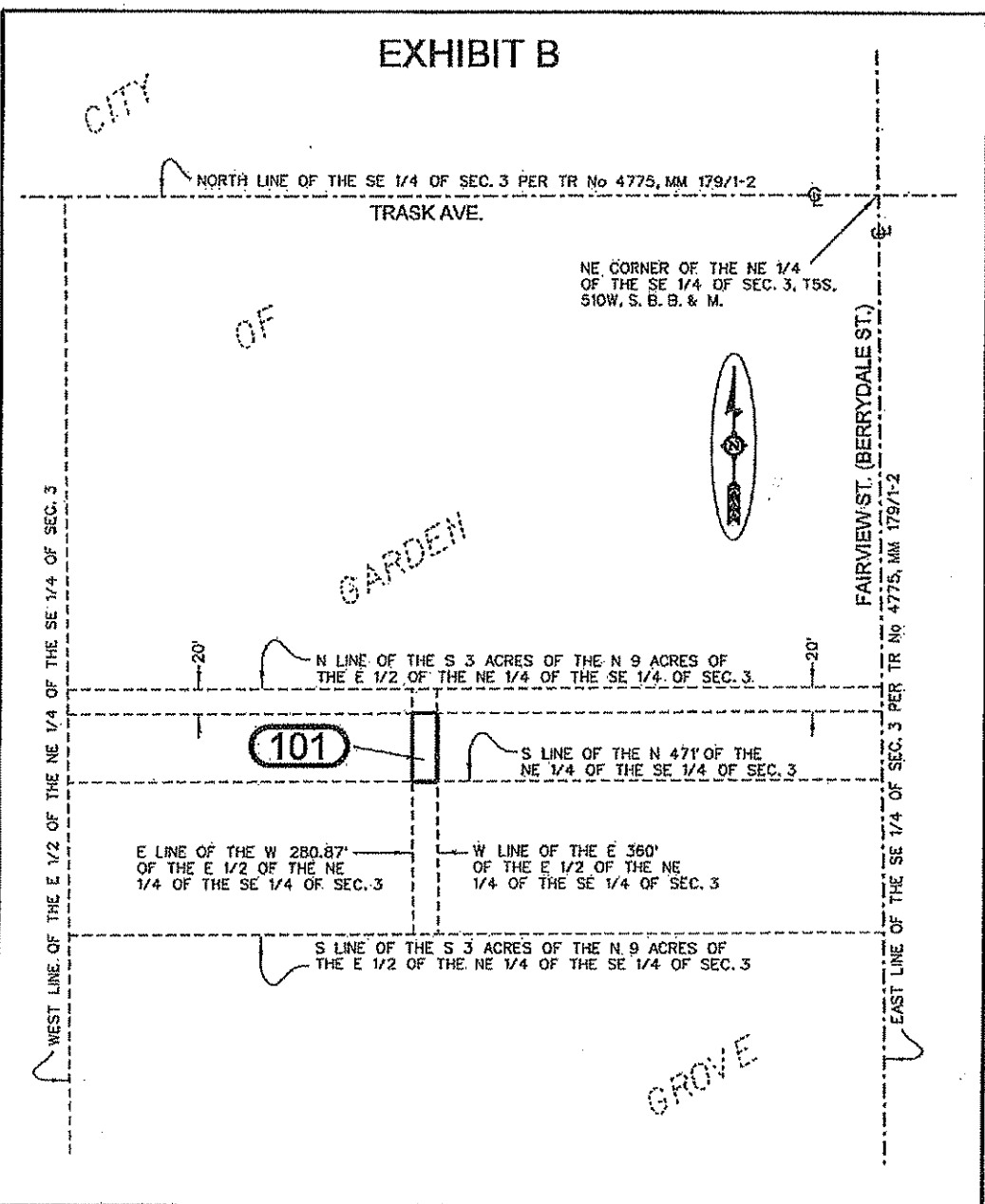
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EXHIBIT B



ORANGE COUNTY OC PUBLIC WORKS - RIGHT OF WAY ENGINEERING
 RIGHT OF WAY MAP - COMPILED FROM PUBLIC RECORDS

PROJECT: AVALON LANE PARCEL SALE / Z99577-101				SCALE: 1" = 100'	ID # 10 - 052
PREP. BY: ARA	CHKD. BY:	DATE: 1005/20	EST.:	REC. DATE:	O.R.

COOPERATION, PURCHASE AND SALE AGREEMENT

This **COOPERATION, PURCHASE AND SALE AGREEMENT** ("Cooperation Agreement") is entered into as of November 23, 2010, by and between the **CITY OF GARDEN GROVE**, a California municipal corporation ("City"), and the **GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT**, a public body, corporate and politic ("Agency").

RECITALS

A. City has the right to purchase approximately 1,109 square feet of vacant land generally identified by Assessor's Parcel Number 101-652-09, and located in the City of Garden Grove ("Property"). The Property is more particularly described in the Legal Description of Property attached hereto as Exhibit "A" and depicted in the map attached hereto as Exhibit "B", both of which exhibits are incorporated herein. The Property is currently owned by the County of Orange, California.

B. Agency is a redevelopment agency validly existing and exercising powers pursuant to the California Community Redevelopment Law, Part 1 of Division 24, Section 33000, *et seq.* of the Health and Safety Code ("Community Redevelopment Law").

C. The Property is in close proximity to the Garden Grove Community Project Area, which both parties agree has or will serve as a benefit to the Agency and the Project Area. Agency in order to effectuate the terms and provisions set forth in the Redevelopment Plan is desirous of acquiring the Property.

D. Agency proposes to acquire the Property from City.

E. Concurrently with this Cooperation Agreement, Agency is considering the approval of that certain Offer and Agreement to Purchase Real Property ("Purchase Agreement") between Agency and Pomelo LLC, a California limited liability company ("Developer").

F. For the purpose of aiding and cooperating in the planning, undertaking, construction, or operation of the redevelopment projects within the area in which it is authorized to act, City, upon the terms and with or without consideration as it determines, may dedicate, sell, convey, or lease any of its real property to the Agency in accordance with Section 33220 of the Health and Safety Code.

G. In order to facilitate Agency's obligations under the Purchase Agreement, City desires herein to convey the Property to Agency in accordance with the terms and conditions set forth in this Cooperation Agreement concurrently with the acquisition by the Developer of the Property pursuant to the Purchase Agreement.

NOW THEREFORE, City and Agency hereby agree as follows:

1. Conveyance of Property. City shall convey the Property to Agency and Agency shall acquire the Property from City in accordance with Health and Safety Code Section 33220.

2. **Purchase and Sale of Property.** The purchase price for the Property shall be an amount equal to the purchase price to be received by the Agency for the Property from the Developer pursuant to the Purchase Agreement, which the Agency and the City agree and acknowledge is the fair market value of the Property (“Purchase Price”).

3. **Escrow.** City shall duly execute a quitclaim deed (“Quitclaim Deed”) for the conveyance of the Property in the form attached hereto as Exhibit “B” and incorporated herein. The Quitclaim Deed shall be recorded immediately prior to the conveyance of the Property to Developer pursuant to the Purchase Agreement.

4. **Condition of the Property.** Agency expressly understands and agrees that Agency shall acquire the Property in an “AS IS” condition on the closing date. City specifically disclaims the making of any representations or warranties, express or implied, regarding the Property or matters affecting the Property, including without limitation, the physical and environmental condition of the Property.

5. **General Provisions.**

a. **Approvals and Actions.** Agency shall maintain authority of this Cooperation Agreement and the authority to implement this Cooperation Agreement through the Agency Director (or his duly authorized representative). The Agency Director shall have the authority to make approvals, issue interpretations, waive provisions, and/or enter into certain amendments of this Cooperation Agreement on behalf of Agency so long as such actions do not add to the costs incurred or to be incurred by Agency as specified herein, and such approvals, interpretations, waivers and/or amendments may include extensions of time to perform. All other material and/or substantive interpretations, waivers, or amendments shall require the consideration, action and written consent of the Agency Board.

City shall maintain authority of this Cooperation Agreement and the authority to implement this Cooperation Agreement through the City Manager (or his duly authorized representative). The City Manager shall have the authority to make approvals, issue interpretations, waive provisions, and/or enter into certain amendments of this Cooperation Agreement on behalf of City so long as such actions do not add to the costs incurred or to be incurred by City as specified herein, and such approvals, interpretations, waivers and/or amendments may include extensions of time to perform. All other material and/or substantive interpretations, waivers, or amendments shall require the consideration, action and written consent of the City Council.

b. **Modifications.** Any alteration, change or modification of or to this Cooperation Agreement, in order to become effective, shall be made in writing and in each instance signed on behalf of each party.

c. **Severability.** If any term, provision, condition or covenant of this Cooperation Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Cooperation Agreement, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

d. Cooperation. Each party agrees to cooperate with the other in this transaction and, in that regard, to sign any and all documents which may be reasonably necessary, helpful, or appropriate to carry out the purposes and intent of this Cooperation Agreement including, but not limited to, releases or additional agreements.

e. Assignment. This Cooperation Agreement shall be binding upon and shall inure to the benefit of City and Agency and their respective successors and assigns. Agency shall have the right to assign this Cooperation Agreement or any interest or right under this Cooperation Agreement without obtaining the prior written consent of City.

(SIGNATURES APPEAR ON THE FOLLOWING PAGE)

IN WITNESS WHEREOF, City and Agency have executed this Cooperation Agreement as of the date first set forth above.

AGENCY:


**GARDEN GROVE AGENCY FOR
COMMUNITY DEVELOPMENT**, a public body,
corporate and politic

By: _____
Chairperson

ATTEST:

Agency Secretary

APPROVED AS TO FORM:



Stradling Yocca Carlson & Rauth
Agency Counsel

CITY:

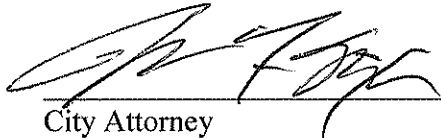
CITY OF GARDEN GROVE, a California
municipal corporation

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:



City Attorney

EXHIBIT "A"
LEGAL DESCRIPTION OF PROPERTY

LEGAL DESCRIPTION

AVALON LANE
Facility No.: Z99577
Parcel No.: 101

The south 3 acres of the north 9 acres of the east half of the northeast quarter of the southeast quarter of Section 3, Township 5 South, Range 10 West, in Rancho Las Bolsas, City of Garden Grove, County of Orange, State of California, as shown on a map, filed in book 51, page 12 of Miscellaneous Maps, in the office of the County Recorder of said county.

Excepting therefrom the North 20.00 feet.

Also excepting the East 360.00 feet.

Also excepting the West 280.87 feet.

Also excepting that portion lying southerly of the south line of the North 471.00 feet of the northeast quarter of the southeast quarter, of said Section 3.

Containing 1109 Square Feet, more or less.

See EXHIBIT B attached and by reference made a part.

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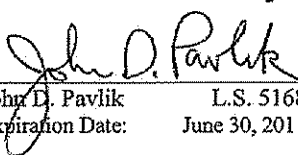
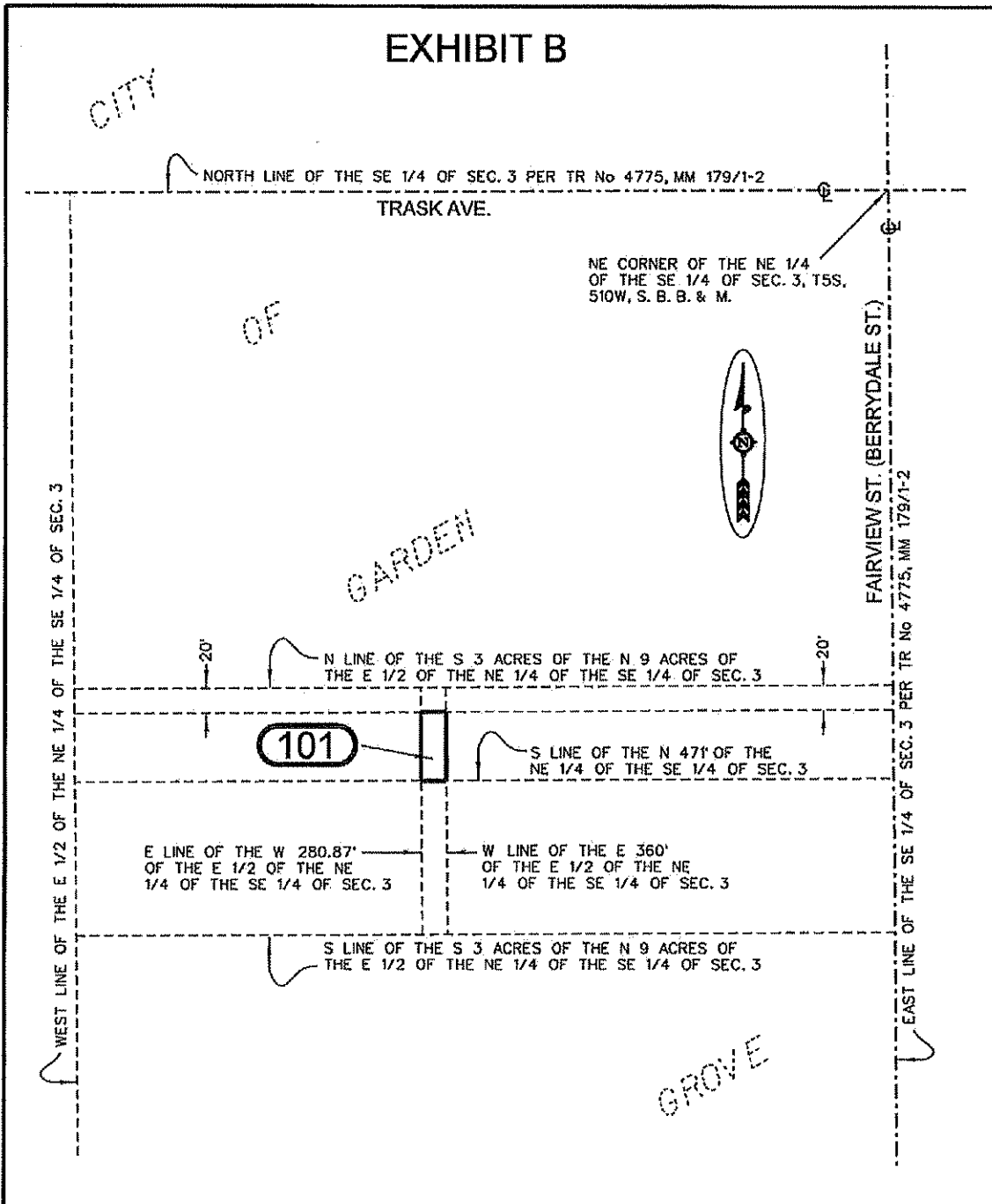
 Date: 10/18/10
John D. Pavlik L.S. 5168
Expiration Date: June 30, 2011



Exhibit A

EXHIBIT B



ORANGE COUNTY OC PUBLIC WORKS – RIGHT OF WAY ENGINEERING
 RIGHT OF WAY MAP – COMPILED FROM PUBLIC RECORDS

PROJECT: AVALON LANE PARCEL SALE / Z99577-101				SCALE: 1" = 100'	ID # 10 - 052
PREP. BY: ARA	CHKD. BY:	DATE: 10/05/10	EST.:	REC. DATE:	O.R.

Exhibit B

EXHIBIT C

RECORDING REQUESTED BY)
AND WHEN RECORDED MAIL TO:)
)
Garden Grove Agency for)
Community Development)
11222 Acacia Parkway)
Garden Grove, CA 92842)
Attention: Director)

This document is exempt from payment of a recording fee pursuant to Government Code Section 27383.

Exempt from payment of Documentary Transfer Tax pursuant to Revenue and Taxation Code Section 11922

QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt and adequacy of which is hereby acknowledged, the

CITY OF GARDEN GROVE,
a California municipal corporation,
hereinafter referred to as "GRANTOR,"

does hereby REMISE, RELEASE AND FOREVER QUITCLAIM to the

GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT,
a public body, corporate and politic,
hereinafter referred to as "GRANTEE,"

in an "as is" condition, all RIGHTS, TITLE and INTEREST in and to that certain real property legally described in **Exhibit A** and illustrated in **Exhibit B**, which exhibits are attached hereto and made a part hereof, attached hereto and made a part hereof.

Nothing contained herein, or in any document related hereto, shall be construed to imply the conveyance to GRANTEE of rights in the property which exceed those owned by GRANTOR, or any representation or warranty, either express or implied, relating to the nature or condition of the property or GRANTOR'S interest therein.

(SIGNATURES APPEAR ON FOLLOWING PAGE)

IN WITNESS WHEREOF, GRANTOR has executed this Quitclaim Deed as of _____,
20____.

CITY OF GARDEN GROVE, a California
municipal corporation

By: _____
City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, before me, _____, Notary Public,
(Print Name of Notary Public)

personally appeared _____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- Individual
- Corporate Officer

Title(s)

DESCRIPTION OF ATTACHED DOCUMENT

- Partner(s) Limited
- General
- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other: _____

Title Or Type Of Document

Number Of Pages

Signer is representing:
Name Of Person(s) Or Entity(ies)

Date Of Documents

Signer(s) Other Than Named Above

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by quitclaim deed dated _____, 20__, from the **CITY OF GARDEN GROVE**, a California municipal corporation, to the **GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT**, a public body, corporate and politic, is hereby accepted by the undersigned officer on behalf of the Garden Grove Agency for Community Development pursuant to authority conferred by Resolution of the Garden Grove Agency for Community Development adopted on July 17, 1978 and the grantee consents to recordation thereof by its duly authorized officer.

Dated as of _____, 20__.

Secretary

Certificate of Acceptance

EXHIBIT A

LEGAL DESCRIPTION

AVALON LANE
Facility No.: Z99577
Parcel No.: 101

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Containing 1109 Square Feet, more or less.

See EXHIBIT B attached and by reference made a part.

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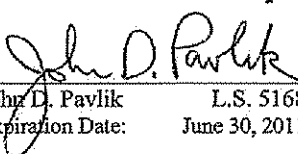
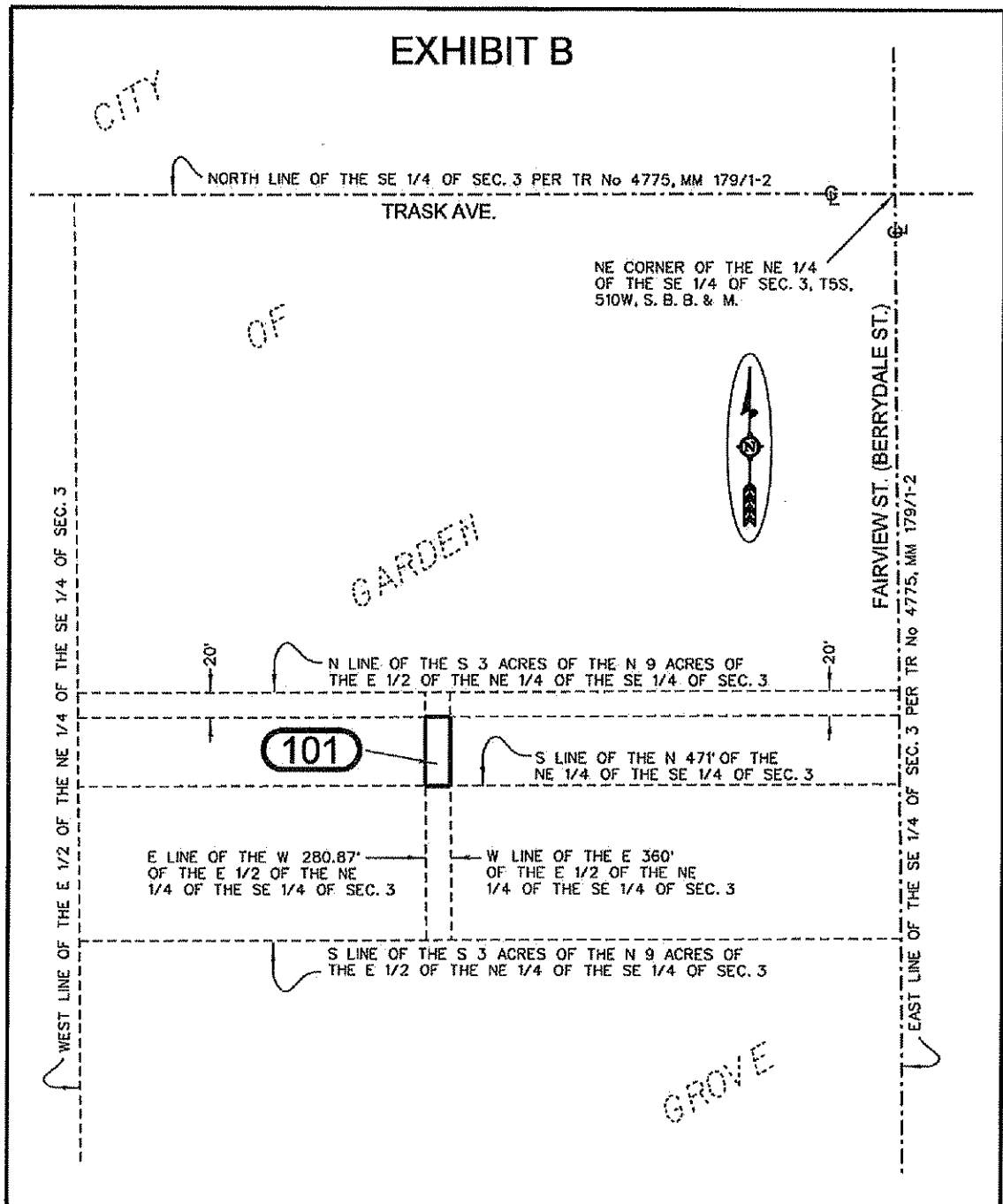
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EXHIBIT B



ORANGE COUNTY OC PUBLIC WORKS - RIGHT OF WAY ENGINEERING RIGHT OF WAY MAP - COMPILED FROM PUBLIC RECORDS			
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