

**City of Garden Grove**

**INTER-DEPARTMENT MEMORANDUM**

To: Matthew J. Fertal From: Economic Development  
Dept: City Manager  
Subject: APPOINTMENTS TO THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT Date: February 14, 2012

OBJECTIVE

The purpose of this report is to request that the Mayor appoint, and the City Council adopt a resolution affirming those appointments, to the oversight board of the City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development (oversight board).

BACKGROUND

Pursuant to ABx1-26 and the California Supreme Court’s decision in California Redevelopment Association v. Matosantos, redevelopment agencies in California including the Garden Grove Agency for Community Development were dissolved as of February 1, 2012. The City of Garden Grove has elected to become the Successor Agency to the Garden Grove Agency for Community Development (“Agency”).

ANALYSIS

ABx1-26 outlines the process to fulfill Redevelopment Agency obligations and to wind down its affairs. Part of that process involves the formation of an Oversight board, which will oversee the activities of the Successor Agency in regards to enforceable obligations and the winding down of the Agency’s affairs. The Oversight board is to be composed of seven members as follows:

- Two members appointed by the Orange County Board of Supervisors.
- One member appointed by the Mayor (Health and Safety Code Section 34179(a)(2)).
- One member appointed by the largest special district, by property tax share, with territory in the territorial jurisdiction of the Agency.
- One member appointed by the Orange County Superintendent of Education.
- One member appointed by the Chancellor of the California Community Colleges.
- One member appointed by the Mayor representing the employees of the Agency and from the recognized employee organization representing the largest number of former Agency employees employed by the successor agency (Health and Safety Code Section 34179(a)(7)).

FINANCIAL IMPACT

None.

RECOMMENDATION

Staff recommends that the City Council:

- Adopt the attached Resolution affirming the Mayor's selection and appointment of Mayor Dalton and Paul Guerrero to the oversight board pursuant to section 34179 of the Dissolution Act.



JIM DELLALONGA  
Senior Project Manager/Department Administrative Officer

Attachment: Resolution

**Recommended for Approval**



**Matthew Fertal**  
City Manager

GARDEN GROVE CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE AFFIRMING THE MAYOR'S SELECTION AND APPOINTMENT OF TWO MEMBERS TO THE OVERSIGHT BOARD PURSUANT TO SECTION 34179 OF THE DISSOLUTION ACT

WHEREAS, the Garden Grove Agency for Community Development ("Agency") was established as a community redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health & Safety Code Section 33000, *et seq.* ("CRL"), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Garden Grove ("City");

WHEREAS, Assembly Bill X1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which laws cause the dissolution and wind down of all redevelopment agencies ("Dissolution Act");

WHEREAS, on December 29, 2011, in the petition *California Redevelopment Association v. Matosantos*, Case No. S194861, the California Supreme Court upheld the Dissolution Act and thereby all redevelopment agencies in California were dissolved as of and on February 1, 2012, under the dates in the Dissolution Act that were reformed and extended thereby ("Supreme Court Decision");

WHEREAS, the Agency is now a dissolved community redevelopment agency pursuant to the Dissolution Act;

WHEREAS, by a Resolution considered and approved by the City Council at an open public meeting the City chose to become and serve as the "Successor Agency" to the dissolved Agency under the Dissolution Act;

WHEREAS, as of and on and after February 1, 2012, the City serves as the "Successor Agency" will perform its functions as the Successor Agency under the Dissolution Act to administer the enforceable obligations of the Agency and otherwise unwind the Agency's affairs, all subject to the review and approval by a seven-member Oversight Board formed thereunder;

WHEREAS, Section 34179 of the Dissolution Act provides that each successor agency shall have an oversight board composed of seven members, of which one of the seven members is appointed by Mayor of the City and a second member is also appointed by the Mayor representing the employees of the former Agency from the recognized employee organization representing the largest number of former redevelopment agency employees employed by the Successor Agency at that time;

WHEREAS, pursuant to Section 34179 the Oversight Board shall have fiduciary responsibilities to holders of enforceable obligations and the taxing entities

that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act;

WHEREAS, the Mayor desires to make two appointments and by this Resolution appoints the following members to the Oversight Board: (1) the Mayor appoints himself as one member; and (2) Paul Guerrero as the former Agency employee member;

WHEREAS, by this Resolution the City Council intends to affirm the Mayor's appointments;

WHEREAS, once appointed the seven members, the oversight board will elect one of their members as the Chair and will report the name of the Chair and other members to the Department of Finance on or before May 1, 2012;

WHEREAS, these appointments will be posted on the City's website relating to the Successor Agency; and

WHEREAS, pursuant to Section 34179 each member of an oversight board shall serve at the pleasure of the entity that appointed such member.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GARDEN GROVE:

Section 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

Section 2. The Mayor hereby appoints to the oversight board the following two members: (a) the Mayor appoints himself as one member; and (b) Paul Guerrero as the former Agency employee member.

Section 3. The City Council hereby affirms the Mayor's appointments of two members to the Oversight Board pursuant to Section 34179.

Section 4. The City Manager or his authorized designee shall cause this Resolution to be forwarded to the following: Successor Agency, Oversight Board, County Auditor-Controller, Department of Finance, and State Controller's Office.

Section 5. The City Manager or his authorized designee shall cause information about the Mayor's appointments to be posted on the City's website relating to Successor Agency notices.