

**The Oversight Board to the City of Garden Grove as Successor Agency to  
the Garden Grove Agency for Community Development**

**INTER-DEPARTMENT MEMORANDUM**

To: Matthew Fertal From: Economic Development  
Dept: Director  
Subject: AUTHORIZATION TO TRANSFER Date: June 13, 2012  
PROPERTIES PURCHASED WITH THE  
CERTIFICATES OF PARTICIPATION TO  
THE CITY

OBJECTIVE

The purpose of this report is to provide information to The Oversight Board to The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development ("Oversight Board") so that it may consider authorizing the transfer of former Agency owned properties, purchased using the 2002 Certificates of Participation ("Bonds"), to the City of Garden Grove ("City"), as a result of the California Department of Finance ("DOF") determination that the COPS does not qualify as an enforceable obligation under ABx1-26.

BACKGROUND/DISCUSSION

The properties purchased with the Bonds make up parts of the Site B2 project, the Waterpark Hotel project, and the Brookhurst Triangle Project.

In letters dated May 10, 2012 and May 25, 2012, the DOF has indicated that the obligation of the Successor Agency to make payments from the Trust Fund to cover debt service on the 2002 Certificates of Participation is not an eligible enforceable obligation because the City is legally obligated to make the debt service payments.

As a result of this determination, and as the City is incurring the financial obligation to pay the debt service on the Bonds, staff is recommending that the properties purchased with the proceeds from the Bonds be transferred to the City from the Successor Agency.

FINANCIAL IMPACT

None.

RECOMMENDATION

Staff recommends that The Oversight Board to The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development:

- Approve the transfer of those properties purchased with the proceeds of the 2002 Certificates of Participation (Attachment 1) from the Successor Agency to the City.



JIM DELLALONGA  
Senior Project Manager

Attachment 1: Property List

Recommended for Approval



Matthew Fertal  
Director

## Property List

<b>Address</b>	<b>Project</b>
12241 Harbor Blvd.	Site B-2
12252 Thackery Dr.	Site B-2
12261 Harbor Blvd.	Site B-2
12271 Harbor Blvd.	Site B-2
12321 Harbor Blvd.	Site B-2
12322 Thackery Dr.	Site B-2
12282 Thackery Dr.	Site B-2
12262 Thackery Dr.	Site B-2
12246 Thackery Dr.	Site B-2
12625 Harbor Blvd.	Water Park Hotel
12721 Harbor Blvd.	Water Park Hotel
10111 Garden Grove Blvd.	Brookhurst Triangle