



ADOPTION OF RESOLUTION APPROVING THE EOPS

June 12, 2012

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RECOMMENDATION

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

- Adopt the attached Resolution approving the Amended Enforceable Obligation Payment Schedule

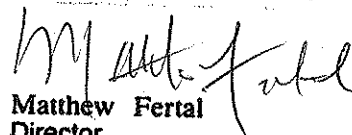


JIM DELLALONGA

Sr. Project Manager/Dept. Administrative Officer

Attachment 1: Resolution

Recommended for Approval



Matthew Fertal  
Director

OVERSIGHT BOARD

RESOLUTION NO.

A RESOLUTION OF THE OVERSIGHT BOARD TO THE CITY OF GARDEN GROVE  
AS SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY  
DEVELOPMENT APPROVING THE AMENDED ENFORCEABLE OBLIGATION PAYMENT  
SCHEDULE

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 and Safety Code Sections 33000, *et seq.* (CRL), and previously authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council (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 City Council Resolution No. 9077-11 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, under Part 1.8 of the Dissolution Act, the Agency prior to its dissolution adopted an original and an amended Enforceable Obligation Payment Schedule (EOPS) and authorized the Director and/or Finance Director or their authorized designee to augment or modify the EOPS and transmitted the EOPS to the City (to be serving as Successor Agency) and to the County Auditor-Controller, the Department of Finance and the State Controller's Office;

WHEREAS, The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development (Successor Agency) was formed to execute and implement the Redevelopment Plans for the Garden Grove Community

Project and the Buena Clinton Project, pursuant to the provisions of the California Community Redevelopment Law, Health & Safety Code Section 33000, et seq. (CRL);

WHEREAS, pursuant to Section 34179 the Successor Agency's Oversight Board has been formed and the initial meeting has occurred on March 28, 2012;

WHEREAS, by Resolution No. 705 adopted on August 23, 2011, the Agency adopted an Enforceable Obligation Payment Schedule (EOPS) pursuant to CRL Section 34169(g), added by AB X1 26;

WHEREAS, by Resolution No. 708-12 adopted on January 17, 2012, the Agency approved an amended Enforceable Obligation Payment Schedule (EOPS) pursuant to CRL Section 34169(g), added by AB X1 26;

WHEREAS, by Resolution No. \_\_\_\_\_ adopted on June 12, 2012, the Successor Agency approved an amended Enforceable Obligation Payment Schedule (EOPS) pursuant to CRL Section 34169(g), added by AB X1 26; and

WHEREAS, the Oversight Board now desires to adopt the amended EOPS.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD TO THE CITY OF GARDEN GROVE AS SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT:

Section 1. The above recitals are true and correct, are a substantive part of this Resolution, and are adopted as the findings of the Oversight Board.

Section 2. Pursuant to CRL Section 34169, subdivisions (g) and (h), enacted by AB X1 26, the Oversight Board hereby adopts the amended EOPS submitted herewith as Attachment 1, which schedule is incorporated herein by this reference.

Section 3. The Oversight Board Director is hereby authorized and directed to post the EOPS on the City/Successor Agency website pursuant to CRL Section 34169(g)(2) and to notify the County Auditor Controller, the State Department of Finance, and the State Controller's Office concerning this Resolution, the amended EOPS, and its online publication.

Section 4. This Resolution shall be effective after transmittal of this Resolution with the Administrative Budget and Costs Reimbursement Agreement attached to the DOF and the expiration of three (3) business days pending a request for review by the DOF within the time periods set forth in the Dissolution Act; in this regard, if the DOF requests review hereof it will have ten (10) days from the date of its request to approve this Oversight Board action or return it to the

Oversight Board for reconsideration and the action, if subject to review by DOF, will not be effective until approved by DOF.

Section 5. The Secretary of the Oversight Board shall certify to the adoption of this Resolution.

ATTACHMENT 1

AMENDED ENFORCEABLE OBLIGATION PAYMENT SCHEDULE (EOPS)

**ENFORCEABLE OBLIGATION PAYMENT SCHEDULE**

Per AB 26 - Section 34187 and 34189

Garden Grove Agency for Community Development  
Community Project

Name of Redevelopment Agency:  
Project Area(s)

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation(1) as of 12/31/2011	Total Due During Fiscal Year	Payments by month for Second Half of FY 2011-12						Total	
					Jan	Feb	March	April	May	June		
1) 2003 Tax Allocation Bonds	Bank of New York Mellon	Land Acquisition & Public Improvements	48,470,000.00	1,945,000.00								
2) Loan	City of Garden Grove	Cost of Project Improvements	750,000.00	0.00								
3) Loans	City of Garden Grove	Cost of Project Improvements	3,895,172.31	837,141.20							\$ 837,141.20	
4) Loans	City of Garden Grove	Cost of Project Improvements	3,285,471.97	745,482.59							\$ 745,482.59	
5) Agreement	Richard and Yong Ni	Land Acquisition and Project Improvements	2,500,000.00	2,500,000.00			162,504.00				\$ 162,504.00	
6) Bonds	City of Garden Grove	Land Acquisition and Project Improvements	19,510,000.00	540,000.00			540,000.00				\$ 540,000.00	
7) Hyatt Regency OPA - (2014)	OPA, LLC (Performance Based)	Cost of Project Improvements	21,609,400.00	1,700,000.00							\$ -	
8) Residence Inn DDA - (2020)	ROPA, LLC (Performance Based)	Cost of Project Improvements	9,189,083.00	1,300,000.00							\$ -	
9) Sheraton Hotel DDA - (2015)	Ken Sang, Inc. (Performance Based)	Cost of Project Improvements	1,700,000.00	450,000.00							\$ -	
10) OfficeMax Com Rehab Agmt	OfficeMax (Performance Based)	Commercial Rehabilitation	3,943,044.00	750,000.00							\$ -	
11) Katella Cottages OPA - (2027)	Indicia West (not verified Performance Based)	Land Acquisition and Project Improvements	3,105,342.00	76,450.00							\$ -	
12) Katella Cottages Note - (2027)	U.S. Bank	Land Acquisition and Project Improvements	1,825,000.00	69,000.00							\$ -	
13) Augustina Note - (2016)	Augustina Trust	Land Acquisition	560,840.57	40,471.77	3,383.57						\$ 3,383.57	
14) Coastline Lease Payments - (2016)	Coastline Com College Dist.	Office Space Rent	1,325,880.00	320,934.00							\$ 320,934.00	
15) GG Center Building Lease - (20)	Purcell Family Trust	Office Space Rent	2,943,000.00	654,000.00							\$ 654,000.00	
16) Fire Department HQ	M. David Paul & Associates	Land Acquisition	1,740,000.00	580,000.00							\$ -	
17) Garden Grove Hyatt - (2018)	Garden Grove Hyatt	Cost of Project Improvements	1,090,000.00	160,000.00							\$ -	
18) Volkswagen of Garden Grove - (2021)	Everest Rehab, Inc. (Performance Based)	Cost of Project Improvements	700,000.00	30,000.00							\$ -	
19) Waterpark Hotel DDA	Garden Grove MKD, LLC	Land Acquisition and Project Improvements	50,593,000.00	2,728,781.40							\$ 2,728,781.40	
20) Site C DDA	Varies	Land Acquisition and Project Improvements	15,600,000.00	5,600,000.00							\$ 5,600,000.00	
21) Site C DDA Assistance (Drain)	Based and dependent on final project assistance once the project is built in 12 to 24 months	Project Assistance	87,000,000.00	0.00							\$ -	
22) Uli Garden Plaza DDA	Sweet Homes Development	Land Acquisition	1,500,000.00	1,500,000.00							\$ 1,500,000.00	
23) Grove Street Housing DDA	Sheldon Group	Land Acquisition and Project Improvements	0.00	0.00							\$ -	
24) Site B2 DDA	Kam Sang Inc.	Land Acquisition and Project Improvements	2,500,000.00	2,500,000.00							\$ -	
25) Site B2 Assistance	Kam Sang Inc.	Project Assistance once the project is built	7,750,000.00	0.00							\$ -	
26) Embassy Suites DDA Amenities	Landmark (Performance Based)	Land Acquisition & Public Improvements	7,000,000.00	0.00							\$ -	
27) Union Bank Loan	Union Bank of California	Land Acquisition (variable interest rate)	32,000,000.00	333,333.00							\$ 333,333.00	
28) ABRP Program	GG Chamber of Commerce	Business Outreach	44,100.00	44,100.00							\$ 44,100.00	
29) Tanager Apartments	Tanager Associates, LLC	Land Acquisition	10,200,000.00	10,200,000.00							\$ 10,200,000.00	
30) Gilbert Street Rebate	Gilbert Street Developers, LLC	Project Improvements	43,723.00	43,723.00							\$ 43,723.00	
31) Brookhurst Triangle DDA	New Age Brookhurst, LLC	Land Acquisition and Project Improvements	6,000,000.00	2,413,812.00							\$ 2,413,812.00	
32) 201712 Agency Funded Labor	City of Garden Grove	Labor Associated with Agency Projects	\$ 277,193,678.85	\$ 36,113,229.86	\$ 212,239.59	\$ 1,187,190.95	\$ 9,476,284.60	\$ 212,305.00	\$ 205,174.02	\$ 205,174.02	\$ 205,174.02	\$ 1,231,044.12
Totals - Com Project (2)			\$ 3,173,011.35	\$ 1,728,108.55	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Buena Citron			\$ -	\$ -	\$ 20,132.17	\$ 20,312.92	\$ 5,132.17	\$ 5,132.17	\$ 20,312.92	\$ -	\$ -	\$ 71,022.35
Totals - Other Obligations			\$ 14,059,791.00	\$ 5,645,132.02	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 434,400.87
Totals - Other Obligations (2)			\$ 284,366,481.20	\$ 44,595,680.77	\$ 232,364.76	\$ 1,641,904.34	\$ 8,481,416.86	\$ 217,437.17	\$ 232,642.40	\$ 232,642.40	\$ 232,642.40	\$ 3,830,810.92
Grand total - All Pages			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,405,632.33

1. If some bonds or other debts listed only include the principal, interest calculations are not included in this schedule.





Name of Redevelopment Agency/Garden Grove Agency for Community Development  
 Project Area(s) Buena Clinton Project Area

**ENFORCEABLE OBLIGATION PAYMENT SCHEDULE**  
 Per AB 26 - Section 34167 and 34169

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation(1)	Total Due During Fiscal Year	Payments by month for Second Half of FY 2011-12						Total	
					Jan	Feb	March	April	May	June		
1)												
2)												
3)												
4)												
5)												
6)												
7)												
8)												
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4)												
5)												
Totals - This Page			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

1 Loans, Bonds or other debts listed, only include the principal, interest calculations are not included in this schedule.

**OTHER OBLIGATION PAYMENT SCHEDULE**  
 Per AB 26 - Section 34167 and 34169 ("")

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by month for Second Half of FY 2011-12						Total
					Jan	Feb	March	April	May	June	
1) Statutory Payments	City of Garden Grove	Payments per AB1290/SB211	n/a	137,615.16							\$ -
2) Statutory Payments	Garden Grove Sanitary District	Payments per AB1290/SB211	n/a	93,027.12	42,000.00						\$ 42,000.00
3) Statutory Payments	Garden Grove Sub San Dist	Payments per AB1290/SB211	n/a	2,695.38							\$ -
4) Statutory Payments	Orange County Water District	Payments per AB1290/SB211	n/a	38,084.13	17,500.00						\$ 17,500.00
5) Statutory Payments	OC Water Dist Water Reserve	Payments per AB1290/SB211	n/a	321.83							\$ -
6) Statutory Payments	Orange County Transit Authority	Payments per AB1290/SB211	n/a	3,019.47							\$ -
7) Statutory Payments	Orange County Sanitation District #2	Payments per AB1290/SB211	n/a	91,550.10	40,000.00						\$ 40,000.00
8) Statutory Payments	Orange County Sanitation District #3	Payments per AB1290/SB211	n/a	69,413.14	30,400.00						\$ 30,400.00
9) Statutory Payments	West Orange Co. Community College Dist. Gen. Fund	Payments per AB1290/SB211	n/a	24,607.67	10,036.63						\$ 10,036.63
10) Statutory Payments	West Orange Co. Community College Dist. Gen. Fund	Payments per AB1290/SB211	n/a	74,583.60							\$ -
11) Statutory Payments	Orange County Dept. of Education General Fund	Payments per AB1290/SB211	n/a	59,211.36	18,000.00						\$ 18,000.00
12) Statutory Payments	Orange County General Fund	Payments per AB1290/SB211	n/a	182,999.68	98,400.00						\$ 98,400.00
13) Statutory Payments	Orange County Public Library	Payments per AB1290/SB211	n/a	49,440.83	15,800.00						\$ 15,800.00
14) Statutory Payments	Orange County Road Central District	Payments per AB1290/SB211	n/a	58,697.12	18,700.00						\$ 18,700.00
15) Statutory Payments	Orange Co. Harbors, Beaches and Parks	Payments per AB1290/SB211	n/a	45,413.94	14,500.00						\$ 14,500.00
16) Statutory Payments	Orange County Vector Control	Payments per AB1290/SB211	n/a	1,201.11							\$ -
17) Statutory Payments	Orange County Dist. General Fund	Payments per AB1290/SB211	n/a	141.65							\$ -
18) Statutory Payments	Vehicle Pk Dist #2 OG Acquist	Payments per AB1290/SB211	n/a	230.04							\$ -
19) Statutory Payments	Vehicle Pk Dist #2 Garden Improvme	Payments per AB1290/SB211	n/a	108.82							\$ -
20) Statutory Payments	Vehicle Pk Dist #3 OG Improvement	Payments per AB1290/SB211	n/a	4.89							\$ -
21) Statutory Payments	Midway City Sanitary District-Gen Fund	Payments per AB1290/SB211	n/a	7.44							\$ -
22) Statutory Payments	Garden Grove-1974 Paramedic	Payments per AB1290/SB211	n/a	94,081.10							\$ -
23) Statutory Payments	Metropolitan Water District	Payments per AB1290/SB211	n/a	2,423.40							\$ -
24) Statutory Payments	GGUSD	Payments per AB1290/SB211	n/a	84,439.99							\$ -
25) Statutory Payments	Huntington Beach School District	Payments per AB1290/SB211	n/a	28,541.97	15,000.00						\$ 15,000.00
26) Statutory Payments	Westminster School District	Payments per AB1290/SB211	n/a	31,149.48	17,500.00						\$ 17,500.00
27) Statutory Payments	Orange Unified School District	Payments per AB1290/SB211	n/a	21,334.46	11,200.00						\$ 11,200.00
28) Interest Costs	Various Payees	Agency loans, bonds, etc. as shown on page 1	n/a	4,480,807.10	125,364.24						\$ 125,364.24
<b>Totals - Other Obligations</b>				\$ 5,545,132.02	\$ 434,400.87	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 434,400.87

1 Loans, Bonds or other debts listed only include the principal. Interest calculations are not included in this schedule.  
 \*\*\* All payment amounts are estimates

Name of Redevelopment Agency: Garden Grove Agency for Community Development  
 Project Area(s): Community Project & Buena Clinton Project Areas

### OTHER OBLIGATION PAYMENT SCHEDULE

Per AB 28 - Section 34167 and 34169 (\*\*\*)

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation(1)	Total Due During Fiscal Year	Payments by month for Second Half of FY 2011-12						Total	
					Jan	Feb	March	April	May	June		
1) Administration Fees	County of Orange	Repayment to lowmod hsg fund (Due in varying amounts in subsequent fiscal years)	245,583.00									\$ -
2) Housing Fund Deficit	GG Agency for Com Dev/GG Hsg Auth	Payments per Agreement (varies each year)	13,814,208.00	1,109,213.24								\$ -
3) Capital Facilities Agreement	GG Unified School Dist	Affordable Housing Agreement Implementation and Monitoring						237,795.50				\$ 237,795.50
4) Aslam (11211 Steele Drive)	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
5) Stuart Drive/Rose Garden	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
6) Cal-Malabar Apartments (9777 Bobby Ave)	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
7) Dale Apartments	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
8) Framingham Investors (12681 Morningdale)	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
9) Framingham Investors (12681 Morningdale)	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
10) Framingham Investors (12681 Morningdale)	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
11) Garden Grove Senior Apartments*	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
12) Jamboree (12692 Sunswep)	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
13) Jamboree (12692 Sunswep)	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
14) La Esperanza II	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
15) OCCHC Shelter Phase I	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
16) Rose Crest	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
17) Sungrove Senior Apartments	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
18) Thomas House Temporary Shelter	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
19) Tudor Grove	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
20) 12172 Tamerlane	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
21) 12162 Tamerlane	Garden Grove Housing Authority as Successor Agency	Affordable Housing Agreement Implementation and Monitoring										\$ -
<b>Totals - Other Obligations</b>			<b>\$ 14,059,791.00</b>	<b>\$ 1,109,213.24</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

1 Loans, Bonds or other debts listed, only include the principal. Interest calculations are not included in this schedule.