

GARDEN GROVE HOUSING AUTHORITY

RESOLUTION NO.

A RESOLUTION OF THE GARDEN GROVE HOUSING AUTHORITY APPROVING THAT CERTAIN AGREEMENT WITH ESCROW INSTRUCTIONS FOR DISPOSITION OF REAL PROPERTY (“DISPOSITION AGREEMENT”) BETWEEN THE CITY AND HOUSING AUTHORITY; AUTHORIZING THE AUTHORITY DIRECTOR TO CARRY OUT THE DISPOSITION AGREEMENT; AND MAKING CERTAIN OTHER FINDINGS IN CONNECTION THEREWITH

WHEREAS, the City of Garden Grove is a municipal corporation of the State of California (“City”); and

WHEREAS, the Housing Authority is a public body corporate and politic formed and operating under the California Housing Authorities Law, Health and Safety Code (“HSC”) Section 34200, *et seq.* (“HAL”) and serves as the housing successor under the Dissolution Law, Health and Safety Code Section 34170, *et seq.*, in particular Sections 34176 and 34176.1; and

WHEREAS, the Housing Authority is the fee owner of certain real property located at 12291 Thackery Drive, Garden Grove, California APN: 231-471-22 (“Property”) as proposed hereunder to be conveyed by the Housing Authority to the City for economic development objectives; and

WHEREAS, prior to February 1, 2012, the Garden Grove Agency for Community Development (“Former Agency”) was a community redevelopment agency duly organized and existing under the California Community Redevelopment Law (HSC Section 33000, *et seq.*), and was authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council (“City Council”); and

WHEREAS, Assembly Bill x1 26, chaptered and effective on June 27, 2011, added Parts 1.8 and 1.85 to Division 24 of the HSC that caused the dissolution of all California redevelopment agencies and winding down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484, chaptered and effective on June 27, 2012 (together, the “Dissolution Law”); and on and as of February 1, 2012 the Former Agency was dissolved under the Dissolution Law; and

WHEREAS, on January 17, 2012, the City Council adopted Resolution No. 9089-12 by which the City declined to assume the housing assets and responsibility to perform the housing functions performed previously by the Former Agency and designated the Housing Authority to serve and act as the “housing successor” under HSC Section 34176(b); and

WHEREAS, on January 24, 2012, the Housing Authority by motion and then unanimous vote accepted the rights, powers, assets, liabilities, duties and obligations associated with the housing functions of the Former Agency (at that date still the Garden Grove Agency for Community Development pre dissolution; and

WHEREAS, on March 28, 2012 by Resolution No. 2-12, the Oversight Board to the Successor Agency to the Garden Grove Agency for Community Development determined and affirmed that the Former Agency's housing assets and housing functions were transferred to the Garden Grove Housing Authority, acting as Housing Successor, on and as of February 1, 2012 and affirmed that the Housing Authority, acting as Housing Successor, has all rights, powers, duties and obligations relating to the housing assets and functions of the Former Agency under the Dissolution Law; and

WHEREAS, under HSC Section 34176(a)(2), the Housing Authority, as housing successor to the Former Agency, prepared a Housing Asset Transfer Schedule ("HAT") and submitted the HAT to the State of California, Department of Finance ("DOF") for review and approval, and then, on August 30, 2012, the DOF approved the HAT with certain modifications that are unrelated to the HA Property; the approved HAT includes the subject HA Property and thereby is a DOF-approved housing asset under the Dissolution Law and asset of the Housing Authority under the HAL; and

WHEREAS, therefore, on, as of, and ongoing the Housing Authority by operation of law, in particular under the Dissolution Law Sections 34176 and 34176.1, has been vested with the ownership and control of the housing assets, including without limitation the HA Property (defined in next recital) that is the subject of this Disposition Agreement; and

WHEREAS, the Property has been appraised by an independent professional appraiser, which appraisal dated as of July 14, 2022, establishes a fair market value of \$460,000; and

WHEREAS, the City and New Age Garden Grove, LLC, a California limited liability company ("Developer") are parties to that certain Second Amended and Restated Exclusive Negotiation Agreement dated as of April 24, 2018, which agreement was amended by certain amendments that extended the term of such agreement; the term of the ENA, as amended, expires on December 31, 2022 (together, as amended "ENA").

WHEREAS, pursuant to the ENA, representatives of the parties have been negotiating the terms and conditions of a certain proposed Disposition and Development Agreement ("DDA") for an economic development hotel project, which DDA will be presented to the City's City Council at a duly noticed public hearing for consideration and discretionary action of even date with the public hearing that is the subject of this Disposition Agreement or at a date after such public hearing. The subject of the DDA affects certain parcels of real property that are described and defined collectively in the DDA as the "Site". One parcel that is a part of the Site is the subject Property.

WHEREAS, by this Disposition Agreement, the Housing Authority desires and intends to convey the Property to the City at its fair market value, and the City desires and intends to convey the Property to the Developer.

WHEREAS, the conveyance of the Property by the Housing Authority to City is subject to the provisions of HSC Sections 34312.3(b) and 33431; and, in implementation thereof, the City Council and Housing Authority have held a public hearing at a duly noticed special joint

meeting and the Housing Authority by this Resolution desires to approve the Disposition Agreement; and

WHEREAS, a summary report about the Property was prepared and made available to the public along with the Disposition Agreement and were presented to the City Council and Housing Authority in connection with this matter and the joint public hearing; and

WHEREAS, capitalized terms used in this Resolution are as defined in the Disposition Agreement, unless otherwise defined herein; and

WHEREAS, the City Council and Housing Authority have duly considered all terms and conditions of the Disposition Agreement and believe that the disposition of the Property in the vital and best interest of the City and Housing Authority and the health, safety and welfare of its residents, and in accord with the public purposes and provisions of applicable laws and by this Resolution the City Council and Housing Authority desire to approve the Disposition Agreement; and

WHEREAS, pursuant to and in accordance with the provisions of the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*; herein referred to as "CEQA"), and the State of California Guidelines for the Implementation of the California Environmental Quality Act (commencing with Section 15000 of Title 14 of the California Code of Regulations; herein referred to as the "CEQA Guidelines"), the City is the "lead agency" for the preparation and consideration of environmental documents for the hotel project;

WHEREAS, in conformance with CEQA and the CEQA Guidelines, on August 23, 2022, the City Council adopted Resolution No. 9768-22 approving a Mitigated Negative Declaration and Mitigation Monitoring Program, which evaluates and analyses the anticipated physical environmental impacts of the hotel project and provides for specified mitigation measures. The Mitigated Negative Declaration and Mitigation Monitoring Program is available for review on the City's website at <https://ggcity.org/planning/environmental-documents>. A complete copy of the Mitigated Negative Declaration and Mitigation Monitoring Program is on file and can be viewed in the Planning and Building Department of the City located at 11222 Acacia Pkwy, Garden Grove, CA 92840.

NOW, THEREFORE, BE IT RESOLVED BY THE GARDEN GROVE HOUSING AUTHORITY:

Section 1. The Housing Authority Board finds and determines the foregoing recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Housing Authority Board approves the Disposition Agreement between the City and Housing Authority with such changes mutually agreed and necessary as are minor and in substantial conformance with the form of the Disposition Agreement that has been submitted herewith. The Authority Executive Director, and his authorized designees, and the Secretary, and her authorized designees, are hereby authorized to

execute and attest the Disposition Agreement on behalf of the Housing Authority. And, in implementation of the Disposition Agreement, the Director (and authorized designees) is authorized to sign the final version of the Disposition Agreement after completion of non-substantive, minor revisions, if any. Copies of the final form of the Disposition Agreement, when duly executed and attested, shall be placed on file in the office of the Secretary. Further, the Director (or authorized designees) is authorized to implement the Disposition Agreement and take all further actions and execute all documents referenced therein and/or necessary and appropriate to carry out such contract including any and all implementing agreements thereto. The Director (or authorized designees) is hereby authorized to the extent necessary during the implementation of the Disposition Agreement to make technical or minor changes and interpretations thereto after execution and take other actions, as necessary, to properly implement and carry out the Disposition Agreement, provided any and all such changes and actions thereunder shall not in any manner materially affect the rights and obligations of the Housing Authority under the Disposition Agreement approved hereby.

Section 3. In addition to the authorization of Sections 2 above, the Director (or authorized designees) is hereby authorized, on behalf of the Housing Authority, to sign all other documents necessary, and take other necessary actions appropriate to carry out and implement the Disposition Agreement, including causing the issuance of warrants in implementation thereto, and to administer the Housing Authority's obligations, responsibilities and duties to be performed under the Disposition Agreement.

Section 4. The Secretary shall certify to the adoption of this Joint Resolution.

THE FOREGOING RESOLUTION IS PASSED, APPROVED AND ADOPTED BY THE HOUSING AUTHORITY BOARD THE 13TH DAY OF SEPTEMBER, 2022, BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

By: _____
George S. Brietigam, Chair
or Authorized Designee

ATTEST:

Teresa Pomeroy, CMC
or Authorized Designee
Secretary

**ATTACHMENT TO HOUSING AUTHORITY RESOLUTION
COPY OF DISPOSITION AGREEMENT**