

GARDEN GROVE SUCCESSOR AGENCY

RESOLUTION NO. 59-20

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 20-21 A-B FOR THE ANNUAL FISCAL PERIOD OF JULY 1, 2020 TO JUNE 30, 2021, SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD AND THE STATE DEPARTMENT OF FINANCE UNDER CALIFORNIA HEALTH AND SAFETY CODE, DIVISION 24, PART 1.85; AND, AUTHORIZING THE POSTING AND TRANSMITTAL OF THE ROPS

WHEREAS, the Garden Grove Agency for Community Development ("Former 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 and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation, and most recently by Senate Bill 107 (together, the "Dissolution Law");

WHEREAS, as of February 1, 2012, the Former Agency was dissolved pursuant to the Dissolution Law, and, as a separate public entity, corporate and politic, the Successor Agency to the Garden Grove Agency for Community Development ("Successor Agency") administers the enforceable obligations of the former Agency and otherwise unwinds the Former Agency's affairs, all subject to the review and approval by a seven-member Orange Countywide Oversight Board ("Oversight Board");

WHEREAS, Section 34179 provides that the Oversight Board has 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 Law;

WHEREAS, Sections 34177(m), 34177(o) and 34179 provide that each ROPS is submitted to, reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State Department of Finance ("DOF");

WHEREAS, Section 34177(o) of the Dissolution Law requires that the annual ROPS for the 20-21 A-B fiscal period of July 1, 2020, to June 30, 2021 ("ROPS 20-21 A-B") shall be submitted to the DOF by the Successor Agency, after approval by the Oversight Board, no later than February 1, 2020;

WHEREAS, pursuant to Sections 34179.6 and 34177(l)(2)(B), the Successor Agency is required to submit the ROPS to the DOF with copies to the County Administrative Officer, the County Auditor-Controller, and the State Controller's Office at the same time that the Successor Agency submits the ROPS to the Oversight Board for review;

WHEREAS, the Successor Agency has reviewed the draft ROPS 20-21 A-B, and desires to approve the ROPS 20-21 A-B and to authorize the Successor Agency staff to transmit the ROPS to the Oversight Board; and

WHEREAS, the Successor Agency staff is directed to post the ROPS 20-21 A-B on the City/Successor Agency website: <http://ggcity.org/econdev>.

NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT:

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

Section 2. Pursuant to the Dissolution Law, the Successor Agency approves the ROPS 20-21 A-B, which schedule is incorporated herein by this reference; provided however, that the ROPS 20-21 A-B is approved subject to transmittal of the ROPS to the Oversight Board for review and approval with copies of the ROPS to be sent concurrently to the DOF, the County Administrative Officer, the County Auditor-Controller, and the State Controller's Office. Further, the Community and Economic Development Director, or her designee, in consultation with legal counsel, is hereby authorized to request and complete meet and confer session(s) with the DOF and authorized to make augmentations, modifications, additions or revisions as may be necessary or directed by DOF, and changes, if any, will be reported back to the Successor Agency and the Oversight Board.

Section 3. After approval by the Oversight Board, the Successor Agency authorizes transmittal of the approved ROPS 20-21 A-B to the DOF, the County Administrative Officer, the County Auditor-Controller, and the State Controller's Office.

Section 4. The Community and Economic Development Director, or her designee, is directed to post this Resolution, including the ROPS 20-21 A-B, on the City/Successor Agency website pursuant to the Dissolution Law.

Section 5. The Secretary of the Successor Agency shall certify to the adoption of this Resolution.



ATTACHMENT 1  
to Successor Agency Resolution No. 59-20  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE 20-21 A-B  
FOR THE ANNUAL FISCAL PERIOD JULY 1, 2020 TO JUNE 30, 2021

(attached)

**Recognized Obligation Payment Schedule (ROPS 20-21) - Summary  
 Filed for the July 1, 2020 through June 30, 2021 Period**

**Successor Agency:** Garden Grove  
**County:** Orange

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>20-21A Total (July - December)</b>	<b>20-21B Total (January - June)</b>	<b>ROPS 20-21 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	<b>\$ 3,308,691</b>	<b>\$ 26,750</b>	<b>\$ 3,335,441</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	3,308,691	26,750	3,335,441
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 13,045,184</b>	<b>\$ 6,772,765</b>	<b>\$ 19,817,949</b>
F RPTTF	12,788,725	6,516,307	19,305,032
G Administrative RPTTF	256,459	256,458	512,917
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 16,353,875</b>	<b>\$ 6,799,515</b>	<b>\$ 23,153,390</b>

**Certification of Oversight Board Chairman:**

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Steve Jones                      Chair  
 Name    Title

/s/ Steve Jones                      1/14/2020  
 Signature    Date

Garden Grove Successor Agency

Resolution No. 59-20

Garden Grove  
Recognized Obligation Payment Schedule (ROPS 20-21) - ROPS Detail  
July 1, 2020 through June 30, 2021

Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 20-21 Total	ROPS 20-21A (Jul - Dec)			ROPS 20-21B (Jan - Jun)			20-21B Total				
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Bond Proceeds		Reserve Balance	Other Funds	RPTTF	Admin RPTTF
2	Hyatt Regency OPA	Business Incentive Agreements	06/01/2000	09/01/2018	OPA, LLC (Performance Based)	Cost of Project Improvements	C.P.A.	\$13,892,926	-	\$23,153,990	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-			
6	Katella Cottages OPA	OP/DDA/ Construction	06/10/2008	10/01/2027	Heritage Village Note Investors (Performance Based)	Land Acquisition and Project Improvements	C.P.A.	3,970,400	N	\$45,000	-	-	-	-	45,000	-	-	\$45,000			
7	Katella Cottages Note	Bonds Issued On or Before 12/31/10	06/10/2008	10/01/2027	U.S. Bank	Land Acquisition and Project Improvements	C.P.A.	945,950	N	\$179,050	-	148,750	-	-	30,300	-	-	\$30,300			
9	Coastline Lease Payments	Miscellaneous	03/04/1994	07/31/2017	Coast Community College District	Office Space Rent (Payments in Aug and Feb)	C.P.A.	-	Y	\$-	-	-	-	-	-	-	-	\$-			
14	Union Bank Loan	Third-Party Loans	05/01/2008	06/01/2020	Union Bank of California	Land Acquisition - Estimated Monthly Payments - Variable Interest	C.P.A.	-	Y	\$-	-	-	-	-	-	-	-	\$-			
16	Sycamore Walk DDA	Remediation	11/12/1996	06/30/2023	Olson Urban Housing	Quarterly Soil/Ground Water Monitoring Events	C.P.A.	45,000	N	\$15,917	-	15,917	-	-	-	-	-	\$15,917			
18	Housing Fund Deficit	SERAF/ERAF	02/01/2012	12/31/2020	Garden Grove Hsg Auth.	Repayment of Housing Fund from SERAF/ERAF	n/a	10,154,260	N	\$3,100,000	-	-	-	-	3,100,000	-	-	\$3,100,000			
19	Waterpark Hotel DDA	Business Incentive Agreements	05/12/2009	12/31/2026	Garden Grove MXD & Various	Site Assembly/Project Assistance	C.P.A.	8,520,000	N	\$1,580,792	-	-	-	-	1,580,792	-	-	\$1,580,792			
20	Site B2 DDA	Business Incentive Agreements	06/26/2001	06/26/2025	Kam Sang Inc.	Project Assistance & Site Assembly & Preparation Costs	C.P.A.	3,300,000	N	\$360,000	-	-	-	-	360,000	-	-	\$360,000			
22	Brookhurst Triangle DDA	OP/DDA/ Construction	11/23/2010	12/31/2020	New Age Brookhurst, LLC & Various	Site Preparation Costs	C.P.A.	7,200,000	N	\$6,434,945	-	-	-	-	-	-	6,434,945	\$6,434,945			









Garden Grove  
 Recognized Obligation Payment Schedule (ROPS 20-21) - Report of Cash Balances  
 July 1, 2017 through June 30, 2018  
 (Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H	
	ROPS 17-18 Cash Balances (07/01/17 - 06/30/18)	Fund Sources				Other Funds Rent, grants, interest, etc.	RPTTF Non-Admin and Admin	Comments
		Bond Proceeds		Reserve Balance				
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)				
1	Beginning Available Cash Balance (Actual 07/01/17) RPTTF amount should exclude "A" period distribution amount.	175,517	3,881,440			363,814		
2	Revenue/Income (Actual 06/30/18) RPTTF amount should tie to the ROPS 17-18 total distribution from the County Auditor-Controller					252,140	20,320,118	
3	Expenditures for ROPS 17-18 Enforceable Obligations (Actual 06/30/18)					121,659	17,573,228	
4	Retention of Available Cash Balance (Actual 06/30/18) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)					296,778	As per the determination letter dated April 9, 2019, \$296,778 of other funds will be applied to Line #14 on ROPS 19-20	
5	ROPS 17-18 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 17-18 PPA form submitted to the CAC			No entry required			2,746,890	
6	Ending Actual Available Cash Balance (06/30/18) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$175,517	\$3,881,440		\$-	\$197,517	\$-	

<b>Garden Grove                      Recognized Obligation Payment Schedule (ROPS 20-21) - Notes                      July 1, 2020 through June 30, 2021</b>	
Item #	Notes/Comments
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19	This item has a Final and Conclusive Determination approved on February 6, 2013 by DOF. Request is for a TOT differential per section 408, paragraph two, of the First Amended and Restated Disposition and Development Agreement.
20	Anticipated work for current ROPS delay and will not be done until ROPS 20-21. Asking amount previously approved for ROPS 19-20 be approved for ROPS 20-21 in order to complete the work.
22	Utility work anticipated in ROPS 19-20 will continue through ROPS 20-21. Requesting previously approved ROPS 19-20 funds to be approved for ROPS 20-21 to complete the work. DDA requires Successor Agency pay Developer \$6,400,000 at closing of Phase II Property from Housing Set Aside Fund if developer increases number of affordable rental units from 60 to 120 per Section 510 of DDA. Developer has committed to increase # of affordable units & is requesting Successor Agency pay them \$6,400,000 at closing of Phase II. All cash balances in the Housing Set Aside Fund were distributed to the affected taxing entities upon dissolution of the former Agency. The Successor Agency is requesting the \$6,400,000 payment due to Developer required by Section 510 be paid from ROPS20-21.
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33	This property was acquired 2002 as part of the Brookhurst Triangle Project. Section 30 of the Purchase and Sale Agreement indicates that any future sales proceeds over the amount initially paid by the Agency to the original seller are to be split 50/50 between the original seller and the City of garden Grove. Per the DOF Final Determination Letter dated May 17, 2017, the funding source for these line items should be "Other Funds". Due to delays in removal of utilities from the site the sale and transfer of property previously scheduled in ROPS 19-20 will now take place in ROPS 20-21.
34	This property was acquired 2002 as part of the Brookhurst Triangle Project. Section 30 of the Purchase and Sale Agreement indicates that any future sales proceeds over the amount initially paid by the Agency to the original seller are to be split 50/50 between the original seller and the City of garden Grove. Per the DOF Final Determination Letter dated May 17, 2017, the funding source for these line items should be "Other Funds". Due to delays in removal of utilities from the site the sale and transfer of property previously scheduled in ROPS 19-20 will now take place in ROPS 20-21.
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