

GARDEN GROVE HOUSING AUTHORITY

RESOLUTION NO.

A RESOLUTION OF THE GARDEN GROVE HOUSING AUTHORITY  
APPROVING THAT CERTAIN EXCHANGE, DISPOSITION AND COOPERATION  
AGREEMENT WITH ESCROW INSTRUCTIONS FOR EXCHANGE OF REAL PROPERTY  
("EXCHANGE AGREEMENT") BETWEEN THE CITY AND HOUSING AUTHORITY;  
AUTHORIZING THE AUTHORITY DIRECTOR TO CARRY OUT THE EXCHANGE  
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");

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;

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");

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;

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);

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);

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;

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;

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 Exchange Agreement;

WHEREAS, the Housing Authority is the owner of certain real property located at 10936, 12892, 12942 Acacia Parkway, Garden Grove, California (APNs: 089-213-02, 089-213-28, 089-213-29, 089-213-31, 089-213-32 and 089-213-36) (together, "HA Property") as to be exchanged and conveyed by the Housing Authority to the City for public purposes, under that certain *Exchange, Disposition and Cooperation Agreement with Escrow Instructions for Exchange of Real Property* ("Exchange Agreement");

WHEREAS, the City is the owner of certain real property located at 11391 Acacia Parkway, Garden Grove, California (APN 090-154-57 (portion)) (herein, "City Property") as proposed hereunder to be exchanged and conveyed by the City to Housing Authority for affordable housing purposes under HSC Section 34312.3(b) under the Exchange Agreement;

WHEREAS, by the Exchange Agreement, the Housing Authority intends to exchange and convey the HA Property to the City, and the City intends to exchange and convey the City Property to the Housing Authority;

WHEREAS, the Exchange with conveyance of the HA 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 Exchange Agreement;

WHEREAS, a summary report about the HA Property was prepared and made available to the public along with the Exchange Agreement and were presented to

the City Council and Housing Authority in connection with this matter and the joint public hearing;

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

WHEREAS, the City Council and Housing Authority have duly considered all terms and conditions of the Exchange Agreement and believe that the Exchange 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 Exchange Agreement; and

WHEREAS, under the California Environmental Quality Act, California Public Resources Code Section 21000, *et seq.*, ("CEQA") and the implementing regulations set forth at Title 14 California Code of Regulations Section 15000, *et seq.* ("Guidelines"), in particular Section 15004(b)(2)(A) provides that agencies may designate a preferred project site and may enter into land acquisition agreements conditioned on CEQA compliance such that the Exchange Agreement is exempt from CEQA, because future development of an affordable housing project is required to undergo CEQA review by the City of Garden Grove. Furthermore, CEQA applies only when a public agency has "approved" a project. For these purposes, "approval" means the decision by a public agency which commits the agency to a definite course of action. (CEQA Guidelines section 15352.) Here, approval of the Exchange Agreement does not commit either agency to any specific construction plan or project. The Exchange Agreement does not define a particular project well enough to provide meaningful information for environmental assessment.

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 Exchange 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 Exchange Agreement that has been submitted herewith. The Authority Chair, and his authorized designees, and the Secretary, and her authorized designees, are hereby authorized to execute and attest the Exchange Agreement on behalf of the Housing Authority. And, in implementation of the Exchange Agreement, the Director (and authorized designees) is authorized to sign the final version of the Exchange Agreement after completion of non-substantive, minor revisions, if any. Copies of the final form of the Exchange Agreement, when duly executed and attested, shall be placed on file in the office of the Secretary. Further, the Authority Director (or authorized designees) is authorized to implement the Exchange 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 Authority Director (or authorized designees) is hereby authorized to the extent necessary during the implementation of the Exchange 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 Exchange 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 Exchange Agreement approved hereby.

Section 3. In addition to the authorization of Sections 2 above, the Authority 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 Exchange 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 Exchange Agreement.

Section 4. The Housing Authority Board finds and determines that the Exchange Agreement meets the categorical exemptions under CEQA as cited in the above recitals and that Housing Authority conditions future use of such properties on CEQA compliance.

Section 5. The Authority Director (and authorized designees) is hereby directed to file a Notice of Exemption with the County Clerk of the County of Orange, under Public Resources Code Section 21084 and CEQA Guidelines Section 15062 and 15374.

Section 6. The Secretary shall certify to the adoption of this Joint Resolution.

ATTACHMENT TO HOUSING AUTHORITY RESOLUTION

ATTACH COPY OF EXCHANGE AGREEMENT