

# Orange Countywide Oversight Board

Agenda Item No. 5a

Date: 1/19/2021

From: Successor Agency to the Garden Grove Redevelopment Agency

Subject: Resolution of the Countywide Oversight Board Approving an amendment to the Joint Exercise of Power Agreement of the Garden Grove Public Financing Authority

Recommended Action:

Approve resolution to approve the execution and delivery by the Successor Agency to the Garden Grove Agency for Community Development of an amendment to the Joint Exercise of Powers Agreement of the Garden Grove Public Financing Authority withdrawing the Garden Grove Agency for Community Development from the Agreement.

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The Garden Grove Successor Agency requests approval of the execution and delivery by the Successor Agency to the Garden Grove Agency for Community Development of an amendment to the Joint Exercise of Powers Agreement of the Garden Grove Public Financing Authority withdrawing the former redevelopment agency from the joint powers agreement.

The Garden Grove Public Financing Authority was established June 22, 1993 between the City of Garden Grove and the Garden Grove Agency for Community Development (former RDA). In 2006, the joint powers agreement was amended to add the Garden Grove Sanitary District.

Initially, the agreement stipulated that the number of board members is equal the number of elected City Council Members, which at the time were five. The members of the City Council serve as the Board of Directors of the Authority. With the increased number of City Council Members due to the transition to district elections in 2016, the number of Board members was recently recognized by the PFA to be seven. Furthermore, because the Successor Agency is in the process of dissolving the former RDA, the amendment removes the former RDA (and Successor Agency) as a member of the joint powers agreement. A copy of the amendment is attached as an exhibit to the attached Garden Grove Successor Agency Resolution NO. 63-20.

The City Council of the City of Garden Grove, the Board of Directors of the Garden Grove Sanitary District, and the Board of Directors of the Successor Agency to the Garden Grove Agency for Community Development approved the amendment at their respective meetings on November 10, 2020 by unanimous approval.

Impact on Taxing Entities

This action has no impacts on taxing entities.

Staff Contact(s)

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Office of Economic Development  
City of Garden Grove  
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## Attachments

- Attachment No. 1 – Resolution of the Orange Countywide Oversight Board approving the execution and delivery by the Successor Agency to the Garden Grove Agency for Community development of an amendment to the joint exercise of powers agreement of the Garden Grove Public Financing Authority.
- Attachment No. 2 – Garden Grove Successor Agency Resolution No. 63-20.

**RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD**  
**RESOLUTION NO. \_\_\_\_\_**

IN THE MATTER OF APPROVING THE EXECUTION AND DELIVERY BY THE  
SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY  
DEVELOPMENT OF AN AMENDMENT TO THE JOINT EXERCISE OF POWERS  
AGREEMENT OF THE GARDEN GROVE PUBLIC FINANCING AUTHORITY

**WHEREAS**, the Garden Grove Agency for Community Development (the “Former Agency”) was a public body, corporate and politic, that was duly created, established and authorized to transact business and exercise its powers under and pursuant to the provisions of the Community Redevelopment Law (Part 1 of Division 24 of the Health and Safety Code of the State of California); and

**WHEREAS**, the Former Agency was a member of the Garden Grove Public Financing Authority (the “Authority”), a joint exercise of powers authority that is duly organized and established under a Joint Exercise of Powers Agreement, dated June 22, 1993, by and between the Former Agency and the City of Garden Grove (the “City”), as amended by Amendment No. 1 to Joint Exercise of Powers Agreement, dated March 28, 2006, by and among the City, the Garden Grove Sanitary District (the “District”) and the Former Agency (collectively, the “JPA Agreement”); and

**WHEREAS**, on June 28, 2011, the California Legislature adopted ABx1 26 (the “Dissolution Act”) and ABx1 27 (the “Opt-in Bill”); and

**WHEREAS**, the California Supreme Court subsequently upheld the provisions of the Dissolution Act and invalidated the Opt-in Bill, resulting in the dissolution of the Former Agency as of February 1, 2012; and

**WHEREAS**, the Former Agency, including its redevelopment powers, assets and obligations and its membership in the Authority, was transferred on February 1, 2012 to the Successor Agency to the Garden Grove Agency for Community Development (the “Agency”), a redevelopment successor agency that is duly organized and existing under the Constitution and laws of the State of California (the “State”); and

**WHEREAS**, the City, the Agency and the District desire to amend the JPA Agreement to reflect the withdrawal of the Agency from the membership of the Authority and to make certain additional and conforming edits; and

**WHEREAS**, Section 34179(j) of the Health and Safety Code of the State of California provides for the appointment of a countywide oversight board (the “Oversight Board”) with specific duties to approve certain Agency actions pursuant to Section 34180 of the Health and Safety Code and to direct the Agency in certain other actions pursuant to Section 34181 of the Health and Safety Code; and

**NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE COUNTYWIDE  
OVERSIGHT BOARD:**

**SECTION 1.** The Recitals set forth above are true and correct and are incorporated into the Resolution by this reference.

**SECTION 2.** The execution by the Agency of Amendment No. 2 to the JPA Agreement approved by the Agency by resolution adopted on November \_\_, 2020 (the “Agency Resolution”) is hereby approved. The Agency is hereby authorized to execute and deliver Amendment No. 2 to the JPA Agreement, and to withdraw as a member of the Authority, in accordance with the Agency Resolution. The Chair of the Oversight Board and the other officers and members of staff having responsibility for the affairs of the Oversight Board are hereby authorized and directed to execute such documents and certificates as they determine are necessary or appropriate to assist the Agency in the foregoing matters.

**SECTION 3.** The Authorized Officers or any other proper officer of the Agency, acting singly, be and each of them hereby is authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by Amendment No. 2 to the JPA Agreement without the need for any further approval from the Oversight Board.

**SECTION 4.** Unless otherwise defined herein, all terms used herein and not otherwise defined shall have the meanings given such terms in the JPA Agreement unless the context otherwise clearly requires.

**SECTION 5.** The approval of this Resolution does not commit the Oversight Board to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

**SECTION 6.** If any provision of this Resolution or the application of any such provision to any person or circumstance is held valid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that the Oversight Board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

**SECTION 7.** This Resolution shall be effective immediately upon adoption.

**SECTION 8.** The Clerk of the Oversight Board shall certify to the adoption of this Resolution.

GARDEN GROVE SUCCESSOR AGENCY

RESOLUTION NO. 63-20

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT APPROVING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THE JOINT EXERCISE OF POWERS AGREEMENT OF THE GARDEN GROVE PUBLIC FINANCING AUTHORITY

WHEREAS, the Successor Agency to the Garden Grove Agency for Community Development (the "**Agency**"), a redevelopment successor agency that is duly organized and existing under the Constitution and laws of the State of California (the "**State**"), is a member of the Garden Grove Public Financing Authority (the "**Authority**"), a joint exercise of powers authority that is duly organized and established under a Joint Exercise of Powers Agreement, dated June 22, 1993, by and between the Agency and the City of Garden Grove (the "**City**"), as amended by Amendment No. 1 to Joint Exercise of Powers Agreement, dated March 28, 2006, by and among the City, the Garden Grove Sanitary District (the "**District**") and the Agency (collectively, the "**JPA Agreement**");

WHEREAS, the City, the Agency and the District desire to amend the JPA Agreement: (i) to clarify an ambiguity with respect to the membership of the Board of Directors of the Authority; (ii) to reflect the withdrawal of the Agency from the membership of the Authority; and (iii) to make certain additional and conforming edits; and

WHEREAS, Section 34179(j) of the Health and Safety Code of the State of California provides for the appointment of a countywide oversight board (the "**Oversight Board**") with specific duties to approve certain Agency actions pursuant to Section 34180 of the Health and Safety Code and to direct the Agency in certain other actions pursuant to Section 34181 of the Health and Safety Code;

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

Section 1. Amendment No. 2 to the JPA Agreement in the form attached hereto as Exhibit A is hereby approved. The Chair, the Vice Chair and the Agency Director (each, an "**Authorized Officer**") or the designee thereof is hereby authorized and directed to execute and deliver Amendment No. 2 to the JPA Agreement with such changes, insertions and omissions as may be recommended by the Agency's General Counsel or the law firm of Stradling Yocca Carlson & Rauth, a Professional Corporation ("**Bond Counsel**"), and approved by the officer executing the same, said execution being conclusive evidence of such approval.

Section 2. The Authorized Officers or any other proper officer of the Successor Agency, acting singly, be and each of them hereby is authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the

transactions contemplated by Amendment No. 2 to the JPA Agreement and this Resolution. In the event that the Chair of the Successor Agency is unavailable to sign any of the agreements described herein, any other Successor Agency Member may sign such agreement.

Section 3. This Resolution shall be delivered to the Oversight Board for approval.

Section 4. Unless otherwise defined herein, all terms used herein and not otherwise defined shall have the meanings given such terms in the JPA Agreement unless the context otherwise clearly requires.

Section 5. This Resolution shall take effect from and after its date of adoption.

Adopted this 10th day of November 2020.

ATTEST:

/s/ STEVEN R. JONES  
CHAIR

/s/ TERESA POMEROY, CMC  
SECRETARY

STATE OF CALIFORNIA )  
COUNTY OF ORANGE ) SS:  
CITY OF GARDEN GROVE )

I, TERESA POMEROY, Secretary of The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development, do hereby certify that the foregoing Resolution was duly adopted by the Successor Agency, at a meeting held on the 10th day of November 2020, by the following vote:

AYES: MEMBERS: (7) BRIETIGAM, BUI, O'NEILL, NGUYEN D.,  
KLOPFENSTEIN, NGUYEN K., JONES

NOES: MEMBERS: (0) NONE

ABSENT: MEMBERS: (0) NONE

/s/ TERESA POMEROY, CMC  
SECRETARY

**EXHIBIT A**

**AMENDMENT NO. 2 TO JOINT EXERCISE OF POWERS AGREEMENT**

**GARDEN GROVE PUBLIC FINANCING AUTHORITY**

**among**

**CITY OF GARDEN GROVE**

**and**

**SUCCESSOR AGENCY TO GARDEN GROVE AGENCY FOR COMMUNITY  
DEVELOPMENT**

**and**

**GARDEN GROVE SANITARY DISTRICT**

**Dated as of November 1, 2020**

**AMENDMENT NO. 2 TO JOINT EXERCISE OF POWERS AGREEMENT  
GARDEN GROVE PUBLIC FINANCING AUTHORITY**

This AMENDMENT NO. 2 TO JOINT EXERCISE OF POWERS AGREEMENT, dated as of November 1, 2020 (this "**Amendment**"), is entered into by and among the CITY OF GARDEN GROVE, a municipal corporation that is duly organized and existing under and by virtue of the laws and the Constitution of the State of California (the "**City**"), the SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT, a public body, corporate and politic and successor-in-interest to the Garden Grove Agency for Community Development (the "**Agency**"), and the GARDEN GROVE SANITARY DISTRICT, a special district that is duly organized and existing under the laws of the State of California (the "**District**").

RECITALS

A. The Garden Grove Public Financing Authority (the "**Authority**") is a public entity that is duly organized and existing under a Joint Exercise of Powers Agreement, dated June 22, 1993, by and between the City and the Agency, as amended by Amendment No. 1 to Joint Exercise of Powers Agreement, dated March 28, 2006, by and among the City, the Agency and the District (collectively, the "**JPA Agreement**").

B. Section 8.05 of the JPA Agreement provides that the JPA Agreement may be amended for any purpose by supplemental agreement executed by the parties to the JPA Agreement.

C. The City, the Agency and the District desire to amend the JPA Agreement: (i) to clarify an ambiguity with respect to the membership of the Board of Directors of the Authority; (ii) to remove the Agency as a member of the Authority; and (iii) to make certain additional and conforming edits.

AGREEMENT

SECTION 1. This Amendment hereby incorporates by reference all terms and conditions of the JPA Agreement unless specifically modified by this Amendment. All terms and conditions of the JPA Agreement which are not specifically modified by this Amendment shall remain in full force and effect.

SECTION 2. Capitalized terms that are used in this Amendment and not otherwise defined have the meanings that are set forth in the JPA Agreement.

SECTION 3. The definition of "Directors" in Section 1.01 of the JPA Agreement is hereby amended to read as follows:

"Directors" means the members of the Board of Directors of the Authority.

SECTION 4. The first sentence of Section 2.03 of the JPA Agreement is hereby deleted in full.



SECTION 5. The definition of "Members" in Section 1.01 of the JPA Agreement, as amended by Section 2 of Amendment No. 1 thereto, is hereby further amended and restated to read as follows:

"Members" means the City and the Garden Grove Sanitary District (the "District"), a subsidiary district of the City of Garden Grove.

SECTION 6. Section 8.01 of the JPA Agreement is hereby amended and restated as follows:

"Notices hereunder shall be in writing and shall be sufficient if delivered to:

City of Garden Grove  
11222 Acacia Parkway  
Garden Grove, California 92840  
Attention: City Manager

Garden Grove Sanitary District  
11222 Acacia Parkway  
Garden Grove, California 92840  
Attention: General Manager."

SECTION 7. The following Section 8.09 is hereby added to the JPA Agreement:

Section 8.09. **Conflict of Interest Code.** The Authority hereby adopts the conflict of interest code of the City, as it may be amended from time to time, as the conflict of interest code of the Authority.

SECTION 8. THIS AMENDMENT SHALL BE CONSTRUED AND GOVERNED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.

SECTION 9. This Amendment shall become effective as of the date set forth in the first paragraph hereof, or as soon thereafter as it is fully executed.

SECTION 10. This Amendment may be executed in several counterparts, each of which shall be deemed as an original, all of which shall constitute but one of the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment by their officers thereunto duly authorized as of the day and year first written above.

CITY OF GARDEN GROVE

By: Steve Jones  
Mayor

ATTEST:

Jessica Romero  
City Clerk

SUCCESSOR AGENCY TO GARDEN GROVE  
AGENCY FOR COMMUNITY DEVELOPMENT

By: Steve Jones  
Chair

ATTEST:

Jessica Romero  
Secretary

GARDEN GROVE SANITARY DISTRICT

By: Mark Brown  
President

ATTEST:

Jessica Romero  
Secretary