RESOLUTION NO.

RESOLUTION OF THE GOVERNING BOARD OF THE ANAHEIM
REDEVELOPMENT AGENCY APPROVING (I) AN AGREEMENT RE:
PARTIAL TERMINATION OF DISPOSITION AND DEVELOPMENT
AGREEMENT, (II) AN AGENCY REIMBURSEMENT AGREEMENT, AND
(III) A DISPOSITION AND DEVELOPMENT AGREEMENT, ALL WITH
BROOKFIELD OLIVE STREET LLC, AND MAKING CERTAIN FINDINGS
IN CONNECTION THEREWITH

WHEREAS, the Anaheim Redevelopment Agency (the “Agency”) is engaged in
implementation of the Redevelopment Plan for the Anaheim Merged Redevelopment Project
(the “Redevelopment Plan”); and

WHEREAS, the Agency desires to redevelop those approximately twenty (20) acres
generally located at the northwest corner of Olive Street and South Street in the City of
Anaheim (the “Site”); and

WHEREAS, in order to implement the Redevelopment Plan, Agency and Brookfield Olive
Street LLC (the “Developer”) entered into that certain Disposition and Development
Agreement (Olive Street Single-Family Residential Development) dated as of March 15,
2006, as amended by that certain Amendment to Disposition and Development (Olive Street
Single-Family Residential Development) dated as of November 3, 2006 and that certain
Second Amendment to Disposition and Development (Olive Street Single-Family Residential
Development) dated as of March 15, 2008, (as amended, the “Original DDA”); and

WHEREAS, the Original DDA provides, among other things, the terms and conditions with
respect to the Agency’s two-phased sale of an approximately fifteen (15) acre portion of the
Site (the “Agency Parcels”) to the Developer and Developer’s construction and sale of
various housing units; and

WHEREAS, to date, the closing has occurred with respect to the southern most eight (8) acre
portion of the Agency Parcels (the “Agency Parcel South”) and the Developer has
commenced construction of the housing units, having completed and having sold some of the
housing units; and

WHEREAS, the development of the remaining portion of the Agency Parcels (the “Agency
Parcel North”) pursuant to the terms and conditions of the Original DDA is no longer
economically viable; and

WHEREAS, the Agency and the Developer desire to terminate the Original DDA with
respect to the Agency Parcel North by entering into that certain Agreement Re: Partial
Termination of Disposition and Development Agreement (Olive Street Single-Family
Residential Development) dated as of June 1, 2008 (the “Agreement Re: Partial Termination
of DDA”); and

WHEREAS, in connection with the Original DDA, the Developer has agreed to construct
various improvements integral to the Developer’s housing project which the Agency would otherwise obligated to construct, provided the Agency reimburses the Developer for the costs thereby incurred; and

WHEREAS, the Agency and the Developer desire to enter into that certain Agency Reimbursement Agreement dated as of June 1, 2008 (the “Reimbursement Agreement”); and

WHEREAS, the Agency desires to continue to redevelop the Site by entering into that certain Disposition and Development Agreement (Colony Park Phase II) dated as of June 1, 2008 (the “Phase II DDA”) by and between the Agency and the Developer pursuant to which (i) the Agency would sell an approximately four (4) acre portion of the Agency Parcel North (the “Northwest Agency Parcel”) to the Developer, and (ii) the Developer would construct housing Northwest Agency Parcel for subsequent sale to, among other persons, low or moderate-income persons or families at affordable housing costs, requiring that such houses remain continuously occupied by low or moderate-income owners at an affordable housing cost for the period of the covenants set forth therein (the “Housing Project”); and

WHEREAS, pursuant to Section 33433 of the California Redevelopment Law (“CRL”), the Agency is authorized, with the approval of the City Council of the City of Anaheim (the “City”) after conducting a public hearing, to sell or lease the Northwest Agency Parcel for development pursuant to the Redevelopment Plan upon a determination by the City Council that the consideration for such sale or lease is not less than the fair reuse value at the use and with the covenants and conditions and development costs authorized by the sale or lease; and

WHEREAS, in connection with the Phase II DDA, Agency staff has had prepared, and the Agency has reviewed and considered, a “summary report” setting forth:

(i) the cost of the Phase II DDA to the Agency,

(ii) the estimated value of the interests to be sold to the Developer, determined at the highest and best uses permitted under the Redevelopment Plan,

(iii) the estimated value of the interests to be sold, determined at the uses and with the conditions, covenants and development costs required by the sale, and

(iv) the purchase price for the Developer’s acquisition of the Northwest Agency Parcel; and

WHEREAS, the Phase II DDA contains all of the terms, covenants, conditions, restrictions, obligations and provisions required by state and local law; and

WHEREAS, the Housing Project will assist with the removal of blight within the Redevelopment Project and is consistent with the implementation plan adopted by the Agency for the Redevelopment Plan pursuant to Section 33490 of the CRL (the “Implementation Plan”); and

WHEREAS, pursuant to the California Environmental Quality Act (Public Resources Code
Section 21000 *et seq.* (“CEQA”), and the CEQA Implementing Guidelines (14 California Code of Regulations Section 15000 *et seq.* (the “Guidelines”), the City of Anaheim (the “City”) adopted and certified Anaheim General Plan and Zoning Code Update Environmental Impact Report No. 330 (the “General Plan Update EIR”) in connection with the City’s General Plan update in 2004 (as updated, the “General Plan”); and

WHEREAS, the General Plan Update EIR is a Program EIR under CEQA and the Guidelines, addressing the environmental impacts from the City’s ultimate build-out, considering maximum densities and the effects thereof, and establishing a mitigation monitoring program which requires, among other things, subsequent focused studies and the implementation of mitigation measures where required; and

WHEREAS, the Agency has reviewed and determined that the Housing Project falls within the scope of the activities addressed in the General Plan Update EIR and the General Plan Update EIR adequately describes the Housing Project for purposes of CEQA because (i) the General Plan Update EIR is a Program EIR, (ii) the Housing Project is consistent with the General Plan, (iii) the Housing Project presents no new environmental effects which could occur that were not examined in the General Plan Update EIR, and (iv) there is no new information to suggest that new mitigation measures would be required of the Housing Project;  and

WHEREAS, the Anaheim Housing and Community Development Commission has recommended that the City Council of the City and the Governing Board of the Agency approve the DDA and the conceptual site plan and elevations for the Housing Project;  and

WHEREAS, pursuant to the CRL, the Agency Governing Board and the City Council of the City have conducted a duly noticed joint public hearing on the DDA, at which public hearing all persons were given an opportunity to be heard;  and

WHEREAS, the Governing Board of the Agency has duly considered all of the terms and conditions of the DDA and believes that the Housing Project is in the best interests of the City of Anaheim and the health, safety, morals and welfare of its residents, and is in accord with the public purposes and provisions of applicable state and local law and requirements.

NOW, THEREFORE, THE GOVERNING BOARD OF THE ANAHEIM REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Approval of Agreement Re: Partial Termination of DDA. The Agreement Re: Partial Termination of DDA, substantially in the form of the copy which is on file with the Secretary of the Agency, is hereby approved and the Executive Director of the Agency is hereby authorized and directed to execute and administer the Agreement Re: Partial Termination of DDA on behalf of the Agency.

Section 2. Approval of Reimbursement Agreement. The Reimbursement Agreement, substantially in the form of the copy which is on file with the Secretary of the Agency, is hereby approved and the Executive Director of the Agency is hereby authorized and directed to execute and administer the Reimbursement Agreement on behalf of the Agency.
Section 3. **Environmental Assessment.** The Agency hereby certifies that it has reviewed the Housing Project and finds that impacts associated with the development of the Housing Project have been previously covered in the General Plan Update EIR.

Section 4. **CRL Section 33433 Findings for Phase II DDA.** The Agency hereby finds and determines that, based on substantial evidence in the record before it:

(i) the consideration for the Agency's disposition of the Northwest Agency Parcel pursuant to the Phase II DDA is not less than the fair reuse value in accordance with conditions, covenants and development costs required by the Phase II DDA,

(ii) the development of the Housing Project will assist in the elimination of blight in the Redevelopment Project area, will contribute to the provision of housing for low and moderate-income persons, and is consistent with the Implementation Plan adopted by the Agency for the Redevelopment Plan.

Section 5. **Approval of Phase II DDA.** The Phase II DDA, substantially in the form of the copy which is on file with the Secretary of the Agency, is hereby approved and the Executive Director of the Agency is hereby authorized and directed to execute and administer the Phase II DDA on behalf of the Agency.

Section 6. **Design Development Approval.** The conceptual site plan and elevations for the Housing Project presented to the Governing Board of the Agency concurrently with the Phase II DDA are hereby approved.

THE FOREGOING RESOLUTION IS PASSED, APPROVED AND ADOPTED BY THE GOVERNING BOARD OF THE ANAHEIM REDEVELOPMENT AGENCY THIS TENTH (10TH) DAY OF JUNE, 2008, BY THE FOLLOWING ROLL CALL VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

__________________________________________
CHAIRMAN

ATTEST:

__________________________________________
AGENCY SECRETARY 69289.2