

RESOLUTION NO. 2016-172

**RESOLUTION OF THE BOARD OF SUPERVISORS OF NAPA COUNTY,
STATE OF CALIFORNIA APPROVING AN ASSIGNMENT, ASSUMPTION
AND MODIFICATION AGREEMENT TO ASSIGN TO THE GASSER
FOUNDATION A PREDEVELOPMENT LOAN PREVIOUSLY MADE TO
BRIDGE NORCAL LLC AND BRIDGE HOUSING CORPORATION FROM
THE NAPA COUNTY AFFORDABLE HOUSING FUND FOR THE
DEVELOPMENT OF AFFORDABLE HOUSING UNITS**

WHEREAS, the County, BRIDGE Housing Corporation, and BRIDGE Norcal LLC, an affiliate of BRIDGE Housing Corporation (collectively “BRIDGE”), entered into an Affordable Housing Fund Predevelopment Loan Agreement on December 16, 2014 in which the County agreed to loan BRIDGE One Million Three Hundred Seventeen Thousand Nine Hundred Eighty-Five Dollars (\$1,317,985) from the County’s Affordable Housing Fund (“the Loan”) to provide funds for predevelopment costs necessary to construct affordable housing on the Property; and

WHEREAS, the project included the redevelopment of the vacant Sunrise Senior Living Property located in the City of Napa at 3700 Valle Verde Drive (“the Property”) providing fifty six (56) units of affordable rental housing and one (1) manager’s unit; and

WHEREAS, all loan funds have been disbursed to BRIDGE; and

WHEREAS, in addition to the Loan Agreement, the Loan was evidenced by a Promissory Note, a Deed of Trust, an Option to Purchase granted to the County, an Assignment of Agreements, Plans and Specifications, and an Indemnity Agreement (collectively “Loan Documents”); and

WHEREAS, to facilitate the construction of affordable housing on the Property, BRIDGE desires to transfer all of its rights, title, and interest in the Property to the Peter A. and Vernice H. Gasser Foundation, a California nonprofit public benefit corporation (“Gasser”).

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Napa County (“the Board”) hereby approves and consents to the transfer of the Property and the assignment and assumption of BRIDGE’s right, title, and interest to and obligations regarding the Loan and related Loan Documents from BRIDGE to Gasser.

BE IT FURTHER RESOLVED that the term of the Loan Agreement shall be modified and extended to December 31, 2018 to provide adequate time for Gasser to obtain approvals and funding to develop affordable housing on the Property, and the provisions for a financing plan shall be modified.

BE IT FURTHER RESOLVED that as a condition of the Board’s approval of the Assignment, Assumption and Modification Agreement (“the Agreement”):

1. The Agreement specifically incorporates Gasser’s assumption of all obligations under the Indemnity Agreement to indemnify the County against lawsuits by all third parties.
2. Gasser shall provide a lender’s title insurance policy in a form approved by the County. The pro forma policy must be reviewed and approved prior to approval of the Agreement by the chairman of the Board.
3. Gasser shall submit insurance certificates meeting the requirements of the Loan

Agreement and approved by the County’s Risk Manager.

- 4. BRIDGE, BRIDGE Norcal LLC, and Gasser shall each submit resolutions authorizing execution of the Agreement; certificates of good standing; articles of incorporation and bylaws for the corporate entities, and articles of organization and operating agreement for BRIDGE Norcal LLC.

BE IT FURTHER RESOLVED that the Board of Supervisors of Napa County hereby authorizes the Chairman to execute all necessary documents to effect the assignment and assumption of the BRIDGE’s Loan to Gasser, as approved by County Counsel and further authorizes the Chairman to sign all necessary related loan transaction documents as required for ongoing future maintenance and monitoring responsibilities as approved by County Counsel.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED by the Board of Supervisors of Napa County, State of California, at a regular meeting of the Board held on the 22nd of November 2016, by the following vote:

AYES:	SUPERVISORS	WAGENKNECHT, CALDWELL, LUCE, DILLON and PEDROZA
NOES:	SUPERVISORS	NONE
ABSENT:	SUPERVISORS	NONE

NAPA COUNTY, a political subdivision of the State of California

ALFREDO PEDROZA, Chairman of the Board of Supervisors

APPROVED AS TO FORM Office of County Counsel By: <u>S. Darbinian (e signature)</u> Deputy Date: <u>November 16, 2016</u>	ATTEST: GLADYS I. COIL Clerk of the Board of Supervisors By: _____	APPROVED BY THE NAPA COUNTY BOARD OF SUPERVISORS Date: November 22, 2016 Processed By: _____ Deputy Clerk of the Board
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