

RESOLUTION NO. 2019-18

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

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 in the City of Napa at 3700 Valle Verde Drive (“the Property”); and

WHEREAS, the loan funds were thereafter 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, on November 22, 2016, BRIDGE transferred 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”) with certain conditions as outlined in Napa County Resolution No. 2016-172; and

WHEREAS, on November 22, 2016, the County approved and consented 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 to GASSER; and

WHEREAS, GASSER is working with Burbank Housing Development Corporation (“BURBANK”) on a revised affordable housing development project on the Property for 66 units of affordable housing including 32 units of permanent supportive housing known as “Heritage House” (“Heritage House Project”); and

WHEREAS, BURBANK is currently in the process of applying for funding from various private and governmental sources in order to construct the Heritage House Project and needs a commitment that the County will transfer all rights, title and interest in the Property to BURBANK, upon BURBANK’s securing and receipt of complete funding of the Heritage House Project from various sources.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Napa County hereby approves and consents to the transfer of the Property and the assignment and assumption of GASSER’s right, title, and interest to and obligations regarding the Loan and related Loan Documents from GASSER to BURBANK upon successful funding of the construction project and issuance of building permits.

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 shall specifically incorporate BURBANK’s assumption of all obligations under the Indemnity Agreement to indemnify the County against lawsuits by all third parties.
2. BURBANK 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 chair of the Board.
3. BURBANK shall submit insurance certificates meeting the requirements of the Loan Agreement and approved by the County’s Risk Manager.
4. BURBANK shall 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.

5. BURBANK has received all funds required to construct the Heritage House Project, the County of Napa will not be required to be a co-signer or collateral on any funding source, the building permit for the Heritage House Project has been issued by the City, and closing of construction financing will occur concurrently with transfer of the Property to BURBANK.
6. Execution of a Memorandum of Agreement with Burbank Housing, Abode Services (a California Not for Profit Corporation) and the County of Napa, that defines the roles, responsibilities and commitments of each organization over a 20 year period for the provision of services at the Heritage House Project.
7. The City of Napa and County of Napa will enter into a Regional Housing Needs Allocation Transfer Agreement for the current or sixth housing cycle, contingent on the proportional share of funds provided to the project.
8. The term of the Loan Agreement shall be modified and extended through December 31, 2020 to provide adequate time for BURBANK to obtain approvals and funding to develop affordable housing on the Property, and the provisions for a financing plan shall be modified as necessary.

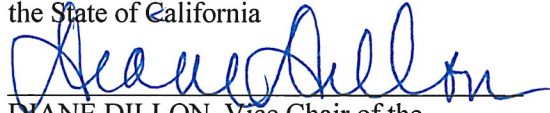
BE IT FURTHER RESOLVED that the Board of Supervisors of Napa County hereby authorizes the Chairman to execute all necessary documents to effect the assignment and assumption of GASSER's Loan to BURBANK, as approved by County Counsel and further authorizes the Chairman to sign all necessary related loan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

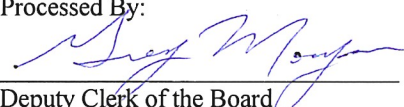
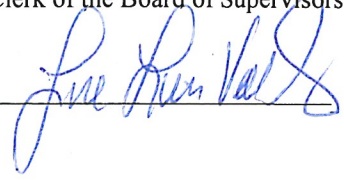
THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED by the Board of Supervisors of Napa County, State of California, at a regular meeting of the Board held on the 29th day of January, by the following vote:

AYES:	SUPERVISORS	PEDROZA, RAMOS, WAGENKNECHT and DILLON
NOES:	SUPERVISORS	NONE
RECUSE:	SUPERVISORS	GREGORY
ABSENT	SUPERVISORS	NONE

NAPA COUNTY, a political subdivision of
the State of California

By:


DIANE DILLON, Vice Chair of the
Board of Supervisors

APPROVED AS TO FORM Office of County Counsel By: <i>S. Darbinian</i> Deputy County Counsel Date: January 25, 2019	APPROVED BY THE NAPA COUNTY BOARD OF SUPERVISORS Date: January 29, 2019 Processed By:  Deputy Clerk of the Board	ATTEST: JOSE LUIS VALDEZ, Clerk of the Board of Supervisors By: 
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