

RESOLUTION NO. OB 12-11

**A RESOLUTION OF THE SAN GABRIEL SUCCESSOR AGENCY
OVERSIGHT BOARD DIRECTING THE SUCCESSOR AGENCY
TO TRANSFER HOUSING ASSETS TO THE HOUSING
AUTHORITY OF THE COUNTY OF LOS ANGELES AND
AUTHORIZING THE EXECUTION OF A NOVATION
AGREEMENT TO EFFECTUATE THE TRANSFER OF SAID
ASSETS**

WHEREAS, by adoption of Resolution No. 12-04 the San Gabriel Successor Agency elected to transfer the housing assets and functions of the former San Gabriel Redevelopment Agency to the Housing Authority of the County of Los Angeles ("HACoLA");

WHEREAS, in accordance with Health and Safety Code §34176, HACoLA submitted to the State Department of Finance the list of Housing Assets of the former San Gabriel Redevelopment Agency which is attached hereto as Exhibit "A" and incorporated herein by reference;

WHEREAS, to effectuate the transfer of assets associated with the Agreement for the Provision of Affordable Housing between CETT Corporation and the former San Gabriel Redevelopment Agency, the Successor Agency has prepared the Novation Agreement attached hereto as Exhibit "B" and incorporated by reference;

WHEREAS, the Oversight Board has conducted a duly noticed public hearing in accordance with Health and Safety Code §34181(f) to consider the transfer of the Housing Assets set forth on Exhibit "A" to HACoLA;

NOW, THEREFORE, THE SAN GABRIEL SUCCESSOR AGENCY OVERSIGHT BOARD DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The San Gabriel Successor Agency is directed to transfer the assets on Exhibit "A" to HACoLA;

Section 2. The Novation Agreement attached as Exhibit "B" is hereby approved and the Successor Agency is authorized to enter into said Agreement.

PASSED, APPROVED and ADOPTED this 27 day of August 2012.

Ayes: 7
Noes: 0
Absent: 0
Abstain: 0



Hamid Behdad, Chair

Attest:



Camille Paton, Deputy City Clerk

EXHIBT A:
Housing Successor Agency Assets

**EXHIBIT A
HOUSING SUCCESSOR AGENCY ASSETS**

AGENCY NAME	AGENCY CONTACT	AGENCY PHONE NO.	PROJECT NAME	PROJECT TYPE	DEVELOPER	PROJECT STAGE				UNITS	NOTES
						predevelopment	construction	lease-up	monitoring		
San Gabriel	Robin Scherr	626-308-2806	Skycourts	Homeownership	CETT Investment Corp.		X			31	6 affordable units with \$1.6 million in secondary financing subsidy. Project has a TDC of \$19 million with a 9% construction loan. Construction is 10% complete and anticipates a 18-month development period.

EXHIBT B:
Novation Agreement

NOVATION AGREEMENT

The Housing Authority of the County of Los Angeles (“HACoLA”), a public entity organized under the Housing Authority Law of the State California with its principal office at 12131 Telegraph Road, Santa Fe Springs, CA 90670, the City of San Gabriel (“City”), a municipal corporation with its principal office located at 425 S. Mission Drive, San Gabriel, California 91776 acting in its capacity as the entity that created the former San Gabriel Redevelopment Agency (Agency”), the City of San Gabriel Successor Agency (“Successor Agency”) the successor to the Agency upon the Agency’s dissolution, and CETT Investments, Corporation, (“CETT”) a California corporation with its principal address at 1215 Lyndon Street, Suite 5, South Pasadena, CA 91030 enter into this Agreement as of the ____ day of the month of _____, 2012.

(a) The parties agree to the following facts:

(1) CETT and Agency entered into an Agreement for the Provision of Affordable Housing (the “Agreement”), dated January 6, 2011 pursuant to which the Agency contracted to acquire affordability covenants in a certain residential development project being constructed by CETT, a true copy of which contract is attached hereto as Attachment No. 1;

(2) As part of the 2011-2012 State budget bill ABx1 26 was enacted requiring that each redevelopment agency be dissolved, and pursuant to that enactment the Agency was dissolved effective February 2, 2012;

(3) By enactment of Resolution No. 12-04 the City elected to transfer the housing assets and functions previously performed by the Agency to HACoLA in accordance with Health and Safety Code § 34176;

(4) By virtue of the foregoing, all authority, rights, powers, duties and obligations previously vested with the Agency have vested in HACoLA.

(b) In consideration of these facts, the parties agree that by this Novation Agreement:

(1) City and Successor Agency confirm the transfer to HACoLA, and waive any claims and rights against CETT that either of them now has or may have in the future in connection with the contracts.

(2) To the extent that the Agreement is an Enforceable Obligation as defined in Health and Safety Code § 34171(d) HACoLA agrees to be bound by and to perform the Agreement in accordance with the conditions contained therein as if it were the original party to the Agreement.

(3) HACoLA ratifies all previous actions taken by the Agency with respect to the Agreement, with the same force and effect as if the action had been taken by HACoLA.

(4) CETT recognizes HACoLA as the Agency’s successor in interest in and to the Agreement. HACoLA by this Agreement becomes entitled to all rights, titles, and interests of the Agency in and to the Agreement as if HACoLA were the original party to the Agreement.

Following the effective date of this Agreement, the term "Agency" as used in the contracts, shall refer to HACoLA.

(5) CETT releases City, Agency, and Successor Agency of all obligations and liabilities under the Agreement and

(6) The Agreement shall remain in full force and effect, except as modified by this Novation Agreement. Each party has executed this Novation Agreement as of the day and year first above written.

CETT, CORPORATION

By _____

Title _____

CITY OF SAN GABRIEL

By _____

Title _____

CITY OF SAN GABRIEL SUCCESSOR AGENCY

By _____

Title _____

HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES

By _____

Title _____