

Subject: Transfer of "Properties to DCDC Center Street LLC ("Center Street").

Background Information:

Authority owns the former administration buildings located at 448 Center Street and 421 So. El Dorado Street, as well as Park Street Apartments located at 32 W. Park Street ("Properties"). Authority executed an agreement ("BHS Agreement") with San Joaquin County Behavioral Health Services (BHS) to develop emergency housing ("BHS Housing"). BHS has already approved re-purposing the Authority's administrative buildings into 37 subsidized units for BHS residents. Twenty-six (26) of these units are new additions to the community to help offset the emergency needs of homelessness. It is also the intent of Authority and BHS to rehabilitate the 32 W. Park Street building for similar purpose.

Authority's Delta Community Developers Corp. ("DCDC"), as the sole member of Center Street, created Center Street for the purpose developing emergency housing pursuant to the BHS Agreement.

Therefore, the Authority seeks approval of transferring ownership of Properties to Center Street. Negotiations are underway with the lender to allow for the assignment and assumption of existing loans although the exact transfer arrangement has yet to be determined. It is anticipated that Authority and/or DCDC may remain as guarantors on said loans. Authority requests Executive Director be granted all necessary discretion and authority to execute, prepare, record and/or file all loan and transfer documents in addition to any documents as required by BHS and federal, state and local agencies required by the BHS Agreement as now or hereafter required.

Recommended Action:

Approve transfer of Properties to Center Street.

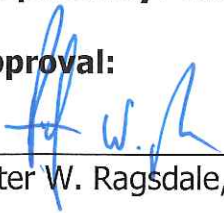
Alternate Options: Do not approve the above requested action.

Fiscal Impact: Unknown.

Attachments: None

Prepared by: Alan R. Coon, General Counsel

Approval:



Peter W. Ragsdale, Executive Director

**RESOLUTION APPROVING
TRANSFER OF 448 CENTER STREET, 421 SO. EL DORADO STREET, AND 42 W.
PARK STREET, STOCKTON, CA TO DCDC CENTER STREET LLC
AND
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE ALL NECESSARY
DOCUMENTS AND AGREEMENTS**

WHEREAS, the Housing Authority of the County of San Joaquin ("Authority") owns 448 Center Street, 421 So. El Dorado Street and 32 W. Park Street ("Properties"); and

WHEREAS, there are third party loans upon said Properties; and

WHEREAS, Authority and San Joaquin County Behavioral Health Services (BHS) executed an agreement ("BHS Agreement") to develop emergency housing ("BHS Housing"); and

WHEREAS, Authority and Delta Community Developers Corp. ("DCDC") have already approved re-purposing the Authority's administrative buildings into 37 subsidized units for BHS residents consistent with the BHS Agreement; and

WHEREAS, it is also the intent of Authority and BHS to rehabilitate 32 W. Park Street for additional BHS Housing consistent with the BHS Agreement; and

WHEREAS, DCDC, as the sole member of DCDC Center Street LLC ("Center Street") created Center Street for the sole purpose of developing emergency housing which necessarily includes BHS Housing;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Commissioners of the Housing Authority of the County of San Joaquin meeting in an Annual Meeting this 16th day of May, 2019 as follows:

- 1) That the Authority transfer ownership of the Properties to Center Street; and
- 2) That the Executive Director, on behalf of the Authority, and the Authority, as Member on behalf of DCDC, is hereby granted that discretion and authority to execute any and all transfer documents including, but not limited to, applications, resolutions, assignments, assumptions and guaranties, as well as the preparation, recording and filing of any necessary federal, state and local documents to accomplish the transfer of ownership of the Properties to Center Street.