



AGENDA AND NOTICE OF THE SPECIAL MEETING OF THE
SAN GABRIEL VALLEY REGIONAL HOUSING TRUST FUND BOARD OF
DIRECTORS

WEDNESDAY DECEMBER 4, 2024, 1 P.M.

SGVCOG Office

1333 S. Mayflower Avenue, Suite 360 Monrovia, CA 91016

SGVRHT Officers

Chair, Jed Leano
Vice-Chair, Becky Shevlin

Representatives

Northeast Representative
Dennis Beckwith, Azusa

Northwest Representative
Becky Shevlin, Monrovia

Central Representative
Emmanuel Estrada, Baldwin
Park

Southeast Representative
Patty Cortez, Covina

Southwest District
Adele Andrade-Stadler,
Alhambra

At-Large Representatives
Thomas Wong, Monterey
Park (Delegate)
Jed Leano, Claremont
(Delegate)

Housing/Homeless Experts

Anne Turner
Alma Martinez

Members

Alhambra
Arcadia
Azusa
Baldwin Park
Claremont
Covina
Diamond Bar
Duarte
El Monte
Glendora
Industry
Irwindale
La Cañada Flintridge
La Verne
Monrovia
Montebello
Monterey Park
Pasadena
Pomona
Rosemead
San Gabriel
South El Monte
South Pasadena
Temple City
West Covina

Thank you for participating in today's meeting. The Board of Directors encourages public participation and invites you to share your views on agenda items.

MEETINGS: The agenda packet is available at the San Gabriel Valley Council of Government's (SGVCOG) Monrovia Office, 1333 S. Mayflower Avenue, Suite 360, Monrovia, CA, and on the website, www.sgvco.org. Copies are available via email upon request (sgv@sgvco.org). A copy of the agenda is also posted for public viewing at the entrance of the SGVCOG Monrovia Office Building. Any additional agenda documents that are distributed to a majority of the Board after the posting of the agenda will be available for review in the SGVCOG office during normal business hours and on the SGVCOG website noted above.

PUBLIC PARTICIPATION: Your participation is welcomed and invited at all Board of Directors meetings. Time is reserved at each regular meeting for those who wish to address the Board. SGVRHT requests that persons addressing the meeting refrain from making personal, slanderous, profane or disruptive remarks. A person who continues to disrupt the orderly conduct of the meeting, after being warned by the Board Chair or designee to cease the disruption, may be precluded from further participation in the meeting.

TO ADDRESS THE GOVERNING BOARD: At a regular meeting, the public may comment: (i) on any matter within the jurisdiction of the Board of Directors that is not on the agenda during the public comment period at the beginning of the agenda; (ii) on any item(s) that is on the Consent Calendar prior to action taken on the Consent Calendar; and (iii) on any other agenda item prior to the time it is considered by the Board. during the public comment period and may also comment on any agenda item at the time it is discussed. At a special meeting, the public may only comment on items that are on the agenda. Members of the public are requested to state their name prior to speaking. Comments are limited to a maximum of three minutes per person. The Board President may impose additional time limits if comments become repetitious, an individual member of the public seeks to speak on numerous items, or a large number of members of the public seek to speak on an item. Except in limited situations, the Board may not take action on items not appearing on the agenda and/or discuss them at length.

If you would like to provide a public comment during a Board meeting, please see "Instructions for Public Comments" below.

AGENDA ITEMS: The Agenda contains the regular order of business of the Board of Directors. Items on the Agenda have generally been reviewed and investigated by the staff in advance of the meeting so that the Board of Directors can be fully informed about a matter before making its decision.



In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the SGVCOG office at (626) 457-1800. Notification 48 hours prior to the meeting will enable the SGVCOG to make reasonable arrangement to ensure accessibility to this meeting.



CONSENT CALENDAR: Items listed on the Consent Calendar are considered to be routine and will be acted upon by one motion. There will be no separate discussion on these items unless a Board member or citizen so requests. In this event, the item will be removed from the Consent Calendar and considered after the Consent Calendar. If you would like an item on the Consent Calendar discussed, simply tell Staff or a member of the Board of Directors.

TELECONFERENCE LOCATIONS: State law allows Board Representatives to teleconference from remote locations as long as certain conditions are met, including listing the teleconference locations in the agenda. The following locations are hereby noticed as teleconference locations, which are accessible to the public for the purposes of observing this meeting and/or addressing the Governing Board.

Adele Andrade Stadler (Southwest Delegate) 2956 West Shorb Street Alhambra, CA 91803	Jed Leano (At Large Delegate) Claremont City Hall 207 Harvard Ave. Claremont, CA 91711
Thomas Wong (At Large Delegate) Monterey Park City Hall 320 W Newmark Ave. Monterey Park, CA 91754	Valerie Valesquez-Santoya Glendora City Hall 116 E Foothill Blvd. Glendora, CA 91741

Instructions for Public Comments: For those wishing to make public comments on agenda and non-agenda items, but within the SGVCOG’s subject matter jurisdiction, you may submit written comments via email or provide a verbal comment by participating through Zoom.

- **Written Comments (Email):** If you wish to submit written public comments to be distributed to the committee members prior to or during the meeting, please submit these materials via email to Brielle Salazar at bsalazar@sgvrht.org at least 1 hour prior to the scheduled meeting time. Please indicate in the Subject Line of the email “FOR PUBLIC COMMENT.” Emailed public comments will be read into the record and will be part of the recorded meeting minutes. Written public comments may include, but are not limited to letters, reports, and presentations.
- **Verbal Comments (In Person):** If you would like to make a public comment at the Governing Board meeting location, please fill out a public comment card. Comment cards will be made available to you by staff at the entrance to the meeting room. If you are attending the meeting at a noticed teleconference location and would like to make a public comment, please raise your hand when the item upon which you wish to speak comes up on the agenda.
- **Verbal Comments (Zoom):** If you would like to participate by teleconference from a private location, please email Brielle Salazar (bsalazar@sgvrht.org) to request an attendee Zoom link at least 24 hours before the meeting. Through Zoom, you may provide a verbal comment by using the web interface “Raise Hand” feature when the agenda item upon which you wish to speak is to be considered. You will then be called upon to provide your verbal comments.

PRELIMINARY BUSINESS

5 MINUTES

1. Call to Order
2. Roll Call
3. Public Comment (*If necessary, the President may place reasonable time limits on all comments*)
4. Changes to Agenda Order: Identify emergency items arising after agenda posting and requiring action prior to next regular meeting.

CONSENT CALENDAR

5 MINUTES

5. Meeting Minutes- Page 1
Recommended Action: Adopt October 2, 2024 meeting minutes.
6. 480 W Monterey Avenue Project- Page 3
Recommended Action: Authorize the Executive Director to negotiate and execute the following agreements for 480 W Monterey Avenue, Pomona (Project): 1.) An agreement with SGVCOG for \$1,000,000 in Project funding from the State 2.) An amendment with SRK Architects, Inc. for a total not to exceed contract amount of \$461,000 for the development of construction plans and other support needed to complete the Project, 3.) future agreements with God's Pantry, contractors, and vendors to complete the Project.
7. Permanent Local Housing Allocation (PLHA) Funding Agreement with City of Baldwin Park- Page 5
Recommended Action: Authorize the Executive Director to negotiate and execute an agreement with the City of Baldwin Park to receive and administer Permanent Local Housing Allocation (PLHA) funding.

ACTION ITEMS

10 MINUTES

8. 1377 Garey Ave. Pomona RLF Loan Subordination- Page 14
Recommended action: Authorize the Executive Director to negotiate and execute subordination agreements for 1377 N. Garey Avenue, Pomona- \$1.571,490.

PRESENTATION ITEMS

15 MINUTES

9. GPLA Vienna Social Housing Field Study
Recommended action: For information only.

UPDATE ITEMS

5 MINUTES

10. Chair's Report
11. Executive Director's Report
12. General Counsel's Report

ADJOURN

SGVRHT Board of Directors Unapproved Minutes

Date: October 2, 2024

Time: 10:00 AM

Location: SGVRHT Office in Monrovia and Virtual Meeting

PRELIMINARY BUSINESS

- 1. Call to Order

Chair Leano called the meeting to order at 10:05 AM.

- 2. Roll Call

A quorum was in attendance.

Members

Jed Leano, At-Large Member
Becky Shevlin, Northwest District
Adele Andrade-Stadler, Southwest District
Thomas Wong, Southwest District
Dennis Beckwith, Northeast District
Anne Turner, Housing/Homeless Expert
April Verlato, At-Large Member Alternate

Members Absent

Alma Martinez, Housing/
Homeless Expert Alternate
Emmanuel Estrada, Central District
Patty Cortez, Southeast District

Staff

M. Creter, Executive Director, SGVRHT
B. Salazar, SGVRHT
D. DeBerry, General Counsel
S. Wong
T. Lott
J. Talla
L. Hwang
R. Lansing

- 3. Public Comment

There was no public comment.

- 4. Changes to Agenda Order

There were no changes to the agenda order.

CONSENT CALENDAR

- 5. Meeting Minutes

Action: Adopt September 9, 2024 meeting minutes.

- 6. SRK Amendment

Action: Authorize the Executive Director to execute an amendment with SRK Architects, Inc. for a total not to exceed contract amount of \$276,000.

**There was a motion to approve Consent Calendar Items 5-6.
(M/S: Turner, Shevlin) [Motion Passed]**

AYES:	Leano, Shevlin, Andrade-Stadler, Wong, Turner, Verlato
NOES:	

ABSTAIN:	
ABSENT:	Martinez, Estrada, Cortez, Beckwith

ACTION ITEMS

7. PRO Housing Application

There was a motion to adopt Resolution 24-15 authorizing the Executive Director to submit the PRO Housing Application and implement the grant if awarded.

(M/S: Shevlin/Andrade-Stadler) [Motion Passed]

AYES:	Leano, Shevlin, Andrade-Stadler, Beckwith, Wong, Turner, Verlato
NOES:	
ABSTAIN:	
ABSENT:	Martinez, Estrada, Cortez

UPDATE ITEMS

8. Chair's Report

There was no chair report.

9. Executive Director's Report

M. Creter invited Board members to celebrate 30th Anniversary of the SGVCOG on October 30th.

10. General Counsel's Report

There was no general counsel report.

ADJOURN

Chair Leano adjourned the meeting at 10:13 AM.

DATE: December 4, 2024
TO: Board of Directors
FROM: Marisa Creter, Executive Director
RE: **480 W MONTEREY AVENUE PROJECT**

RECOMMENDED ACTION

Authorize the Executive Director to negotiate and execute the following agreements for 480 W Monterey Avenue, Pomona (Project): 1.) An agreement with SGVCOG for \$1,000,000 in Project funding from the State 2.) An amendment with SRK Architects, Inc. for a total not to exceed contract amount of \$461,000 for the development of construction plans and other support needed to complete the Project, 3.) future agreements with God's Pantry, contractors, and vendors to complete the Project.

DISCUSSION

The SGVRHT purchased the existing church and adjoining building at 480 W. Monterey Ave., Pomona (Project) in July 2024 through its housing innovation program. The site will be utilized as shared housing through a ground lease with God's Pantry and will provide a minimum of 12 beds per the program guidelines. The previous use of the site as church property fell under assembly use. The adaptive reuse of the site to shared housing will require an update to residential use and requires life safety updates including the installation of fire sprinklers, ADA path of travel improvements, and secondary egress improvements. The first phase of the project will deliver the shared housing units and life safety updates. The next phase will include the development of an onsite commercial kitchen to serve the residents of the site and neighboring interim housing sites. State Senator Susan Rubio provided \$1,000,000 in State Budget Earmark funds to the San Gabriel Valley Council of Governments (SGVCOG) to support Project costs which is detailed below.

Funding Agreement with SGVCOG

State Senator Susan Rubio secured \$1 million in funding for the Project as part of a \$2 million State Budget Earmark with the SGVCOG. The funds will support Project development costs including life safety upgrades and commercial kitchen development. The SGVRHT would accept and administer the funds to cover Project development costs.

SRK Amendment for Construction Plans and Technical Assistance

SRK Architects, Inc. provides Project Advisory Services to the SGVRHT to support the development of interim and affordable housing units. To date, SRK has assisted the SGVRHT and participating cities with site design for 4 interim housing sites and site assessments for parcels in Arcadia, Duarte, and Irwindale. In October 2024, the SGVRHT Board of Directors approved Amendment 3 to the Agreement with SRK Architects, Inc. to

REPORT

extend the term of the agreement from June 2025 to December 31, 2025 and include initial site plan designs and revisions for the Project, enabling the preliminary work to proceed. Amendment 4 builds on the initial site plan work to develop construction set plans which can be used by general contractor to follow to perform the necessary life safety updates. The construction set plans will also detail the renovation plans for the onsite commercial kitchen.

As of November 2024, SRK has completed conceptual drawings which will serve as the basis for construction set plans that include structural integrity and conformance with City building code. SRK will subcontract for structural engineering, Mechanical, Electrical, and Plumbing (MEP), and kitchen design consultants to complete the construction set plans. The full scope of work for Amendment 4 includes project management, construction set plans, submittal for plan check to the City of Pomona Building and Safety Division, and construction administration is to oversee the General Contractor for project accuracy and timeliness as detailed below. Amendment 4 also includes 200 hours of support for additional interim or affordable housing sites to allow for site analysis and preliminary design as opportunities are identified.

To ensure sufficient budget for the expanded scope of work, staff recommends increasing the project budget by \$185,000 for a total not to exceed contract amount of \$461,000. Project related costs within the Amendment will be funded by the \$1 million State Budget Earmark, and additional technical assistance will be funded by general operating income.

Future Agreements

The Project has several phases including the shared housing residential units and the commercial kitchen, followed by potential family shared housing units and workforce development space. To support the development of the Project, staff recommends authorizing the Executive Director to negotiate and execute agreements with site Operator, God's Pantry, contractors, and vendors to complete the Project. Staff does not anticipate that any of these agreements would exceed \$250,000 which is the Executive Director's signing authority.

FISCAL IMPACT

Project costs, including technical assistance from SRK, will be supported by the State Budget Earmark. The SGVRHT will seek additional funding to support future phases of the project and will present these opportunities to the Board of Directors.

Prepared by: Brielle Salazar
Brielle Salazar
Regional Housing Trust Manager

Approved by: Marisa Creter
Marisa Creter
Executive Director

REPORT

DATE: December 4, 2024
TO: Board of Directors
FROM: Marisa Creter, Executive Director
RE: **PERMANENT LOCAL HOUSING ALLOCATION (PLHA) AGREEMENT WITH CITY OF BALDWIN PARK**

RECOMMENDED ACTION

Authorize the Executive Director to negotiate and execute an agreement with the City of Baldwin Park to receive and administer Permanent Local Housing Allocation (PLHA) funding.

BACKGROUND

In 2017, the Building Homes and Jobs Act established a \$75 recording fee on real estate documents in the State. This income funds the Permanent Local Housing Allocation (PLHA) program, a formula-based allocation of funds to address cities' unmet housing needs. In our region, PLHA funds are provided directly to entitlement cities or Los Angeles County Development Authority (LACDA) for non-entitlement cities.

One of the eligible uses of PLHA funding is placing matching funds in a regional housing trust, enabling cities to allocate their PLHA funding to a regional housing trust such as the SGVRHT. To date, the SGVRHT has received PLHA funding from several member cities through an agreement with LACDA and these funds have been used as matching funds for the Local Housing Trust Fund (LHTF) program, supporting the development of affordable housing units across the region. The City of Baldwin Park is an entitlement city, and has approved a partial allocation of PLHA funds to the SGVRHT as follows:

PLHA Formula Year	SGVRHT Allocation
2021	\$110,000
2022	\$128,000
2023	\$150,000
TOTAL	\$388,000

The PLHA funds can be used to support affordable or homeless housing units. If approved, Staff will finalize and execute the agreement with the City of Baldwin Park and will present potential funding allocations to the Board for review and approval.

Prepared by: *Brielle Salazar*
Brielle Salazar
Regional Housing Trust Manager

REPORT

Approved by: Marisa Creter
Marisa Creter
Executive Director

ATTACHMENTS

Attachment A – Draft Agreement for PLHA Funding

**AGREEMENT BETWEEN THE SAN GABRIEL VALLEY REGIONAL
HOUSING TRUST AND THE CITY OF BALDWIN PARK FOR
TRANSFER OF PERMANENT LOCAL HOUSING ALLOCATION FUNDS**

This agreement (“Agreement”) is entered into by and between the City of Baldwin Park, a municipal corporation (“City”), and the San Gabriel Valley Regional Housing Trust, a California joint powers authority (“SGVRHT”) as of December ____, 2024 (“Effective Date”). City and SGVRHT may be referred to herein collectively as the “Parties” or individually as a “Party.”

RECITALS:

- A. SGVRHT was formed pursuant to Government Code § 6539.6 to fund the planning and construction of housing of all types to serve homeless and low-income populations within the San Gabriel Valley.
- B. The SGVRHT members are cities within the San Gabriel Valley, which members include the City.
- C. Senate Bill 2, 2017 created the Permanent Local Housing Allocation (PLHA) Program administered by the State of California, Department of Housing and Community Development (“HCD”).
- D. City has entered into a Standard Agreement with HCD to receive PLHA funding and must meet all conditions of the PLHA Program in the utilization of those funds.
- E. An eligible FUND activity under the PLHA Program is to transfer PLHA funds to a regional housing trust such as the SGVRHT to fund housing for the homeless and low-income populations.
- F. Pursuant to this Agreement the City desires to transfer, and the SGVRHT to receive, the PLHA funding to implement eligible projects described herein.

AGREEMENT

The recitals are made a substantive part of this Agreement and the Parties further agree as follows:

I. TERM.

The term of this Agreement shall commence on the Effective Date and shall continue until such times as the SGVRHT has expended all PLHA funds in accordance with this Agreement.

II. FUND TRANSFER

Within 30 days of receipt of an invoice from SGVRHT, the City shall transfer to the

SGVRHT PLHA funds in an amount not to exceed \$[Amount] (\$XXX,XXX) for the SGVRHT's trust use in accordance with this Agreement.

Payment shall be made via ACH transfer.

III. RESPONSIBILITIES OF THE PARTIES:

A. SGVRHT.

SGVRHT shall:

1. Designate a point-of-contact with name, title, and contact information who will serve as the SGVRHT's representative during the term of this Agreement. If the point-of-contact is reassigned or no longer with the SGVRHT, a new point-of-contact will be designated in writing within 14 days.
2. Within ten (10) days of the Effective Date, invoice the City for PLHA funds in the amount set forth in Section II. above.
3. Utilize PLHA funds for eligible expenses as defined by the PLHA Program guidelines as they currently exist or as they may be amended.
4. Maintain accounting records for all PLHA fund expenditures in accordance with generally accepted accounting principles and produce such records to the City during normal business hours upon the City's request for review and/or copying.
5. Maintain PLHA files and records that the City may reasonably require to comply with its HCD reporting requirements which may include, but not be limited to: (a) project activity and descriptions; (b) records of public hearings; (c) contracts, loan and grant agreements; (d) environmental reports; (e) design and engineering reports; (f) information relating to the community be served by the project; and (g) implementation and activity schedule.
6. During the term of the Agreement, provide quarterly reports (January 1, April 1, July 1, October 1) to the City summarizing the PLHA activity for the prior quarter which includes information and is in a form reasonably acceptable to the City.
7. Insure that all PLHA costs and expenses are eligible for PLHA funding.
8. Expend funds by [date].
9. Maintain records described in this Section III.A for at least five years
10. Reasonably cooperate with any audit conducted by the City or any other agency with auditing authority over the PLHA Program.

B. City.

City shall:

1. Designate a point-of-contact with name, title, and contact information who will serve as the City's representative during the term of this Agreement. If the point-of-contact is reassigned or no longer with the City, a new point-of-contact will be designated in writing within 14 days.
2. Be solely responsible for complying with all reporting requirements as a

recipient of the PLHA funds, including but not limited, to any reports required by HCD. Copies of any such reports shall be forwarded to the SGVRHT.

III. PROGRAM MANAGEMENT:

A. Program Managers.

1. For the purposes of this AGREEMENT, SGVRHT designates the following individual as its Program Manager: Brielle Salazar, Regional Housing Trust Manager, bacevedo@sgvrht.org
2. For the purposes of this AGREEMENT, the City designates the following individual as its representative:

Name
Title
Phone number:
Email:

Either Party may change the designations set forth herein upon written notice to the other Party.

IV. DEFAULT; REMEDIES:

- A. Default. A “Default” under this Agreement is defined as any one or more of the following: (i) failure of either Party to comply with the terms and conditions contained in this Agreement; and/or (ii) failure of either Party to perform its obligations set forth herein satisfactorily or make sufficient progress towards completion of the Program.
- B. Remedies. In the event of a Default by either Party, the non-defaulting Party will provide a written notice of such Default and thirty (30) days to cure the Default. In the event that the defaulting Party fails to cure the Default, or in the event the Default is of such a nature that it cannot be reasonably cured within thirty (30) day to commit to promptly cure the Default and commence the same within such 30-day period to the reasonable satisfaction of the non-defaulting Party, the non-defaulting Party may terminate this Agreement. Such termination shall be effective immediately upon the provision of written notice by the non-defaulting Party to the defaulting Party. In the event of a Default by either Party, the non-defaulting Party shall have the right to seek any and all remedies available at law or in equity.

V. INDEMNIFICATION:

- A. City agrees to defend, indemnify, and hold free and harmless the SGVRHT and the San Gabriel Valley Council of Governments, and their elected and appointed boards, officials, officers, agents, employees, members, and volunteers (the

“Indemnitees”), at City’s sole expense, from and against any and all claims, actions, suits, or other legal proceedings (“Claims”) brought against the Indemnitees arising out of or relating to the acts or omissions of City in connection with this Agreement.

- B. SGVRHT agrees to defend, indemnify, and hold free and harmless the City, its elected officials, officers, agents, employees, and volunteers, at SGVRHT’s sole expense, from and against any and all claims, actions, suits, or other legal proceedings brought against the City, its elected officials, officers, agents, employees, and volunteers arising out of or relating to the acts or omissions of SGVRHT in connection with this Agreement.

VI. INSURANCE:

- A. City and SGVRHT shall maintain and keep in full force and effect during the term of this Agreement insurance or a program of self-insurance against claims for injuries to persons or damages to property which may arise in connection with City’s or SGVRHT’s performance of its obligations hereunder.
- B. In any agreements entered into by the SGVRHT for which PLHA funds will be used, the SGVRHT shall require that the entity with which it contracts to defend and indemnify the City to the same extent as it does the SGVRHT. If SGVRHT requires such entity to add it as an additional insured to any of its insurance policies, the City shall be added as an additional insured to the same extent.

VII. COMPLIANCE WITH ALL LAWS.

The Parties agrees to comply with all applicable federal, state, and local laws in the performance of this Agreement and in awarding any funding to third parties, including but not limited to, any rules and regulations that may apply to the use of the PLHA funds.

VIII. NOTICES:

Notices. All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by electronic mail or certified mail, postage prepaid and return receipt requested, addressed as follows:

To SGVRHT: Marisa Creter
Executive Director
1333 S. Mayflower Ave., Unit 360
Monrovia, CA 91016
(626) 457-18000
(626) 457-1800
mcreter@sgvrht.org

with a copy to: Brielle Salazar,
Regional Housing Trust Manager

1333 S. Mayflower Ave., Unit 360
Monrovia, CA 91016
(626) 457-18000
bsalazar@sgvrht.org

To City: Name
 Title
 Address
 Phone Number
 E-mail Address

with a copy to: Name
 Title
 Address
 Phone Number
 E-mail Address

VII. OTHER TERMS AND CONDITIONS:

- A. No Partnership. This Agreement is not intended to be, and shall not be construed as, an agreement to form a partnership, agency relationship, or a joint venture between the Parties. Except as otherwise specifically provided in the Agreement, neither Party shall be authorized to act as an agent of or otherwise to represent the other Party. In implementing this Agreement each Party will be acting in its independent capacity and not as agents, employees, partners, or associates of the other.

- B. Entire Agreement. This Agreement and the applicable PLHA Program guidelines constitute the entire understanding between the Parties with respect to the subject matter herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing and signed by the Parties at the time of such modification.

- C. Governing Law. This Agreement shall be governed by and construed under California law and any applicable federal law without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the Parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Los Angeles County, California.

- D. Excusable Delays. Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of any such obligation is prevented or delayed by unforeseen causes including acts of God, floods, earthquakes, fires, acts of a public enemy, pandemic, epidemic, and government acts beyond the control and without fault or negligence of the affected Party. Each Party hereto shall give notice promptly to the other of the nature and extent of any such circumstances claimed to delay, hinder, or prevent performance of any obligations

under this Agreement.

- E. Waiver. Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought.
- F. Headings. The section headings contained in this Agreement are for convenience and identification only and shall not be deemed to limit or define the contents to which they relate.
- G. Assignment. Neither Party may assign its interest in this Agreement, or any part thereof, without the prior written consent of the other Party. Any assignment without consent shall be void and unenforceable.
- H. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.
- I. Authority to Execute. The person executing this Agreement on behalf of a Party warrant that they are duly authorized to execute this Agreement on behalf of said Party, and that by doing so said Party is formally bound to the provisions of this Agreement.
- J. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.
- K. Electronic Signatures. This Agreement may be executed with electronic signatures in accordance with Government Code Section 16.5. Such electronic signatures will be treated in all respects as having the same effect as an original signature.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the day and year first above written.

FOR THE CITY OF BALDWIN PARK

FOR THE SAN GABRIEL VALLEY
REGIONAL HOUSING TRUST

By: _____
~~XXX~~
City Manager

By: _____
Marisa Creter
Executive Director

Date: _____

Date: _____

ATTEST:

APPROVED AS TO FORM:

~~XXX~~
City Clerk

David DeBerry
General Counsel

APPROVED AS TO FORM:

XXXX
City Attorney

REPORT

DATE: December 4, 2024

TO: Board of Directors

FROM: Marisa Creter, Executive Director

RE: 1377 Garey Ave., Pomona RLF Loan Subordination

RECOMMENDED ACTION

Adopt Resolution 24-16 authorizing the Executive Director to negotiate and execute subordination agreements for 1377 N. Garey Avenue, Pomona- \$1,571,490

BACKGROUND

In July 2023, the San Gabriel Valley Regional Housing Trust (SGVRHT) Board of Directors approved a Revolving Loan Fund (RLF) allocation of \$1,571,490 for 1377 N. Garey Ave., Pomona (Project) with Pathway To Tomorrow. The project will provide 35 units of affordable housing for households earning between 30-80% Area Median Income (AMI). To date, the RLF loan has covered site acquisition and predevelopment expenses including planning and architectural fees. The project is not utilizing tax credits and its capital stack will consist of a construction loan with Genesis LA, an equity loan, and the RLF loan.

The RLF loan is currently in first position and the SGVRHT is the only secured lender. The loan committee memo presented to the Board in July 2023 anticipated that additional construction sources would include a bank loan and a to be determined source, which will be an equity loan. The bank lender, Genesis LA, requires subordination of the RLF loan to issue a letter of commitment to the Project. The loan committee memo noted that there was no subordination at the time of approval, therefore board approval is required to subordinate the loan. The SGVRHT assumes additional risk by subordinating to the bank loan as it moves into second position in the repayment priority. This is standard practice as construction loans require first position due to the inherent risk in lending during this phase as well as the size of the loan which is projected to be five million dollars. The additional risk is mitigated by increasing the developer's ability to complete the project. The RLF loan will be repaid by the project's permanent funding sources.

NEXT STEPS

If subordination of the RLF loan is approved, staff and general counsel will work with the developer towards construction closing, including execution of required subordination agreements. The RLF loan will be repaid at permanent conversion.

REPORT

Prepared by: Brielle Salazar
Brielle Salazar
Regional Housing Trust Manager

Approved by: Marisa Creter
Marisa Creter
Executive Director

ATTACHMENTS

Attachment A – Resolution 24-16 Authorizing the Executive Director to execute subordination agreements.

RESOLUTION NO. 24-XX

RESOLUTION OF THE SAN GABRIEL VALLEY REGIONAL HOUSING TRUST (SGVRHT) AUTHORIZING EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE SUBORDINATION AGREEMENTS

WHEREAS, the San Gabriel Valley Regional Housing Trust allocated \$7,800,000 to develop a Revolving Loan Fund (RLF) to support acquisition, predevelopment, and construction of affordable housing;

WHEREAS, the SGVRHT awarded \$1,571,490 in RLF to Pathway to Tomorrow for the affordable housing project located at 1377 N. Garey Avenue, Pomona (Project); and

WHEREAS, the construction lender for the project requires subordination of the RLF to issue its commitment to the project; and

WHEREAS, SGVRHT agrees to subordinate the loan for the benefit of the Project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors authorizes the Executive Director to negotiate and execute subordination agreements for the Project.

PASSED AND ADOPTED by the Board of Directors of the San Gabriel Valley Regional Housing Trust, in the County of Los Angeles, State of California, on the 4th day of December 2024.

San Gabriel Valley Regional Housing Trust

Jed Leano, Chair

Attest:

I, Marisa Creter, Executive Director and Secretary of the Board of Directors of the San Gabriel Valley Regional Housing Trust, do hereby certify that Resolution 24-XX was adopted at a regular meeting of the Board of Directors held on the 4th day of December 2024, by the following vote:

AYES:	
NOES:	
ABSTAIN:	
ABSENT:	

Marisa Creter, Secretary