

RESOLUTION NO. 2012 – 11

RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
TO THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT AGENCY
APPROVING THE CHAIRMAN OF THE SUCCESSOR AGENCY TO EXECUTE, WITHOUT
COMPENSATION, A SUBSTITUTION OF TRUSTEE AND PARTIAL OR FULL
RECONVEYANCE OF A DEED OF TRUST TO EAST-WEST BANK
THAT WILL ALLOW THE COMPLETION OF THE PENDING SALE OF
THE ADJACENT REVOLUTION 2 SITE LOCATED AT THE NORTH SIDE
OF A AVENUE AND EAST 12TH STREET; AND SIMULTANEOUSLY
REMOVES THE COMMUNITY DEVELOPMENT COMMISSION LIEN
FROM THE CONDOMINIUM UNIT 401 AT THE CENTRO SITE
LOCATED AT 45 EAST 12^T STREET, NATIONAL CITY, WITHOUT
GIVING UP OWNERSHIP OF SAID CONDOMINIUM

WHEREAS, on August 30, 2005, the Community Development Commission of the City of National City ("CDC") entered into a Disposition and Development Agreement ("DDA") with Constellation Property Group, LP ("Constellation"), for the redevelopment of approximately 1.2 acres between National City Boulevard, B Avenue, 11th Street, and 12th Street (R-2) site; and

WHEREAS, as part of the redevelopment project, Constellation was to construct on the Site approximately 40 condominium units known as the Centro Project, and pursuant to an amendment to the DDA, Constellation was obligated to convey to the CDC a residential condominium unit and two parking spaces; and

WHEREAS, Constellation was to also develop the parcel west of Centro with a project entitle "Revolution" on the parcel commonly referred to as R-2; and

WHEREAS, on October 13, 2005, East West Bank placed a lien in the form of a \$5,230,000 deed of trust against Centro; and

WHEREAS, on December 13, 2007, the Commission placed a junior lien in the form of a \$2,500,000 deed of trust against Centro; and

WHEREAS, both the East West Bank lien and CDC lien show up on the title of the condominium unit; and

WHEREAS, on June 2, 2011, Constellation grant deeded over to East West Bank what is described as APN# 556-554-23-000, commonly referred to as the "sliver" as part of a grant deed including the larger R-2 parcel; and

WHEREAS, the CDC junior lien currently exists against the sliver parcel; and

WHEREAS, on June 11, 2011, East West Bank foreclosed on the Centro site, but did not attach the legal description that matched the 2007 deed of trust, but instead attached the legal description for a new lot related to Centro, which resulted in the creation of the "sliver" parcel; and

WHEREAS, on June 16, 2011, Constellation deeded condominium unit 401 to the Commission; and

WHEREAS, East West Bank currently owns the R-2 site; and

WHEREAS, The Focus Group desires to purchase the R-2 site, but seeks removal of the CDC's lien on the sliver parcel; and

WHEREAS, reconveyance of both the East West Bank and CDC deeds of trust in order to remove these liens from the condominium unit deeded to the CDC will provide a clean title to the unit; and

NOW THEREFORE, BE IT RESOLVED, that the Oversight Board of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency hereby approves the Chairman of the Successor Agency to execute, without compensation, a Substitution of Trustee and Partial or Full Reconveyance of a Deed of Trust to East-West Bank for the sliver parcel only, contingent upon East-West Bank releasing its lien on condominium Unit 401, which will allow the completion of the pending sale of the adjacent Revolution 2 site located at the north side of A Avenue and East 12th Street without giving up ownership of said condominium

PASSED and ADOPTED this 20th day of June, 2012



Ron Morrison, Chairman

ATTEST:



Secretary to the Oversight Board

APPROVED AS TO FORM:



Oversight Board Counsel