



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: 25-874

December 09, 2025

Introduced: 11/26/2025

Current Status: Agenda Ready

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Matter Type: General Agenda Item

- a. Approve and authorize Amendment No. 2 to the Donald J. Basch and Shelly Basch Inclusionary Housing Agreement to allow conveyance of their inclusionary unit into a revocable living trust; and
- b. Approve and authorize the Housing and Community Development Director, or his designee, to execute the approved Amendment No. 2 to the Inclusionary Housing Agreement.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize Amendment No. 2 to the Donald J. Basch and Shelly Basch Inclusionary Housing Agreement to allow conveyance of their inclusionary unit into a revocable living trust; and
- b. Approve and authorize the Housing and Community Development Director, or his designee, to execute the approved Amendment No. 2 to the Inclusionary Housing Agreement.

SUMMARY:

Inclusionary Housing Program homeowners, Donald J. Basch and Shelly Basch, purchased this inclusionary unit on November 25, 1997, and executed a 30-year Inclusionary Housing Agreement ("Agreement") with the County that was recorded on January 5, 1998. The owners informed us with their 2025 monitoring that they had transferred their inclusionary unit into a Trust without the County's approval. Our office informed the owners that their transfer was unauthorized by the County, and they've been working with their attorney since then to get it corrected.

Now, these inclusionary unit homeowners have submitted all the required documents and are requesting approval to transfer title of their Inclusionary Housing Unit into a revocable living trust as part of their estate planning. Donald J. Basch and Shelly Basch own the inclusionary unit in the Oak Tree Views Subdivision, and their unit is designated as a 120% moderate-income unit. Under the terms of the recorded Owners' Agreement with the County, transfers of title between owner-spouses and to eligible purchasers (i.e., new income qualified owner-occupants) are the only permitted transfers of title. Per the terms of the Agreement, any other transfer of property title, including into a trust, is not allowed without Board of Supervisors ("Board") approval.

The current Inclusionary Housing Program does allow transfers of title by Owner into an inter vivos trust in which Owner is the beneficiary is allowed, provided, however, that Owner shall provide written notice of such transfer to the County. However, this provision of the Inclusionary Housing Agreement requires Board approval. The Board has previously approved requests by other inclusionary homeowners to transfer their inclusionary unit into a revocable living trust.

DISCUSSION:

Owners of inclusionary units who purchased their home after July 12, 2011, are allowed to transfer their homes into trusts under Section 3.E. TITLE CHANGES AND PROPERTY INHERITANCE of the Inclusionary Housing Program Administrative Manual previously amended and adopted by the Board. The amendment, however, did not provide for retroactive application of this provision for existing homeowners who had entered into an agreement prior to July 12, 2011. As previously stated, Donald J. Basch and Shelly Basch purchased their inclusionary unit in 1997.

The proposed amendment to the Agreement enables the homeowners to transfer title of their property to a trust by expanding the Agreement's definition of "Permissible Transfer" to include conveyance to a revocable living trust for estate planning purposes. The amendment will allow the County to preserve its affordable housing program by requiring homeowners: (1) specifically acknowledge the continuing conditions of the Inclusionary Housing Program; (2) include specific language in the Deed transferring title into the trust; and (3) include specific language in the homeowners' trust documents. The proposed amendment will not affect the Inclusionary Housing Program's restrictions regarding the resale of home to income-and-asset qualified buyers and is consistent with the Inclusionary Housing Ordinance.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:

The County Counsel Office has reviewed this report and the Declaration of Trust for The Basch Family Trust and the Trust Transfer Deed submitted by the homeowners with the required language. The County Counsel Office has approved the Amendment No. 2 to Inclusionary Housing Agreement as to form.

HOUSING IMPACTS:

- ☐ Reduces constraints on Housing Development
- ☐ Increases constraints on Housing Development
- ☐ Neutral
- ☒ Not applicable [N/A]

FINANCING:

There is no fiscal impact on the General Fund or on revenues. Staff time to prepare this report is included in the FY2025-26 Adopted Budget for Housing and Community Development Appropriation Unit HCD001, Unit 8542.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:

The County's Inclusionary Housing Program provides homeownership opportunities in the unincorporated areas of Monterey County to very low-, low-, or moderate-income households.

Mark a check to the related Board of Supervisors Strategic Plan Goals:

- ☒ Well-Being and Quality of Life
- ☐ Sustainable Infrastructure for the Present and Future
- ☐ Safe and Resilient Communities
- ☐ Diverse and Thriving Economy
- ☐ Dynamic Organization and Employer of Choice

Link to the Strategic Plan:

[<https://www.countyofmonterey.gov/home/showdocument?id=139569>](https://www.countyofmonterey.gov/home/showdocument?id=139569)

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Approved by: Craig W. Spencer, Director of Housing & Community Development, x5233

The following attachments are on file with the Clerk of the Board:

Attachment A - Basch Inclusionary Housing Agreement.pdf

Attachment B - Amendment No. 2 Transfer to Trust PRE 2002 Basch.pdf