

Attachment F

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RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

County of Monterey
Housing & Community Development
1441 Schilling Place, 2nd Fl, South
Salinas, CA 93901
Attn: Housing Program Manager

No fee for recording pursuant to
Government Code Section 27383

(Space above for Recorder's Use)

INCLUSIONARY HOUSING AGREEMENT
(Master Developer – Inclusionary and Workforce Units)
(Rancho Canada Village Subdivision PLN040061))

This INCLUSIONARY HOUSING AGREEMENT ("Agreement") is entered as of this ____ day of _____, 2023, by and between the COUNTY OF MONTEREY, a political subdivision of the State of California (the "County"), and Rancho Canada Venture, LLC, a California limited liability company (together with its successors and assigns, the "Developer"), with reference to the following facts:

A. At the time the application for this subdivision was deemed complete [8/10/2005], the County adopted an Inclusionary Housing Ordinance (Ordinance No. 4185), codified at Monterey County Code ("MCC") Chapter 18.40, ("Chapter 18.40" or the "Ordinance"). Chapter 18.40 requires that 20% of all new residential units developed in the unincorporated portions of the County be dedicated to affordable housing, subject to certain exceptions. Chapter 18.40 is administered by the County's Housing and Community Development Department (the "Department").

B. For purposes of this Agreement, Developer applied for a subdivision known as "Rancho Canada Village Subdivision" (hereinafter referred to as the "Master Development") on nine parcels (File PLN040061-AMD1). The Master Development will result in 145 residential units. MCC Chapter 18.40 requires that the Developer deed restrict 28 units as affordable with the following distribution: 8 very low-, 8 low-, and 12 moderate-income units.

C. Developer is the Owner or Agent for the Owner of certain real property in the County of Monterey, California more particularly described in Exhibit A, attached hereto, and incorporated herein by reference (the "Property"), which includes APNs a portion of APN 015-162-017.

D. On July 27, 2021, the County Board of Supervisors adopted Resolution No. 21-308 and Resolution 21-309, attached hereto, and incorporated herein by this reference as Exhibit C. Condition #112 of the Conditions of Approval to Resolution 21-309 required the Developer to execute this Inclusionary Housing Agreement. Resolution No. 21-308 modified the inclusionary obligation normally required by MCC Chapter 18.40 to 40 affordable/workforce units. The affordable/workforce units shall consist of 28 moderate-income units, six Workforce I units, and six Workforce II units.

E. This Agreement is executed in conjunction with the recordation of the Final Map for PLN040061-AMD1 for a total of 105 market-rate housing lots in the Master Development (the "Market-Rate Units"), 28 Moderate Income Inclusionary Units, six Workforce I Income Units, and six Workforce II Income Units in the Master Development (the "Inclusionary Units and/or Workforce Units").

F. The Developer has agreed to comply with the Inclusionary Obligation by constructing, or causing to be constructed on-site, and renting, 28 Inclusionary units to Moderate-Income Households (up to 120% of median income), six Workforce I housing units to Workforce I Income Households (up to 150% of median income), and six Workforce II housing units to Workforce II Income Households (up to 180% of median income) under Condition #112 of the Conditions of Approval adopted for PLN040061-AMD1.

G. Developer is required by Condition #112 of the Conditions of Approval for PLN040061-AMD1 to enter an Inclusionary Housing Agreement with the content specified by those documents, on terms acceptable to the Housing Program Manager. This Agreement is an Inclusionary Housing Agreement pursuant to MCC section 18.40.100, and shall be executed and recorded against the Property prior to the recordation of the Final Map for the Rancho Canada Village Subdivision.

H. The Developer has expressed its desire and intent that the Inclusionary and Workforce Units be rented to qualifying employees working for employers in the area.

I. The Parties agree that the execution and recordation of this Agreement, and compliance with its terms, will satisfy Condition No. 112.

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

SECTION 1. DEFINITIONS.

In addition to those terms defined in the Recitals to this Agreement, the following terms have the following meanings in this Agreement:

(a) "Administrative Manual" means the manual prepared pursuant to subsection MCC section 18.40110H.

(b) "Affordable Rent" means rent, a monthly amount which, together with utility allowance, does not exceed:

(i) An affordable rental housing cost is defined as rent plus a utility allowance as developed by the Housing Authority of the County of Monterey.

(ii) For Moderate Income Inclusionary Units, affordable housing costs shall not exceed 1/12 of 30% of 110% of Area Median Income, adjusted for household size and the number of bedrooms in the unit;

(iii) For Workforce I Income Units, affordable housing costs shall not exceed 1/12 of 35% of 150% of Area Median Income, adjusted for household size and the number of bedrooms in the unit;

(iv) For Workforce II Income Units, affordable housing costs shall not exceed

1/12 or 35% of 180% of Area Median Income, adjusted for household size and the number of bedrooms in the unit.

(v) Adjustments for household size based on the number of bedrooms in the unit and amounts utilized for utility allowances shall be as provided by the County in the Administrative Manual.

(c) "Approval" means any planned unit development or planned community development approval, subdivision approval, use permit, building permit, or combined development permit for a residential development.

(d) "Eligible Tenant" means a Moderate-Income Household, a Workforce I Income Household, or a Workforce II Income Household that has been determined by the County to be income eligible to rent an Inclusionary, Workforce I, or Workforce II Unit.

(e) "First Approval" means the first Approval to occur with respect to the Master Development.

(f) "Inclusionary Unit Property" means the legal parcel(s) of land on which the Inclusionary, Workforce I, and Workforce II Units will be constructed together with any appurtenant improvements constructed on such land.

(g) "Master Development" means the entire 145-unit Rancho Canada Village subdivision.

(h) "Maximum Initial Rents" means the maximum initial rents for Inclusionary Units determined by the formula specified in the Administrative Manual for each income level.

(i) "Median Income" means the median household income as determined periodically by HUD for the Salinas Metropolitan Statistical Area and updated on an annual basis.

(j) "Moderate-Income Household" means a household with an annual income which does not exceed 120% of the Median Income, adjusted for household size.

(k) "Moderate-Income-Inclusionary Unit" means an inclusionary unit reserved for occupancy by Moderate-Income Households at an Affordable price.

(l) "Term of Affordability" means the length of time that Inclusionary Units must remain affordable. This Master Development was deemed complete August 10, 2005, and therefore subject to Ordinance No. 4185.

(m) "Trigger Event" means the issuance of any building permit listed in the Building Permit Phasing Plan as shown in Exhibit D, which requires the Developer to comply with the provision of Inclusionary and/or Workforce Units before any subsequent building permits may be issued.

(n) "Workforce I Income Household" means a household with an annual income which does not exceed 150% of the Median Income, adjusted for household size.

(o) "Workforce I Unit" means an inclusionary unit reserved for occupancy by a Workforce I Income Household at an Affordable Rent.

(p) "Workforce II Income Household" means a household with an annual income which does not exceed 180% of the Median Income, adjusted for household size.

(q) "Workforce II Unit" means an inclusionary unit reserved for occupancy by a Workforce II Income Household at an Affordable Rent.

SECTION 2. SATISFACTION OF INCLUSIONARY AND/OR WORKFORCE HOUSING OBLIGATION AND CONDITIONS OF APPROVAL

(a) The Inclusionary Housing condition of the First Approval, the requirements of Chapter 18.40 and the Conditions of Approval shall be satisfied with respect to the Property when the following conditions are met:

(i) Developer constructs or causes to be constructed the Inclusionary Units meeting the requirements of Sections 3 through 8 below and;

(ii) Developer has used commercially reasonable efforts to rent or cause the Inclusionary Units to be rented to tenants in compliance with Sections 9 through 12 below.

(b) An amendment to this Agreement will be required to receive County approval for additional housing units on the Property above the requested total of 105 Market-Rate Units identified by Developer in the First Approval application, to make any changes to the Inclusionary and/or Workforce Units as they are described in Sections 4 through 12 of this Agreement, or to otherwise change the terms of this Agreement.

SECTION 3. NUMBER OF INCLUSIONARY UNITS.

As a condition to the satisfaction of Developer's inclusionary housing requirements for the Master Development, Developer shall construct, or cause to be constructed, 28 for-rent Moderate Income Inclusionary Units as specified in the project approval.

SECTION 4. NUMBER OF WORKFORCE I UNITS.

As a condition to the satisfaction of Developer's Workforce I requirements for the Master Development, Developer shall construct, or cause to be constructed, six Workforce I Income Inclusionary Units as specified in the project approval.

SECTION 5. NUMBER OF WORKFORCE II UNITS.

As a condition to the satisfaction of Developer's Workforce II requirements for the Master Development, Developer shall construct, or cause to be constructed, six Workforce II Income Inclusionary Units as specified in the project approval.

SECTION 6. LOCATION OF INCLUSIONARY AND WORKFORCE UNITS.

- (a) The Inclusionary, Workforce I, and Workforce II Units shall be constructed on the Property on Parcel A, as described in the subdivision map entitled Rancho Canada Village and recorded on or about the same date as this Agreement in the official records of Monterey County, California.
- (b) Parcel A has/will have 4 legal lots of record internal to the parcel. Each legal lot of record is anticipated to contain a building with Inclusionary, Workforce I, and Workforce II Units. The exact number of Units may vary between the legal lots of record once created.
- (c) The legal parcels of land on which the Inclusionary, Workforce I, and Workforce II Units will be constructed, together with any appurtenant improvements constructed on such land, are referred to herein as the "Inclusionary Unit Property."

SECTION 7. APPEARANCE, SIZE AND BEDROOM COUNT.

(a) The external appearance of all Inclusionary and/or Workforce Units shall be compatible with the market-rate units. The natural landscape shall be sufficiently low in profile and scale to allow mature landscaping to effectively screen the structures from surrounding natural areas.

(b) The Inclusionary and/or Workforce Units shall include a mix of one-, two- and three-bedroom units which shall adhere to the minimum square footage indicated in Exhibit B to this Agreement. Of the 28 moderate-income units, eight will have a minimum of one bedroom and twenty will have a minimum of two bedrooms. Of the six Workforce I units, two will have a minimum of two bedrooms and four will have a minimum of three bedrooms. Of the six Workforce II units, two will have a minimum of two bedrooms and four will have a minimum of three bedrooms.

SECTION 8. REQUIRED ENTITLEMENTS AND PHASING

(a) Applications for the proper planning approvals for the development of the Inclusionary Unit Property shall be submitted to the County within one year of recordation of the Rancho Canada Village final map. Building permits for the Inclusionary, Workforce I and Workforce II Units shall be obtained within two and a half years of recordation of the Rancho Canada Village final map, and certificates of occupancy shall be obtained within five years of recordation of the Rancho Canada Village final map. The County will expedite the processing of all necessary permits associated with the development of the Inclusionary Units, consistent with the direction given by the Board of Supervisors. County application fees attributed to the development of the 12 moderate-income units required by MCC Chapter 18.40 may be waived or attenuated in accordance with Board of Supervisors No. Resolution 2000-342, consistent with the goal of providing inclusionary and affordable housing.

(b) Should the Developer fail to obtain building permits within the two and a half years of recordation of the Rancho Canada Village final map, the Developer shall post a bond or other financial security acceptable to the County sufficient to cover the construction costs of the income restricted units within 18 months. The value of the bond or other financial security shall be equal to the estimated construction cost for 40 units of affordable housing based on the average cost to build affordable tax credit units in Monterey County during the preceding five years.

(c) The Developer shall obtain the Certificate of Occupancy Before the County issues the certificate of occupancy for the 80th market rate unit.

SECTION 9. SCHEDULE FOR DEVELOPING INCLUSIONARY AND WORKFORCE UNITS.

(a) Prior to recordation of the first Final Map, this Agreement shall be duly executed by the County and the Developer/Agent.

(b) This Agreement shall be recorded against the Property concurrent with the filing of the Final Map.

(c) If Developer contracts with an affordable housing developer to develop the Inclusionary Units, Developer shall enter into a development agreement for the units ("Affordable Housing Development Agreement"), which shall ensure that the terms of this Agreement are complied with.

(d) The Affordable Housing Development Agreement shall describe with particularity the restrictions applicable to rental of the Inclusionary and Workforce Units, and the record-keeping

obligations for the marketing and rental of the units.

(e) Upon satisfying the applicable conditions stated in Section 9 (a)–(c) above, as well as satisfaction of all other requirements for issuance of building permits, building permits may be released for the Market Rate Units.

SECTION 10. RENTAL BY DEVELOPER/OWNER TO ELIGIBLE TENANTS.

(a) Following completion of construction, the Developer, or such other owner of the Property or a portion thereof as further described in Section 12 of this Agreement (hereinafter collectively referred to as “Developer/Owner”), shall rent Moderate-Income-Inclusionary Units to Moderate-Income Households, Workforce I Units to Workforce I Income Qualified Households, and Workforce II Units to Workforce II Income Qualified Households all at Affordable Rent prices as described in Section 11 below. If, despite the use of commercially reasonable efforts, Developer is unable to rent the Inclusionary Units and/or Workforce Units due to a lack of qualified Eligible Tenants, then Developer may request modifications to this Agreement.

(b) Prior to entering any lease for any Inclusionary or Workforce unit, the Developer shall 1) pay the County the required tenant income qualification fee (payable once per unit regardless of number of referrals required) and, 2) collect required income and household documentation from potential tenants and provide the information to the County so that it can conduct the income certification review.

(c) Developer/Owner shall rent all units in compliance with applicable state and federal fair housing laws and regulations.

(d) Developer/Owner may implement employee and geographic preferences in tenant selection, subject to compliance with applicable fair housing laws and regulations.

(e) Rental agreements may only be entered into between Developer/Owner and Eligible Tenants whose income qualifications have been confirmed by the County to rent the unit.

SECTION 11. AFFORDABLE RENTAL RATE.

(a) The Moderate, Workforce I and Workforce II Units shall be rented to Eligible Tenants at prices that do not exceed the Maximum Initial Rent Prices calculated by applying the formula set forth in Appendix F of the Administrative Manual.

(b) Maximum Initial Rent Prices for the Moderate, Workforce I and Workforce II Units, as of the date of this Agreement (subject to change annually when published income figures are updated by the California Department of Housing and Community Development) are shown in Exhibit D, attached hereto, and incorporated herein.

(c) Developer acknowledges and agrees that Maximum Initial Rent Prices are determined based on current income levels in the County, changes to which are published annually by the California Department of Housing and Community Development and the number of bedrooms in the Moderate, Workforce I and Workforce II Units.

(d) The County's calculation of Maximum Initial Rent Prices shall be determinative and binding upon Developer.

(e) The Maximum Initial Rent Price established for each Moderate, Workforce I and Workforce II Unit by the County shall be the maximum price that the Developer may charge for a Moderate, Workforce I and/or Workforce II Unit or may receive as compensation for a Moderate, Workforce I or Workforce II Unit.

(f) The County shall provide Developer with the Maximum Initial Rent Prices for the Moderate,

Workforce I and Workforce II Unit annually within ten days of publication of the updated Median Income by the California Department of Housing and Community Development.

SECTION 12. CHANGES IN TENANT INCOMES DURING OCCUPANCY AND AFFORDABILITY REQUIREMENTS.

(a) Tenants are not required to vacate Inclusionary or Workforce units if their household income changes during the term of their tenancy and as documented as part of complying with the annual monitoring requirements of the Ordinance.

(b) If the Tenant's household income decreases or increases such that they fall into a new income category during their tenancy, then:

(c) Developer shall adjust the tenant's monthly rent to reflect the new income level of the tenant.

(i) For example, a moderate-income household's income increases so that it qualifies as a Workforce 1-income household, the Developer may assess rent for a low-income household.

(d) When a tenant moves between income categories, the Developer shall rent the next available unit at the tenant's former income level.

(i) From the example above, the Developer would need to rent the next available unit, of comparable bedroom count, to a moderate-income household.

(e) A moderate-income tenant whose income increases above the maximum moderate-income limit would have a rental cost that would be the lesser of: a) thirty-five percent (35%) of the actual household income of the tenant; or b) market rate rent.

SECTION 13. INCLUSIONARY AND WORKFORCE PARCEL SALE DOCUMENTS AND SECURITY INSTRUMENTS.

The Inclusionary and Workforce Units will be constructed across 4 parcels internal to the Property that will be created by way of separate subdivision. Each such parcel is anticipated to be sold to a buyer who will manage the Inclusionary and Workforce Units located thereon and will ensure their continued affordability as described in this Agreement. As described in Section 8 of this Agreement, the County shall expedite the processing of the subdivision of the Property to facilitate the development of the Inclusionary Unit Property.

Each of the four resultant lots internal to the Inclusionary Unit Property, together with the Inclusionary and Workforce Units located thereon, may be sold to an employer or employers without regard to purchaser's income or price limitations so long as the Master Developer assigns and purchaser agrees to assume, in writing, the ongoing rent and income restrictions that run with the land as described in this Agreement prior to, or simultaneous with, the transfer of the Inclusionary Unit Property, or any portion thereof, to a subsequent purchaser. Such assignment and assumption of these restrictions shall be provided to the County following the transfer of the Inclusionary Unit Property, or any portion thereof, to a subsequent purchaser.

SECTION 14. COUNTY APPROVAL OF DOCUMENTS.

The following documents, to be approved in writing by the County, shall be used in connection with the development and rental of the Moderate, Workforce I and Workforce II Units, and shall be

required to be executed and approved prior to the issuance of building permits for the Moderate, Workforce I and Workforce II Units:

(a) A management and marketing plan consistent with the terms of this Agreement and County marketing requirements as established in the Administrative Manual;

(b) A schedule of Maximum Initial Rents for the Inclusionary Units, subject to adjustment to reflect published changes in County income levels and County administrative procedures (to be prepared by the County, following Developer/Owner's request);

(c) The preliminary Department of Real Estate public report for the Moderate, Workforce I and Workforce II Units, if any (to be obtained by the Developer and submitted to the County).

(d) The County shall expedite the review of these documents, associated building plans, and the plans for the minor subdivision described in Section 12(1) of this Agreement to ensure the timely development and rental of the Moderate, Workforce I and Workforce II Units. County application fees attributable to the development of the 12 moderate-income units required by MCC Chapter 18.40 may be waived or attenuated in accordance with Board of Supervisors Resolution No. 2000-342, consistent with the goal of providing inclusionary and affordable housing.

SECTION 15. COMPLIANCE REPORTS, INSPECTIONS, MONITORING.

(a) Following completion of construction of the Moderate, Workforce I and Workforce II Units, a Compliance Report meeting the requirements of the Administrative Manual, verifying compliance by Developer with the terms of this Agreement, and certified as correct by the Developer under penalty of perjury, shall be submitted annually to the County, commencing 1 year from the date of issuance of a final certificate of occupancy for the first Inclusionary Unit to be completed and continuing until all Inclusionary Units have been rented to Eligible Tenants or Eligible Tenants.

(b) Developer shall retain all records related to compliance with obligations under this Agreement and Chapter 18.40 for a period not less than five years from the date of rental of all Inclusionary Units and make them available to County employees or others designated by the County for inspection and copying on five business days' written notice.

(c) The County shall be further entitled to monitor compliance with this Agreement and Chapter 18.40 as provided in the Administrative Manual. The Developer shall cooperate fully in such monitoring.

SECTION 16. AGREEMENT RUNS WITH THE LAND.

(a) The covenants and conditions herein contained shall apply to and bind, during their respective periods of fee ownership, Developer and its heirs, executors, administrators, successors, transferees, and assignees having or acquiring any right, title, or interest in or to any part of the Property and shall run with and burden such portions of the Property until terminated in accordance with this Section 16.

(b) The owners of fee title to the Property shall expressly make the conditions and covenants contained in this Agreement a part of any deed or other instrument conveying any interest in such property.

SECTION 17. DEFAULT AND REMEDIES.

The County will notify the Developer of any default in its obligations under this Agreement. The Developer will have 90 days after the County's notice is delivered to cure. Failure of the Developer

to cure will constitute a failure to satisfy the Conditions of Approval with respect to the Property and the requirements of MCC Chapter 18.40. In addition to remedies for breach of this Agreement, the County may exercise any remedies available to it under the Subdivision Map Act, MCC Chapter 18.40, or otherwise, including but not limited to:

(a) withholding, conditioning, suspending, or revoking any permit license, subdivision approval or map, or other entitlement for the Master Development, including without limitation, final inspections for occupancy and/or certificates of occupancy;

(b) instituting against the Developer, or other parties, a civil action for declaratory relief, injunction or any other equitable relief, or relief at law, including, without limitation, an action to rescind a transaction and/or to require repayment of any funds received in connection with such a violation;

(c) where one or more persons have received financial benefit as a result of violation of this Agreement or of any requirement imposed under MCC Chapter 18.40, instituting legal action to recover, as necessary, a penalty in any amount up to and including the amount of financial benefit received, in addition to recovery of the benefit received;

(d) prosecuting a misdemeanor against any person who has rented a residential unit at a price exceeding the maximum allowed under this Agreement or to a household not qualified under this Agreement, or who has otherwise violated MCC Chapter 18.40, or any other agreement restriction or requirement authorized or imposed under MCC Chapter 18.40; or

(e) any other means authorized under the Monterey County Code.

SECTION 18. REMEDIES CUMULATIVE.

(a) No right, power, or remedy given to the County by the terms of this Agreement or Chapter 18.40 is intended to be exclusive of any other right, power, or remedy. Each and every such right, power, or remedy as against the Developer or any other person shall be cumulative.

(b) Neither the failure nor any delay on the part of the County to exercise any such rights and remedies shall operate as a waiver thereof, nor shall any single or partial exercise by the County of any such right or remedy preclude any other or further exercise of such right or remedy, or any other right or remedy.

SECTION 19. ATTORNEY'S FEES AND COSTS.

In addition to any remedy otherwise available under this Agreement or at law or equity, the County shall be entitled to receive from the Developer, or any person violating this Agreement, the costs of enforcing this Agreement, including, without limitation reasonable attorneys' fees, court costs, and the costs of County staff time. Should Developer prevail in any legal action or proceeding between the Parties regarding this Agreement, Developer shall be entitled to reasonable attorney's fees, court costs and litigation expenses, as determined by the court.

SECTION 20. APPOINTMENT OF OTHER AGENCIES.

The County may, upon notice to, and with the consent of, the Developer, designate, appoint, or contract with any other public agency, for-profit or nonprofit organization to perform some or all the County's obligations under this Agreement. Such consent of the Developer shall not be unreasonably withheld.

SECTION 21. NOTICES.

(a) All notices required by this Agreement shall be in writing and may be given by personal delivery or by registered or certified mail, return receipt requested, to the party to receive such notice at the addressed set forth below:

TO THE COUNTY:

County of Monterey
Housing and Community Development
1441 Schilling Place, 2nd Floor, South
Salinas, CA 93901
Attn: Housing Program Manager

TO THE OWNER:

Rancho Canada Venture
40 Tehama
Carmel, CA 93923

With a copy to:

County of Monterey
Office of County Counsel
168 W. Alisal Street, 3rd Floor,
Salinas, CA 93901

With a copy to:

Anthony Lombardo & Associates
Attn: Anthony L. Lombardo, Esq.
144 W. Gabilan St.
Salinas, CA 93901

(b) Any party may change the address to which notices are to be sent by notifying the other parties of the new address, in the manner set forth above.

SECTION 22. INTEGRATED AGREEMENT.

(a) This Agreement constitutes the entire Agreement between the parties. No modification hereof shall be binding unless reduced to writing and signed by the parties hereto.

SECTION 23. DURATION AND AMENDMENT OF AGREEMENT.

(a) This Agreement shall remain in effect for so long as the Property is subject to inclusionary housing obligations under MCC Chapter 18.40.

(b) This Agreement and any section, subsection, or covenant contained herein, may be amended only upon the written consent of the Economic Development Director, who shall have authority to approve or disapprove minor or technical amendments on behalf of the County.

(c) If the amendment makes a substantive or material change to this Agreement, it shall be effective only following approval of the governmental authority that gave the First Approval for the Master Development.

SECTION 24. APPLICABLE LAW.

(a) This Agreement shall be governed by California law.

SECTION 25. WAIVERS.

(a) Any waiver by the County of any obligation or condition in this Agreement must be in writing. No waiver will be implied from any delay or failure by the County to act on any breach or default of Developer or to pursue any remedy allowed under this Agreement or applicable law.

Any extension of time granted to Developer to perform any obligation under this Agreement shall not be construed as a waiver or release from Developer's obligations under this Agreement.

(b) Consent by the County to any act or omission by Developer shall not be construed as consent to any other act or omission by Developer.

(c) Consent by the County to any Act or Omission by Developer shall not be construed as a waiver of the requirement that Developer obtain the County's written consent to future waivers.

SECTION 26. TITLE OF PARTS AND SECTIONS.

(a) Any titles of the sections or subsections of this Agreement are inserted for convenience of reference only and shall be disregarded in interpreting any part of the Agreement's provisions.

SECTION 27. MULTIPLE ORIGINALS, COUNTERPART.

(a) This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

SECTION 28. RECORDING OF AGREEMENT.

(a) The Developer shall cause this Agreement to be recorded against the Property and the Inclusionary Unit Property in the Official Records of the County of Monterey.

SECTION 29. SEVERABILITY.

(a) In the event any limitation, condition, restriction, covenant, or provision contained in this Agreement is to be held invalid, void, or unenforceable by any court of competent jurisdiction, the remaining portions of this Agreement shall nevertheless, be, and remain, in full force and effect.

SECTION 30. EXHIBITS.

(a) The following exhibits are attached to this Agreement:

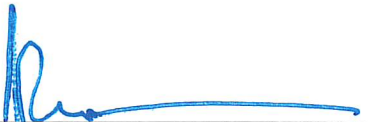
Exhibit A	Legal Description of the Property
Exhibit B	Income Level, Size and Bedroom Count
Exhibit C	Resolution No.21-309
Exhibit D	Maximum Initial Rent Prices for Moderate, Workforce I and Workforce II Units and Maximum Income Levels for Tenants

Signatures appear on the following page.

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

RANCHO CANADA VENTURE, LLC

A California limited liability company

By: 
Alan Williams AKA R. Alan Williams

Its: Sole Member

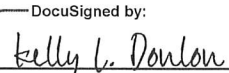
COUNTY

County of Monterey, a political subdivision of the State of California

By: 
Craig Spencer, AICP

Its: Acting Director, Housing and Community Development

APPROVED AS TO FORM

DocuSigned by:
By: 
Kelly L. Dorton
Assistant County Counsel

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of MONTEREY)

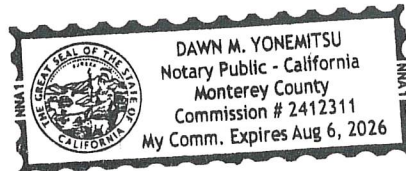
On JUNE 28, 2023 before me, DAWN M YONEMITSU
(insert name and title of the officer)

personally appeared CRAIG W SPENCER,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Handwritten Signature] (Seal)



ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

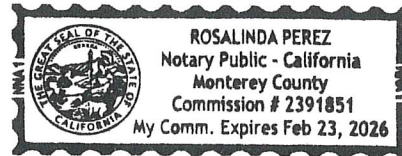
County of MONTEREY

On 07.07.23 before me, ROSALINDA PEREZ, PUBLIC NOTARY
(insert name and title of the officer)

personally appeared ALAN WILLIAMS AKA R. ALAN WILLIAMS,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.



Signature Rosalinda Perez (Seal)

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

That property situated in Monterey County, in the unincorporated area, State of California, described as follows:

Parcel A of that Certain Subdivision Map entitled Tract No. __, Rancho Canada Village
Recorded on _____ 202_, in Volume _____ of Maps, "Cities and Towns," at Page
_____, official records of Monterey County, California.

EXHIBIT B**INCOME LEVEL, SIZE AND BEDROOM COUNT
OF INCLUSIONARY UNITS**

INCOME LEVEL	TYPE OF UNIT	NUMBER OF UNITS	<u>NUMBER OF BEDROOMS</u>	<u>SQUARE FOOTAGE</u>
Moderate Income (Priced @ 110% of Area Median Income (AMI) but available to households earning up to 120% of AMI)	Apartment	28	1 BR Units 2 BR Units	800 SF Min 1,000 SF Min
Workforce I Income (Priced at 120% of Area Median Income but available to households earning up to 150% of AMI)	Apartment	6	2 BR Units 3 BR Units	1000 SF Min 1,200 SF. Min
Workforce II Income (Priced at 150% of Area Median Income but available to households earning up to 180% of AMI)	Apartment	6	2 BR Units 3 BR Units	1000 SF Min 1,200 SF. Min

EXHIBIT C

RESOLUTION Nos. 21-308 and 21-309

Resolution No. 21-309 adopted by the Board of Supervisors on July 27, 2021, is hereby incorporated into this Agreement by reference.

The full resolution may be found at <https://www.co.monterey.ca.us/government/departments-and-clerk-of-the-board> and searching for Agenda Item No. 19 or File No. RES 21-140 on the July 27, 2021 agenda for the Board of Supervisors.

EXHIBIT D

**MAXIMUM INITIAL RENT PRICES FOR INCLUSIONARY
AND WORKFORCE UNITS AND
MAXIMUM INCOME LEVELS FOR TENANTS
Based on Income Limits in Effect as of July 1,2022**

[update with latest #'s from County/State]

<u>Rent Limits</u>	<u>1-Bedroom</u>	<u>2-Bedroom</u>	<u>3-Bedroom</u>
Moderate Income	\$2,457	\$2,602	\$3,006
Workforce I	\$3,351	\$3,548	\$4,099
Workforce II	\$4,022	\$4,258	\$4,920

<u>Utility Allowance</u>	<u>1-Bedroom</u>	<u>2-Bedroom</u>	<u>3-Bedroom</u>
Electric - Cooking	\$8	\$13	\$17
Electric - Heating	\$22	\$32	\$40
Electric - Other	\$31	\$43	\$55
Electric - Range	\$20	\$20	\$20
Electric - Refrigerator	\$25	\$25	\$25
Electric - Water Heater	\$20	\$26	\$35
Sewer	\$52	\$52	\$52
Trash Collection	\$27	\$27	\$27
Water	\$66	\$93	\$153

Utility Allowance is from the Housing Authority of Monterey County, Energy Efficient Utility Allowance for Qualified Apartment and Townhouse Effective January 1, 2023, thru December 31, 2024.

The amount of utility allowance will be based on the actual utilities paid by the tenant and may be different if natural gas is used instead of electricity.