

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

County of Monterey  
Housing & Redevelopment Office  
168 West Alisal Street, 3<sup>rd</sup> Floor  
Salinas, CA 93901

NO RECORDING FEE REQUIRED AS PER GOV'T CODE 27383

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**AMENDMENT # 1 TO THE  
DECLARATION OF AFFORDABILITY COVENANTS  
between the  
COUNTY OF MONTEREY  
and  
INTERIM, INC.  
for  
SHELTER COVE**

THIS AMENDMENT #1 is entered into this 17th day of May, 2016 by and between the County of Monterey ("County"), and Interim, Inc. ("Developer").

WHEREAS, the County and Developer entered into a Loan Agreement ("Agreement") on June 6, 2005 for the construction of thirteen bedrooms for very low income homeless persons with mental disabilities at the Shelter Cove project; and

WHEREAS, the County and Developer entered into a Declaration of Affordability Covenants on June 7, 2005, imposing occupancy requirements and rent restrictions upon the County-Assisted Bedrooms, Document No. 20015131342, recorded December 14, 2005; and

WHEREAS, Developer wishes to implement construction plans and to relocate services to low income, homeless persons with mental disabilities and substance abuse issues to the Shelter Cove location; and

WHEREAS, full implementation of these plans will result in a reduction of the number of County-Assisted Beds by four (4) but will increase Developer's capacity to serve more individuals in the target population and to provide additional services at Shelter Cove; and

WHEREAS, County and Developer wish to amend the terms of the Declaration of Affordability Covenants to reflect a reduction in the number of County-Assisted Bedrooms in order to enhance services for the target population.

NOW, THEREFORE, it is agreed between the parties hereto that:

I. A new Recital E is added:

"The County and Developer seek to change the Covenants to provide for a reduction in

the number of the restricted bedrooms from thirty-six (36) to thirty-two (32).”

II. Recital F (formerly Recital E) is deleted and the following language is substituted:

“The following covenants and restrictions, as amended, are recorded against the Property in consideration of the County’s agreement to make the County Loan to Developer.”

III. The language of Section 1 (f) is deleted and the following language is substituted:

“County-Assisted Bedrooms shall mean the thirty-two (32) bedrooms to be renovated for very low income persons who are homeless or at risk of homelessness with mental disabilities pursuant to the Agreement.”

IV. The language of Section 2 is deleted and the following language is substituted:

“Occupancy Requirements. All thirty-two (32) of the County-Assisted Bedrooms shall be rented to and occupied by or, if vacant, be available for occupancy by Very Low Income Households with mental disabilities who are homeless or at risk of homelessness. Preference in occupancy of the County-Assisted Bedrooms shall be granted to homeless very low income households living in Monterey County.”

V. All other terms and conditions of the Agreement remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment #1 to the Agreement on the dates set forth below.

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

**DEVELOPER**  
Interim, Inc., a California nonprofit  
public benefit corporation

By: \_\_\_\_\_  
David Spaur  
Economic Development Director

By: \_\_\_\_\_  
Barbara Mitchell  
Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:  
COUNTY COUNSEL

By: \_\_\_\_\_  
Deputy County Counsel

Date: \_\_\_\_\_