



Monterey County

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

Board Report

Legistar File Number: 20-107

February 25, 2020

Introduced: 2/7/2020

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

- a. Approve Amendment No. 2 to the Gabriella M. Perez (formerly Gabriele Gerardi) individual Inclusionary Housing Agreement to allow conveyance of her unit into a revocable trust; and
- b. Authorize the Housing Program Manager to execute the approved Amendment No. 2 to Inclusionary Housing Agreement.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve Amendment No. 2 to the Gabriella M. Perez (formerly Gabriele Gerardi) individual Inclusionary Housing Agreement to allow conveyance of her unit into a revocable trust; and
- b. Authorize the Housing Program Manager to execute the approved Amendment No. 2 to Inclusionary Housing Agreement.

SUMMARY:

Inclusionary Housing homeowner Gabriella M. Perez has requested approval to transfer title of her Inclusionary Housing Unit into a revocable living trust as part of her estate planning. She owns a home in the Las Palmas Ranch, Phase II Inclusionary Housing Subdivision that is designated as a 120% moderate-income unit. Ms. Gabriella M. Perez purchased the unit as Gabriele Gerardi, an unmarried woman. On September 25, 1997, she married Fausto Perez and changed her name to Gabriella Maria Perez. She now holds title as Gabriella M. Perez, a married woman, as her sole and separate property.

Under the terms of the recorded Owners' *Inclusionary Housing Agreement* with the County ("*Agreement*"), 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. While the current Inclusionary Housing Program does allow for transfers into revocable trusts on certain conditions, application of this provision to pre-existing Inclusionary Housing Agreements 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, may 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 County Board of Supervisors on that date. The amendment, however, did not provide for retroactive

application of this provision for existing Inclusionary homeowners.

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 to: (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 resale of the home to income-and-asset qualified buyers and is consistent with the Ordinance.

OTHER AGENCY INVOLVEMENT:

The County Counsel Office has reviewed this report and approved *The Gabriella M. Perez 2019 Revocable Trust*, and the *Amendment No. 2 to Inclusionary Housing Agreement* as to form.

FINANCING:

There is no fiscal impact on the General Fund or on revenues.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The County’s Inclusionary Housing Program provides homeownership opportunities in the unincorporated areas of Monterey County to Low- and Moderate-income households.

Mark a check to the related Board of Supervisors Strategic Initiatives:

- X Economic Development
- __ Administration
- X Health & Human Services
- __ Infrastructure
- __ Public Safety

Prepared by: _____
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Approved by: _____
Anastacia Wyatt, Housing Program Manager, Ext. 5387

- Attachments:
- Board Report
 - Exhibit A - Amendment No.2 Transfer to Trust PRE 2002 Perez Draft
 - Exhibit B - Perez Inclusionary Housing Agreement