



# County of Monterey

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

## Legislation Details (With Board Report)

**File #:** 22-457      **Name:** York Highlands – Subordinate Deeds of Trust  
**Type:** General Agenda Item      **Status:** Passed  
**File created:** 5/12/2022      **In control:** Board of Supervisors  
**On agenda:** 5/24/2022      **Final action:** 5/24/2022

**Title:** a. Approve and authorize the Chair to sign a Subordination and Consent document for the purpose of subordinating three Deeds of Trust held by the County to the Declaration of Covenants, Conditions and Restrictions of York Highlands Monterey; and  
b. Approve and authorize the Chair to sign a Subordination and Consent document for the purpose of subordinating three Deeds of Trust held by the County to the Monterra Road Agreement; and  
c. Direct the Clerk of the Board to have the two documents recorded in the Office of the County Recorder.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Board Report, 2. Attachment A – 2012 Deeds of Trust, 3. Attachment B – Draft Subordination and Consent document, 4. Attachment C – Draft Subordination and Consent document, 5. Completed Board Order Item No. 49, 6. Signed Subordination of Deeds of Trust (Monterra Road Agreement), 7. Signed Subordination of Deeds of Trust (York Highlands Monterey)

Date	Ver.	Action By	Action	Result
5/24/2022	1	Board of Supervisors	approved	Pass

a. Approve and authorize the Chair to sign a Subordination and Consent document for the purpose of subordinating three Deeds of Trust held by the County to the Declaration of Covenants, Conditions and Restrictions of York Highlands Monterey; and  
b. Approve and authorize the Chair to sign a Subordination and Consent document for the purpose of subordinating three Deeds of Trust held by the County to the Monterra Road Agreement; and  
c. Direct the Clerk of the Board to have the two documents recorded in the Office of the County Recorder.

**RECOMMENDATION:**

It is recommended that the Board of Supervisors:

a. Approve and authorize the Chair to sign a Subordination and Consent document for the purpose of subordinating three Deeds of Trust held by the County to the Declaration of Covenants, Conditions and Restrictions of York Highlands Monterey; and  
b. Approve and authorize the Chair to sign a Subordination and Consent document for the purpose of subordinating three Deeds of Trust held by the County to the Monterra Road Agreement; and  
c. Direct the Clerk of the Board to have the two documents recorded in the Office of the County Recorder.

**SUMMARY/DISCUSSION:**

On May 22, 2012, the Monterey County Board of Supervisors approved the Final Map and the Subdivision Improvement Agreement (SIA) for York Highlands. On the same day, the Board accepted three Deeds of Trust (Attachment A) as surety for the subdivision improvements in conformance to the terms of the SIA. The Deeds of Trust were recorded on May 31, 2012, as Document Nos. 2012031829, 2012031830, and 201203183 in the Official Records of the County Recorder.

Before marketing new subdivisions in California, subdividers must obtain a public report (white papers) from

the California Department of Real Estate (DRE). Prior to issuing a public report for York Highlands, the DRE requires all lenders to subordinate their deeds to the CC&Rs and the Road Maintenance Agreement. Because the County took Deeds of Trust as security for the subdivision improvements for this project, the County stands in the same position as a conventional lender, necessitating these subordinations in order for the DRE to issue white papers and the Developer to sell lots. This will have not any financial impact to the County, it merely ensures that if the County were to foreclose on the deeds of trust, the CC&R's and Road Maintenance Agreement will remain in place. It does not make the County a party to either document.

California Environmental Quality Act (CEQA)

This action is not a project under California Environmental Quality Act (CEQA) Guidelines section 15378(b) (5) because it is an administrative activity that will not result in direct or indirect physical changes to the environment.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel has reviewed the proposed Subordination and Consent documents (Attachments B and C) as to form.

FINANCING:

There is nominal cost to the County for staff time related to this action, which is covered by the Road Fund, Fund 002, Appropriation Unit PFP004, which receives reimbursement from the General Fund for development related staff time.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Economic Development; Provide growth in opportunities for housing in Monterey County and provide construction jobs for Monterey County residents.

Infrastructure; Plan and develop a sustainable, physical infrastructure that improves the safety and quality of life for Monterey County residents. Provide for an adequate and safe infrastructure.

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

Prepared by: Michael K. Goetz, PLS, County Surveyor

Reviewed by: Tom Bonigut, PE, Deputy Director of Public Works, Facilities and Parks

Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

Attachments:

Attachment A - 2012 Deeds of Trust

Attachment B - Draft Subordination and Consent document - CC&Rs

Attachment C - Draft Subordination and Consent document - Road Maintenance Agreement

(Attachments on file with Clerk of the Board)