



The Management Agreement approved by the Board provides for disbursement of rental income funds to serve as “working capital,” intended for use by JSCo for repair and maintenance of the Kents Court property. While working capital contract provisions were approved by the Board through its approval of Section 11.b.1 of the Agreement, there was no Board authorization to use rental income to fund the working capital obligation. It is recommended that the Board authorize disbursement of rental income funds to serve as working capital, for use to repair and maintain Kents Court, in order to fully implement the Management Agreement.

**OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this report.

**FINANCING:**

There is no impact on the General Fund. The cost of working capital, as well as operational expenses and management fees, are paid for by income generated by the rental of the Kents Court units within fund 175. Any residual income is restricted to use by the County to further affordable housing.

Prepared by: \_\_\_\_\_

Jane Royer Barr, Housing Program Manager, Ext. 5389

Approved by: \_\_\_\_\_

David L. Spaur, CEcD, EDFP, Economic Development Director, Ext. 5387

Attachments:

Kents Court Management Agreement between the Housing Successor Agency of the County of Monterey and John Stewart Company

(Attachments are on file with the Clerk of the Board)