



County of Monterey

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

Board Report

File #: A 20-315, **Version:** 1

- a. Approve the Agreement to Provide Affordable Housing Services between Community Housing Improvement Systems and Planning Association, Inc. (CHISPA) and the County of Monterey for Moro Cojo at no cost to the County.
- b. Authorize the Board of Supervisors Chair, Chris Lopez, to execute the Agreement to Provide Affordable Housing Services on behalf of the County of Monterey.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approved the Agreement to Provide Affordable Housing Services between Community Housing Improvement Systems and Planning Association, Inc. (CHISPA) and the County of Monterey for Moro Cojo at no cost to the County.
- b. Authorize the Board of Supervisors Chair, Chris Lopez, to execute the Agreement to Provide Affordable Housing Services on behalf of the County of Monterey.

SUMMARY:

In 1994, the County conditionally approved the Moro Cojo Project pursuant to Board of Supervisor's Resolution No 94-524. Pursuant to Condition 99 of this Moro Cojo Resolution and a Stipulated Settlement Agreement that resolved litigation over the Moro Cojo Project, the condition allows for and permits the resale of homes within the Moro Cojo Project to persons of very low-, low-, or moderate-income households.

The County's Housing and Economic Development has received inquiries from lenders and realtors on behalf of Moro Cojo homeowners who wish to sell or refinance their homes and has requested that CHISPA administer the affordability requirements relating to the Moro Cojo Project.

Both the County and CHISPA acknowledge that there is no express requirement in the Moro Cojo Resolution or any conditions of approval set forth therein that obligates CHISPA to administer and enforce in perpetuity the affordability covenants that have been recorded on lots within Moro Cojo and to ensure that Moro Cojo homeowners set home prices in accordance therewith. Therefore, the County has determined that CHISPA has the necessary experience and skill to provide the affordable housing services set forth in the **Agreement to Provide Affordable Housing Services**.

CHISPA shall assist any Moro Cojo homeowner who wishes to utilize CHISPA's services in determining home prices that comport with Condition 99 and the Stipulated Settlement Agreement for purposes of sale or refinancing of the homes. Such service by CHISPA will be provided in exchange for a fee as detailed in the Agreement.

Both the County and CHISPA desire to enter into this Agreement for CHISPA's provision of such services to the Moro Cojo homeowners. The homeowners and the buyers will be responsible for paying CHISPA's fees. The County of Monterey will not incur any fees.

DISCUSSION:

In 1994, the Board of Supervisors approved a vesting tentative map for the Moro Cojo subdivision (SH 93001).

Community Housing Improvement Systems and Housing Association, Inc. (CHISPA) was the applicant/developer. The project included 175 single family homes and 90 multi-family rental units. A condition of approval expressly required that “all the units in the Moro Cojo Inclusionary Housing Development Projects (SH 93001 and SH 93002) be affordable to very-low, low-, and moderate-income households as defined in section 50093 of the California Health and Safety Code.” In settlement of litigation over the project approval, the petitioners in the lawsuit, CHISPA, and the County agreed that the County shall interpret this condition of approval to mean that the 175 units are for very-low, low, or moderate-income households (up to 120% percent of median income) and the 90 multi-family rentals are for very low income families (average of 50% of median income), and that the condition of approval, as interpreted by the settlement agreement, shall be a permanent deed restriction on the project parcels. A deed restriction which recited the condition of approval was recorded on the entire property in 1997. The deed restriction runs with the land, meaning that the restriction applies to the current and any subsequent owner of the property. Under the condition of approval as interpreted by the settlement agreement, the 175 units in the Moro Cojo subdivision must remain permanently affordable to qualified very-low, low-, or moderate-income buyers.

OTHER AGENCY INVOLVEMENT:

The County Counsel Office has reviewed this report and the Agreement and approved as to form.

FINANCING:

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

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The County’s affordable housing programs provide 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

☒ Economic Development

☐ Administration

☒ Health & Human Services

☐ Infrastructure

☐ Public Safety

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Approved by: _____
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Attachments:

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Attachment A - Agreement to Provide Affordable Housing Services