



# County of Monterey

## Item No.1

### Board Report

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

Legistar File Number: SARDA A 25-003

September 30, 2025

Introduced: 8/4/2025

Current Status: Consent Agenda

Version: 1

Matter Type: Successor Agreement

Approve an Agreement for Purchase and Sale of Real Property and Escrow Instructions by and an Assignment and Assumption Agreement for the Mixed Use Town Center Development with Phase Three Affordable Rental Housing at East Garrison.

**Proposed California Environmental Quality Act (CEQA) action:** Find the action statutorily exempt pursuant to CEQA Guidelines section 15378(c).

#### RECOMMENDATION:

It is recommended that the Board of Supervisors, acting as the Board of Directors for the Successor Agency to the Redevelopment Agency for the County of Monterey

- a. Find the action statutorily exempt pursuant to CEQA Guidelines section 15378(c);
- b. Approve as to final form the Agreement Purchase and Sale of Real Property and Escrow Instructions between UCP East Garrison, LLC and Community Housing Improvement Systems and Planning Association, Inc for the Mixed Use Town Center Development with Phase Three Affordable Rental Housing at East Garrison;
- c. Approve and consent to Assignment and Assumption Agreement for lots T1.4, T1.5, and T1.6 pursuant to the Disposition and Development Agreement and Agency Deed, East Garrison Project, by and among UCP and CHISPA for the Mixed Use Town Center Development with Phase Three Affordable Rental Housing at East Garrison, substantial as to form and subject to the approval of the Office of the County Counsel; and
- d. Authorize the Chief Assistant County Administrative Officer to sign the Assignment and Assumption Agreement on behalf of the Successor Agency for the County of Monterey.

#### SUMMARY/DISCUSSION:

Community Housing Improvement and Planning Associates, Inc. (CHISPA) is the non-profit developer selected for the Phase Three Rental Affordable Housing. Pursuant to the Memorandum of Disposition and Development Agreement (DDA) by and between the Redevelopment Agency of the County of Monterey (now Successor Agency, referred hereto as Agency) and the developer (now UCP East Garrison, LLC, referred hereto as UCP) for the development at East Garrison, UCP entered into a Memorandum of Agreement (MOA) with CHISPA on June 26 2024, to: 1) designate and obtain approval of CHISPA as the non-profit developer to build the 66 very low and low-income units for the Phase Three Affordable Rental Housing Project; 2) set forth obligations prior to entering into a Purchase Agreement and Assignment and Assumption Agreement; and 3) provide for development of basic business terms to be elaborated in the Rental Affordable Housing Financing and Budget referenced in the Purchase Agreement (Attachment 2).

On June 25, 2024, the County of Monterey (County) and the Agency according to their

respective jurisdiction and authority over the various project components, approved revisions to the East Garrison Development entitlements consisting of the Final Phase, combining remaining portions Phase Three and the Town Center phase of the original East Garrison Project (PLN030204-AMD2). The Final Phase relocated the Phase Three Affordable Rental Housing consisting of 66 affordable apartment units from their original location adjacent to the Arts Park to a new location cohoused and stacked on top of the commercial Town Center with up to 30,000 sf of commercial/institutional/retail use space (including a community courtyard). This mixed use condominium development consists of the non-residential uses on the ground floor, residential units on the floors above the ground floor, associated parking lot and common areas (collectively referred to as the Project).

Pursuant to the DDA and MOA, UCP and CHISPA wish to enter into an Agreement for Purchase and Sale of Real Property and Escrow Instructions for the Project (the Purchase Agreement), subject to the Agency's approval as to its final form (Attachment 1).

UCP has acquired all of the rights, title and interest to the Project site, and to satisfy the DDA provision requiring the Project's 66 rental affordable units, UCP desires to convey and assign to CHISPA its interests under the DDA as to the Project site, and CHISPA desires to assume UCP's obligations of the Project and to take title to the Project site. The Assignment and Assumption Agreement (Exhibit E to Attachment 1) will effectuate these desires. Pursuant to the DDA, the Agency must approve and consent to the Assignment and Assumption Agreement.

Staff requests that the Board, acting as the Board of Directors for the Successor Agency of the Redevelopment Agency for the County of Monterey, approve as to its final form the Purchase Agreement and approve and consent to the Assignment and Assumption Agreement substantial as to form, subject to approval by the Office of the County Counsel.

#### OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed the agreements as to form. CHISPA is the non-profit affordable housing developer for the Project. Staff is also presenting the Assignment and Assumption Agreement on September 30, 2025, to the County of Monterey Board of Supervisors for consideration.

At the September 10, 2025, East Garrison Community Services District Advisory Committee meeting, staff presented a status update to the community regarding the Town Center/Phase 3 Rental Affordable Housing Development and conditions of approval No. 117 and No. 118 related to parking.

#### FINANCING:

Staff time to negotiate, develop and process the agreements will be reimbursed by the East Garrison Developer Reimbursements, Appropriation Unit HCD080, Fund 182. The DDA obligates the (now) Successor Agency to use tax revenues ("tax increment") generated from the East Garrison project to provide financial assistance for affordable housing. As of June 30, 2025, the total Agency obligation for Phase Three affordable apartments is \$7,276,656.74. CHISPA's fund-raising efforts are underway to fully fund the Rental Affordable Housing Project. UCP is obligated to fund construction of the 30,000 sq ft Town Center.

Prepared by: Katie Scariot, Assistant Planner

Reviewed by: Sarah Wikle, Principal Planner

Approved by: Melanie Beretti, AICP, Chief of Planning 831-755-5285

The following attachments are on file with the Clerk of the Board:

Attachment 1 - Purchase Agreement with Exhibit E Assignment and Assumption Agreement

Attachment 2 - MOA designating CHISPA as Phase Three Affordable Housing Developer

cc: Katie Scariot, Assistant Planner; Craig Spencer, Director; Melanie Beretti, AICP, Chief of Planning; Lori Woodle, Finance Manager I; Kathleen Nielsen, Management Analyst II; Keith McCoy, Urban Mix Development; Dean Mills, UCP East Garrison, LLC; Geoffrey Morgan, CHISPA Housing; Dana Cleary, CHISPA; District 4 Office, East Garrison Distribution List.