



County of Monterey

Item No.

Board Report

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

Legistar File Number: 25-147

March 11, 2025

Introduced: 2/25/2025

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

- a. Approve and authorize the assignment and assumption of the HOME loan, made by the County of Monterey to Pacific Meadows Senior Housing, L.P. , from Pacific Meadows Senior Housing, L.P. as the withdrawing General Partner to the Housing Authority Limited Liability Company as the new General Partner; and
- b. Approve and authorize the Housing and Community Development Director, or his designee, to execute the approved Assignment and Assumption Agreement.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the assignment and assumption of the HOME loan, made by the County of Monterey to Pacific Meadows Senior Housing, L.P. , from Pacific Meadows Senior Housing, L.P. as the withdrawing General Partner to the Housing Authority Limited Liability Company as the new General Partner; and
- b. Approve and authorize the Housing and Community Development Director, or his designee, to execute the approved Assignment and Assumption Agreement.

SUMMARY:

In 2007, the County funded the Pacific Meadows Senior Facility with HOME program income funds and grant funds. The HOME funds were lent to Pacific Meadows Senior Housing, L.P. to provide financing for 200 affordable units total. The affordable senior housing development is located in Carmel. The land is leased from the Housing Authority of the County of Monterey (HACM). HumanGood Affordable Housing manages the units.

DISCUSSION:

The Pacific Meadows project is located on Carmel Valley Road in Carmel Valley. It includes 200 senior housing units originally constructed by the Carmel Valley Limited Partnership using financing from a number of sources. The project is currently managed by HumanGood Affordable Housing under a ground lease with HAMC. The County initially issued a loan in 2007 to address serious structural deficiencies while preparing a master plan to rehabilitate the entire property. The loan documents were amended in 2010. There were three substantive changes in the loan documents. First, the amount of HOME funding for this loan was reduced from \$645,000 to \$625,334 and the term was extended from 25 to 55 years to conform to State standards. Second, the level of affordability was increased (there was no longer any market rate units offered; all units were rented at very low and low income levels) and the term of the affordability restrictions was increased from 25 to 55 years to match that required by State financing. Finally, the security of the leasehold interest in the land was reduced from 115 acres to 13 acres because of HACM's requirement for a new lease.

The Housing Authority of the County of Monterey plans to enter into an Assignment and Assumption Agreement with Pacific Meadows Senior Housing, L.P., the owner for Pacific Meadows, as the Substitute General Partner with the County of Monterey's approval. County approval is required because of the County's 2010 HOME loan for this project.

OTHER AGENCY INVOLVEMENT:

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

FINANCING:

There is no fiscal impact on the General Fund or on revenues. Staff time to prepare this report is included in the FY2024-25 Adopted Budget for Housing and Community Development Administration Appropriation Unit HCD001, Unit 8542.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The County's affordable housing program provides funding opportunities in the unincorporated areas of Monterey County for housing developers that serve very low-, low-, or moderate-income households.

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

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Reviewed by: Darby Marshall, Housing Program Manager, x5391

Approved by: Craig W. Spencer, Director of Housing & Community Development, x5233

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

Attachment A: Assignment and Assumption Agreement Pacific Meadows Senior Facility