

Joseph F. Pitta  
Monterey County Recorder  
Recorded at the request of  
**County of Monterey**

CROLIE  
3/21/2002  
8:16:51

Recording Requested By  
and  
When Recorded Return To:  
County of Monterey  
Environmental Resource Policy  
Housing and Redevelopment  
29 Bishop Street, Suite 203, Pajaro, CA 95076  
Attn. Frank Brunings, Senior Housing Program Analyst

DOCUMENT: 2002027472

Titles: 1/ Pages: 9



\*2002027472\*

Fees....  
Taxes...  
Other...  
AMT PAID

**AGREEMENT IMPOSING RESTRICTIONS  
ON REAL PROPERTY  
FOR INCLUSIONARY RENTAL HOUSING**

This agreement is made by and between the County of Monterey ("County") and Q'S LANDING, LLC ("Developer"), this 30 day of December, 2000.

Whereas, Developer is the owner of the property located at: **10640 M<sup>C</sup>DOUGALL STREET; CASTROVILLE, CALIFORNIA**, more particularly described in Exhibit A attached hereto ("Subject Property"), and hereby incorporated by reference.

Whereas, pursuant to the Inclusionary Housing Ordinance of the County, Monterey County Code Chapter 18.40, ("the Ordinance") which provides for housing opportunities for persons of low and moderate income, the County of Monterey has determined to issue a permit for development of subject property within the conditions imposed by the Ordinance.

Now therefore, in consideration of the issuance of the development permit, Developer hereby covenants and agrees with the County to the following terms, conditions, and restrictions which shall be recorded and shall be attached to and become a part of the deed to the property.

A. Developer agrees as follows:

- (1) To rent TWO unit(s) as inclusionary unit to persons having an annual income which is no greater than **eighty (80) percent** of the median income for Monterey County as defined by the U.S. Department of Housing and Urban Development (HUD), as

# 12

adjusted for family size. No rental of any inclusionary units shall be made without prior written approval of the Monterey County Housing Authority pursuant to Section A(5) and (6) of this agreement.

- (2) To rent TWO unit(s) as inclusionary unit to persons having an annual income which is no greater than fifty (50) percent of the median income for Monterey County as defined by the U.S. Department of Housing and Urban Development (HUD), as adjusted for family size. No rental of any inclusionary units shall be made without prior written approval of the Monterey County Housing Authority pursuant to Section A(5) and (6) of this agreement.

- (3) To rent Inclusionary units:

(a) At a monthly contract rent that is equal to or less than the fair market rents established by HUD for the Section 8 Rental Assistance program for existing units as adjusted for the utility combination of the unit, when such persons are in possession of a Section 8 certificate or

(b) At a monthly contract rent equal to but not more than 30 percent of the gross monthly income of persons earning 70 percent of the median income for Monterey County, as defined by HUD.

(c) In the event the standards for establishing monthly rental rates set forth in subparagraphs A (2) (a) & (b) above cease to exist, the following standard shall be substituted: Maximum rental level shall be a base rent established by the last rental ceiling published for the Section 8 program adjusted by a percentage to reflect the percentage increase or decrease in the median income.

- (4) To notify the Monterey County Department of Planning and Building Inspection and the Monterey County Housing Authority promptly when rental vacancies in inclusionary units occur.

(5) To include in the lease or rental agreement for inclusionary units, a provision prohibiting subletting or assignment of the unit to tenants not qualified according to the standards established by the Ordinance.

(6) To submit prospective tenants for review by the Monterey County Housing Authority for certification as income eligible households and to submit the Inclusionary Rental Units on the property to an audit every two years by the Monterey County Housing Authority to verify maintenance of low income rent levels as specified in subparagraphs (A) (2), (a), (b) and (c) of this agreement.

(7) To pay the Monterey County Housing Authority for services rendered in certifying the income eligibility of prospective tenants and performing the required audit in accordance with Exhibit B attached ("Fee schedule") hereto, and hereby incorporated by reference.

B. The County agrees as follows:

To refer to the Developer upon request, persons for inclusionary units who qualify for the benefits under Section 8 as established by HUD.

C. General Terms and Conditions:

(1) All notices required under this agreement shall be sent to the following address:

To County: Monterey County Environmental Resource Policy  
Housing and Redevelopment  
29 Bishop Street, Suite 203  
Pajaro, CA 95076

To Developer: ISLANDING LLC  
28 W. LAMAR ST.  
SALINAS, CA 93906

Any party may change the address to which notices are to be sent by notifying the other parties of the new address.

(2) Conversion and/or sale of the Inclusionary Rental Units as condominiums, stock cooperatives or community apartment project shall not alter the requirement that the units continue as Inclusionary Rental Units.

(3) Units designated as Inclusionary Rental Units under this Agreement shall remain available as rental units throughout the life of the structure in which they are contained and its replacement.

(4) The covenants and conditions herein contained shall apply to and bind the heirs, successors and assigns of all the parties hereto and shall run with the land.

(5) As between the County and Developer, Developer is deemed to assume responsibility and liability for, and Developer shall indemnify and hold harmless the County and any and all of its officers, agents, servants or employees for and against any and all claims loss, damage, charge or expense, whether direct or indirect, to which County or such officers, agents, servants or employees may be put or subjected, by reason of any damage, loss or injury of any kind or nature whether to persons or property cause by or resulting from or in connection with any negligent act or action, or any neglect, omission or failure to act when under a duty to act, on the part of Developer or any of his officers, agents, servants employees or subcontractors in his or their performance hereunder.

(6) The County or its designee shall have the right to terminate its obligations under this Agreement or, to assign all or any part of this Agreement to any public agency, by providing not less than sixty (60) days written notice to Developer.

(7) Developer agrees not to discriminate against any lessee or potential lessee because of race, color, religion, sex or national origin.

(8) Violation of this Agreement may be remedied by appropriate administrative and

legal proceedings and penalties as prescribed in the Monterey County Code as it may be amended from time to time.

(9) This Agreement constitutes the entire agreement between the parties and no modifications hereof shall be binding unless reduced to writing and signed by the parties hereto.

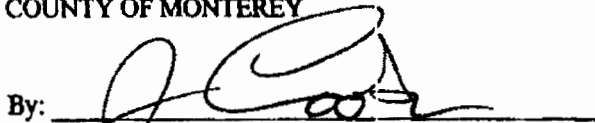
D. Termination:

This Agreement shall remain in full force and effect throughout the lifetime of the structure and its replacement herein before described.

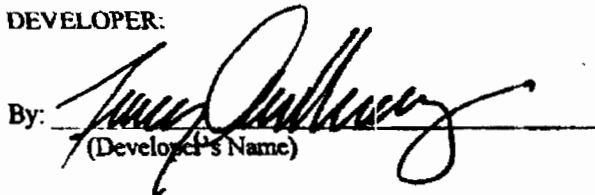
IN WITNESS WHEREOF the parties hereto have cause this Agreement to be entered as of the day and year first above written.

Department of Planning and Building Inspection:


COUNTY OF MONTEREY

By:   
Jim Cook  
Housing and Redevelopment Manager

DEVELOPER:

By:   
(Developer's Name) (signature must be notarized)

Approved as to form:  
Adrienne M. Grover  
County Counsel

By:  3-13-02  
Deputy County Counsel

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

STATE OF CALIFORNIA )  
COUNTY OF MONTEREY )

On 1/22/2002 before me, EDITH R. SAUNO, Notary Public, personally appeared TRACY ANTHONY, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature *Edith R. Sauno* (Seal)  
EDITH R. SAUNO



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

STATE OF CALIFORNIA )  
COUNTY OF MONTEREY )

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)



