

**BEFORE THE BOARD OF SUPERVISORS  
OF THE COUNTY OF YUBA**

**RESOLUTION AUTHORIZING THE )  
BOARD CHAIR TO EXECUTE A )  
REGULATORY AGREEMENT WITH ) RESOLUTION NO.: 2021-076  
HABITAT FOR HUMANITY )  
YUBA/SUTTER, INC. FOR THE )  
HABITAT FOR HUMANITY )  
AFFORDABLE HOUSING PROJECT AND )  
MAKE A FINDING OF PUBLIC BENEFIT )  
FOR THE PROJECT PURSUANT TO GC )  
25539.4**

**WHEREAS**, Habitat for Humanity Yuba/Sutter, Inc (Habitat) reached out to Yuba County Community Development and Services Agency (CDSA) about Habitat’s desire to purchase the Travel Inn & Suites located at 1111 North Beale Road (APN: 020-020-070) in the unincorporated Yuba County community of Marysville and turn the hotel into an 61-unit affordable housing project; and

**WHEREAS**, CDSA informed Habitat that to allow an existing hotel to be utilized as a Single-Room Occupancy land-use, approval of an Administrative Use Permit (AUP) was required; and

**WHEREAS**, on April 7<sup>th</sup>, 2021 Habitat submitted an application for an AUP to utilize the Travel Inn & Suites as a Single-Room Occupancy land-use and, subject to neighboring noticing requirements and no requests for a project public hearing, CDSA’s Planning Manager approved the AUP on April 23, 2021; and

**WHEREAS** Habitat is seeking to utilize funding from the California Department of Housing and Community Development’s (HCD) Community Development Block Grant (CDBG) program to purchase the Travel Inn & Suites in the amount of \$6,200,000; and

**WHEREAS**, HCD has confirmed a CDBG program funding source specific to Yuba County for Habitat’s acquisition of the Travel Inn & Suites and subject to CDSA submitting an application to HCD for the funding; and

**WHEREAS**, on June 8, 2021, the Board adopted a resolution authorizing CDSA to apply for CDBG funding and enter into a Standard Agreement with HCD for funding for Habitat’s acquisition of the Travel Inn and Suites; and

**WHEREAS**, the CDBG program funding source for Habitat to purchase the Travel Inn and Suites would be passed through Yuba County’s CDBG program which mandates that the County

would be responsible for the funding received to acquire the Travel Inn and Suites for Habitat; and

**WHEREAS**, pursuant to GC 25339.4, Counties may sell, lease, exchange, quitclaim, convey or otherwise dispose of real property, or purchase real property, to provide for affordable housing with the approval of a Regulatory Agreement and a finding of public benefit it made; and

**WHEREAS**, a Regulatory Agreement has been created between Yuba County and Habitat stating the County intends to provide the funding for Habitat to acquire the Travel Inn and Suites in exchange for the Habitat Affordable Housing Project units being restricted for a period of 30 years to the United States Department of Housing and Urban Development defined Very Low and Low income categories; and

**WHEREAS**, the County finds a public benefit will be made and the use will be in the county's best interest from the County entering into the Regulatory Agreement mandating affordable housing for a period of 30 years; and

**WHEREAS**, the proposed units will satisfy a portion of State requirements to provide affordable housing and that the subject project will credit the State requirements as defined by the California Housing Development Department (HCD); and

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**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors authorizes the Board Chair to execute a Regulatory Agreement with Habitat and the Board makes a finding that the Project is in the county's best interest and a finding of public benefit for the project pursuant to GC 25339.4.

**PASSED AND ADOPTED** this 8 day of June 2021, by the Board of Supervisors of the County of Yuba, by the following vote:

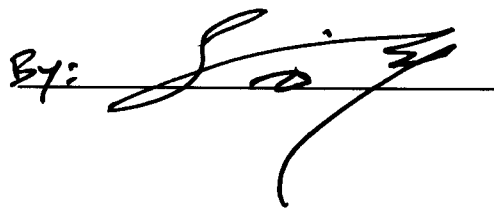
- AYES:** Supervisors Vasquez, Blaser, Fuhrer, Bradford, Fletcher
- NOES:** None
- ABSENT:** None
- ABSTAIN:** None

  
\_\_\_\_\_  
Chair

**ATTEST: RACHEL FERRIS**  
Clerk of the Board of Supervisors

  
\_\_\_\_\_  
Clerk of the Board of Supervisors

**APPROVED AS TO FORM:**  
Mike Ciccozzi, County Counsel

By:   
\_\_\_\_\_

Recording Requested by  
and when Recorded, return to:

County of Yuba  
915 8<sup>th</sup> Street, Suite 123  
Marysville, CA 95901  
ATTN: CDSA Director

EXEMPT FROM RECORDING FEES PER  
GOVERNMENT CODE §§6103, 27383

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

**REGULATORY AGREEMENT AND  
DECLARATION OF RESTRICTIVE COVENANTS**

THIS REGULATORY AGREEMENT (this "Agreement") is made and entered as of June \_\_\_\_\_, 2021, by and among the County of Yuba, ("County"), and Habitat for Humanity Yuba/Sutter, Inc., a California Nonprofit Corporation ("Owner" or, collectively with County, "Parties") with reference to the following:

**RECITALS**

A. Owner is the owner of the real property described in "Exhibit A," attached hereto and incorporated herein by reference (the "Property").

B. County intends to facilitate grant funds through HCD to Owner for acquisition of the Property not to exceed the principal amount of six million two hundred thousand dollars (\$6,200,000) in connection with the acquisition and improvement of a sixty-one (61) unit affordable rental project and one (1) manager's unit (for a total of 62 units) to be known as County of Yuba – CDBG Affordable Housing Project (the "Project") in unincorporated Yuba County, California.

C. The purpose of this Agreement is to establish rental restrictions on the residential units of the Property for a period of thirty (30) years from the date of this Agreement in order to qualify the property for funding pursuant to California Government Code 25539.4, and to provide for the continuous availability of the Property as affordable housing.

D. This Agreement shall run with the land and shall bind Owner and all of Owner's successors in interest as owners of the Property.

NOW, THEREFORE, in consideration of the foregoing and the benefits secured by Owner and County, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. RECITALS. The foregoing recitals are a part of this Agreement.

2. DEFINITIONS. In addition to the terms defined elsewhere in the Agreement, the following terms shall have the following meanings:

A. "Median Income" shall mean the median income adjusted for household size applicable to Yuba County as determined annually by the United States Department of Housing and Urban Development.

B. "Rent" shall mean the monthly total of payments by the tenants of a Unit for the following: use and occupancy of the Unit and associated facilities, including parking, utilities; the separately charged fees or service charges assessed by Owner which are required of all tenants, other than security deposits; the allowance for utility costs paid by the tenant but not telephone service, internet, cable; any other interest, taxes, fees or charges for use of the land or associated facilities and assessed by a public or private entity other than Owner, and paid by the Tenant.

C. "Tenant" shall mean an occupant of the Units.

D. "Unit" shall mean each of the 61 permanent affordable rental units to be renovated on the Property as a part of the Project and 1 unit for the on-site manager to be unrestricted.

E. "Very Low Income Household" means a household whose income does not exceed fifty percent (50%) of the Median Income applicable to Yuba County, adjusted for family size as published and annually updated by the United States Department of Housing and Urban Development.

F. "Very Low Income Units" shall mean the Units, which, pursuant to Section 4, below, are required to be occupied by Very Low Income Households.

G. "Low Income Household" means a household whose income does not exceed Eighty percent (80%) of the Median Income applicable to Yuba County, adjusted for family size as published and annually updated by the United States Department of Housing and Urban Development.

H. "Low Income Units" shall mean the Units, which, pursuant to Section 4 below, are required to be occupied by Low Income Households.

3. TERM OF AGREEMENT, RUNS WITH THE LAND. This Agreement shall remain in full force and effect until thirty (30) years from date of the recordation of this Agreement in the Official Records of Yuba County, California, unless terminated earlier by County pursuant to the terms of this Agreement or extended by the mutual consent of the Parties. The covenants set forth herein shall be covenants running with the land (as they may be amended from time to time) and shall inure to the benefit of and be enforceable by County while County maintains any interest in the Property and shall be binding upon Owner and/or any other party having any right, title or interest in the Property (including any portion thereof). By accepting title, Owner, or any other person who acquires an ownership interest in the Property, agrees (a) that all covenants and

restrictions created by this Agreement are necessary in order to preserve the stock of affordable housing for Very Low Income Households and are reasonable in light of their purposes, and (b) to abide by each and every covenant and restriction herein.

4. RENTAL AND OCCUPANCY REQUIREMENTS

A. From the date that this Agreement is recorded, and for a period of thirty (30) years thereafter, unless earlier terminated by County, 61 of a total of 62 Units in the Project (excluding the resident manager's unit) shall be occupied by Low and Very Low Income Households. Each Low and Very Low Income Household is subject to annual certification and Owner is authorized to act under the provisions of local, federal and state laws to move to terminate the tenancy of any Household one or more of whose members misrepresented any fact material to the Household's qualification as a Low or Very Low Income Household.

B. Annual Rents for the Very Low Income Units occupied by a Very Low Income Household shall be restricted to no more than 30% of 50% of the AMI, adjusted for number of bedrooms, assumed household size and applicable utility allowances.

C. Annual Rents for Low Income Units occupied by a Low Income Household shall be restricted to no more than 30% of 80% of the Area Median Income, adjusted for number of bedrooms, assumed household size and applicable utility allowances.

D. Owner shall require each Very Low Income Unit to be subject to a rental agreement in the form which may be subject to approval by County and shall not lease any such unit for less than six months or for more than one year.

5. MARKETING. Owner shall prepare and implement a marketing plan, subject to prior approval by County, which approval shall not be unreasonably withheld or delayed, which specifies how Owner intends to market the Low and Very Low Income Units to prospective Low and Very Low Income Households.

6. MAINTENANCE OF PROPERTY. During the duration of this Agreement, at its sole cost and expense, Owner(s) shall keep the Property in good condition, order and repair and shall not commit waste or permit impairment, demolition or deterioration of the Property. County shall have the right to inspect the Property, provided the Residents are given notice prior to any such inspection.

7. NO DISCRIMINATION. Owner covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, veteran or military status, or genetic information in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall Owner or any person claiming under or through Owner establish or permit any such practice or practices of discrimination or segregation with reference

to the selection, location, number, use or occupancy of tenants, lessees, subtenants, subleases or vendees in the Property.

8. NO IMPAIRMENT OF LIEN. No violation or breach of the covenants, conditions, restrictions, provisions or limitation contained in this Agreement shall defeat or render invalid or in any way impair the lien or charge of any mortgage, deed of trust or other financing or security instrument permitted under this Agreement.

9. DEFAULTS AND REMEDIES. Upon substantial violation by Owner of this Agreement, County shall give written notice to Owner, specifying the nature of the violation. If Owner does not correct the violation to the satisfaction of County, in its sole discretion, within a reasonable period of time (not to exceed ninety (90) days) after its receipt of such notice, or within such further time as County, in its sole discretion, determines is necessary to correct the violation, County may immediately declare a default under this Agreement and exercise any other remedies permitted at law or in equity.

10. SUCCESSOR AND ASSIGNS. This Agreement shall bind, and the benefit shall inure to, Owner and his or her heirs, legal representatives, executors, successors in interest and assigns, and County and its successors and assigns for the term of this Agreement as provided in Section 3.

11. SUPERIORITY OF AGREEMENT. Owner covenants that Owner has not, and will not, execute any other agreement with provisions contradictory to or in opposition of the provisions of this Agreement, and that, in any event, this Agreement is controlling as to the rights and obligations between Owner and County and their respective successors and assigns. Notwithstanding the foregoing, in the event of a conflict between the provisions of this Agreement and the provisions of either: (a) Section 42 of the Internal Revenue Code or regulations promulgated thereunder; or (b) the regulatory agreement to be recorded .

12. INVALID PROVISIONS. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

13. CONTROLLING LAW. The terms of this Agreement shall be interpreted under the laws of the State of California.

14. NOTICES. All notices required herein shall be sent by certified mail, return receipt requested or express delivery service with a delivery receipt and shall be deemed to be effective as of the date received or the date delivery was refused as indicated on the return receipt as follows:

To Owner:     Habitat for Humanity Yuba/Sutter, Inc.  
                  A California Nonprofit Corporation  
                  202 D Street  
                  Marysville, CA 95901

Attn: Joseph Hale, CEO

To County: County of Yuba, CDSA  
915 8th Street, Suite 123  
Marysville, CA 95901  
Attn: Michael Lee, Director

With copy to: Office of Yuba County Counsel  
915 8th Street, Suite 111  
Marysville, CA 95901

The parties may subsequently change addresses by providing written notice of the change in address to the other parties in accordance with this Agreement.

15. EXHIBITS. Any exhibits referred to in this Agreement are incorporated in this Agreement by such reference.


16. INDEMNITY. Owner shall defend, indemnify, and hold harmless County from all claims arising from or pertaining to the ownership, maintenance, or management of the Property and the Project.

**IN WITNESS WHEREOF** the foregoing Agreement is executed on the date and year first above-written.

COUNTY OF YUBA

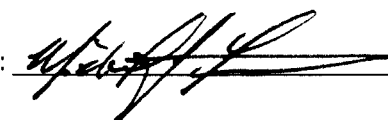
  
Chairman, Board of Supervisors

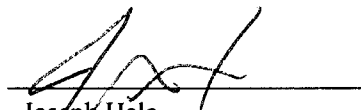
ATTEST:

  
Clerk, Board of Supervisors

HABITAT FOR HUMANITY YUBA/SUTTER, INC.,  
A California Nonprofit Corporation

Approved as to Legal Form:  
COUNTY COUNSEL

By: 

By:   
Name: Joseph Hale  
Its: Corporate Executive Officer



**ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF California

COUNTY OF YUBA

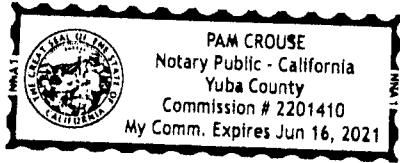
On June 4<sup>th</sup>, 2021 before me, Pam Crouse, Notary Public

personally appeared Joseph Hale, who 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 acknowledge 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Pam Crouse (Seal)



ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF California

COUNTY OF YUBA

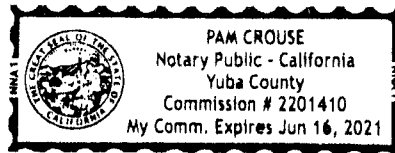
On June 8, 2021 before me, PAM CROUSE, NOTARY PUBLIC

personally appeared Gary Bradford, who 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 acknowledge 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Pam Crouse (Seal)



**Exhibit "A"**

**Legal Description**

The land described herein is situated in the State of California, County of Yuba, unincorporated area, described as follows:

**Parcel 1:**

Parcel 1, as shown on that certain entitled "Parcel Map No. 97-12", filed September 2, 1998 in Book 70 of Parcel Maps, Page 2, in the Office of the County Recorder of said County.

**Parcel 2:**

An easement for ingress and egress access over a strip of land designated and delineated as "40' ingress and egress access easement to benefit Parcels 1, 2 & 3", as shown on that certain map entitled "Parcel Map No. 97-12", filed September 2, 1998 in Book 70 of Parcel Maps, Page 2, in the Office of the County Recorder of said County.

APN: 020-020-070-000