



**Contra  
Costa  
County**

To: Board of Supervisors  
From: John Kopchik, Director, Conservation & Development Department  
Date: March 29, 2016

Subject: Reconveyance of Regulatory Agreements for Affordable Housing Properties Owned by Shelter Inc. of Contra Costa County

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to release regulatory agreements for affordable housing properties owned by Shelter Inc. of Contra Costa County.

**FISCAL IMPACT:**

No General Fund impact. The County did not provide any funds to Shelter Inc. for these properties.

**BACKGROUND:**

On June 19, 2001, the Board of Supervisors approved the execution of regulatory agreements for affordable housing properties owned by Shelter Inc. of Contra Costa County (Shelter Inc.) to ensure that up to 23 residential properties in the County could receive a welfare exemption from property taxes and ensure that the properties remained affordable to and occupied by low-income households for a minimum of forty years or upon the sale, transfer, or conveyance of the property by Shelter Inc. to an unaffiliated third party.

The regulatory agreements were not required by the County. The County did not contribute

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **03/29/2016** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: John Gioia, District I  
Supervisor  
Candace Andersen, District II  
Supervisor  
Karen Mitchoff, District IV  
Supervisor  
Federal D. Glover, District V  
Supervisor

ABSENT: Mary N. Piepho, District III  
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 29, 2016

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Stephanie L. Mello, Deputy

Contact: Kristin Sherk,  
925-674-7887

cc:

funding toward these properties. The regulatory agreements were requested by Shelter Inc. for tax purposes.

Shelter Inc. wishes to sell seven units at Ellis Street Townhomes in Concord to obtain funds for other programs.

### BACKGROUND: (CONT'D)

The sale of each of these properties at market value will yield up to one million dollars in total, which in turn would give Shelter Inc. the funds to better manage other Shelter Inc. programs and properties. All tenants received 90 days notice to vacate in December 2015. Three of the units are receiving Mental Health Services Act rental subsidy via Shelter Inc. and have successfully been relocated to other rental properties in Contra Costa County. The remaining units have either located another place to live or are in the process of doing so. All units will be vacated by May 2016.

The following Shelter Inc. Ellis Street Townhome Properties are affected:

1. 1591 Ellis Street, #107, Concord
2. 1591 Ellis Street, #119, Concord
3. 1591 Ellis Street, #202, Concord
4. 1591 Ellis Street, #304, Concord
5. 1591 Ellis Street, #316, Concord
6. 1591 Ellis Street, #318, Concord
7. 1591 Ellis Street, #320, Concord

The original board order included a list of 23 residential properties; of that list, only the above seven properties are currently owned by Shelter Inc. and have a regulatory agreement for affordable housing. As noted previously, the regulatory agreement provides that affordable housing requirements cease upon sale, transfer or conveyance of the property.

### CONSEQUENCE OF NEGATIVE ACTION:

If the County does not release the Regulatory Agreements, Shelter Inc. will either be unable to find a buyer for the properties, or will have to sell the properties for a much lower price.