

Recording Requested by and
When Recorded Return to:

County of Nevada
950 Maidu Ave, Suite 130
Nevada City, CA 95959

Exempt from recording fees
Pursuant to Gov't Code § 2783

**DECLARATION OF RESTRICTIVE COVENANTS FOR REAL PROPERTY LOCATED AT 628 SOUTH
AUBURN STREET, GRASS VALLEY CA, 95945**

THIS DECLARATION OF RESTRICTIVE COVENANTS ("Declaration") is executed on DECEMBER 15, 2020, by the County of Nevada, a political subdivision of the state of California ("Declarant").

RECITALS

WHEREAS, Declarant is the owner of certain real property located in the City of Grass Valley, County of Nevada, California, at 628 South Auburn Street 95945 with an Assessor's Parcel Number of 029-241-028-000, which is more particularly described in the attached and incorporated Exhibit A (the "Property"); and

WHEREAS, on October 27, 2020, the Nevada County Board of Supervisors passed and adopted Resolution 20-465, thereby approving an agreement for Declarant's purchase of the Property (RES 20-465) utilizing funds awarded by the California Department of Housing and Community Development ("DHCD") HOMEKEY grant program (RES 20-464), subject to the conditions set forth in the Standard Agreement (20-HK-00072) by and between the Department of Housing and Community Development and the Count of Nevada ("DHCD"), and pursuant to program guidelines issued by DHCD through a Notice of Funding Availability for the HOMEKEY grant program dated July 15, 2020 ("NOFA"); and

WHEREAS, Exhibit D, Section 23, of the aforementioned Standard Agreement (20-HK-00072) and subdivision (iii) of Section 404 of the aforementioned NOFA requires a document imposing a use, occupancy, and rent restrictions on the owner of real property purchased using HomeKey funds to be recorded against the Property; and

WHEREAS, this Declaration is being recorded in compliance with the aforementioned sections of the Standard Agreement (20-HK-00072), HomeKey program NOFA; and section 2781.5 of the California Government Code.

NOW, THEREFORE, Declarant declares as follows:

1. **Covenant Running with the Land.** In consideration of the approval of the purchase, rehabilitation and conversion to permanent housing of real property located at 628 South Auburn Street, Grass Valley CA 95945, the Declarant does hereby covenant and agree to restrict, and does by this instrument intend to restrict, the future use of the Property as set forth below, by the establishment of this covenant running with the property.
2. **Restrictive Covenants.** The following restrictive covenants shall apply to the Property described as +/- 1.13 acre (49,222 sq. ft.) parcel (APN 029-241-028-000) located at 628 South Auburn street, Grass Valley CA 95945. The site is comprised of three (3) structures: an 18 unit main building accessible from South Auburn

street, a 3-unit residential structure behind the main building and a garage space adjacent to the residential structure both with access via Badger Lane off of South Auburn.

- a. **USE:** The Property shall be restricted to eligible uses established by the Homekey NOFA and provisions established in the Standard Agreement (20-HK-00072), which are made part of this Instrument by this reference as though fully set forth.
- b. **Target Population:** The Property is restricted for uses established in the Standard Agreement (20-HK-00072) and NOFA as individuals and families who are experiencing homelessness or who are at risk of homelessness, as defined in Part 578.3 of Title 24 of the Code of Federal Regulations, and who are impacted by the COVID-19 pandemic. All restrictions and affordability covenants require integration of the Target Population within all entrances, common areas, and buildings that comprise the HomeKey project.
- c. **Affordability:** The Property, comprised of up to 22 individual units of housing, is restricted to rents of no more than 30% Area median income.
- d. **Successors and Assigns Bound:** Declarant hereby agrees and acknowledges that the Property shall be held, sold, conveyed, owned, and used subject to the applicable terms, restrictions, covenants, conditions and obligations imposed by this Declaration relating to the use of the Property, and matters incidental thereto. Such terms, conditions, and obligations are a burden and restriction on the use of the Property, as applicable. The provisions of this Declaration shall, subject to the limitations contained in this Declaration and without modifying the provisions of this Declaration, be enforceable as equitable servitudes and conditions, restrictions and covenants running with the property, and shall be binding on the Declarant and upon each and all of its respective heirs, devisees, successors, and assigns, grantees, mortgagees, lienors, officers, directors, employees, agents, representatives, executors, trustees, successor trustees, beneficiaries, administrators, any person who claims an interest in the Property, and upon future owners of the Property and each of them.
- e. **Duration:** The restrictive covenants established in this declaration shall remain in effect for a period of 10-years pursuant to exhibit D, section 23 of the Standard Agreement.

3. **No Other Restrictions.** This Declaration imposes no other obligations or restrictions on Declarant, and neither its successors, nor any other person or entity claiming under them, shall be in any way restricted from using the Property except as provided herein or as otherwise limited by applicable federal, state, local law or regulation.

4. **General Provisions.**

- a. **Controlling Law:** The interpretation and performance of this Declaration shall be governed by the laws of the State of California and applicable Federal law.
- b. **Liberal Construction:** Any general rule of construction to the contrary notwithstanding, this Declaration shall be liberally construed to effect the purposes of this Declaration. If any provision in this Declaration is found to be ambiguous, an interpretation consistent with the purposes of this Declaration that would render the provision valid shall be favored over any interpretation that would render it invalid.

- c. Severability: If any provision of this Declaration or the application thereof is found to be invalid, the remaining provisions of this Declaration or the application of such provisions other than that found to be invalid shall not be affected thereby.
 - d. Termination of Rights and Obligations: A party's rights and obligations under this Declaration terminate upon transfer of the party's interest in the Declaration or Property, except that liability for acts, omissions or breaches occurring prior to transfer shall survive transfer.
 - e. Captions: The captions in this Declaration have been inserted solely for convenience of reference and are not a part of this Declaration and shall have no effect upon its construction or interpretation.
5. Modification: This Declaration shall not be amended, released, terminated, or removed from the Property without the prior written consent of the County of Nevada.
6. Recordation: This Declaration shall be recorded in the Nevada County Recorder's Office.

DECLARANT:

By: _____

Steve Monaghan

Title: Director of Information and General Services and
Authorized Representative of Property Owner, County
of Nevada.