

*Expanding the range of opportunities for all by
developing, managing and promoting quality
affordable housing and diverse communities.*



August 2, 2021

Claude Rinde
Chief Financial Officer
County of Yolo
Department of Financial Services
PO Box 1266
Woodland, CA 95776

RE: Primero Grove Regulatory Agreement Waiver
Regulatory Agreement and Declaration of Restrictive Covenants between County of Yolo and
State Street Bank and Trust Company of California, NA as Trustee and Becket Hall, Inc. a
California nonprofit public benefit corporation, Dated as of January 1, 1998 (“Regulatory
Agreement”)

Dear Mr. Rinde:

This letter is written to request a waiver to accommodate measures UC Davis has proposed to protect the health and safety of UC Davis students and it’s on campus community through August 31, 2022. These measures include an occupancy plan as follows:

Primero Grove Use Schedule

Primero Grove Building	Requested Use: 2021-2022 Academic Year through August 31, 2022
39 Units: Spruce Bldg.	Student Residents
47 Units: Manzanita Bldg.	Limited Number of UC Staff, Up to 45 units vacant
58 Units: Laurel Bldg.	Isolation Quarantine
37 Units: Magnolia Bldg.	Vacant, or Additional Isolation Quarantine Use

In 2020, Becket Hall, Inc. the Borrower under a Multifamily Housing Revenue Bond issued by the County of Yolo, and a party to an associated Regulatory Agreement, each dated January 1, 1998, requested a waiver to remove certain occupancy requirements affecting the apartment units and related to Low- and Very-Low Income Tenants units at Primero Grove. The Yolo County Board of Supervisors (“Board”) approved the requested waiver, on September 1, 2020 to support UC Davis Student Housing and Dining services measures to adapt to the circumstances created by the COVID-19 pandemic for the 2020-2021 Academic Year. The Board approved waiver allowed all of the buildings at Primero Grove to be used for isolation and/or quarantine purposes, and buildings would not be available for regular student tenant occupancy (non-isolation purposes). Regulatory Agreement provisions requiring 20% of the project units be made available to Low and Very Low-income Tenants were waived. Through Board approval of initial and additional requests this waiver of the uses required under the Regulatory Agreement extended through August 31, 2021.

UC Davis has announced a return to in person instruction beginning with the 2021 Fall Semester, bringing back over 38,000 undergraduate and graduate students to campus. As of mid-summer 2021, it has become clear that corona virus variants, such as the “Delta” variant, the occurrence of break-through infections and the sub-optimal levels of community immunization have resulted in rising levels of COVID-19 infections. While UC Davis will take additional steps to minimize transmission and increase vaccinations, it is reasonable to expect a certain portion of the campus population will become ill and require isolation and/or quarantine. There is a great deal of uncertainty about the amount of space required, and UC Davis has proposed the Use Schedule above to provide sufficient capacity to assist students sickened or exposed to COVID-19.

Specifically, if Board approved, Beckett Hall, Inc.:

1. Will not enter into any lease agreement with any students at the Laurel and Magnolia Buildings at Primero Grove for the Academic Year, September 1, 2021 through August 31, 2022 and these spaces will be vacant and/or made available to students needing isolation or quarantine. The requirements under the Regulatory Agreement for occupancy of 20% of the units by Low-Income and Very Low-Income Tenants would be waived for the Laurel and Magnolia Buildings.
2. Retain as vacant or available for temporary occupancy by students needing isolation or quarantine, up to 45 units at the Manzanita Building at Primero Grove for the Academic Year, September 1, 2021 through August 31, 2022. Two units will be provided to UC Davis staff members, or its property manager’s staff in connection with their employment related to maintenance and housing services. The requirements under the Regulatory Agreement for occupancy of 20% of the units by Low-Income and Very Low-Income Tenants would be waived for the Manzanita Building.
3. Will make the 39 units at the Spruce Building at Primero Grove available to UC Davis students for the Academic Year, September 1, 2021 through August 31, 2022. The requirements for occupancy of 20% of the units by Low-Income and Very Low-Income Tenants would apply, where 8 units would be subject to the Rent and Occupancy Restrictions detailed the Regulatory Agreement.

Please find the enclosed form of 2021/2022 Occupancy Certification and form of Exhibit C Certificate of Continuing Program Compliance with a request to temporarily modify the Regulatory Agreement due to the health and safety risks of COVID-19.

Sincerely,

Verna Causby-Smith

Verna Mae Causby-Smith
Director, Asset Management, EAH Housing
Office Phone: 415-295-8871; Cell Phone: 510-506-1046
verna.causbysmith@eahhousing.org

OCCUPANCY CERTIFICATE

(To be filed with The County of Yolo, California along with a Verification of Income upon rental of a unit to any Low-Income Tenant or Very Low-Income Tenant).

Project: Primero Grove Student Housing Apartments

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EAH Inc., Beckett Hall, Inc. and UC Davis Student Housing and Dining Services request to only assign tenants to temporarily designated isolation and/or quarantine apartment units at the Manzanita, Laurel and Magnolia Buildings at Primero Grove, and retain non-isolation/quarantine units as vacant through August 31, 2022. Due to COVID-19 no tenants, neither a Low-Income Tenant or Very Low-Income Tenant will enter into a lease with respect to the units in the buildings listed above as required in the Regulatory Agreement.

However, EAH Inc., Beckett Hall, Inc. and UC Davis Housing and Dining Services request that up to 2 units at the Manzanita Building may be occupied by UC Davis or its property manager’s staff in connection with providing student housing and dining services and/or facilities maintenance.

EAH Inc., Beckett Hall, Inc. and UC Davis Student Housing and Dining Services request to provide student housing units at the Spruce Building, including occupancy of 8 units (20% of the 39 units in the Spruce Building) by Low-Income and Very Low-Income Tenants, as required in the Regulatory Agreement.

EAH Inc., Becket Hall, Inc., UC Davis Student Housing and Dining Services and the County of Yolo agreed that the temporary termination of the Regulatory Agreement with respect to non-occupancy of Tenants, including eligible Low-Income and Very Low-Income households in Reserved Units as defined in the Regulatory Agreement will not result in a violation of any requirements of the Regulatory Agreement.

By:

Authorized Representative: Beckett Hall, Inc.

Name:

Date:

EXHIBIT C
Certificate of Continuing Program Compliance

RE: Regulatory Agreement and Declaration of Restrictive Covenants between County of Yolo and State Street Bank and Trust Company of California, NA as Trustee and Beckett Hall, Inc. a California nonprofit public benefit corporation, Dated as of January 1, 1998 ("Regulatory Agreement")

Witnessed that on this ___ day of _____, _____, the undersigned, having borrowed certain funds from the County of Yolo, (the "County") for the purpose of acquiring and rehabilitating a multifamily rental housing development, Primero Grove, (the "Project"), does hereby certify that the during the preceding month: (i) such Project was continually in compliance with the Regulatory Agreement executed in connection with such loan from the County; (ii) 0% of the units in the Manzanita, Laurel and Magnolia Buildings at the Project were occupied by Low-Income or Very Low Income Tenants; and (iii) 8 units in the Spruce Building were occupied by Low-Income and Very-Low Income Tenants as defined in the Regulatory Agreement. The County approved a request to temporarily waive Regulatory Agreement Requirements due to COVID-19 that required 20% of the Project to be leased to Low-Income and Very-Low Income Tenants and accommodate UC Davis health and safety measures to protect the UC Davis campus community.

Beckett Hall, Inc.
A California nonprofit corporation

By:

Authorized Representative: Beckett Hall, Inc.
Name: