

# **County of Monterey**

**Board Report** 

Legistar File Number: 24-141

Chambers 168 W. Alisal St., 1st Floor Salinas, CA 93901

Board of Supervisors

Item No.

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Current Status: Agenda Ready Matter Type: General Agenda Item

Receive a report on County-owned blighted facilities and provide direction to staff.

## **RECOMMENDATION:**

It is recommended that the Capital Improvement Committee receive a report on the County owned property that is either vacant or has deferred maintenance leading to a blighted appearance, how Community Development Block Grant Funds may be used to address blighting conditions, and provide direction to staff.

### SUMMARY:

During the September 26, 2023, Board of Supervisors meeting, a question was asked regarding blighted County properties and the use of Community Development Block Grant (CDBG) funds to address blight. In response to that question, County staff has reviewed its facilities list and identified potentially blighted properties.

#### DISCUSSION:

County staff have identified at least 12 County owned properties that have deferred maintenance needs or reuse potential. Attachment A is a list of these properties, with information on current uses, conditions, and possible future uses. It should be noted that some properties, especially the Laurel Yard, are a mix of occupied and unoccupied buildings or land. This blend of occupied and vacant space can make it challenging to determine if CDBG funds can be used to address existing slums or blight conditions.

To be eligible for CDBG assistance, a project must meet one of three National Objectives. The National Objectives are Activities Benefitting Low/Moderate Income Persons, Prevention/Elimination of Slums or Blight, and Urgent Needs. The activities allowed to meet these National Objectives are acquisition for clearance, clearance, relocation, historic preservation, or rehabilitation (but only to the extent necessary to eliminate specific conditions detrimental to public health and safety). There are two important requirements that may constrain the County's use of CDBG funding to address slums and blight. First, the County may not use CDBG funds for "buildings used for the general conduct of government"; e.g., the County, if the Administration Building were to be found to have asbestos, could not use CDBG funding for remediation. Second, the County must identify a proposed use of the building or property once it has been rehabilitated. The Department of Housing and Urban Development (HUD) generally requires that grantees be able to report that an acquired or rehabilitated property is benefitting low/moderate income persons within three-years of the CDBG expenditure.

What this means practically is that the County not only has to identify the blighted property, but also

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have redevelopment plans in place and ready to begin construction almost as soon as the remediation is complete. The County has used CDBG funding to complete two projects that could or did qualify for the Prevention/Elimination of Slums or Blight National Objective. The first project was the County's use of CDBG funding to address environmental contamination at the San Lucas Library site in 2015. What made this endeavor successful was that Public Works, Facilities, and Parks (PWFP) had already conducted extensive environmental testing and planning for the construction of a new library before applying for CDBG funding, making it possible to report that the property was being used as a community facility in a low/moderate income area.

The second project was making the Porter-Vallejo Mansion County Library accessible. This project could have qualified as a Historic Preservation activity because it kept a building listed on the National Register of Historic Places in use as a community facility. Because the Porter-Vallejo Mansion already housed a branch of the County Library, it was categorized as a community facility.

Of the properties that have been identified, the old County Jail, located at 152 W. Alisal St. is a good candidate for using CDBG funds to address slums/blight. The building is listed on the National Register of Historic Places. Work to restore the Administration Building and demolish the cell block would qualify under the slums/blight National Objective. If the County were to develop a museum commemorating the struggle for agricultural labor rights, it could meet the community facility use requirement. However, because the project is located within the City of Salinas, the County must demonstrate that the proposed use is not going to primarily benefit residents of the city.

The Porter-Vallejo Mansion located at 29 Bishop Street may be a good candidate for using CDBG funds to address slums/blight. This building is also listed on the National Register of Historic Places, making it likely to qualify under the historic preservation requirements. Interior work to address accessibility would also qualify under the Low/Moderate Persons National Objective because it will remove architectural barriers that limit access to the disabled. Whichever National Objective is used, the County has identified a qualified use as a community center for the building when the work is complete.

#### OTHER AGENCY INVOLVEMENT:

Public Works, Facilities, and Parks was responsible for developing the list of County Owned Properties with Deferred Maintenance.

#### FINANCING:

There is no financial impact associated with receiving this report.

#### BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Remediating the identified environmental contamination of the various properties will address the Board's public safety initiative by removing these toxins from the community. Reuse of the various properties, depending on how the property is reused, could support the Board's Economic Development, Administration, Health & Human Services, and Public Safety initiatives.

Mark a check to the related Board of Supervisors Strategic Initiatives

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Economic Development
X Administration
X Health & Human Services
X Infrastructure
<u>X</u> Public Safety

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Attachments: Attachment A: County Deferred Maintenance Property List