



County of Monterey

Item No.10

Board Report

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

Legistar File Number: 26-432

May 19, 2026

Introduced: 5/6/2026

Current Status: Public Works, Facilities &
Parks - Consent

Version: 1

Matter Type: General Agenda Item

- a. Find that the subject property transfer is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines California Code of Regulations (CCR) section 15061; and
- b. Approve the Buyer's Escrow Instructions between the County of Monterey and the Life Foundation Monterey, LLC, a California Limited Liability Corporation, to acquire one parcel including an approximately 99,000 square foot commercial building (the Property), located at 1000 South Main Street, Salinas California, 93901, for the purchase price of \$7,000,000 including a separate estimated \$20,000 escrow and due diligence related fees, for use by the Department of Social Services, pursuant to Government Code Section 25350.60; and
- c. Authorize the County Administrative Officer to execute the Buyer's Escrow Instructions, and any related documents needed to complete the transaction, including, but not limited to, a Grant Deed and any future amendments to the Buyer's Escrow Instructions, subject to the review and approval as to form by the Office of the County Counsel.
- d. Adopt Budget Resolution and Authorize the Auditor-Controller and County Administrative Office to make the related budget amendments to the Fiscal Year (FY) 2025-26 Adopted Budget and related transfers (4/5ths vote required):
 1. Increase appropriations by \$7,020,000 in General Fund 001 ,Other Financing Uses Appropriation Unit CAO017 (001-CAO017-1050-8038), financed by Unassigned Fund Balance previously designated by the Board for purchase of the 1000 South Main Street (Operating Transfer Out).
 2. Increase revenue and appropriations by \$7,020,000 for Fund 478 - Resource Planning, Appropriation Unit CAO047 (478-CAO047-1050-8539), financed by an Operating Transfer In from the General Fund to effectuate the purchase in fund 478.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Find that the subject property transfer is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines California Code of Regulations (CCR) section 15061; and
- b. Approve the Buyer's Escrow Instructions between the County of Monterey and the Life Foundation Monterey, LLC, a California Limited Liability Corporation, to acquire one parcel including an approximately 99,000 square foot commercial building (the Property), located at 1000 South Main Street, Salinas California, 93901, for the purchase price of \$7,000,000, including a separate estimated \$20,000 escrow and due diligence related fees, for use by the Department of Social Services, pursuant to Government Code Section 25350.60; and
- c. Authorize the County Administrative Officer to execute the Buyer's Escrow Instructions, and any

related documents needed to complete the transaction, including, but not limited to, a Grant Deed and any future amendments to the Buyer's Escrow Instructions, subject to the review and approval as to form by the Office of the County Counsel.

d. Adopt Budget Resolution and Authorize the Auditor-Controller and County Administrative Office to make the related budget amendments to the Fiscal Year (FY) 2025-26 Adopted Budget and related transfers (4/5ths vote required):

1. Increase appropriations by \$7,020,000 in General Fund 001 ,Other Financing Uses Appropriation Unit CAO017 (001-CAO017-1050-8038), financed by Unassigned Fund Balance previously designated by the Board for purchase of the 1000 South Main Street (Operating Transfer Out).
2. Increase revenue and appropriations by \$7,020,000 for Fund 478 - Resource Planning, Appropriation Unit CAO047 (478-CAO047-1050-8539), financed by an Operating Transfer In from the General Fund to effectuate the purchase in fund 478.

SUMMARY

The Public Works, Facilities and Parks (PWFP) Department has prepared the Buyer's Escrow Instructions (Escrow Instructions) between the County of Monterey and the Life Foundation Monterey, LLC, to acquire one (1) parcel including an approximately 99,000 square foot commercial building (the Property), located at 1000 South Main Street, Salinas California, 93901, for the purchase price of \$7,000,000. Approval of the staff recommendation will authorize the County Administrative Officer (CAO) to execute the Escrow Instructions, and any related documents needed to complete the transaction, including, but not limited to, a Grant Deed and any future amendments to the Agreement subject to the review and approval as to form by the Office of the County Counsel.

DISCUSSION:

On June 5, 2007, the County of Monterey (County) entered into a lease agreement (Lease) with Life Foundation LLC (Lessor) for the Department of Social Services to lease and occupy general office space at 1000 South Main Street, Salinas California, 93901 (the Property) and associated parking area. On July 1, 2016, the County executed an Amendment to the Lease to extend the term, update occupancy square footage amounts and to clarify other terms and conditions in the Lease. Per Article 2.3 of the Lease, after June 2026 the County holds an option to purchase the Lessors ownership rights to the Property and parking area. On December 10, 2025, the County provided formal written notice to the Lessor of the County's intent to exercise its option to purchase the Property, effective July 1, 2026.

The Property consists of one (1) parcel of land including a commercial building approximately 99,000 square feet in size. The Property is located directly off South Main Street within the City of Salinas jurisdictional limits. The Property has been leased and occupied by the Department of Social Services for community-based program administration such as the provision of food benefits, cash assistance, medical benefits, and general assistance to qualifying members of the public. The planned use of the Property is consistent with the County's strategic goals and the County's Facility Master plan. The Facility Master plan also recommends that significant cost savings could be realized through opportunistic acquisition of office buildings to meet County Space needs rather than new construction. The Department of Social Services will go through the County's normal capital improvement process to implement capital improvements to the Property when applicable in the future.

The purchase of the Property is contingent upon completion and approval of the County's due diligence activities and inspections, which may include a preliminary title report and review of seller disclosures and reports, all of which will be completed during the County's twenty-one (21) day due diligence period during escrow. County's due diligence and escrow related costs are estimated at \$20,000. The close of escrow is tentatively scheduled to occur fifteen (15) days following the removal of all the County's due diligence contingencies or on July 1, 2026, whichever is sooner. Pursuant to Government Code Sections 25350 and 6063, PWFP-Real Property staff have published public notices of the County's intention to purchase the Property in the Monterey County Weekly once a week for three (3) successive weeks with at least five days between publication dates.

CEQA Section 15061(b)(3), provides a common-sense categorical exemption for projects where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Therefore, as the activity of acquiring real property does not have a significant effect on the environment, the proposed acquisition of the Property can be considered categorically exempt.

Approval of the staff recommendation will authorize the CAO to execute the Escrow Instructions, and any related documents needed to complete the transaction, subject to the review and approval as to form by the Office of the County Counsel. Approval of staff's recommendation will allow the Department of Social Services to continue to provide community-based services at the Property and allow the County to obtain fee title ownership.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:

The Office of the County Counsel and its Risk Management Division have reviewed and approved the proposed Escrow Instructions as to form and indemnification/insurance provisions respectively. The Auditor-Controller's Office has reviewed and approved the proposed draft Agreement as to fiscal provisions. PWFP Real Property staff will facilitate the escrow and due diligence period in consultation with the Department of Social Services staff.

FINANCING:

The Board Report and Escrow Instructions were developed by PWFP Department staff and funded as part of the Fiscal Year (FY) 2025-26 PWFP Adopted Budget, General Fund 001, Facilities Appropriation Unit PFP054. The proposed purchase price for the Property is \$7,000,000. Additional due diligence and escrow related costs are estimated at \$20,000.

The funds for the purchase of the Property and escrow costs will be financed by Fund 478. This will require a transfer from Fund 001 - General Fund, Balance Sheet Account 3101 - Unassigned Fund Balance to Fund 478 - Resource Planning, Balance Sheet Account 3201 - Restricted Net Position.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:

This action supports the Board of Supervisors plan goal for sustainable infrastructure for the present and future by providing for the maintenance, replacement, sustainability, and resilience of County buildings and infrastructure required for living, working, recreating in, and visiting the County of

Monterey.

- Well-Being and Quality of Life
- Sustainable Infrastructure for the Present and Future
- Safe and Resilient Communities
- Diverse and Thriving Economy
- Dynamic Organization and Employer of Choice

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Reviewed by: Florence Kabwasa-Green, Chief of Facilities

Reviewed by: Lindsay Lerable, Assistant PWFP Director

Reviewed by: Roderick Franks, MA, L.P., Director of Social Services

Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

Attachments:

Attachment A - Buyer's Escrow Instructions

Attachment B - Location Map

Attachment C - Resolution