



County of Monterey

Item No.

Board Report

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

Legistar File Number: A 25-351

August 26, 2025

Introduced: 8/12/2025

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Approve and authorize the Housing and Community Development (HCD) Director to execute the Grant and Purchase of Easements and Escrow Instructions Agreement (Agreement) between the County of Monterey and Clinton Eastwood, as his sole and separate property, as to an undivided 1/2 interest, and Margaret Eastwood, as Trustee of the Margaret Eastwood Trust U/D/T dated August 21, 1990, as to an undivided 1/2 interest, for the conveyance of a permanent easement and temporary construction easement across a portion of Assessor's Parcel Number (APN) 243-071-008 for the construction and maintenance of improvements and appurtenances related to the Carmel River Floodplain Restoration and Environmental Enhancement (CRFREE) Project; and
- b. Authorize the Director of Housing and Community Development to execute any related documents needed to complete the transaction, including, but not limited to, any future amendments to the Easement Agreement subject to review and approval as to form by the Office of the County Counsel.

PRIOR CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) ACTION:

Approval of contracts is not a Project under CEQA. The Environmental Impact Report (EIR) for the CRFREE Project was certified by the Board of Supervisors on January 20, 2020. The CRFREE Project was approved, and the corresponding Mitigation Monitoring and Reporting Program (MMRP) was adopted by the Board of Supervisors on June 15, 2021.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Housing and Community Development (HCD) Director to execute the Grant and Purchase of Easements and Escrow Instructions Agreement (Agreement) between the County of Monterey and Clinton Eastwood, as his sole and separate property, as to an undivided 1/2 interest, and Margaret Eastwood, as Trustee of the Margaret Eastwood Trust U/D/T dated August 21, 1990, as to an undivided 1/2 interest, for the conveyance of a permanent easement and temporary construction easement across a portion of Assessor's Parcel Number (APN) 243-071-008 for the construction and maintenance of improvements and appurtenances related to the Carmel River Floodplain Restoration and Environmental Enhancement (CRFREE) Project; and
- b. Authorize the Director of Housing and Community Development to execute any related documents needed to complete the transaction, including, but not limited to, any future amendments to the Easement Agreement subject to review and approval as to form by the Office of the County Counsel.

SUMMARY/DISCUSSION:

The Carmel River Floodplain Restoration and Environmental Enhancement Project (CRFREE Project) is a comprehensive effort to improve flood control and restore native riparian habitat, floodplain habitat, and hydrologic function to a portion of the lower floodplain along the Carmel River. Key

aspects of the CRFREE Project are to; 1) Create notches in the levees along the south bank of the lower Carmel River, 2) Restore the south lower Carmel River floodplain, and 3) Build a causeway along Highway 1, restoring connectivity between the lower Carmel River Floodplain and the south arm of Carmel Lagoon. A temporary construction easement (TCE) and a permanent access easement (PAE) are necessary across private land on a portion of Assessor's Parcel Number (APN) 243-071-008 (the "Parcel") owned by Clinton Eastwood, as his sole and separate property, as to an undivided 1/2 interest, and Margaret Eastwood, as Trustee of the Margaret Eastwood Trust U/D/T dated August 21, 1990, as to an undivided 1/2 interest ("the Eastwoods") (Attachment A). The TCE will allow access for the construction of the CRFREE floodplain on the east side of State Route 1, and the PAE will allow for Big Sur Land Trust (BSLT) to access and operate on their land during flood events. The TCE and PAE were appraised at a combined value of \$99,200 in 2024.

On August 27, 2024, the Board of Supervisors approved the execution of the Grant and Purchase of Easements and Escrow Instructions Agreement (Easement Agreement) contingent upon funding by the Federal Emergency Management Agency (FEMA) Hazard Mitigation grant funding (FEMA grant) (Attachment B). The action on August 27, 2024, specified that the easement was intended to be funded from the Department of Water Resources (DWR) Coastal Watershed Flood Risk Reduction grant (DWR - CWFRF Grant), executed April 26, 2022, and contingent upon Federal funds as a match. At the suggestion of DWR grant management staff, two grant amendments have been processed for both respective DWR grants to move funds between DWR grant tasks and better delineate the expenses to be charged to each grant. DWR staff suggest that the appraised value of the TCE and PAE be funded from the DWR Flood Corridor grant SAP 4600010665 (DWR FC grant) Task 3: Property Acquisition, instead of the CWFRF grant Task 2: Acquisition, Title and Escrow (Attachment C).

Staff are bringing this action before the Board for approval to fund the TCE and PAE easement purchase with different source grant funds, at the request of DWR grant manager staff due to the continued delay of the FEMA grant funds, and the need to finalize the easement agreements with the Eastwoods ahead of the ready to list determination by Caltrans. A ready to list determination by Caltrans is a key step which is necessary prior to the CRFREE Project going to bid. Attachment D is a broad construction schedule for CRFREE. The term of the TCE is for a four-year period, which begins upon execution of the TCE agreement. This term may be extended by written permission of the landowners but may require further compensation. Based on the anticipated construction schedule for the CRFREE Project, the TCE will be utilized in years 2 and 3 of the TCE term, and the fourth year will only be necessary if the construction is delayed further (Attachment D).

Approval of this action will allow the County to sign the Agreement and record the necessary TCE and PAE easements for the CRFREE project construction and maintenance on the Parcel with approval as to form by the Office of the County Counsel.

OTHER AGENCY INVOLVEMENT:

Big Sur Land Trust (BSLT) is co-sponsor for the CRFREE Project. Through a cooperative agreement with Caltrans, the County of Monterey is acting as the Lead Agency under the California Environmental Quality Act (CEQA) for the Project. The Public Works, Facilities and Parks Real Property Section assisted with the development of the Grant and Purchase of Easements and Escrow

Instructions Agreement and respective TCE and PAE easement documents.

ENVIRONMENTAL REVIEW

The Project Environmental Impact Report (EIR) was certified by the Board of Supervisors during a public hearing on January 20, 2020. The U.S. Fish and Wildlife Service (USFWS), as lead federal agency for the floodplain restoration portion of the CRFREE Project issued a finding of no significant impact (FONSI) on October 30, 2020. The Project was approved, and the corresponding Mitigation Monitoring and Reporting Program (MMRP) was adopted by the Board of Supervisors on June 15, 2021. Federal environmental review was completed on April 23, 2021, when Caltrans, as the lead federal agency for the causeway portion of the Project, issued a FONSI consistent with the USFWS. The Federal Emergency Management Agency (FEMA) internal environmental review process has been ongoing since 2023. The FEMA Environmental Assessment was circulated for public review in May 2025. The issuance of a FONSI from FEMA is still pending.

FINANCING:

The DWR FC grant for \$5 million was approved by DWR in 2014. It has been amended four times and \$3.7 million remains. The required match of \$500,000 was met in 2014. 10% retention is retained by DWR and will be released upon completion of the grant deliverables. The DWR - CWFRR Grant is for \$5.1 million, and no funds have been expended at this time. The funds that were allocated towards the land acquisition have been reassigned to task 7: construction support and monitoring. The DWR - CWFRR Grant requires a federal match and will be utilized when federal grant funds are available pursuant to a funding agreement through the pending FEMA grant or through FY24 Federal surplus funds (also pending via Caltrans).

Funding for the CRFREE Project comes from State, Federal and local grants and funds. Local funding includes funding from the Monterey Peninsula Regional Parks District (MPRPD) fair share contribution for a left-hand turn lane on State Highway 1. Based on the December 2023 95% Design Engineers estimate escalated to 2027 construction costs, CRFREE is estimated to cost approximately \$56.5 million to complete the final design, construction, and restoration efforts, including utility relocation, construction management and soft costs (Attachment E). The Project responsibility for cost of utility relocation and contribution from utility companies is estimated and will be better determined later this year. The County and Big Sur Land Trust have currently been awarded \$28.5 million in unexpended grant funds for the Project pre-construction, construction, and monitoring, with an additional \$30 million pending award, the bulk of which is expected from CalOES/FEMA (Attachment D). The CRFREE Project is budgeted in Capital Project Fund 404, Unit 8564 with \$14.6 million budgeted in the FY25-26 Adopted Budget.

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Approved by: Melanie Beretti, AICP, Chief of Planning

Approved by: Craig Spencer, HCD Director

The following attachments are on file with the Clerk of the Board:

Attachment A - Grant and Purchase of Easements and Escrow Instructions Agreement

Attachment B - Previous approval Board Order

Attachment C - DWR Grant tasks

Attachment D - CRFREE timeline

Attachment E - CRFREE Grant Funding