

Attachment F

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DETAILED BACKGROUND AND DISCUSSION

Café Tori Investments, LLC (Project Applicant) applied for a Lot Line Adjustment, Use Permit, and Variance (PLN190127) for the Harvest Moon Agricultural Employee Housing Project (Housing Project), which was approved by the Monterey County Planning Commission pursuant to Resolution No. 20-019 on June 24, 2020. The Housing Project is located within the unincorporated area of the County of Monterey, located off the northwest intersection of West Rossi Street and Davis Road. The Housing Project is intended to build 150 housing units to provide housing for up to 1,200 seasonal agricultural employees during the April to November harvest season. It is expected to serve as housing for multiple growers under a contract basis depending on the needs of those in the industry. RMA determined that this is a high priority project because it provides critically needed housing for agricultural employees. As such, staff was directed to afford Special Handling to avoid any delays to the Project. The project timeline is very tight as the housing must be completed by early Spring 2021 prior to the start of the harvest season.

The Housing Project site encompasses approximately 14.7 acres of two (2) undeveloped parcels (Assessor Parcel Nos. [APNs] 261-011-026-000 and 261-011-024-000) totaling 57.6 acres within the Greater Salinas Area Plan - Boronda Community Area and directly adjacent to Salinas city limits and within the City's Sphere of Influence. Access to the site would be provided at the signalized intersection of Rossi Street and Davis Road, and the Project would connect into the City of Salinas sewer system. The Boronda County Sanitation District (BCSD) owns a fee strip that has a sewer pipeline buried within it, traversing through the Housing Project site across APN 261-011-024-000. To enable the Housing Project to move forward, BCSD required that the Project Applicant adhere to Conditions of Approval (COA) Nos. 39 and 40, which require the Maintenance of Developer Improvements Agreement (Maintenance Agreement) and Grant of Easement Deed (Easement), respectively.

The Maintenance Agreement provides that the Developer: 1) Indemnify and hold harmless the County BCSD for the construction and maintenance of the developer's improvements within the fee strip; 2) Grant BCSD the right of access through and under the developer's improvements if and when necessary maintenance or repairs to sanitary sewer facilities located within the fee strip are required; and 3) Bear all responsibility for repair and maintenance of developer improvements located within, underneath, or surrounding the fee strip, including repairs and maintenance which may be the result of the BCSD's work on its facilities within or across the fee strip.

The nonexclusive Easement over the fee strip provides rights of access for the Project Applicant to construct and maintain the developer improvements associated with the Housing Project. Developer improvements covered by the Easement include: constructing, maintaining, and repairing roads, driveways, parking areas, underground private utilities, fencing, gates, curbs, gutters, landscaping, or drainage improvement and facilities (including road surfaces, culverts, detention/retention ponds, sediment traps, catch basins, and other improvements, if any).

Pursuant to COA Nos. 39 and 40, the Project Applicant has requested the assistance of BCSD staff with the preparation and review of the Maintenance Agreement and Easement, and the Funding Agreement provides for reimbursement of BCSD staff time and materials by the developer for processing these documents. On Tuesday, July 14, 2020, staff realized an error in the timing associated with getting these documents before the Board posed a risk to delaying or possibly derailing the Housing Project from meeting its tight construction timeline. In an effort to keep this high priority project on track, the Resource Management Agency (RMA) issued the permits for this Housing Project while the documents were processed for Board approval. This allowed the developer to begin work as planned on Monday, July 20, 2020. The background and justification for this decision was communicated to the Board on July 17, 2020. In return, the developer provided a letter stating they accept responsibility for any new damage to the district facilities (sewer line) and any damage that may be caused if they break the line (e.g., environmental damage), while the Easement and Maintenance Agreement are processed for the July 28th Board meeting. The Funding Agreement term would be retroactive to July 13, 2020, to account for the concurrent and expedited timeline to process the agreements and easement to the Board.

The recommended action will allow the Project Applicant to provide funding to BCSD for staff time and materials to process an Easement and Maintenance Agreement, thereby facilitating this critical Housing Project for Monterey County.