



# Monterey County

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

## Board Report

Legistar File Number: SARDA A 19-002

December 10, 2019

**Introduced:** 11/26/2019

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** Successor Agreement

Acting as the Board of Directors of the Successor Agency to the Redevelopment Agency of the County of Monterey:

- a. Find that the action to transfer ownership of the subject property is categorically exempt pursuant to the California Environmental Quality Act Guidelines, Sections 15305 and 15061(b)(3), of the California Code of Regulations; and
- b. Approve and authorize the Chair of the Board of Directors to: 1) Execute a Quitclaim Deed to transfer ownership of the 16.4-acre Imjin Road Widening Property (aka Army Corps of Engineers' Parcel No. E4.6.2 and Assessor's Parcel No. 031-101-058) and the 21.2-acre Ord Market Development Property (aka Army Corps of Engineers' Parcel No. E8a.1.2 and Assessor's Parcel No. 031-101-039), located at 2700 Imjin Road, Marina, California, from the Successor Agency to the Redevelopment Agency of the County of Monterey to the County of Monterey; and 2) Execute a Lease Assignment and Acceptance Agreement to assign the 2006 20-year Disposition, Development, and Lease Agreement with Mr. Darryl Choates from the Successor Agency to the Redevelopment Agency of the County of Monterey to the County of Monterey.

### RECOMMENDATION:

It is recommended that the Board of Supervisors, acting as the Board of Directors of the Successor Agency to the Redevelopment Agency of the County of Monterey:

- a. Find that the action to transfer ownership of the subject property is categorically exempt pursuant to the California Environmental Quality Act Guidelines, Sections 15305 and 15061(b)(3), of the California Code of Regulations; and
- b. Approve and authorize the Chair of the Board of Directors to 1) Execute a Quitclaim Deed to transfer ownership of the 16.4-acre Imjin Road Widening Property (aka Army Corps of Engineers' Parcel No. E4.6.2 and Assessor's Parcel No. 031-101-058) and the 21.2-acre Ord Market Development Property (aka Army Corps of Engineers' Parcel No. E8a.1.2 and Assessor's Parcel No. 031-101-039), located at 2700 Imjin Road, Marina, California, from the Successor Agency to the Redevelopment Agency of the County of Monterey to the County of Monterey; and 2) Execute a Lease Assignment and Acceptance Agreement to assign the 2006 20-year Disposition, Development, and Lease Agreement with Mr. Darryl Choates from the Successor Agency to the Redevelopment Agency of the County of Monterey to the County of Monterey.

### SUMMARY:

The recommended action will implement the transfer of ownership of the 16.4-acre Imjin Road Widening Property (also known as (aka) Army Corps of Engineers (ACOE) Parcel No. E4.6.2 and Assessor's Parcel No. 031-101-058) and the 21.2-acre Ord Market Development Property (aka ACOE Parcel No. E8a.1.2 and Assessor's Parcel No. 031-101-039) located at 2700 Imjin Road,

Marina, California, from the Successor Agency to Redevelopment Agency of the County of Monterey (SARDA) to the County of Monterey in accordance with the provisions of the SARDA's Long-Range Property Management Plan (LRPMP). The Disposition, Development, and Lease Agreement (DDA/Lease) with Mr. Darryl Choates (doing business as (dba) Ord Market Inc.) will also be assigned to the County as part of this property transfer. The County will continue the current uses on the property.

DISCUSSION:

In August 2006, the 16.4-acre Imjin Road Widening Property and 21.2-acre Ord Market Development Property located at 2700 Imjin Road, Marina, California, were transferred to the former Redevelopment Agency (RDA), now SARDA, from the Fort Ord Reuse Authority (FORA). The Imjin Road Widening Property is designated as "Planned Development Mixed Use" in the County General Plan and FORA Base Reuse Plan. The Ord Market Development Property is designated as "Planned Development Mixed Use" and is zoned Public/Quasi-Public and Light Commercial-Design Control District-Site Plan Review (the portion developed with Ord Market, Inc.).

In October 2006, the former RDA leased approximately 1.2-acres of the Imjin Road Widening Property and 1.8-acres of the Ord Market Development Property (with existing convenience store and car wash improvements) to Mr. Darryl Choates via a 20-year Disposition, Development, and Lease Agreement (DDA/Lease). In 2010, Mr. Choates added gas station improvements. Both parcels remain otherwise undeveloped.

California Assembly Bill 1X 26, enacted on June 28, 2011, and upheld by the California Supreme Court on December 29, 2011, dissolved all California redevelopment agencies effective February 1, 2012, through amendments to the California Health and Safety Code (the "Amended Code"). Pursuant to Sections 34173, 34175, and 34176 of the Amended Code, and by operation of law, SARDA has assumed the rights, duties, and obligations pertaining to all functions of the RDA. Under the Amended Code, all property owned by (now former) redevelopment agencies must be disposed of, either through sale or other disposition, in accordance with a LRPMP to be approved by the California Department of Finance (DOF).

On April 18, 2014, the SARDA submitted its LRPMP to DOF. The LRPMP states that the properties are proposed to be transferred to the County. On December 31, 2015, DOF approved the disposition of the properties listed in the LRPMP in accordance with SARDA's recommendations.

This recommendation for SARDA Board of Directors approval will implement the transfer of ownership of the 16.4-acre Imjin Road Widening Property and 21.2-acre Ord Market Development Property from SARDA to the County in accordance with the provisions of the LRPMP and assign the 2006 20-year Disposition, Development, and Lease Agreement with Mr. Darryl Choates to the County of Monterey. The County will continue to administer the Ord Market Inc. use on the property pursuant to the 2006 DDA/Lease.

California Environmental Quality Act (CEQA) Guidelines Sections 15305 and 15061(b)(3) of the California Code of Regulations establish exemptions for projects such as this 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, and projects consisting of minor alterations in land use limitations that do not result in changes to land use or density.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel has approved the Lease Assignment and Acceptance Agreement, and Quitclaim Deed as to form. By separate, concurrent action, the Board of Supervisors of the County of Monterey will consider accepting the assignment of the DDA/Lease with Mr. Choates, authorizing recording of the Quitclaim Deed for the properties, and amending the DDA/Lease to extend the term to August 22, 2030, to accommodate franchising improvements to the gas station operation.

FINANCING:

Staff time to prepare this report, Agreement, and Quitclaim Deed is funded as part of the FY 2019-20 Adopted Budget for Redevelopment Obligation Retirement, Fund 406, Appropriation Unit RMA109. The Lease Agreement with Mr. Darryl Choates requires monthly lease payments of \$10,885 for the final ten-year lease term. Prior to the DOF's approval of the LRPMP, lease revenues were deposited in the Redevelopment Obligation Retirement Fund, Fund 406. In accordance with the DOF-approved LRPMP, lease revenues are now deposited in the General Fund, Fund 001, Facilities Appropriation Unit RMA006.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Transfer of the parcels and the Ord Market Inc. DDA/Lease to the County supports the Board of Supervisors' Economic Development Strategic Initiative by implementing the LRPMP to further redevelopment of the former Fort Ord.

- ☒ Economic Development
- ☐ Administration
- ☐ Health & Human Services
- ☐ Infrastructure
- ☐ Public Safety

Prepared by: George K. Salcido, RMA Real Property Specialist (831) 755-4859

Reviewed by: Melanie Beretti, RMA Property Administration/Special Programs Manager

Approved by: Shawne Ellerbee, RMA Deputy Director of Administrative Services

Approved by: Carl P. Holm, AICP, RMA Director

Attachments:

Attachment A-Quitclaim Deed

Attachment B-Lease Assignment and Acceptance Agreement

Attachment C-Location Map

Attachment D-Development, Disposition and Lease Agreement

(Attachments are on file with the Clerk of the Board)