Exhibit B



DISCUSSION

EXISTING SITE CONDITIONSc

The subject property is surrounded by existing agricultural fields on all sides of the property. On the northeast side of the project parcel along Blanco Road, there are five existing dwelling units totaling 6,662 square feet and four agricultural support facilities totaling 13,014 square feet. The proposed project would be located on an undeveloped 1.6-acre portion of the parcel along Hitchcock Road. The project would be situated between an existing 16,864 square foot 200-bed labor camp to the north and 11 residential dwelling units totaling 6,702 square feet to the south.

In between these two developed areas is active agricultural land (Figure 1).

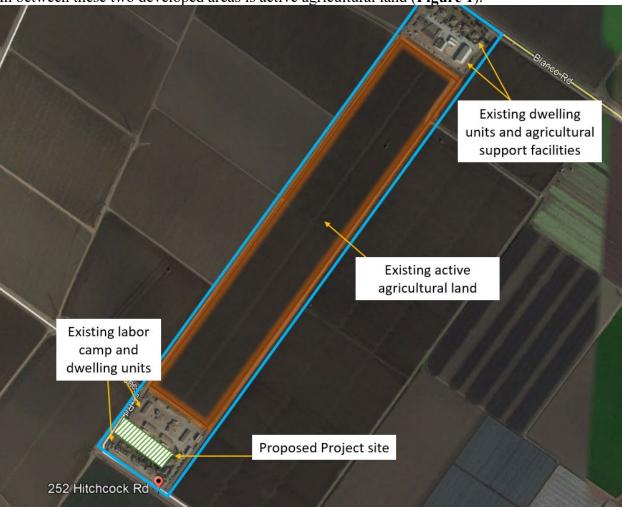


Figure 1 – Site Conditions and Proposed Project Site

The existing labor camp consists of five (5) housing units, two (2) storages, bathroom unit and a kitchen/dining hall. These buildings would not result in any structural changes as a part of this project; however, the applicant is proposing to change the exterior colors and materials to match the new development.

PROJECT

The purpose of the proposed project is to provide housing for H-2A Visa agricultural workers, i.e., seasonal employees who are U.S. residents or reside permanently out the U.S, primarily during the Salinas Valley harvest season from April through November. The housing would be also offered to domestic employees who cannot reasonably return to their homes on a daily basis.

The El Rancho Toro Farmworker Housing project ("project") is intended to provide housing for up to 312 agricultural employees by adding 112 beds to an existing 200 bed agricultural housing facility, including constructing seven (7) new 2,000 square foot agricultural employee housing units (14,000 square feet total) and a 2,000 square foot activity and laundry building. Each agricultural employee housing unit would contain two bedrooms and two bathrooms, at a height of 16-1'. Each unit has the capacity for eight (8) employees per bedroom with a maximum of 16 employees per housing unit, resulting in a total of 112 employees that the project would accommodate. Additionally, each unit is designed to provide the essential needs such as cooking facilities, restroom amenities and storage areas. These areas have been designed to comply with the Monterey County Consumer Health Protection Services regulations. The project would also have a 2,000 square foot laundry, activity and storage building, and two open space areas for social interaction and recreational purposes.

The property is owned by Thomas Yuki Trust et al but the housing project will be managed by Fresh Harvest, Inc., who would be the employer and management company responsible for the H-2A agricultural workers living on the premises. This is also the same management company for the existing labor camp. The H-2A agricultural workers typically do not come to the U.S. with automobiles, as Fresh Harvest, Inc. would facilitate bus transportation between this site and ranches within the Monterey County where the employees would work.

SITE IMPROVEMENTS

The project includes installation of fire sprinkler systems in accordance with the applicable fire standards for Group R-3 occupancies. Additionally, road access is required for every building when any portion of the exterior wall of the first story is located more than 150 feet from the fire department access. Therefore, the project includes construction of a fire lane from Hitchcock Road to the project site to comply with this standard, as illustrated in the attached plans. RMA-Public Works has been incorporated a standard Condition of Approval (Condition No. 19) to ensure the design and construction meet the applicable County regulations.

Additionally, the project was reviewed by the RMA-Environmental Services. Site improvements were required in order to comply with Monterey County Code Chapter 16.16 – Regulations for Floodplains. The subject property is located within the Salinas Valley Groundwater Basin, Zone AH, 100-year floodplain of the Salinas River and the Base Flow Elevation of the development area is 35 feet, as shown on the FEMA Flood Insurance Rate Map (Figure 2). According to Monterey County Floodplain Regulations, Chapter 16.16, the floodplain is defined as unincorporated areas of Monterey County which are subject to one (1) percent chance of flooding in any given year, or once in 100 years (100-year flood), and includes the floodway and floodway fringe. In this case, this is considered a Special Flood Hazard Area with a base flood elevation of 35 feet. These areas of the County are subject to periodic inundation in order to

minimize public and private losses due to flood conditions, any new construction of any structure shall have the lowest floor elevated to at least one (1) foot above the base flood elevation.

The preliminary grading plan provided for the project identifies an existing benchmark at 33.96 feet. To remove the portion of the parcel out of the Special Flood Hazard Area, the project requires fill in the development area within the floodway fringe to an elevation of 36 feet, requiring importing approximately 5,400 cubic yards of fill. Conditions of approval (Condition No. 10, 11, 13, 14, 15 and 16) have been incorporated into the project to ensure these elements are constructed in accordance with the County floodplain regulations.

Further, the project includes two on-site bioretention ponds which are sized to retain, at a minimum, the 85th percentile 24-hour storm, and a drainage swale to route stormwater runoff to the appropriate drainage channel. The ponds are also designed to limit the post-project peak flows to the pre-development peak flows for the 2, 5, 10, 25, and 100-year 24-hour storm event. This is consistent with Chapter 16.12, which is intended to prevent erosion. Stormwater runoff that does not infiltrate into the soil then gets routed to a proposed drainage swale that connects to an existing culvert. The culvert than channels the runoff to an existing agricultural drainage channel that eventually disperses into the Salinas River. Standard Conditions of Approval (Condition No. 12, 15 and 16) have been incorporated into the project to ensure compliance with regulations outline in Monterey County Code Chapter 6.12.



Figure 2 – FEMA Flood Insurance Map Rate

A preliminary Construction Management Plan (CMP) was submitted as a part of the project application illustrating logistical planning of site improvements. As outlined in the CMP, the project is expected to take approximately six (6) months from start to finish, with grading activities occurring over the first 3-months. The construction phase of the project is anticipated to have a maximum of 100 contractors on site with a maximum of 15-20 daily vehicle trips for employees, delivery trucks and heavy haul trips. **Figure 3** illustrates the proposed haul route and locations for stockpiles and construction workers/equipment parking. Construction activities would occur between the hours of 7:00 am – 7:00 pm, Monday through Saturday. Once improvements to the site have been completed and the facility is in use, Fresh Harvest, Inc.

would facilitate bus transportation for the H-2A agricultural workers from the project site to their work destinations. The buses would be dispatched from an offsite equipment storage yard in the early morning and early afternoon before the typical peak hours of 7:00 am to 9:00 am and 4:00 pm to 6:00 pm. Buses and vans would also be used for employee transportation to shopping locations, religious services and other entertainment venues offsite.

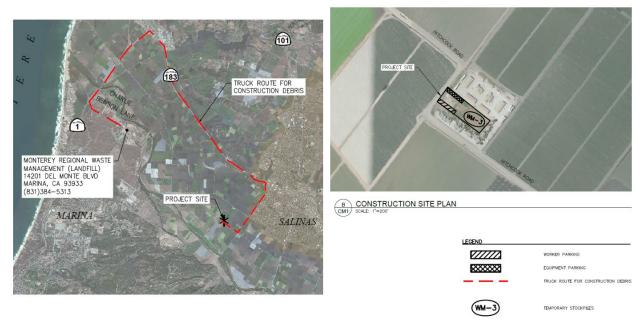


Figure 3 – Proposed Haul Route and Staging Areas

DESIGN REVIEW

The 2010 General Plan (General Plan) Goal OS-1 is to retain the character and natural beauty of Monterey County by preserving, conserving and maintaining unique physical features, natural resources and agricultural operations. As such, there are scenic highways and corridors identified within each area plan with implementing policies to supports this goal. The subject property is located within Salinas, subject to the Greater Salinas Area Plan (Area Plan) which identifies Highway 101(3 miles away) and Old Stage Road (7 miles away) as scenic corridors. The subject property is not located near or visible from these roads. Additionally, the Monterey County Geographic Informational System (GIS) states that the subject property has no visual sensitivity but in order to protect and not degrade the existing visual character and quality of the surrounding agricultural lands, the applicant has proposed colors and materials that are subordinate and blend with the surrounding environment (**Figure 4**). Further, the project includes exterior changes and updates to the existing residences and 200-bed labor camp to match the proposed project.

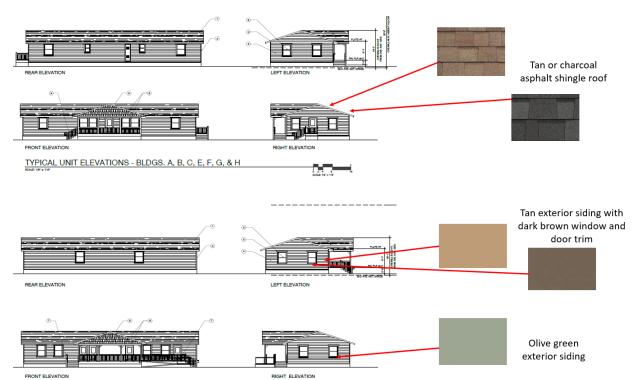


Figure 4 – Proposed Colors and Materials

The subject parcel is zoned Farmlands with a minimum building site of 40 acres or "F/40." Title 21, Section 21.30.050.AA allows for agricultural employee housing consisting of 37 or more beds in a group quarters subject to a Use Permit in each case. Therefore, the project is an allowed use. Required and proposed development standards for the proposed project are summarized below:

Main Structure Setback and Height:

Required: Proposed:

Front: 30 feet min. Front: approximately 100 feet

Side: 20 feet min. Side: 74 feet
Rear: 20 feet min. Rear: 74 feet
Height: 35 feet max. Height: 16-1 feet

Accessory Structure Setback and Height:

Required: Proposed:

Front: 50 feet min.

Front: approximately 160 feet
Side: 6 feet min.

Side: approximately 150 feet
Rear: 6 feet min.

Rear: approximately 150 feet

Height: 35 feet max. Height: 16-1 feet

Minimum Distance Between Structures:

Required: Proposed:

Main Structures: 10 feet Main Structures: 12 feet

Accessory/Main Structures: 6 feet Accessory/Main Structures: 23 feet

Building Site Coverage

Allowed: Proposed:

Coverage: 5%, 85,966 square feet Coverage: 3.4%, 59,076 square feet

The proposed project complies with the development standards listed in the farmlands zoning district, Title 21, Section 21.30.060.

ENVIRONMENTAL REVIEW

An Initial Study/Mitigated Negative Declaration or "IS/MND" (SCH No. 2019129022) for the project was prepared and circulated from December 6, 2019 through January 6, 2020. During environmental review of the project, potential impacts have been identified to aesthetics, agriculture and forest resources, air quality, biological resources, cultural resources, geology/soils, greenhouse gas emissions, hazard/hazardous materials, hydrology and water quality, land use/planning, noise, population/housing, public services, recreation, transportation/traffic, and utilities and service systems. Conditions of Approval (Exhibit C) have been incorporated into the proposed project to assure compliance with County requirements to the extent that they lessen the identified potential impacts. Therefore, mitigations were not necessary for the proposed project to have a less than significant impact on these resources.

Less Than Significant Level with Mitigation Measures

Potential impacts have been identified to tribal cultural resources. Mitigation measures have been recommended to reduce these impacts to a less than significant level.

Tribal Cultural Resources

The subject parcel is located near the aboriginal territory of the Ohlone/Costanoan-Esselen Nation (OCEN) and the Esselen Tribe of Monterey County (ETMC). Pursuant to Assembly Bill 52 or "AB 52", tribal consultation between County staff and American Tribes took place regarding the project.

In accordance with AB 52, the County consulted with OCEN on November 19, 2019. During consultation, OCEN identified that the subject property is close to the Salinas River, which is a Native American sacred place to their tribe. Therefore, objecting to the excavation. The project includes 5,400 cubic yards of soil to be imported to the site and minimal excavation to remove vegetation and place foundation structures. After further explaining the project, OCEN did not recommend any mitigation measures but rather requested that if at any time, potentially significant cultural resources, sacred places, or intact features are discovered, the contractor shall temporarily halt work until the find can be evaluated by a tribal monitor and archaeological monitor. If the find is determined to be significant, work shall remain halted until mitigation measures have been formulated, with the concurrence of RMA-Planning, and implemented. Since any items that may be uncovered during excavation belong to the property owner, this notice shall serve as notice that the OCEN Tribal Council formally requests that any sacred burial items discovered be given to the tribe by the property owner. This has been added to the standard condition of approval for similar recommendations for cultural resources (see conditions in **Exhibit C**).

Additionally, the County consulted with Esselen Tribe of Monterey County (ETMC) on December 3, 2019 and also expressed the cultural significance of the Salinas River and its

proximity to the subject property, which is one mile north of the river. Historical cultural information indicates that tribes settled near the river. Thus, development on the project site, removal of topsoil and installation of footings, may have potential impacts to tribal cultural. Since submittal of an archaeological report was not required pursuant to General Plan Policy OS-6.4 and Monterey County Inland Zoning Ordinance (Title 21), Section 21.66.050, which state that development proposed in low sensitivity zones are not required to have an archaeological report unless there is specific additional information that suggests archaeological resources are present. The Monterey County Geographic Informational System (GIS) identifies the subject property as having a low archaeological sensitivity and illustrates that the property is not within any positive archaeologically buffers; therefore, an archaeological report was not required for the project. However, ETMC recommended a Phase 1 Archaeological Assessment be prepared to determine the presence of cultural and tribal cultural resources by a County approved archaeologist in conjunction with a tribal cultural representative. Depending upon the outcome of this assessment, ETMC would then determine if a tribal cultural resources monitor is warranted. Implementation of this recommended mitigation would reduce potential impacts to tribal cultural resources to a less than significant level.

CONSISTENCY

Staff evaluated the project for consistency with the 2010 Monterey County General Plan (General Plan), the Greater Salinas Area Plan (Area Plan), and the Monterey County Inland Zoning Regulations (Title 21). General Plan Policy AG-1.1 states that land uses that would interfere with routine and ongoing agricultural operations on viable farmlands shall be prohibited. Policy AG-1.6, AG-1.7 and AG-2.1 states that farmworker housing is considered an agricultural support use allowed in farmland zoning district land provided the impact to viable agricultural lands and production are minimal. Further, General Plan, Chapter 8.0 – Housing Element encourages the construction of agricultural employee housing and allows the use on properties zoned Farmlands. The project is to construct seven (7) housing units for H-2A agricultural workers on an undeveloped and unused 1.6-acre portion of a 39.47-acre parcel (see attached plans) within a F zoning district. The portion of the parcel does not contain any viable agricultural soils and does not impact any active agricultural lands. Therefore, the project involves an allowed use under the Farmland zoning district and is consistent with the Agricultural Element and Housing Element of the 2010 General Plan which both encourage farmworker housing on agricultural land where impact to viable agricultural lands and production are minimal.

Policy LU-1.19 of the Land Use Element of the General Plan states that community areas, rural centers and Affordable Housing Overlay district are the top priority for development in the unincorporated areas of the County. Outside of these areas, a Development Evaluation System (DES) shall be established to provide a systematic, consistent, predictable and quantitative method for decision-makers to evaluate developments of five or more lots or units and developments of equivalent or greater traffic, water, or wastewater intensity. More specifically, the policy states that residential development shall incorporate affordable/workforce housing for developments in rural centers prior to the preparation of an Infrastructure and Financing Study, or outside of a community area or rural center. Pursuant to Policy LU-1.19 (Development Evaluation System), staff has reviewed the project for site suitability, infrastructure, resource

constraints, environmental impacts, transportation options and jobs/housing needs (see Exhibit C).

Policy PS-3.2 within the Public Service Element of the General Plan provides specific criteria for new development requiring proof of a Long Term Sustainable Water Supply and an Adequate Water Supply System; however, Policy PS-3.1.c states that this requirement shall not apply to development within Zone 2c. The project is to construct seven agricultural employee housing units and one laundry and activity unit within a farmland zoning district. The project site is located within zone 2C (area of benefit from the Salinas Valley Groundwater Project) and has adequate water quantity and quality to serve the development (see Finding 3, Evidence e). Therefore, the project is not required to provide proof of a Long Term Sustainable Water Supply. No evidence has been provided or discovered to rebut the presumption of long-term sustainable water supply for this project because there have been reports provided that indicate the ability to supply the proposed water demand.