



County of Monterey

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

Board Report

File #: A 19-437, **Version:** 1

- 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;
- b. Approve the 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. 031-101-058-000) and the 21.2-acre Ord Market Development Property (aka Army Corps of Engineers' Parcel No. E8a.1.2 and Assessor's Parcel No. 031-101-039-000) 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 authorize the Chair to sign the Acceptance and Consent to Recordation;
- c. Approve and authorize the Chair of the Board to: 1) 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; 2) Execute Amendment No. 1 to the 2006 20-year Disposition, Development, and Lease Agreement with Mr. Darryl Choates, extending the term through August 22, 2030;
- d. Direct the Clerk of the Board to submit the executed Quitclaim Deed to the County Recorder for recordation.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- 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;
- b. Approve the 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. 031-101-058-000) and the 21.2-acre Ord Market Development Property (aka Army Corps of Engineers' Parcel No. E8a.1.2 and Assessor's Parcel No. 031-101-039-000) 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 authorize the Chair to sign the Acceptance and Consent to Recordation;
- c. Approve and authorize the Chair of the Board to: 1) 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; 2) Execute Amendment No. 1 to the 2006 20-year Disposition, Development, and Lease Agreement with Mr. Darryl Choates, extending the term through August 22, 2030;
- d. Direct the Clerk of the Board to submit the executed Quitclaim Deed to the County Recorder for recordation.

SUMMARY:

The recommended action will implement the transfer of ownership of the 16.4-acre Imjin Road Widening Property (also known aka (aka) Army Corps of Engineers' (ACOE) Parcel No. E4.6.2 and Assessor's Parcel No. 031-101-058-000) and the 21.2-acre Ord Market Development Property (aka ACOE Parcel No. E8a.1.2 and Assessor's Parcel No. 031-101-039-000) located at 2700 Imjin Road, Marina, California (collectively, the Properties), from the Successor Agency to the Redevelopment Agency of the County of Monterey (SARDA) to the County of Monterey in accordance with the provisions of SARDA's Long-Range Property Management

Plan (LRPMP). The Disposition, Development, and Lease Agreement (DDA/Lease) with Mr. Darryl Choates will also be assigned to the County as part of this property transfer.

The Properties are subject to ongoing property negotiations with the City of Marina. With the acceptance of the Properties and amendment to the Ord Market DDA/Lease, negotiations will be complete. In early 2020, the Resource Management Agency (RMA) will bring to the Board of Supervisors a recommendation to transfer the properties to the City of Marina.

DISCUSSION:

In August 2006, the 16.4-acre Imjin Road Widening Property and the 21.2-acre Ord Market Development Property located at 2700 Imjin Road, Marina, California, was 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 the 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 the 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 Oversight Board 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.

The 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 approved the Lease Assignment and Acceptance Agreement and Quitclaim Deed as to form. By separate, concurrent action, the Board of Supervisors, acting as the SARDA Board of Directors, will consider authorizing the execution of the Quitclaim Deed for the Properties and assignment of the DDA/Lease with Mr. Choates.

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. Lease revenues will be deposited in the General Fund, Fund 001, Facilities Appropriation Unit RMA006. Pursuant to the 2001 Implementation Agreement between the County and FORA, fifty percent (50%) of the lease revenues are to be paid to FORA. FORA will legislatively dissolve on June 30, 2020, at which time the lease revenue payment to FORA will cease.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Acceptance of the parcels and the assignment of and the amendment to the Ord Market Inc. DDA/ Lease by the County supports the Board of Supervisors' Economic Development Strategic Initiative by facilitating SARDA's LRPMP implementation 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
Reviewed 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-Amendment No.1 to DDA/Lease with Ord Market, Inc.
Attachment D-Location Map
Attachment E-Development, Disposition, and Lease Agreement
(Attachments are on file with the Clerk of the Board)