



Board Report

File #: PC 24-071, Version: 1

REF240022 - COUNTY OF MONTEREY CAPITAL IMPROVEMENT PROGRAM (CIP) FOR FISCAL YEAR 2024/25

Recommend to Public Works, Facilities and Parks on consistency of the Monterey County Capital Improvement Program (CIP) for Fiscal Year 2024/25 with the 2010 General Plan (for noncoastal area) or the Local Coastal Program and the 1982 General Plan (for coastal zone), as applicable.

Project Location: Countywide

Proposed CEQA Action: The General Plan consistency determination is not a project as defined in Section 15378 of the CEQA Guidelines

RECOMMENDATION:

Staff recommends that the Planning Commission adopt a resolution (**Exhibit A**) recommending to Public Works, Facilities and Parks (PWFP), that the major public improvement projects for Fiscal Year (FY) 2024/25 (Attachment 1 to **Exhibit A**) are consistent with the 2010 General Plan (for noncoastal area) or the Local Coastal Program and 1982 General Plan (coastal zone), as applicable.

SUMMARY:

Government Code section 65401 requires the list of proposed public works recommended for planning, initiation, or construction during the ensuing fiscal year be submitted to the designated "Planning Agency" for review and report to the designated "Official Agency" as to conformity with the adopted General Plan or part thereof. The County of Monterey Board of Supervisors has designated PWFP as the appropriate department to prepare the Capital Improvement Program (CIP) per Monterey County Code section 2.28.010.B, and the Planning Commission has historically acted in the capacity of the Planning Agency for the purposes of evaluating consistency with the General Plan. The CIP is brought to the Board of Supervisors for adoption.

The 2010 General Plan applies to noncoastal areas, and the 1982 General Plan applies to coastal areas. With the diversity of Monterey County planning areas, the 2010 General Plan includes Area/Master Plans with more specific policies for each planning area. The coastal zone is divided into four Land Use Plan (LUP) areas and Coastal Implementation Plan associated with each respective area. The combined LUPs and Coastal Implementation Plans compose the County's Local Coastal Program (LCP) containing policies governing the coastal areas. Where a coastal area's LUP is silent, policies of the 1982 General Plan apply.

Exhibit A is a draft resolution finding that the FY 2024/25 public works projects are consistent with the applicable General Plan or Land Use Plan. To make a consistency finding, projects must fit within one of the following four general categories:

- Upgrades to existing facilities;
- New projects requiring permits;
- Projects already permitted and found consistent; or
- Not Applicable due to location within a City.

Attachment 1 to **Exhibit A** contains a list of public works projects planned for FY 2023/24 along with relevant information about the projects to aid in the consistency determination.

DISCUSSION:

The County of Monterey Capital Improvement Program Five-Year Plan (CIP) sets forth public works projects with individual estimated costs over \$100,000 that are essential to maintain and improve County public facilities. Year 1 of the Draft CIP represents projects with funding in the upcoming (FY 2024/25) budget. Years 2-5 (FYs 2025/26 through 2028/29) illustrate priorities and potential magnitude of future funding needs. For more information on how projects are selected for inclusion, **Exhibit B** provides a summary of the CIP development process.

The CIP includes capital projects planned as part of the capital budgets managed by the Public Works, Facilities, and Parks (PWFP), Natividad Medical Center (NMC) and Information Technology Department (ITD). Capital projects are funded through capital funds budgeted in Funds 002 and 404 and by individual department budgets. NMC manages its own funds for capital projects. PWFP does not review NMC projects, so NMC projects are included in the CIP for reference only. Monterey County Water Resources Agency (MCWRAA) is a separate legal entity from the County; therefore, the CIP does not include MCWRA projects.

Government Code sections 65103 and 65401 require the list of proposed public works recommended for planning, initiation, or construction during the ensuing fiscal year be submitted to the designated planning agency for review and report to the designated official agency as to conformity with the adopted general plan or part thereof. In December 2020, the Board of Supervisors adopted ordinances and took other actions to dissolve the Resource Management Agency (RMA), replace the RMA with two new County departments known as the Housing and Community Development Department (HCD) and the Public Works, Facilities and Parks Department (PWFP), and create new director positions for each of the new departments. Ordinance 5391 amended Monterey County Code section 2.28.010 to designate PWFP as the department charged with preparing a coordinated program of public works as a part of the annual CIP. Monterey County Code section 2.29.010 defines the County's "Planning Agency" as consisting of the Board of Supervisors, the Planning Commission, the Housing and Community Development Department, and such other hearing officers and bodies as are designated in County's zoning and subdivision ordinances as Appropriate Authorities. The Planning Commission has historically acted in the capacity of the Planning Agency for the purposes of fulfilling the requirements of Government Code section 65401.

PWFP staff developed a subset of proposed major public works projects (Attachment 1 to **Exhibit A**) for consideration by the PC as to consistency with the 2010 Monterey County General Plan or LCP and 1982 General Plan. Projects, such as equipment and software purchases, are not major public works requiring Planning Commission review and are not included in Attachment A.

In general, project consistency falls within the four general categories below:

1. Upgrades or additions to existing government services within Public and Quasi-public facilities consistent with the General Plan and/or LCP.
2. New projects and additions to existing facilities that require permits and environmental review that ensures compliance with goals and policies of the General Plan and/or LCP.
3. Projects that have already been reviewed in previous environmental documents and/or have required County

permits where there was a determination that the project or program was consistent with the applicable General Plan and/or LCP.

4. Not Applicable because the County General Plan and/or LCP is/are not applicable to projects located within city limits.

Attachment 1 to Exhibit A includes each project's name, responsible department, project description and justification, goals and tasks to be completed in the upcoming fiscal year, General Plan or LCP consistency, geographic area, and potential to apply sustainability concepts to a project.

Additional Information on Roadway Projects

As requested by the PC, staff has prepared a list of projects addressing roadways which have a deficient Level of Service (LOS), as identified in the 2010 General Plan Environmental Impact Report (**Exhibit C**). The FY 2024/25 CIP includes LOS deficient roadways as Future Year - Unfunded projects. Incorporating these roadways into the CIP allows projects to be included in the Road Fund Work Plan when funding becomes available. The following supplemental information is also provided to address this request.

Fund 002 (Road Fund) is composed of multiple sources. Annual allocations include: Highway Users Tax Account (HUTA, aka Gas Tax), Senate Bill 1 (SB 1, aka, Road Maintenance and Rehabilitation Account), Measure X (annual allocation-based sales tax divided with a split of 40% Transportation Agency for Monterey County (TAMC) and 60% local agencies in the County, which is calculated on 50% population / 50% lane miles - this local road maintenance tax sunsets in 2047), and Transient Occupancy Tax (TOT, Board policy to allocate 25% of TOT for road maintenance as part of the County's Maintenance of Effort (MOE) obligation through SB 1 and Measure X). In addition, PWFP applies for funding from various sources: Federal Highway Administration (FHWA), State/Regional Transportation Improvement Program (STIP/RTIP), Active Transportation Program (ATP), and other one-time funding when a project qualifies. Projects completed under emergency declarations are eligible for reimbursement through the Federal Emergency Management Agency (FEMA) and/or the Governor's Office of Emergency Services (CalOES).

When fees are developed, a nexus study is performed that identifies road segments needing improvement. Development projects are subject to two traffic impact fees based on the respective fee's nexus study that determines a fair share contribution: 1) the Regional Development Impact Fee (RDIF), a regional (countywide) traffic impact fee collected by the County for TAMC, and 2) a local traffic impact fee. RDIF funds transportation projects along the regional routes that mitigate the transportation impacts of new development. PWFP works with TAMC to ensure there is no overlap where a project pays twice for the same improvement. Since not all areas have the same level of need, fees are developed by zone. Cities apply their own fees. Projects in the unincorporated areas of the county do not pay City fees; projects located within cities do not pay the County fee. All projects pay the TAMC fee. Fees specific to development projects in Carmel Valley are collected and placed in a separate account, and projects are developed in coordination with the Carmel Valley Road Advisory Committee, chaired by the supervisorial district 5 Supervisor.

Road projects are prioritized in a Pavement Management Plan (PMP) based on criteria such as road pavement condition, traffic volumes, and economic importance. Studies completed along specific corridors (Carmel Valley Road, G-12 Pajaro to Prunedale, etc.) identify projects that are folded into the roads program. Projects which were promised if Measure X passed, take priority using that funding source. PWFP collaborates with other agencies to leverage each other's limited funding to perform regional projects.

Monterey County had a reimbursement agreement to receive mitigation fees from the Fort Ord Reuse Authority (FORA) for the Davis Road Bridge and Road Widening Project (Project). Funding to perform the bridge portion has been secured mostly through the federally funded Highway Bridge Program (HBP). However, with FORA's dissolution on June 30, 2020, the road-widening portion faces a funding gap. Staff is actively seeking new grants to fully fund the road-widening portion of the Project. Last year, staff applied for a federal INFRA grant, as well as federal earmarks, to address the funding gap; unfortunately, the County was not selected. Collected traffic impact fees from development projects, like the East Garrison development, Regional Surface Transportation Plan (RSTP) funds, and HBP funds are budgeted to continue funding the bridge portion of the Project and the roundabout at the Davis Road/Reservation Road intersection. PWFP reviewed the status of the countywide traffic impact fees collected prior to preparing the CIP. The latest status review indicates funds are available to continue the bridge portion of the Project in FY 2024/25 using traffic impact fees and RSTP funds. PWFP is pursuing various grant opportunities this year, especially those related to the recently enacted federal Bipartisan Infrastructure Law (BIL, or "Infrastructure Investment and Jobs Act", or IIJA), in addition to federal earmarks, to fund the remaining unfunded portion of the Project. Staff is also evaluating other projects that may qualify for the BIL.

California Environmental Quality Act (CEQA)

The General Plan consistency determination, itself, does not approve, deny, or modify any project identified in the CIP. The act of determining consistency of the CIP would have no physical effect on the environment, and is not a project as defined in Section 15378 of the CEQA Guidelines. Pursuant to CEQA Guidelines section 15378(b)(4), the report relates to a governmental fiscal activity which does not involve any commitment to any specific project; each project in the CIP is required to undergo a separate approval process, including appropriate environmental review, when applicable. Therefore, this report does not constitute a project for the purposes of CEQA.

OTHER AGENCY INVOLVEMENT:

Each County Department and Agency has worked with PWFP to identify capital improvement projects for the next fiscal year and to identify funding sources for those projects.

On March 11, 2024 the CIC reviewed the draft CIP and made recommendations for unfunded project priorities. On March 19, 2024, the BC provided funding recommendations which were reviewed at the Board of Supervisors' Budget Workshop and Budget Hearings.

FINANCING:

The CIP is funded by multiple funding sources including local, state, and federal grants, Highway Users Tax Account (HUTA or Gas Tax), SB 1, Measure X, impact fees, and capital funds. PWFP staff costs allocated to prepare the CIP are budgeted in Fund 404. No financial impacts will result from receiving this report, or from finding the FY 2024/25 CIP public works projects are consistent with respective "Area" plan and/or General Plan. Available cash flow is considered when determining the timing and implementation of individual projects.

Prepared by: John Snively, Administrative Operations Manager, ext. 6617
Edgar Sanchez, Assistant Planner, ext. 7058

Reviewed by: Jaime Scott Guthrie, AICP, Senior Planner, ext. 6414

Approved by: Melanie Beretti, AICP, Acting Chief of Planning

The following attachments are on file with the HCD:

Exhibit A - Draft Planning Commission Resolution and Attachment 1

Exhibit B - CIP Development Process Summary

Exhibit C - LOS - Deficient Roadways as identified in the EIR for the 2010 Monterey County General Plan