



Board Report

File #: PC 24-070, **Version:** 1

REFERRAL 22.7 AND 22.3 - PAJARO RIVER LEVEE IMPROVEMENTS, 2010 GENERAL PLAN PRIORITY COMMUNITY PLAN UPDATES AND DEVELOPMENT EVALUATION SYSTEM

- a. Consider receiving an update from the Pajaro River Flood Management Agency regarding repair and improvements to the Pajaro River Levee;
- b. Consider receiving an update from staff regarding the Pajaro Long-Term Recovery Planning and status update 2010 General Plan implementation related to Development Evaluation System, Pajaro, Boronda, Castroville and Chualar Community Plans development.
- c. Provide direction to staff.

Project Location: North County Inland Area (Pajaro and Boronda); Central Salinas Valley Area (Chualar); Countywide

Proposed CEQA action: Statutory Exemption pursuant to Section 15262 of the CEQA.

RECOMMENDATION:

It is recommended that the Planning Commission:

- a. Receive a status update from the Pajaro River Flood Management Agency regarding repair and improvements to the Pajaro River Levee;
- b. Receive a status update from staff regarding the Pajaro Long-Term Recovery Planning and status update 2010 General Plan implementation related to Development Evaluation System, Pajaro, Boronda and Chualar Community Plans development; and
- c. Provide direction to staff.

SUMMARY/DISCUSSION

On March 29, 2023, the Planning Commission accepted Referral No. 22.7 requesting a presentation on Pajaro River Levee improvement plans and a presentation on the proposed approach for community plans envisioned in the 2010 General Plan (Pajaro and Chualar as first priorities). The Planning Commission referral further requests for continual updates on how the Housing and Community Development Department is making progress toward developing those community plans, that are intended to help address infrastructure problems in these communities and receive updates on the Pajaro River Levee improvement projects that are underway. This report provides updates since the previous quarterly report that was provide to the Planning Commission on March 27, 2024 (PC File # 24-023). Staff has identified an opportunity to consolidate Referral No. 22.3 Development Evaluations System and Referral No. 22.7 to provide continual quarterly updates.

Pajaro River Levee Repairs and Improvements

Staff received the following updated information from the Pajaro Regional Flood Management Agency (PRFMA) regarding Pajaro River Levee repair and improvements. Ongoing efforts continue to secure the essential federal funding required for the construction of the Pajaro River Flood Risk Management Project. Presently, \$149 million in federal funds has been allocated, yet an additional \$200 million of federal funds is imperative to meet the total \$600 million budget for the levee project. Under the Project's Flood Control Subventions Program agreement with the State of California, \$47 million has been committed to PRFMA from state budgetary appropriations. These funds have largely supported the Right-of-Way Program for the project in

Reach 6, known as LERRDs in federal Army Corps vernacular (Lands, Easements, Rights of Way, Relocations, and Disposals).

Furthermore, the plans and specifications for the Reach 6 Project are Final 100% plans and specs for Reach 6 were due to be delivered to the United State Army Corps of Engineers (USACE) by their contractor on May 24, 2024, and are currently under final review and back check. The 100% plans and specs will allow the USACE to develop a bid package suitable for internal review and external advertisement for construction phase services on Reach 6, starting later this calendar year. Remaining levee designs on Reach 5 will continue under contract by an Architecture Engineering firm, with the award expected in June 2024. Meanwhile, the design of Reaches 2, 3, and 4 will be under separate contract to USACE, scheduled to be awarded in February 2025. Given the tight timeline and constraints to implement the LERRDs program, the USACE will need to advance construction contract advertisement, bid opening, and contract award under separate waivers ahead of securing real estate certification. Each subsequent waiver will require a higher level of USACE approval (District, then Division, and finally HQ). The exact schedule and manner in which construction would occur for Reach 6 will be strongly dependent on the success of real estate negotiations and utility relocation coordination (in particular, with PG&E). PRFMA is working very closely, along with its Right of Way Consultant, Monument Right-of-Way, to speed delivery of electrical utility relocation and well relocation away from the project footprint as required for construction. PRFMA has also met with County of Santa Cruz Environmental Health and Planning departments to expedite any necessary permitting for utility relocation and is receiving helpful guidance. It is worthy to point out, that the process to constructing Reach 6 will lead the way for implementation of the Reaches 2, 3, 4 and 5 once those projects have complete plans and specifications ready to move forward for construction. Reach 6 is completely within the boundaries of County of Santa Cruz and the City of Watsonville. Reaches 2, 3, 4 and 5 are bordering County of Monterey jurisdiction.

Additionally, Monterey County Water Resources Agency (MCWRA) continues to serve the Non-Federal Sponsor role with the Army Corps in the repairs of the three levee breach sites on the Monterey County side of the river, known as Sites 1, 2, and 3. To date all sites have been repaired and completed. PRFMA continues to advise and support the process, as PRFMA staff is acutely familiar with Army Corps programs and staff. PRFMA staff will be leading other lower priority PL84-99 repairs over the coming year on both sides of the river with the Army Corps as part of the operation, maintenance, repair, replacement and rehabilitation (OMRR&R) transition that will shift operations and maintenance responsibility to PRFMA.

Pajaro Long-Term Recovery Planning

The County, working through the Department of Emergency Management (DEM), launched a Pajaro Long-Term Recovery Planning effort to support the community's needs and vision for a resilient and sustainable recovery. HCD staff continues to participate in the recovery planning Pajaro Revitalization Committee. The Pajaro Revitalization Committee brings together a broad coalition of resident leaders, organizations, and agencies to take a collaborative approach critical to developing a comprehensive and effective recovery plan. During the first three meetings, staff received outstanding and insightful feedback from the community, focusing on identifying projects that the community felt would have the greatest benefit to aid in the recovery phase. A part of these discussions included how \$20 million in flood relief that was allocated by the State would be implemented.

On December 6, 2023, the Board of Supervisors approved a project budget proposal for the implementation and administration of the AB 102 funds ((Board File # RES 23-212). As part of the approved proposal, there was an

allocation of \$10,000,000 to fund community improvement and another \$10,000,000 for the Pajaro Unmet Needs Disaster Assistance Program that is currently being administered by Non-Profit Disaster Case Management Agencies and the Monterey County Workforce Development Board. The Pajaro Unmet Needs Disaster Assistance Program has two main components: Individual & Household Assistance, budgeted at \$6 million, and Small Business Assistance, budgeted at \$4 million. The Board has since approved funding agreement to roll out the funds to the community. As a part of the roll out, series of workshops that were held in March and an application center was set up in Pajaro Park to help residents begin applying for financial recovery assistance, which is available to anyone who was living in the community at the time of the floods, regardless of citizenship status. The workshops were intended to explain eligibility requirements and to help the residents navigate the application process. As of today, Pajaro residents are eligible for direct assistance between \$200 - \$600 help replace groceries that were lost in the floods. If household suffered physical flood damages, they will be referred to Disaster Case Management who will work with the household to obtain additional verification and assess eligibility. Households may be eligible for up to \$15,000 to cover home and vehicle repairs, housing assistance, and replacing personal property damaged in the flood, such as furniture. The funds can help homeowners cover the cost of repairs that weren't covered by FEMA, insurance, or another form of assistance. Renters can apply to help recover moving costs, lost security deposits and other expenses made because of the mandatory evacuations. To date, Community Bridges and Catholic Charities, has distributed more than \$1 million in direct economic assistance to Pajaro residents who have been impacted by the recent devastating floods. Community Bridges has also provided hundreds of thousands of dollars in indirect assistance through community outreach, political advocacy, essential items and supplies, free cleanup tools, and educational sessions regarding tenant and landlord rights, FEMA assistance, and insurance applications. Pajaro Residents continue to work through these organization to receive assistance. Additionally, businesses that were operating prior to the floods with a physical storefront can receive up to \$85,000 for repairs and at-home businesses can recover up to \$5,000 in business-related equipment losses. Storefront businesses are also available for up to \$15,000 for beautification of the business. This can include the remodel of exterior/ interior painting, landscaping and signage that was damaged during the floods. Ongoing community outreach is underway to inform the public of the available funds and to provide assistance navigating the application process.

2010 County General Plan - Planning Priorities

The 2010 Monterey County General Plan designates Community Areas to be actively supported as the County's primary planning priorities, with developing Community Plans for Pajaro and Chualar as the highest priorities (LU-2.23).

Chualar Community Planning: In spring 2023, with input from the Planning Commission and Board of Supervisors, the Housing and Community Development Department (HCD) established its Five-Year Long-Range Planning Work Program (LRP Work Program) established planned priority activities Fiscal Years 2023-2024 to 2027-2028. The LRP Work Program anticipated HCD will commence the Chualar Community Plan effort in this current fiscal year (FY23-24) and the Board of Supervisors approved a budget augmentation of \$50,000 for this effort.

On February 1, 2024, staff published a Request for Proposal (RFP) to solicit proposals for consultant firms to assist in the development of the Chualar Community Plan through the County webpage and email distribution list. The RFP closed on March 15, 2024, staff reviewed applications and has conducted consultant interviews during May 2024. The next steps include negotiating a Professional Services Agreement with a successful firm. The PSA will be considered by the Board of Supervisors in early summer 2024. Commencement of the Chualar Community Plan process is estimated to begin immediately after an agreement is in place with a consultant.

The Chualar community planning process requires that staff work toward fostering deeper community engagement and recognize that the Chualar school district has a great presence in Chualar. Their partnership and expertise are invaluable to the County, and staff believe their participation will significantly enhance our collective efforts. Staff will work with the Chualar school district to identify ways to conduct preliminary outreach to get people involved early.

Staff estimates that the completion of the Chualar Community Plan will cost the County \$1,200,000 based on proposal that were submitted. Approximately \$250,000 of the total estimated cost is anticipated to be spent in FY25. Currently, staff has identified \$100,000 of funds from the Local Early Action Planning (LEAP) grant to finance tasks required to begin preparation of the Chualar Community Plan. The remaining \$150,000 for FY25 has been submitted as an augmentation request as a part of the FY25 budget process.

Pajaro Community Planning: As plans for levee improvements proceed and the community long-term recovery planning is completed in the coming year, the groundwork will be laid for infrastructure and community vision to guide land use policies to be developed as part of the Pajaro Community Plan. The LRP Work Program anticipates HCD will commence the Pajaro Community Plan effort in the next fiscal year (FY25-26), pending completion of the Long-Term Recovery Plan, completion of other key General/Community Plan updates in process, and community readiness.

Castroville Community Planning: The Castroville Community Plan (CCP) was adopted in 2007, it contains land use goals and policies to support development for the Castroville community. This adopted plan is based on inclusion of both inland and coastal areas for development. The California Coastal Commission did not certify the existing 2007 CCP and the coastal areas no longer have a nexus to the CCP upon which to exact impact fees. The impact fees have provided a barrier to affordable housing development in the Castroville community. Staff initiated an update to the Plan in 2022 that would remove the coastal areas from the plan and catalyze a reduction in the impact fees, thus supporting removal of a barrier to housing production. Staff received a draft of the updated CCP; however, the County is in the process of preparing the 6th Cycle Update of the General Plan Housing Element (HEU6) which identifies parcels within the CCP toward fulfilling Regional Housing Needs Allocation (RHNA). The CCP Update has been put on hold until there is certainty for the parcels that will be included in the HEU6. Parcels in the HEU6 Sites Inventory will be upzoned to allow higher density development on those sites. Staff intends to resume the CCP update, when State HCD provides certainty on the parcels included in HEU6 to ensure there will be consistency with the among both plans.

Boronda Community Planning: Boronda is a long established community located in unincorporated area of Monterey County on the western boundary of the City of Salinas. Over the years the City of Salinas has grown to the borders of Boronda and has spurred Boronda's transition from a rural to a more urban community. In 1983, the County of Monterey, City of Salinas and the Boronda County Sanitation District entered into an agreement to provide sanitary sewer service to the Boronda area to accommodate more intense urban land uses. At same time all three agencies decided that land use planning, zoning modifications, land use controls and public improvements were needed to bring Boronda in conformance with its surrounding urban uses. The Boronda Neighborhood Improvement plan was adopted by the County in 1986 to establish land use goals and policies for the Boronda community. At present time, the Boronda community continues to transition into an urban area and staff has identified the need adopt a community plan with updated land use goals and policies. The LRP Work Program anticipates HCD will commence the Boronda Community Plan effort in the next fiscal year (FY26 -27).

Development Evaluation System: Implementation of the 2010 General Plan includes establishment of a Development Evaluation System (DES) program to implement Land Use Element Policy LU-1.19. The DES

program seeks to establish a systematic, consistent, predictable, and quantitative method, for County decision-makers to evaluate certain categories of proposed development projects located outside of established top priority areas for development. The DES program was brought before the Board of Supervisors on August 25, 2020, where they made a motion to staff rework the ordinance and bring back at a later time for the Board's consideration. Due to other arising priorities limited staffing or other unanticipated delays, minimal or no progress was made on the DES program. However, DES is identified as a board policy priority task in the LRP work program that is not currently assigned or active but will be a priority to commence during FY24-25 based on the current staffing.

ENVIRONMENTAL REVIEW

This presentation is Statutorily Exempt pursuant to Section 15262 of the CEQA Guidelines as an early discussion of possible future actions that do not involve a commitment to a project. The Pajaro Long-Term Recovery Plan, Development Evaluation System, Pajaro, Boronda, Castroville and Chualar Community Plans development will require a CEQA determination prior to adoption.

OTHER AGENCY INVOLVEMENT

Multiple County departments are involved in the long-term recovery planning efforts in Pajaro: Department of Emergency Management is leading these efforts; Health Department's Environmental Health Bureau and its Planning, Evaluation and Policy Unit; Civil Rights Office; County Administrative Office's Sustainability Program and Office of Community Engagement and Strategic Advocacy; and the Public Works, Facilities and Parks Department.

PRFMA is a joint powers authority which includes membership by the County of Monterey and the Monterey County Water Resources Agency. PRFMA was formed in 2021 to plan, finance and implement projects and programs to reduce flood risk from the lower Pajaro River and its tributaries in Santa Cruz and Monterey Counties.

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Cc: Monterey County Department of Emergency Management, Monterey County Environmental Health Bureau, Monterey County Civil Rights Office, Pajaro Regional Flood Management Agency, Monterey County Water Resources Agency, US Army Corps of Engineers, Monterey County District 3, Monterey County District 2