



# County of Monterey

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

## Legislation Details (With Board Report)

**File #:** 18-244 **Name:**  
**Type:** General Agenda Item **Status:** Scheduled AM  
**File created:** 3/8/2018 **In control:** Board of Supervisors  
**On agenda:** 3/20/2018 **Final action:** 3/20/2018  
**Title:** a. Receive a status report on Board Referral No. 2017.23 regarding the use of 3-4-acre parcel at 855 East Laurel Drive, Salinas, for affordable and veterans housing project with a non-profit developer; and  
b. Provide direction to staff.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Board Report, 2. Exhibit A Laurel Yard Aerial view, 3. Exhibit B Utilities Map, 4. Completed Board Order

Date	Ver.	Action By	Action	Result
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- a. Receive a status report on Board Referral No. 2017.23 regarding the use of 3-4-acre parcel at 855 East Laurel Drive, Salinas, for affordable and veterans housing project with a non-profit developer; and  
b. Provide direction to staff.

### **RECOMMENDATION:**

It is recommended that the Board of Supervisors:

- a. Receive a status report on Board Referral No. 2017.8 regarding the use of 3-4-acre parcel at 855 East Laurel Drive, Salinas, for affordable and veterans housing project with a non-profit developer; and  
b. Provide direction to staff.

### **SUMMARY:**

Supervisor Alejo submitted a referral regarding a proposal to consider the 3-4-acre vacant parcel located on 855 East Laurel Drive (known to the County as the Public Works-Laurel Yard) which currently houses the fuel station, Mission Trails Regional Occupation Program (ROP), Environmental Health, Parks portable trailer, Public Works garage and facilities. Contiguous to the site is the Veterans Memorial to the North West; high tension power lines owned by Pacific Gas & Electric to the South East; and the City of Salinas has proposed a sidewalk project along East Laurel Drive on the lower portion of the property with a targeted completion date of 2020-2021.

Board Referral No. 2017.8 was assigned to the Monterey County Resource Management Agency (RMA) for consideration and analysis of the feasibility of the lower sloped parcel adjacent to East Laurel Drive to be utilized as a City BMX bicycle park.

Economic Development staff is performing due diligence to assess what it would take to implement this referral. Currently, there is no plan that contemplates the use/need of this land for County services. However, the 2001 County of Monterey Master Facilities Plan depicts this parcel as expansion space for the Public Works Sanitation, Maintenance, Fleet, Bridge and Traffic Divisions. The 2001 Plan needs updating to better clarify the multiple demands for this site.

Matters that involve encumbering or deposing of County lands are presented to the Capital Improvement Committee for a recommendation. If the matter will impact budgets, the matter is presented to the Budget Committee for recommendation. As a Board referral, staff is seeking Board direction as to whether the Board would like for staff to process this referral through the Capital Improvement Committee (CIC) for a recommendation to the Board of Supervisors.

### **DISCUSSION:**

This parcel is located within the City of Salinas, which designates the site for public/quasi-public (PQP) use. Generally, residential development is not an allowed use in the PQP designation. The County is required to refer the project to the City's planning agency for a report on conformity with the City's general plan. As a County project, the County would not be required to seek a change in city zoning, as County is not required to seek a permit from the County. As a long-term lease developed privately, the developer may be required to change the zoning through the City and obtain City permits.

The 3-4-acre parcel has potential to yield development of approximately 30 units per acre. If the parcel yields approximately 3 acres of development after easements, utilities and right-of-way's then the goal would be to maximize as many units per acre allowable. The multi-family project could yield up to 30 units per acre or approximately 90 units on 3 acres consisting of very low, low, moderate and veterans housing units (See Location Map Exhibit A).

RMA staff finds that the Laurel Yard site, generally, lends itself to future County facility development. However, this site has not been studied for the development of future County of Monterey uses, since the last Master Facility Plan in 2001.

Site challenges are:

- Topography- sloping off and requiring drainage improvements,
- High voltage utilities lines - no habitable structures under these lines or within proximity,
- Proximity to the fuel station and land use compatibility of maintenance yard operations with a residential use, and
- Proximity to other County of Monterey services, being centrally located within the City of Salinas, and substantial existing infrastructure. (See Utilities Map Exhibit B).

Site advantages are:

- Property is owned free and clear, and
- Property is within proximity to Natividad Medical and Behavioral Health Services for Veterans.

When discussing the location of possible new or expanding County facilities, staff recommends the Board and or CIC consider the possible impact to future County facility development, including selecting areas that are not otherwise feasible for development of other County facilities.

Based on an initial assessment of site conditions, the area is least suitable for future residential development and more suitable for industrial or County services. If the Board desires to use part of Laurel Yard site for residential, then County RMA Staff could further investigate the feasibility of possible locations for County facilities. Housing Office would like to provide the Board with an alternative site that could yield a higher number of affordable and Veteran units.

### **Alternative Sites**

One alternative site for affordable and veterans housing could include the UC Santa Cruz 272-acre site located

on the corner of Blanco and Reservation Road in the unincorporated portion of Monterey County. The site has a 2005 conceptual business park and mixed use plan that could accommodate up to 500 units of affordable housing to include veterans, transitional and workforce rental units. We would propose to UC Santa Cruz that they provide a 90-year ground lease and County Staff can issue a RFP to qualified non-profit, affordable home builders, and we could accommodate a mix of approximately 500 units of very low, low, moderate, workforce and veteran's multi-family rental housing. The County would be required to make a water allocation, which could limit the amount of housing that could be developed at this location. The land survey and planning to prepare for this alternative may be eligible for SB 2 funds.

Monterey County is facing a severe housing crises with increasing rents, a shortage of market rate multifamily rental units, and a shortage of buildable parcels that could accommodate multifamily affordable rental housing.

### **Sidewalk Improvements**

RMA will continue to collaborate with the City of Salinas to assist, as needed, as the City sidewalk and lighting project progresses as it partially affects County land.

### **Environmental Review**

To be determined based on if a project is identified.

### **OTHER AGENCY INVOLVEMENT:**

RMA is collaborating with the City of Salinas on their sidewalk project.

### **FINANCING:**

The County will not incur any costs beyond staff time to assess and report on this referral. A Request for Proposals (RFP) would need to be issued to select a qualified non-profit Affordable Housing Builder. Proposed cost per unit is in the range of \$350 per sq. ft. to \$500 per sq. ft. with no land cost however, site improvement costs are yet to be determined. The cost of financing is a major variable that causes the variation in pricing. The staff time associated with pursuing this referral is covered under the Economic Development Department General Fund FY 2017-18 Adopted Budget within Appropriations ED 8221. There currently is no funding to perform a detailed site assessment, engineering or overlay plan. However, staff believes this project is eligible for SB-2 funding.

### **BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

This endeavor facilitates the continuation of the County's and City's mutual planning which promotes the Board's 2015 Strategic Initiative for Administration by promoting an organization that practices efficient and effective resource management through ongoing collaboration with the City. Planning and developing infrastructure improves the quality of life for County residents and visitors.

Mark a check to the related Board of Supervisors Strategic Initiatives

X Economic Development  
X Administration  
X Health & Human Services  
X Infrastructure  
X Public Safety

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**Attachments:**

Exhibit A Laurel Yard Aerial View

Exhibit B Utilities Map