



# County of Monterey

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

## Board Report

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**File #:** RES 19-219, **Version:** 1

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Adopt a resolution approving an Addendum to the 2006 Greater Salinas Area Memorandum of Understanding between the City of Salinas and the County of Monterey.

**RECOMMENDATION:**

It is recommended that the Board of Supervisors adopt a resolution approving an Addendum to the Greater Salinas Area Memorandum of Understanding (Addendum) between the City of Salinas and the County of Monterey.

**SUMMARY:**

In 2006, the City and the County entered into the Greater Salinas Area Memorandum of Understanding (GSA-MOU, **Attachment 2**) to establish a broad policy framework to govern City-County growth in the “Greater Salinas Area”, replacing the Amended Boronda Memorandum of Understanding and in part completing a condition in the settlement of litigation between the City and the County. Since the City and the County’s approval of the GSA-MOU, the City has adopted an Economic Development Element (EDE, 2017) to its General Plan (2002) and the County has adopted an updated General Plan (2010). For the past couple of years, City and County staff have regularly discussed updating the GSA-MOU to reflect current land use development plans, current planned or contemplated development projects, and to provide for the protection of certain agricultural lands and much-needed resources, including low-income and farmworker housing, employment development opportunities, and associated services and facilities.

Meanwhile, a couple of projects recently applied for development on unincorporated lands north of the City within areas identified for future City growth, and in the South Boronda area that is part of the City’s Sphere of Influence (SOI). In the spirit of the GSA-MOU, City and County desire to work together for orderly growth relative to sewer, roads, etc. This Addendum is an interim bridge that outlines the parameters and principles for processing certain projects in specific areas to the north and to the west of the city limit until a comprehensive update to the Greater Salinas Area Memorandum of Understanding is complete.

One purpose of this Addendum is to mark an initial movement of the City and the County toward a more comprehensive update to the GSA-MOU. Another is to define the coordinated planning processes by which the City and the County will plan for and approve development in two areas: 1) the area north of the City’s current boundaries (“the Northern Area”) and 2) the south of Boronda area (“the South Boronda Area”). Maps that more specifically show these areas are included as Exhibits “A” and “B” to the Addendum.

This Addendum, in conjunction with the existing GSA-MOU, would remain in effect until a successor Agreement (updated GSA-MOU) is approved by the City and the County. On June 18, 2019, the County of Monterey Board of Supervisors (BOS) will consider the Addendum prior to the City Council meeting. City staff will report the BOS action taken on the Addendum during its presentation to City Council later in the day.

**DISCUSSION:**

Article 1 of the Addendum outlines the terms for City and County coordination including a description of the two geographical areas, anticipated development projects and plans to be coordinated, and a description of how

the City and County coordinate planning efforts and entitlement process. It covers entering into reimbursement agreements with developers to pay for technical, environmental, and fiscal economic studies and analysis and installation of infrastructure improvements beyond what is required for their individual project (s). It also provides that should a project warrant tax/revenue sharing separate from the annexation process, City and County will jointly prepare and enter into a tax/revenue sharing agreement.

The parameters of this Addendum are limited to addressing proposed plans and projects in the Northern Area and the South Boronda Area. The Northern Area includes Economic Opportunity Area (EOA) K, an area outside the City's current northern boundary identified in the 2017 Economic Development Element (EDE) as a future opportunity area for economic development. EOA is comprised of a Target Area, where near to mid-term development is projected, and an Economic Development Reserve Area that is to accommodate the City's longer-term economic development needs. Lands currently within EOA K are currently within the County's jurisdiction and are zoned as farmlands, permanent grazing, and commercial in the County's 2010 General Plan.

Prior to the Northern Area being annexed into the City, the County will coordinate with the City to consider a Specific Plan for Target Area K consistent with the City's Economic Development Element policies and identified land uses. Should annexation be part of the Specific Plan entitlement application, the City will take the lead to process Specific Plan approvals in coordination with the County. The location of the proposed Specific Plan area is generally north of Russel Road and east of Harrison Road, as shown on a map attached to the Addendum. The County will consider a proposal to develop a commercial project on commercially designated lands under the County's 2010 General Plan that is located within the County's jurisdiction adjacent to Target Area K and within the City's Economic Development Reserve Area K. The proposed County Commercial Development Project is generally located off Harrison Road east of State Highway 101 at the Sala Road interchange (map attached to the Addendum). Both projects, as well as a possible Ag worker housing project further north on Harrison Road, would be better served by connecting to the City's sewer facilities.

In the South Boronda Area, the County will work with City to develop a Plan for future development on undeveloped lands located within the County's jurisdiction and the City's Sphere of Influence (SOI) and Economic Opportunity Area M. Under this Addendum, City and the County agree that the City will take the lead in processing project and plan entitlements within the South Boronda Area if annexation is part of the entitlement application. The location of the proposed Community Plan Area is illustrated on a map attached to the Addendum. Development in this SOI is intended to connect to the City's sewer facilities and West Side Bypass, as contemplated in the County's and City's General Plans.

This Addendum also addresses the processing of farmworker housing projects that are on lands located within the County's jurisdiction and within close proximity to the City's boundary, including sphere of influence areas. As part of its entitlement review, the County will consider project proximity to existing infrastructure and services, and coordinate with City to ensure that infrastructure contemplates current and proposed surrounding projects.

Section 1.4 of the Addendum outlines ways in which the City and County agree to coordinate planning efforts and entitlement processes (e.g., specific and general development plans, General Plan amendments, annexations). This includes:

- joint application processing if timing works for all parties, or the provision of timing assurances and opportunity to review and comment on plans and applications if planning in tandem, and
- coordination on or sharing in the preparation of technical studies and analyses required to

- determine and provide for project infrastructure, services, and public safety needs, (e.g., infrastructure, water, hydrology/stormwater, traffic and transportation), and
- joint determination of appropriate level and process for compliance with California Environmental Quality Act (CEQA) including coordinating on or sharing in project mitigation requirements, and
- selection of a mutually agreed upon consultant to prepare fiscal and economic analysis to provide recommended tax sharing percentages, should they be required, based on data and market demand analysis for proposed commercial uses; and
- joint review of technical studies, fiscal and economic analysis, and CEQA documents, and to develop a joint recommendation regarding project entitlement processing for City Council and Board of Supervisors consideration.

Section 1.5 states that should a project within the Northern Area or South Boronda Area warrant tax/revenue sharing separate from the annexation process, the City and the County will jointly prepare and in good faith consider entering into a tax/revenue sharing agreement. The City and County also agree in good faith to consider entering into reimbursement agreements with project developer(s) to pay for technical, environmental, and fiscal economic studies and analysis and/or to install infrastructure improvements beyond what is required for their individual project(s). Subsequent project(s) would reimburse the developer(s) based on its pro rata share.

#### CEQA

The proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines section 15378). This Addendum is not intended to constitute a project under CEQA as it represents only an agreement to cooperate subject to compliance with all applicable laws relating to further actions, which include the preparation of plans and the consideration of projects. Any subsequent discretionary projects resulting from implementation of the Addendum will be assessed for CEQA applicability.

#### OTHER AGENCY INVOLVEMENT:

RMA coordinated preparation of the Addendum with the CAO and City staff from Community Development, Public Works, Administration and Economic Development. Staff held multiple coordination meetings to develop the parameters and principles of the Agreement. The draft Agreement was prepared by the City Attorney in coordination with County Counsel.

#### FINANCIAL ANALYSIS:

There are no direct or indirect fiscal impacts associated with approval of the Addendum. Staff time for coordination, review and implementation of inter-agency projects and issues is allocated in the adopted budget. Any subsequent discretionary projects resulting from implementation of the Addendum will be subject to application processing fees.

#### BOARD OF SUPERVISORS STRATEGIC INITIATIVE:

This Addendum facilitates continuation of the City and County's mutual planning and implementation efforts related to the areas in or adjacent to the City and its Sphere of Influence (SOI) (aka "Greater Salinas Area") until the Greater Salinas Area (GSA) MOU is updated. This Addendum and the GSA-MOU promote well-planned economic development balanced with adequate infrastructure and protection of significant agricultural lands.

#### X Economic Development

☒ Administration  
☐ Health & Human Services  
☒ Infrastructure  
☐ Public Safety

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ATTACHMENTS:

1. Resolution Adopting an Addendum to the 2006 GSA-MOU
  - a. Exhibit "A": Addendum to the 2006 GSA-MOU
2. 2006 GSA-MOU, Resolution 19059 (N.C.S.)