



Board Report

File #: RES 20-123, **Version:** 1

Adopt a resolution to authorize and direct the Auditor-Controller to amend the Fiscal Year 2020-21 Adopted Budget for the Boronda County Sanitation District, Fund 156, Appropriation Unit RMA045, and increase revenue by \$7,452, financed by Café Tori pursuant to a Funding Agreement with the District (4/5th vote required). (ADDED VIA ADDENDA)

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a resolution to authorize and direct the Auditor-Controller to amend the Fiscal Year 2020-21 Adopted Budget for the Boronda County Sanitation District, Fund 156, Appropriation Unit RMA045, and increase revenue by \$7,452, financed by Café Tori pursuant to a Funding Agreement with the District (4/5th vote required).

SUMMARY/DISCUSSION:

Café Tori Investments, LLC (Project Applicant) received County approval for entitlements (PLN190127) to develop the Harvest Moon Agricultural Employee Housing Project (Housing Project) on June 24, 2020 (Planning Commission Resolution No. 20-019). The Housing Project is located within the unincorporated area of the County of Monterey, off the northwest intersection of West Rossi Street and Davis Road. The Housing Project will provide housing for up to 1,200 seasonal agricultural employees during the April to November harvest season. RMA determined that this is a high priority project because it provides critically needed housing for agricultural employees.

The Boronda County Sanitation District (BCSD) owns a fee strip, with a sewer pipeline buried underneath, located on Assessor's Parcel Number (APN) 261-011-024-000, which runs through what will be the main entrance to the Housing Project site. To enable the Housing Project to move forward while protecting the BCSD property and facilities, BCSD required that the Project Applicant adhere to Conditions of Approval (COA) Nos. 39 and 40, which require the Maintenance of Developer Improvements Agreement (Maintenance Agreement) (Exhibit D to Attachment B) and Grant of Easement Deed (Attachment B), respectively. Staff time to process these agreements will be fully reimbursed by the Project Applicant through a Funding Agreement between Café Tori and the District (Attachment B).

The Applicant is trying to get the housing built in time to occupy for the 2021 growing season (occupancy by April 2021). In an effort to keep this high priority project on track, the Resource Management Agency (RMA) issued the permits for this Housing Project while the Funding Agreement, Maintenance Agreement, and Easement are processed for Board approval, allowing the developer to begin work as planned for Monday, July 20, 2020. The background and justification for this decision was communicated to the Board on July 17, 2020 (Attachment D). In return, the Developer provided a letter stating that they accept responsibility for any new damage to the BCSD facilities (sewer line) and any damage that may be caused if they break the line (e.g., environmental damage), while the Easement and Maintenance Agreement are processed for the July 28th Board meeting (Attachment E).

It is recommended that the Board of Supervisors, per the recommendation of the Board of Directors of the BCSD, adopt a resolution to authorize and direct the Auditor-Controller to amend the Fiscal Year 2020-21 Adopted Budget for the Boronda County Sanitation District, Fund 156, Appropriation Unit RMA045, and

increase revenue by \$7,452, financed by Café Tori pursuant to the Funding Agreement.

OTHER AGENCY INVOLVEMENT:

On July 28, 2020, the Board, acting as the Board of Directors for BCSD, is considering a recommendation to support the Board of Supervisors' action to amend the FY 2020-21 Adopted Budget for BCSD to increase revenue to fund staff time and materials to process the subject agreements. On July 22, 2020, Budget Committee Chair Supervisor Parker approved this item to go directly to the Board of Supervisors, thereby bypassing the Budget Committee.

FINANCING:

RMA staff time and materials to process and review the Easement and Maintenance Agreement is funded as part of the Fiscal Year (FY) 2020-21 Adopted Budget for the RMA, Fund 001, Appropriation Unit RMA013. Funding for staff time will be paid by the Project Applicant through a Funding Agreement with the District in the amount not to exceed \$7,452 (\$6,480 Base Budget and \$972 Contingency Budget). Correspondingly, the recommendation today increases FY 2020-21 Adopted Budget for the BCSD, Fund 156, Appropriation Unit RMA045, revenue by \$7,452. There is no impact to the General Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The action supports the Board of Supervisors' Strategic Initiatives for Economic Development and Infrastructure by continuing to robustly support and develop needed safe housing availability for essential farmworkers while protecting critical County sewer infrastructure.

- ☒ Economic Development
- ☐ Administration
- ☐ Health & Human Services
- ☒ Infrastructure
- ☐ Public Safety

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Reviewed by: Shawne Ellerbee, Assistant Director of Resource Management Agency

Approved by: Carl P. Holm, AICP, RMA Director

Attachments:

Attachment A-Draft Resolution

Attachment B-Grant of Easement Deed

Attachment C-Funding Agreement

Attachment D-July 17, 2020 RMA Memo to the Board

Attachment E-July 20, 2020 Letter from Developer

(Attachments are on file with the Clerk of the Board)