

REGULAR MEETING

JOINT SAND CITY COUNCIL AND SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY

TUESDAY, DECEMBER 21, 2021

5:30 PM

AGENDA
JOINT SAND CITY COUNCIL AND SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY

Regular Meeting - Tuesday, December 21, 2021
5:30 PM

THIS MEETING WILL BE HELD VIRTUALLY AND IS COMPLIANT WITH THE GOVERNOR'S EXECUTIVE ORDER N-29-20 ALLOWING FOR A DEVIATION OF TELECONFERENCE RULES REQUIRED BY THE BROWN ACT.
TO PARTICIPATE IN THE ZOOM COUNCIL MEETING LIVE:
https://us02web.zoom.us/j/4614728829
Meeting ID: 461 472 8829
To participate telephonically by calling the number below:
(669) 900-6833
Meeting ID: 461 472 8829#
If prompted to enter a participant ID, press #

How to submit written Public Comments:
If any member of the public would like to provide written comments at the meeting, please do as set forth below.

Written: All comments received before 8:00 am the day of the meeting will be posted on the City's website as "Correspondence" under the relevant agenda item and provided to the City Council members at the meeting. Please email your comments to: connie@sandcityca.org.

Read Aloud During the Meeting: Email your comments to connie@sandcityca.org when the Mayor opens the public comment period for the relevant agenda item; please indicate the agenda item and title in your email subject line. If you want your comment read aloud, prominently write "Read Aloud at Meeting" at the top of the email and your comments will be read into the record (not to exceed three minutes at staff's cadence).

DURING EACH MEETING, members of the public may participate by calling and speaking live during the designated time(s), subject to time limits that may be imposed pursuant to the Brown Act at the number provided above.

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1. **ROLL CALL**
2. **PLEDGE OF ALLEGIANCE**
3. **INVOCATION**
4. **ANNOUNCEMENT BY MAYOR, CITY ATTORNEY, & CITY STAFF**

5. COMMUNICATIONS

Members of the public may address the City Council/Successor Agency on matters not appearing on the City Council/Successor Agency Agenda at this time for up to three minutes. In order that the City Clerk may later identify the speaker in the minutes of the meeting, it is helpful if speakers state their names. Public comments regarding items on the scheduled agenda will be heard at the time the item is being considered by the City Council/Successor Agency.

The City Council Chambers podium is equipped with a portable microphone for anyone unable to come to the podium. If you need assistance, please advise the City Clerk as to which item you would like to comment on and the microphone will be brought to you.

6. CONSENT CALENDAR

The Consent Agenda consists of routine items for which City Council approval can be taken with a single motion and vote. A Council member may request that any item be placed on the Regular Agenda for separate consideration.

6A. Approval of Sand City Council Meeting Minutes:
1) November 23, 2021 Special City Council Meeting
2) December 7, 2021 Regular Council Meeting
11.23.21 Special Meeting Minutes.pdf
12.07.21 Minutes.pdf

6B. Approval of City RESOLUTION Updating Schedule M, City Clerk Fees and Charges related to Administrative Department Fees
Staff Report.Update Schedule M. City Clerk Fee Schedule.pdf
Resolution.Update City Clerk Fees.pdf

6C. Approval of City RESOLUTION Authorizing Continued Banking Services Agreement with Mechanics Bank
Staff Report. Continued Banking Services with Mechanics Bank.pdf
Resolution. Mechanics Bank 2021.pdf

6D. Approval of City RESOLUTION Recognizing Mayor Mary Ann Carbone for 30 years of Exemplary Service to the City of Sand City
Resolution. Recognizing Mayor Carbone.pdf

6E. Approval of City Donation/Contribution
1) Jacobs Heart Children's Cancer Services - $250
Donation.Contribution Memo.pdf

7. CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

8. ORDER OF BUSINESS

8A. Consideration of City RESOLUTION Approving a Memorandum of Understanding (MOU) between the City of Sand City and DBO Development No. 30, LLC regarding South of Tioga Public Improvements and Fund for the Edgewater Habitat Restoration

Staff Report. Approving Memorandum of Understanding between DBO and City of Sand City.pdf
Resolution.Authorizing the Mayor and City Manager to enter into a MOU.pdf
MAP.Exhibit A- California Ave_2020-10-19.pdf

9. PUBLIC HEARING

9A. Second Reading of ORDINANCE of the City Council of the City of Sand City approving the First Amendment to the Development Agreement by and between DBO Development No. 30, LLC and the City of Sand City relating to the development commonly known as the South of Tioga Project

Staff Report. 2nd Reading DA Amendment.pdf
Exhibit A. Ordinance Approving First Amendment to the DA.pdf
Exhibit B.Staff Report. December 7, 2021 Council Meeting.pdf

9B. Consideration and Approval of City RESOLUTION to Establish Community Facilities District No. 2021-1 (South of Tioga Project and to Authorize the Levy of Special Taxes
Staff Report.South of Tioga Project. To Establish CFD..pdf
Attachment A. CFD Petition 2021-12-16 FE.pdf
Attachment B. South of Tioga Fiscal Impact Analysis.pdf
Attachment C. Resolution. To Establish a Community Facility District.pdf

9C. Consideration of City RESOLUTIONS regarding the Sand City Sustainable Transportation Plan
1) Approval of City Resolution Adopting a Negative Declaration regarding the Sand City Sustainable Transportation Plan
2) Approval of City Resolution Adopting the Sand City Sustainable Transportation Plan
3) Approval of City Resolution to Approve a Mitigation Monitoring Program for the Sand City Sustainable Transportation Plan
Staff Report.pdf
Report Exhibit A - Sustainable Transport Plan.pdf
Report Exhibit B - Survey.pdf
Report Exhibit C - Initial Study.pdf
Report Exhibit D - Response to Comments.pdf
Resolution (Attach 1) Neg Dec Adopt.pdf
Resolution (Attach2) Adopt the Plan.pdf
Resolution (Attach3) Adopt Monitoring program.pdf

10. NEW BUSINESS

10A. Consideration of City RESOLUTION Approving a Service Agreement with SLV Management (Stephen Vagnini) for the 2022 West End Celebration (WEC)
Staff Report. 2022 West End Celebration contract.pdf

Exhibit A.2021 WEC Budget.pdf
Exhibit B.2022 WEC Budget.pdf
Exhibit C. Resolution & Contract Approving 2022 WEC Service Agreement.pdf

10B. Presentation on and Consideration of the Audited Financial Statements for the Year ended June 30, 2021 and Independent Auditors Report by Therese Courtney and Mike Nolan of Hayashi and Wayland, LLC
1) Approval of City RESOLUTION Accepting the Audited Financial Statements for the Year ended June 30, 2021 and Independent Auditor's Report
Staff Report.20-21 Final Audit.pdf
Resolution. Approving the Final Audit for Year ended June 30, 2021.pdf
Audit Letters.pdf
Audited Financial Statements FY 20-21.pdf

10C. Consideration of Successor Agency RESOLUTION Confirming Reinstatement of a Loan Agreement between the City of Sand city and the Former Sand City Redevelopment Agency, Finding the Loan is an Enforceable Obligation within the meaning of Health and Safety Code Sections 34171(d)(2) and 34191.4(b)(2) and Approving Adjustments to the Repayment Schedule as Approved by Resolution SA 21-02
SA Staff Report 1989 Loan Agreement Enforceable Obligation.121521.pdf
Attachment 1. SA Resolution. Confirming Reinstatement of Loan Agreement.pdf
Attachment 2 - Finding of Completion.pdf
Attachment 3 - OB Memo 1989 Loan Agreement Enforceable Obligation082721.2docx.pdf
Attachment 4 - OB Resolution approving Seaside Loan.pdf

10D. Consideration of Successor Agency RESOLUTION Approving the Recognized Obligation Payment Schedule (ROS 22-23) and Administrative Budget for the period July 1, 2022 through June 30, 2023
Staff Report. Successor Agency ROPS 22-23.pdf
Attachment 1. Resolution ROPS 22-23.pdf
Attachment 2. Proposed Sand City ROPS 22-23.pdf
Attachment 3. Successor Admin Budget 22-23.pdf

10E. Comments by Council Members on Items of Interest to Sand City

10F. Upcoming Meetings/Events

11. ADJOURNMENT
REMINDER: The January 4, 2022 Sand City Council meeting is Cancelled.

The current agenda is available in PDF format on our website at:
www.sandcity.org

If you have a request for a disability-related modification or accommodation, including auxiliary aids or services, which will allow you to participate in a Sand City public meeting, please call the City Clerk at (831) 394-3054 extension 220, or give your written request to the City Clerk at 1 Pendergrass Way, Sand City, CA

93955 at least 48 hours prior to the scheduled meeting to allow the City Clerk time to arrange for the requested modification or accommodation.

AGENDA ITEM
6A.

Approval of Sand City Council Meeting Minutes: 1) November 23, 2021 Special City Council Meeting 2) December 7, 2021 Regular Council Meeting

MINUTES
JOINT SAND CITY COUNCIL AND SUCCESSOR
AGENCY OF THE REDEVELOPMENT AGENCY

Special Meeting - Tuesday, November 23, 2021
1:00 PM
As allowed per Assembly Bill (AB361), this meeting was conducted in person and by teleconference

Mayor Carbone opened the Special City Council meeting at 1:00 p.m.

AGENDA ITEM 1, **ROLL CALL**

Present: Mayor Mary Ann Carbone
Council Member Blackwelder (virtual attendance)
Councilmember Cruz (virtual attendance)
Councilmember Hawthorne (absent)
Councilmember Sofer

Staff: Vibeke Norgaard, City Attorney
Connie Horca, City Clerk

AGENDA ITEM 2, **PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by City Attorney Norgaard.

AGENDA ITEM 3, **COMMUNICATIONS**

1:05 P.M. Floor opened for Public Comment.

There were no comments from the Public in person, via writing or through telecommunications.

1:05 P.M. Floor closed to Public Comment.

AGENDA ITEM 4, **NEW BUSINESS**

4A. Consideration and Approval of City RESOLUTION Rescinding Resolution SC 21-70, 2021 and Approving the Appointment of City Attorney Vibeke Norgaard as Acting City Manager effective midnight November 26, 2021

City Clerk Horca presented the staff report and noted that City Manager Blair's employment will end on midnight, November 26, 2021. The City Council adopted a Resolution SC 21-70, 2021 approving the appointment of interim City Manager Jeffrey Durbin at the November 26, 2021 Council meeting and on Friday, November 19, 2021 Mr. Durbin informed the City that that he has accepted a permanent position with another organization. The City's Municipal code provides that the Council may authorize an Assistant City Manager to perform some or all of the

responsibilities of the City Manager. Since the City does not have an Assistant City Manager, the City Attorney, Vibeke Norgaard would be the ideal candidate to serve as Acting City Manager due to her extensive knowledge and experience regarding City projects.

Staff recommends that the Council approve the attached resolution rescinding Resolution SC 21-70, 2021 and approve the appointment of City Attorney Vibeke Norgaard as Acting City Manager effective midnight November 26, 2021.

There was discussion regarding compensation, possibility of outsourcing legal work, and the length of time for the recruitment of a City Manager.

City Clerk Horca read into the record an email from City Manager Blair reiterating his support for Vibeke as Acting City Manager, his belief that she will do a good job as she has been highly involved in most of the key activities pertaining to the City, and would represent the best interest of the City.

1:14 P.M. Floor opened for Public Comment.

There were no comments from the Public in person, via writing or through telecommunications

1:14 P.M. Floor closed to Public Comment.

Motion to approve the City **Resolution** rescinding Resolution SC 21-70, 2021 and Approving the Appointment of City Attorney Vibeke Norgaard as Acting City Manager effective midnight November 26, 2021 was made by Council Member Sofer, seconded by Council Member Cruz. Roll call Vote AYES: Council Members Blackwelder, Carbone, Cruz, Sofer. NOES: None. ABSENT: Council Member Hawthorne. ABSTAIN: None. Motion carried.

AGENDA ITEM 5, **ADJOURNMENT**

There was consensus of the Council to adjourn the meeting at 1:15 p.m. to the next regularly scheduled Council meeting on Tuesday, December 7, 2021 at 5:30 p.m.

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Connie Horca, City Clerk

MINUTES
JOINT SAND CITY COUNCIL AND SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY

Regular Meeting - Tuesday, December 7, 2021
5:30 PM
As allowed per Assembly Bill (AB361), this meeting was conducted in person and by teleconference

Mayor Carbone opened the meeting at 5:31 p.m.

AGENDA ITEM 1, **ROLL CALL**

Present: Mayor Mary Ann Carbone
Council Member Cruz (virtual attendance)
Council Member Sofer (virtual attendance)
Council Member Hawthorne {arrived 5:39 p.m.}
Council Member Blackwelder (virtual attendance)

Staff: Vibeke Norgaard, Acting City Manager/City Attorney
Connie Horca, City Clerk
Charles Pooler, City Planner (virtual attendance)
Brian Ferrante, Chief of Police

AGENDA ITEM 2, ANNOUNCEMENTS BY MAYOR, CITY ATTORNEY, AND CITY STAFF

Mayor Carbone announced that the City Manager's report was distributed via email.

Acting City Manager/ City Attorney Norgaard reported on her meeting with City Engineer Gomez, the success of the Tree Lighting ceremony, exceptional attendance at the Art Park's First Friday event, Shelby Gorman's hard work on the event, and the scheduled grand opening of the new Total Wine store at the shopping center.

AGENDA ITEM 3, **COMMUNICATIONS**

5:36 P.M. Floor opened for Public Comment.

There were no comments from the Public in person, via writing or through telecommunications

5:36 P.M. Floor closed to Public Comment.

AGENDA ITEM 4, **CONSENT CALENDAR**

4A. There was no discussion of the Sand City Council Meeting Minutes for November 12, 2021 Special Council Meeting, November 16, 2021 Regular Council Meeting, November 18, 2021 Special Council Meeting.

4B. There was no discussion of the City **Resolution** making Re-Appointments to the Design Review Committee (Paul Davis, Elizabeth Sofer, & Chris Barlow).

4C. There was no discussion of the City **Resolution** authorizing the Extension of Remote Teleconference Meeting of the City Council and Boards, Commissions, and Committees for the period of December 19, 2021 through January 18, 2022 pursuant to AB 361 and Ralph M. Brown Act Provisions.

4D. There was no discussion of the City Donation/Contribution to the Salvation Army 2021 Adopt a Family for $250.

Motion to approve the Consent Calendar items was made by was made by Council Member Blackwelder, seconded by Council Member Sofer. Roll call Vote AYES: Council Members Blackwelder, Carbone, Cruz, Sofer. NOES: None. ABSENT: Council Member Hawthorne. ABSTAIN: None. Motion carried.

AGENDA ITEM 5, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

There were no items pulled from the Consent Calendar.

AGENDA ITEM 6, PRESENTATION

6A. Presentation of Certificates by Stephen Vagnini to Volunteers/Supporters of the 2021 West End Celebration

West End Event Coordinator Stephen Vagnini reported on the success of the event despite the pandemic, safety measures taken, attendance totals, the new footprint, donations received, volunteers who contributed their time, and Sand City businesses who made the event possible. He thanked Paul Tran for his hard work, Colida Johnson of Greenwaste, Kimberly Herring of MST, Ronald Brown for preparing food and barbeque for the volunteers, Sand City staff, public works, the police department, and other individuals who contributed to make the event successful. He also mentioned that the event was voted as one of the top 5 events on the Peninsula by the Carmel Pine Cone.

5:39 p.m. {Council Member Hawthorne arrived at the meeting}

Members of the Council expressed gratitude that the event moved forward, its positive impact to the community, the great idea of incorporating it with the mural festival, and commended Mr. Vagnini for his efforts and organization of the event.

5:51 p.m. The Mayor opened the floor for public comment, and seeing none, closed the floor to public comment.

The Mayor presented certificates of appreciation to City staff that were in attendance and thanked Mr. Vagnini for his hard work in coordinating the event.

AGENDA ITEM 7, **PUBLIC HEARING**

{Council Member Cruz recused from the meeting due to a possible conflict of interest by residing within 500' of the subject property}

7A. Ordinance of the City Council of the City of Sand City approving the First Amendment to the Development Agreement by and between DBO Development No. 30, LLC and the City of Sand City relating to the development commonly known as the South of Tioga Project

Acting City Manager/City Attorney Norgaard presented the history of the Development Agreement (DA) that was originally approved in October of 2020. The DA contemplated that a subsequent amendment would occur once the developer obtained all the land within the project boundary which it has now done. The amendment to the development agreement is necessary to address several additional changes. She reported on the amendments to the DA included in the First Amendment that includes replacement of the Consumer Price Index (CPI) used to calculate the Community Facilities District (CFD) tax, that the limited temporary tax credit described in the DA be in place until December 31, 2030, instead of the length of the term of the DA; that a new subsection provides a permanent credit for half of the Hotel's CFD tax payment if a certain TOT threshold is reached on the Project; amends the VTM Condition of Approval to provide that the public park between the residential parcels be maintained by the City and not by the Developer, and also amends the VTM Condition of Approval requiring the Developer to construct improvements on the entire width of California Avenue to the East side of the City's right of way instead of merely to centerline. The Developer also agreed in return for the increased value to it of credits for TOT to establish a fund of $110,000 to help finance a land manager and costs related to the Edgewater Shopping Center's Habitat Preserve. Staff recommends approval of the attached Ordinance approving the first amendment to the Development Agreement by and between the City of Sand City and DBO Development, LLC.

6:08 P.M. Floor opened for Public Comment.

Todd Sheller of Lyles Diversified expressed his excitement for the project, its benefits to the City and Developer, the community facilities district improvements, and the open communication between both parties.

6:09 P.M. Floor closed to Public Comment.

Motion to waive full reading and approve the **Ordinance** by title only, approving the First Amendment to the Development Agreement by and between DBO Development No. 30, LLC and the City of Sand City relating to the development commonly known as the South of Tioga Project was made by Council Member Hawthorne, seconded by Council Member Sofer. Roll call Vote AYES: Council

Members Blackwelder, Carbone, Hawthorne, Sofer. NOES: None. ABSENT: None. ABSTAIN: Council Member Cruz. Motion carried.

Motion to approve the First Reading of the **Ordinance** by title only, approving the First Amendment to the Development Agreement by and between DBO Development No. 30, LLC and the City of Sand City relating to the development commonly known as the South of Tioga Project was made by Council Member Hawthorne, seconded by Council Member Blackwelder. Roll call Vote AYES: Council Members Blackwelder, Carbone, Hawthorne, Sofer. NOES: None. ABSENT: None. ABSTAIN: Council Member Cruz. Motion carried.

{Council Member Cruz returned to the meeting}

AGENDA ITEM 8, **NEW BUSINESS**

8A. Consideration of City RESOLUTION Authorizing the City Manager to Enter into a Memorandum of Understanding between the City of Sand City and California American Water regarding the Installation of Production and Monitoring Wells

Acting City Manager/City Attorney Norgaard presented the history of the desalination plant, its design to produce 300 acre-feet of water annually, and its operation and maintenance by California-American Water (Cal-Am). In 2009 an amended and restated agreement was entered into and it required Cal-Am, at its own expense, to keep and maintain the leased property including additional equipment, structures and other improvements. Ms. Norgaard reported that the lease required that the expense of building new wells would be prorated based on a formula which would requires the City to pay a portion under the terms of the lease. Council had directed her and the former City manager in closed session to enter into an MOU with Cal Am which provided that Cal Am instead pay the entire cost of the wells even if it meant that they own the wells at the end of the lease term. She reported on the increased salinity that has prevented the desalination plant from producing at its full capacity , and the need for new intake wells. The memorandum of understanding negotiated between Cal-Am and the City would allow for the construction of one new well and up to two additional wells at Cal-Am's expense. The City will be responsible to provide all the easements on any City-owned rights of way along Sand Dunes Drive for the installation and operation of the well(s) and any associated infrastructure. She showed Council the approximate location of the new wells along Sand Dines drive. She also noted that a letter received from the Monterey Peninsula Water Management District (MPWMD) indicates that the City's water entitlement would not be affected, and in November, the California Public Utilities Commission issued a decision authorizing Cal-Am to recover costs associated with drilling a new well. Ms. Norgaard added that the Coastal Commission's environmental review and subsequent approval indicated that the City does not need to take action for further CEQA review, and that no negative fiscal impact is anticipated. Staff recommends approval of the attached MOU.

Chris Cook from Cal-Am water mentioned that at a previous meeting he presented the critical state of the water supply on the Peninsula, and the reversal of the CPUC's decision.

Tim O'Halloran reported that the proposed site location of the new wells is south of Bay Avenue and should take approximately one year to complete.

Mayor Carbone received additional information regarding the well site and whether Cal-Am worked with a consultant to determine the best location for the new wells.

6:23 P.M. Floor opened for Public Comment.

In response to Sand City resident Brian Clark's inquiry whether a bigger plant would benefit Sand City, Mr. Pooler noted that permits would be required from several agencies, general plan amendments would need to occur, and that it would need to go before the Coastal Commission for amendment approvals.

6:27 P.M. Floor closed to Public Comment.

Acting City Manager/City Attorney Norgaard suggested a change to the title of the resolution and the body of the MOU to include that authorization include the Mayor as a signer.

Motion to approve the City **Resolution** as amended, authorizing the City Manager, and City Attorney to Enter into a Memorandum of Understanding between the City of Sand City and California American Water regarding the Installation of Production and Monitoring Wells was made by Council Member Hawthorne, seconded by Council Member Sofer. Roll call Vote AYES: Council Members Blackwelder, Carbone, Cruz, Hawthorne, Sofer. NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

8B. Consideration of Cancelling Future City Council meeting

PURPOSE: It is proposed that the City Council cancel the City Council meeting scheduled for January 4, 2022 to minimize conflict with the Christmas and New Year's Holiday closure of City Hall, December 24, 2021 – January 1, 2022.

There was no discussion regarding the cancellation of the January 4, 2022 Council meeting.

6:30 p.m. The Mayor opened the floor for public comment and seeing none, closed the floor for public comment.

Motion to cancel the January 4, 2021 Council meeting was made by Council Member Hawthorne, seconded by Council Member Sofer. Roll call Vote AYES: Council Members Blackwelder, Carbone, Cruz, Hawthorne, Sofer.
NOES: None. ABSENT: None. ABSTAIN: None. Motion carried.

8C. Comments by Council Members on Items of Interest to Sand City

There were no comments by Council Members.

8D. Upcoming Meetings/Events

There were no upcoming meetings/events to report.

AGENDA ITEM 9, **CLOSED SESSION**

6:32 p.m. The Mayor opened the floor for public comment, and seeing none, closed the floor for public comment.

6: 33 p.m.

9A. City Council/Successor Agency Board adjourned to Closed Session regarding:
1) Conference with legal counsel - anticipated litigation pursuant to Cal gov code section 54956.9(d)(4) (initiation of litigation).

6:51 p.m.

9B. Re-adjourned to Open Session to report any action taken at the conclusion of Closed Session in accordance with California Government Code section 54957.1

Legal counsel received confidential direction from the Successor Agency regarding potential initiation of litigation.

AGENDA ITEM 10, **ADJOURNMENT**

There was consensus of the City Council to adjourn the meeting at 6:52 p.m. to the next regularly scheduled council meeting on Tuesday, December 21, 2021 at 5:30 p.m.

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Connie Horca, City Clerk

AGENDA ITEM
6B.

Approval of City RESOLUTION Updating Schedule M, City Clerk Fees and Charges related to Administrative Department Fees

City of Sand City

STAFF MEMO

TO: Mayor and City Council
FROM: Connie Horca, City Clerk
DATE: December 13, 2021
FOR: December 21, 2021 Council meeting
SUBJECT: Updating Schedule M, City Clerk Fees and Charges

Background

At the September 21, 2021 Sand City Council meeting, the City Council passed and adopted Resolution SC 21-63, 2021 approving the City of Sand City Facility Use Policy (Attachment 1). The policy sets forth procedures and regulations for the use of City Facilities such as the Art Park and City Hall Council Chambers, as well as a priority system for the type of event that will be held. The City strives to ensure that the programs and facilities offered meet the needs of the community and that access to City facilities is as economically feasible as possible. The recommended fees are to offset the expense incurred by the City to operate, maintain, supervise, and administer the use of the City facilities. The Facility Use Policy (Exhibit C) provides the following fees for use of the facilities:

- Chambers: $50/Use (This fee was previously adopted as part of the City's fee schedule reflected in Resolution SC 20-72, 2021)
- Art Park: $50/Use (This fee is used towards costs for electricity, maintenance, and preparing/cleanup of the facility prior to and after use)
- City Event Staff: $29.00/hr. during regular business hours; $43.50/hr. for any hours after regular business hours. Regular business hours are Monday through Friday 9AM-5PM. (This fee reflects the hourly cost of the Community Services Coordinator including cost for overtime pay).

Resolution SC 21-63, directed the City Clerk to update the City Clerk Fee Schedule to include the fees set forth in the Sand City Facility Use Policy and is attached as Exhibit A to the Resolution. If approved the fee schedule will incorporate the items highlighted in red.

CEQA:
This action does not constitute a "project" as defined by the California Environmental Quality Act (CEQA) guidelines section 15378.

Fiscal Impact:
The adoption of the updated fee schedule to include the facility use fees would have minimal positive impact and not be considered as recurring income.

Recommendation
It is recommended that the Council approve the attached Resolution Updating Schedule M, City Clerk Fees and Charges (Attachment 2).

CITY OF SAND CITY
RESOLUTION SC 21-63, 2021

RESOLUTION OF THE CITY COUNCIL OF SAND CITY APPROVING THE CITY OF SAND CITY FACILITY USE POLICY

WHEREAS, it is the City of Sand City's desire that the periodical use of the City Hall Council Chambers at 1 Pendergrass Way, and the City's Art Park at 525 Ortiz Avenue (combined, "Facilities") be available to not-for-profit organizations, Sand City residents and public entities for cultural, social, and recreational activities and programs; and

WHEREAS, the City further desires to provide clear guidance to those desiring to use City-owned Facilities; and

WHEREAS, the City of Sand City Facility Use Policy attached hereto as Attachment A ("Policy") is intended to provide clarification regarding the City's procedures and fees in connection with the use of City-owned Facilities; and

WHEREAS, the City strives to ensure that Facilities meet the needs of the community and that access to them is as economically feasible as possible; and

WHEREAS, it shall be the responsibility of the City Manager or his/her authorized representative to grant use of the Facilities to individuals or groups according to the terms and conditions set forth in the Policy; and

WHEREAS, the adoption of the Policy qualifies for a categorical exemption per CEQA (California Environmental Quality Act) Guidelines, section 15301 and 15304 as this is the reuse and minor improvement of an existing publicly owned building and developed property with minimal modification, which is consistent with the City's General Plan (2002 ed.).

NOW, THEREFORE, BE IT RESOLVED by the City Council of Sand City as follows:

1. The City of Sand City Facility Use Policy, attached hereto as Attachment A, including all exhibits, is hereby adopted as the policy governing the public use of the Art Park and City Hall Chambers, and the City Manager or his/her representative is authorized to grant use of the Facilities to individuals or groups according to the terms and conditions set forth therein.
2. The City Council directs the City Clerk to update the fee schedule in accordance with the fees set forth in the Sand City Facility Use Policy

PASSED AND ADOPTED by the City Council of Sand City on this 21st, day of September, 2021 by the following vote:

AYES: Council Members Carbone, Cruz, Sofer, Hawthorne
NOES: None
ABSENT: Council Member Blackwelder
ABSTAIN: None

APPROVED:

Mary Ann Carbone, Mayor

ATTEST:

Connie Horca, City Clerk

City of Sand City Facility Use Policy

Art Park and City Hall Chambers
Policies, Procedures and Regulations
(September 2021)

I. GENERAL INFORMATION

City of Sand City staff coordinates the use of the Art Park at 525 Ortiz Avenue ("Art Park"), and the City Hall Chambers ("Chambers") (all also referred to as "**Facility**" or combined, "**Facilities**") available to organizations for cultural, social, and recreational activities and programs. The City attempts to accommodate requests for use of City Facilities with the limited space it has available. These policies and procedures are designed to facilitate the safe, efficient and equitable use of City Facilities.

The City works to ensure that the programs offered meet the needs of the community and that access to the Facilities is as economically feasible as possible. Fees, when charged, are used to offset public expenses and to operate, maintain, supervise, and administer the use of the City Facilities. When making recommendations, the City considers the needs of the entire community.

With the approval of the City Council, the statements, rules and regulations, which follow, constitute the policy of the City regarding the use of the Facilities under the jurisdiction of the City of Sand City. It shall be the responsibility of the City Manager or his/her authorized representative to grant use of the Facilities to individuals or groups according to the terms and conditions set forth in this policy.

II. FACILITIES AVAILABLE

All Facilities are available during the Facility Use Hours set forth below. Any use outside of the hours of 9AM to 5 PM Monday through Friday ("**Regular Business Hours**") requires special approval of the City Manager and the availability of supervisory personnel. An additional charge for staffing Facilities after hours will be applied. Staffing and Facilities may not be available due to other city obligations.

III. FACILITY USE HOURS

Art Park at 525 Ortiz Ave:
Sunday to Thursday: 8 AM to 8 PM
Friday and Saturday:, 8 AM – 9 PM Monday through Friday, except for City-sponsored special events.

City Hall Chambers at 1 Pendergrass Way:
8am to 8pm Monday through Friday, except the first and third Tuesday of the month when regular City Council meetings occur, or other City Business is being conducted in the Chambers.

IV. PRIORITY SYSTEM

Rental of facility space is available per the following priority system:

Priority	Type of event
1.	• City-sponsored or City-conducted functions
2.	• Non-profit organizations with a stated mission that is an art or music endeavor • Sand City residents' events
3.	• Other non-profit organizations and public entities

*The Facilities are not available for use by any private parties or commercial usages, unless this requirement is expressly waived by the City Manager.

V. RESERVATION POLICIES AND PROCEDURES

A. Conditions for Approval

An application for permission to use the Facilities must be submitted by all organizations and individuals for all uses. The Application form is attached to this policy as **Exhibit A**. Applicants must make an appointment in advance to schedule a tour of facility.

Applicants must be present for the entire event. Applicants may be required to provide the following verification: Proof of residency; Non-profit status.

Groups may obtain applications for use of facilities at City Hall, 1 Pendergrass Way, Sand City between the hours of 9 a.m. – 5:00 p.m., Monday through Thursday, or on the City's website, www.sandcity.org. An application to use Facilities shall be made in writing on the form provided. An application must contain all the information requested.

B. Facility Supervision

The Applicant shall be present at all times while City Facilities are being used and shall have full access to all activities at any time in order to ensure that all rules, regulations, and City and state laws are being observed.

To utilize any Facility outside Regular Business Hours, the Applicant must determine if staff is available and will be charged for additional staff time. In the event that extra personnel are required to be on duty during certain functions, the rental group will be required to pay all costs. The number of staff required for any event whether during or after Regular Business Hours will be at the discretion of the City. Some factors that may warrant extra staff are as follows:

- Events with more than 100 in attendance
- Events needing technical assistance
- Events where excessive cleanup will be required
- Events held other than normal operating hours, including holidays

C. Liability

The City is not responsible for accidents, injury, death or loss of personal property. As set forth in section 6 of the attached Facility User Agreement (**Exhibit)** the individual or organization granted use of the Facility will be held responsible for any injury, loss, or damage resulting from such use.

D. Insurance

Insurance is required for any group using the City Facilities. The insurance requirements are set forth in section 6 of the Facility User Agreement (Exhibit **B).** The City must receive an insurance certificate and endorsement no later than seven (7) business days prior to the rental use.

E. Fund-raising/Sale of goods/Advertising

Prior approval of the City must be obtained prior to the sale of goods or services. Any groups selling food items must also follow Monterey County Health Department regulations.

All California laws must be complied with including in regard to the conducting of any raffle, drawing, or other games of chance. City approval of the application for use of City facility shall not be deemed an approval of any raffle, drawing, or other games of chance.

No commercial advertising shall be exhibited, and no solicitation or sales shall be made in the building or on the grounds without prior approval. If approved, a City business license will be required.

F. Security Requirements

Any group wishing to host a function may be required to provide security services at its own cost at the discretion of the Chief of Police.

G. Advance Reservation

Reservations for use of Facilities may be made up to six months in advance and no less than fourteen days in advance. Reservations shall be made on a first- come, first-serve basis. Reservations are not confirmed until copy of the facility user agreement is signed and returned with approval and fees paid.

H. Authority to Waive or Change Rules

The City Council or City Manager may make an exception to any of the Facility use rules and regulations, including rental rates, based on special circumstances, but such waivers are only valid if provided in writing.

VI. FEES AND CHARGES

A. Payment of Fees/Deposits

Rental deposits shall be paid upon approval of Facility use. Rental fee balances will be due within 7 days of approval or applicant may forfeit his/her use of the Facility. Checks should be made payable to the City of Sand City.

All groups renting within 20 calendar days of events are required to pay full fees and deposits at time of booking with either credit card, cash or a money order.

B. Rates

Applicants shall be charged for use of the Facilities, including all required deposits, according to the established fee schedule in effect at the time of approval (see fee schedule at **Exhibit C).**

C. Additional Fees or Deposits

In addition to the base rate for use of Facilities, additional fees shall be assessed for any use outside of the Regular Business Hours of operation (9AM-5PM Monday through Friday) and for additional costs for staff.

D. Cleaning/Damage Deposit

The Applicant shall be responsible for the condition of the Facility used. In cases where property has been damaged, the cost of repair or replacement will be charged to the Applicant by withholding deposit fees. Any additional charges over the deposits must be paid within five working days of a written request to pay repair or replacement costs. Failure to do so may result in suspended usage and steps taken to collect fees. Any usage beyond the agreement will be deducted from deposits.

Processing of the refundable portion of the cleaning and damage fees will not be initiated until all cleaning costs have been determined.

VII. CANCELLATIONS/NO SHOWS

In the event that a reservation is to be cancelled by the Applicant, the City must be notified seven (7) calendar days prior to the reservation.

No fee will be charged for cancellations with more than 48 hours days' notice.

Cancellations with less than 48 hours' notice and all no-show reservations will be charged a $25 cancellation fee and the full cost of any staff time actually incurred.

. Excessive cancellations or no shows may result in further penalties up to and including denial of future facility use.

VIII. REVOKED OR DENIED APPLICATIONS

Reservations for groups meeting on a recurring basis may be cancelled in favor of programs sponsored or conducted by the City at any time. The City will make every effort to provide ample notice. If an accidental conflict in scheduling reservations occurs or an urgent City need arises requiring the use of the Facility, every attempt will be made to relocate the Facility user.

An application may be revoked/or denied at any time under any of the following circumstances:

- If the application is found to contain false or misleading information
- Should an individual or group, member or guest, willfully or through gross negligence or improper use mistreat the equipment or Facilities or violate any of the regulations established for use of the Facilities

- Any other reason the City Manager finds there is ample justification to revoke or deny an application.

IX. RULES AND REGULATIONS

In order for the Facilities to be enjoyed by everyone, the following basic rules of good conduct must be observed at all City Facilities:

1. All persons or organizations using a Facility must abide by all municipal, state, and federal laws and regulations.

2. Responsible adults, 21 years or older, must be present at all times when groups of minors are using the facilities at a ratio of one adult to every 5 minors. Security may be required.

3. Unruly behavior such as, but not limited to, shouting, running, quarreling, fighting, and profane language are prohibited and subject to removal from the Facility. Possession of or use of drugs is prohibited. Betting and/or other forms of gambling shall not be allowed.

4. Skateboards, scooters, rollerblades, and bikes are not allowed in Facilities.

5. No materials shall be attached to curtains, walls, ceiling or doors without prior approval.

6. Decorations are subject to staff approval. Fireproof decorations must be used. No group may hammer, tape, stick or staple anything to floors, walls, or ceilings. Decorations may only be placed as designated by a City representative. All set-up and take-down of decorations are the responsibility of the renter.

7. The City shall not approve the following events: motorized sporting events, pyrotechnical uses, events with over 500 attendees, animal shows (including dog shows), boxing, and religious events that are a regular recurring use by a single congregation or religious group.

8. The City will not be held responsible for loss, damage, or theft of any equipment or personal articles owned, leased, or rented by people using the facilities or left behind at the conclusion of their event.

9. No equipment may be stored in the Facility prior to or after the approved period of use, except as specifically provided under a Facility Use Agreement.

10. Upon conclusion of their activities, the Facility User must leave the Facilities in the same condition as found including the disposal of excessive trash. Such condition is to be determined by the City, at its sole discretion.

11. City staff will control all heating, air conditioning, lighting, sound, public address system, and any other electrical or mechanical system(s) in the building. Applicant only shall make requests to the City staff for any adjustments.

12. City staff reserves the right to monitor and maintain volume control of any amplified items.

13. Pets or other animals are not permitted in the City Hall Chambers except for service animals with prior approval.

14. No alcoholic beverages as defined in the Municipal Code shall be served or consumed at a City Facility unless the City Council has made a specific exception for a specific event. (SCMC section 9.25.020).

15. There will be no smoking at all Facilities.

16. Only authorized City vehicles may drive off paved roads and parking lots.

17. No outdoor loudspeaker, amplifier, musical instrument or similar device may be played at any facility in such a manner that it can be heard at a place 25 feet distant. (SCMC 8.04).

18. Exceptions to any of the terms and conditions of this policy must have the written approval of the City Manager.

X. SPECIFIC RULES FOR EACH FACILITY

THE CHAMBERS

City personnel must be present to unlock and lock the facility at the end of use. City personnel will not assist in the setting up or cleaning of the Council Chambers. City personnel will not assist in the handling of exhibits, equipment, or other materials used in the Council Chambers by a group or organization other than City-owned equipment such as audio-visual or computer equipment made available through prior arrangement with the City.

THE ART PARK

No person in the art park shall do any of the following:

- Willfully mark, deface, disfigure, tamper with or displace or remove any of the artwork;
- Use any system for amplifying sounds, whether for speech or music or otherwise, unless prior approval was granted by the City.
- Remain, stay or loiter in the park, between the hours of 9 PM. and 8 AM. unless prior approval was granted by the City.

Attachments:

Exhibit A: Application Form
Exhibit B: Facility User Agreement
Exhibit C: Facility Rental fee schedule

FACILITIES RESERVATION REQUEST

Date of Application:_____ Facility:_____
Name of Organization: _____Address:_____
Name of Applicant:_____Address: _____
Phone:_____ Email: _____
Proposed Use:_____
Dates Requested: _____ Times: _____
Estimated Attendance:_____Open to Public (Circle): Yes No

Reservation Fee: $50.00.00 Refundable Deposit: $100.00. Any required additional fee for staff time will be due 7 days after approval. Please consult fee schedule for full cost.

Applicant Statement

The undersigned hereby affirms that he/she is an authorized representative of the above-named organization and agrees to be responsible for: (1) any damage sustained to the City facility occurring through the occupancy of the facility by the above listed organization; (2) conformance to all the rules and regulations of the City of Sand City governing the use of City facilities; and (3) prompt payment of all invoices for services.

Cancellation policy

Cancellations less than 48 hours before the event's start time will be charged a $25 processing fee, and any additional staff time incurred.

Insurance requirements

The applicant will be required to provide indemnification and insurance in accordance with the Facility Use Agreement

Applicant's Signature: _____

CITY OFFICE USE ONLY

The above reservation approved by: _____
Date: _____
Fee Received: $ _____ Received by: _____Notes:
_____
_____
_____

CITY OF SAND CITY
FACILITY USE AGREEMENT

It is the City of Sand City's desire that all patrons who periodically use a City of Sand City's City Hall Chambers, Art Park, and/or the Outlook (individually, "**FACILITY**") are able to enjoy the Facility. This Agreement ("AGREEMENT") has been set in place to achieve that goal.

The person signing this AGREEMENT and the organization on whose behalf the Facility rental is being made (collectively the "RENTER") are responsible for compliance with this AGREEMENT. All RENTERS are required to read and sign the Facility Use Agreement as part of the rental. Please read carefully, fill out FACILITY, RENTER, and event sections, initial at the bottom of each page, and sign in the signature page at the end of this document.

1. **FACILITY INFORMATION** – please circle facility requesting:
   Art Park (525 Ortiz Ave) Sand City, CA; City Hall Chambers (1 Pendergrass Way) Sand City, CA

2. **RENTER INFORMATION**

Contact Name: _____ Organization: _____

Main phone: _____ Other phone: _____

Address, City, State, Zip: _____

Email: _____ Security Deposit Refund make payable to: _____

Address, City, State, Zip: _____

Name of representative (to remain onsite during the event): _____

3. **EVENT INFORMATION**

Date of event _____ Set Up Begin Time: _____ a.m. / p.m.
Time event begins: _____ a.m. / p.m. Time event ends: _____ a.m. / p.m.
Clean Up Time: _____ a.m. / p.m.
Description of event _____ _____
_____
Estimated # of people attending _____ (Note Max capacities: 500 at Art Park; 75 in Chambers)

Open to the public? Yes No Will minors be present? Yes No

Admission fee charged? Yes No Will there be music? Yes No Type of music _____

Will food be served? Yes No. Will food be sold? Yes No.

4. CONDITIONS OF USE Initial: _____

a) RENTER should make reservations well in advance of the intended date of use. Reservation made within 20days of the rental date must be paid in full by cash or credit card, check will not be accepted.

b) A FACILITY is not considered rented until (1) RENTER submits the Facility Use Agreement, rental fee, deposit, certificate of insurance, written evidence of any required permits and licenses, and any other items deemed necessary by the City of Sand City; and (2) the City of Sand City, in its sole discretion, approves such rental in writing.

c) A person who is at least eighteen (18) years of age must sign this agreement.

d) RENTER shall provide the City of Sand City Manager or his/her designee with a single contact who is to serve as the representative for RENTER's activities.

e) RENTER shall be responsible for securing all required permits and licenses.

f) The FACILITY shall be used for the purpose stated in this agreement and no other use will be permitted.

g) RENTER shall not use the City of Sand City's name to suggest endorsement or sponsorship of the event without prior written approval of the City of Sand City's City Manager or his/her designee. RENTER's publicity of the event shall clearly and accurately identify the name of the sponsoring organization or individual.

h) RENTER shall permit any City of Sand City officers, employees, or agents to visit the event described in this AGREEMENT.

i) Under no circumstances shall RENTER sublease or allow any other organization or individual to use the FACILITY for the period for which RENTER has contracted. RENTER is an independent contractor and not the agent or employee of the City of Sand City.

j) The City Manager shall have the authority to cancel or postpone use of the FACILITY if such action is deemed necessary by the City of Sand City. Whenever possible, a twenty-four hour notice will be given to the RENTER.

k) Cancellations or changes to the AGREEMENT must be submitted in writing from the RENTER.

l) Refunds are not available for early departure from a scheduled event.

m) Cancellation refunds will be processed within forty-eight (48) hours upon submission of the written cancellation. Please allow four to six weeks for the Finance Department to process and mail.

n) Reservation cancellation charges are processed as follows:
   a. Cancelations made 48 hours or more before the event will result in a full refund.
   b. Cancelations made less than 48 hours before the event will result in City's retention of 50% of the required rental fee. City will reimburse for any charged staff time not used.

5. FEES/CANCELLATIONS/REFUNDS. Initial: _____

a) The City of Sand City requires 100% of the rental fee and/or a deposit from RENTER. If the rental is twenty (20) or less before the event start date the rental fees are due in cash or credit only.

b) Any person or agency holding a reservation for the use of City of Sand City Facilities and desiring to cancel such reservation may be subject to the withholding of a portion of or the entire rental fee for the FACILITY.

c) The City of Sand City may charge an additional rental fee for any event continuing past the ending time stated in this AGREEMENT.

d) In the event the FACILITY is left damaged, RENTER shall be charged for any and all janitorial and/or repair fees incurred by the City of Sand City as a result of same and these fees shall be billed to RENTER.

6. INDEMNIFICATION AND INSURANCE Initial: _____

a) Indemnification. To the greatest extent allowed by law, RENTER promises to indemnify, defend, and hold harmless the City of Sand City, its officers, employees, and agents from any and all losses, costs, expenses, claims, liabilities, actions, or damages, including liability for injuries to any person or persons or damage to property arising at any time during and/or arising out of or in any way connected with RENTER's use or occupancy of the FACILITY and adjoining property, unless solely caused by the gross negligence or willful misconduct of the City of Sand City, its officers, employees, or agents. The City will not be held responsible for loss, damage, or theft of any equipment or personal articles owned, leased, or rented by people using the facilities or left behind at the conclusion of their event.

b) General liability insurance. RENTER shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than $1,000,000 per occurrence, $2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted. Such insurance shall name the City of Sand City, its officers, employees, agents, and volunteers as additional insureds prior to the rental date of the Facility. RENTER shall file certificates of such insurance with the City of Sand City, which shall be endorsed to provide thirty (30) days' notice to the City of Sand City of cancellation or any change of coverage or limits. If a copy of the insurance certificate is not on file seven (7) days prior to the event, the City of Sand City may deny access to the FACILITY.

c) All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the Agency's Risk Manager.

d) Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the RENTER maintains higher limits than the minimums shown above, the City of Sand City requires and shall be entitled to coverage for the higher limits maintained by the RENTER. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Sand City. The City of Sand City may waive the insurance requirements for non-event activities, such as but not limited to, activities similar to meetings and non-public gatherings, provided such waiver is provided in writing.

e) RENTER shall report any personal injuries or property damage arising at any time during and/or arising out of or in any way connected with RENTER's use or occupancy of the City of Sand City's facilities and adjoining property to the City of Sand City Manager or his/her designee, in writing and as soon as practicable.

f) RENTER waives any right of recovery against the City of Sand City, its officers, employees, and agents for fires, floods, earthquakes, civil disturbances, regulation of any public authority, and other causes beyond their control. RENTER shall not charge results of "acts of God" to the City of Sand City, its officers, employees, or agents.

g) RENTER waives any right of recovery against the City of Sand City, its officers, employees, and agents for indemnification, contribution, or declaratory relief arising out of or in any way connected with RENTER's use or occupancy of the FACILITY and adjoining property, even if the City of Sand City, its officers, employees, or agents seek recovery against RENTER.

7. SECURITY Initial: _____

a) The City of Sand City, at its sole discretion, may require a certain number of security officers for the event. RENTER shall be responsible for procuring and paying for security officers through a private security agency.

b) RENTER is solely responsible for supervising all individuals at the FACILITY and adjoining property during the event. The City of Sand City is not responsible for providing this supervision. However, the City of Sand City may evict individuals from the FACILITY during the event if their conduct is not in the best interest of the public or is deemed to be detrimental in any way.

8. SET UP / CLEAN UP / DECORATIONS Initial: _____

a) Upon conclusion of their activities, RENTER must leave the FACILITIES in the same condition as found including the disposal of excessive trash. Such condition is to be determined by the City.
b) RENTER, caterers, bands, transportation of rental equipment, and related individuals and activities will not be permitted access to the FACILITY prior to or after the event time period. RENTER shall be responsible for arranging access during the time requested for entry and exit of the FACILITY.
c) RENTER shall not prepare or decorate the FACILITY prior to the rental start time, unless RENTER provides rental fees, deposits, and insurance for the time of the preparation and/or decoration.
d) RENTER shall not drive or permit to be driven nails, hooks, tacks, screws, poles, stakes or other forms of fasteners into any part of the FACILITY and shall not make or allow to be made any alterations of any kind therein.
e) RENTER shall be responsible for all cleanup of the FACILITY, including adjacent grounds, at the end of the rental. RENTER shall pick up, bag, and remove all trash generated by all activity in any way connected with its use of the FACILITY, leaving the FACILITY clean and free of all trash and litter. RENTER shall also leave all fixtures, if any, in good working condition.
f) RENTER shall not store any equipment or materials at the FACILITY or adjoining property without the prior written approval of the City of Sand City Manager or his/her designee.
g) RENTER shall be responsible for any and all damage to the FACILITY and/or its contents during use. In the event damage occurs or excessive cleaning is necessary, RENTER shall be charged for any and all janitorial and/or repair fees incurred by the City of Sand City as a result. Any damage or breakage to the building or equipment must be reported immediately to the City of Sand City.
h) If RENTER chooses to rent equipment (tables, chairs, etc.) site Staff are not responsible for set-up or tear down of rented equipment.
i) No materials shall be attached to curtains, walls, ceiling or doors without prior approval.

j) Decorations are subject to staff approval. Fireproof decorations must be used. No group may hammer, tape, stick or staple anything to floors, walls, or ceilings. Decorations may only be placed as designated by a City representative. All set-up and take-down of decorations are the responsibility of the RENTER.

9. EQUIPMENT / ACCESSORIES Initial: _____

a) RENTER shall not remove, relocate, or take City of Sand City property outside of the FACILITY for any reason without the prior written approval of the City of Sand City Manager or his/her designee.
b) RENTER shall not use City of Sand City equipment, tools, or furnishings located in or about the FACILITY without the prior written approval of the City of Sand City Manager or his/her designee.
c) RENTER shall not drive motorized vehicles in FACILITIES.
d) The City of Sand City does not provide audio/visual systems, public address systems, spotlights, floodlights, or projectors. With prior written approval from the City Manager, or his/her designee, RENTER, at its own cost, may bring these systems into the FACILITY for their use.
e) RENTER shall secure the approval of the City of Sand City before using audio/visual systems, public address systems, and live or recorded amplified music. RENTER shall not record, televise, or broadcast the event or any portion thereof without prior written approval of the City of Sand City Manager or his/her designee.

10. MISCELLANEOUS Initial: _____

a) No alcoholic beverages as defined in the Municipal Code shall be served or consumed at a City FACILITY unless the City Council has made a specific exception for a specific event. (SCMC section 9.25.020).
b) Smoking is not permitted in any Sand City FACILITY.
c) RENTER and all persons or organization using the FACILITY shall comply with all local, state, and federal laws and regulations. The RENTER agrees to abide by all applicable federal and state accessibility standards and regulations.
d) RENTER shall not admit a larger number of individuals than can lawfully, safely, and freely move about the FACILITY. See maximum capacities set forth above.
e) Gambling of any kind is not permitted at the FACILITY.
f) No animals are permitted at the FACILITY, with the exception of service animals as defined by the Americans with Disabilities Act.
g) If RENTER violates any part of this AGREEMENT or reports false information to the City of Sand City, we may refuse RENTER further use of the FACILITY and RENTER shall forfeit a portion of or all of the rental fee and/or the deposit.
h) The City of Sand City may impose additional requirements as deemed necessary to protect the health, safety, and/or welfare of the community.
i) Any person aggrieved by the City of Sand City's decision with respect to this AGREEMENT may appeal to the City of Sand City Manager or his/her designee in writing no later than five (5) days after the City of Sand City's decision has been communicated to the aggrieved party.
j) If any provision of this AGREEMENT is held to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.
k) The Building Inspector, Fire Chief, Chief of Police, City Manager, or Designee may close the park and/or cancel rental reservations for any reason.
l) Responsible adults, 21 years or older, must be present at all times when groups of minors are using the facilities. Security may be required. Ratio of adult to minors must be 1 adult to every 5 minors at all times.
m) Unruly behavior such as, but not limited to, shouting, running, quarreling, fighting, and profane language are prohibited and subject RENTER to removal from the Facility. Possession of or use of drugs is prohibited. Betting and/or other forms of gambling shall not be allowed.
n) Skateboards, scooters, rollerblades, and bikes are not allowed in Facilities.

o) The user may not store any equipment in the facility prior to or after the approved period of use, except as specifically provided under a Facility Use Agreement.
p) If arranged in advance, City staff will control all heating, air conditioning, lighting, sound, public address system, and any other electrical or mechanical system(s) in the FACILITY. RENTERonly shall make requests to the City staff for any adjustments. RENTER shall not control heating, air conditioning, lighting, sound, public address system, and any other electrical or mechanical system(s) in the FACILITY unless City Manager or Designee agrees in writing.

q) No outdoor loudspeaker, amplifier, musical instrument or similar device may be played at any FACILITY in such a manner that it can be heard at a place 25 feet distant. (SCMC 8.04). City staff reserves the right to monitor and maintain volume control of any amplified items.
r) Any exceptions to any of the terms and conditions of this policy must be in writing and have the approval of the City Manager.
s) RENTER is obligated to review the City of Sand City Facility Use Policy. Any additional regulations set forth therein are incorporated herein as if set forth in their entirety

Emergency Procedures: In the event of an emergency, RENTER is required to call 911 and/or:

Art Park – Shelby Gorman 831-917-6230

Council Chambers – Chief Brian Ferrante 831-917-1823

I am an authorized agent of the organization submitting this agreement and represent and warrant that I have the right, power and legal capacity and authority to enter into and execute this Agreement on behalf of the organization. The information provided in this agreement is true and correct. I have read and understand this agreement and agree to all of the aforementioned rules, regulations, and conditions of use.

Signature _____ Print name _____

Organization _____

Staff Signature _____

Staff Name _____ Agreement Date _____

---------- CITY OF SAND CITY USE ONLY ----------

Date Application Received: _____ Permit # _____

Date Distributed: _____

TYPE OF USER GROUP: Priority # ___

Tax ID Number / Business License Number: _____

Facility Fee $_____

Event Staff Recovery Fee (if applicable) $_____

Security Deposit $_____

Total Amount Due $_____

Due By: _____

Department Approval Date _____By: _____

Send Payment to:
Sand City 1 Pendergrass Way. Sand City, CA 93955

Checks payable to the City of Sand City

Exhibit C

FACILITY RENTAL FEES

Any person, group or organization desiring to use the Facilities of the City shall pay rates as set forth below. Fees shall be periodically reviewed and, if necessary, recommended for revision by the City Council. Fees reflect actual cost to the City for providing the Facility.

Chambers: $50/Use
Art Park: $50/Use
City Event Staff: $ 29.00/Hour during regular business hours; $43.50/Hour for any hours outside Regular Business Hours.
(Regular business hours are Monday through Friday 9AM-5PM)

A reservation fee of $50 for each Facility is due upon application. This fee will be applied towards the reservation, if approved. In addition, the City will tabulate the amount of staff time required for each event, which amount will be due to City within 7 days of City's approval of the reservation request.

Refundable Security Deposit: $100.00.

CITY OF SAND CITY
RESOLUTION SC ___, 2021

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAND CITY UPDATING SCHEDULE M, CITY CLERK FEES AND CHARGES RELATED TO ADMINISTRATIVE DEPARTMENT FEES

WHEREAS, the City of Sand City has established a City Comprehensive Fee Schedule for fee related services provided by City departments; and

WHEREAS, on occasion the City of Sand City needs to revise and update its fee schedule in order to fully recover the cost of providing services; and

WHEREAS, Schedule M to the City's Comprehensive Fee Schedule, which sets forth City Clerk Fees and Charges was amended by Resolution SC 20-72, 2020; and

WHEREAS, at the September 21, 2021 Council meeting, the City Council passed and adopted Resolution SC 21-63, approving the City of Sand City Facility Use Policy; and

WHEREAS, the fees reflect the actual costs to the City for providing use of the facilities and event staff; and

WHEREAS, the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CCR, Title 14, Chapter 3 (CEQA Guidelines), Article 20, Section 15378.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of Sand City approving the Updates to Schedule M, City Clerk Fees and Charges related to Administrative Department Fees attached hereto as Exhibit A to reflect the facility use fees.

PASSED AND ADOPTED by the City Council of Sand City on this ___ day of December, 2021 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Mary Ann Carbone, Mayor

ATTEST:

_____
Connie Horca, City Clerk

SCHEDULE M
CITY CLERK FEES AND CHARGES

DESCRIPTION	**FEES**
Furnishing existing copy of Public Writing (plus cost of mailing/packaging)	$ .10 per page
Certifying to a copy of any public writing/page	$ 2.00
Council Agenda mailing subscription (yearly) plus self-addressed/stamped envelope	$ 20.00
Non-Sufficient Fund Checks	$ 15.00
~~Council Chambers Rental per meeting~~	~~$ 50.00~~ (under Facility Use Fee)
City Council Agenda Packets (Hard Copy)	$ 15.00
Records provided on CD/DVD's/Thumbdrive	$ 10.00

DOCUMENTS	
Copies of City Documents (municipal code, zoning ordinance, etc.)	Cost of Reproduction + 15%
Mailing List	$ .10 per page
Mailing List on Labels	$ 2.00 per page

APPEALS	
City Council	$ 50.00

PAYMENTS BY CREDIT CARD	
Swiped or Contactless Payments transaction)	Service fee 2.5 % + ($.10 per
Online, Phone or Mail orders transaction)	Service fee 3.6% + ($.15 per

FACILTY USE FEE	
Reservation Fee	$50.00
Refundable Security Deposit	$100.00
Cancellation Fee	$25.00
Council Chambers Rental	$50.00 per use
Art Park	$50.00 per use
Event Staff	$29 hour during business hours $43.50 hour after business hours

AGENDA ITEM
6C.

Approval of City RESOLUTION Authorizing Continued Banking Services Agreement with Mechanics Bank

City of Sand City

STAFF REPORT

TO: CITY COUNCIL, ACTING CITY MANAGER

FROM: DEVON LAZZARINO, FINANCE/HR SPECIALIST

SUBJECT: MECHANICS BANK RESOLUTION

DATE: DECEMBER 3, 2021

FOR: DECEMBER 21, 2021 CITY COUNCIL MEETING

Discussion: The City of Sand City has been banking with Mechanics Bank (formerly Community Bank of Central California and Rabobank) since 1992. Mechanics Bank bought Rabobank in 2019 and are requiring the City to provide a resolution providing the names and titles of those authorized to sign on all of the City's Mechanics Bank accounts.

Fiscal Impact: There is no fiscal impact associated with this resolution.

Recommendation: Staff recommends that the City Council approve the attached resolution to provide the names and titles of those authorized to sign on all of the City's Mechanics Bank accounts.

CITY OF SAND CITY
RESOLUTION SC _____ , 2021

RESOLUTION OF THE CITY COUNCIL OF SAND CITY AUTHORIZING CONTINUED BANKING SERVICES AGREEMENT WITH MECHANICS BANK

WHEREAS, formerly known as Rabobank and Community Bank of Central California, Mechanics Bank has provided satisfactory service for the City of Sand City since 1992, Resolution SC 92-25, SC 06-11, 2006, SC 08-13, 2008, SC 11-03, 2011, SC 14-12, 2014; and

WHEREAS, Mechanics Bank has provided valuable customer satisfaction and professionalism to the City of Sand City; and

WHEREAS, it is necessary for the City to extend and continue the banking services agreement with Mechanics Bank.

NOW, THEREFORE, BE IT RESOLVED by the Sand City Council as follows:

1. That the Mayor, Mary Ann Carbone; Vice Mayor, Jerry Blackwelder, and Council Member Kim Cruz, are directed and authorized to sign all necessary and official documents with two (2) signatures required from the above officials.

2. That the Mayor, Mary Ann Carbone; Vice Mayor, Jerry Blackwelder, and Council Member Kim Cruz, are directed and authorized to sign all necessary and official checks, administrative instructions, etc., for the City of Sand City's banking accounts as shown with two (2) signatures required from the above officials.

TYPE	ACCOUNT NUMBER
Sand City Checking	XXXX4896
Sand City Investment	XXXXX8641
Sand City OPEB	XXXXXX4671
Sand City Housing	XXXXXX8318
Successor Agency Tax Increment	XXXXXX3589
Successor Agency 6 Mo. Bond CD	XXXXXXX7891
Successor Agency 3 Mo. Bond CD	XXXXXXX8831

PASSED AND ADOPTED by the Sand City Council on this 21st day of December, 2021 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

ATTEST:

_____
Mary Ann Carbone, Mayor

_____
Connie Horca, City Clerk

AGENDA ITEM
6D.

Approval of City RESOLUTION Recognizing Mayor Mary Ann Carbone for 30 years of Exemplary Service to the City of Sand City

CITY OF SAND CITY
RESOLUTION SC ___, 2021

RESOLUTION OF THE CITY COUNCIL OF SAND CITY RECOGNIZING MAYOR MARY ANN CARBONE FOR 30 YEARS OF EXEMPLARY SERVICE TO THE CITY OF SAND CITY

WHEREAS, since 1991, Mary Ann Carbone served as a Councilmember, Vice-Mayor and then was appointed to Mayor in May of 2017 when the former Mayor David Pendergrass announced his retirement; and

WHEREAS, in 2018, Mary Ann Carbone was elected into office as the Mayor of Sand City; and

WHEREAS, Mayor Mary Ann Carbone is a lifelong resident of the Monterey Peninsula, coming from a family of 13 children with a family heritage and history since the days of John Steinbeck, who authored a book title "Tortilla Flat" about her grandmother's house located on Second Street and Carpentaria in Carmel, California; and

WHEREAS, coming from a hard-working family, Mayor Mary Ann Carbone continues that legacy through her involvement with the community, serving with the Neighborhood Youth Services, Visiting Nurses Associations, volunteering for the Food Bank of Monterey County, Salvation Army Good Samaritan Center, and Community Human Services Monterey Youth Center Homeless Progam, and for over 25 years retains membership with the Local Laborers Union; and

WHEREAS, for over 30 years, Mayor Mary Ann Carbone served on many boards and commission for the betterment of the community, Monterey County, and Region; which included, but not limited to, Sand City Budget and Personnel Committee, Sand City Parks and Open Space Committee, Monterey Salinas Transit Agency, North Salinas Valley Mosquito Abatement Agency, AMBAG, Monterey County Mayors Association, Monterey Bay Air Resources Agency, Chair of Monterey One Water, Monterey County Economic Development Committee, Monterey County Status on Women, SCSD, FORA, Community Human Services, Monterey Bay Community Power, Monterey County Commission of Restorative Justice, Chair of the Monterey County Airport Land Use Commission, Seaside Water Basin and Policy Advisor of the MPWMD, and the Mayors Water Authority; and

WHEREAS, Mayor Mary Ann Carbone is an avid coastal beach steward, ensuring its preservation for future generations, and serves as a leader, mentor and teacher to the native indigenous community within the Peninsula as well other communities throughout the State; and

WHEREAS, Mayor Mary Ann Carbone continues to teach and practice the use of herbal medicinal remedies, proper use of plants for healing, protocols for 'gatherings' and the creation of regalia for traditional ceremonies; and

WHEREAS, although being a Mayor is quite often challenging, Mayor Mary Ann Carbone continues to serve the community of Sand City to further its growth and development serving on the City Council to see the approval of projects that benefit the City including the Monterey Bay Shores Eco-resort project, and the South of Tioga Project; and

WHEREAS, Mayor Mary Ann Carbone is a mother to Ginea, Erika, and Annie, a grandmother to Nicholas, as well as a diplomat, mentor, activist, environmentalist, Native American Community leader, and steward of the land.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Sand City does hereby recognize and commend Mayor Mary Ann Carbone for her truly outstanding example of public service and what it means to represent the City and Monterey Peninsula community.

PASSED AND ADOPTED by the City Council of the City of Sand City this ___, day of December, 2021 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Mary Ann Carbone, Mayor

ATTEST:

_____
Connie Horca, City Clerk

AGENDA ITEM
6E.

Approval of City Donation/Contribution
1) Jacobs Heart Children's Cancer Services - $250

Memo

To: Mayor and City Council
From: Vibeke Norgaard, Acting City Manager
Date: December 13, 2021 (for December 21, 2021 Council meeting)
Subject: Review of City Donation/Contribution

Attached is a request for support and contribution for fiscal year 2021-22. After reviewing this request, the following donation is recommended:

- Jacob's Heart Children's Cancer Services - $250

If any Council member wants to discuss this request or to propose a different contribution, then this item should be pulled from the consent calendar for discussion with the full Council.

The following finding is specified in the annual City/Successor Agency Budget: *"The Sand City Council finds that it is a valid public purpose and in the best interest of this small city to support and participate in various community programs and activities of the larger Monterey Peninsula area. This support includes not only the City's financial contributions outlined in the attached pages but also the active involvement/participation by council members, city staff, Sand City businesses and citizens. This is Sand City's pledge and commitment of support for the larger regional community in which it is an active and dedicated member".*

Jacob's Heart™

CHILDREN'S CANCER SUPPORT SERVICES

Thanks to your support and generosity, so far in 2021 we've provided:

8,200 hours of direct support to families undergoing treatment

2,726 hours of bereavement support to families who've lost a precious child

256 home and hospital visits from bilingual, grief-trained Family Support Specialists

4,250 bags of groceries delivered to doorsteps and hospital rooms

336 rides to and from medical appointments at Stanford and UCSF

(831) 724-9100 www.jacobsheart.org

680 West Beach Street, Watsonville, CA 95076



AGENDA ITEM
8A.

Consideration of City RESOLUTION Approving a Memorandum of Understanding (MOU) between the City of Sand City and DBO Development No. 30, LLC regarding South of Tioga Public Improvements and Fund for the Edgewater Habitat Restoration

City of Sand City

STAFF MEMO

TO: Mayor and City Council
FROM: Vibeke Norgaard, Acting City Manager/City Attorney
DATE: December 17, 2021
FOR: December 21, 2021 Council meeting
SUBJECT: Resolution approving Memorandum of Understanding between DBO Development No. 30 LLC and the City of Sand City related to Edgewater Habitat and Street Improvements on California Avenue.

Discussion:
The City of Sand City ("City") and DBO Development No. 30 LLC ("DBO") entered into a Development Agreement on the Effective Date of October 20, 2020 ("Development Agreement") relating to the development in Sand City commonly known as the South of Tioga Project -- DBO's redevelopment of property in the approximately 10.64 acre area bounded by Tioga Avenue to the northeast, California Avenue to the southeast, East Avenue to the southwest, and the Merle street right-of-way to the northwest in the central portion of the City, generally referred to as the "South of Tioga" district ("South of Tioga Project").

DBO and the City negotiated a First Amendment to the Development Agreement ("First Amendment"). On December 7, 2021, the Council approved for first reading the First Amendment to the Development Agreement. The Council will consider the adoption of the First Amendment at its regularly scheduled meeting on December 21, 2021.

The terms of the First Amendment include a provision to extend DBO's street improvement work for California Avenue to the entire street right of way, including specified pavement, curb, gutter, sidewalk, landscaping and lighting as approved by the City Engineer and permitted by the City and the City's agreement to certain Transient Occupancy Tax credits upon meeting certain thresholds.

As part of the consideration for the benefits received by DBO under the First Amendment, DBO agreed to separately enter into a memorandum of understanding with the City to make a one-time voluntary contribution of $110,000.00 towards the City's cost of maintenance of the North of La Playa Habitat Conservation Area ("The Edgewater Shopping Center's Habitat Preserve). The Preserve was established by an Implementation Agreement dated April 25, 1996 by and among the City, the U.S. Fish and Wildlife Service and DBO Development No. 25, LLC, a separate legal entity from DBO 30.

The first payment in the amount of $50,000 shall be due and payable on January 1, 2022; the second to fifth payments, each in the amount of $15,000 shall be due and payable on January 1 every year thereafter with the last payment due in 2026.

In addition, the First Amendment amends VTM Condition of Approval E4 to require that the DBO construct the remaining portions of California Avenue to the edge of the City Right of Way, including pavement, curb, gutter, sidewalk, landscaping and lighting as approved by the City Engineer. While the agreement regarding DBO's obligations related to the improvements is set forth in the First Amendment, the details are attached to the MOU in the form of draft street improvement plans.

CEQA

The approval of the MOU is not subject to the California Environmental Quality Act (CEQA) as there is no possibility that the acceptance of funds could have a significant effect on the environment. (Cal. Pub. Res. Code § 21065; Cal. Code Regs. tit. 14, § 15061(B)(3)). Further, to comply with the California Environmental Quality Act (Cal. Pub. Res. Code § 21000 *et seq.* and 14 Cal. Code Regs. § 15000 *et seq*.; "CEQA"), on June 5, 2018, at a duly noticed public hearing, the City Council certified the Environmental Impact Report (EIR) for the South of Tioga Project (SCH # 2017061066) as described more fully in Resolution SC 18-57, and made the required findings. Furthermore, on September 28, 1995 (Resolution SC 95-47) the City certified an EIR for the Edgewater shopping center, at that time referred to as the North of Playa Redevelopment Project, which led to the establishment of a Habitat Preserve and Habitat Conservation Plan. That Habitat Conservation Plan specified that "a mechanism for generating annual funds for long term maintenance (in perpetuity following the first five years) of the mitigation area" shall be established.

Fiscal Impact

Approval of the MOU will result in a positive fiscal impact of $110,000 deposited over a five year period into an interest-bearing fund dedicated to funding the City's maintenance of the North of La Playa Habitat Area.

Staff's Recommendation

Staff recommends that Council approve the resolution attached as Exhibit A authorizing the City Manager to enter into the Memorandum of Understanding.

Exhibits

Exhibit A: Resolution
Attachment 1: MOU and Exhibit A (map of improvements)

CITY OF SAND CITY
RESOLUTION SC-___, 2021

RESOLUTION OF THE CITY COUNCIL OF SAND CITY AUTHORIZING THE MAYOR AND CITY MANAGER TO ENTER INTO A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SAND CITY AND DBO DEVELOPMENT NO. 30 LLC RELATED TO EDGEWATER HABITAT AND STREET IMPROVEMENTS ON CALIFORNIA AVENUE.

WHEREAS, the City of Sand City ("City") and DBO Development No. 30 LLC ("DBO") entered into a development agreement on the effective date of October 20, 2020 ("Development Agreement") relating to the development in Sand City commonly known as the South of Tioga Project ("Project"); and

WHEREAS, DBO and the City negotiated a First Amendment to the Development Agreement ("First Amendment") which the Council approved for first reading on December 7, 2021, and considered for adoption on at its regularly scheduled meeting on December 21, 2021; and

WHEREAS, as part of the consideration for the benefits received by DBO under the First Amendment, DBO agreed to separately enter into a memorandum of understanding ("MOU") with the City to make a one-time voluntary contribution of $110,000.00 towards the City's cost of maintenance of the North of La Playa Habitat Conservation Area ("The Preserve"); and

WHEREAS, the First Amendment requires that the DBO construct the remaining portions of California Avenue to the edge of the City Right of Way, including pavement, curb, gutter, sidewalk, landscaping and lighting as approved by the City Engineer; and

WHEREAS, the approval of the MOU is not subject to the California Environmental Quality Act (CEQA) as there is no possibility that the acceptance of funds could have a significant effect on the environment. (Cal. Pub. Res. Code § 21065; Cal. Code Regs. tit. 14, § 15061(B)(3)). Further, to comply with the California Environmental Quality Act (Cal. Pub. Res. Code § 21000 *et seq.* and 14 Cal. Code Regs. § 15000 *et seq*.; "CEQA"), on June 5, 2018, at a duly noticed public hearing, the City Council certified the Environmental Impact Report (EIR) for the South of Tioga Project (SCH # 2017061066) as described more fully in Resolution SC 18-57, and made the required findings. Furthermore, on September 28, 1995 (Resolution SC 95-47) the City certified an EIR for the Edgewater shopping center, at that time referred to as the North of Playa Redevelopment Project, which led to the establishment of a Habitat Preserve and Habitat Conservation Plan. That Habitat Conservation Plan specified that "a mechanism for generating annual funds for long term maintenance (in perpetuity following the first five years) of the mitigation area" shall be established.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sand City that the City Manager and the Mayor are authorized to sign the Memorandum of Understanding with DBO attached hereto as **Attachment 1**.

PASSED AND ADOPTED by the City Council of Sand City on this ___day of _____ 2021, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Mary Ann Carbone, Mayor

ATTEST:

_____
Connie Horca, City Clerk

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("***MOU***") is effective on _____ ___, 202_ ("***MOU Date***") by and between the City of Sand City, a municipal corporation and charter city in Monterey County ("***City***") and DBO Development No. 30, LLC, a California limited liability company ("***DBO 30***" or "***Developer***"). The City and DBO may sometimes be individually referred to as "***Party***" and collectively as the "***Parties***."

RECITALS

A. The City and DBO entered into a Development Agreement on the Effective Date of October 20, 2020 relating to the development in Sand City commonly known as the South of Tioga Project ("***Project***"). Capitalized terms contained but not defined herein shall be given the same meaning as those terms in the Development Agreement.

B. A First Amendment to the Development Agreement by and between the Parties has been negotiated in good faith and is currently pending before the City Council, the terms of which are intended to carry out the legislative purposes of California Government Code section 65864 et seq., and which provide for the mutually desirable development of the Property and Project, consistent with the intent of the Development Agreement. First Amendment passed upon first reading by the City Council on December 7, 2021, and will be considered for second and final reading by the City Council on December 21, 2021.

C. Among the terms of the First Amendment are: (i) a provision to extend DBO's street improvement work for California Avenue to the entire street right of way, including specified pavement, curb, gutter, sidewalk, landscaping and lighting as approved by the City Engineer and permitted by the City; and (ii) the City's agreement to certain Transient Occupancy Tax credits upon meeting certain thresholds.

D. As part of the consideration for the benefits received by DBO under the First Amendment, which part of the consideration is not already contained in the Development Agreement to be amended by the First Amendment, DBO agreed to separately enter into a memorandum of understanding with the city to make a non-Project one-time voluntary contribution of One-Hundred and Ten Thousand Dollars ($110,000.00) towards the City's cost of maintenance of the North of La Playa Habitat Conservation Area, which Habitat Conservation Area was established by an Implementation Agreement dated April 25, 1996 by and among the City, the U.S. Fish and Wildlife Service and DBO Development No. 25, LLC ("***DBO 25***," a separate legal entity from DBO 30). It is not the intent of the Parties pursuant to this MOU or otherwise that DBO 30 become an obligor, assignee, partner or joint venture with the City, or otherwise assumes any liability or responsibility under the Implementation Agreement on behalf of DBO 25. It is also not the intent of the Parties that to the extent DBO 25 has any remaining obligations under the Implementation Agreement that they be fully released by this one time contribution.

E. This MOU is also intended to confirm the street improvements to be undertaken in the California Avenue right of way under the Development Agreement as amended by the First Amendment as part of the consideration for the benefits received by DBO under the First Amendment.

NOW, THEREFORE, the Parties have reached the following understanding, which understanding is supported by good and sufficient consideration, as set forth above:

UNDERSTANDING

1. Funding for Maintenance of North of La Playa Habitat Conservation Area. Developer shall make payments to the City per the schedule contained herein, which payments the City will deposit into an interest-bearing dedicated and restricted North of La Playa Habitat Conservation Area Management Fund, for the sole and express purpose of funding a significant portion of the City's maintenance of the North of La Playa HCA. The first payment in the amount of Fifty Thousand Dollars ($50,000) shall be due and payable on January 1, 2022; the second payment in the amount of Fifteen Thousand Dollars ($15,000) shall be due and payable January 1, 2023; the third payment in the amount of Fifteen Thousand Dollars ($15,000) shall be due and payable January 1, 2024; the fourth payment in the amount of Fifteen Thousand Dollars ($15,000) shall be due and payable January 1, 2025; the fifth payment in the amount of Fifteen Thousand Dollars ($15,000) shall be due and payable January 1, 2026.

2. Depiction of California Avenue Street Improvements. The draft Street Improvement Plan for California Avenue under the Development Agreement as amended by the First Amendment, which depicts the street improvements Developer will be responsible for under the First Amendment is attached hereto as Exhibit "A". Parties agree that the final street improvement plan will be substantially the same as Exhibit A with City Engineer's approval.

3. Authorization. Each Party hereby warrants that it has the authority and is duly authorized to execute this MOU.

4. Enforcement. The funding payments herein shall be enforceable by the City separate and apart from enforcement of the Development Agreement; while the Developer provision of the California Avenue street improvements shall be enforceable pursuant to the provisions of the Development Agreement, as amended by the First Amendment. The MOU shall be governed and interpreted in accordance with the laws of the State of California. Any action to enforce or interpret this MOU shall be brought in the Superior Court of the State of California, County of Monterey, or, in the case of any federal claims, in the United States District Court, Central District of California.

5. Counterparts. This MOU may be executed in counterparts, each of which shall be deemed an original and all of which taken together shall constitute one instrument.

IN WITNESS WHEREOF, the Parties have executed this MOU as of the MOU Date.

[***Signatures on following page***]

[***Signature page to Memorandum of Understanding***]

DEVELOPER:	**THE CITY:**
DBO DEVELOPMENT NO. 30, LLC	CITY OF SAND CITY
By:_____	By:_____
Print : Gerald V. Lyles_____	Print: Vibeke Norgaard
Title: Senior V.P/Manager	Title: Acting City Manager
Date:_____	Date:_____
DBO DEVELOPMENT NO. 30, LLC	CITY OF SAND CITY
By: The Orosco Family Trust	By:_____
By:_____	Print: Mary Ann Carbone
Title: A. Emory Wishon III, Co-Trustee	Title: Mayor
Date:_____	Date:_____
By:_____	
Title: Chris Orosco, Co-Trustee	
Date:_____	

EXHIBIT A

EAST AVENUE

MORGAN'S WAY

TIOGA AVENUE

CALIFORNIA AVENUE

GRANITE ROCK
ENTRY/EXIT

APPROXIMATE LOCATION FOR THE NEWLY INSTALLED FIBER OPTIC LINE

CONNECT TO EXISTING SIDEWALK

NEW DRIVE APPROACH

EXISTING POLES TO REMAIN

EXISTING POLE TO REMAIN

PER TRAFFIC ENGINEER REVIEW, PROVIDE CROSSING ON ONLY 1-LEG OF THE INTERSECTION WITH MORGAN'S WAY BASED ON THE LEAST NUMBER OF TURNING MOVEMENTS

APPROXIMATE LOCATION FOR THE FIBER OPTIC LINE NEWLY INSTALLED IN SEPTEMBER 2021. VERIFY ACTUAL LOCATION IN THE FIELD

EXISTING POLE TO BE REMOVED

CONSIDER SHIFTING BULB-OUTS TO AVOID CONFLICT WITH SSMH AND/OR EXTEND BULB-OUT AT CORNER.

EXISTING POLE TO BE REMOVED

EXISTING POLE TO BE REMOVED

CONNECT TO EXISTING SIDEWALK

DESIGNED BY:	HW
DRAWN BY:	HW
CHECKED BY:	LG
DATE ISSUED:	10/19/2021
DATE APPROVED:	

CITY OF SAND CITY

511 FOREST LODGE ROAD, SUITE 100
PACIFIC GROVE, CA 93950

SHEET TITLE: EXHIBIT

PROJECT TITLE: CALIFORNIA AVENUE ROAD IMPROVEMENTS

SHEET No: 1 OF 1

AGENDA ITEM
9A.

Second Reading of ORDINANCE of the City Council of the City of Sand City approving the First Amendment to the Development Agreement by and between DBO Development No. 30, LLC and the City of Sand City relating to the development commonly known as the South of Tioga Project

City of Sand City

Staff Memo

TO: Honorable Mayor and City Council
FROM: Vibeke Norgaard, Acting City Manager/City Attorney
DATE: December 15, 2021 (for December 21, 2021 meeting)
SUBJECT: First Amendment to the Development Agreement for the South of Tioga Project.

---

1. Background

On October 20, 2020, the City and DBO Development No. 30 LLC (DBO) entered into a Development Agreement for the South of Tioga project – a project proposed by DBO to redevelop property in the approximately 10.64 acre area bounded by Tioga Avenue to the northeast, California Avenue to the southeast, East Avenue to the southwest, and the Merle street right-of-way to the northwest in the central portion of the City, generally referred to as the "South of Tioga" district.

On December 7, 2021, the City Council serving as both the City's Planning agency and decision-makers for purposes of Development Agreement review considered and approved for first reading the First Amendment to the Development Agreement for the South of Tioga Project (First Amendment).

The First Amendment amends the Development Agreement in a variety of ways set forth in more detail in the December 7, 2021 staff report, attached hereto as **Exhibit B**, including:

- Replaces the Consumer Price Index used to calculate the CFD tax payment.
- Adjusts when the CPI is applied to the CFD tax payment (to First of August following the issuance of the first certificate of occupancy issued for the Project).
- Provide that a limited temporary tax credit be in place until December 31, 2030, instead of the length of the term of the DA.
- Makes certain changes in the way the temporary tax credit is provided.
- Provides for a permanent credit for hotel parcels of half of its CFD amount in the event of a certain level of Transient Occupancy Tax (TOT).
- Amends the Project's Vesting Tentative Map (VTM) Condition of Approval Condition G2 to provide that the public park between the R1 and R2 Parcels shall be maintained by the City and not by the Developer.
- Amends VTM Condition of Approval E4 to require that DBO construct the remaining portions of California Avenue to the edge of the City Right of Way, including specified

pavement, curb, gutter, sidewalk, landscaping and lighting as approved by the City Engineer and permitted by the City.

- Includes the additional parcels within the Project boundary that have been acquired by DBO subsequent to the effective date of the Development Agreement.

Amendments to development agreements are subject to the notice, findings, and other procedural requirements that apply to the adoption of development agreements. (Cal. Gov. Code §65868). A development agreement, including any amendment to a development agreement, is a contract between the City and DBO that delineates and implements the terms and conditions of the proposed Project. Once the First Amendment to the Development Agreement is approved by the City Council, it is an Ordinance and is subject to referendum.

The City Council may approve the First Amendment to the Development Agreement if it finds that the agreement is consistent with the Sand City General Plan and that the agreement will promote the public's health, safety, and general welfare. The proposed ordinance adopting the First Amendment to the Development Agreement incorporates the VTM General Plan consistency findings as the General Plan consistency findings for the First Amendment to the Development Agreement because the Project is substantively unchanged by the First Amendment.

2. CEQA

To comply with the California Environmental Quality Act (Cal. Pub. Res. Code § 21000 *et seq.* and 14 Cal. Code Regs. § 15000 *et seq*.; "CEQA"), on June 5, 2018, at a duly noticed public hearing, the City Council certified the Environmental Impact Report (EIR) for the South of Tioga Project (SCH # 2017061066) as described more fully in Resolution SC 18-57, and made the required findings. The DA is a requirement of the Project's VTM that is included under the purview of the certified EIR, and therefore, no further environmental review is required for the DA. Resolution SC 18-57 is attached as Exhibit A, Attachment 2.

3. Fiscal Impact

The fiscal impact of this Amendment is difficult to ascertain as it depends on various factors such as the amount of TOT that the hotel generates; the CPI; when the first certificate of occupancy is issued, and other factors. The Amendment has the positive financial effect of providing the City with public improvements on the east side of California Avenue (an approximate estimated cost of $300,000-450,000), and for the years of the temporary credit established in the DA, the potential of an additional annual $300,000 TOT every year that would have otherwise been credited under the DA. The Developer has also agreed to assist the City in establishing a fund for the management of the Edgewater Shopping Center's habitat area in the amount of ($110,000).

The Amendment has the potential negative financial effect of lowering the amount of CFD the City would receive from the Project starting in January of 2031 in perpetuity by $125,000 in the event that the Hotel brings in TOT in excess of 1,300,000. The adjusted CPI will also have a negative financial implication: For example, the CPI increase on the $550,000 CFD amount from 2018 – 2022 would be $45,057 with the current CPI required by the DA but only $43,013

with the revised CPI required by the Amendment. The later start date of the CPI will have the effect of the CFD payments starting at a lower rate than it would under the existing DA.

4. Staff's Recommendation

Staff recommends that Council:
(1) Waive reading of the ordinance in full and approve reading by title only; and
(2) Adopt the ordinance attached as **Exhibit A** hereto.

Exhibits:

Exhibit A: Ordinance
Exhibit B: December 7, 2021 staff report and all exhibits thereto.

EXHIBIT A

SAND CITY

ORDINANCE NO. ____-2021

AN ORDINANCE OF THE CITY COUNCIL OF SAND CITY APPROVING THE FIRST AMENDMENT TO THE DEVELOPMENT AGREEMENT BY AND BETWEEN DBO DEVELOPMENT NO. 30, LLC AND THE CITY OF SAND CITY RELATING TO THE DEVELOPMENT COMMONLY KNOWN AS THE SOUTH OF TIOGA PROJECT

THE CITY COUNCIL OF SAND CITY DOES ORDAIN AS FOLLOWS:

Section 1. Recitals.

A. In order to strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted Section 65864, et seq., of the Government Code (the "Development Agreement Statute"), authorizing the City, and any person having a legal or equitable interest in the real property, to enter into a Development Agreement and establish certain development rights in the property, which is the subject of the development project application.

B. On October 13, 2020, the City of Sand City ("City") adopted Resolution SC 20-66 (2020), establishing procedures pursuant to California Government Code section 65865(c) for the consideration of development agreements.

C. On June 5, 2018, the City adopted Resolution SC 18-58 approving Vesting Tentative Map 18-01 and a related mitigation monitoring and reporting program for the South of Tioga Project ("South of Tioga Project"). Condition of Approval E (9) requires that the Developer and the City enter into a development agreement for the Project prior to the recordation of any final map for any portion of the Project.

D. On October 20, 2020, the City and DBO Development No. 30, LLC ("Developer") entered into a development agreement ("Development Agreement") for the South of Tioga Project.

E. A First Amendment to the Development Agreement between the City and Developer ("First Amendment") has been presented to the City Council, a copy of which is attached hereto as **Exhibit A.**

F. In compliance with the California Environmental Quality Act ("CEQA"), on June 5, 2018, by Resolution SC 18-57, the City Council certified the Environmental Impact Report for the South Tioga Project (SCH# 2017061066) ("EIR"); and by this Ordinance, the City finds the adoption of the First Amendment to the Development Agreement does not require further environmental review.

G. On December 7, 2021, the City Council, serving as the City's planning agency for purposes of development agreement review pursuant to the Development Agreement Statute and Resolution SC - 2020, held a public hearing to consider the First Amendment to the Development Agreement.

H. The public hearing was noticed in accordance with the requirements set forth in Government Code section 65090 and 65091.

Section 2. Findings and Determination.

On the basis of: (a) the foregoing Recitals, which are incorporated herein, (b) the City's General Plan, (c) the EIR, and (d) the specific evidence and conclusions set forth below, the City Council finds and determines that:

A. **Consistency with the General Plan**. In accordance with Government Code section 65867.5(b), the First Amendment to the Development Agreement is consistent with the objectives, policies, general land uses and programs specified and contained in the City's General Plan, and there is no applicable specific plan. The General Plan consistency findings made by the City Council in Resolution SC 18-58 adopting the Vesting Tentative Map 18-01, are attached hereto and incorporated herein as if set forth in full by this reference as Exhibit A, Attachment 2 . The findings in resolution SC 18-58 are accurate and unchanged.

B. **Public Interest**. The proposed First Amendment to the Development Agreement will not be detrimental to the public interest, health, safety, convenience, or welfare of the City in that the Project will proceed in accordance with all programs and policies of the General Plan. The Project endeavors to eliminate existing blighted conditions; provide public and private road and infrastructure improvements; provide appropriate land use transitions compatible with the East Dunes Planning District; provide a significant number of residential units (including affordable housing units); and result in positive fiscal impacts for the City.

C. **CEQA COMPLIANCE**. In compliance with the California Environmental Quality Act ("CEQA"), on June 5, 2018, by Resolution SC 18-57, the City Council certified the Environmental Impact Report for the South Tioga Project (SCH# 2017061066) ("EIR"); and by this Ordinance, the City finds that since the EIR was certified, there have been no substantial changes to the Project or to the circumstances under which it will be undertaken, and no new substantial information has become available which would require further environmental review to be conducted. Therefore, no additional environmental review is necessary in order for the Council to take action on this Development Agreement.

Section 3. Approval of Amended and Restated Development Agreements.

The City Council hereby approves the First Amendment to the Development Agreement, attached hereto as **Exhibit A**, in a form approved by the City Attorney, and authorizes the City Manager and the Mayor to execute the First Amendment to the Development Agreement.

Section 4. Recordation.

Within ten (10) days after the Development Agreement is executed, the City Clerk shall submit it to the County Recorder for recordation.

Section 5. Severability.

If any section, subsection, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of a court of competent jurisdiction, it shall not affect the remaining portions of this Ordinance that can be given effect without the invalid provision and, to

this end, the provisions of this Ordinance are severable. This City Council hereby declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance enforced.

Section 6. Publication and Effective Date.

Within fifteen (15) days after adoption, a summary of this Ordinance shall be published once in the Monterey Herald, a newspaper of general circulation printed and published in Monterey County and circulated in the City, in accordance with Government Code section 36933. This Ordinance shall take effect and be enforced thirty (30) days after its adoption. This ordinance will not be codified and published in the Sand City Municipal Code

PASSED AND ADOPTED by the City Council of Sand City on the _____ day of _____, 2021 by the following vote:

AYES: X

NOES: X

ABSENT: X

ABSTAIN: X

_____
Mary Ann Carbone, Mayor

ATTEST:

_____
Connie Horca, City Clerk

Recording Requested by:
CITY OF SAND CITY

WHEN RECORDED, RETURN TO:

City Clerk, City of Sand City
1 Pendergrass Way
Sand City, CA 93955

Space Above for Recorder's Use Only

Record at the request and for the benefit of
the City of Sand City
Pursuant to Government Code §§ 6301 and
27383

FIRST AMENDMENT TO DEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF SAND CITY, CALIFORNIA

AND

DBO DEVELOPMENT NO. 30, LLC RELATING TO THE

DEVELOPMENT COMMONLY KNOWN AS

THE SOUTH OF TIOGA PROJECT

FIRST AMENDMENT TO DEVELOPMENT AGREEMENT BY AND BETWEEN SAND CITY, CALIFORNIA AND DBO DEVELOPMENT NO. 30, LLC RELATING TO THE DEVELOPMENT COMMONLY KNOWN AS THE SOUTH OF TIOGA PROJECT

This First Amendment to Development Agreement ("***First Amendment***") is entered into as of _____, 2021, by and between the City of Sand City, a municipal corporation and charter city in Monterey County ("***City***"), and DBO Development No. 30, LLC, a California limited liability company ("***DBO***" or "***Developer***"). City and Developer are sometimes referred to individually herein as a "***Party***" and collectively as the "***Parties***."

RECITALS

A. Authorization. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California enacted Government Code section 65864 *et seq.* ("***Development Agreement Statute***"), which authorizes the City to enter into a development agreement with any person having a legal or equitable interest in real property regarding the development of such property and establishing certain development rights therein.

B. Procedures. On October 13, 2020, the City Council of Sand City ("City Council") adopted resolution SC 20-66-2020 establishing procedures pursuant to California Government Code section 65865(c) for the consideration of development agreements.

C. Development Agreement. On the "***Effective Date***" of October 20, 2020, the City and Developer entered into a development agreement ("***Development Agreement***") for the "***South of Tioga Project***." The Development Agreement generally vested the right to proceed with development of the South of Tioga Project, subject to the terms and conditions set forth therein. All capitalized terms used in this First Amendment but not defined in this First Amendment shall have the same meaning given to those capitalized terms in the Development Agreement.

D. Acquisition of Property Slivers and Street Parcels. Recital C of the Development Agreement contemplates Developer acquisition after the Effective Date of the Property Slivers from the City and also Developer's acquisition of Street Parcels along the vacated Lincoln Avenue and Beach Way. The Developer's acquisition of the Street Parcels is a condition precedent to recording of the Final Map for the South of Tioga Project per VTM Condition of Approval A2. The Developer has obtained the Property Slivers and Street Parcels as provided in the Development Agreement.

E. Proposed First Amendment. The Parties now desire to amend the Development Agreement legal description, depiction and definition of the Subject Property to include the Property Slivers and Street Parcels pursuant to revised and substituted Exhibits A and B of the Development Agreement. The Parties also desire to include certain revisions to the Development Agreement as set forth herein. Accordingly, the City and Developer now desire to amend the Development Agreement by mutual consent pursuant to section 5.01 and Recital C of the Agreement, and as authorized by California Government Code section 65868, which allows for the amendment of a development agreement by mutual consent of the parties to the Agreement.

F. Public Hearing and Approval of this Amendment. On December 7,2021, the City Council serving as City's planning agency for purposes of development agreement review pursuant

to Government Code section 65867 and resolution SC 20-66-2020, held a public hearing and made a recommendation to the City Council regarding this First Amendment. Also on December 7, 2021, pursuant to Government Code section 65867 and SC 20-66-2020, the City Council held a public hearing regarding this First Amendment. Following the hearing, the City Council introduced City of Sand City Ordinance No. SC-___2021 approving this Amendment. The City Council approved City Ordinance SC-____2021 on _____, 202_, and it became effective on _____, 202_.

G. Environmental Review. In compliance with the California Environmental Quality Act ("***CEQA***"), on June 5, 2018, by Resolution SC 18-57, the City Council certified the Environmental Impact Report for the South of Tioga Project (SCH#2017061066) ("***EIR***"); and by City Ordinance No.SC -___2021, the City finds this First Amendment to the Development Agreement does not require further environmental review.

H. Consistency with General Plan. Having duly examined and considered this First Amendment and having held properly-noticed public hearings hereon, in City Ordinance No.-SC___2021, the City found that this First Amendment satisfies Government Code section 65867.5, and that this First Amendment is consistent with the requirements of the General Plan.

I. Approval. The City and Developer have taken all actions mandated by, and fulfilled all requirements set forth in the Development Agreement, California Government Code section 65864, et seq. and SC20-66 2020 to approve this First Amendment.

J. Negotiations. The Parties have, in good faith, negotiated terms set forth in this First Amendment, which terms are intended to carry out the legislative purposes of California Government Code section 65864, et seq., and which provide for the mutually desirable development of the Subject Property, consistent with the intent of the Development Agreement.

AGREEMENT

1. Incorporation of Recitals. The Preamble, the Recitals, all defined terms set forth herein, and all exhibits attached hereto, are hereby incorporated into this First Amendment as if set forth herein in full.

2. Priority of Enactments**.** In the event of any conflict or inconsistency between this First Amendment and the Development Agreement and/or any of the other Current Approval(s), or between this First Amendment and any Subsequent Approval(s), to the fullest extent legally possible, this First Amendment shall prevail and control.

3. Relationship of City and Developer. This First Amendment is a contract that has been negotiated and voluntarily entered into by City and Developer. Neither Party is an agent of the other Party. City and Developer renounce the existence of any form of joint venture or partnership between them. Nothing contained in this First Amendment, or in any document executed in connection with the Development Agreement, may be construed as making City and Developer joint venturers or partners.

4. Date of First Amendment. The Effective date of this First Amendment is on _____ ___, 202_, which is the effective date of City Ordinance No.SC___-2021-adopting this First Amendment. The rights, duties, and obligations hereunder shall be effective, and shall

commence on that date. The Parties acknowledge that Section 65868.5 of the Development Agreement Statute requires that City record this First Amendment with the Monterey County Recorder's Office no later than ten (10) days after the Parties enter into this First Amendment and that the burdens of this First Amendment shall be binding upon, and the benefits of this First Amendment shall inure to, all successors in interest to the Parties hereto, subject to the assignment provisions in Article IX of the Agreement.

5. Subject Property: Exhibit A and Exhibit B of the Development Agreement are deleted and replaced with Amended Exhibits A and B attached to this First Amendment, which shall be the revised ***Subject Property*** under the Development Agreement. The Subject Property now includes all land within the South of Tioga Project in which Developer has a legal and/or equitable interest. The listing of Assessor's Parcel Numbers contained in Recital B of the Development Agreement is amended to include the following Assessor's Parcel Numbers : 011-122-023, 011-122-024, 011-122-025, 011-122-026, 011-122-040, 011-123-001,011-123-004, 011-123-005, 011-123-006, 011-123-007, 011-123-008, 011-123-009, 011-123-022, 011-123-023, 011-123-024,011-123-025, 011-123-026, 011-134-011, 011-135-001, 011-135-014, 011-135-015, 011-135-016, 011-135-023, 011-136-007, 011-136-012,011-136-024, 011-186-039, and portions of: 011-122-002, 011-122-003, 011-122-004, 011-122-005, 011-122-010, 011-122-011, 011-122-032, 011-122-038, 011-122-039, 011-122-041, 011-123-011, 011-135-024, 011-186-021 and 011-186-038; APN of adjoining lot: 011-123-019, 011-125-055, 011-133-010 and 011-133-011.

6. Infrastructure and Maintenance Finance**.** Section 3.02 of the Development Agreement is amended as follows:

(a) Subsection 3.02(a)(3) of the Development Agreement is deleted in its entirety and replaced with the following:

> "(3) the total annual amount of special tax to be imposed on the Project ("***CFD Tax***") shall not exceed, under any circumstances, the amount of Five Hundred and Fifty Thousand Dollars ($550,000.00) plus increases in the U.S. Department of Labor Consumer Price Index, City Average, All Items, All Urban Consumers ("***CPI***"). The CPI will be applied to the CFD Tax commencing on the First of August following the issuance of the first certificate of occupancy issued for the Project. Once the CFD is established, Developer shall have no right to repeal or amend the amount of the CFD tax, and Developer agrees not to seek such repeal or amendment. CFD tax payments for development located on each parcel within the Subject Property shall commence on the First of August following the issuance of the first (1st) certificate of occupancy issued for the Project. The CFD shall provide that on each July 1, commencing once the CFD tax payments have commenced, the base year for special taxes shall escalate by the increase, if any, in the CPI. Provided, however, that in no event shall the CFD Tax per parcel for any years be less than the amount established for the prior year."

(b) Subsection 3.02(c) of the Development Agreement is deleted in its entirety and replaced with the following:

> "(c) In order to incentivize and stimulate the construction of the hotel on the Project in particular, and the Project overall, this subsection (c) creates a limited, temporary credit, which shall be in place until December 31, 2030, for certain Transient Occupancy Tax ("***TOT***") collected by the hotel on the Project which shall be credited to, and thereby reduce, the CFD Tax that will be due on the respective parcels of the Project in the

amounts and in the order and for the various parcels as set forth herein. The TOT is a revenue that goes into the City's General Fund.

Each City fiscal year (July 1 – June 30) that the hotel in the Project collects and tenders to the City TOT in excess of One Million Sixty Thousand Dollars ($1,060,000), excluding any enforcement costs incurred by the City in collecting the TOT and excluding any TOT that is collected and tendered to the City more than sixty (60) days after it is due, is a "***Hotel Credit Year***." In the CFD Tax year (January 1 – December 31) immediately following each Hotel Credit Year, City shall transfer One Dollar ($1.00) from the City General Fund to the CFD for each One Dollar ($1.00) that would otherwise be due from the CFD up to the full Two Hundred and Fifty Thousand Dollars ($250,000) portion of the CFD Tax that will be paid by the H1, H1A, H2 and H2A ("***Hotel Parcels***") in order to reduce the CFD Tax for the Hotel Parcels.

Each City fiscal year (July 1 – June 30) that the hotel in the Project collects and tenders to the City TOT in excess of One Million Six Hundred and Ten Thousand Dollars ($1,610,000), excluding any enforcement costs incurred by the City in collecting the TOT and excluding any TOT that is collected and tendered to the City more than sixty (60) days after it is due, is an "***R2 Credit Year***" in addition to being a Hotel Credit Year. In the CFD Tax year (January 1 – December 31) immediately following each R2 Credit Year, in addition to the amount transferred from the City General Fund to the CFD for the Hotel Parcels, City shall transfer One Dollar ($1.00) from the City General Fund to the CFD for each One Dollar ($1.00) that would otherwise be due from the R2 Parcel up to the One Hundred and Fifty Thousand Dollars ($150,000) portion of the CFD Tax that will be paid by the R2 Parcel in order to reduce the CFD Tax.

Each City fiscal year (July 1 – June 30) that the hotel in the Project collects and tenders to the City TOT in excess of One Million Seven Hundred and Sixty Thousand Dollars ($1,760,000), excluding any enforcement costs incurred by the City in collecting the TOT and excluding any TOT that is collected and tendered to the City more than sixty (60) days after it is due, is an "***R1 Credit Year***" in addition to being a R2 Credit Year and a Hotel Credit Year. In the CFD Tax year (January 1 – December 31) immediately following each R1 Credit Year, in addition to the amounts transferred from the City General Fund to the CFD for the Hotel Parcels for the Hotel Credit Year and for Parcel R-2 for the R2 Credit Year, City shall transfer One Dollar ($1.00) from the City General Fund to the CFD for each One Dollar ($1.00) that would otherwise be due from the R1 Parcel up to the One Hundred and Fifty Thousand Dollars ($150,000) portion of the CFD Tax that will be paid by the R1 Parcel in order to reduce the CFD Tax.

The total sum transferred from the City General Fund to the CFD in any CFD tax year up until December 31, 2030 shall be the "***Temporary Credit***". The transfer from the City General Fund to the CFD shall be accomplished by the following procedure: (i) City shall transfer the Temporary Credit from the City General Fund to the CFD to be used for CFD expenses; (ii) City shall apportion the Temporary Credit to each Parcel in accordance with this subsection; and (iii) on each tax bill, the CFD shall identify the apportioned Temporary Credit as a "One Time Tax Credit" and subtract it from the CFD Tax on the subject parcel. All Credit Years must be completed prior to December 31, 2030. If the TOT that the hotel on the Project collects and tenders to City in a City fiscal year is any amount less than One Million Sixty Thousand Dollars ($1,060,000), excluding any enforcement costs incurred by the City in collecting the TOT and

excluding any TOT that is collected and tendered to the City more than sixty (60) days after it is due, that year is not a Credit Year and there is no Temporary Credit. "

(c) A new Subsection 3.02(d) is added to the Agreement as follows:

"d) In addition to the temporary credit set forth above, this subsection (d) creates a permanent credit for certain TOT collected by the hotel on the Project which shall be credited to, and thereby reduce, the CFD Tax that will be due on the Hotel Parcels in the Project after December 31, 2030. After December 31, 2030 each City fiscal year (July 1 – June 30) that the hotel on the Project collects and tenders to the City TOT in excess of One Million Three Hundred and Thousand Dollars ($1,300,000), excluding any enforcement costs incurred by the City in collecting the TOT and excluding any TOT that is collected and tendered to the City more than sixty (60) days after it is due, is a "***Credit Year***." In the CFD Tax year (January 1 – December 31) immediately following each Credit Year, City shall transfer One Dollar ($1.00) from the City General Fund to the CFD for each One Dollar ($1.00) that would otherwise be due from the CFD up to half of the portion of the CFD Tax that will be paid by the hotel, or up to One Hundred and Twenty Five Thousand Dollars ($125,000) in order to reduce the CFD Tax. The total sum transferred from the City General Fund to the CFD in any CFD tax year shall be the "***Credit***". The transfer from the City General Fund to the CFD shall be accomplished by the following procedure: (i) City shall transfer the Credit from the City General Fund to the CFD to be used for CFD expenses; (ii) City shall only transfer the Credit to benefit the Hotel Parcels; and (iii) on each tax bill, the CFD shall identify the apportioned Credit as a "One Time Hotel Tax Credit" and subtract it from the CFD Tax on the Hotel Parcels. If the TOT that the hotel on the Project collects and tenders to City in a City fiscal year is any amount less than One Million Three Hundred Thousand Dollars ($1,300,000), excluding any enforcement costs incurred by the City in collecting the TOT and excluding any TOT that is collected and tendered to the City more than sixty (60) days after it is due, that year is not a Credit Year and there is no Credit.

Any Assignment Agreement (as defined below) shall include an express waiver of election rights and assumption of obligations by Assignee regarding the CFD under this entire Section 3.02."

7. Maintenance of Park. VTM Condition of Approval Condition G2 is hereby amended to add the following sentence at the end of Condition G2: "Notwithstanding the foregoing, the Parties agree that the certain Park Easement 1 on the R-1 Parcel, being 0.07 acre and the certain Park Easement 2 on the R-2 Parcel, being 0.12 acre and both respectively identified by legal description and depicted in **Exhibit "C**" shall be maintained by the City and not by the Developer, including the maintenance of all improvements thereon, such as, but not limited to, any playground structures, open space, walkways, pathways, benches, groundcover, hardscape, signs, trash enclosures and landscaping and irrigation maintenance."

8. Public Improvements: VTM Condition of Approval Condition E4 is hereby amended to add the following sentence at the end of condition E4: "Notwithstanding the foregoing, the Parties agree that Developer shall construct to the same specification, as provided in the required Phase I Improvements, the remaining portions of California Avenue to the edge of the City Right of Way, including specified pavement, curb, gutter, sidewalk, landscaping and lighting as approved by the City Engineer and permitted by the City.

9. If any term of this First Amendment, or its application to any situation, is held invalid or unenforceable in whole or in part for any reason, in a final judgment that is no longer subject to rehearing, review or appeal by a court of competent jurisdiction, then the invalid term is severed, and the remaining parts of this First Amendment, and the application of any part of this First Amendment to other situations, shall continue in full force and effect unless an essential purpose of this First Amendment would be defeated by the loss of the invalid or unenforceable provisions, in which case either Party may terminate this First Amendment by providing written notice thereof to the other.

10. This First Amendment, and any and all amendments and supplements to it, may be executed in counterparts, and all counterparts together shall be construed as one document.

11. Except as expressly modified by this First Amendment, all terms of the Development Agreement shall remain in full force and effect.

12**.** Not later than ten (10) days after the Parties enter into this First Amendment, the City Clerk of Sand City shall cause this First Amendment to be recorded in the Official Records of Monterey County.

13. Signatures. The individuals executing this First Amendment represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this First Amendment on behalf of the representative legal entities of Developer and City.

In witness whereof, the Parties have entered into this First Amendment as of the above written date.

DEVELOPER:

DBO DEVELOPMENT NO. 30,
a California limited liability company

By: THE OROSCO FAMILY TRUST dated June 28 1977 as amended, Member

By: _____
A. Emory Wishon III, Co-Trustee

By: _____
Christopher R. Orosco, Co-Trustee

By: LYLES DIVERSIFIED, INC.,
a California corporation, Member

By: _____
Gerald V. Lyles
Its: Senior Vice President

THE CITY:

CITY OF SAND CITY

By: _____

Print: Vibeke Norgaard

Title: Acting City Manager

Date: _____

CITY OF SAND CITY

By: _____

Print: Mary Ann Carbone

Title: Mayor

Date: _____

Exhibits

Exhibit A – Legal Description of the Subject Property
Exhibit B – Map of the Subject Property
Exhibit C – Legal description of Park Easements

EXHIBIT A. Legal Description of the Subject Property.

[Remainder of page left blank]

EXHIBIT A
DESCRIPTION OF SUBJECT PROPERTY

Certain real property situate in the City of Sand City, County of Monterey, State of California, being a portion of Blocks 14, 15, 16 and 17 as shown on the map recorded in Volume 1 of Cities and Towns at Page 29, Records of said County (as amended by that certain map entitled "AMENDING MAP, Map of Seaside Addition to the Town of East Monterey", recorded in Volume 15 of Cities and Towns at Page 82, Records of said County), together with a portion of Blocks 26, 27, 28 and 29 as shown on the map recorded in Volume 2 of Cities and Towns at Page 35, Records of said County, and portions of East Avenue, California Avenue, Orland Avenue, Beach Way, Scott Street, Lincoln Avenue, Fir Avenue and Afton Avenue shown on said maps, described as follows:

All that portion of said blocks and streets lying within the solid red boundary line of the map entitled "Existing Lots & Proposed Boundary – West End Sand City Vesting Tentative Map" dated December 11, 2017, Project 3571.00, prepared by Whitson Engineers and approved by the City of Sand City, the exact dimensions of said boundary being subject to minor modification based on a field survey to be depicted on recorded final map showing a subdivision of said property.

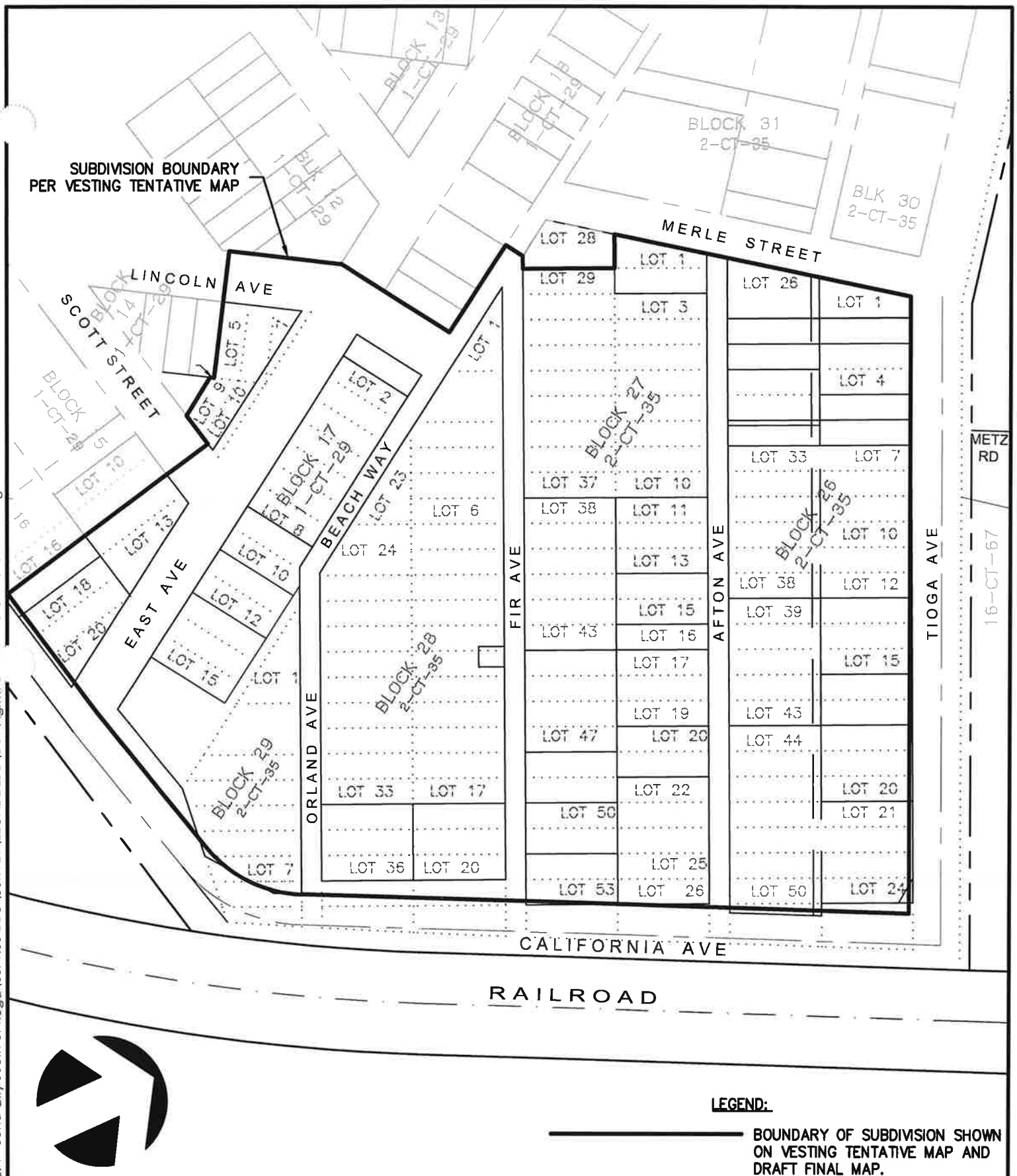
Note: This description reflects recent conveyances of property and lot line adjustments recorded in Document No.'s 2021036022 through 2021036031 inclusive and acquisition of portions of former right-of-way by grant deed recorded as Document No. 2021042760, Records of Monterey County.

As shown on "Exhibit B", attached hereto and made a part hereof.

END OF DESCRIPTION

EXHIBIT B. Map of the Subject Property.

[Remainder of page left blank]



LEGEND:

BOUNDARY OF SUBDIVISION SHOWN ON VESTING TENTATIVE MAP AND DRAFT FINAL MAP.

SAND CITY SOUTH OF TIOGA SUBDIVISION
DEVELOPMENT AGREEMENT:
DEVELOPER-OWNED PROPERTY

SAND CITY, CALIFORNIA

DECEMBER 1, 2021

Whitson ENGINEERS

Civil Engineering + Land Surveying
6 Harris Court
Monterey, CA 93940
831.649.5225
whitsonengineers.com

PROJECT No.: 3571.01

I:\Monterey Proje...\3571 - Sand City South of Tioga\3571.00 DBO\SURVEY\LEGAL DESC\Dev Agrmt Exhibit - No Owner & APN.dwg

EXHIBIT C. Legal Description of Property
[Remainder of page left blank]

LEGAL DESCRIPTION
PARK EASEMENTS

Certain real property situate in the City of Sand City, County of Monterey, State of California, being a portion of Block 27 as shown on the map filed for record in Volume 2 of Cities and Towns at Page 35 in the office of the County Recorder of said County, described as follows:

Park Easement 1:

Commencing at the most easterly corner of Lot 28 in said Block 27; thence South 63°35'37" East, 166.17 feet to the Point of Beginning; thence from said Point of Beginning

1) North 35°02'41" East, 17.50 feet; thence
2) North 26°24'23" East, 9.95 feet; thence
3) North 38°12'29" West, 21.31 feet; thence
4) South 63°35'37" East, 95.25 feet to a point on the northwesterly line of proposed Morgan's Way; thence along said northwesterly line
5) South 26°24'23" West, 36.38 feet; thence departing said northwesterly line
6) North 63°35'37" West, 78.63 feet to the Point of Beginning.

Containing 2,876 square feet or 0.066 acres, more or less.

Park Easement 2:

Commencing at the most easterly corner of Lot 28 in said Block 27; thence South 63°35'37" East, 166.17 feet to the Point of Beginning; thence from said Point of Beginning

1) Continuing South 63°35'37" East, 78.63 feet to a point on the northwesterly line of proposed Morgan's Way; thence along said northwesterly line of Morgan's Way
2) South 26°24'23" West, 40.43 feet; thence
3) Southerly 21.33 feet along the arc of a tangent curve to the left having a radius of 56.00 feet, through a central angle of 21°49'16"; thence departing said northwesterly line of Morgan's Way
4) North 63°35'37" West, 103.66 feet; thence
5) North 42°00'06" East, 26.69 feet; thence
6) South 79°49'07" East, 9.20 feet; thence
7) North 35°02'41" East, 33.34 feet; thence to the POINT OF BEGINNING.

Containing 5,398 square feet or 0.124 acres, more or less.

As shown on the plat attached hereto and made a part hereof.

All bearings cited herein are grid bearings per the California Coordinate System, NAD83 Zone IV.

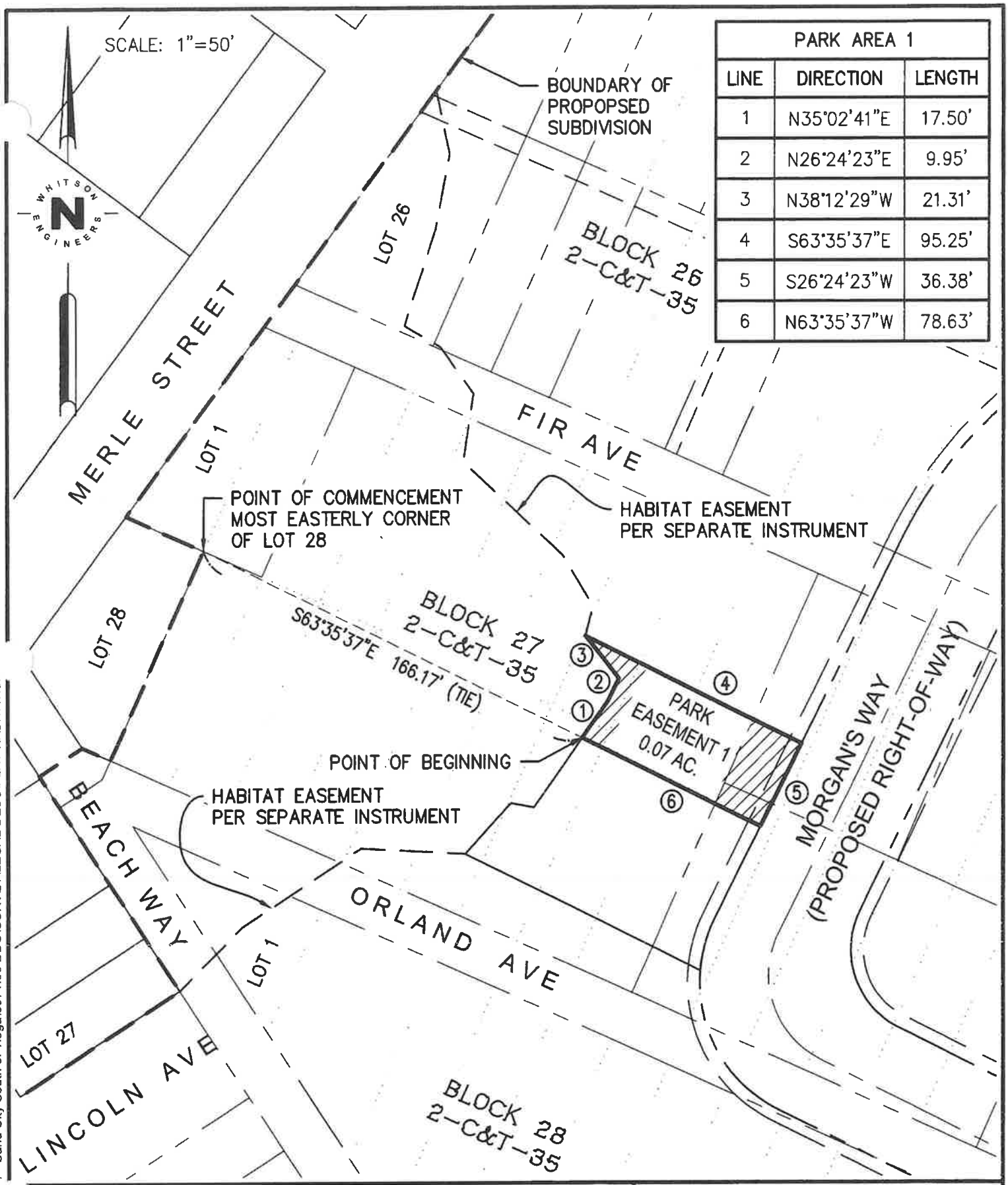
END OF DESCRIPTION

PREPARED BY:
WHITSON ENGINEERS

4/6/2020

RICHARD P. WEBER P.L.S. DATE
L.S. NO. 8002



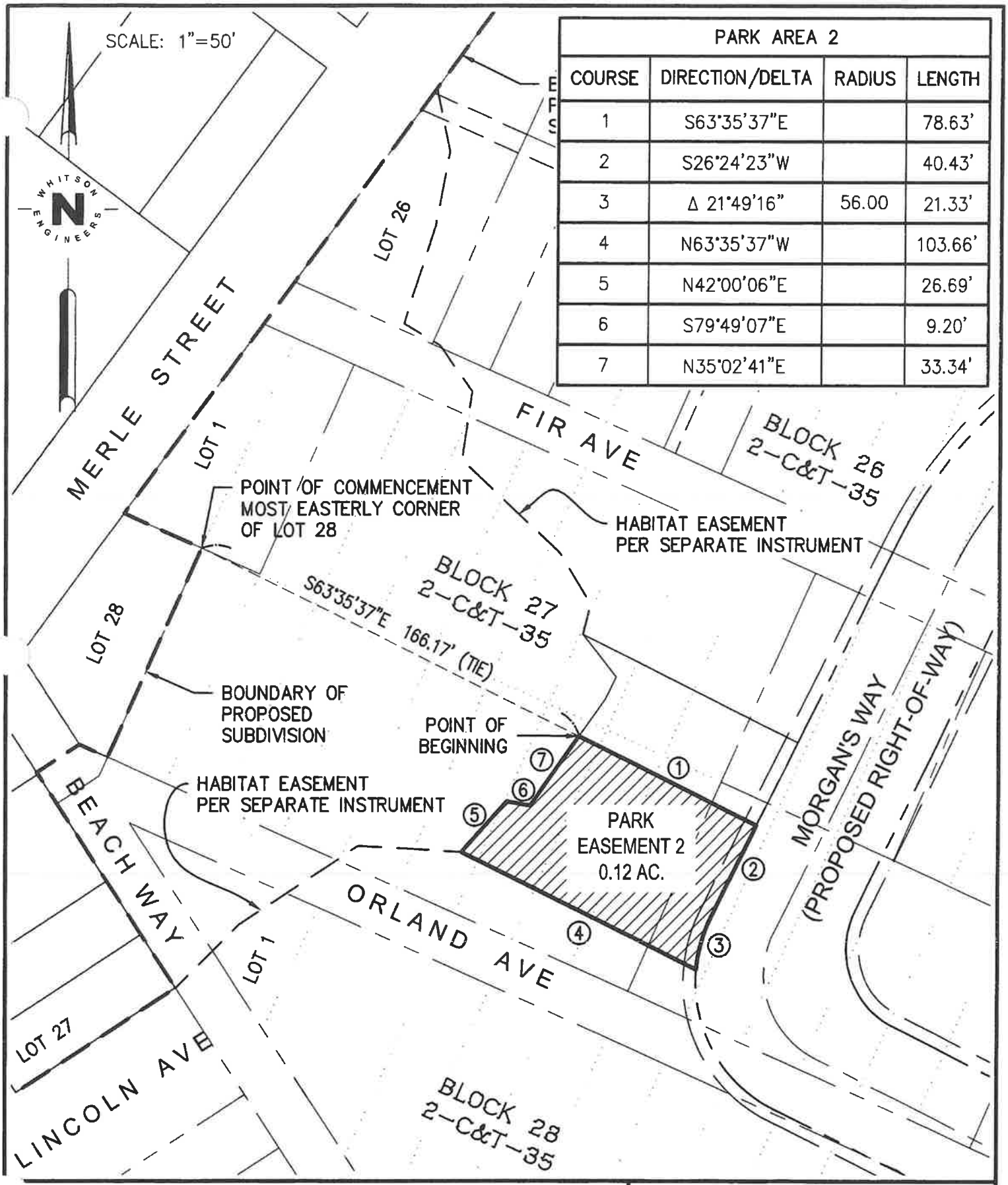


PARK AREA 1		
LINE	DIRECTION	LENGTH
1	N35°02'41"E	17.50'
2	N26°24'23"E	9.95'
3	N38°12'29"W	21.31'
4	S63°35'37"E	95.25'
5	S26°24'23"W	36.38'
6	N63°35'37"W	78.63'

PLAT TO ACCOMPANY DESCRIPTION
PARK EASEMENTS
PARK 1
SAND CITY, CALIFORNIA
APRIL 6, 2020

Whitson ENGINEERS
Civil Engineering + Land Surveying
6 Harris Court
Monterey, CA 93940
831.649.5225
whitsonengineers.com

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PARK AREA 2			
COURSE	DIRECTION/DELTA	RADIUS	LENGTH
1	S63°35'37"E		78.63'
2	S26°24'23"W		40.43'
3	Δ 21°49'16"	56.00	21.33'
4	N63°35'37"W		103.66'
5	N42°00'06"E		26.69'
6	S79°49'07"E		9.20'
7	N35°02'41"E		33.34'

PLAT TO ACCOMPANY DESCRIPTION
PARK EASEMENTS
PARK 2
SAND CITY, CALIFORNIA
APRIL 6, 2020

Whitson ENGINEERS
Civil Engineering + Land Surveying
6 Harris Court
Monterey, CA 93940
831.649.5225
whitsonengineers.com

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EXHIBIT B

City of Sand City

Agenda Item

7A

Staff Memo

TO: Honorable Mayor and City Council
FROM: Vibeke Norgaard, Acting City Manager/City Attorney
DATE: November 29, 2021 (for December 7, 2021 meeting)
SUBJECT: First Amendment to the Development Agreement for the South of Tioga Project.

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1. The South of Tioga Project

The South of Tioga Project is a development proposed by DBO LLC No 30 (DBO or Developer) to redevelop property in the approximately 10.64 acre area bounded by Tioga Avenue to the northeast, California Avenue to the southeast, East Avenue to the southwest, and the Merle street right-of-way to the northwest in the central portion of the City, generally referred to as the "South of Tioga" district.

DBO's has a legal or equitable interest in the approximately 10.64 acres of real property which is located on forty separate parcels. (Assessor's Parcel Numbers APN: 011-122-023, 011-122-024, 011-122-025, 011-122-026, 011-122-040, 011-123-001,011-123-004, 011-123-005, 011-123-006, 011-123-007, 011-123-008, 011-123-009, 011-123-022, 011-123-023, 011-123-024,011-123-025, 011-123-026, 011-134-011, 011-135-001, 011-135-014, 011-135-015, 011-135-016, 011-135-023, 011-136-007, 011-136-012, 011-136-024, 011-186-039, and portions of: 011-122-002, 011-122-003, 011-122-004, 011-122-005, 011-122-010, 011-122-011, 011-122-032, 011-122-038, 011-122-039, 011-122-041, 011-123-011, 011-135-024, 011-186-021 and 011-186-038; APN of adjoining lot: 011-123-019, 011-125-055, 011-133-010 and 011-133-011.] (The "South of Tioga Project Area").

On October 20, 2021, DBO and the City entered into a development agreement for the South of Tioga Project attached to this report at Exhibit B. ("Development Agreement" or "DA"). The Development Agreement contemplated that DBO would seek an amendment to include the additional parcels within the Project boundary once acquired by DBO. (DA recital C).

After the DA was executed, DBO had acquired certain additional small portions of land previously owned by the City and certain parcels along the vacated section of Lincoln Avenue and Beach Way. Acquisition of the parcels by DBO was required prior to the City's approval and recording of the Final Map.

The South of Tioga Project Area is currently comprised of blighted light industrial and heavy commercial uses, warehouse buildings, undeveloped but degraded sand dunes, and several

dilapidated residential dwellings. The Sand Dollar Shopping Center is northeast of the Project's hotel site across Tioga Avenue; the Granite Rock industrial facility, the Salvation Army Good Samaritan Center, and the Public Storage facility are southeast of the South of Tioga area; and existing and planned single-family residential development are to the west.

DBO's Project is proposed to include a hotel and residential development on six (6) newly created parcels (H1, H1A, H2, H2A, R1 & R2) within the South of Tioga Project Area ("Project"). The Project will require abandoning the City rights-of-way of Afton Avenue, Fir Avenue, and Orlando Avenue in their entirety and a segment of Beach Way. East Avenue would be relocated on a slightly more southerly alignment in parallel with and abutting the Salvation Army property. Parking access for the hotel parcels will be provided via the new Morgan Way.

Parcel H1 is proposed to be developed with a hotel of up to two hundred and sixteen (216) guest rooms at a maximum of four (4) floors with accessory guest amenities (i.e. swimming pool, parking, spa, etc.), guest food service, vehicular surface parking and drive isles, landscaping, utilities, and utility equipment shelters/screening. Parcels H1A, H2, and H2A will provide parking, landscaping, and utilities to serve parcel H1.

Parcel R1 is proposed to be developed with a single 5-story residential structure atop a partially underground 2-level podium parking structure, for a total of 7-stories not to exceed 85 feet in height. The residential structure would provide 125 dwelling units of which no fewer than fifty percent (50%) are to be condominium units as required by the Vesting Tentative Map ("VTM"). This development would also include an outdoor courtyard with swimming pool and an indoor club area and a rooftop restaurant. Parcel R1 will also provide 2,860 square feet of park easement for public use.

Parcel R2, is proposed to be developed with a cumulative 231 residential units and a 3-story parking structure to accommodate residential parking. This development would also include outdoor courtyards for each residential building with a swimming pool, spa, cabanas, indoor gym, and club area. Parcel R2 will also provide 5,582 square feet of park easement for public use, abutting the park easement of Parcel R1.

The Project is intended to be developed in three (3) phases, with Phase 1 consisting of the public improvements, completion of new public streets and rights-of-way, utility and infrastructure installation, and preparation of development pads on each of the VTM's newly created parcels (H1, H1A, H2, H2A, R1, & R2), Phase 2 consisting one (1) hotel on Parcel H1 with hotel parking on parcels H1A, H2, and H2A, and Phase 3 consisting of two multi-family residential developments, one on Parcel R1 and one on Parcel R2. (VTM, COA A2). Actual construction of the phases may overlap.

2. <u>General Plan Consistency</u>

Amendments to Development Agreement are subject to the notice, findings, and other procedural requirements that apply to the adoption of development agreements. (California Government Code §65868). As required by California Government Code §65867, all Development Agreements are to be considered at a public hearing before the Planning

Commission and the City Council. Since Sand City does not have a separate Planning Commission, the City Council will serve as both the City's Planning agency and decision-makers for purposes of this First Amendment to the Development Agreement review and general plan consistency at the December 7, 2021 Special Council meeting. (Cal Gov. Code §§65867, 65867.5).

The City Council may approve the First Amendment to the Development Agreement if it finds that the agreement is consistent with the Sand City General Plan and that the agreement will promote the public's health, safety, and general welfare. The proposed ordinance adopting the First Amendment to the Development Agreement incorporates the VTM General Plan consistency findings as the General Plan consistency findings for the First Amendment to the Development Agreement because the Project is substantively unchanged by the First Amendment.

The Project endeavors to eliminate existing blighted conditions throughout the Property; provide public and private road and infrastructure improvements; provide appropriate land use transitions compatible with the East Dunes Planning District; provide a significant number of residential units (including affordable units) consistent with City's certified Housing Element (including, among others, Programs 4.1.1A and 4.1.1B); and increase the residential population of the City resulting in a "higher and better" use of land and aesthetic improvements, consistent with City's 2002 General Plan Goals 2.6 and 2.8, General Plan Policies 2.6.1 and 2.6.2, and General Plan Implementation Program 2.6a.

3. Land Use & Zoning

The South of Tioga Project Area has dual General Plan land use designations of Regional Commercial and Mixed Use Development; and zoning designations of MU-P (Planned Mixed Use) and CZ-C4 (Coastal-Regional Commercial). Each of the newly created parcels within the Project (H1, H1A, H2, H2A, R1, & R2) are required to obtain their own independent land entitlement permits (conditional use permits for Parcels R1, R2, H1 and H2, and coastal development permits for Parcels H1A and H2A that are in the non-appealable coastal zone overlay). Conditional Use Permits 623 and 624 and Coastal Development Permits 18-01 and 18-02 were approved by the City Council on November 6, 2018 for the Hotel development on Parcels H1, H2, H1A, and H2A. Conditional use permits still need to be obtained for parcels R1 and R2, and under the Development Agreement would be considered under the current City standards.

4. City Council's Prior Approvals of the Project

At a June 5, 2018 public hearing and City Council meeting, Council approved the Vesting Tentative Map 18-01 ("VTM"), and related mitigation monitoring and reporting program ("MMRP") for the Project. (Resolutions SC 18-58, SC18-59). (**Exhibit A, Attachment 2**). Also on June 5, 2018, the City Council certified an Environmental Impact Report (EIR) for the South of Tioga Project ("EIR"). On November 6, 2018, the City Council approved conditional use permits and coastal development permits for a hotel and associated parking on parcels H1, H2, H1A and H2A. (Resolution Nos. SC 18-98, 18-99, 18-100 and 18-101).

On February 4, 2020, Council considered the application of parkland (Quimby act) fees to the Project. (City Resolution 20-09). On February 13, 2020, the City Council vacated certain portions of Beach Way, and Lincoln Avenues (City Resolution 20-11). On April 21, 2020, the Council heard a request for and granted an extension of the VTM for 12 months until June 5, 2021. (City Resolution 20-23). And on October 20, 2020 the City Council approved a development Agreement between DBO and the City ("DA" or Development Agreement"). The DA and the ordinance approving it is attached at **Exhibit B** to this report.

5. The First Amendment to the Development Agreement

For the past several months, under the direction of the City Council, the City Attorney and the former City Manager, Aaron Blair, have negotiated the terms of the First Amendment to the DA with DBO.

A development agreement, including any amendment to a development agreement, is a contract between the City and DBO that delineates and implements the terms and conditions of the proposed Project. Development agreements are enabled by California Government Code Sections 6584-65869.5. Once the First Amendment to the Development Agreement is approved by the City Council, it is an Ordinance and is subject to referendum.

6. The terms set forth in the First Amendment to the Development Agreement

(a) Community Facilities District

i. Current DA terms

As a result of the financial burdens placed upon the City's operational budget resulting from this development and projected increase in population base, a condition of approval of the VTM was that a Community Facilities District ("CFD"), or equivalent finance district, be established. (VTM, COA A(14)). A CFD enables the City to pay for the increased cost incurred by the City caused by a development. It is a special tax district. The CFD will cover landscape maintenance, irrigation maintenance, costs for a sub-contract for tree trimming, storm drains, pest control, and litter control, utilities, open space maintenance, storm water maintenance, fire and emergency personnel services, law enforcement services, public work and City administration staffing and purchase of equipment directly connected to provision of the aforementioned services.

The DA establishes an annual amount of the special tax at $550,000, plus an annual increase using the United States Department of Labor Consumer Price Index, San Francisco Area for All Urban Consumers, if applicable. CFD tax payments are required to commence on the first of August following the issuance of the first certificate of occupancy for the Project.

The DA further provides for a credit towards the payment of the CFD from transient occupancy tax ("TOT") the City will receive from the hotel component of the Project. The TOT is a revenue that goes into the City's General Fund. Under the terms of the DA, if the TOT surpasses $1,060,000, the maximum total amount of special tax to be imposed on the Project will be reduced on a dollar-for-dollar basis up to the full amount of the CFD. When the threshold is reached, the credit may be applied in the following tax year. Under the DA, this credit

arrangement is temporary, lasting only for the length of the term of the DA. (Approximately 8 years).

ii. Proposed terms in the First Amendment.

The First Amendment would accomplish the following main amendments to the Development Agreement:

1. CPI:

The First Amendment replaces the Consumer Price Index used to calculate the CFD tax payment from the United States Department of Labor Consumer Price Index, San Francisco Area for All Urban Consumers, to the City Average, All Items, All Urban Consumers ("***CPI***"). (DA Section 3.02). It also adjusts when the $550,000 CFD tax payment is adjusted based on the CPI. Under the First Amendment, the CPI will be applied to the CFD Tax commencing on the First of August following the issuance of the first certificate of occupancy issued for the Project.

2. Amendments to temporary credit for CFD payments if a certain level of TOT is tendered to the City

The First Amendment provides that the limited temporary tax credit described above be in place until December 31, 2030, instead of the length of the term of the DA. The DA was effective on October 20, 2020 and has an initial term of five years, with the option to extend it for three years plus additional years for tolling, if certain circumstance warrant it.

The Amendment also makes changes in the way the tax credit is provided. It provides that after the Project collects and tenders to the City TOT in excess of $1,060,000, the H1, H1A, H2 and H2A hotel Parcels ("***Hotel Parcels***") parcels will receive an initial $250,000 credit in order to reduce the CFD Tax for the Hotel Parcels. The credit would be applied dollar for dollar ($1 credit for each $1 TOT over $1,060,000) in the calendar year after the year in which the TOT exceeds the $1,060,000 threshold amount.

The Amendment provides that if the Project collects and tenders to the City TOT in excess of $1,610,000, the City will credit the R2 Parcel dollar for dollar up to its $150,000 portion of the CFD Tax that will be paid by the R2 Parcel in order to reduce the CFD Tax.

In the event that the Project collects and tenders to the City TOT in excess of $1,760,000, the City shall credit the R1 Parcel dollar for dollar up to its $150,000 portion of the CFD Tax that will be paid by the R1 Parcel in order to reduce the CFD Tax.

3. Permanent credit for hotel parcels in the event of a certain level of TOT

The First Amendment adds a new subsection 3.02(d) to the DA that provides a permanent credit for certain TOT collected by the hotel on the Project which shall be credited to, and

thereby reduce, the CFD Tax that will be due on the Hotel Parcels after the temporary offset ends on December 31, 2030.

The First Amendment provides that if the Project tenders to the City TOT in excess of $1,300,000 (excluding any enforcement costs incurred by the City in collecting the TOT and excluding any TOT that is collected and tendered to the City more than sixty (60) days after it is due) the following calendar year the City will credit dollar for dollar up to half of the portion of the CFD Tax that will be paid by the hotel, or up to a credit of $125,000.

4. Maintenance of Park

The First Amendment also amends VTM Condition of Approval Condition G2 to provide that the public park between the R1 and R2 Parcels shall be maintained by the City and not by the Developer, including the maintenance of all improvements.

5. Public Improvements

Further, the First Amendment amends VTM Condition of Approval E4 to require that the Developer construct to the same specifications, as provided in the required Phase I Improvements, the remaining portions of California Avenue to the edge of the City Right of Way, including specified pavement, curb, gutter, sidewalk, landscaping and lighting as approved by the City Engineer and permitted by the City.

6. Additional agreements by Developer

DBO has also agreed in return to establish a fund of $110,000 to help finance a land manager and related costs related the Edgewater Shopping Center's Habitat Preserve. The details of how this fund will operate (whether as an endowment amount provided by DBO placed in an interest-bearing account that would provide long term financial support for habitat maintenance, or otherwise) will be set forth in a Memorandum of Understanding with DBO that the City will ensure is in place prior to the second reading and approval of the First Amendment to the DA.

7. <u>CEQA</u>

To comply with the California Environmental Quality Act (Cal. Pub. Res. Code § 21000 *et seq.* and 14 Cal. Code Regs. § 15000 *et seq*.; "CEQA"), on June 5, 2018, at a duly noticed public hearing, the City Council certified the Environmental Impact Report (EIR) for the South of Tioga Project (SCH # 2017061066) as described more fully in Resolution SC 18-57, and made the required findings. The DA is a requirement of the Project's VTM that is included under the purview of the certified EIR, and therefore, no further environmental review is required for the DA. Resolution SC 18-57 is attached as Exhibit A, Attachment 2.

8. <u>Fiscal Impact</u>

The fiscal impact of this Amendment is difficult to ascertain as it depends on various factors such as the amount of TOT that the hotel generates; the CPI; when the first certificate of occupancy is issued, and other factors. The Amendment has the positive financial effect of providing the City with public improvements on the east side of California Avenue (a Developer-

provided estimated cost of $450,000), and for the years of the temporary credit established in the DA, the potential of an additional annual $300,000 TOT every year that would have otherwise been credited under the DA. The Developer has also agreed to assist the City in establishing a fund for the management of the Edgewater Shopping Center's habitat area in the amount of $110,000.

The Amendment has the negative financial effect of lowering the amount of CFD the City would receive from the Project starting in January of 2031 in perpetuity by $125,000 in the event that the Hotel brings in TOT in excess of $1,300,000. The adjusted CPI will also have a negative financial implication: For example, the CPI increase on the $550,000 CFD amount from 2018 – 2022 would be $45,057 with the CPI required by the DA but only $43,013 with the revised CPI required by the Amendment. The later start date of the CPI will have the effect of the CFD payments starting at a lower rate than it would under the existing DA.

9. Staff's Recommendation

Staff recommends that Council: (1) Waive reading of the ordinance in full and approve reading by title only; and (2) approve the ordinance for first reading.

Exhibits:

Exhibit A: Ordinance approving the First Amendment to Development Agreement
Attachment 1: First Amendment to Development Agreement
(Exhibits A, B and C to Attachment 1)

Attachment 2: City resolution 18-58 approving vesting tentative map
Exhibit B. October 20, 2020 Development Agreement

SAND CITY

ORDINANCE NO. ____-2021

AN ORDINANCE OF THE CITY COUNCIL OF SAND CITY APPROVING THE FIRST AMENDMENT TO THE DEVELOPMENT AGREEMENT BY AND BETWEEN DBO DEVELOPMENT NO. 30, LLC AND THE CITY OF SAND CITY RELATING TO THE DEVELOPMENT COMMONLY KNOWN AS THE SOUTH OF TIOGA PROJECT

THE CITY COUNCIL OF SAND CITY DOES ORDAIN AS FOLLOWS:

Section 1. Recitals.

A. In order to strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted Section 65864, et seq., of the Government Code (the "Development Agreement Statute"), authorizing the City, and any person having a legal or equitable interest in the real property, to enter into a Development Agreement and establish certain development rights in the property, which is the subject of the development project application.

B. On October 13, 2020, the City of Sand City ("City") adopted Resolution SC 20-66 (2020), establishing procedures pursuant to California Government Code section 65865(c) for the consideration of development agreements.

C. On June 5, 2018, the City adopted Resolution SC 18-58 approving Vesting Tentative Map 18-01 and a related mitigation monitoring and reporting program for the South of Tioga Project ("South of Tioga Project"). Condition of Approval E (9) requires that the Developer and the City enter into a development agreement for the Project prior to the recordation of any final map for any portion of the Project.

D. On October 20, 2020, the City and DBO Development No. 30, LLC ("Developer") entered into a development agreement ("Development Agreement") for the South of Tioga Project.

E. A First Amendment to the Development Agreement between the City and Developer ("First Amendment") has been presented to the City Council, a copy of which is attached hereto as **Exhibit A.**

F. In compliance with the California Environmental Quality Act ("CEQA"), on June 5, 2018, by Resolution SC 18-57, the City Council certified the Environmental Impact Report for the South Tioga Project (SCH# 2017061066) ("EIR"); and by this Ordinance, the City finds the adoption of the First Amendment to the Development Agreement does not require further environmental review.

G. On December 7, 2021, the City Council, serving as the City's planning agency for purposes of development agreement review pursuant to the Development Agreement Statute and Resolution SC - 2020, held a public hearing to consider the First Amendment to the Development Agreement.

H. The public hearing was noticed in accordance with the requirements set forth in Government Code section 65090 and 65091.

Section 2. Findings and Determination.

On the basis of: (a) the foregoing Recitals, which are incorporated herein, (b) the City's General Plan, (c) the EIR, and (d) the specific evidence and conclusions set forth below, the City Council finds and determines that:

A. **Consistency with the General Plan**. In accordance with Government Code section 65867.5(b), the First Amendment to the Development Agreement is consistent with the objectives, policies, general land uses and programs specified and contained in the City's General Plan, and there is no applicable specific plan. The General Plan consistency findings made by the City Council in Resolution SC 18-58 adopting the Vesting Tentative Map 18-01, are attached hereto and incorporated herein as if set forth in full by this reference as Exhibit A, Attachment 2 . The findings in resolution SC 18-58 are accurate and unchanged.

B. **Public Interest**. The proposed First Amendment to the Development Agreement will not be detrimental to the public interest, health, safety, convenience, or welfare of the City in that the Project will proceed in accordance with all programs and policies of the General Plan. The Project endeavors to eliminate existing blighted conditions; provide public and private road and infrastructure improvements; provide appropriate land use transitions compatible with the East Dunes Planning District; provide a significant number of residential units (including affordable housing units); and result in positive fiscal impacts for the City.

C. **CEQA COMPLIANCE**. In compliance with the California Environmental Quality Act ("CEQA"), on June 5, 2018, by Resolution SC 18-57, the City Council certified the Environmental Impact Report for the South Tioga Project (SCH# 2017061066) ("EIR"); and by this Ordinance, the City finds that since the EIR was certified, there have been no substantial changes to the Project or to the circumstances under which it will be undertaken, and no new substantial information has become available which would require further environmental review to be conducted. Therefore, no additional environmental review is necessary in order for the Council to take action on this Development Agreement.

Section 3. Approval of Amended and Restated Development Agreements.

The City Council hereby approves the First Amendment to the Development Agreement, attached hereto as **Exhibit A**, in a form approved by the City Attorney, and authorizes the City Manager and the Mayor to execute the First Amendment to the Development Agreement.

Section 4. Recordation.

Within ten (10) days after the Development Agreement is executed, the City Clerk shall submit it to the County Recorder for recordation.

Section 5. Severability.

If any section, subsection, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of a court of competent jurisdiction, it shall not affect the remaining portions of this Ordinance that can be given effect without the invalid provision and, to

this end, the provisions of this Ordinance are severable. This City Council hereby declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance enforced.

Section 6. Publication and Effective Date.

Within fifteen (15) days after adoption, a summary of this Ordinance shall be published once in the Monterey Herald, a newspaper of general circulation printed and published in Monterey County and circulated in the City, in accordance with Government Code section 36933. This Ordinance shall take effect and be enforced thirty (30) days after its adoption. This ordinance will not be codified and published in the Sand City Municipal Code

PASSED AND ADOPTED by the City Council of Sand City on the _____ day of _____, 2021 by the following vote:

AYES: X

NOES: X

ABSENT: X

ABSTAIN: X

_____
Mary Ann Carbone, Mayor

ATTEST:

_____
Connie Horca, City Clerk

Recording Requested by:
CITY OF SAND CITY

WHEN RECORDED, RETURN TO:

City Clerk, City of Sand City
1 Pendergrass Way
Sand City, CA 93955

Space Above for Recorder's Use Only

Record at the request and for the benefit of
the City of Sand City
Pursuant to Government Code §§ 6301 and
27383

FIRST AMENDMENT TO DEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF SAND CITY, CALIFORNIA

AND

DBO DEVELOPMENT NO. 30, LLC RELATING TO THE

DEVELOPMENT COMMONLY KNOWN AS

THE SOUTH OF TIOGA PROJECT

FIRST AMENDMENT TO DEVELOPMENT AGREEMENT BY AND BETWEEN SAND CITY, CALIFORNIA AND DBO DEVELOPMENT NO. 30, LLC RELATING TO THE DEVELOPMENT COMMONLY KNOWN AS THE SOUTH OF TIOGA PROJECT

This First Amendment to Development Agreement ("***First Amendment***") is entered into as of _____, 2021, by and between the City of Sand City, a municipal corporation and charter city in Monterey County ("***City***"), and DBO Development No. 30, LLC, a California limited liability company ("***DBO***" or "***Developer***"). City and Developer are sometimes referred to individually herein as a "***Party***" and collectively as the "***Parties***."

RECITALS

A. Authorization. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California enacted Government Code section 65864 *et seq.* ("***Development Agreement Statute***"), which authorizes the City to enter into a development agreement with any person having a legal or equitable interest in real property regarding the development of such property and establishing certain development rights therein.

B. Procedures. On October 13, 2020, the City Council of Sand City ("City Council") adopted resolution SC 20-66-2020 establishing procedures pursuant to California Government Code section 65865(c) for the consideration of development agreements.

C. Development Agreement. On the "***Effective Date***" of October 20, 2020, the City and Developer entered into a development agreement ("***Development Agreement***") for the "***South of Tioga Project***." The Development Agreement generally vested the right to proceed with development of the South of Tioga Project, subject to the terms and conditions set forth therein. All capitalized terms used in this First Amendment but not defined in this First Amendment shall have the same meaning given to those capitalized terms in the Development Agreement.

D. Acquisition of Property Slivers and Street Parcels. Recital C of the Development Agreement contemplates Developer acquisition after the Effective Date of the Property Slivers from the City and also Developer's acquisition of Street Parcels along the vacated Lincoln Avenue and Beach Way. The Developer's acquisition of the Street Parcels is a condition precedent to recording of the Final Map for the South of Tioga Project per VTM Condition of Approval A2. The Developer has obtained the Property Slivers and Street Parcels as provided in the Development Agreement.

E. Proposed First Amendment. The Parties now desire to amend the Development Agreement legal description, depiction and definition of the Subject Property to include the Property Slivers and Street Parcels pursuant to revised and substituted Exhibits A and B of the Development Agreement. The Parties also desire to include certain revisions to the Development Agreement as set forth herein. Accordingly, the City and Developer now desire to amend the Development Agreement by mutual consent pursuant to section 5.01 and Recital C of the Agreement, and as authorized by California Government Code section 65868, which allows for the amendment of a development agreement by mutual consent of the parties to the Agreement.

F. Public Hearing and Approval of this Amendment. On December 7,2021, the City Council serving as City's planning agency for purposes of development agreement review pursuant

to Government Code section 65867 and resolution SC 20-66-2020, held a public hearing and made a recommendation to the City Council regarding this First Amendment. Also on December 7, 2021, pursuant to Government Code section 65867 and SC 20-66-2020, the City Council held a public hearing regarding this First Amendment. Following the hearing, the City Council introduced City of Sand City Ordinance No. SC-___2021 approving this Amendment. The City Council approved City Ordinance SC-____2021 on _____, 202_, and it became effective on _____, 202_.

G. Environmental Review. In compliance with the California Environmental Quality Act ("***CEQA***"), on June 5, 2018, by Resolution SC 18-57, the City Council certified the Environmental Impact Report for the South of Tioga Project (SCH#2017061066) ("***EIR***"); and by City Ordinance No.SC -___2021, the City finds this First Amendment to the Development Agreement does not require further environmental review.

H. Consistency with General Plan. Having duly examined and considered this First Amendment and having held properly-noticed public hearings hereon, in City Ordinance No.-SC___2021, the City found that this First Amendment satisfies Government Code section 65867.5, and that this First Amendment is consistent with the requirements of the General Plan.

I. Approval. The City and Developer have taken all actions mandated by, and fulfilled all requirements set forth in the Development Agreement, California Government Code section 65864, et seq. and SC20-66 2020 to approve this First Amendment.

J. Negotiations. The Parties have, in good faith, negotiated terms set forth in this First Amendment, which terms are intended to carry out the legislative purposes of California Government Code section 65864, et seq., and which provide for the mutually desirable development of the Subject Property, consistent with the intent of the Development Agreement.

AGREEMENT

1. Incorporation of Recitals. The Preamble, the Recitals, all defined terms set forth herein, and all exhibits attached hereto, are hereby incorporated into this First Amendment as if set forth herein in full.

2. Priority of Enactments**.** In the event of any conflict or inconsistency between this First Amendment and the Development Agreement and/or any of the other Current Approval(s), or between this First Amendment and any Subsequent Approval(s), to the fullest extent legally possible, this First Amendment shall prevail and control.

3. Relationship of City and Developer. This First Amendment is a contract that has been negotiated and voluntarily entered into by City and Developer. Neither Party is an agent of the other Party. City and Developer renounce the existence of any form of joint venture or partnership between them. Nothing contained in this First Amendment, or in any document executed in connection with the Development Agreement, may be construed as making City and Developer joint venturers or partners.

4. Date of First Amendment. The Effective date of this First Amendment is on _____ ___, 202_, which is the effective date of City Ordinance No.SC___-2021-adopting this First Amendment. The rights, duties, and obligations hereunder shall be effective, and shall

commence on that date. The Parties acknowledge that Section 65868.5 of the Development Agreement Statute requires that City record this First Amendment with the Monterey County Recorder's Office no later than ten (10) days after the Parties enter into this First Amendment and that the burdens of this First Amendment shall be binding upon, and the benefits of this First Amendment shall inure to, all successors in interest to the Parties hereto, subject to the assignment provisions in Article IX of the Agreement.

5. Subject Property: Exhibit A and Exhibit B of the Development Agreement are deleted and replaced with Amended Exhibits A and B attached to this First Amendment, which shall be the revised ***Subject Property*** under the Development Agreement. The Subject Property now includes all land within the South of Tioga Project in which Developer has a legal and/or equitable interest. The listing of Assessor's Parcel Numbers contained in Recital B of the Development Agreement is amended to include the following Assessor's Parcel Numbers : 011-122-023, 011-122-024, 011-122-025, 011-122-026, 011-122-040, 011-123-001,011-123-004, 011-123-005, 011-123-006, 011-123-007, 011-123-008, 011-123-009, 011-123-022, 011-123-023, 011-123-024,011-123-025, 011-123-026, 011-134-011, 011-135-001, 011-135-014, 011-135-015, 011-135-016, 011-135-023, 011-136-007, 011-136-012,011-136-024, 011-186-039, and portions of: 011-122-002, 011-122-003, 011-122-004, 011-122-005, 011-122-010, 011-122-011, 011-122-032, 011-122-038, 011-122-039, 011-122-041, 011-123-011, 011-135-024, 011-186-021 and 011-186-038; APN of adjoining lot: 011-123-019, 011-125-055, 011-133-010 and 011-133-011.

6. Infrastructure and Maintenance Finance**.** Section 3.02 of the Development Agreement is amended as follows:

(a) Subsection 3.02(a)(3) of the Development Agreement is deleted in its entirety and replaced with the following:

> "(3) the total annual amount of special tax to be imposed on the Project ("***CFD Tax***") shall not exceed, under any circumstances, the amount of Five Hundred and Fifty Thousand Dollars ($550,000.00) plus increases in the U.S. Department of Labor Consumer Price Index, City Average, All Items, All Urban Consumers ("***CPI***"). The CPI will be applied to the CFD Tax commencing on the First of August following the issuance of the first certificate of occupancy issued for the Project. Once the CFD is established, Developer shall have no right to repeal or amend the amount of the CFD tax, and Developer agrees not to seek such repeal or amendment. CFD tax payments for development located on each parcel within the Subject Property shall commence on the First of August following the issuance of the first (1st) certificate of occupancy issued for the Project. The CFD shall provide that on each July 1, commencing once the CFD tax payments have commenced, the base year for special taxes shall escalate by the increase, if any, in the CPI. Provided, however, that in no event shall the CFD Tax per parcel for any years be less than the amount established for the prior year."

(b) Subsection 3.02(c) of the Development Agreement is deleted in its entirety and replaced with the following:

> "(c) In order to incentivize and stimulate the construction of the hotel on the Project in particular, and the Project overall, this subsection (c) creates a limited, temporary credit, which shall be in place until December 31, 2030, for certain Transient Occupancy Tax ("***TOT***") collected by the hotel on the Project which shall be credited to, and thereby reduce, the CFD Tax that will be due on the respective parcels of the Project in the

amounts and in the order and for the various parcels as set forth herein. The TOT is a revenue that goes into the City's General Fund.

Each City fiscal year (July 1 – June 30) that the hotel in the Project collects and tenders to the City TOT in excess of One Million Sixty Thousand Dollars ($1,060,000), excluding any enforcement costs incurred by the City in collecting the TOT and excluding any TOT that is collected and tendered to the City more than sixty (60) days after it is due, is a "***Hotel Credit Year***." In the CFD Tax year (January 1 – December 31) immediately following each Hotel Credit Year, City shall transfer One Dollar ($1.00) from the City General Fund to the CFD for each One Dollar ($1.00) that would otherwise be due from the CFD up to the full Two Hundred and Fifty Thousand Dollars ($250,000) portion of the CFD Tax that will be paid by the H1, H1A, H2 and H2A ("***Hotel Parcels***") in order to reduce the CFD Tax for the Hotel Parcels.

Each City fiscal year (July 1 – June 30) that the hotel in the Project collects and tenders to the City TOT in excess of One Million Six Hundred and Ten Thousand Dollars ($1,610,000), excluding any enforcement costs incurred by the City in collecting the TOT and excluding any TOT that is collected and tendered to the City more than sixty (60) days after it is due, is an "***R2 Credit Year***" in addition to being a Hotel Credit Year. In the CFD Tax year (January 1 – December 31) immediately following each R2 Credit Year, in addition to the amount transferred from the City General Fund to the CFD for the Hotel Parcels, City shall transfer One Dollar ($1.00) from the City General Fund to the CFD for each One Dollar ($1.00) that would otherwise be due from the R2 Parcel up to the One Hundred and Fifty Thousand Dollars ($150,000) portion of the CFD Tax that will be paid by the R2 Parcel in order to reduce the CFD Tax.

Each City fiscal year (July 1 – June 30) that the hotel in the Project collects and tenders to the City TOT in excess of One Million Seven Hundred and Sixty Thousand Dollars ($1,760,000), excluding any enforcement costs incurred by the City in collecting the TOT and excluding any TOT that is collected and tendered to the City more than sixty (60) days after it is due, is an "***R1 Credit Year***" in addition to being a R2 Credit Year and a Hotel Credit Year. In the CFD Tax year (January 1 – December 31) immediately following each R1 Credit Year, in addition to the amounts transferred from the City General Fund to the CFD for the Hotel Parcels for the Hotel Credit Year and for Parcel R-2 for the R2 Credit Year, City shall transfer One Dollar ($1.00) from the City General Fund to the CFD for each One Dollar ($1.00) that would otherwise be due from the R1 Parcel up to the One Hundred and Fifty Thousand Dollars ($150,000) portion of the CFD Tax that will be paid by the R1 Parcel in order to reduce the CFD Tax.

The total sum transferred from the City General Fund to the CFD in any CFD tax year up until December 31, 2030 shall be the "***Temporary Credit***". The transfer from the City General Fund to the CFD shall be accomplished by the following procedure: (i) City shall transfer the Temporary Credit from the City General Fund to the CFD to be used for CFD expenses; (ii) City shall apportion the Temporary Credit to each Parcel in accordance with this subsection; and (iii) on each tax bill, the CFD shall identify the apportioned Temporary Credit as a "One Time Tax Credit" and subtract it from the CFD Tax on the subject parcel. All Credit Years must be completed prior to December 31, 2030. If the TOT that the hotel on the Project collects and tenders to City in a City fiscal year is any amount less than One Million Sixty Thousand Dollars ($1,060,000), excluding any enforcement costs incurred by the City in collecting the TOT and

excluding any TOT that is collected and tendered to the City more than sixty (60) days after it is due, that year is not a Credit Year and there is no Temporary Credit. "

(c) A new Subsection 3.02(d) is added to the Agreement as follows:

"d) In addition to the temporary credit set forth above, this subsection (d) creates a permanent credit for certain TOT collected by the hotel on the Project which shall be credited to, and thereby reduce, the CFD Tax that will be due on the Hotel Parcels in the Project after December 31, 2030. After December 31, 2030 each City fiscal year (July 1 – June 30) that the hotel on the Project collects and tenders to the City TOT in excess of One Million Three Hundred and Thousand Dollars ($1,300,000), excluding any enforcement costs incurred by the City in collecting the TOT and excluding any TOT that is collected and tendered to the City more than sixty (60) days after it is due, is a "***Credit Year***." In the CFD Tax year (January 1 – December 31) immediately following each Credit Year, City shall transfer One Dollar ($1.00) from the City General Fund to the CFD for each One Dollar ($1.00) that would otherwise be due from the CFD up to half of the portion of the CFD Tax that will be paid by the hotel, or up to One Hundred and Twenty Five Thousand Dollars ($125,000) in order to reduce the CFD Tax. The total sum transferred from the City General Fund to the CFD in any CFD tax year shall be the "***Credit***". The transfer from the City General Fund to the CFD shall be accomplished by the following procedure: (i) City shall transfer the Credit from the City General Fund to the CFD to be used for CFD expenses; (ii) City shall only transfer the Credit to benefit the Hotel Parcels; and (iii) on each tax bill, the CFD shall identify the apportioned Credit as a "One Time Hotel Tax Credit" and subtract it from the CFD Tax on the Hotel Parcels. If the TOT that the hotel on the Project collects and tenders to City in a City fiscal year is any amount less than One Million Three Hundred Thousand Dollars ($1,300,000), excluding any enforcement costs incurred by the City in collecting the TOT and excluding any TOT that is collected and tendered to the City more than sixty (60) days after it is due, that year is not a Credit Year and there is no Credit.

Any Assignment Agreement (as defined below) shall include an express waiver of election rights and assumption of obligations by Assignee regarding the CFD under this entire Section 3.02."

7. Maintenance of Park. VTM Condition of Approval Condition G2 is hereby amended to add the following sentence at the end of Condition G2: "Notwithstanding the foregoing, the Parties agree that the certain Park Easement 1 on the R-1 Parcel, being 0.07 acre and the certain Park Easement 2 on the R-2 Parcel, being 0.12 acre and both respectively identified by legal description and depicted in **Exhibit "C**" shall be maintained by the City and not by the Developer, including the maintenance of all improvements thereon, such as, but not limited to, any playground structures, open space, walkways, pathways, benches, groundcover, hardscape, signs, trash enclosures and landscaping and irrigation maintenance."

8. Public Improvements: VTM Condition of Approval Condition E4 is hereby amended to add the following sentence at the end of condition E4: "Notwithstanding the foregoing, the Parties agree that Developer shall construct to the same specification, as provided in the required Phase I Improvements, the remaining portions of California Avenue to the edge of the City Right of Way, including specified pavement, curb, gutter, sidewalk, landscaping and lighting as approved by the City Engineer and permitted by the City.

9. If any term of this First Amendment, or its application to any situation, is held invalid or unenforceable in whole or in part for any reason, in a final judgment that is no longer subject to rehearing, review or appeal by a court of competent jurisdiction, then the invalid term is severed, and the remaining parts of this First Amendment, and the application of any part of this First Amendment to other situations, shall continue in full force and effect unless an essential purpose of this First Amendment would be defeated by the loss of the invalid or unenforceable provisions, in which case either Party may terminate this First Amendment by providing written notice thereof to the other.

10. This First Amendment, and any and all amendments and supplements to it, may be executed in counterparts, and all counterparts together shall be construed as one document.

11. Except as expressly modified by this First Amendment, all terms of the Development Agreement shall remain in full force and effect.

12**.** Not later than ten (10) days after the Parties enter into this First Amendment, the City Clerk of Sand City shall cause this First Amendment to be recorded in the Official Records of Monterey County.

13. Signatures. The individuals executing this First Amendment represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this First Amendment on behalf of the representative legal entities of Developer and City.

In witness whereof, the Parties have entered into this First Amendment as of the above written date.

DEVELOPER:

DBO DEVELOPMENT NO. 30,
a California limited liability company

By: THE OROSCO FAMILY TRUST dated June 28 1977 as amended, Member

By: _____
A. Emory Wishon III, Co-Trustee

By: _____
Christopher R. Orosco, Co-Trustee

By: LYLES DIVERSIFIED, INC.,
a California corporation, Member

By: _____
Gerald V. Lyles
Its: Senior Vice President

THE CITY:

CITY OF SAND CITY

By: _____

Print: Vibeke Norgaard

Title: Acting City Manager

Date: _____

CITY OF SAND CITY

By: _____

Print: Mary Ann Carbone

Title: Mayor

Date: _____

Exhibits

Exhibit A – Legal Description of the Subject Property
Exhibit B – Map of the Subject Property
Exhibit C – Legal description of Park Easements

EXHIBIT A. Legal Description of the Subject Property.

[Remainder of page left blank]

EXHIBIT A
DESCRIPTION OF SUBJECT PROPERTY

Certain real property situate in the City of Sand City, County of Monterey, State of California, being a portion of Blocks 14, 15, 16 and 17 as shown on the map recorded in Volume 1 of Cities and Towns at Page 29, Records of said County (as amended by that certain map entitled "AMENDING MAP, Map of Seaside Addition to the Town of East Monterey", recorded in Volume 15 of Cities and Towns at Page 82, Records of said County), together with a portion of Blocks 26, 27, 28 and 29 as shown on the map recorded in Volume 2 of Cities and Towns at Page 35, Records of said County, and portions of East Avenue, California Avenue, Orland Avenue, Beach Way, Scott Street, Lincoln Avenue, Fir Avenue and Afton Avenue shown on said maps, described as follows:

All that portion of said blocks and streets lying within the solid red boundary line of the map entitled "Existing Lots & Proposed Boundary – West End Sand City Vesting Tentative Map" dated December 11, 2017, Project 3571.00, prepared by Whitson Engineers and approved by the City of Sand City, the exact dimensions of said boundary being subject to minor modification based on a field survey to be depicted on recorded final map showing a subdivision of said property.

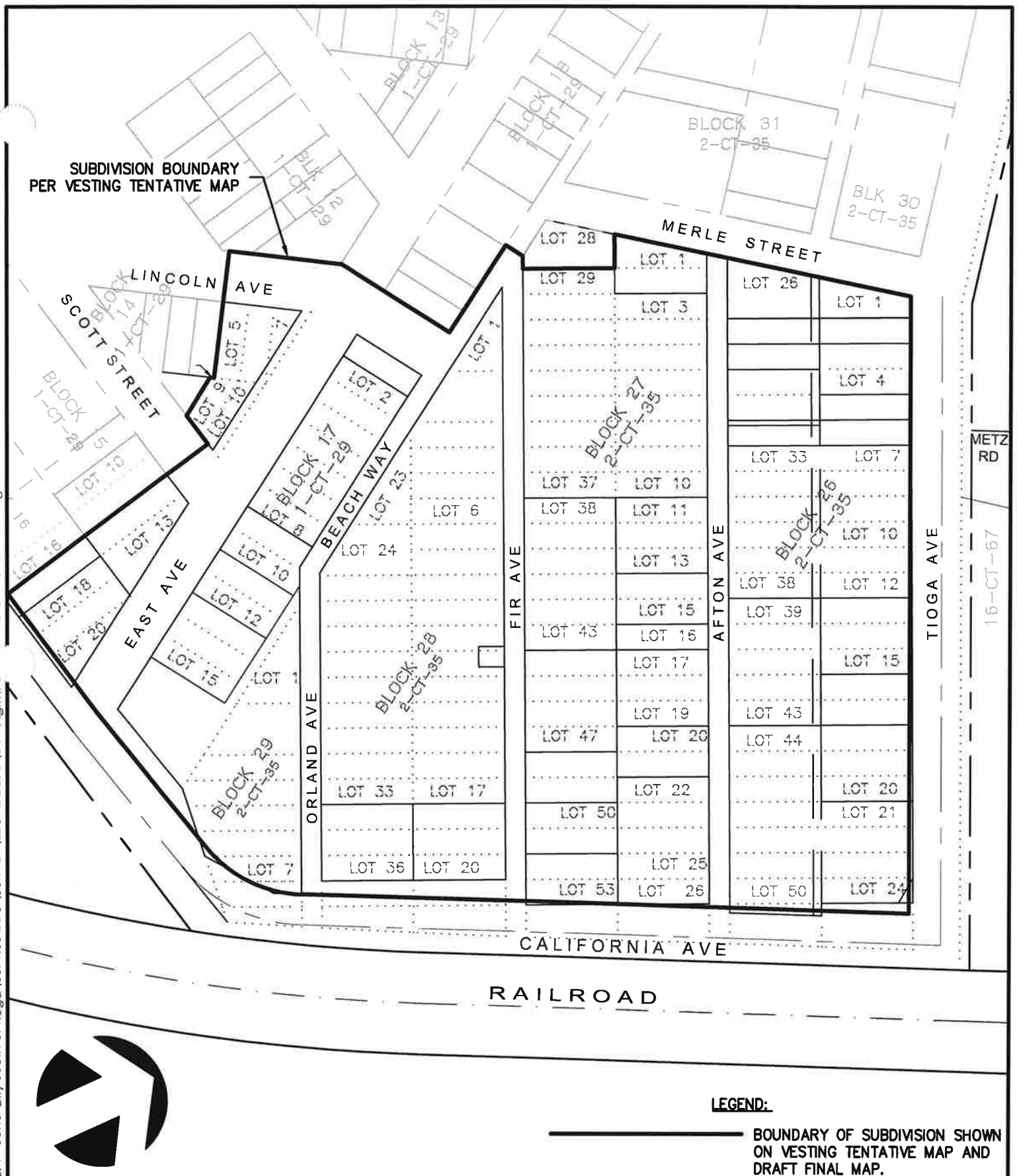
Note: This description reflects recent conveyances of property and lot line adjustments recorded in Document No.'s 2021036022 through 2021036031 inclusive and acquisition of portions of former right-of-way by grant deed recorded as Document No. 2021042760, Records of Monterey County.

As shown on "Exhibit B", attached hereto and made a part hereof.

END OF DESCRIPTION

EXHIBIT B. Map of the Subject Property.

[Remainder of page left blank]



LEGEND:

BOUNDARY OF SUBDIVISION SHOWN ON VESTING TENTATIVE MAP AND DRAFT FINAL MAP.

SAND CITY SOUTH OF TIOGA SUBDIVISION DEVELOPMENT AGREEMENT: DEVELOPER-OWNED PROPERTY

SAND CITY, CALIFORNIA

DECEMBER 1, 2021

Whitson ENGINEERS

Civil Engineering + Land Surveying
6 Harris Court
Monterey, CA 93940
831.649.5225
whitsonengineers.com

PROJECT No.: 3571.01

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EXHIBIT C. Legal Description of Property
[Remainder of page left blank]

LEGAL DESCRIPTION
PARK EASEMENTS

Certain real property situate in the City of Sand City, County of Monterey, State of California, being a portion of Block 27 as shown on the map filed for record in Volume 2 of Cities and Towns at Page 35 in the office of the County Recorder of said County, described as follows:

Park Easement 1:

Commencing at the most easterly corner of Lot 28 in said Block 27; thence South 63°35'37" East, 166.17 feet to the Point of Beginning; thence from said Point of Beginning

1) North 35°02'41" East, 17.50 feet; thence
2) North 26°24'23" East, 9.95 feet; thence
3) North 38°12'29" West, 21.31 feet; thence
4) South 63°35'37" East, 95.25 feet to a point on the northwesterly line of proposed Morgan's Way; thence along said northwesterly line
5) South 26°24'23" West, 36.38 feet; thence departing said northwesterly line
6) North 63°35'37" West, 78.63 feet to the Point of Beginning.

Containing 2,876 square feet or 0.066 acres, more or less.

Park Easement 2:

Commencing at the most easterly corner of Lot 28 in said Block 27; thence South 63°35'37" East, 166.17 feet to the Point of Beginning; thence from said Point of Beginning

1) Continuing South 63°35'37" East, 78.63 feet to a point on the northwesterly line of proposed Morgan's Way; thence along said northwesterly line of Morgan's Way
2) South 26°24'23" West, 40.43 feet; thence
3) Southerly 21.33 feet along the arc of a tangent curve to the left having a radius of 56.00 feet, through a central angle of 21°49'16"; thence departing said northwesterly line of Morgan's Way
4) North 63°35'37" West, 103.66 feet; thence
5) North 42°00'06" East, 26.69 feet; thence
6) South 79°49'07" East, 9.20 feet; thence
7) North 35°02'41" East, 33.34 feet; thence to the POINT OF BEGINNING.

Containing 5,398 square feet or 0.124 acres, more or less.

As shown on the plat attached hereto and made a part hereof.

All bearings cited herein are grid bearings per the California Coordinate System, NAD83 Zone IV.

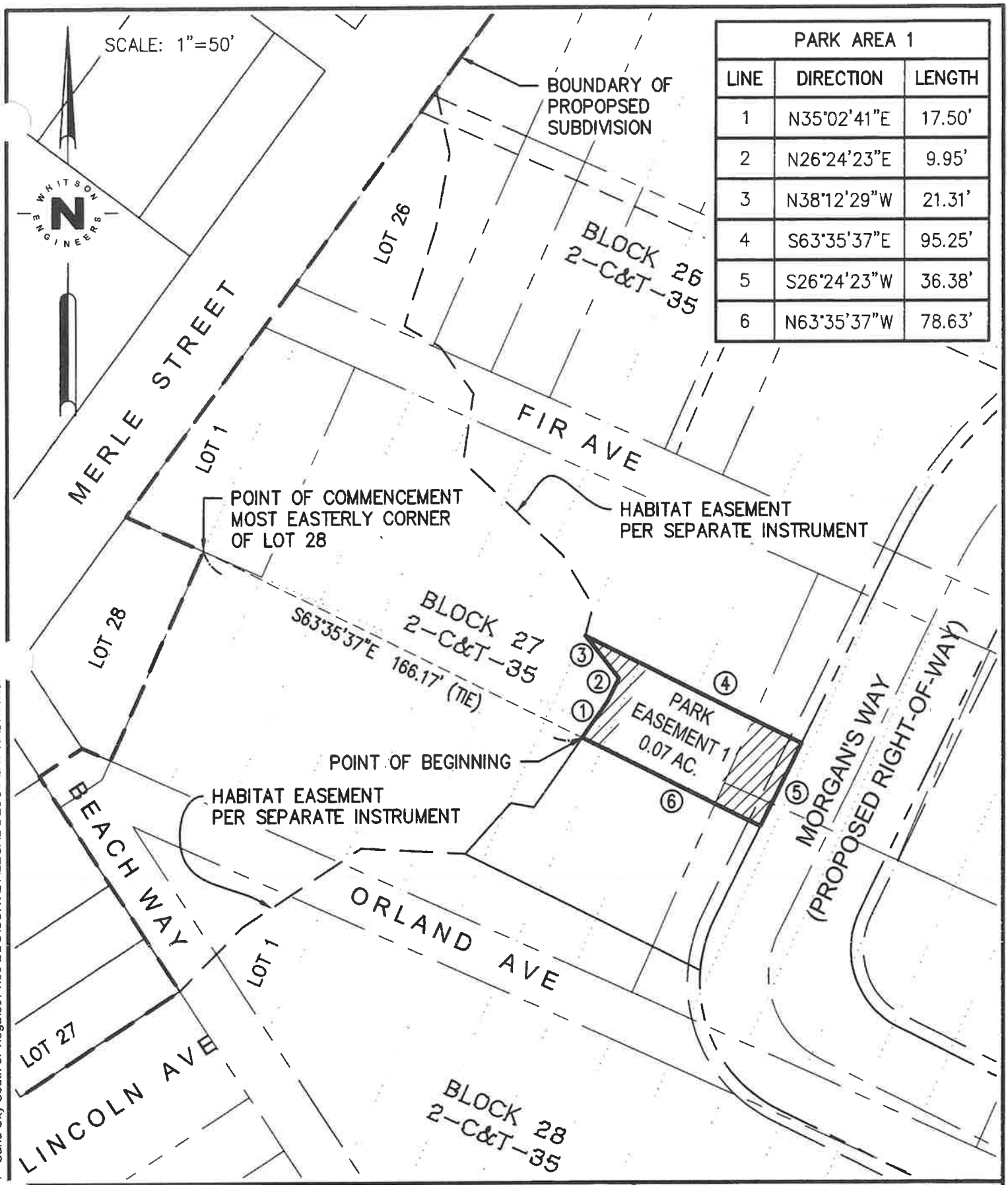
END OF DESCRIPTION

PREPARED BY:
WHITSON ENGINEERS

4/6/2020

RICHARD P. WEBER P.L.S. DATE
L.S. NO. 8002



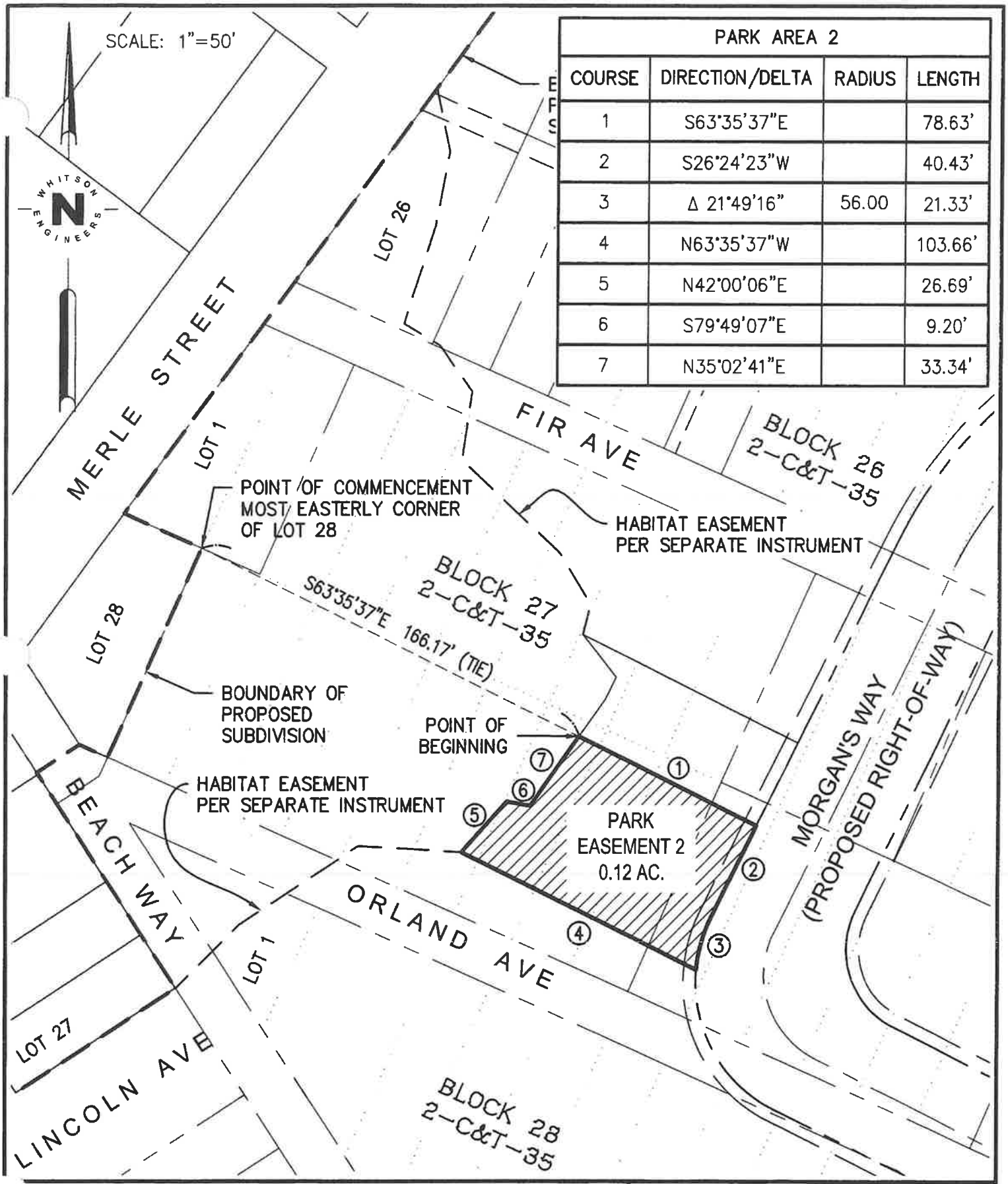


PARK AREA 1		
LINE	DIRECTION	LENGTH
1	N35°02'41"E	17.50'
2	N26°24'23"E	9.95'
3	N38°12'29"W	21.31'
4	S63°35'37"E	95.25'
5	S26°24'23"W	36.38'
6	N63°35'37"W	78.63'

PLAT TO ACCOMPANY DESCRIPTION
PARK EASEMENTS
PARK 1
SAND CITY, CALIFORNIA
APRIL 6, 2020

Whitson ENGINEERS
Civil Engineering + Land Surveying
6 Harris Court
Monterey, CA 93940
831.649.5225
whitsonengineers.com

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PARK AREA 2			
COURSE	DIRECTION/DELTA	RADIUS	LENGTH
1	S63°35'37"E		78.63'
2	S26°24'23"W		40.43'
3	Δ 21°49'16"	56.00	21.33'
4	N63°35'37"W		103.66'
5	N42°00'06"E		26.69'
6	S79°49'07"E		9.20'
7	N35°02'41"E		33.34'

PLAT TO ACCOMPANY DESCRIPTION
PARK EASEMENTS
PARK 2
SAND CITY, CALIFORNIA
APRIL 6, 2020

Whitson ENGINEERS
Civil Engineering + Land Surveying
6 Harris Court
Monterey, CA 93940
831.649.5225
whitsonengineers.com

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CITY OF SAND CITY
RESOLUTION SC18-58, 2018

RESOLUTION OF THE CITY COUNCIL OF SAND CITY APPROVING VESTING TENTATIVE MAP 18-01 WITH CONDITIONS FOR THE SOUTH OF TIOGA DEVELOPMENT PROJECT

WHEREAS, DBO Development No. 30, LLC (the "Applicant") submitted applications to the City of Sand City (the "City") for a vesting tentative map, coastal development and conditional use permits, site plan, and architectural review and approvals regarding a mixed use (residential and commercial) development project on an approximate 10.64 acre site bounded by Tioga Avenue to the northeast, California Avenue to the southeast, East Avenue to the southwest, and the Merle Street right-of-way to the northwest, generally referred to as the "South of Tioga Planning District"; and

WHEREAS, the overall project site is comprised of 41 existing parcels (Assessor's Parcel Numbers 011-122-002, 003, 004, 005, 010, 011, 023, 024, 025, 026, 032, 038, 039, 040, 041; 011-123-001, 004, 005, 006, 007, 008, 009, 011, 022, 023, 024, 025, 026; 011-134-011; 011-135-001, 014, 015, 016, 023, 024; 011-136-007, 012, 024; and, 011-186-021, 038, 039) and encompasses all or portions of Scott Street, East Avenue, Lincoln Avenue, California Avenue, Tioga Avenue, Orland Street, Beach Way, Fir Avenue, and Afton Avenue public rights-of-way (the "Subject Property"); and

WHEREAS, the Applicant's Vesting Tentative Map, dated May 10, 2018 (the "VTM") and as approved by the City, merges existing lots, abandons existing public rights-of-way, creates six new parcels (H1, H1A, H2, H2A, R-1, and R-2), relocates an existing wastewater lift station, dedicates additional right-of-way to, or relocation of, existing streets, and dedicates right-of-way for new public streets; and

WHEREAS, the Applicant's proposed project originated as a result of the Request for Qualifications (RFQ) put out by the former Sand City Redevelopment Agency (the "RDA") where after that the RDA in 2001 signed an Exclusive Negotiation Agreement (the "ENA") with the Applicant to redevelop the South of Tioga Planning District to mitigate ongoing conditions of blight and provide economic stimulus for the City; and though the City's RDA has since been dissolved by the State of California, the property acquisition by the Applicant and development strategies that commenced under the ENA had continued until submission of the Applicant's land entitlement application packet to the City in 2017; and

WHEREAS, The proposed project consists of a six-parcel Vesting Tentative Map ("VTM") application (including roadway abandonment and dedications and lot mergers),

site plan review, architectural review, and conditional use permits on the 10.64-acre Subject Property. Coastal Development Permits would be required for two of the six parcels. Development would consist of 356 multi-family residential units, 216 hotel rooms, and a restaurant. A 0.9-acre dune area would be set aside within a conservation easement. Parcel H1 would be 2.18 acres located in the northeastern section of the Subject Property intended for a 216-room hotel including extended stay rooms, with surface parking spaces; Parcel H2 would be 1.18 acres located in the southeastern portion of the Subject Property intended for surface parking spaces to support the hotel, Parcel H1-A, to be 0.38 acres and Parcel H2-A, to be 0.3 acres to separate out territory within the Coastal Zone overlay and would be improved only for parking, landscaping, and utility improvements to service Parcels H1 and H2; Parcel R1 would be 1.78 acres located in the northwestern portion of the Subject Property intended for a 125-unit multi-family residential building with parking spaces in a partly below-grade structure; Parcel R2 would be 3.70 acres located in the southwestern portion of the Subject Property intended for a 231-unit multi-family residential complex with parking garage; and dedicate a new right-of-way for East Avenue and the right-of-way for a new Road "A" connecting California Avenue and Tioga Avenue, and establish two sand dune habitat preservation areas (the "Project"); and

WHEREAS, the Project is intended to be developed in three (3) phases, with Phase 1 consisting of the public improvements, completion of new public streets and rights-of-way, utility and infrastructure installation, and preparation of development pads on each of the Project's newly created parcels (H1, H1-A, H2, H2-A, R1, & R2), Phase 2 consisting of the hotel development on Parcels H1 and H2, and Phase 3 consisting of two multi-family residential developments; where Phase 1 will be completed by the Applicant, Phase 2 by an independent hotel developer, and Phase 3 by an independent residential developer. The order of Phases 2 and 3 may be completed in a different order or in sub-phases; and

WHEREAS, the conceptual site plans and building elevations for each newly created parcel within the Project, that were part of the land entitlement application packet submitted by the Applicant to the City, may change as independent developers for the hotel(s) and residential buildings finalize their architectural designs; where, as a requirement of general land use entitlement for the overall Project, those redesigns are subject to City review and design permit approval to ensure that the architectural integrity of the conceptual designs are implemented into the final designs; and

WHEREAS, the overall Project, in its endeavor to eliminate existing blighted conditions throughout the Subject Property, provides land use transition compatible with the East Dunes Planning District, and to increase the residential population of the City, resulting

in a "higher and better" use of land and aesthetic improvement, is consistent with Goals 2.6 and 2.8 of the City's General Plan (2002 ed.); and

WHEREAS, the overall Project, in its endeavor to eliminate existing blighted conditions throughout the Subject Property, provide land use transition compatible with the East Dunes Planning District, and to increase the residential population of the City, resulting in a "higher and better" use of land and aesthetic improvement, is consistent with Policies 2.6.1 and 2.6.2 of the City's General Plan (2002 ed.); and

WHEREAS, the overall Project, in its endeavor to eliminate existing blighted conditions throughout the Subject Property, provide land use transition compatible with the East Dunes Planning District, and to increase the residential population of the City, resulting in a "higher and better" use of land and aesthetic improvement, is consistent with the Implementation Program 2.6.a of the City's General Plan (2002 ed.); and

WHEREAS, the overall Project includes a large residential component consistent with the City's certified Housing Element (2016 ed.), Programs 4.1.1.A and 4.1.1.B, with dwelling unit numbers compliant with the Regional Housing Needs Allocation (RHNA) for the City and the inclusion of extremely low income, very low income, and low income units as required by City issued land entitlement permits; and

WHEREAS, the Project area includes two privately owned parcels (APN 011-123-004 and 011-123-023) that must be obtained for the creation of a new public road through the Project, acquisition by either the City potentially utilizing its power of eminent domain and/or by the Applicant in negotiations with those property's current owners, whereby it is necessary to limit the effective date of any land use entitlement and restrict the Project from commencing construction unless and until the aforementioned privately owned parcels are legally obtained by, and title transfer complete to, either the Applicant and/or the City; and provided that the City is under no obligation to exercise the power of eminent domain; and

WHEREAS, a draft Environmental Impact Report was prepared for the Project pursuant to the California Environmental Quality Act that was adequately noticed and advertised, with a public review period for the draft Environmental Impact Report from March 2, 2018 through April 20, 2018 for a 50-day period; and

WHEREAS, the City of Sand City, as lead agency under the California Environmental Quality Act (Pub. Res. Act § 21000 et seq.) and the CEQA Guidelines (14 Cal. Code Regs. §§ 15000-15387) (collectively, "CEQA"), completed the Final Environmental Impact Report ("Final EIR" or "EIR") State Clearinghouse No. 2017061066 for the Project; and

WHEREAS, pursuant to CEQA, the City Council has certified the Project's Final EIR and found that the Project's environmental impacts were adequately evaluated, and the City Council further adopted a statement of overriding considerations for three potentially unavoidable traffic impacts; and

WHEREAS, the public hearing to consider the overall Project and coastal development permits for each of the proposed parcels was duly noticed in accordance with the requirements of the California Government Code, which included posting at three designated locations, publication in a newspaper of local circulation, and mailed to property owners within 300 feet of the Project boundaries; and

WHEREAS, the City Council held duly noticed public hearings, as required by law, to consider all of the information presented by staff, information from the Project Applicant, and public testimony presented in writing and orally, both prior to and at, the public hearings; and

WHEREAS, in accordance with California Government Code 66474, the site is physically suitable for the type of development; that the site is physically suitable for the proposed density of the development; that the preliminary design is not likely to cause serious public health problems; and that the preliminary design will not conflict with any easements acquired by the public at large; and

WHEREAS, the VTM for the project, as conditioned, is consistent with the Sand City General Plan, the Sand City Municipal Code, and the Sand City Local Coastal Program.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Sand City hereby approves VTM 18-01 for the South of Tioga Development Project, subject to the following findings and conditions:

Findings

1. The submitted VTM, as conditioned, is consistent with the Subdivision Map Act, the Sand City General Plan, the Sand City Local Coastal Program, the Sand City Subdivision Ordinance (Municipal Code Title 17), the Zoning Ordinance (Municipal Code Title 18), and other applicable sections of the Sand City Municipal Code.

2. Portions of the Project as shown on the submitted VTM are within a Coastal Zone Overlay.

3. The submitted VTM, as conditioned, is consistent with the terms and conditions of the site plan permit and conditional use permits for the development of each parcel as shown on the VTM.

4. An Environmental Impact Report, certified by the City Council of Sand City, has been prepared and certified in accordance with CEQA.

5. The City finds that the preservation of 0.9 acres of dune land as open space is consistent with Sand City general plan Goal 5.4 and Policies 5.4.2, 5.4.3, 5.4.6 and that the open space easement is a conservation easement to preserve land that is valuable to the public as a wildlife preserve or sanctuary and appropriate covenants to that end will be developed in concert with the United States Fish and Wildlife Service and the California Department of Fish and Wildlife for the protection of Monterey spineflower, Monterey gilia, and Smith's blue butterfly host buckwheat plants.

Conditions of Approval

A. General

1. Compliance with the Law: The Applicant shall ascertain and comply with all Federal, State, County, and City requirements as are applicable to the Project. The VTM, Final Map, and all future development of the Project shall be consistent with all City Council approvals related to the Project.

2. Project Phasing and Infrastructure: The Project may be developed in phases and the Applicant may record multiple Final Maps. The number of phases shall be determined according to market demand, but in no case shall exceed three (3) phases, unless approval in writing is provided by the City. No Final Map shall be recorded for any phase of the project, unless and until all privately owned parcels within the project limits are legally obtained by, and title transfer complete to, either the Applicant and/or the City. All public infrastructure along Tioga Avenue, California Avenue, East Avenue, and Road "A", shall be constructed and accepted by the City as part of the 1st phase of development (Phase 1) and prior to the development of any pad within the Project.

3. Expiration: The VTM shall automatically expire 24 months (2 years) after City Council action to approve the VTM, unless a Final Map is recorded or an extension is granted pursuant to the Subdivision Map Act and City Council action. Prior to expiration of the VTM, the applicant may request an extension. Any request for extension shall be made in writing and submitted to the City at least sixty (60) days prior to expiration of the VTM. The VTM may also be extended if the property identified on the VTM is subject to a Development Agreement, in which case the VTM may be extended for a period of time

specified in the Development Agreement, but not longer than the duration of the Development Agreement itself.

4. Modifications/Conformance: All phases of development shall be in substantial conformance with the approved VTM, the conditions of approval, the mitigation measures, and all land use entitlement permits approved and issued by the City Council for the Parcels shown on the VTM. No condition of approval, mitigation measure, or permit requirements, shall be eliminated, added, or modified without Planning Department review and/or City Council action. If City Council action is required, the action shall occur following a public hearing.

5. Hold Harmless: The Applicant shall defend, indemnify, and hold harmless the City and its appointed officials, agents (including contract consultants), officers, and employees, from any claim, action, or proceeding from a third party against the City and its agents, officers, employees to attack, set aside, voice, or annul the City's approval of this Project, provided that the City has promptly notified the Applicant of any such claim, action, or proceeding, and cooperates fully in the defense. This condition and agreement shall be binding on all successors and assigns. Notwithstanding this provision, and regarding any proceeding between City and Applicant, the prevailing party shall be able to recover attorney fees.

6. Other County, State, and Federal Permits: Prior to recordation of a Final Map for any phase of the project, the Applicant shall provide copies of all required County, State, and Federal Permits or written verification of a waiver from said permit, to the City. The Applicant shall obtain all required governmental permits from said agencies, including but not limited to; the Army Corps of Engineers 404 permit, California Department of Fish and Game 1601, California Central Coast Regional Water Quality Control Board 401 Discharge Permit, State Water Resources Control Board ("SWRCB") National Pollutant Discharge Elimination System ("NPDES") General Permit for Storm Water Discharges Associated with Construction and Land Disturbance Activities ("CGP"), SWRCB Order No. 2013-0001-DWQ NPDES Phase II General Permit for Stormwater Discharges from Small Municipal Separate Storm Sewer Systems ("NPDES Phase II General Permit") or the most current NPDES Phase II permit in effect at the time, Monterey County Water Resource Agency Permits, United States Fish and Wildlife Service, and the California Department of Fish and Wildlife.

7. Adherence to City Standards: All public improvements shall be designed and constructed to the most current City standards at the time the development occurs.

8. Agency/Department Compliance: All requirements of the City's Planning, Engineering, Public Works, Building, and Fire Departments, and the requirements of any Agencies With Jurisdiction ("AWJ") over the project, including but not limited to; the Seaside County Sanitation District, California American Water, Monterey County Health Department, Monterey One Water,

United States Fish and Wildlife Service, and the California Department of Fish and Wildlife, shall be implemented to the satisfaction of the representatives of each Agency/ Department. All requirements of the AWJ over the project shall be met to the satisfaction of the City prior to the issuance of any building permits and/or certificates of occupancy for the project.

9. Covenants, Conditions, and Restrictions ("CC&Rs"): The draft CC&Rs and a copy of a typical deed shall be submitted for review and approval by the City and the City Attorney. The approved CC&Rs shall be recorded concurrently with the Final Map and a recorded copy shall be provided to the City. A copy of the deed for each parcel shall be submitted to the City prior to granting of a final inspection.

10. Title Reports and Deeds: The Applicant shall provide preliminary title reports and deeds for all existing parcels within the Subject Property concurrent with Final Map and Improvement Plan submission.

11. City Entry Monument Sign: The Project developer shall dedicate to the City an easement for a city entry monument sign on parcel H1A at the northwest corner of the Tioga Avenue and California Avenue intersection as shown on the Project's approved VTM. Final design of this city entry monument sign shall be subject to the City's DRC's consideration, discussion, and action in the issuance of either a design permit, sign permit, or unified sign program.

12. City Posting Board: A location and easement shall be provided to the City on Parcel H1A, near the corner intersection of California Avenue and Tioga Avenue, for the establishment of a posting board to replace the existing Municipal Code (Section 1.12.010) required board at 880 Tioga Avenue, at the same intersection/location, that will be demolished and re-purposed for the Project. This location/easement may be combined with the city entry sign easement at the same intersection. The City will be solely responsible for acquiring and installing this posting board for City use.

13. Special District: Property owners within this district will be required to pay special annual on-going annual assessments for the maintenance of public infrastructure associated with the Project. The Applicant shall furnish the necessary processing fees, documents, and boundary map required to annex to the district and complete the annexation process prior to the issuance of any building permits. Assessment will likely have an annual inflation adjustment.

14. Financing Mechanism: Following approval of the vesting tentative map, the applicant shall establish a financing mechanism inclusive of the six project site parcels resulting from the vesting tentative map to offset the increase in City services costs. Services costs to be paid through the financing district shall include at a minimum street maintenance, parks and recreation maintenance,

utility system and storm drainage system maintenance, public lighting and signs maintenance, and emergency response services.

15. Vested Development: The Vesting Tentative Map shall vest, for the life of the map, rights to the following development: Parcels H1 hotel not to exceed five stories and 65 feet in height with a total of 216 guest rooms (keys) with appurtenant facilities including parking, landscaping, signs, recreational facilities, meeting and dining rooms, and kitchen, office, laundry and other customary back-of-house facilities; Parcels H2, H1-A and H2-A, uses appurtenant to Parcel H1 including parking and landscaping; Parcel R1, a residential building not to exceed 85 feet in height with two levels partially underground podium parking, five levels of residential units, and a rooftop restaurant, with no more than 125 residential units, of which no fewer than 50 percent shall be condominium units, and appurtenant uses including landscaping, recreational facilities, meeting rooms, office, and storage areas; Parcel R2, residential building(s) not to exceed five stories and 65 feet in height, parking garage not to exceed two levels and 35 feet in height, with no more than 231 residential units and appurtenant uses including landscaping, recreational facilities, meeting rooms, office, and storage areas; A Conditional Use Permit reflecting final building designs, architecture, and finish materials shall be approved by City Council for Parcels H1, H2, R1, and R2, and a Coastal Development Permit shall be approved by City Council for Parcels H1-A and H2-A prior to development of improvements.

16. Affordable Housing: Fifty-two (52) affordable rental housing units shall be provided within the Project. The affordable rental units shall be provided entirely or primarily on Parcel R2, with up to ten (10) affordable rental units allowed on Parcel R1. There shall be one (1) extremely low income unit; three (3) extremely low income senior-restricted units (i.e. 55 years or older); five (5) very low income units seven (7) low income units, eighteen (18) moderate income units, and (18) 'workforce' units. The required affordable units shall meet the definitions of the California Department of Housing and Community Development, except 'workforce' units shall be defined as affordable to households between 121% and 140% of the Monterey County median income. A deed restriction in a form acceptable to the City Attorney shall be recorded with the Monterey County Recorder, prior to City issuance of a certificate of occupancy for the first habitable building on the applicable parcel(s), stating that the affordable housing units described herein shall be maintained for a period of fifty-five (55) years; commencing at time of City issuance of a certificate of occupancy for the applicable building(s). The City may more specifically define the size and character of the affordable rental units in the Conditional Use Permits for the residential parcels.

B. Stormwater Quality and Erosion Control

1. Governing Regulations: The discharge of storm water within the City of Sand City is regulated by the SWRCB Order No. 2013-0001-DWQ NPDES Phase II

General Permit for Stormwater Discharges from Small Municipal Separate Storm Sewer Systems, and by incorporation, the Central Coast Regional Water Quality Control Board ("CCRWQCB") Resolution No. R3-2013-0032 Post-Construction Stormwater Management Requirements for Development Projects in the Central Coast Region ("PCRs"), and the City's Municipal Code Title 13.05 Storm Water Management ("Title 13.05")..

2. Erosion and Sediment Control Plan ("ESCP"): The Applicant shall prepare an ESCP for all phases of development. The ESCP shall be prepared by a licensed Civil Engineer and shall be included with the grading and drainage plans and/or the improvement plan package. The ESCP shall be submitted to the City for review and approval by the City Engineer prior to the issuance of any grading or building permits for any phase of the project.

3. Stormwater Control Plan ("SCP"): the Applicant shall prepare a final Stormwater Control Plan ("SCP") for each phase of development. The SCP shall be prepared by a licensed Civil Engineer. The SCP shall demonstrate how each phase of development will achieve compliance with the applicable PCRs. The SCP shall clearly determine the amount of impervious surface created and/or replaced by the project and the corresponding Performance Requirements required by the PCRs. The SCP shall clearly indicate the location and size of all proposed Stormwater Control Measures ("SCMs"), both structural and non-structural, to ensure that they may be accommodated within each parcel of the development. As each individual parcel is developed, each parcel shall be responsible for implementing its own SCMs that function independently and mitigate for stormwater requirements on-site. The SCP shall include a grading and drainage plan that clearly indicates how stormwater runoff from all impervious surfaces (roofs, hardscape, pavement, walkways, patios, etc.) is directed and/or routed to the SCMs. The SCP shall include all necessary calculations to support the sizing of all proposed SCMs. The SCP shall be prepared per City requirements and in accordance with the latest edition of the Stormwater Technical Guide ("STG") and templates adopted by the Monterey Regional Stormwater Management Program ("MRSWMP"). The SCP shall be fully coordinated with the Project improvement plans, including landscape plans, so that no conflict occurs between the proposed SCMs and any other proposed improvements. The SCP shall be submitted for review and approval to the City's Planning and Engineering Departments prior to issuance of grading and/or building permit(s), or the commencement of any construction activities on the subject property.

4. Agreement Regarding Maintenance and Right of Entry for Stormwater Control Measures: For each phase of development, the property owner shall enter into a written agreement with the City for the installation and long-term operation and maintenance ("O&M") of all installed SCMs. The agreement will include deed restriction language for the protection of the SCMs, specifying that the SCMs within each parcel shall not be removed, relocated, covered, or hampered with in any way, so as to prevent their intended function. The agreement shall provide

for ongoing maintenance and verification of maintenance by the owner and the owner's successors in interest. The agreement shall provide for right of entry by designated City staff for the purposes of inspection of the installed SCMs. The agreement shall further identify that any costs associated with the long-term maintenance of the installed SCMs shall be the responsibility of the property owner of that parcel at the time when the maintenance is performed. The provisions in this legal agreement shall run with the land, and the document shall be recorded with the Monterey County Recorder. The final agreement shall be subject to review and approval by the City's Planning and Engineering Departments, and the City Attorney, prior to recordation with the Monterey County Recorder. The agreement shall be executed and recorded prior to the issuance of building permits for any phase of the project. The City shall provide a draft agreement to the property owner. Failure of the property owner to execute this agreement will be considered a violation of the applicable land use entitlement permits, and be of sufficient cause for termination of said permits.

5. Operation and Maintenance Plan ("OMP"): For each phase of development, the property owner shall submit an OMP that shall plan, direct, and record the long term operation and maintenance of all proposed SCMs to be constructed within the Project. The OMP shall clearly identify the parties responsible for the long term operation and maintenance of the installed SCMs and their obligations. The OMP shall include a description of the SCMs to be maintained, a schedule for inspection and maintenance activities, and a description of the inspection and maintenance activities. The OMP shall require the owner to provide annual certification to the City that the SCMs have been regularly inspected and are functioning as intended. The OMP shall be prepared per City requirements and in accordance with the latest edition of the Stormwater Technical Guide ("STG") adopted by the MRSWMP. The OMP shall be submitted for review and approval to the City's Planning and Engineering Departments, and the City Attorney, prior to the issuance of any certificates of occupancy for any phase of the project. The OMP may be referenced in, and become an exhibit to, the Agreement Regarding Maintenance and Right of Entry for Stormwater Control Measures.

6. Certification of SCMs: For each phase of development, the Applicant shall provide written certification by a licensed Civil Engineer that all of the installed SCMs were constructed in accordance with the Project's approved improvement plans and approved SCP. This certification shall be provided to the City prior to the issuance of certificates of occupancy for any phase of the project. The certification shall meet City requirements and shall be signed and stamped by the licensed Civil Engineer. The City shall provide a draft certification form to the Applicant.

7. Compliance: The Applicant shall demonstrate compliance with the requirements of the most current NPDES Phase II General Permit issued to the City of Sand City, the PCRs, and Title 13.05 Storm Water Management, prior to the recordation of all Final Maps. The document demonstrating compliance, such as

a Stormwater Control Plan, shall be prepared by a licensed Civil Engineer. If for any reason the project cannot demonstrate compliance with the City's NPDES Phase II General Permit, the PCRs, Title 13.05, or the applicant fails to execute an Agreement Regarding Maintenance and Right of Entry for SCMs, or to complete a final O&M Plan, the Project's Conditional Use Permits, Coastal Development Permits, and Site Plan Permits shall be subject to termination.

C. Construction Best Management Practices ("BMPs")

1. Storm Water Discharge: The discharge of storm water during construction activities within the City is regulated by the City's NPDES Phase II General Permit, Municipal Code Title 13.05,.and the SWRCB NPDES Construction General Permit for Stormwater Discharges Associated with Construction and Land Disturbance Activities.

2. Best Management Practices ("BMPs"): During all phases of construction and/or land disturbance activities, the Applicant shall implement appropriate, site-specific BMPs for the protection of stormwater quality as required by the City's General Permit, Title 13.05, and the California Construction General Permit. BMPs may include, but are not limited to; erosion and sediment control, materials management, prevention of non-storm water discharges, good housekeeping and waste management practices. All site specific BMPs shall be shown on the ESCP and/or the Project's Storm Water Pollution Prevention Plan ("SWPPP").

3. ESCP Submittal: The ESCP shall be submitted to the City for review and approval prior to the issuance of any grading and/or building permits, or the commencement of any construction activities resulting in soil disturbance of 500 square feet or 50 cubic yards within the subject property.

4. California Construction General Permit: The Legally Responsible Person ("LRP"), as defined in the Construction General Permit, shall seek coverage under the Construction General Permit. The LRP shall prepare and submit the Notice of Intent ("NOI"), Permit Registration Documents ("PRDs"), and the Project SWPPP to the SWRCB to obtain coverage under the Construction General Permit and shall provide copies of the approved NOI and the project's Waste Discharger Identification Number ("WDID") to the City prior to the issuance of any encroachment, grading or building permits for any activity resulting in land disturbance.

5. Fire Access during Construction: Fire access and water supply acceptable to the Fire Chief shall be provided prior to combustible construction.

D. Utilities and Equipment

1. Sewer System Improvements: The Project shall construct new public Sanitary Sewer ("SSWR") mains within the proposed public Road "A", to collect

wastewater from the two residential parcels R1 and R2 and the two hotel Parcels H1 and H2. The new SSWR mains shall connect to existing SSWR infrastructure within California Avenue. The existing Sanitary Sewer Lift Station ("SSWR LS") #22 located along Tioga Avenue within APN 011-122-005 shall be relocated within a new easement on Parcel R1 prior the development of Parcel R1. The new, relocated SSWR LS shall be designed to accommodate wastewater flows from the lower levels of the proposed residential building within Parcel R1 and flow from the existing residential parcels that currently flow to the existing SSWR LS. The new, relocated SSWR LS shall be constructed within an underground vault and/or any above ground equipment shall be surrounded by a screen wall using exterior façade elements/treatments consistent with those approved for the R1 building. The proposed easement for the new, relocated SSWR LS shall be shown on the Final Parcel Map and construction documents for this phase of development. The Applicant of Parcel R1 shall prepare all documents necessary to quitclaim the existing SSWR LS easement and to process, approve, and record the new SSWR LS easement. All costs associated with the relocation of the proposed SSWR LS and shall be the responsibility of the Applicant of Parcel R1.

2. Sewer System Design: The design of all new Sanitary Sewer ("SSWR") improvements shall include the location, depth, size, material, slope, etc., and shall meet the requirements of the Seaside County Sanitation District ("SCSD") and the City. All new SSWR improvements shall be shown in both plan and profile on the improvement plans and shall be approved by both the SCSD and the City prior to the issuance of any building permits for the work. The Applicant shall provide a report with calculations prepared by a licensed Civil Engineer to confirm the project's sewer generation rates and to support the sizing of all required SSWR infrastructure. The report and calculations shall be and shall be signed and stamped by a licensed Civil Engineer and shall be submitted to the City and the SCSD for review and approval. The Applicant shall obtain written approval from the SCSD for all new SSWR improvements and shall provide copies of the written approvals to the City, prior to issuance of any building and/or encroachment permits for the work.

3. Storm Drain System Design: The design of all new Storm Dain ("SD") improvements shall include the location, depth, size, material, slope, etc., and shall meet the requirements of the City. All new SD improvements shall be shown in both plan and profile on the construction documents and shall be approved by the City prior to the issuance of any building permits for the work. The Applicant shall provide a report with calculations prepared by a licensed Civil Engineer to confirm the Project's compliance with hydrology and hydraulic calculations and to support the sizing of all required SD infrastructure. The peak hourly rate and total quantity of runoff shall be limited to the post-construction requirements of the State of California MS4 and at no time shall the peak hourly flow rate exceed the existing runoff within the Subject Property for the annual rainfall return frequencies of 1% and 10%. The report and calculation shall be signed and stamped by a licensed Civil Engineer and shall be submitted to the

City for review and approval, prior to issuance of any building and/or encroachment permits for the work.

4. Water System Improvements: The Project shall construct new public water mains within the proposed East Avenue and Road "A" to serve all phases of development. The new public water mains shall connect into existing water lines within Tioga Avenue and California Avenue. All costs associated with the installation of new water system improvements required by the project shall be the responsibility of the Applicant.

5. Water System Design: The design of all new water system improvements shall include the location, depth, size, material, slope, etc., and shall meet the requirements of California American Water ("Cal-Am"), Monterey One Water ("M1W"), and the City. All new water system improvements shall be shown in both plan and profile on the improvement plans and shall be approved by both the Cal-Am and the City prior to the issuance of any building permits for the work. The Applicant shall provide a report with calculations prepared by a licensed Civil Engineer to confirm the project's water demand and to support the sizing of all required water system improvements. The report and calculation shall be and shall be signed and stamped by the licensed Civil Engineer and shall be submitted to the City for review and approval. The Applicant shall obtain approval from Cal-Am for all new water system improvements and shall provide copies of said approvals to the City, prior to issuance of any building and/or encroachment permits for the work.

6. Overhead Utilities and Relocation: The Applicant shall remove all existing overhead utilities within the Project site and along Tioga Avenue and California Avenue, as necessary for the Project, and shall relocate them within underground joint trench facilities. The Applicant shall prepare composite joint trench plans for all phases of development. The Applicant shall provide a complete set of PG&E approved joint trench composite plans with the each improvement plan submission. The joint trench composite plans shall be fully coordinated with the project improvement plans, landscape plans, and Stormwater Control Plan, so that no conflict with the proposed improvements occurs. All utility relocations and their associated costs required as a part of this development shall be the responsibility of the Applicant. All utility relocations necessary to complete all phases of the project shall be completed prior to recordation of a Notice of Completion and Acceptance for the public improvements and the issuance of a certificate of occupancy for the first unit of the first phase.

7. Public Utility Easements: The Applicant shall provide a Public Utility Easement ("PUE") along all street frontages. The PUE shall be of sufficient width to accommodate all public utilities outside the public right-of-way that may be required by PG&E, Comcast, AT&T, etc, but excluding storm water, sanitary

sewer, potable water, and their associated service laterals. The PUE shall be shown on all Final Maps and Improvement Plans for the Project.

8. Ground Level Utility Equipment & Boxes: Utility equipment and/or boxes, fire suppression equipment, and the like shall not occupy public rights-of-way. Said utilities shall be located within Public Utility Easements (the "PUE"). The PUE shall be of sufficient width to accommodate all public utilities that may be required by PG&E, Comcast, AT&T, etc., excluding storm water, sanitary sewer, potable water and their associated service laterals. The PUE shall be shown on all Final Maps and Improvement Plans for the Project. Any variance from this requirement shall be subject City Engineer review and approval. Any such meters, boxes, and/or equipment above ground may occupy landscape areas, excluding drainage areas identified on the Project's Stormwater Control Plan, subject to City Planner and City Engineer approval; however such meters, boxes, and/or equipment shall employ visual screening utilizing the same materials/colors as approved for the primary buildings of each Parcel while maintaining accessibility. Landscaping shall not be considered a sufficient or satisfactory screening method. Any standpipes or back flow preventers in landscape areas shall have, at a minimum, a metal cage enclosure for safety and security. Accessibility to utility and fire suppression equipment shall be maintained in accordance with utility company and Fire Department requirements. The location of all utility meters and equipment shall be identified on civil improvement and site plan construction drawings for this Parcel, subject to Planning, Engineering, and Fire Departments review and approval. The general contractor shall be responsible for coordinating the placement and installation of all utility meters (gas, electric, phone, cable, etc.) in accordance with City approved civil improvement construction plans for the Project. Non-compliant installations may impede issuance of a certificate of occupancy/completion by the City until corrected to the satisfaction of the City and/or involved utility company/agency.

9. Photometric Analysis: The Applicant shall prepare a Photometric Analysis for all street lighting to be installed within the public right-of-way. The Applicant shall prepare a separate Photometric Analysis for all on-site exterior lighting to be installed within each parcel of the development. The Photometric Analysis shall be prepared by a qualified professional. The Photometric Analysis shall show the illumination dispersal based on the proposed fixtures, heights, and locations of all proposed lights. The Photometric Analysis for lighting within the public right-of-way shall consider the effect and/or impact of proposed on-site lighting. The Photometric Analysis for lighting within the on-site parcels shall consider the effect and/or impact of lighting within abutting public right-of-way. The Photometric Analysis for all lighting within the public right-of-way shall be submitted to the City for review and approval prior to the issuance of any encroachment permits.

10. Street Lights: All street lights to be installed within the public right-of-way shall meet the City's standard decorative light pole, Universe Collection Medium Light Emitting Diode (LED) – UCM, with concrete poles, and shall meet City specifications. The locations and heights of all street lights to be installed within the public right-of-way shall be subject to review and approval by the City Engineer.

11. On-Site Lighting: All exterior lighting to be installed within each parcel of the development shall be in accordance with the approved land entitlement permits issued for each parcel. Pole lights for outdoor parking and/or pedestrian areas on any of the development pads (H1, H1A, H2, H2A, R1, and R2) within this Project shall consist of LED energy efficient fixtures that performs and distributes light similar to the High Pressure Sodium 1,000 watt 480 volt parking lot lights at the Edgewater Shopping Center, and subject to final City Engineer review and approval. The placement and number of such lights shall be subject to civil improvement plan review and approval by the City Engineer. Final approval of exterior parking lot pedestrian light pole fixture designs and styles shall be subject to final Design Review Committee review and approval of design permits for each of the development pads of this Project. Civil improvement plans shall identify all such exterior light poles, their specifications to the satisfaction of the City Engineer and City Planner.

12. Monument/Sign Lighting: Light fixtures for the illumination of any/all monument signs within the Project area shall be subject to the Design Review Committee's review and approval of a design permit, sign permit, and/or uniform sign program.

E. Public Improvements

1. Demolition Plan and Phase 2 Environmental Site Assessment ("P2 ESA"): The Applicant shall prepare final demolition plans for the project. The demolition plans shall be prepared by a licensed Civil Engineer. The demolition plans shall address the demolition and removal of all existing features including, but not limited to; structures, hardscape, curb, gutter, sidewalk, driveways, signs, fences, walls, landscaping, vegetation, trees, and shall identify any items that are to be protected or remain in place. The demolition plans shall incorporate any requirements for the safe handling, removal, and disposal of any hazardous material encountered and shall include the relevant recommendations contained in the P2 ESA report (see Mitigation Measures below). The demolitions plans shall incorporate and be consistent with all applicable mitigation measures contained in the final, certified EIR for the project. The Applicant shall coordinate with the owners of any properties adjacent to the development envelope to identify any lighting circuits and/or subsurface utilities needing to remain in service. These facilities shall be shown to be re-established to the satisfaction of the adjacent property owners and the City, prior to approval of the demolition plans. The demolition plans shall be submitted to the City for review and approval

concurrent with the improvement plan package for the first phase of development. The demolitions plans shall be approved by the City prior to the issuance of demolition permit for any portion of the project.

The P2 ESA shall include representative sampling of all areas of the project site proposed for development, and shall specifically address the following:

a. Documented/Undocumented underground storage tanks and surrounding soils conditions;
b. Documented/Undocumented subgrade structures and surrounding soils conditions;
c. Areas of impacted soil from surface spills and/or hazardous material storage;
d. Soil vapor intrusion;
e. Presence of lead-based paint, pesticides, and related metals in soils surrounding the existing buildings;
f. Asbestos-containing building materials; and
g. The plugged oil and natural gas production well and surrounding soils conditions.

2. Signing and Striping Plan: The Applicant shall prepare signing and striping plans per City standards and requirements. Signing and striping plans shall show street names, street name signs, stop signs, stop bars, lane lines, and channelization as necessary, and any other regulatory signage appropriate for the project. The signing and striping plans shall distinguish between existing striping to be removed and new striping to be installed. All striping shall be thermoplastic. All signing and striping shall be installed by the Applicant at the Applicant's sole expense. Signing and striping plans shall be reviewed and approved by the City's Police Department and the City Engineer.

3. Stopping Sight Distance: Intersections, fencing, and landscaping shall be designed to allow for adequate stopping sight distance. A sight distance assessment shall be performed at all intersections by the project Civil Engineer and shown on the improvement and landscape plans, or included as an exhibit to the improvement and landscape plans.

4. Public Improvement Plans: Prior to recordation of the first Final Map for any phase of development, the Applicant shall prepare public improvement plans for the construction of improvements along Tioga Avenue, California Avenue, East Avenue, and Road "A". The improvement plans shall be prepared by a licensed Civil Engineer and shall be submitted to the City's Engineering and Public Works Department for review and approval prior to the issuance of any building and/or encroachment permits for the work. The improvement plans shall identify all public improvements, such as street and utility infrastructure (water, sewer, storm drainage gas, electric, CATV, etc.), grading and drainage, landscaping, lighting, etc., required by the project. At minimum, asphalt pavement along Tioga Avenue and California Avenue shall be rehabilitated and/or reconstructed to centerline.

Based on field conditions, the final limits of pavement rehabilitation and/or reconstruction shall be determined by the City Engineer. The public improvement plans shall be fully coordinated with the Project's SCP and landscaping plans. All project post-construction SCMs shall be constructed in conformance with the final approved SCP and the final approved improvement plans prior to issuance of any certificates of occupancy for the project or any section thereof. All public improvements along Tioga Avenue, California Avenue, East Avenue, Scott Street, and Road "A" shall be constructed and accepted by the City prior to the issuance of a building permit for any building pad within the development.

5. Merle Street Improvements Abutting Parcel R1: The Applicant of Parcel R1 shall be responsible for 50% of the cost of frontage improvements for that portion of Merle Street abutting Parcel R1 at such time that Merle Street is developed.

6. Merle Street Improvements Abutting Parcel R2: The Applicant of Parcel R2 shall be responsible for 50% of the cost of frontage improvements for that portion of Merle Street abutting Parcel R2 at such time that Merle Street is developed.

7. Engineer's Estimate: The Applicant shall prepare an engineer's estimate for the public improvements along Tioga Avenue, California Avenue, East Avenue, and Road "A. The engineer's estimate shall be prepared by a licensed Civil Engineer and submitted concurrent with the improvement plans.

8. Engineering Reports and Technical Documents: All engineering reports, technical studies and/or memorandums, maps, and supporting documents necessary to support the Project shall be submitted to the City for review and approval concurrent with submittal of Project improvement plans and prior to the issuance of building permits for any phase of the Project.

9. Development Agreement: The Applicant shall enter into a Development Agreement with the City for the Project and/or property identified on the VTM. The Development Agreement shall be prepared in accordance with the applicable provisions of Government Code Title 7 Planning and Land Use, Division 1 Planning and Zoning, Chapter 4 Zoning Regulations, Article 2.5 Development Agreements. The Development Agreement shall include, but not be limited to; provisions regarding the duration of the agreement, the maximum height and size of proposed buildings, provisions for reservation or dedication of land for public resources, permitted uses, the obligation to construct improvements, the extent and timing of improvements, the required securities for all improvements, the release of securities, alterations to improvement plans, the timing for inspections, warranty, and the maintenance and management of all areas within the project, etc. The Development Agreement shall be executed between the Applicant and the City and shall be recorded by the City prior to recordation of any Final Map for any portion of the Project.

10. Encroachment Permits: An encroachment permit is required for any work within the public ROW. An encroachment permit shall be issued based upon final, approved improvement plans and an engineer's estimate for the work to be performed. The Applicant shall pay all fees associated with the review and processing of all encroachment permits for the Project.

11. East Avenue Access. Applicant shall maintain continuous access on East Avenue to the Salvation Army property during grading and construction.

12. Street Access. Prior to acceptance of public improvements, all streets shall be barricaded to prevent the public from entering the construction site. The developer and assigned contractors shall keep all streets clear of obstructions, whether not yet accepted or within the public right-of-way, and provide for clean up on a daily basis.

13. Park Improvements and Easements. An easement shall be recorded with the final map to provide public access to and over park facilities provided on private parcels and intended for public access, use, and enjoyment. Property owner shall be responsible for construction and maintenance of improvements on private property.

F. Grading and Drainage

1. Geotechnical Report: The Applicant shall submit a final geotechnical report for all phases of the project to the City. The report shall be prepared by a licensed geotechnical engineer and shall be signed and stamped. The report shall be submitted concurrent with the improvement plan package. The report shall ensure that the Project is designed and constructed in accordance with the most current and applicable standards of the City's building code. The report shall include a geotechnical evaluation and recommendations for all necessary aspects of the Project including, but not limited to; Geologic Hazards, Site Preparation, Earthwork, Grading, and Drainage, Foundations, Special Treatment at cut/fill interfaces, Retaining Walls, Street Pavement Sections, etc. The report shall include site specific soils infiltration/percolation testing at locations where structural stormwater control measures are proposed to be constructed, in order to support the design of said measures. The recommendations contained in the report shall be incorporated into the design of the Project.

2. Grading and Drainage Plans: The Applicant shall prepare grading and drainage plans for all phases of development. The grading and drainage plans shall be prepared by a licensed Civil Engineer and shall be approved by the City Engineer prior to the issuance of any building permits for any phase of the Project. The grading and drainage plan shall be prepared in accordance with City requirements and standards. At minimum, the grading and drainage plans shall contain the following information; existing and proposed contours, existing and proposed elevations, existing and proposed infrastructure, cut/fill interfaces and

limits of grading, lot/parcel boundaries and road rights-of-way, existing trees to be saved in place or removed, furnish all necessary details to clearly convey recommendations contained in the Project geotechnical investigation, proposed pad elevations and lot/parcel detail grading details, cross-sections as needed to show the areas of cut, fill, and grading, perimeter cross-sections along all sides of the Project to show the Project's interface with abutting streets and properties, plan view of proposed drainage facilities including storm drains, catch basins, manholes, underdrains, and stormwater control measures/water quality improvements. The grading and drainage plans shall be reviewed and approved by the Project Geotechnical Engineer and copies of said approval shall be provided to the City prior to approval of the Grading and Drainage Plans.

3. Overland Release: For each phase of development, the Applicant shall provide a detailed grading plan of the entire development showing an overland release path for runoff occurring during 24-hour rainfall events with annual return frequencies greater than 10%, individual parcel grading showing all post-construction stormwater management and control features, with area calculations in accordance with the approved Stormwater Control Plan and all finish floor elevations.

4. Slope Grading: All slope grading shall comply with the project geotechnical report. Slopes greater than 2 horizontal units to 1 vertical unit (2H:1V) shall not be allowed within the public ROW. Slopes greater than 2 horizontal units to 1 vertical unit (2H:1V) shall not be allowed on-site, unless written approval is provided by the City Engineer.

5. Grading at Abutting Properties: Proposed grading may affect adjacent and/or abutting properties. The Applicant shall coordinate details with adjoining property owners and to the satisfaction of the City Engineer.

6. Retaining Walls: Retaining walls over 4 feet tall shall be designed by a Civil or Structural Engineer. Retaining wall design shall incorporate all applicable recommendations contained within the Project's final geotechnical report. All retaining wall calculations and reports shall be submitted to the City's Engineering and Building Departments for review and approval, prior to the issuance of any permit for construction of said walls.

7. Site Grading: If the Applicant desires to grade prior to the City's approval of the improvement plans, the Applicant shall obtain a grading permit from the City's Engineering and Public Works Department. The Applicant shall pay all fees associated with the review and processing of the grading permit(s).

8. Wet Season Grading: No grading activities within the project site shall occur between October 15 and April 15, unless a written request is submitted by the applicant and an Erosion and Sediment Control Plan identifying site specific construction best management practices to prevent storm water pollution and to

protect water quality is submitted to the City Engineer for review and approval prior to the commencement of grading.

G. Landscape and Irrigation

1. Landscape and Irrigation Plans: The Applicant is required to install landscaping and irrigation along the frontages of the project along Tioga Avenue, California Avenue, East Avenue, and Road "A". The Applicant of each parcel is required to install on-site landscaping and irrigation concurrent with the development of that parcel. The Applicant shall prepare Landscape and Irrigation Plans for all phases of the Project. The Landscape and Irrigation Plans shall be prepared by a licensed Landscape Architect. All Landscape and Irrigation Plans shall be fully coordinated with the off-site and on-site improvement plans and the Project's SCP. Landscape and Irrigation Plans shall meet City requirements and the Model Water Efficient Landscape Ordinance (MWELO), as applicable to the Project, subject to review by the City. Landscape and Irrigation Plans shall be submitted to the City for review and approval prior to the issuance of building permits for any phase of the Project. All planting areas and planter pots shall be connected to an irrigation system.

2. Landscape and Irrigation Maintenance: The developer shall be responsible for the cost of maintenance, servicing and operation of landscaping and irrigation within the public right of way. This obligation may be satisfied by formation of a special financing district, deposit of an annuity that provides sufficient funding for the annual maintenance or other mechanism as agreed to by the City. Maintenance of all landscape and irrigation within the public right-of-way shall be the responsibility of the Community Facilities District. Maintenance of all landscape and irrigation within the private parcels shall be the responsibility of the owner(s) of each parcel at the time the maintenance is performed and the costs for such maintenance shall be paid for by the owner(s) of each parcel. Should maintenance of the on-site landscape and irrigation systems not be maintained to the satisfaction of the City, the City may take measures to correct the deficiencies and seek compensation from owner(s) of each parcel.

3. Weed Control: Keep weed growth no taller than 18 inches and site free of litter or debris prior to or during construction.

4. Landscape Plan Review: Complete landscape plans for each development pad, all new/improved public streets, parking areas, and exterior podium areas of the Project shall be reviewed and approved by the Design Review Committee in the issuance of a Design permit for each development pad prior to the issuance of a building permit and the City's acceptance of the new public street rights-of-way. This landscape plan shall provide complete information, to the satisfaction of the City Planner, regarding ground covers, plants, shrubs, and trees in regard to species, sizes, location, placement, and numbers. Landscape plans shall include:
   a. Irrigation plan(s) with details;

b. Tree planting and staking details; and
c. Consistency with all storm water control plans and improvement plans.

5. Landscape Installation: All required landscaping shall be installed to the satisfaction of the City Planner's interpretation of the approved Landscape Plan for each development pad and public areas prior to final issuance of a certificate of occupancy for that development pad and City acceptance of new public rights-of-way within the Project. To the satisfaction of the City Planner, all trees shall be no less than double staked with 2-inch diameter wood stakes, and possibly triple staked and/or wind screened where trees are susceptible to high winds until established.

6. Plant Materials: Trees, shrubs, and ground covers shall be drought resistant. Trees shall be tolerant of coastal sea winds and sandy soil.

7. Drainage to Landscaping: All ground level planting areas (not including the residential podium areas) shall not include raised curbs; rather, they are to be flush with adjacent pavement. Raised planter boxes and planter pots may be incorporated into the Project; however, they shall incorporate those materials and colors consistent with the Project's approved architecture.

8. Signs: Prior to the installation/establishment of any commercial and/or site identification sign(s) (monument and/or wall mounted) on any development pad within the Project, a design permit, sign permit, and/or a uniform sign program, as determined appropriate by the City Planner, for that corresponding development pad shall be approved by the City's Design Review Committee.

9. Temporary Construction Signs: Temporary construction signs may be placed within the Project and/or individual development pads of the Project during construction activities without approval from the City's Design Review Committee. However, said construction signs shall be subject to the terms/condition of approved land use entitlement permit(s), and only erected within those areas with construction activity.

H. Additional Requirements

1. Monuments: Centerline monuments shall be set within the street pavement at all intersections, angle points, and curve points. The locations of said monuments shall be shown on the Final Map and the Improvement Plans. The engineer/surveyor of record shall provide certification to the City's Engineering and Public Works Department when the monuments have been set.

2. Exterior Corners: The Applicant's engineer/surveyor of record shall monument all exterior corners with 1 1/2" or larger pipe marked with the surveyor of record license number.

3. Parcel Corners: The Applicant's engineer/surveyor of record shall set permanent monuments at all parcel corners.

4. Benchmark: The Applicant's engineer/surveyor of record shall set a permanent benchmark within the project limits. The permanent benchmark shall be either a brass disk in the sidewalk or another suitable monument, as approved by the City prior to installation.

5. Property Corner at Sidewalk: If a property corner falls in the back of sidewalk, the Applicant shall either construct the sidewalks 4.5 feet wide in this location or set the corner reference points in the top of curb.

6. Monuments on Final Map: The Final Map shall show all monuments found and set for the Subject Property and those that were used to establish the boundaries of the Subject Property.

7. Construction Signs: The type and location of all construction signs shall be subject to review and approval by the City prior to use.

8. Infrastructure Operation: Subject to provisions regarding funding by the CFD described in these Conditions of Approval, all infrastructure improvements that are installed within the public right-of-way shall be operated and maintained by the City.

I. Fees

1. Payment of Fees. For all phases of development, the Applicant shall pay all City fees associated with the processing and review of the Project. The Applicant shall pay all fees associated with the issuance of permits for any phase of the Project, or portion thereof, including all other pertinent agency fees.

2. Parkland or Fees. The applicant shall provide on-site parkland or a fee in lieu of parkland dedication, or combination thereof, in accordance with Municipal Code Chapter 17.68. Based on a Project of 356 residential units and an average per unit occupancy of 2.27 persons, the total Project population would be about 808 persons. The resulting parkland requirement, based on 130 square feet per each resident, is 2.4 acres. Park or recreation area provided by the applicant within the Project that qualifies under the provisions of Chapter 17.68 shall be credited toward this requirement as determined by the City Planner. Remaining park requirements shall be compensated through an in-lieu payment the amount to be determined prior to recording of the first Final Map by the City in accordance with the provisions of Chapter 17.86. Fees may be used for recreational amenities within the City's public rights-of-way within or adjacent to the Project, or for an off-site community or cultural center within the Sand City municipal limits. An in-kind contribution toward rent or facilities may be used in place of fees at the discretion of the City Administrator. One-half of the fee shall be paid prior to

recording of the final map, or as otherwise agreed by the City Administrator in the case of in-kind contributions, and one-quarter of the fee shall be paid prior to issuance of the first building permit for each parcel.

J. Mandatory Mitigation Measures

1. (AQ-1) Prior to occupancy of any residential units on the project site, the applicant shall construct a sidewalk to complete a gap on the existing sidewalk within or abutting to the railroad right-of-way on the south side of Tioga Avenue.

2. (AQ-2) To reduce dust emissions from demolition, grading, and construction activities on the project site, specific language shall be included in all grading and construction plans for these projects prior to the issuance of a building permit.

   Dust control measures shall be employed to reduce visible dust leaving the project site. The following measures or equally effective substitute measures shall be used:
   a. Use recycled water to add moisture to the areas of disturbed soils twice a day, every day, to prevent visible dust from being blown by the wind;
   b. Use recycled water to prevent visible dust from building demolition;
   c. Apply chemical soil stabilizers or dust suppressants on disturbed soils that will not be actively graded for a period of four or more consecutive days;
   d. Apply non-toxic binders and/or hydro seed disturbed soils where grading is completed, but on which more than four days will pass prior to paving, foundation construction, or placement of other permanent cover;
   e. Cover or otherwise stabilize stockpiles that will not be actively used for a period of four or more consecutive days, or water at least twice daily as necessary to prevent visible dust leaving the site, using raw or recycled water when feasible;
   f. Maintain at least two feet of freeboard and cover all trucks hauling dirt, sand, or loose materials;
   g. Install wheel washers at all construction site exit points, and sweep streets if visible soil material is carried onto paved surfaces;
   h. Stop demolition, grading, and earth moving if winds exceed 15 miles per hour;
   i. Pave roads, driveways, and parking areas at the earliest point feasible within the construction schedule;
   j. Post a publicly visible sign with the telephone number and person to contact regarding dust complaints. This person shall respond and take corrective action within 48 hours of receiving the complaint. The phone number of the Monterey Bay Air Resources District shall also be visible to ensure compliance with Rule 402 (Nuisance); and
   k. Limit the area under construction at any one time

3. (AQ-3) The Applicant shall prepare a Construction Staging Management Plan to be reviewed and approved by the City Planner and City Engineer, prior to

issuance of grading or demolition permits. The plan shall include the following restrictions:

a. On-site staging and loading areas for off-haul trucks during demolition, grading, and excavation activities shall be located no farther than thirty feet (30') feet south or west of Street "A;"
b. Offsite staging, if allowed, shall not be located on Tioga Avenue between Metz Road and Sand Dunes Drive, or at any location within five-hundred (500') feet of a residence; and
c. Construction equipment and off-haul trucks shall not idle in excess of five (5) minutes.

4. (AQ-4) All construction equipment shall be maintained and properly tuned in accordance with manufacturer's specifications. All equipment shall be checked by a certified visible emissions evaluator. All non-road diesel construction equipment shall, at a minimum, meet Tier 3 emission standards listed in the Code of Federal Regulations Title 40, Part 89, Subpart B, §89.112. The developer shall provide evidence of compliance prior to issuance of a grading permit.

5. (BIO-1) To compensate for the permanent loss of Monterey spineflower individuals and Smith's blue butterfly habitat, and to avoid impacts to Monterey gilia individuals, the applicant shall record a conservation easement over 0.9 acre of Monterey spineflower/Monterey gilia and Smith's blue butterfly coastal dune scrub habitat, including the existing 0.1 acre sandy trail. The area proposed for preservation shall be expanded from that proposed in the Draft EIR as illustrated in Figure 7-3 to avoid direct impacts to all known on-site Monterey gilia locations. Granting and conveyance of the easement will be subject to the conditions developed during consultation with the USFWS to secure an Incidental Take Permit. The conservation easement shall be recorded prior to issuance of the first grading permit for the project, subject to review and approval by the City Planner, City Attorney, and City Administrator. Conditions may include, but not be limited to, the following:
    a. The 0.9 acre will be expanded slightly in two locations, one to the south and one to the north, and preserved and protected in perpetuity, by an entity other than the applicant, per a conservation easement, which will prohibit any activity that is incompatible with the preservation efforts;
    b. Invasive iceplant will be carefully removed by hand with the intent to minimize disturbance to the native seed bank, and this area will be maintained to support expanded growth of Smith's blue butterfly host plants and Monterey spineflower/Monterey gilia following completion of the project;
    c. The existing 0.1-acre sandy trail (leading to Merle Street right-of-way) will be maintained by installing roped fencing, or other method deemed appropriate by the City, on both sides of the trail and from the trail to Tioga Avenue to guide foot traffic away from adjacent habitat areas;

d. Permanent fencing will be installed between the project development area and the preserved area to prevent access to Smith's blue butterfly and Monterey spineflower/Monterey gilia habitat (except pedestrian access through the area using the roped/fenced path on the existing sandy trail);
e. Signage will be installed to notify the public that the area is protected and that special-status species may be present;
f. A U.S. Fish and Wildlife Service-approved native plant specialist will plant Smith's blue butterfly buckwheat host plants/seeds and Monterey spineflower seeds in the preserved area, with seeds/plants relocated/collected from the site impact areas prior to demolition or grading within the impact areas;
g. A monitoring and reporting program will be developed in detail in the project Habitat Conservation Plan. The monitoring program will include pre- and post-treatment vegetation sample plot or transect surveys to record the percent cover of invasive plants, Monterey spineflower, Monterey gilia, and buckwheat plants prior to and after treatment. The plots/transects will be surveyed during the appropriate blooming period for Monterey spineflower/Monterey gilia to allow for positive identification. Non-native and invasive weed cover will be no more than 10 percent in the restoration areas. Monitoring shall be conducted for a period of five years. If the restoration is not successful after five years, the project proponent will consult with the U.S. Fish and Wildlife Service and Sand City to define alternative measures. Brief written reports will be submitted annually to the property owner(s), conservation easement holder, and U.S. Fish and Wildlife Service; and
h. A fund will be created by the project applicant through a one-time endowment to carry out management of the habitat preservation area in perpetuity (including monitoring and weeding as necessary). Management activities will be conducted by a third party approved by the U.S. Fish and Wildlife Service.

6. (BIO-2) At least 15 days prior to ground disturbance, the applicant shall submit the names and credentials of biologists who will conduct activities specified in mitigation measures BIO-1 through BIO-5 ("qualified biologist"). No project activities shall begin until the applicant has received written approval from the U.S. Fish and Wildlife Service that the biologists are qualified to conduct the work. Written approval is required prior to issuance of the first grading and demolition permits, subject to review and approval by the City Planner. The qualified biologists shall supervise and/or implement all species protection measures.

7. (BIO-3) Prior to issuance of a grading permit and during construction, the following measures to avoid or minimize impacts to Monterey spineflower and Monterey gilia shall be implemented:
    a. Prior to grading and construction and during the appropriate identification period, Monterey spineflower and Monterey gilia surveys shall be

conducted by a U.S. Fish and Wildlife Service-approved, qualified biologist in areas where spineflower or gilia were previously identified or have potential to occur.

b. The boundaries of Monterey spineflower and Monterey gilia populations near project work areas, or the limits of project work areas or access roads/routes near Monterey spineflower and Monterey gilia populations that are to be avoided shall be delineated with clearly visible flagging or fencing, which shall be checked weekly by the qualified biologist or designated site representative and repaired as needed.
c. The populations that are to be impacted shall be recorded using a submeter-accurate global positioning system ("GPS") unit, and the total acreage of temporary and permanent impacts shall be calculated.
d. In project work areas where Monterey spineflower is present, initial ground disturbance activities shall be conducted in late summer or early fall to avoid impacting these plants before they have set seed. If this is not feasible and it is possible to collect seed prior to the start of construction, seed shall be collected by a qualified biologist from the impact area. Monterey spineflower individuals shall be used during restoration following the completion of Phase 1 construction activities. Alternatively, a U.S. Fish and Wildlife Service-approved, qualified biologist can proceed with the relocation of the top layer of substrate containing the spineflower seeds to previously identified and approved locations.

8. (BIO-4) The project proponent shall conduct an education program for all persons employed or otherwise working at the project site before performing any demolition, grading, or excavation work. The program shall consist of a presentation from a U.S. Fish and Wildlife Service-approved biologist that includes photos of special-status species with the potential to occur on the project site in all life history stages, and a discussion of the biology and general behavior of each species in each life history stage, information about the distribution and habitat needs of the special-status species in each life history stage, sensitivity of the special-status species to human activities in each life history stage, and its status pursuant to the Federal Endangered Species Act, including legal protection, recovery efforts, penalties for violations, and project-specific protective measures. The project proponent shall prepare and distribute wallet-sized cards or a fact sheet handout containing illustrations and summarized information for workers to carry at the project site. Upon completion of the education program, employees shall sign a form stating they attended the program and understand all protection measures. This training shall be repeated at least once annually for long-term and/or permanent employees that will be engaged in ground disturbance activities at the project site.

   The project proponent shall be responsible for implementation of these mitigation measures with oversight by the City of Sand City. Compliance with these measures shall be documented and submitted to the City.

9. (BIO-5) Prior to issuance of a grading permit and during construction, the following measures to avoid or minimize impacts to Smith's blue butterfly will be implemented:
    a. Any vegetation removal or grading work in proximity to buckwheat plants should avoid the period of June 15 to September 15 (Smith's blue butterfly flight season) unless otherwise authorized by the qualified biologist after review of current Smith's blue butterfly activity.
    b. The boundaries of buckwheat populations near project work areas, or the limits of project work areas or access roads/routes near buckwheat populations that will be avoided shall be delineated with clearly visible flagging or fencing. Fencing shall be checked weekly by the qualified biologist or designated site representative and repaired as needed.
    c. Buckwheat populations that will be impacted shall be recorded using a submeter-accurate global positioning system ("GPS") unit, and the total acreage and/or number of individuals disturbed shall be calculated.
    d. The qualified biologist will monitor activities on a regular basis during grading and construction, including all areas where Smith's blue butterflies may be present. Monitoring during the summer butterfly flight period will occur on a daily basis.
    e. The project proponent shall be responsible for implementation of this mitigation measure with oversight by the City of Sand City. Compliance with this measure shall be documented and submitted to the City.

10. (BIO-6) Prior to issuance of a grading permit and during demolition, site clearing, grading, excavation, and construction, a list of measures to avoid or minimize impacts to legless lizards and coast horned lizard will be implemented:
    a. Not less than three months prior to the start of grading activities (including staging and mobilization), a qualified biologist shall place coverboards in impact areas with suitable habitat (coastal dune scrub and disturbed maritime chaparral mixed with coastal dune scrub) for legless lizards and coast horned lizard. The coverboards shall be at least four feet by four feet and constructed of untreated plywood placed flat on the ground. The coverboards shall be checked by the biologist once per week for each week after placement up until the start of vegetation removal. All legless lizards and coast horned lizards found under the coverboards shall be captured and placed in five-gallon buckets for transportation to relocation sites. If areas are left undisturbed for a period of three months or longer, the coverboards will replaced and relocation efforts will be repeated prior to the re-initiation of ground disturbance activities.
    b. All relocation sites shall be approved by Sand City and/or the implementing entity and shall consist of suitable habitat. Relocation sites shall be as close to the capture site as possible but far enough away to ensure the animal(s) is/are not harmed by construction of the project. Relocation shall occur on the same day as capture. California Department of Fish and Wildlife California Natural Diversity Database Native Species

Field Survey Forms shall be submitted to the California Department of Fish and Wildlife for all special-status species observed.

c. During all initial ground vegetation removal activities, a qualified biologist shall be on the site to recover any legless lizards and coast horned lizards that may be excavated/unearthed. If the animals are in good health, they shall be immediately moved to relocation sites. If they are injured, the animals shall be released to a wildlife recovery specialist until they are in a condition to be released into relocation sites.
d. A report of all preconstruction survey efforts and monitoring during initial ground vegetation removal shall be submitted to the implementing entity within 30 days of completion of the survey/monitoring efforts to document compliance. The report shall include the dates, times, weather conditions, and personnel involved in the surveys and monitoring. The report shall also include for each captured special-status animal, the Universal Transverse Mercator coordinates and habitat descriptions of the capture and release sites, the length of time between capture and release, and the general health of the individual(s).
e. The project proponent shall be responsible for implementation of this mitigation measure with oversight by the City of Sand City. Compliance with this measure shall be documented and submitted to the City.

11. (BIO-7) To avoid/minimize potential impacts to burrowing owls occurring within or adjacent to the project site, individual project developers will retain a qualified biologist to conduct a two-visit (i.e. morning and evening) presence/absence survey at areas of suitable habitat on and adjacent to the project site no less than 14 days prior to the start of any construction activities. Surveys shall be conducted according to methods described in the Staff Report on Burrowing Owl Mitigation (California Department of Fish and Wildlife 2012). If these pre-construction "take avoidance" surveys performed during the breeding season (February through August) or the non-breeding season (September through January) locate occupied burrows in or near construction areas, consultation with the California Department of Fish and Wildlife would be required to interpret survey results and develop a plan for project-specific avoidance, minimization, and compensation.

    Where there is insufficient habitat for permanent protection on, adjacent to, or near project sites where burrowing owls will be impacted, acquisition of off-site mitigation lands with occupied burrowing owl habitat may be required in consultation with the California Department of Fish and Wildlife. Compensation may take the form of (a) acquiring and dedicating lands into conservation easements; (b) purchasing mitigation credits at compensation ratios that have been approved by the California Department of Fish and Wildlife; or (c) preserving area contiguous or near the acreage lost.

    The project proponent shall be responsible for implementation of this mitigation measure with oversight by the City of Sand City. Compliance with this measure shall be documented and submitted to the City prior to ground disturbance.

12. (BIO-8) Prior to tree removal or structure demolition activities, the project proponent shall retain a qualified biologist to conduct a focused survey for bats and potential roosting sites in trees to be removed, in trees within 250 feet of the disturbance/ development footprint, within structures (when accessible), and surrounding any structures that may be demolished by the project. These surveys shall be conducted no more than 15 days prior to the start of tree removal or building demolition. The surveys can be conducted by visual identification and assumptions can be made by the biologist on what species is present due to observed visual characteristics along with habitat use, or the bats can be identified to the species level with the use of a bat echolocation detector such as an "Anabat" unit.

    If no roosting sites or bats are found, a letter report confirming absence shall be submitted to the City of Sand City and no further mitigation is required.

    If bats or roosting sites are found, a letter report and supplemental documents shall be provided to the City of Sand City prior to grading or demolition permits being issued and the following monitoring, exclusion, and habitat replacement measures shall be implemented:

    a. If bats are found roosting outside of the nursery season (May 1 through October 1), they shall be evicted as described under (b) below. If bats are found roosting during the nursery season, they shall be monitored to determine if the roost site is a maternal roost. This could occur by either visual inspection of the roost bat pups, if possible, or by monitoring the roost after the adults leave for the night to listen for bat pups. If the roost is determined to not be a maternal roost, then the bats shall be evicted as described under (b) below. Because bat pups cannot leave the roost until they are mature enough, eviction of a maternal roost cannot occur during the nursery season. Therefore, if a maternal roost is present, a 250-foot buffer zone (or different size if determined in consultation with the California Department of Fish and Wildlife) shall be established around the roosting site within which no construction activities including tree removal or structure demolition shall occur until after the nursery season.
    b. If a non-breeding bat hibernaculum is found in a tree or snag scheduled for removal or on any structures scheduled to be demolished by project activities, the individuals will be safely evicted, under the direction of a qualified bat biologist and in consultation with the California Department of Fish and Wildlife. Methods could include: carefully opening the roosting area in a tree or snag by hand to expose the cavity, and opening doors/windows on structures or creating openings in walls to allow light into the structures. Removal of any trees or snags and demolition of any structures shall be conducted no earlier than the following day (i.e., at least one night will be provided between initial roost eviction disturbance and tree removal/structure demolition). This action will allow bats to leave

during dark hours, which increases their chance of finding new roosts with a minimum of potential predation.

The project proponent shall be responsible for implementation of this mitigation measure with oversight by the City of Sand City. Compliance with this measure shall be documented and submitted to the City prior to vegetation removal, ground disturbance, or building demolition.

13. (BIO-9) To avoid possible impacts to nesting birds on and adjacent to the project site, if noise generation, ground disturbance, vegetation removal, or other construction activities begin during the nesting bird season (February 1 to September 15), or if construction activities are suspended for at least two weeks and recommence during the nesting bird season, then the project proponent shall retain a qualified biologist to conduct a pre-construction survey for nesting birds. The survey shall be performed within suitable nesting habitat areas on and adjacent to the site to ensure that no active nests would be disturbed during project implementation. This survey shall be conducted no more than one week prior to the initiation of disturbance or construction activities.

    If no active bird nests are detected during the survey, then project activities can proceed as scheduled. However, if an active bird nest of a native species is detected during the survey, then a plan for bird nest avoidance shall be prepared by the qualified biologist to determine and clearly delineate an appropriately sized, temporary protective buffer area around each active nest, depending on the nesting bird species, existing site conditions, and type of proposed disturbance or construction activities. The protective buffer area around an active bird nest is typically 75-250 feet, determined at the discretion of the qualified biologist.

    To ensure that no inadvertent impacts to an active bird nest will occur, no disturbance and/or construction activities shall occur within the protective buffer area(s) until the juvenile birds have fledged (left the nest), and there is no evidence of a second attempt at nesting, as determined by the qualified biologist.

    The project proponent shall be responsible for implementation of this mitigation measure with oversight by the City of Sand City. Compliance with this measure shall be documented and submitted to the City prior to vegetation removal, demolition, or ground disturbance.

14. (BIO-10) Prior to demolition, site clearing, grading, excavation, and construction, and in coordination with mitigation measures BIO-3 and BIO-5, which require the delineation of areas where Monterey spineflower/Monterey gilia and Smith's blue butterfly buckwheat host plants occur, the boundaries of coastal dune scrub located near project work areas, or the limits of project work areas or access roads/routes near coastal dune scrub that are to be avoided shall be delineated with clearly visible flagging or fencing, or otherwise marked for avoidance. The

flagging, fencing, and/or other marking shall be maintained in place for the duration of construction at each location until work is completed at the site. Fencing shall be checked weekly by the qualified biologist or designated site representative and repaired as needed.

15. (BIO-11) In coordination with mitigation measure BIO-1, a conservation easement over 0.9 acre of coastal dune scrub shall be recorded. This area will be managed for special-status species and include invasive iceplant removal, planting of native coastal dune scrub species, and mitigation and monitoring subject to the conditions developed during consultation with the USFWS to secure an Incidental Take Permit for impacts to federally listed species.

    The project proponent shall be responsible for implementation of these mitigation measures with oversight by the City of Sand City. Compliance with these measures shall be documented and submitted to the City prior to ground disturbance.

16. (BIO-12) Prior to construction, the project proponent shall retain a certified arborist to survey all significant trees on the project site (those with a diameter at breast height of 10 inches or more). For proposed significant tree removals, a permit from the City shall be obtained. The permit may require replacement plantings, but not necessarily of the same species. The project proponent shall install replacement trees in accordance with all mitigation, maintenance, and monitoring requirements specified in the tree removal permit(s) or otherwise required by the City for project approvals.

    The project proponent shall be responsible for implementation of this mitigation measure with oversight by the City of Sand City. Compliance with these measures shall be documented and submitted to the City prior to ground disturbance.

17. (CR-1) Due to the possibility that unique buried archeological or paleontological resources might be found during construction activities, the following language shall be included in all construction documents and on any grading or building permits:

    "In the event that evidence of historical, archaeological and/or paleontological resources is uncovered during excavation and/or grading, all work shall stop in the area of the subject property until an appropriate data recovery program can be developed and implemented by a qualified historian, archaeologist and/or paleontologist. The City Planner shall ensure that the permit language has been included and shall ensure that the appropriate data recovery program is implemented should historical, archaeological and/or paleontological resources be uncovered."

18. (CR-2) Due to the potential that human remains may be uncovered during construction activities, the following language shall be included in all construction documents and on grading and building permits:

"If human remains are found during construction, there shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent human remains until the coroner is contacted to determine that no investigation of the cause of death is required. If the coroner determines the remains to be Native American the coroner shall contact the Native American Heritage Commission within twenty-four (24) hours. The Native American Heritage Commission shall identify the person or persons it believes to be the most likely descendent from the deceased Native American. The most likely descendent may then make recommendations to the landowner or the person responsible for the excavation work, for means of treating or disposing of, with appropriate dignity, the human remains and associated grave goods as provided in Public Resources Code Section 5097.98. The landowner or his authorized representative shall rebury the Native American human remains and associated grave goods with appropriate dignity on the property in a location not subject to further disturbance if: a) the Native American Heritage Commission is unable to identify a most likely descendent or the most likely descendent failed to make a recommendation within forty-eight (48) hours after being notified by the Commission; b) the descendent identified fails to make a recommendation; or c) the landowner or his authorized representative rejects the recommendation of the descendent, and the mediation by the Native American Heritage Commission fails to provide measures acceptable to the landowner."

19. (CR-3) Due to the possibility that unique tribal resources might be found during construction activities, the following language shall be included in all construction documents and on any permits issued for the project site, including, but not limited to, grading, and conditional use building permits for the proposed project:

"The City Planner shall ensure that the permit language has been included and that the appropriate resource recovery program is implemented should any tribal resources be uncovered. In the event that evidence of tribal resources is uncovered during excavation and/or grading, all work shall stop in the area of the subject property until an appropriate data recovery program can be developed and implemented by a qualified archaeologist."

The applicant shall notify the Ohlone/Costanoan-Esselen Nation, with a copy to the Sand City Planning Department, no less than 14 days prior to initiation of grading and excavation activities to provide an opportunity for provision of a Tribal Monitor to be present during rough grading and excavation activities. All cultural items found during construction activities shall be returned to the Ohlone/Costanoan-Esselen Nation.

20. (GEO-1) After demolition activities, the project developer(s) shall remove, stockpile under cover, and/or compact all disturbed soils that will remain inactive for more than fourteen days, subject to the review of the City Engineer and the Monterey Building Department inspectors.

21. (GEO-2) During grading activities, exposed soils shall be kept continuously moist or otherwise stabilized prior to placement of subsequent fill on the project site, subject to the review of the City Engineer and the Monterey Building Department inspectors.

22. (GEO-3) A Geotechnical Engineer shall monitor mass grading operations weekly (on weeks when such activities occur) in order to guarantee acceptable compaction of material and performance of the appropriate stability requirements of development, and shall report monthly to the City Engineer. The Geotechnical Engineer shall specifically monitor removal and replacement of the area of loose prior fill.

23. (GEO-4) If the period of post-grading and pre-construction extends for longer than 30 days, the developer(s) shall present the City Engineer with updated documentation and a report within the following 30 days, and on October 15th of each subsequent year, identifying their continued compliance with storm water prevention measures until construction of the development has commenced.

24. (GEO-5) No earthwork activities will occur when winds exceed sustained speeds over 20 miles per hour.

25. (GEO-6) Subject to the review and approval of the City of Monterey Building Department and prior to the construction of any building, the developer(s) is (are) required to over-excavate and compact the soil within the proposed building areas to a depth of no less than 24 inches below the bottom of the footing elevation to minimize soil movement due to settlement and to provide uniform support for the proposed buildings.

26. (GEO-7) The developer(s) is (are) required to compact any uncertified fill material remaining after foundation excavation activities in accordance with the recommendations contained in the final project geotechnical report to prevent future compaction concerns to the fill material. Alternatively, uncertified fill material may be removed from beneath building foundations and replaced with engineered fill.

27. (GEO-8) Prior to the issuance of a building permit, developer(s) is (are) required to provide a shoring plan using slopes, benches, or protective structures, for review and approval by the City of Monterey Building Department for excavations exceeding five feet in total depth from the reference top-of-cut soil level.

28. (HAZ-1) The developer shall prepare a Phase II Environmental Site Assessment prior to the issuance of a permit for building demolition or site clearance activities. The Phase II Environmental Site Assessment shall be reviewed by the City Planner, the City Engineer, and the City of Monterey Fire Department. The City may opt to refer the Phase II Environmental Site Assessment to the Monterey County Environmental Health Department for review.

    The Phase II Environmental Site Assessment shall include representative sampling of all areas of the project site proposed for development, and shall specifically address the following:

    a. Documented/Undocumented underground storage tanks and surrounding soils conditions;
    b. Documented/Undocumented subgrade structures and surrounding soils conditions;
    c. Areas of impacted soil from surface spills and/or hazardous material storage;
    d. Soil vapor intrusion;
    e. Presence of lead-based paint, pesticides, and related metals in soils surrounding the existing buildings;
    f. Asbestos-containing building materials; and
    g. The plugged oil and natural gas production well and surrounding soils conditions.

29. (HAZ-2) A geophysical survey shall be required during the Phase II Environmental Site Assessment in order to address the potential presence for improper closure of the oil and natural gas production well.

30. (HAZ-3) The developer shall prepare a Site Management Plan to describe all of the measures that will be taken to address the concerns identified in the Phase II Environmental Site Assessment, including any soil contamination subject to remediation. If a remediation plan for outside agency oversight is required, that may be attached, with only a summary included in the Site Management Plan. The Site Management Plan shall include provisions for adequate monitoring by a qualified professional during site grading and excavation activities. The Site Management Plan shall be reviewed by the City Planner, City Engineer, and the City of Monterey Fire Department. The City may opt to refer the Site Management Plan to the Monterey County Environmental Health Department for review, and in the event of the need for outside agency oversight, shall coordinate review of the Site Management Plan with that agency. The Site Management Plan shall be approved prior to the issuance of a permit for building demolition or site clearance activities.

31. (HAZ-4) Prior to the demolition of buildings, the developer shall conduct an asbestos survey and lead-based paint survey that include management of these hazardous materials during demolition of buildings. An abatement plan shall be

developed for approval by the City Planner, City Engineer, and/or City of Monterey Fire Department prior to the issuance of a demolition permit for any existing building within the project site. The developer shall notify the Monterey Bay Unified Air Resources District at least ten days prior to demolition activities. In the event underground pipes are discovered during excavation activities, those pipes shall be assessed for the potential to contain lead or asbestos.

The surveys shall include abatement measures and appropriate management during demolition of the buildings identified as containing these hazardous materials.

32. (DR-1) Refer to Section B. Stormwater Quality and Erosion Control, paragraph 3 "Stormwater Control Plan", above.

33. (N-1) The developer shall include the following language on any grading, site work, and construction plans issued for the proposed project, prior to the issuance of grading and building permits. This restriction shall not apply to work, such as painting, that does not cause significant noise.

"During earth-moving, grading, and construction activities, the developer shall implement the following measures at the construction site:

a. Limit outdoor construction activity to weekdays between 7:00 a.m. and 6:00 p.m., and on Saturdays between 10:00 a.m. and 5:00 p.m. Construction noise is prohibited on Sundays and City-observed holidays;
b. Locate stationary noise-generating equipment as far as possible from sensitive receptors when sensitive receptors adjoin or are near a construction project area and/or provide an effective acoustical barrier or insulation;
c. Equip all internal combustion engine driven equipment with intake and exhaust mufflers that are in good condition and appropriate for the equipment;
d. Utilize "quiet" models of air compressors and other stationary noise sources where technology exists; and
e. Designate a "disturbance coordinator' who would be responsible for responding to any complaints about construction noise. The disturbance coordinator will determine the cause of the noise complaint (e.g. bad muffler, etc.) and will require that reasonable measures be implemented to correct the problem."

34. (T-1) Prior to issuance of a building permit for either the hotel(s) and residential buildings, the project developer, or developers, shall be responsible for their fair share of the costs of constructing a half signal to control the eastbound Fremont Boulevard approach and the northbound Del Monte Boulevard approach and provide a continuous green light on the westbound Fremont Boulevard approach.

The exiting westbound left turn movement could remain prohibited. The Military Avenue leg could remain with its current configuration and stop control.

This intersection is not included in the City of Seaside CIP and implementation of the improvements is not within the City of Sand City's jurisdictional authority. Should the City of Seaside not accept the fair share contribution, the project developer would be relieved from having to pay the fair share fee due to the infeasibility of the mitigation measure to reduce the proposed project's impact to the intersection of Fremont Boulevard / Del Monte Boulevard / Military Avenue, and the proposed project's impact would be potentially significant and unavoidable.

35. (T-2) Prior to issuance of a certificate of occupancy for either the hotel or residential buildings, the project developer shall pay its proportionate share of costs to re-stripe the eastbound leg of the intersection of State Route 218 / State Route 1 Southbound Ramp to add a southbound right turn lane from State Route 218. The recommended improvement is not identified in the AMBAG regional transportation plan and TAMC regional transportation impact fee program. Should Caltrans and TAMC not accept the developers fair share contribution toward improvements to the intersection, the project developer would be relieved from having to pay the fair share fee due to the infeasibility of the mitigation approach and the proposed project's impact to the intersection of State Route 1 Southbound Ramps / State Route 218 would be potentially significant and unavoidable.

36. (T-3) Prior to issuance of building permits for either the hotel(s) and residential structures, the project developer shall pay the TAMC Regional Traffic Impact fee.

37. (CUMT-1) Prior to final sign-off of any certificate of occupancy, the project developer shall either construct the signal improvement at the intersection of California Avenue and Playa Avenue, or, if the intersection has already been signalized or is in the process of being signalized, shall pay a pro-rata fee for the project's fair share of the cost of signalization of the intersection. Intersection improvement plans or payment of fees are subject to review and approval by the City Engineer.

38. (CUMT-2) Prior to final sign-off of any certificate of occupancy, the project developer shall pay its proportionate share of costs to modify the signal to add right turn overlaps (right turn green arrows) on the four approaches of the intersection of State Route 218 / Del Monte Boulevard. Should Caltrans not accept the developers fair share contribution toward the improvement, the project developer would be relieved from having to pay the fair share fee due to the infeasibility of the mitigation approach and the project's contribution to cumulative impacts to the intersection of State Route 218 / Del Monte Boulevard would be potentially significant and unavoidable.

39. (WS-1) The City shall ensure that sufficient new intake wells for the desalination facility, already approved by the City, will be constructed to ensure sufficient water from the desal facility is available to supply to the project.

PASSED AND ADOPTED, by the City Council of the City of Sand City this 5th day of June, 2018 by the following vote:

AYES: Council Members Blackwelder, Carbone, Hawthorne, Hubler, McDaniel
NOES: None
ABSENT: None
ABSTAIN: None

APPROVED:

Mary Ann Carbone
Mary Ann Carbone, Mayor

ATTEST:

Linda K. Scholink
Linda K. Scholink, City Clerk

SAND CITY

ORDINANCE NO. 20-02, 2020

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAND CITY APPROVING THE DEVELOPMENT AGREEMENT BY AND BETWEEN DBO DEVELOPMENT NO. 30, LLC RELATING TO THE DEVELOPMENT COMMONLY KNOWN AS THE SOUTH OF TIOGA PROJECT

THE CITY COUNCIL OF THE CITY OF SAND CITY DOES ORDAIN AS FOLLOWS:

Section 1. Recitals.

A. In order to strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic risk of development, the Legislature of the State of California adopted Section 65864, et seq., of the Government Code (the "Development Agreement Statute"), authorizing the City, and any person having a legal or equitable interest in the real property, to enter into a Development Agreement and establish certain development rights in the property, which is the subject of the development project application.

B. On the 13th of October, 2020 the City adopted Resolution SC 20-66, 2020, establishing procedures pursuant to California Government Code section 65865(c) for the consideration of development agreements.

C. On June 5, 2018, the City Council adopted Resolution SC 18-58 approving Vesting Tentative Map 18-01 and a related mitigation monitoring and reporting program for the South of Tioga Project ("Project"). Condition of Approval E(9) requires the parties to enter into a development agreement for the Project prior to the recordation of any final map for any portion of the Project.

D. DBO Development, LLC ("Developer") has filed an application requesting approval of a development agreement for the Project.

E. A Development Agreement between the City and Developer ("Development Agreement") has been presented to the City Council, a copy of which is attached hereto as **Exhibit A.**

F. The City and Developer now desire to proceed with development consistent with the Development Agreement.

G. In compliance with the California Environmental Quality Act ("CEQA"), on June 5, 2018, by Resolution SC 18-57, the City Council certified the Environmental Impact Report for the South Tioga Project (SCH# 2017061066) ("EIR"); and by this Ordinance, the City finds the adoption of the Development Agreement does not require further environmental review.

H. On October 13, 2020, the City Council, serving as the City's planning agency for purposes of development agreement review pursuant to the Development Agreement Statute and Resolution SC 20-02, 2020, held a public hearing to consider the Development Agreement.

I. The public hearing was noticed in accordance with the requirements set forth in Government Code section 65090 and 65091.

Section 2. Findings and Determination.

On the basis of: (a) the foregoing Recitals, which are incorporated herein, (b) the City's General Plan, (c) the EIR, and (d) the specific evidence and conclusions set forth below, the City Council acting as itself and as the City's planning agency finds and determines that:

A. **Consistency with the General Plan**. In accordance with Government Code section 65867.5(b), the Development Agreement is consistent with the objectives, policies, general land uses and programs specified and contained in the City's General Plan, and there is no applicable specific plan. The General Plan consistency findings made by the City Council in Resolution SC 18-58 adopting Vesting Tentative Map 18-01, are attached hereto and incorporated herein as if set forth in full by this reference as **Exhibit B.** The findings in Resolution SC 18-58 are accurate and unchanged. The findings are relevant and applicable to the Development Agreement and they are therefore incorporated into and adopted as the General Plan consistency findings for the Development Agreement. The findings and evidence to support this General Plan consistency determination for the Development Agreement are as described in the original findings for the approval of Vesting Tentative Map 18-01 in Resolution SC 18-58. The Development Agreement will implement and facilitate the Project as approved by Resolution SC 18-58, including establishing certain tax, fee and other agreements that will facilitate construction of the Project, and none of which alter the General Plan consistency findings in Resolution SC 18-58.

B. **Public Interest**. The proposed Development Agreement will not be detrimental to the public interest, health, safety, convenience, or welfare of the City in that the Project will proceed in accordance with all programs and policies of the General Plan. The Project endeavors to eliminate existing blighted conditions throughout the Property; provide public and private road and infrastructure improvements; provide appropriate land use transitions compatible with the East Dunes Planning District; provide a significant number of residential units (including units that will be made affordable to extremely low, very low, and low income households); and result in positive fiscal impacts for the City.

C. **CEQA COMPLIANCE**. In compliance with the California Environmental Quality Act ("CEQA"), on June 5, 2018, by Resolution SC 18-57, the City Council certified the Environmental Impact Report for the South Tioga Project (SCH# 2017061066) ("EIR"); and by this Ordinance, the City finds that since the EIR was certified, there have been no substantial changes to the Project or to the circumstances under which it will be undertaken, and no new substantial information has become available, which would require further environmental review to be conducted. Therefore, no additional environmental review is necessary in order for the Council to take action on this Development Agreement.

Section 3. Approval of Amended and Restated Development Agreements.

The City Council hereby approves the Development Agreement, attached hereto as **Exhibit A**, in a form approved by the City Attorney, and authorizes the City Manager to execute the Development Agreement.

Section 4. Recordation.

Within ten (10) days after the Development Agreement is executed, the City Clerk shall submit it to the County Recorder for recordation.

Section 5. Severability.

If any section, subsection, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of a court of competent jurisdiction, it shall not affect the remaining portions of this Ordinance that can be given effect without the invalid provision and, to this end, the provisions of this Ordinance are severable. This City Council hereby declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance enforced.

Section 6. Publication and Effective Date.

Within fifteen (15) days after adoption, a summary of this Ordinance shall be published once in the Monterey Herald, a newspaper of general circulation printed and published in Monterey County and circulated in the City, in accordance with Government Code section 36933. This Ordinance shall take effect and be enforced thirty (30) days after its adoption. This ordinance will not be codified and published in the Sand City Municipal Code.

PASSED AND ADOPTED by the City Council of Sand City on the 20th, day of October, 2020 by the following vote:

AYES: Council Members Blackwelder, Carbone, Sofer, Hawthorne

NOES: None

ABSENT: None

ABSTAIN: Council Member Cruz

Mary Ann Carbone, Mayor

ATTEST:

Connie Horca, Acting City Clerk

2021019030
Stephen L. Vagnini
Monterey County Clerk-Recorder
03/15/2021 01:59 PM
Recorded at the request of:
CITY OF SAND CITY
Titles: 1 Pages: 88
Fees: $0.00
Taxes: $0.00
AMT PAID: $0.00

Recording Requested by:
CITY OF SAND CITY

WHEN RECORDED, RETURN TO:

City Clerk, City of Sand City
1 Pendergrass Way
Sand City, CA 93955

Space Above for Recorder's Use Only

Record at the request and for the benefit of
the City of Sand City
Pursuant to Government Code §§ 6301 and 27383

DEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF SAND CITY, MONTEREY COUNTY, CALIFORNIA

AND

DBO DEVELOPMENT NO. 30, LLC RELATING TO THE

DEVELOPMENT COMMONLY KNOWN AS

THE SOUTH OF TIOGA PROJECT

DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF SAND CITY, CALIFORNIA AND DBO DEVELOPMENT NO. 30, LLC RELATING TO THE DEVELOPMENT COMMONLY KNOWN AS THE SOUTH OF TIOGA PROJECT

This Development Agreement ("***Agreement***") is entered into as of October 20, 2020, by and between the City of Sand City, a municipal corporation and charter city in Monterey County ("***City***"), and DBO Development No. 30, LLC, a California limited liability company ("***DBO***" or "***Developer***"). City and Developer are sometimes referred to individually herein as a "***Party***" and collectively as the "***Parties***."

RECITALS

A. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California enacted Government Code section 65864 *et seq.* ("***Development Agreement Statute***"), which authorizes a city to enter into a development agreement with any person having a legal or equitable interest in real property regarding the development of such property and establishing certain development rights therein.

B. Developer has a legal or equitable interest in approximately ten point sixty-four (10.64) acres of real property in Sand City, located on forty (40) separate parcels (Assessor's Parcel Numbers (011-122-002, -003, -004, -005, -010, -011, -023, -024, -025, -026, -032, -038, -039, -040, -041; 011-123-001, -004, -005, -006, -007, -008, -009, -011, -022, -024, -025, -026; 011-134-011; 011-135-001, -014, -015, -016, -023, -024; 011-136-007, -012, -024; and 011-196-021, -038, and -039). The foregoing properties are more specifically described in Exhibit A and shown on the map set forth in Exhibit B, both of which are attached hereto and incorporated herein (collectively, "***Subject Property***").

C. In addition to the Subject Property, Developer is in the process of (1) acquiring certain additional small portions of land currently owned by City (collectively, "***Property Slivers***"); and (2) acquiring certain portions of land along the vacated Lincoln Avenue and Beach Way (collectively, "***Street Parcels***"). If and to the extent Developer acquires a legal and/or equitable interest in the Property Slivers and/or the Street Parcels, and said lands are not part of the Subject Property as of the Effective Date (as that term is defined below), then it is anticipated that the Parties will mutually seek to amend this Agreement to include all such additional lands that are acquired so that they may be covered by the terms of this Agreement as part of the Subject Property, as amended. The Parties further contemplate that any such amendment process would be focused on the inclusion of these lands within the definition of Subject Property, and would not involve any other new material, substantive changes unless mutually agreed to by the Parties. Developer acknowledges that Condition of Approval (A)(2) imposed on the VTM (as that term is defined below) provides in relevant part: "....No Final Map shall be recorded for any phase of the project, unless and until all privately owned parcels within the project limits are legally obtained by and transfer complete to, either the Applicant and/or the City...." The foregoing reflects requirements under the State Subdivision Map Act (Gov't Code § 66410 *et seq.*) ("***Subdivision Map Act***") that a final map for a development must be signed by all owners of land covered by said map. Therefore, for purposes of filing the final map for the South of Tioga Project (as that term is defined below), Developer will either need to: (1) acquire all of the lands within the boundaries shown on the final map; (2) have all owner(s) of land within the boundaries shown on the

final map sign the same; or (3) modify the boundaries shown on the final map, subject to City's approval of same, such that only lands owned by Developer are covered. As detailed more fully herein, this Agreement includes provisions that require Developer to provide sufficient security such that City would be able to commence and complete construction of the Public Improvements (as that term is defined below) and related rough grading of the Subject Property regardless of whether the Property Slivers and/or the Street Parcels are ultimately acquired by Developer so long as a final map has been recorded for the South of Tioga Project.

D. The Parties desire to develop the Subject Property with extensive residential and commercial uses that will benefit City and the broader community. As described more fully in the Current Approvals (as that term is defined below), the South of Tioga Project will involve the creation of six new parcels (H1, H1A, H2, H2A, R-1, and R-2), which will allow for development of the Subject Property consistent with the VTM.

The development of the Subject Property, as described more fully in the Current Approvals, is referred to in this Agreement collectively as the "***South of Tioga Project***" or "***Project***".

E. The Project endeavors to eliminate existing blighted conditions throughout the Subject Property; provide public and private road and infrastructure improvements; provide appropriate land use transitions compatible with the East Dunes Planning District; provide a significant number of residential units (including units that will be made affordable to extremely low, very low and low income households) consistent with City's certified Housing Element (including, among others, Programs 4.1.1A and 4.1.1B); and increase the residential population of the City resulting in a "higher and better" use of land and aesthetic improvements, consistent with City's 2002 General Plan Goals 2.6 and 2.8, General Plan Policies 2.6.1 and 2.6.2, and General Plan Implementation Program 2.6a.

F. To comply with the California Environmental Quality Act (Cal. Pub. Res. Code § 21000 *et seq.* and 14 Cal. Code Regs. § 15000 *et seq.*; "***CEQA***"), on June 5, 2018, at a duly noticed public hearing, the City Council of Sand City ("***Council***") certified the Environmental Impact Report for the South of Tioga Project (SCH # 2017061066) ("***EIR***"), as described more fully in Resolution SC 18-57, and made the required findings.

G. At the same duly noticed public hearing on June 5, 2018, the Council adopted Resolution SC 18-58 approving the Vesting Tentative Map 18-01 ("***VTM***"), and related mitigation monitoring and reporting program ("***MMRP***") for the South of Tioga Project. Condition of Approval (E)(9) requires that the Parties enter into a development agreement for the South of Tioga Project prior to the recordation of any final map for any portion of the Project, and sets forth some of the provisions the development agreement shall address. The Parties intend for this Agreement to satisfy COA (E)(9).

H. On November 6, 2018, at a duly noticed public hearing, the Council adopted Resolution Nos. SC 18-98, 18-99, 18-100 and 18-101 approving the following additional discretionary approvals for the South of Tioga Project:

1. Conditional Use Permit 623 for Parcel H1 (Resolution No. SC 18-98);

2. Conditional Use Permit 624 for Parcel H2 (Resolution No. SC 18-99);

3. Coastal Development Permit 18-01 for Parcel H1A (Resolution No. SC 18-100); and

4. Coastal Development Permit 18-02 for Parcel H2A (Resolution No. SC 18-101).

I. City has given the required notice of its intention to consider adoption of this Agreement and has conducted the required public hearings thereon. City has reviewed and evaluated this Agreement in accordance with the Development Agreement Statute and found that the provisions of this Agreement and its purposes are consistent with the Development Agreement Statute and the applicable goals, policies, standards, and land use designations specified in the General Plan. On October 13, 2020, consistent with the Development Agreement Statute, at a duly noticed public hearing, the Council, serving as the City's Planning Agency and decision makers for purposes of Development Agreement review pursuant to Government Code section 65867, held a public hearing to consider this Agreement and approved this Agreement.

J. Also on October 13, 2020, the Council confirmed that since the EIR was certified, there had been no substantial changes to the South of Tioga Project or to the circumstances under which it will be undertaken, and no new substantial information had become available, which would require further environmental review to be conducted. Therefore, no additional environmental review was necessary in order for the Council to take action on this Agreement. Thereafter, the Council approved this Agreement, and introduced Ordinance No. _____, after making the required findings. Subsequently, on October 20, 2020, the Council conducted a second reading on and adopted the foregoing ordinance approving this Agreement.

K. Collectively, each of the permits, entitlements, and approvals for the South of Tioga Project referenced in Recitals D, F, G, and H above, along with this Agreement, shall each be referred to as a "***Current Approval***" and, collectively, "***Current Approvals***." The Current Approvals include the VTM; under applicable provisions of the Subdivision Map Act, once a vesting tentative map is approved or conditionally approved by the local land use agency, the developer may proceed with development in substantial compliance with the ordinances, policies, and standards in effect on the date that the developer's application for a vesting tentative map was deemed complete pursuant to Government Code Section 65943. However, here the Parties have determined that the vesting date for purposes of the Project shall be the Effective Date of this Agreement. Notwithstanding anything to the contrary in the foregoing, with respect to the Coastal Development Permits referenced in Recital H(3) and (4) above, the Parties recognize the continuing state authority of the California Coastal Commission under the Coastal Act (Pub. Res. Code § 30000 *et seq.*).

L. City anticipates that during the Term (as that term is defined below) of this Agreement and subsequent to the Effective Date (as that term is defined below), Developer will seek from City (as well as other public agencies having jurisdiction over aspect(s) of the Project) certain other implementing approvals, entitlements, and permits that are necessary or desirable for the South of Tioga Project. Those Subsequent Approvals (as that term is defined below) consist of any approvals, entitlements and/or permits that may be necessary or desirable to develop the South of Tioga Project and may include, without limitation, tentative and final subdivision map(s), parcel map(s), lot line adjustment(s), conditional use permit(s), coastal development permit(s), design review,

site plan and architectural review, tree removal permit(s), sign permit(s), permit(s) under Section 404 of the Clean Water Act, permit(s) under the Federal Endangered Species Act and California Endangered Species Act, encroachment permit(s), vacation and/or abandonment of public roadway(s), demolition permit(s), grading permit(s), building permit(s), and/or certificate(s) of occupancy (each a "***Subsequent Approval***" and, collectively, the "***Subsequent Approvals***").

M. The terms and conditions of this Agreement have undergone review by City staff, its Planning Department, and the City Attorney, as well as review by the Council at duly noticed public meetings and hearings and have been found to be fair, just, and reasonable, and in conformance with City's General Plan and City's Municipal Code; and, further, City finds that the interests of its citizens and the public health, safety, and welfare will best be served by entering into this Agreement.

NOW, THEREFORE, in consideration of the promises, covenants, and provisions set forth herein, the receipt and adequacy of which consideration is acknowledged, City and Developer agree as follows.

AGREEMENT

ARTICLE I. DESCRIPTION OF SUBJECT PROPERTY, PROPOSED DEVELOPMENT, EFFECTIVE DATE, AND TERM.

Section 1.01. Description of Subject Property. This Agreement vests the laws applicable to development of the South of Tioga Project on the Subject Property.

Section 1.02. Proposed Development. Subject to the terms and conditions of this Agreement, Developer shall have the vested right to construct the South of Tioga Project in accordance with the Current Approvals. Developer shall have the right to have Subsequent Approvals and amendments to the Current Approvals considered by City for approval or denial, based upon the terms, standards, criteria and requirements set forth in the Current Approvals in accordance with Developer's vested rights hereunder. In exercising its discretion when acting upon Subsequent Approvals, City shall apply the Current Approvals as the controlling body of law within which City's discretion shall be exercised. Notwithstanding the foregoing or anything to the contrary herein, any Subsequent Approvals or any amendment to the Current Approvals shall not become part of the law Developer is vested into under this Agreement unless an additional amendment of this Agreement is entered into between Developer and City. Furthermore, City shall process applications for any amendment(s) to the Current Approval(s) proposed by Developer as well as any and all applications for Subsequent Approval(s) expeditiously and in accordance with this Agreement.

Section 1.03. Effective Date. The rights, duties, and obligations hereunder shall be effective, and the Term (as that term is defined in Section 1.05 below) shall commence on the "***Effective Date***," which shall be the effective date of this Agreement. The Effective Date shall be inserted above, where indicated. The Parties acknowledge that Section 65868.5 of the Development Agreement Statute requires that City record this Agreement with the Monterey County Recorder's Office no later than ten (10) days after the Parties enter into this Agreement and that the burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to, all successors in interest to the Parties hereto, subject to the assignment provisions in Article IX below.

Section 1.04. Initial Term. The term of this Agreement shall commence on the Effective Date and shall expire five (5) years thereafter ("***Initial Term***") unless it is sooner terminated, modified or extended consistent with the terms hereof. This Agreement shall automatically terminate upon expiration of the Initial Term unless otherwise extended pursuant to Section 1.05 below, and shall, upon termination, be of no further force and effect except for the provisions of this Agreement that expressly survive termination. At such time as this Agreement expires, Developer shall thereafter retain no vested rights hereunder except as otherwise may survive pursuant to the provisions of this Agreement that expressly survive termination, and City shall have the right to apply new laws, regulations, and fees to the development of the Subject Property; provided, however, this Section 1.04 shall not be interpreted to diminish any vested rights that Developer may have obtained pursuant to the VTM and/or common law.

Section 1.05. Extended Term. The Term of this Agreement may be extended beyond the Initial Term only in the manner provided in this Section 1.05. The Initial Term, together with any extension(s) of the Initial Term under this Section 1.05, are collectively referred to as the "***Term***." Unless earlier terminated pursuant to the terms hereof, following the expiration of the Term or the completion of the Project, whichever occurs earlier, and satisfaction of the Parties' respective obligations in connection therewith, this Agreement shall be deemed terminated and of no further force and effect, except for the provisions of this Agreement that expressly survive termination.

(a) First Term Extension. So long as Developer is in compliance with the terms and provisions of this Agreement, then Developer shall have the right, in its discretion, to extend the Initial Term by one (1) additional period of three (3) years. In the event Developer desires to so extend this Agreement, then Developer shall give the City Planning Department and the City Planner a written extension notice at least one hundred twenty (120) days before the end of the Initial Term.

(b) Additional Extensions; Tolling. In addition to the First Term Extension under Section 1.05(a) above, the Term may be further extended or tolled as provided in this Section 1.05(b); provided, however, that the period(s) during which this Agreement is extended and/or tolled under this Section 1.05(b) shall, under no circumstances, exceed a total of three (3) years, which three-year limit shall be calculated by combining any and all period(s) during which the Agreement is extended and/or tolled pursuant to this Section 1.05(b).

(i) Tolling for Third-Party Lawsuit. If any third party files a lawsuit to challenge this Agreement, City's CEQA determination made in connection with its consideration of this Agreement and/or any other Current Approval(s), any Subsequent Approval(s), or any action taken or finding made by City in connection with the Current Approvals or Subsequent Approvals (each, a "***Third-Party Lawsuit***"), Developer may request that the Term be tolled during the pendency of the Third-Party Lawsuit by providing a written notice ("***Tolling Notice***") to City within thirty (30) days after the commencement of the Third-Party Lawsuit, and said request shall be granted by City. The tolling of the Term shall automatically begin upon City's receipt of the Tolling Notice, and it shall end on the earliest of the following to occur: (A) the date on which a court issues a final judgment in the Third-Party Lawsuit and the expiration of all appeal period(s) following that judgment; (B) the date the Third-Party Lawsuit is dismissed; or (C) the end of the three (3) year period of combined tolling allowed under this Section 1.05(b). If in a Third-Party Lawsuit, the court issues a temporary restraining order or injunction prohibiting Developer from taking action(s) to proceed with the South of Tioga Project, the Term also shall automatically be tolled beginning on the date the temporary restraining order or injunction is issued, and ending on the earliest of the following to

occur: (1) the date the temporary restraining order or injunction is lifted or vacated; or (2) the end of the three (3) year period of combined tolling allowed under this Section 1.05(b).

(ii) Tolling for Initiative or Referendum. If the subject of an initiative or referendum petition would overturn, set aside, or substantially modify this Agreement, the other Current Approval(s) or the Subsequent Approval(s), or otherwise substantially impair the development of the South of Tioga Project, the Term of this Agreement shall be tolled under this Section 1.05(c)(ii). The Term shall be automatically tolled beginning on the date that the initiative or referendum petition is submitted to the Monterey County elections official for signature verification, and ending on the date the last of the following occurs: (A) the date the County elections official determines the petition does not include a sufficient number of signatures; (B) the date the measure is voted on by the Council; or (C) the date of the election on the measure, if placed on the ballot.

(iii) Extension for Enforced Delay. If Developer encounters an Enforced Delay (as defined in this Section 1.05(b)(iii)) and desires to extend the Term because of that delay, Developer shall give City written notice of the Enforced Delay. If that written notice does not state the duration of the Enforced Delay because the delay remains ongoing, Developer shall give City written notice of the date the Enforced Delay ends within ninety (90) days after the end of said delay. Following the end of the Enforced Delay, the City Planner shall provide Developer written notice of the extension of the Term, which shall be extended for as many days as the Enforced Delay occurred, as reasonably determined by the City Planner, but no longer than allowed under the terms of this Section 1.05(b). For the purposes of this Agreement, "***Enforced Delay***" means a delay arising only from one or more of the following: (A) a natural disaster or other force majeure event; (B) an accident that requires key Project development activities to stop; (C) acts or failures to act of any governmental agency that significantly delays or prevents Developer from developing the South of Tioga Project as a result of a failure to issue Subsequent Approval(s) (except that acts or failures to act of City shall not excuse performance by City); (D) moratorium; (E) the lack of provision of necessary services, or interruption thereof, by suppliers for a substantial period of time including, without limitation, wet and dry utility provider(s); (F) riots, insurrections; or (G) pandemics, epidemics, quarantine or shelter in place restrictions and/or government orders related thereto.

ARTICLE II. STANDARDS, LAWS, AND PROCEDURES GOVERNING THE PROPOSED DEVELOPMENT.

Section 2.01. Vested Right to Develop. In recognition of the extraordinary, long-term investment in planning, engineering, design, technical review, and legal resources necessary to develop the Subject Property with the Project, subject to the terms of this Agreement, Developer shall have the right to develop the South of Tioga Project in accordance with all valid applicable written ordinances, resolutions, statutes, codes, laws, rules, regulations, initiatives, referenda, and/or official policies of City, including, without limitation, City's zoning code (SCMC Title 18); City's General Plan; City's environmental laws, entitlements, approvals, licenses and permits issued to Developer by City (including, without limitation, the Current Approvals), and City's franchise agreements, in effect on the Effective Date of this Agreement (collectively, "***City Rules***") and to have Subsequent Approval(s) considered for approval or denial based upon the terms, provisions, standards, criteria and requirements set forth in such City Rules. Except as otherwise provided in this Article II, this Agreement does not vest and Developer agrees to pay as provided below: Impact Fees (as that term is defined below), Exactions (as that term is defined below), permit processing and inspection fees and charges, and utility fees (including taxes, assessments, fees and charges) that are in place and effective at such time as said fees

and charges are then due. Provided, however, that nothing in this Section 2.01 precludes Developer from protesting and/or challenging any underlying nexus fee study or other technical basis relied upon by City to adopt any such fees and/or charges, except as provided in Section 2.08(a) with respect to Quimby Act Obligations (as that term is defined below).

Section 2.02. Development Standards. The permitted uses of the Subject Property, the density and intensity of uses, the maximum height, bulk, and size of the proposed buildings, provisions for reservation or dedication of land for public purposes and the location of public improvements, the general location of public utilities, and other terms and conditions of development applicable to the South of Tioga Project shall be as set forth in the Current Approvals.

Section 2.03. Vested Against Moratoria, Quotas, Restrictions or Other Growth Limitations. Subject to applicable law relating to the vesting provisions of development agreements, City agrees that, except as otherwise expressly provided in or expressly limited by the provisions of this Agreement, this Agreement vests the Project against subsequent City Rules that would directly or indirectly limit the rate, timing, or sequencing of development of the Project on the Subject Property, or prevent or conflict with the permitted uses, or the density or intensity of uses, or the terms, provisions, criteria, standards or requirements for development, as set forth in the Current Approvals and the Subsequent Approval(s) as and when approved.

Section 2.04. Vested Rights Exclude Design and Construction. All ordinances, resolutions, rules, regulations, initiatives, and official policies governing the design, improvement, engineering standards, and construction standards and specifications applicable to public infrastructure for the Project, including the Public Improvements (as that term is defined below) to be constructed by Developer, shall be those in force and effect at the time of approval by City of the applicable Subsequent Approval.

Section 2.05. Vested Rights Exclude Building and Fire Codes. Notwithstanding the foregoing or anything to the contrary in this Agreement, City shall apply to the South of Tioga Project the applicable provisions of the California Building Code, Residential Code, Plumbing Code, Electrical Code, Mechanical Code, Fire Code, Water Conservation laws, Energy Code, Green Building Standards, as may be amended from time to time, as adopted by the City of Sand City, any City specifications, and Federal Americans with Disabilities Act (ADA) (collectively, "***Applicable Uniform Codes***") in effect at the time the applicable building, grading, encroachment or other construction permit is submitted for review for the Project. If no construction permit is required for infrastructure improvement(s), such improvement(s) shall be constructed in accordance with the Applicable Uniform Codes in effect at the time of approval by City of the improvement plans for such infrastructure. If a building, grading, encroachment or other construction permit that has been granted subsequently expires prior to commencement of construction of the Project improvement at issue, the relevant Project improvement covered by said expired permit shall be required to be constructed in accordance with the provisions of the Applicable Uniform Codes in effect at the time the applicable replacement permit is granted for the Project.

Section 2.06. Vested Rights Exclude Processing Fees and Charges. Due to the scope and scale of the Project, City expenses to process the Subsequent Approval(s) and to conduct plan check and inspections are expected to exceed City's standard processing fee schedule. Rather than pay the standard processing fees as set forth in City's adopted fee schedule in place as of the Effective Date, Developer shall pay City the actual cost of time and expenditures of City employees, attorneys and consultants directly spent to process the

Subsequent Approval(s) and to conduct plan check and inspections for the Project (collectively, "***City Processing Costs***"). The City Processing Costs shall be subject to the hourly rates charged not exceeding those specified in attached Exhibit C, which rates shall be subject to annual increases for inflation pursuant to the CPI (as that term is defined below), and further subject to City's provision of reasonable documentation to Developer in the form of monthly invoice(s) that detail the City Processing Costs for both individual personnel and specific cost expenditures (e.g., copying, etc.).

Section 2.07. Vested Rights Exclude Changes in State or Federal Laws. This Agreement shall not preclude the application to development of the Subject Property of changes in City Rules, the terms of which are specifically mandated and required by changes in state or federal law(s) and/or regulation(s). In the event that state and/or federal law(s) and/or regulation(s) enacted after the Effective Date prevent or preclude compliance with one or more provisions of this Agreement, the Party identifying the conflict shall provide the other Party, as soon as practicable after the conflict becomes known to the notifying Party, written notice of the conflict, a copy of the law(s) and/or regulation(s) that give rise to the conflict, and a statement explaining the nature of the conflict. Within thirty (30) days after that notice is given, the Parties shall meet and confer in good faith in a reasonable attempt to modify this Agreement so as to comply with the state and/or federal law(s) and/or regulation(s) giving rise to the conflict, pursuant to Government Code section 65869.5. If Developer does not consent to an amendment that is required to make this Agreement consistent with state and/or federal law(s) and/or regulation(s) in accordance with Government Code section 65869.5, City shall provide Developer written notice of the immediate suspension of this Agreement, and the Agreement shall remain suspended until the date the Agreement is so amended. The Term shall not be tolled or extended for any period of suspension under this Section 2.07.

Section 2.08. Vested Rights Exclude Most Development Impact Fees. Except as provided for in subsections (a) and (b) below, this Agreement does not vest Developer with any rights with respect to payment of Impact Fees. Developer shall pay the applicable Impact Fee(s) that are in place at the time said fees are due and payable, subject to Developer's right to protest and/or pursue a challenge in law or equity to any such fee(s) as provided for under applicable laws and regulations. Notwithstanding anything to the contrary in the foregoing, nothing in this Section 2.08 shall preclude City from nor commit City to allowing Developer to pay certain of its Impact Fees prior to issuance of certificates of occupancy, rather than prior to issuance of building permits. "***Impact Fee(s)***" means any monetary amount charged by City or other governmental or quasi-governmental agency in connection with a Project Approval in order to lessen, offset, mitigate or compensate for the impacts of development of the Project on the environment; facilities, services, improvements and/or infrastructure; or other public interests, including, without limitation, any "fee" as that term is defined by Government Code section 66000(b) as well as any fee imposed "in lieu of" an Exaction. "***Exaction***" means an exaction that may be imposed by City as a condition of developing the Project, including, without limitation, requirements for acquisition, dedication or reservation of land; and obligations to construct on-site or off-site public and private infrastructure improvements such as roadways, utilities or other improvements; this is the case whether such exactions constitute subdivision improvements, mitigation measures in connection with environmental review of the Project, or impositions made under the City Rules. A requirement imposed by City or other governmental or quasi-governmental authority on the Project that meets both the definitions of an Impact Fee and an Exaction shall be considered to be an Impact Fee.

(a) **Parkland Exaction and Impact Fee Obligation.** Developer shall vest into the parkland dedication and fee obligations set forth in Sand City Municipal Code

Chapter 17.68 (collectively, "***Quimby Act Obligations***") that are in place as of the Effective Date, and shall satisfy same and Condition I.2 of the VTM as provided in this Section 2.08(a). The Parties acknowledge and agree that pursuant to the Council's authority granted under Government Code Section 66477 and Sand City Municipal Code Chapter 17.68, the Council has determined by Resolution SC 20-09 (2020) that the Project shall receive discretionary credits for private open space provided by the Project as set forth in Resolution SC 20-09 (2020). The effect of the Council action set forth in the foregoing resolution is that no Exactions or Impact Fees for parkland and/or park and recreational facilities shall be imposed on the Project, provided that the proposed areas and design of open space and recreational areas in the Subsequent Approval(s) are consistent with those proposed by Developer and referenced in Resolution SC 20-09 (2020). The Parties further acknowledge and agree that the Council's determination of the applicable fee credit with respect to the Project's Quimby Act Obligations as reflected in this Section 2.08(a) and Resolution SC 20-09 (2020) shall be conclusive.

(b) **Affordable Housing Obligations.** The Project hereby vests into, and shall be required to satisfy, the affordable housing obligations expressly set forth in Condition A.16 of the VTM, and City shall not impose on the South of Tioga Project any affordable housing and/or inclusionary housing obligations other than those set forth in Condition A.16 of the VTM.

Section 2.09. Priority of Enactments. In the event of any conflict or inconsistency between this Agreement and any of the other Current Approval(s), or between this Agreement and any Subsequent Approval(s), to the fullest extent legally possible, this Agreement shall prevail and control.

Section 2.10. Life of Vesting Tentative Map and Other Approval(s). The term of all Current Approvals including, without limitation, the VTM (pursuant to Government Code section 66452.6(a)), shall be deemed extended for the longer of the Term of this Agreement or the term otherwise applicable to such Current Approval(s).

Section 2.11. Intentionally Omitted.

Section 2.12. Timing and Security for Construction of Specified Public Improvements and Rough Grading.

(a) As required in the VTM, the Project is intended to be developed in three (3) phases, "with Phase 1 consisting of the public improvements, completion of new public streets and rights-of-way, utility and infrastructure installation, and preparation of development pads on each of the Project's newly created parcels (H1, H1-A, H2, H-2A, R1, & R2)." VTM COA(A)(2) states in part: "All public infrastructure along Tioga Avenue, California Avenue, East Avenue, and Road 'A', shall be constructed and accepted by the City as part of the First Phase of development (Phase 1) and prior to the development of any pad within the Project." Together, the public improvements described in this Section 2.12(a), consisting of the Project's public streets and road rights-of-way along with the related utilities, landscaping and lighting installed thereon shall be collectively referred to herein as the "***Public Improvements***." Furthermore, the Parties acknowledge and agree that the reference in the foregoing conditions to "preparation of development pads" shall mean rough grading of the Subject Property as part of this initial phase of development, which Developer shall be required to complete. Construction of the Public Improvements and the related rough grading of the Subject Property shall be referred to herein collectively as "***Phase 1***." Pursuant to Section 2.04 of this Agreement, Developer shall adhere to all applicable City standards and requirements in constructing the Public Improvements and

related rough grading in force and effect at the time of approval by City of the applicable Subsequent Approval, including, without limitation, installing street improvements such that they are installed utilizing the existing road thickness profile under the relevant traffic index and consistent with the Project's approved off-site improvement plans.

(b) The Parties agree that the Public Improvements and the related rough grading shall be constructed as Phase 1 of the Project, and that Phase 1 shall be constructed as the first (1st) phase of the Project by Developer. Notwithstanding anything to the contrary in the foregoing, Developer shall have the right, in its sole and absolute discretion, to construct remaining phase(s) concurrent with or subsequent to Phase 1 and in whatever order it deems appropriate.

(c) The Parties agree that prior to the earlier of (i) the approval of the first (1st) final map or (ii) the issuance of any demolition permit for demolition of any public property, Developer shall provide City with bond(s), letter(s) of credit or other security acceptable to City sufficient to secure completion of all Developer's obligations to construct the Public Improvements and related rough grading of the Subject Property, subject further to Section 3.01 below ("***Public Improvement and Rough Grading Construction Security***"). The Public Improvement and Rough Grading Construction Security obligations shall be reflected in a subdivision improvement agreement executed by the Parties, and shall be in the nature and amounts specified in applicable provisions of the Subdivision Map Act and City's Subdivision Ordinance ("***Subdivision Improvement Agreement***"). Once the Public Improvements are accepted by City and the related rough grading is inspected by City and subject to Developer's replacement of the Public Improvement and Rough Grading Construction Security with the Project Construction Damage Security (as that term is defined below) required under Section 3.01 below, the Public Improvement and Rough Grading Construction Security shall be promptly released to Developer in accordance with the terms and conditions of the Subdivision Improvement Agreement. Developer agrees that City may enforce the security and complete the Public Improvements and related rough grading if Developer does not complete construction of same within three (3) years of the date the obligation to provide the Public Improvement and Rough Grading Construction Security pursuant to this Section 2.12(c) was triggered (namely, by earlier of the approval of the first (1st) final map or the issuance of any demolition permit for demolition of any public property); this is the case even if Developer is unable to complete the acquisition of the Streets Parcels and make them a part of the Project. Provided, however, that nothing in this Section 2.12(c) shall prevent City from granting extension(s) of time for completion of the Public Improvements and related rough grading pursuant to the terms and conditions in the Subdivision Improvement Agreement. For the avoidance of doubt, Developer agrees that the Public Improvement and Rough Grading Construction Security may be used by City to complete the Public Improvements and related rough grading if Developer does not complete the same within the time frame specified herein and this is the case even if Developer is unable to complete the acquisition of the Street Parcels and make them a part of the Project.

Section 2.13. Timing of Construction and Completion of Project.

(a) Subject to (i) the Phase 1 phasing requirements set forth in Section 2.12 above; (ii) the security obligations set forth in Section 2.12 above, including timing requirements; and (iii) the obligations to Substantially Complete a Project phase, once commenced, pursuant to subsection (b) below, the Parties acknowledge and agree that Developer shall have the right, in its sole and absolute discretion, to decide whether to commence construction of the Project, and thus Developer has the right to elect not to proceed with the Project (all or any phase(s) thereof) for any reason or for no reason. If Developer

elects, in its sole and absolute discretion, to commence construction of the Project (all or any phase(s) thereof), then Developer shall also have the right to develop the Project in such order and at such rate and times as Developer deems appropriate within the exercise of its discretion. If Developer so elects to commence construction of the Project (all or any phase(s) thereof) and after Developer has obtained all necessary Subsequent Approvals to commence construction of the phase at issue, then Developer shall notify City in writing of said election within thirty (30) days of commencing construction ("***Developer Notice of Election to Commence Construction***"). Provided, however, that Developer's election to commence construction of a phase of the Project shall not be treated as an election to commence construction of any other phase(s) of the Project.

(b) If Developer elects to commence construction of any portion of the Project (whether it be Phase 1 initially or any remaining phase(s) thereafter), as evidenced by a Developer Notice of Election to Commence Construction of a particular phase, then the Parties shall use diligent and good faith efforts to take all actions that are necessary or desirable to Substantially Complete the relevant phase(s) as soon as commercially practicable. "***Substantially Complete***" shall mean that the improvement at issue has been completed such that it can be used for its intended purpose(s). To that end, within sixty (60) days of the Effective Date, the Parties shall work cooperatively to prepare a Schedule of Performance to set forth the anticipated key milestones and time frames to implement the Project as contemplated herein. Said Schedule of Performance may be amended from time to time by the Parties' mutual consent, and shall reflect the Parties' diligent and good faith efforts to achieve the key milestones and time frames reflected therein. Notwithstanding anything to the contrary in the foregoing, the Schedule of Performance shall not be treated as setting forth mandatory obligations, but rather is intended by the Parties to set forth a mutually acceptable "road map" to achieve the purposes of this Agreement.

Section 2.14. Actions by Other Public Agencies Necessary to Implement the Approvals. Subject to Developer's election rights under Section 2.13 above, Developer shall be responsible for securing any and all Subsequent Approvals from other public agencies. Provided, however, upon Developer's request, City shall provide reasonable cooperation and assistance to Developer to process applications for such Subsequent Approvals. City's cooperation and assistance could include, without limitation, promptly answering reasonable questions about the Project in person or in writing, as well as other reasonable requests made by Developer and/or the relevant public agency, but shall not include City assuming a lead role with any other public agencies, taking or threatening legal action, nor taking positions that are inconsistent with any City law in effect on the Effective Date of this Agreement. Developer shall pay for City's actual costs that City incurs in connection with its obligations under this Section 2.14.

ARTICLE III. DEVELOPER'S ADDITIONAL OBLIGATIONS.

Section 3.01. Developer Obligations and Security For Damage to Public Improvements and Related Rough Grading.

Subject to Developer's election rights under Section 2.13 above, in addition to the time, amount, and other limitations on improvement security in Sand City Municipal Code ("***SCMC***") sections 17.40.170, 180, and applicable provisions in the Subdivision Map Act, the Parties agree to subsections (a) and (b) below with respect to the Public Improvements and Rough Grading Construction Security and the Project Construction Damage Security.

(a) The form of security that Developer will provide for purposes of the Public Improvement and Rough Grading Construction Security as well as the Project Construction Damage Security shall be either bond(s) or letter(s) of credit, the election of which shall be within Developer's sole discretion.

(b) Concurrent with City's release of the Public Improvement and Rough Grading Construction Security pursuant to Section 2.12(c) above, Developer shall provide City with the Project Construction Damage Security pursuant to subsection (c) below. The amount of the Project Construction Damage Security shall be based on an Engineer's estimate, subject to review and approval by the City Engineer, using reasonable assumptions and subject to the parameters and limitations set forth in this Section 3.01(b) and (c). The purpose of the Project Construction Damage Security is to secure Developer's obligations as follows. For the shorter of the Term of this Agreement or until the Project construction is complete, Developer shall: (i) remain responsible for the repair of all Public Improvements where such repair is triggered by Project Construction Damage (as that term is defined below) and (ii) Excessive Wear and Tear (as that term is defined below), subject to City granting all necessary approval(s) to allow Developer to perform such repair work once the improvement(s) at issue have been accepted by City. For purposes of this Agreement, "***Project Construction Damage***" shall be defined to consist of physical accidents or construction activities that occur in connection with Project construction that damage or destroy the Public Improvements as well as Excessive Wear and Tear (as that term is defined below) but shall exclude normal wear and tear that occurs as a result of the Project or wear and tear (whether normal or otherwise) from other non-Project users.

(c) "***Excessive Wear and Tear***" shall be defined to consist of Project construction activities that shorten the design life of any of the Public Improvements beyond the normal wear and tear these types of improvements would experience under normal loading following the date of City acceptance of the Public Improvements and shall be determined as follows:

(i) The new streets associated with the Project; i.e., Morgan's Way and East Avenue, shall be entered into the City's Pavement Management Program, "StreetSaver", and assigned a Pavement Condition Index (PCI) at the time of City's acceptance of same. As of the Effective Date, the existing, rehabilitated streets associated with the Project (i.e. Tioga Avenue and California Avenue) have already been entered into the StreetSaver program and their respective PCIs have already been evaluated. Upon issuance of a final certificate of occupancy for the last parcel within the Project, the PCI condition of each of these above-referenced streets shall be re-evaluated and compared to the projected, normal decrease in PCI over the same period as calculated by the StreetSaver software.

(ii) If the PCI for any street segment is determined to be less than the PCI projected by the StreetSaver software, this shall constitute Excessive Wear and Tear. Accordingly, Developer shall be responsible for rehabilitation of the corresponding street segment up to the PCI projected by StreetSaver; if this does not occur, then City shall have the right to perform such work utilizing the Project Construction Damage Security in the amount required for rehabilitation of the corresponding street segment up to the projected PCI in accordance with the terms of the Subdivision Improvement Agreement. Any such required rehabilitation of any street segment may include asphalt concrete overlay or reconstruction.

(d) In accordance with the timing requirements set forth in subsection (b) above, Developer) shall maintain bond(s) or letter(s) of credit in the amount of the Project Construction Damage Security required by and determined pursuant to this Section 3.01.

Section 3.02. Infrastructure and Maintenance Finance.

(a) The Parties acknowledge and agree that prior to issuance of the first (1st) building permit in the Project, Condition of Approval (A)(14) requires Developer to establish a financing mechanism to offset the increase in City service costs that will occur as a result of the Project. Pursuant to the terms and conditions set forth in this Section 3.02, the Parties shall cooperate in good faith to expeditiously prepare all necessary documentation, process, set for public hearing, and obtain approval in accordance with all applicable laws and regulations to establish a Mello Roos Community Facilities District (or similar financing mechanism) and fund such costs for the Project ("***CFD***"). Developer shall participate in, vote in favor of, and pay all actual, direct costs incurred by City in establishing the CFD and causing it to fund such costs, and Developer shall have the right to review and comment on all documentation and supporting technical reports prepared in connection with the CFD. Furthermore, the CFD shall adhere to the following parameters: (1) it shall only cover the municipal services set forth in subsection (b) below; (2) it shall only cover the cost of the level of service that is commensurate with that level of service being provided by City as of the Effective Date; and (3) the total annual amount of special tax to be imposed on the Project ("***CFD Tax***") shall not exceed, under any circumstances, the amount of Five Hundred and Fifty Thousand Dollars ($550,000.00) in July 2018 Dollars, plus increases in the United States Department of Labor Consumer Price Index, San Francisco Area for All Urban Consumers ("***CPI***"). Once the CFD is established, Developer shall have no right to repeal or amend the amount of the CFD Tax, and Developer agrees not to seek any such repeal or amendment. CFD Tax payments for development located on each parcel within the Subject Property shall commence on the First of August following the issuance of the first (1st) certificate of occupancy issued for the Project. The CFD shall provide that on each July 1, commencing once the CFD has been established, the base year for special taxes shall escalate by the increase, if any, in the CPI. Provided, however, in no event shall the CFD Tax per parcel for any year be less than the amount established for the prior year.

(b) The CFD shall cover only the following municipal services: landscape maintenance, irrigation maintenance, costs for a sub-contract for tree trimming, storm drains, pest control, and litter control, utilities, open space maintenance, storm water maintenance, fire and emergency personnel services, law enforcement services, public work and city administration staffing and purchase of equipment directly connected to provision of the aforementioned services.

(c) In order to incentivize and stimulate the construction of the hotel on the Project in particular, and the Project overall, this subsection (c) creates a limited, temporary credit, which shall be in place for the Term of this Agreement, for certain Transient Occupancy Tax ("***TOT***") collected by the hotel on the Project which shall be credited to, and thereby reduce, the CFD Tax that will be due on all the parcels in the Project. The City and Developer currently forecast that the hotel on the Project will open in 2022 and annually produce $1,683,000.00 to $2,052,000.00 in TOT. The TOT is a revenue that goes into the City's General Fund. Each City fiscal year (July 1 – June 30) that the hotel on the Project collects and tenders to the City TOT in excess of One Million Sixty Thousand Dollars ($1,060,000), excluding any enforcement costs incurred by the City in collecting the TOT and excluding any TOT that is collected and tendered to the City more than sixty (60) days after it is due, is a "***Credit Year.***" In the CFD Tax year (January 1 – December 31) immediately following each Credit Year, City shall transfer One Dollar ($1.00) from the City General Fund to the CFD for each One Dollar ($1.00) that would

otherwise be due from the CFD up to the full amount of the CFD in order to reduce the CFD Tax. The total sum transferred from the City General Fund to the CFD in any CFD tax year shall be the "***Credit***". The transfer from the City General Fund to the CFD shall be accomplished by the following procedure: (i) City shall transfer the Credit from the City General Fund to the CFD to be used for CFD expenses; (ii) City shall apportion the Credit based on the portion of the total CFD tax paid by each parcel; and (iii) on each tax bill, the CFD shall identify the apportioned Credit as a "One Time Tax Credit" and subtract it from the CFD Tax on the subject parcel. "***[A]pportion the Credit***" in this subsection (c) means that each parcel shall receive a portion of the Credit in the same percentage as that parcel's portion of the total CFD Tax in that CFD Tax Year. All Credit Years must be completed prior to the expiration of this Agreement. If the TOT that the hotel on the Project collects and tenders to City in a City fiscal year is any amount less than One Million Sixty Thousand Dollars ($1,060,000), excluding any enforcement costs incurred by the City in collecting the TOT and excluding any TOT that is collected and tendered to the City more than sixty (60) days after it is due, that year is not a Credit Year and there is no Credit.

Any Assignment Agreement (as defined below) shall include an express waiver of election rights and assumption of obligations by Assignee regarding the CFD under this Section 3.02.

Section 3.03. Coastal Dune Scrub Habitat Area.

Consistent with VTM COA J(5), prior to issuance of the first (1st) grading permit for the Project, the Parties acknowledge and agree that Developer is required to record a conservation easement over an approximate 0.9-acre area (***"Dune Habitat Area"***) to preserve and protect this area in perpetuity in accordance with the requirements set forth in the MMRP BIO-1 (***"Conservation Easement"***). Consistent with the foregoing condition, as of the Effective Date, Developer has obtained approval from California Department of Fish and Wildlife (***"CDFW"***) of an Incidental Take Permit, Permit No. 2081-2018-078-04 (***"ITP"***). Subject to the qualifications set forth in this Agreement and in the ITP, the Parties acknowledge and agree that (a) the City shall be the holder of the Conservation Easement; (b) a qualified biological resources consulting firm, that is mutually agreed upon by the Parties, shall be the long-term land manager required under the ITP to ensure that the Dune Habitat Area is monitored and managed pursuant to the terms of the Conservation Easement; and (c) a Perpetual Funding Source, as defined below, will be mutually agreed upon and established prior to City's acceptance of the Conservation Easement.

City's acceptance of the Conservation Easement is subject to: (1) approval by CDFW; (2) the City Attorney's and City Manager's review and reasonable approval of all documents required to establish the Conservation Easement, which approval shall not be unreasonably withheld, delayed, or conditioned; (3) Developer's completion of all "start-up activities" required by the ITP (including but not limited to initial site protection; enhancement of habitat lands; conducting initial habitat enhancement; establishing fencing; preparing the financial management plan and biological assessment); (4) CDFW's acceptance of the habitat enhancement plan required by the ITP; and (5) the establishment of a permanent funding source sufficiently funded to provide for the perpetual management of the Dune Habitat Area (***"Perpetual Funding Source"***). The Perpetual Funding Source shall be established in accordance with all the terms of the ITP, including CDFW approvals, all Current Approvals, applicable laws and regulations, and shall be subject to the City Manager's reasonable review and approval, which approval shall not be unreasonably withheld, delayed, or conditioned. For the avoidance of doubt, the Parties agree that the City Manager's approval of the Perpetual Funding Source shall not seek to impose any condition or requirement that would be in addition to those imposed by the ITP and CFDW, with

the exception that a requirement that the actual and reasonable expenses incurred by City related to the grant and implementation of the Conservation Easement may be imposed. In the event a Third Party Lawsuit is brought challenging City's issuance of any Subsequent Approval for the Project based on alleged violations of the Federal Endangered Species Act or the California Endangered Species Act, Developer shall hold City harmless and indemnify City pursuant to Article VII below. Developer agrees to reimburse City for all actual, reasonable expenses incurred by City related to the grant and implementation of the Conservation Easement.

Section 3.04. Water Allocation, Inspections and Documentation of Water Credit.

(a) Existing Water Credit. The Parties acknowledge and agree that Developer has coordinated with the Monterey Peninsula Water Management District ("***MPWMD***") for on-site inspections to verify and document all available water credit within the Subject Property, which has been determined by MPWMD to be as set forth in attached Exhibit D ("***Existing Water Credit***"). The Parties further acknowledge and agree that Exhibit D and this Section 3.04(a) shall constitute sufficient documentation of the Existing Water Credit for purposes of City approving the City Water Allocations pursuant to Section 3.04(b) below.

(b) Water Allocations. The Project shall utilize the Existing Water Credit prior to utilizing any City Water Allocations (as that term is defined below). Irrespective of which South of Tioga Project parcel (H1, H1A, H2, H2A, R-1, or R-2) is developed first, the Existing Water Credit shall be allocated amongst these parcels consistent with the applicable MPWMD's regulations and policies. The Existing Water Credit allocated to each of the aforementioned parcels shall be entirely allocated to that individual parcel prior to City allocating water from its water entitlement (i.e., desalination facility) to that same parcel. City shall reserve and allocate water from its desalination facility to serve the Project in accordance with the Project water allocations set forth in Appendix 1 of the Project's EIR to the extent allowed and approved by the MPWMD. The amount provided via the Existing Water Credit shall be made available when needed to serve the Project, subject to the obligation in this Section 3.04(b) to utilize the Existing Water Credit first. City shall further ensure that it provides timely verification of this available supply to MPWMD in accordance with the applicable regulations and policies.

ARTICLE IV. RESERVED.

ARTICLE V. AMENDMENTS.

Section 5.01. Amendment or Cancellation of this Agreement. This Agreement may be amended from time to time, or canceled in whole or in part, only by mutual written consent of the Parties or their successor(s) in interest, in accordance with the Development Agreement Statute. Following any amendment of this Agreement, the amended Agreement shall be recorded in accordance with Government Code Section 65868.5.

ARTICLE VI. DEFAULTS; PERIODIC REVIEW.

Section 6.01. Violation of Other Project Approvals. Any failure by Developer to perform any material term, condition, or requirement of any Project Approval other than this Agreement shall be enforced by City pursuant to applicable provisions of the Sand City Municipal Code, State and Federal law and/or the specific provisions of the Project Approval at issue.

Section 6.02. Default and Notice of Default. Failure by either Party to perform any term or provision of this Agreement required to be performed by such Party, constitutes an event of default ("***Event of Default***" or "***Default***"). For purposes of this Agreement, a Party claiming another Party is in Default shall be referred to as the "***Complaining Party***," and the Party alleged to be in Default shall be referred to as the "***Party in Default.***" If an Event of Default occurs, prior to exercising any remedies, the Complaining Party shall give the Party in Default written notice of such Default ("***Notice of Default***"). Written notice given pursuant to the preceding sentence shall specify the nature of the alleged failure and, where appropriate, the manner in which said failure may be cured.

Section 6.03. Cure. Except as otherwise provided for in this Section 6.03, the Party in Default must cure the Default within thirty (30) days from the Notice of Default and the Complaining Party may pursue all available remedies against the Party in Default if the Party in Default fails to cure the Default within the 30-day time period. Notwithstanding anything to the contrary in the foregoing, if the nature of the alleged Default is such that it cannot reasonably be cured within thirty (30) days, the 30-day time period shall be tolled if: (a) the cure is commenced at the earliest practicable date following receipt of the notice; (b) the cure is diligently prosecuted to completion at all times thereafter; (c) at the earliest practicable date (in no event later than thirty (30) days after the Party in Default's receipt of the Notice of Default), the Party in Default provides written notice to the Complaining Party that the cure cannot practicably be completed within such thirty (30) day period; and (d) the cure is completed at the earliest practicable date. In no event shall the Complaining Party be precluded from exercising remedies if a Default is not cured within ninety (90) days after the first (1st) Notice of Default is given. If an Event of Default where Developer is the Party in Default is not cured within the time frame(s) specified in this Section 6.03, then in addition to exercising any other available remedies, City may thereafter temporarily cease to issue any Subsequent Approval(s) for which an application has been filed for any portion(s) of the Subject Property then owned or controlled by the Party in Default until the Default is cured pursuant to the procedures in this Section 6.03. If the Event of Default is discovered or determined in the course of the Periodic Compliance Review (as that term is defined in Section 6.06 below), in addition to other remedies and potential cures, City shall have the statutory authority pursuant to Government Code Section 65865.1 to decide to terminate or modify this Agreement (as to the portion(s) of the Subject Property then owned or controlled by the Party in Default) following the opportunity to cure as provided in this Section 6.03. Provided, however, that any such decision to terminate or modify this Agreement shall be supported by substantial evidence in the record that demonstrates there is, in fact, a Default hereunder by the Party in Default. Notwithstanding anything to the contrary in the foregoing, a Default by one Developer shall not be considered a Default by any other Developer to the extent the obligation at issue has been assumed pursuant to Article IX below.

Section 6.04. Failure to Assert. Any failure(s) or delay(s) by a Complaining Party in asserting any of its rights and remedies as to any Default shall not operate as a waiver of any Default or of any such rights or remedies. Furthermore, any delay(s) by a Complaining Party in asserting any of its rights and remedies shall not deprive the Complaining Party of its right to institute and maintain any action(s) or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

Section 6.05. Legal Proceedings. If the Party in Default fails to cure a Default in accordance with the provisions of Section 6.03 above, the Complaining Party, at its option, may institute legal proceedings against the Party in Default pursuant to this Agreement or terminate this Agreement as to the portion(s) of the Subject Property then owned or controlled by the Party in Default. Upon the occurrence of an Event of Default, the Parties may pursue all other

available remedies at law or in equity, which are not otherwise provided for or prohibited by this Agreement expressly including the remedy of specific performance by the Party in Default of its obligations under this Agreement. Provided, however, that in no event, except as provided in Sections 14.04 (Attorneys' Fees) and Article VII (Indemnity) of this Agreement, shall either Party be liable to the other Party for any monetary damage for claims arising out of this Agreement, and both Parties hereby expressly waive any such monetary damages.

Section 6.06. Periodic Review. No later than ten (10) months after the Effective Date, and no later than every twelve (12) months thereafter, Developer and the City Planner, or his or her designee, shall meet and review this Agreement annually pursuant to the Development Agreement Statute, to ascertain the good faith compliance by Developer with the Agreement's terms. If, as a result of City's periodic review of this Agreement, City determines, on the basis of substantial evidence, that Developer has not complied in good faith with the terms of this Agreement, City may terminate or modify this Agreement as to the portion(s) of the Subject Property owned or controlled by the Party in Default in accordance with the Development Agreement Statute as well as Section 6.03 above and Section 6.07 below. Failure of City to perform such periodic review is not a waiver of any City right under this Agreement to determine that Developer is in Default, nor shall any such failure constitute a determination by City that the Project is in compliance during such period. Upon the written request of Developer, City shall provide to the requesting Party a copy of all staff reports and related exhibits concerning performance under this Agreement and, to the extent practical, at least ten (10) calendar days prior to any such periodic review.

Section 6.07. Termination.

(a) Termination by City. If City elects to consider terminating this Agreement as to the portion(s) of the Subject Property that are owned or controlled by the Party in Default due to a material default by Developer, then City shall give a notice of intent to terminate this Agreement and the matter shall be scheduled for consideration and review by the Council in the manner set forth in the Development Agreement Statute. If the Council, in its reasonable discretion, determines that a material Default has occurred (and not been cured pursuant to Section 6.03 above) and elects to terminate this Agreement City shall give Developer by certified mail, written notice of termination of this Agreement under this Section 6.07 and this Agreement shall be terminated (as to the portion(s) of the Subject Property that are owned or controlled by the Party in Default) on the date that notice of termination is given. Notwithstanding anything to the contrary in the foregoing, Developer hereby reserve any and all rights it may have to challenge in court City's termination of this Agreement and the basis therefor.

(b) Termination by Mutual Consent. This Agreement may also be terminated in whole or in part by the mutual written consent of the Parties or their respective successor(s) in interest.

Section 6.08. Attorney's Fees. In any legal action or other proceeding, including an Enforcement Action, brought by either Party to enforce or interpret this Agreement, each Party shall bear its own costs and attorney's fees, unless a statute expressly provides otherwise.

Section 6.09. Estoppel Certificate. Either Party may, at any time, and from time to time, deliver written notice to the other Party requesting that the other Party certify in writing that, to the knowledge of the certifying Party: (i) this Agreement is in full force and effect and a binding obligation of the Parties; (ii) this Agreement has not been amended or modified either

orally or in writing, or if so amended, identifying the amendments; and, (iii) the requesting Party is not in Default in the performance of its obligations under this Agreement, or if in Default, describing therein the nature and amount of any such Default. A Party receiving a request hereunder shall execute and return such estoppel certificate, or give a written detailed response explaining why it will not do so, within sixty (60) days following the receipt of each such request. Each Party acknowledges that such an estoppel certificate may be relied upon by third parties acting in good faith. A certificate provided by City establishing the status of this Agreement with respect to the Subject Property or any portion thereof shall be in recordable form and may be recorded at the expense of the requesting Party.

ARTICLE VII. INDEMNITY.

Section 7.01. Indemnification from Construction, Improvement, Operation, and Maintenance Claims. Developer agrees to indemnify, defend with counsel selected by City and hold harmless City and its elected and appointed boards, commissions, officers, employees, independent contractors and agents (collectively, "***City Indemnitees***") from any and all liabilities, claims, demands, and losses, including for personal injury, death, and property damage, costs and expenses, including attorney's and expert's fees (collectively, "***Liabilities***") which may arise directly or indirectly as a result of any actions or inactions by Developer, or any actions or inactions of Developer's contractors, subcontractors, agents, or employees, in connection with the construction, improvement, operation, or maintenance of the Subject Property or the Project during the Term of this Agreement. Provided, however, that Developer shall have no indemnification obligation under this Section 7.01 with respect to the gross negligence or willful misconduct of City, or any of the City Indemnitee(s) regarding the construction, improvement, operation or maintenance of the Subject Property; furthermore, the Parties acknowledge and agree that Developer shall have no indemnification obligations whatsoever for any Liabilities which may arise directly or indirectly as a result of the use of the Public Improvement(s) after the time said improvement(s) have been dedicated to and accepted by City or another public entity (except if and to the extent provided for in the Sand City Municipal Code section 17.40.180 and the Subdivision Improvement Agreement or maintenance bond(s), and excluding Public Improvements that are damaged during construction and in need of repair under Section 3.1 of this Agreement). Notwithstanding anything to the contrary in the foregoing, Developer's indemnifications under this Section 7.01 are subject to the assignment, assumption and release provisions of Article IX below. The foregoing indemnification obligations shall survive the expiration or termination of this Agreement.

Section 7.02. Cooperation and Indemnification of City in Event of Legal Challenge to This Agreement, City Actions or Approvals. In the event of any Third Party Lawsuit, then the Parties agree to the following:

(a) The Parties agree to cooperate in defending against the action or proceeding, with such cooperation efforts governed by Section 11.09 below;

(b) Developer is solely responsible for its own costs and any costs incurred by City for such defense subject to the limitations set forth in Section 11.09 below;

(c) Developer shall indemnify, defend with counsel selected by City and hold harmless City, and the City Indemnitees from any and all Liabilities subject to the limitations set forth in Section 11.09 below;

(d) Neither Developer nor City shall settle any action or proceeding on grounds that include non-monetary relief or admissions of liability without written consent of the other Party. City agrees to not settle any action based upon monetary relief without the written consent of Developer, unless City is solely liable and agrees to pay such monetary relief; and

(e) The provisions of this Section 7.02 shall survive the termination of this Agreement for a period of five (5) years thereafter.

ARTICLE VIII. NO AGENCY, JOINT VENTURE, OR PARTNERSHIP.

The South of Tioga Project is a private undertaking of Developer. Neither Party is acting as the agent of the other in any respect hereunder. Each Party is an independent contracting entity with respect to the terms and provisions contained in this Agreement. None of the terms or provisions of this Agreement shall be deemed to create a partnership, joint venture, or joint enterprise between the Parties to this Agreement. Developer shall provide City copy of a fully executed Assignment and Assumption Agreement pursuant to Article IX below.

ARTICLE IX. SALE, ASSIGNMENT, OR TRANSFER.

Section 9.01. Subject to Section 9.02 below, Developer shall have the right to sell, assign, or transfer (collectively, "***assign*** **or** "***assignment***"), in whole or in part, this Agreement, and any and/or all of its rights, duties, and obligations hereunder, to any person or entity that is acquiring all or portion(s) of the Subject Property (each, an "***Assignee***") at any time during the Term so long as: (a) Developer provides City written notice at least forty-five (45) days in advance of any assignment of this Agreement; (b) Developer has paid City any and all fees or amounts due to City at the time of the assignment that (i) are expressly required under this Agreement, (ii) have been triggered as a result of the processing of Approval(s) prior to the assignment and which payment remains outstanding, or (iii) have otherwise been triggered as a result of the development of the Subject Property (or portion(s) thereof) to be assigned as a condition of approval of the Project; and (c) Developer provides to the City Manager an express written assignment by Developer and assumption by the Assignee of such assignment of Developer obligations under this Agreement which shall comply with Section 9.06 with regard to any partial assignment. The foregoing agreement shall be subject to City Attorney approval as to form and City Manager approval which shall not be unreasonably withheld, delayed or denied. A proposed draft of the assignment agreement is attached as Exhibit E ("***Assignment Agreement***"). After City Manager approval and recordation of the Assignment Agreement by Developer, Developer shall be released from any and all obligations under this Agreement assumed by Assignee under the Assignment Agreement. All Assignee(s) shall be treated as "Developer" for purposes of this Agreement with respect to the rights and obligations assumed by each respective Assignee under the Assignment Agreement.

Section 9.02. Notwithstanding Section 9.01 above, Developer shall not be permitted to assign the following obligations under this Agreement without the City Manager's prior written consent, which shall not be unreasonably withheld, delayed or denied and any such assignment shall be to a single entity: (a) Developer's obligation to construct Phase 1 as defined in Section 2.12(a) above; (b) Developer's obligation to record the Conservation Easement over the Dune Habitat Area pursuant to VTM COA J(5) and Section 3.03 of this Agreement; (c) Developer's obligation to establish the Perpetual Funding Source to carry out management of the foregoing habitat preservation area in perpetuity, as required by VTM COA J5(h) and Section 3.03 of this Agreement; (d) any required security obligations provided by Developer to City for improvements or other activities or obligations, including but not limited to the Public

Improvement and Rough Grading Construction Security and the Project Construction Damage Security as set forth in Article 3 of this Agreement unless Assignee provides replacement and equivalent security subject to the City Attorney's reasonable approval as to form; and (e) Developer's obligations regarding water allocations as set forth in Section 3.04 of this Agreement. Notwithstanding the foregoing, the City Manager's approval shall not be required under this Section 9.02 for an assignment to an entity controlling Developer, controlled by Developer, or under common control with Developer, provided that Developer owns and controls no less than fifty percent (50%) of such successor entity or controls the day-to-day management decisions of such successor entity.

Section 9.03. The City Manager shall consider and decide on any assignment of this Agreement pursuant to Section 9.02 above within thirty (30) days after receipt by the City Manager of Developer's notice of intent to assign and all necessary documents, certifications and other information from Developer to reasonably enable the City Manager to determine whether the proposed Assignee can perform Developer's obligations hereunder. The City Manager's consent to any proposed assignment pursuant to Section 9.02 above shall not be unreasonably withheld, delayed or denied and shall be subject to the standard set forth in Section 9.04 below. Notice of any such approved Assignment Agreement shall be recorded in the official records of Monterey County in a Memorandum of Assignment, in a form reasonably acceptable to the City Attorney, concurrently with such assignment.

Section 9.04. In considering the request to assign all or portion(s) of this Agreement pursuant to Section 9.02 above, the City Manager shall base the decision upon relevant factors such as the proposed Assignee's reputation, experience, financial resources (including, among others, access to credit), capability to successfully carry out the development of that portion of the Subject Property so assigned to completion consistent with the Approvals, and a confirmation that there is sufficient clarity in the allocation of rights and obligations as between Developer and the Assignee and between all Assignees in the Assignment Agreement.

Section 9.05. Developer may elect to withhold from an assignment of this Agreement, certain specified rights, interests and/or obligations which Developer wishes to retain, provided that Developer specifies any such rights, interests and/or obligations in the Assignment Agreement. Assignee shall then have no interest or obligation with respect to such rights, interests and obligations as set forth in the Assignment Agreement, and this Agreement shall remain applicable to Developer with respect to any such retained rights, interests and/or obligations.

Section 9.06. In the event of a partial Assignment, Developer and any proposed Assignee shall reasonably allocate their respective rights and obligations under this Agreement among the retained portion(s) of the Subject Property and the assigned portion(s) of the Subject Property in the Assignment Agreement. The allocation of rights and obligations under the Assignment Agreement shall be subject to the review and reasonable approval of the City Attorney to confirm the following: (a) that the obligations set forth in Section 9.02 are reflected as required; and (b) the allocation provided for under the Assignment Agreement clearly sets forth which party (i.e., Assignee or Assignor) is required to satisfy specific obligations under this Agreement so as to enable City to effectively enforce its rights under this Agreement. Each Assignee shall be solely responsible for the reporting and periodic review requirements under Section 6.06 above relating to the portion(s) of the Subject Property owned by such Assignee. Any amendment to this Agreement between City and an Assignee shall only affect the portion(s) of the Subject Property owned by such Assignee.

ARTICLE X. NOTICES.

Unless this Agreement expressly provides otherwise, any notice, demand, or communication required hereunder between City and Developer shall be in writing, and may be given either personally, by overnight delivery, or by registered or certified mail (return receipt requested) to the address specified below. A courtesy copy shall be provided by email but shall not constitute notice:

Sand City:

City of Sand City
Attn: City Planner
1 Pendergrass Way
Sand City, CA 93955
email: Chuck@sandcityca.org
With a copy to:

City Manager
City of Sand City
1 Pendergrass Way
Sand City, CA 93955
email: aaron@sandcityca.org

With a copy to:

City Attorney
City of Sand City
1 Pendergrass Way
Sand City, CA 93955
email:vibeke@vnorgaardlaw.com

DBO Development No. 30, LLC

DBO Development No., 30, LLC
Attn: Contract Administrator
10 Harris Court, Suite B-1
Monterey, CA 93940
email: propertyteam@oroscogroup.com

With a copy to:

Miller Starr Regalia
Attn: Nadia L. Costa
1331 N. California Blvd.
Walnut Creek, CA 94596
email: nadia.costa@msrlegal.com

A Party may change its address listed above by giving the other Party written notice in accordance with this Article X at least (ten) 10 days before the change in address becomes effective. Unless this Agreement expressly provides otherwise, a notice shall be deemed

effective on the day it is given if given personally, on the next business day following the date of deposit for overnight delivery, and three (3) business days following the date of mailing if given by registered or certified mail (return receipt requested).

ARTICLE XI. MISCELLANEOUS.

Section 11.01. Capitalized Terms. The capitalized terms used throughout this Agreement shall have the meaning assigned to them herein or as otherwise apparent from the context in which they are used.

Section 11.02. No Third Party Beneficiary Rights. This Agreement is not intended nor shall it be construed to create any third party beneficiary rights in any person or entity that is not a Party to this Agreement.

Section 11.03. Governing Law. Interpretation of Agreement. This Agreement shall be governed by and interpreted in accordance with the laws of the State of California. Any action to enforce or interpret this Agreement shall be brought in the Superior Court of California, Monterey County or, in the case of any federal claims, in the United States District Court, Central District of California.

Section 11.04. Severability. If any term of this Agreement, or its application to any situation, is held invalid or unenforceable in whole or in part for any reason, in a final judgment that is no longer subject to rehearing, review or appeal by a court of competent jurisdiction, then the invalid term is severed, and the remaining parts of this Agreement, and the application of any part of this Agreement to other situations, shall continue in full force and effect unless an essential purpose of this Agreement would be defeated by the loss of the invalid or unenforceable provisions, in which case either Party may terminate this Agreement by providing written notice thereof to the other.

Section 11.05. Covenants Running with the Land. Except as otherwise provided in this Agreement, all of the provisions, rights, terms, covenants, and obligations contained in this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective heirs, successors, Assignees, representatives, lessees and all other persons acquiring the Subject Property, or any portion thereof, or any interest therein, whether by operation of law or in any manner whatsoever. All of the terms and provisions contained in this Agreement shall be enforceable as equitable servitudes and shall constitute covenants running with the land pursuant to applicable laws, including, without limitation, California Civil Code section 1468. Each covenant to do, or refrain from doing, some act on the Subject Property, or with respect to the Subject Property: (i) is for the benefit of the Subject Property and is a burden upon the Subject Property; (ii) runs with the Subject Property; and (iii) is binding upon each Party and each successive owner during its ownership of the Subject Property or any portion thereof, and shall be a benefit to and a burden upon each Party and its property hereunder and each other person succeeding to an interest in the Subject Property.

Section 11.06. Further Acts. Each Party shall execute and deliver any and all additional documents and instruments, and perform such further acts, that the executing, delivering, or performing Party determines, in its reasonable discretion, to be necessary or proper to achieve the purposes of this Agreement.

Section 11.07. Counterparts. This Agreement, and any and all amendments and supplements to it, may be executed in counterparts, and all counterparts together shall be construed as one document.

Section 11.08. Recordation of Agreement. Not later than ten (10) days after the Parties enter into this Agreement, the City Clerk of Sand City shall cause this Agreement to be recorded in the Official Records of Monterey County. Developer shall reimburse City for the cost to record this Agreement within thirty (30) days after Developer receives City's written request for reimbursement.

Section 11.09. Cooperation in the Event of Legal Challenge.

(a) **In General.** In the event of any Third Party Lawsuit, the Parties agree to cooperate in defending the Third Party Lawsuit in accordance with the terms of this Section 11.09. The Parties shall keep each other informed of all developments relating to such defense, subject only to confidentiality requirements that may prevent the communication of such information. The obligations of this Section 11.09 shall survive the expiration or termination of this Agreement for a period of five (5) years.

(b) **Meet and Confer.** If a Third Party Lawsuit is filed, upon receipt of the petition or complaint, the Parties shall have twenty (20) days to meet and confer regarding the merits of such Third Party Lawsuit to determine whether they will jointly defend against the Third Party Lawsuit, which period may be extended by the Parties' mutual agreement so long as it does not adversely and materially impact any litigation deadlines. City and Developer shall mutually commit to meet all required litigation timelines and deadlines. If City and Developer agree jointly to defend the Third Party Lawsuit, they shall expeditiously enter a joint defense agreement, which shall include, among other things, provisions regarding the preservation of confidential communications. The City Manager is authorized to negotiate and enter such joint defense agreement in a form reasonably acceptable to the City Attorney and Developer's attorneys. Such joint defense agreement shall also provide that any proposed settlement of a Third Party Lawsuit shall be subject to City's and Developer's approval, each in its reasonable discretion. If the terms of the proposed settlement would constitute an amendment or modification of this Agreement, the settlement shall not become effective unless and until such amendment or modification is approved by Developer, and by City in accordance with Applicable Laws, and City reserves its full legislative discretion with respect thereto.

(c) **Defense Election.** If, after meeting and conferring, the Parties mutually agree (each in its sole discretion) to defend against the Third Party Lawsuit, then the following shall apply:

(i) For the purposes of cost efficiency and coordination, the Parties shall first consider defending the Third Party Lawsuit with common counsel and under terms of a joint representation agreement mutually acceptable to City and Developer (each in its sole discretion), at Developer's sole cost and expense.

(ii) If the Parties cannot reach timely and mutual agreement on a joint counsel, and Developer continues to elect (in its sole discretion) to defend against the Third Party Lawsuit, then:

(A) Developer may, in its sole discretion, elect to be represented by the legal counsel of its choice;

(B) City may, in its sole discretion, elect to be separately represented by the City Attorney (and/or outside legal counsel of its choice) in any such action or proceeding with the reasonable costs of such representation to be paid by Developer. City reserves its right to protect City's interests, and City shall make good faith efforts to maximize coordination and minimize its City Attorney and any outside legal costs (for example, minimizing filing separate briefs, and duplication of effort to the extent feasible);

(C) Developer shall reimburse City, within twenty (20) business days following City's written demand therefor, which may be made from time to time during the course of such litigation, all necessary and reasonable costs incurred by City in connection with the Third Party Lawsuit, including City's administrative, outside legal fees and costs, and court costs.

For any Third Party Lawsuit which Developer has elected to defend under this Section 11.09, Developer shall indemnify, and hold harmless City pursuant to Developer's indemnity obligations under Article VI above.

(d) **Developer Election Not To Defend.** If, after meeting and conferring, Developer elects, in its sole and absolute discretion, not to defend against the Third Party Lawsuit, it shall deliver written Notice to City regarding such decision. If Developer elects not to defend, City has the right, but not the obligation, in its sole discretion to proceed to defend against the Third Party Lawsuit with the reasonable costs of such representation to be paid by Developer, and in the case that Developer elects not to defend against the Third Party Lawsuit, then City has the right to rescind and void any Current Approval(s) or Subsequent Approval(s) that are the subject of such Third Party Lawsuit, including without limitation this Agreement. In the alternative, if Developer and City both elect not to defend against the Third Party Lawsuit, Developer shall remain obligated to indemnify and hold City harmless as set forth in Article VI above. If, however, City elects to proceed with litigation for its own interests after Developer has elected not to continue to proceed with litigation, Developer will be responsible for all costs incurred until the election date and Developer will have no indemnification obligations

(e) **Waiver.** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or waiver of a subsequent breach of the same or any other provision of this Agreement.

Section 11.10. Bankruptcy. The obligations of this Agreement are not intended to be dischargeable in bankruptcy.

Section 11.11. Signatures. The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of the representative legal entities of Developer and City.

In witness whereof, the Parties have entered into this Agreement as of the Effective Date.

DEVELOPER:

DBO DEVELOPMENT NO. 30, LLC

By: _____

Gerald V. Lyles
SENIOR VICE PRESIDENT

THE CITY:

CITY OF SAND CITY

By: _____

Danny Aaron Blair
CITY MANAGER

Also known as:

Print: GERALD V. LYLES

Title: SENIOR V.P. / MEMBER

Date: MARCH 3, 2021

Print: AARON BLAIR

Title: CITY MANAGER

Date: 3/5/21

MEMBER/CO-TRUSTEE SIGNATURES ATTACHED HERETO.

Exhibits

Exhibit A – Legal Description of the Subject Property
Exhibit B – Map of the Subject Property
Exhibit C – City Processing Costs
Exhibit D – Existing Water Credit
Exhibit E – Form of Assignment and Assumption Agreement

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of MONTEREY)

On Friday, March 5, 2021 before me, Connie P. HORCA, NOTARY PUBLIC
(insert name and title of the officer)

personally appeared Danny Aaron Blair,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

CONNIE P. HORCA
Notary Public - California
Monterey County
Commission # 2268774
My Comm. Expires Nov 29, 2022

Signature Connie P. Horca (Seal)

IN WITNESS WHEREOF, the Parties have executed this Development Agreement by and between the City of Sand City, Monterey County, California and DBO Development No. 30, LLC relating to the Development commonly known as the South of Tioga Project as of the Effective Date.

DBO DEVELOPMENT NO. 30,
a California limited liability company

By: THE OROSCO FAMILY TRUST dated June 28 1977 as amended, Member

By: _____
A. Emory Wishon III, Co-Trustee

By: _____
Mary Kay Orosco, Co-Trustee

By: LYLES DIVERSIFIED, INC.,
a California corporation, Member

By: _____

Name: Gerald V. Lyles
Its: Senior Vice President

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
County of Fresno)

On March 1, 2021 before me, Danielle Nicole Legler, Notary Public, personally appeared **A. EMORY WISHON III**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Seal)

DANIELLE NICOLE LEGLER
Notary Public – California
Fresno County
Commission # 2230219
My Comm. Expires Feb 3, 2022

CALIFORNIA NOTARY ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

County of Fresno }

On March 3, 2021 before me, Joyce Neale, Notary Public, personally appeared GERALD V. LYLES, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(~~ies~~), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

JOYCE NEALE
Notary Public – California
Fresno County
Commission # 2182728
My Comm. Expires Mar 9, 2021

Signature Joyce Neale

(Seal)

Commission Number: 2182728

Commission Expiration: March 9, 2021

IN WITNESS WHEREOF, the Parties have executed this Development Agreement by and between the City of Sand City, Monterey County, California and DBO Development No. 30, LLC relating to the Development commonly known as the South of Tioga Project as of the Effective Date.

DBO DEVELOPMENT NO. 30,
a California limited liability company

By: THE OROSCO FAMILY TRUST dated June 28 1977 as amended, Member

By: _____
A. Emory Wishon III, Co-Trustee

By: Mary Kay Orosco
Mary Kay Orosco, Co-Trustee

By: LYLES DIVERSIFIED, INC.,
a California corporation, Member

By: _____

Name: Gerald V. Lyles
Its: Senior Vice President

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Monterey)

On March 2, 2021, before me, Sherry Peverini, a Notary Public, personally appeared MARY KAY. OROSCO, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that ~~he~~/she/~~they~~ executed the same in ~~his~~/her/~~their~~ authorized capacity(~~ies~~), and that by ~~his~~/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(~~s~~) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

SHERRY PEVERINI
Notary Public - California
Monterey County
Commission # 2286212
My Comm. Expires May 22, 2023

Notary Public (Seal)

Commission Number: 2286212 Commission Expiration: May 22, 2023

EXHIBIT A. Legal Description of the Subject Property.

[Remainder of page left blank]

The land referred to is situated in the County of Monterey, City of Sand City, State of California,

and is described as follows:

PARCEL ONE: (DBO Development No. 30)

All of the land within the solid red boundary line of the map entitled "Existing Lots & Proposed Boundary West End Sand City Vesting Tentative Map" dated December 11, 2017, Project 3571.00 prepared by Whitson Engineers.

EXCEPTING THEREFROM those portions that lie within Parcels Nine, Ten, Eleven, Twelve, Thirteen, Fourteen, Fifteen, Sixteen, Seventeen and Eighteen described below:

PARCEL NINE: (Gill)

That portion of Lincoln Avenue and East Avenue that would pass with a conveyance of Lots 25, 27 and 28 in Block 12, Seaside Addition to the Town of East Monterey filed for record July 16, 1889 in the office of the County Recorder of in the County of Monterey, State of California, in Volume 1 of Cities and Towns, Page 29 that lies within the bounds of the solid red boundary line of the map entitled "Existing Lots & Proposed boundary West End Sand City Vesting Tentative Map" dated December 11, 2017, Project 3571.00 prepared by Whitson Engineers.

APN of adjoining lots: 011-133-010 and 011-133-011

PARCEL TEN: (Wilson)

That portion of Lincoln Avenue and East Avenue that would pass with a conveyance of Lots 24, 25, 26 and 27 in Block 18, Seaside Addition to the Town of East Monterey filed for record July 16, 1889 in the office of the County Recorder of in the County of Monterey, State of California, in Volume 1 of Cities and Towns, Page 29 that lies within the bounds of the solid red boundary line of the map entitled "Existing Lots & Proposed boundary West End Sand City Vesting Tentative Map" dated December 11, 2017, Project 3571.00 prepared by Whitson Engineers.

APN of adjoining lots: 011-125-053, 011-125-054 and 011-125-055

PARCEL ELEVEN: (Gill)

That portion of Beach Way and Fir Avenue that would pass with a conveyance of Lot 28, in Block 27, "Map No. 3 Hot Springs Tract", in the County of Monterey, State of California, filed April 1, 1912 in the Office of the County Recorder of said County, Volume 2, Page 35, of Maps of "Cities and Towns" that lies within the bounds of the solid red boundary line of the map entitled "Existing Lots & Proposed boundary West End Sand City Vesting Tentative Map" dated December 11, 2017, Project 3571.00 prepared by Whitson Engineers.

APN of adjoining lot: 011-123-019

PARCEL TWELVE: (City of Sand City)

A portion of Rancho Noche Buena, Monterey County, California, State of California, and being part of Block 46 as said Block, is shown and so designated on that certain Map entitled "Map of First Addition in the Town of East Monterey" filed March 22, 1888, in Volume 1 of Maps of Cities and Towns at Page 24, Records of Monterey County, California, particularly described as follows to wit:

Beginning at the most Westerly corner of the aforesaid Block 46, "First Addition to the Town of East Monterey;" said corner being common to the most Northerly corner of "East Monterey" as per Map thereof filed October 18, 1887, in Volume 1 of Cities and Towns at Page 22, Records of Monterey County, California; thence from said place of beginning following the Northwesterly boundary of said Block 46

(1) N. 19° 15' E., 75.82 feet more or less to the Northwesterly corner of said Block 46; thence following the Northerly boundary of said Block 46

(2) East 206 feet more or less to a point in the Westerly right of way line of the Southern Pacific Railroad, said point being the most Easterly corner of said Block 46; thence leaving the Northerly boundary of said Block 46

(3) S. 72° 47' W., 241.84 feet more or less to the place of beginning.

Being the same land that was described in the Grant Deed from Houghton M. Roberts et al. to the County of Monterey recorded December 17, 1954 in Book 1575 of Official Records, Page 1 under Recorder's Serial Number 35853.

APN of adjoining lot: 011-201-010

PARCEL THIRTEEN: (City of Sand City)

Lots 21 and 22, Block 28, as said lots and block are shown on that certain map entitled, "Map No. 3, Hot Spring Tract, being a portion of Lot 1, Rancho Noche Buena, Monterey County, Calif., surveyed by C. H. Sanders, March 1912", filed for record April 1, 1912 in the office of the Recorder, County of Monterey, State of California, in Volume 2 of Maps, "Cities and Towns", at Page 35.

Being the same land that was described in the Grant Deed from Harry F. Mooney to the City of Sand City, a municipal corporation recorded May 20, 1965 in Reel 406 of Official Records, Page 760 under Recorder's Serial Number 72585.

EXCEPTING THEREFROM that portion of California Avenue that would pass with a conveyance of Lots 21 and 22, Block 28, as said avenue, lots and block are shown on that certain map entitled, "Map No. 3, Hot Spring Tract, being a portion of Lot 1, Rancho Noche Buena, Monterey County, Calif., surveyed by C. H. Sanders, March 1912", filed for record April 1, 1912 in the office of the Recorder, County of Monterey, State of California, in Volume 2 of Maps, "Cities and Towns", at Page 35.

APN of adjoining lot: 011-136-012

PARCEL FOURTEEN: (City of Sand City)

Lots 27 and 54, in Block 27, as shown on that certain map entitled, "Map No. 3 Hot Spring Tract, being a portion of Lot 1, Rancho Noche Buena, Monterey County, Calif., Surveyed by C. H. Sanders, March 1912", filed for record April 1, 1912 in the office of the County Recorder of the County of Monterey, State of California, in Volume 2 of Maps, "Cities and Towns", at page 35.

Being the same land that was described in the Grant Deed from Mabelle A. Edgerly to the City of Sand City, a municipal corporation recorded May 21, 1965 in Reel 406 of Official Records, Page 1049 under Recorder's Serial Number 72797.

EXCEPTING THEREFROM that portion of California Avenue that would pass with a conveyance of Lots 27 and54, in Block 27, as said avenue, lots and block are shown on that certain map entitled, "Map No. 3, Hot Spring Tract, being a portion of Lot 1, Rancho Noche Buena, Monterey County, Calif., surveyed by C. H. Sanders, March 1912", filed for record April 1, 1912 in the office of the Recorder, County of Monterey, State of California, in Volume 2 of Maps, "Cities and Towns", at Page 35.

APN of adjoining lot: 011-123-009 and 011-123-011

PARCEL FIFTEEN: (City of Sand City)

Lot 25 in Block 26, as shown on that certain map entitled, "Map No. 3 Hot Spring Tract, being a portion of Lot1, Rancho Noche Buena, Monterey County, Calif., Surveyed by C. H. Sanders, March 1912," filed for record April 1, 1912 in the office of the County Recorder of the County of Monterey, State of California, in Volume 2

of Maps, "Cities and Towns", at page 35.

Being the same land that was described in the Grant Deed from Ernest Campo et ux. to the City of Sand City, a municipal corporation recorded October 7, 1966 in Reel 479 of Official Records, Page 481 under Recorder's Serial Number G27196.

EXCEPTING THEREFROM that portion of California Avenue that would pass with a conveyance of Lot 25 in Block 26, as said avenue, lot and block are shown on that certain map entitled, "Map No. 3, Hot Spring Tract, being a portion of Lot 1, Rancho Noche Buena, Monterey County, Calif., surveyed by C. H. Sanders, March 1912", filed for record April 1, 1912 in the office of the Recorder, County of Monterey, State of California, in Volume 2 of Maps, "Cities and Towns", at Page 35.

APN of adjoining lot: 011-122-041

PARCEL SIXTEEN: (City of Sand City)

Lots 37 and 38, in Block 28, as shown on "Map No. 3 Hot Spring Tract," etc., filed April 1, 1912 in the office of the County Recorder of the County of Monterey, State of California, and now on file in said office in Map Book Two, Cities and Towns, at page 35 therein.

Being the same land that was described in the Grant Deed from Kenneth C. Townsend et ux. to the City of Sand City, a municipal corporation recorded January 31, 1967 in Reel 491 of Official Records, Page 997 under Recorder's Serial Number G35759.

EXCEPTING THEREFROM that portion of California Avenue that would pass with a conveyance of Lots 37 and 38, in Block 28, as said avenue, lots and block are shown on that certain map entitled, "Map No. 3, Hot Spring Tract, being a portion of Lot 1, Rancho Noche Buena, Monterey County, Calif., surveyed by C. H. Sanders, March 1912", filed for record April 1, 1912 in the office of the Recorder, County of Monterey, State of

California, in Volume 2 of Maps, "Cities and Towns", at Page 35.

APN of adjoining lot: 011-136-007

PARCEL SEVENTEEN: (City of Sand City)

A portion of Lot 51, in Block 26, as shown on the map entitled, "Map No. 3 Hot Spring Tract, being a portion of Lot 1, Rancho Noche Buena, Monterey County, Calif., surveyed by C. H. Sanders, March 1912", filed for record April 1, 1912, in the office of the County Recorder of the County of Monterey, State of California, in Volume 2 of Maps, "Cities and Towns", at page 35; more particularly described as follows:

Beginning at the northeasterly corner of said Lot 51 in Block 26, said corner common to Lots 51 and 25 of Block 26; and running thence along the northerly line of said Lot 51

(1) North 68° 58' 34" West, 30.02 feet; thence leaving the northerly line of said Lot 51

(2) South 23° 12' West, 90.07 feet to a point on the northerly line of Afton Way; thence along said northerly line of Afton Way

(3) South 68° 58' 34" East, 30.02 feet to the southeasterly block corner; thence along the northwesterly line of California Avenue

(4) North 23° 12' East, 90.07 feet to the point of beginning.

Being the same land that was described in the Grant Deed from Madeline E. Ellis, to the City of Sand City, a municipal corporation recorded February 23, 1967 in Reel 494 of Official Records, Page 653 under Recorder's Serial Number G37816.

APN of adjoining lot: 011-123-041

PARCEL EIGHTEEN: (City of Sand City)

Parcel I of Parcel Eighteen:

A portion of Lot 7, in Block 29, as shown on the map entitled, "Map No. 3 Hot Spring Tract, being a portion of Lot 1, Rancho Noche Buena, Monterey County, Calif., surveyed by C. H. Sanders, March 1912", filed for record April 1, 1912, in the office of the County Recorder of the County of Monterey, State of California, in Volume 2

of Maps, "Cities and Towns", at page 35; more particularly described as follows:

Beginning at the Southwesterly corner of said Lot 7 in Block 29, said corner being common to Lots 6 and 7 of Block 29; and running thence

(1) North 49° 59' East, 51.62 feet to a point on the common line to Lots 7 and 8; thence

(2) South 21° 01' 26" West, 35.55 feet to the common corner of Lots 7 and 8; thence

(3) South 89° 59' West, 26.78 feet to the point of beginning.

Parcel II of Parcel Eighteen:

Lot 8, in Block 29, as shown on the map entitled, "Map No. 3 Hot Spring Tract, being a portion of Lot 1, Rancho Noche Buena, Monterey County, Calif., surveyed by C. H. Sanders, March 1912", filed for record April 1, 1912, in the office of the County Recorder of the County of Monterey, State of California, in Volume 2 of Maps, "Cities and Towns",

APN (PARCEL ONE): 011-122-005, 011-123-004, 011-123-023, 011-122-0023, 011-122-024, 011-122-025, 011-122-026, 011-122-040, 011-123-001, 011-123-005, 011-123-006, 011-123-007, 011-123-008, 011-123-022, 011-123-024, 011-123-025, 011-123-026, , 011-134-011, 011-135-001, 011-135-014, 011-135-015, 011-135-016, 011-135-023, 011-136-007, 011-136-012, 011-136-024, 011-186-039 and portions of 011-122-002, 011-122-003, 011-122-004, 011-122-010, 011-122-011, 011-122-027, 011-122-038, 011-122-039, 011-122-041, 011-123-009, 011-123-011, 011-135-024, 011-186-021 and 011-186-038

PARCEL TWO: (DBO Development No. 30)

Lots 1 through 24, 50 and 51 in Block 26, "Map No. 3 Hot Springs Tract", in the County of Monterey, State of California, filed April 1, 1912 in the Office of the County Recorder of said County, Volume 2, Page 35, of Maps of "Cities and Towns".

EXCEPTING THEREFROM that portion described in the Grant Deed from Madeline E. Ellis, to the City of Sand City, a municipal corporation recorded February 23, 1967 in Reel 494 of Official Records, Page 653 under Recorder's Serial Number G37816.

ALSO EXCEPTING THEREFROM those portions that lie within Parcel One described above.

APN: A portion of 011-122-002, 011-122-003, 011-122-004, 011-122-010, 011-122-011, 011-122-027, 011-122-038, 011-122-039 and 011-122-041

PARCEL THREE: (DBO Development No. 30)

Lots 26 and 53 in Block 27, "Map No. 3 Hot Springs Tract", in the County of Monterey, State of California, filed April 1, 1912 in the Office of the County Recorder of said County, Volume 2, Page 35, of Maps of "Cities and Towns".

EXCEPTING THEREFROM those portions that lie within Parcel One described above.

APN: A portion of 011-123-009 and 011-123-011

PARCEL FOUR: (DBO Development No. 30)

Lots 5 through 8 in Block 29, "Map No. 3 Hot Springs Tract", in the County of Monterey, State of California, filed April 1, 1912 in the Office of the County Recorder of said County, Volume 2, Page 35, of Maps of "Cities and Towns".

EXCEPTING THEREFROM those portions described in the Grant Deed from Richard C. Ross et ux. to the City of Sand City, a municipal corporation recorded December 14, 1962 in Reel 125 of Official Records, Page 157 under Recorder's Serial Number 45328.

ALSO EXCEPTING THEREFROM those portions described in the Grant Deed from Richard C. Ross et ux. to the City of Sand City, a municipal corporation recorded May 23, 1967 in Reel 506 of Official Records, Page 265 under Recorder's Serial Number G45871.

FURTHER EXCEPTING THEREFROM those portions that lie within Parcel One described above.

APN: A portion of 011-135-024

PARCEL FIVE: (DBO Development No. 30)

Lots 17, 18, 19 and 20 in Block 16, Seaside Addition to the Town of East Monterey filed for record July 16, 1889 in the office of the County Recorder of in the County of Monterey, State of California, in Volume 1 of Cities and Towns, Page 29.

EXCEPTING THEREFROM those portions that lie within Parcel One described above.

APN: A portion of 011-186-021 and 011-186-038



THIS EXHIBIT HAS BEEN RECREATED BASED ON A TRANSCRIPTION OF AN EXHIBIT PREPARED BY OLD REPUBLIC TITLE COMPANY AND APPEARING IN THE PRELIMINARY TITLE REPORT FOR THE SUBJECT PROPERTY, ORDER NUMBER 0724017915-HT, DATED FEBRUARY 14, 2018. THE EXHIBIT HAS BE RE-SIZED FOR LEGIBILITY. LINES SHOWN RED ON THE ORIGINAL EXHIBIT ARE NOW SHOWN AS SOLID BOLD LINES.

TITLE OF ORIGINAL EXHIBIT:
"EXISTING LOTS & PROPOSED BOUNDARY
WEST END SAND CITY
VESTING TENTATIVE MAP
DATED DECEMBER 11, 2017
PROJECT 3571.00 - WHITSON ENGINEERS"
(AS MODIFIED BY OLD REPUBLIC TITLE CO.)

ASSESSOR'S MAP
BOOK 11 PAGE 12
SAND CITY SUBDIVISIONS
CALIFORNIA
TAX CODE AREA
1
THIS MAP IS INTENDED TO BE USED FOR
PROPERTY TAX ASSESSMENT PURPOSES ONLY.
S.P.R.R.
CALIFORNIA
AVE.
AVE
ALTON
WAY
MERLE
WAY
SIXTH
BEACH
EAST
AVE
AVE
PARK
ST
FIRE
11-00
11-01
11-04
11-02
11-03
HOT SPRINGS TR. No. 3
BLKS 26 & 27
BLKS 30, 31 & 32
SEASIDE ADD TO EAST MONTEREY
BLKS 2 & 13
Scale 1" = 100'
STATE FREEWAY No. 8
13
14

ASSESSOR'S MAP
BOOK 11 PAGE 13
SAND CITY SUBDIVISIONS
CALIFORNIA
TAX CODE AREA
SRRR S.R.R. MAP 878-2732
CALIFORNIA AVE.
AFTON AVE.
ORLAND WAY
BEACH WAY
FIR AVE
MERLE ST
LINCOLN AVE
SCOTT ST
LEE ST
CALIFORNIA AVE
HOT SPRINGS TR. NO. 3
BLKS 28&29
SEASIDE LAND CO. E. MONTEREY
BLK 1
BLKS 13,13&14
BLK 17
HARVEY ST
OCEAN VIEW AVE
FELT ST
EAST AVE
PARK ST
ALTA ST
11-00
11-04
12
20
29
53
52
136
135
134
133
132
131

Description: Monterey,CA Assessor Map - Book Page 11.18 Page: 1 of 1
Order: 915 Comment:

TAX CODE AREA

COUNTY OF MONTEREY
ASSESSOR'S MAP
BOOK 11 PAGE 18

SCALE: 1 IN.=100 FT.

THIS MAP IS INTENDED TO BE USED FOR
PROPERTY TAX ASSESSMENT PURPOSES ONLY

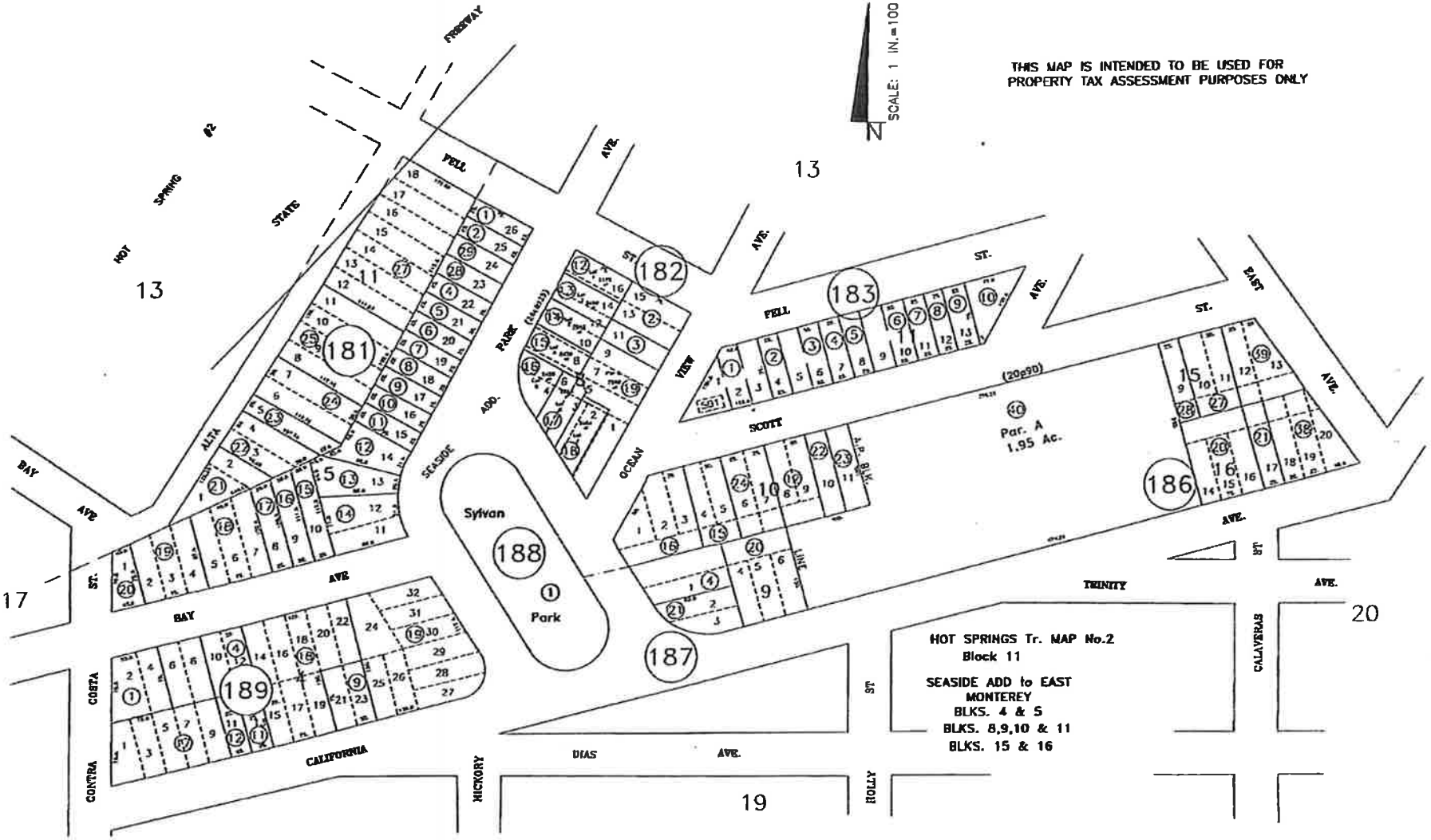
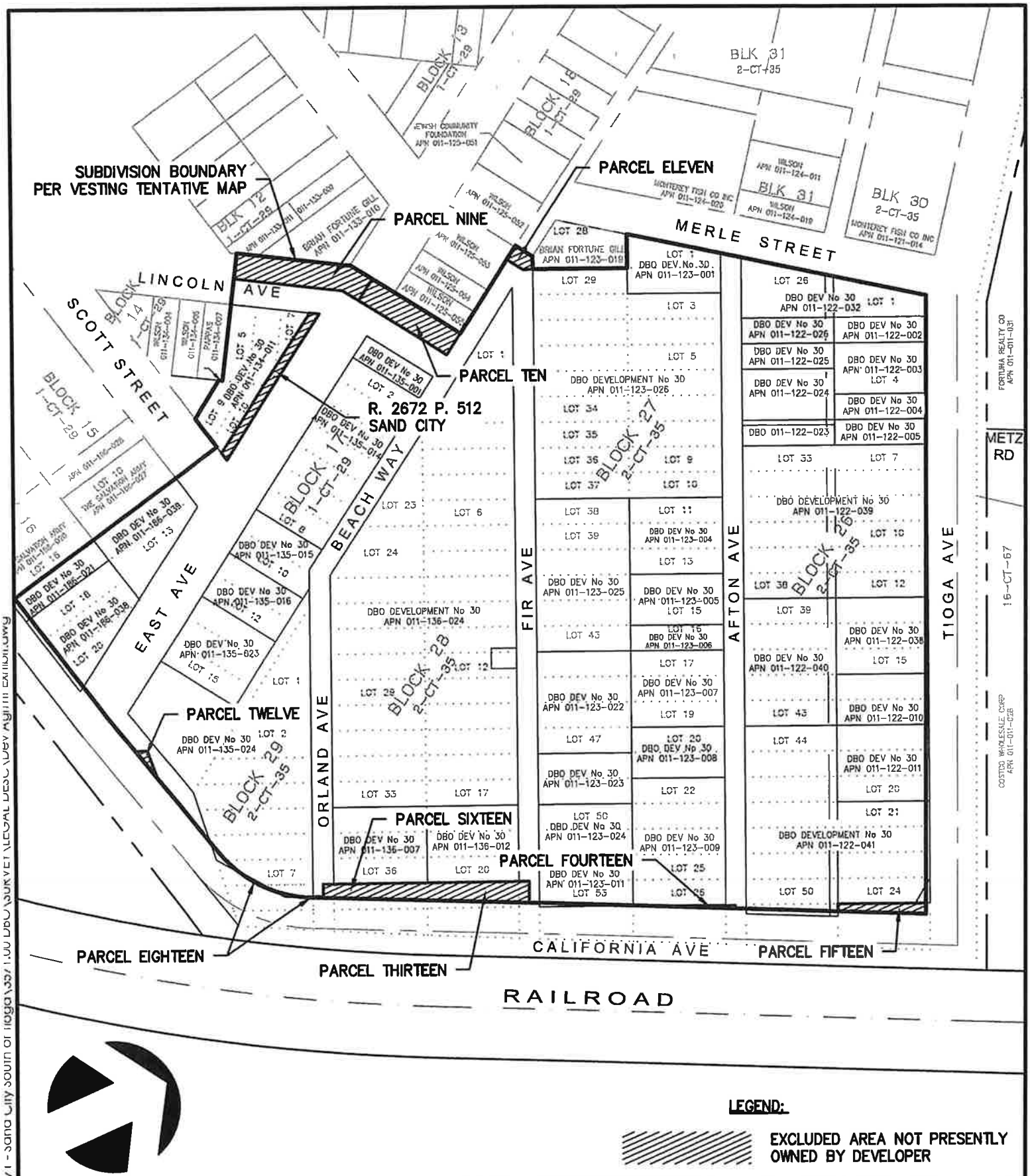


EXHIBIT B. Map of the Subject Property.

[Remainder of page left blank]



SAND CITY SOUTH OF TIOGA SUBDIVISION DEVELOPMENT AGREEMENT: DEVELOPER-OWNED PROPERTY

SAND CITY, CALIFORNIA

OCTOBER 9, 2020

Whitson ENGINEERS

Civil Engineering + Land Surveying
6 Harris Court
Monterey, CA 93940
831.649.5225
whitsonengineers.com

I:\Monterey Projects\3571 - Sand City South of Tioga\3571.100 DBO Survey\Legal Desc\DBO Survey Agmt Exhibit.dwg

EXHIBIT C. City Processing Costs

[Remainder of page left blank]

Development Agreement Exhibit C

City of Sand City Fees
South of Tioga Project

4 Leaf Fee Schedule & Basis of Charge

Plan Review Services

Plan Review (Building, Accessibility, Fire, and Civil) $160hr

Inspection Services

Lead Inspector/Fire Inspector/Building Official $140hr

Assistant Inspector $120hr

Fire Inspection $155hr

Public Work Inspector $149hr

Administrative Services

On-site permit manager $90hr

GoFormz Software $30 per use

Project Manager $175hr

Mileage (for inspections performed within the City) IRS Rate +20%

City Planner $52.47/hr, plus hourly cost of benefits (approximately $71/hr total). In the event 4LEAF assist with planning functions, 4LEAF hourly rate will apply.

City Attorney: $250.00/hr

City Engineer: $205.00/hr. Harris & Associates fee schedule applicable to Sand City contract engineering services attached.

City Surveyor: $135.00hr

Harris & Associates.

Hourly Rates

Applicable to Contract City Engineering Services for the City of Sand City, CA.
Effective July 1, 2020 —June 30, 2021

Engineering Services	Hourly Rates
Leon Gomez-Contract City Engineer	$205
Sr. Project Directors	$220-$280
Project Directors	$200-$250
Sr. Project Managers	$195-$240
Project Managers	$165-$200
Sr. Project Engineers	$160-$190
Project Engineers	$135-$160
Technical Support	$100-$120
Administration	$90-$110
Engineering Inters	$60-70

Actual Staff Utilized on South of Tioga Project to Date:
City Engineer - $205/hour
Project Manager - $185/hour
Sr. Project Engineer - $160/hour
Project Engineer - $135/hour
Document Control/Admin. - $90/hour

Construction Management	
Sr. Project Directors	$220-$280
Project Directors	$200-$250
Sr. Construction Managers	$190-$210
Construction Managers	$160-$185
Inspectors (prevailing wage)*	$165-$190
Inspectors (nonprevailing wage)	$135-$150

Environmental Services	
Project Director	$200-$250
Project Manager	$150-$200
Project Analyst	$125-$150

Notes: Rates are subject to adjustment due to promotions during the effective period of this schedule. Unless otherwise indicated in the cost proposal, hourly rates include most direct costs such as travel, equipment, computers, communications and reproduction (except large quantities such as construction documents for bidding purposes).

*Inspectors working in the State of California are subject to the Prevailing Wage Rates established for that area.

All subconsultant charges are subject to a 10% markup.

EXHIBIT D. Existing Water Credit

[Remainder of page left blank]

TOTAL NECESSARY WATER ALLOCATION

South of Tioga - Residential and Commercial Summary

RESIDENTIAL CREDIT SUMMARY:	
884 Afton Ave.	0.088 AF
825 California Ave.	0.088 AF
853 Afton Ave.	0.088 AF
852 Tioga Ave.	0.088 AF
803 California Ave.	0.088 AF
1795 California Ave.	0.068 AF
860 Tioga Ave.	0.068 AF
Total Residential Water Credit	**0.508 AF**

COMMERCIAL CREDIT SUMMARY:	
808 Tioga Ave.	0.166 AF
856 Tioga Ave.	0.167 AF
840 Tioga Ave.	0.361 AF
880 Tioga Ave.	0.666 AF
872 Afton Ave.	0.045 AF
1830 California Ave.	0.113 AF
857 & 865 Fir Ave.	0.456 AF
877 Fir Ave.	0.083 AF
841 Fir Ave.	1.052 AF
1857 East Ave.	0.095 AF
1855 East Ave.	0.735 AF
1831 East Ave.	0.591 AF
1795 California Ave.	0.195 AF
840 & 872 (842?) Fir Ave.	1.763 AF
836 Afton Ave. (Note: Not owned by DBO)	0.117 AF
873 Fir Ave. (Note: Not owned by DBO)	0.070 AF
Total Commercial Water Credit	**6.489 AF**

Total Res & Comm Credit	**6.997 AF**

NOTES:

1) 860 Tioga Avenue not included with DBO estimates.
2) 836 Afton & 773 Fir not included with DBO estimates.
3) 836 Afton & 773 Fir not under DBO ownership.
4) Sq.ft. of DBO commercial properties based on DBO provided data.
5) All residential presumed to be 1-bathroom units.
6) All but two residential addresses have washing machines.
7) Unknown if 860 Tioga has a washing machine. Credit estimates no W.M.
8) 840 & 842 Fir Avenue - Cannery Credit expired. Amount based on Group 1 square footage only.
9) 836 Afton & 873 Fir sq.ft. based on City use permit files

EXHIBIT D

Residential Water - CREDIT
884 AFTON AVE. (Credit)

FIXTURE TYPE/DESCRIPTION	No. of Fixtures		Fixture Unit Value		Fixture Units		Acre-Feet
SINKS (bathroom)							
Washbasin (lavatory sink), each	1	x	1	=	1	x 0.01 =	0.01
Two Washbins in Master Bath		x	1	=	0	x 0.01 =	0
TOILETS:							
Toilet, Ultra Low Flush (1.6 gallons/flush)	1	x	1.8	=	1.8	x 0.01 =	0.018
Toilet, High Efficiency (HET) 1.3 gallons/flush)		x	1.3	=	0	x 0.01 =	0
URINALS:							
Urinal (1.0 gallon/flush)		x	1	=	0	x 0.01 =	0
Urinal, High Efficiency (0.5 gallons/flush)		x	0.5	=	0	x 0.01 =	0
Urinal, Zero Water Consumption		x	0	=	0	x 0.01 =	0
BATHTUBS (w/ showers)							
Bathtub, Large (w/showerhead) & separate shower in master bath		x	3	=	0	x 0.01 =	0
Bathtub, Large (may have showerhead)		x	3	=	0	x 0.01 =	0
Bathtub, Standard (may have showerhead)	1	x	2	=	2	x 0.01 =	0.02
SHOWERS (only)							
Shower, separate stall (one showerhead)		x	2	=	0	x 0.01 =	0
Shower, each additional fixture		x	2	=	0	x 0.01 =	0
Shower System, Rain Bars, or custom shower (varies per specifications)		x	2	=	0	x 0.01 =	0
KITCHEN:							
Kitchen Sink (w/ opional dishwasher)	1	x	2	=	2	x 0.01 =	0.02
Kitchen Sink (w/ adjacent High Efficiency Dishwasher (5.8 gallons max/cycle)		x	1.5	=	0	x 0.01 =	0

Residential Water - CREDIT
884 AFTON AVE. (Credit)

DISHWASHERS (only)						
Dishwasher, each additional (includes optional adjacent sink)		x	2	=	0	x 0.01 =	0
Dishwasher, High Efficiency, each additional (including optional adjacent sink / 5.8 gallons max/cycle)		x	1.5	=	0	x 0.01 =	0
UTILITY SINK:						
Laundry Sink/Utility Sink		x	2	=	0	x 0.01 =	0
WASHING MACHINES:						
Clothes Washer	1	x	2	=	2	x 0.01 =	0.02
Clothes Washer, High Efficiency (HEW) (Water Factor of 5.0 or less)		x	1	=	0	x 0.01 =	0
MISCELLANEOUS:						
Bidet		x	2	=	0	x 0.01 =	0
Bar Sink		x	1	=	0	x 0.01 =	0
Entertainment Sink		x	1	=	0	x 0.01 =	0
Vegetable Sink		x	1	=	0	x 0.01 =	0
Swimming Pool (each 100 sqft of pool surface)		x	1	=	0	x 0.01 =	0

TOTALS CREDIT	**8.8 F.U.**	**x 0.01**	**0.088 Ac.Ft.**

Residential Water - CREDIT
825 California Ave. (Credit)

FIXTURE TYPE/DESCRIPTION	No. of Fixtures		Fixture Unit Value		Fixture Units		Acre-Feet
SINKS (bathroom)							
Washbasin (lavatory sink), each	1	x	1	=	1	x 0.01 =	0.01
Two Washbins in Master Bath		x	1	=	0	x 0.01 =	0
TOILETS:							
Toilet, Ultra Low Flush (1.6 gallons/flush)	1	x	1.8	=	1.8	x 0.01 =	0.018
Toilet, High Efficiency (HET) 1.3 gallons/flush)		x	1.3	=	0	x 0.01 =	0
URINALS:							
Urinal (1.0 gallon/flush)		x	1	=	0	x 0.01 =	0
Urinal, High Efficiency (0.5 gallons/flush)		x	0.5	=	0	x 0.01 =	0
Urinal, Zero Water Consumption		x	0	=	0	x 0.01 =	0
BATHTUBS (w/ showers)							
Bathtub, Large (w/showerhead) & separate shower in master bath		x	3	=	0	x 0.01 =	0
Bathtub, Large (may have showerhead)		x	3	=	0	x 0.01 =	0
Bathtub, Standard (may have showerhead)	1	x	2	=	2	x 0.01 =	0.02
SHOWERS (only)							
Shower, separate stall (one showerhead)		x	2	=	0	x 0.01 =	0
Shower, each additional fixture		x	2	=	0	x 0.01 =	0
Shower System, Rain Bars, or custom shower (varies per specifications)		x	2	=	0	x 0.01 =	0
KITCHEN:							
Kitchen Sink (w/ opional dishwasher)	1	x	2	=	2	x 0.01 =	0.02
Kitchen Sink (w/ adjacent High Efficiency Dishwasher (5.8 gallons max/cycle)		x	1.5	=	0	x 0.01 =	0

Residential Water - CREDIT
825 California Ave. (Credit)

DISHWASHERS (only)						
Dishwasher, each additional (includes optional adjacent sink)		x	2	=	0	x 0.01 = 0
Dishwasher, High Efficiency, each additional (including optional adjacent sink / 5.8 gallons max/cycle)		x	1.5	=	0	x 0.01 = 0
UTILITY SINK:						
Laundry Sink/Utility Sink		x	2	=	0	x 0.01 = 0
WASHING MACHINES:						
Clothes Washer	1	x	2	=	2	x 0.01 = 0.02
Clothes Washer, High Efficiency (HEW) (Water Factor of 5.0 or less)		x	1	=	0	x 0.01 = 0
MISCELLANEOUS:						
Bidet		x	2	=	0	x 0.01 = 0
Bar Sink		x	1	=	0	x 0.01 = 0
Entertainment Sink		x	1	=	0	x 0.01 = 0
Vegetable Sink		x	1	=	0	x 0.01 = 0
Swimming Pool (each 100 sqft of pool surface)		x	1	=	0	x 0.01 = 0

TOTALS CREDIT	**8.8 F.U.**	**x 0.01**	**0.088 Ac.Ft.**

Residential Water - CREDIT
853 AFTON AVE. (Credit)

FIXTURE TYPE/DESCRIPTION	No. of Fixtures		Fixture Unit Value		Fixture Units		Acre-Feet
SINKS (bathroom)							
Washbasin (lavatory sink), **each**	1	x	1	=	1	x 0.01 =	0.01
Two Washbins in Master Bath		x	1	=	0	x 0.01 =	0
TOILETS:							
Toilet, **Ultra Low Flush** (1.6 gallons/flush)	1	x	1.8	=	1.8	x 0.01 =	0.018
Toilet, High Efficiency (HET) 1.3 gallons/flush)		x	1.3	=	0	x 0.01 =	0
URINALS:							
Urinal (1.0 gallon/flush)		x	1	=	0	x 0.01 =	0
Urinal, High Efficiency (0.5 gallons/flush)		x	0.5	=	0	x 0.01 =	0
Urinal, Zero Water Consumption		x	0	=	0	x 0.01 =	0
BATHTUBS (w/ showers)							
Bathtub, Large (w/showerhead) & separate shower in master bath		x	3	=	0	x 0.01 =	0
Bathtub, Large (may have showerhead)		x	3	=	0	x 0.01 =	0
Bathtub, **Standard** (may **have showerhead**)	1	x	2	=	2	x 0.01 =	0.02
SHOWERS (only)							
Shower, separate stall (one showerhead)		x	2	=	0	x 0.01 =	0
Shower, each additional fixture		x	2	=	0	x 0.01 =	0
Shower System, Rain Bars, or custom shower (varies per specifications)		x	2	=	0	x 0.01 =	0
KITCHEN:							
Kitchen Sink (w/ opional dishwasher)	1	x	2	=	2	x 0.01 =	0.02
Kitchen Sink (w/ adjacent High Efficiency Dishwasher (5.8 gallons max/cycle)		x	1.5	=	0	x 0.01 =	0

Residential Water - CREDIT
853 AFTON AVE. (Credit)

DISHWASHERS (only)						
Dishwasher, each additional (includes optional adjacent sink)		x	2	=	0	x 0.01 = 0
Dishwasher, High Efficiency, each additional (including optional adjacent sink / 5.8 gallons max/cycle)		x	1.5	=	0	x 0.01 = 0
UTILITY SINK:						
Laundry Sink/Utility Sink		x	2	=	0	x 0.01 = 0
WASHING MACHINES:						
Clothes Washer	1	x	2	=	2	x 0.01 = 0.02
Clothes Washer, High Efficiency (HEW) (Water Factor of 5.0 or less)		x	1	=	0	x 0.01 = 0
MISCELLANEOUS:						
Bidet		x	2	=	0	x 0.01 = 0
Bar Sink		x	1	=	0	x 0.01 = 0
Entertainment Sink		x	1	=	0	x 0.01 = 0
Vegetable Sink		x	1	=	0	x 0.01 = 0
Swimming Pool (each 100 sqft of pool surface)		x	1	=	0	x 0.01 = 0

TOTALS CREDIT	**8.8 F.U.**	**x 0.01**	**0.088 Ac.Ft.**

Residential Water - CREDIT
852 TIOGA. (Credit)

FIXTURE TYPE/DESCRIPTION	No. of Fixtures		Fixture Unit Value		Fixture Units		Acre-Feet
SINKS (bathroom)							
Washbasin (lavatory sink), each	1	x	1	=	1	x 0.01 =	0.01
Two Washbins in Master Bath		x	1	=	0	x 0.01 =	0
TOILETS:							
Toilet, Ultra Low Flush (1.6 gallons/flush)	1	x	1.8	=	1.8	x 0.01 =	0.018
Toilet, High Efficiency (HET) 1.3 gallons/flush)		x	1.3	=	0	x 0.01 =	0
URINALS:							
Urinal (1.0 gallon/flush)		x	1	=	0	x 0.01 =	0
Urinal, High Efficiency (0.5 gallons/flush)		x	0.5	=	0	x 0.01 =	0
Urinal, Zero Water Consumption		x	0	=	0	x 0.01 =	0
BATHTUBS (w/ showers)							
Bathtub, Large (w/showerhead) & separate shower in master bath		x	3	=	0	x 0.01 =	0
Bathtub, Large (may have showerhead)		x	3	=	0	x 0.01 =	0
Bathtub, Standard (may have showerhead)	1	x	2	=	2	x 0.01 =	0.02
SHOWERS (only)							
Shower, separate stall (one showerhead)		x	2	=	0	x 0.01 =	0
Shower, each additional fixture		x	2	=	0	x 0.01 =	0
Shower System, Rain Bars, or custom shower (varies per specifications)		x	2	=	0	x 0.01 =	0
KITCHEN:							
Kitchen Sink (w/ opional dishwasher)	1	x	2	=	2	x 0.01 =	0.02
Kitchen Sink (w/ adjacent High Efficiency Dishwasher (5.8 gallons max/cycle)		x	1.5	=	0	x 0.01 =	0

Residential Water - CREDIT
852 TIOGA. (Credit)

DISHWASHERS (only)						
Dishwasher, each additional (includes optional adjacent sink)		x	2	=	0	x 0.01 = 0
Dishwasher, High Efficiency, each additional (including optional adjacent sink / 5.8 gallons max/cycle)		x	1.5	=	0	x 0.01 = 0
UTILITY SINK:						
Laundry Sink/Utility Sink		x	2	=	0	x 0.01 = 0
WASHING MACHINES:						
Clothes Washer	1	x	2	=	2	x 0.01 = 0.02
Clothes Washer, High Efficiency (HEW) (Water Factor of 5.0 or less)		x	1	=	0	x 0.01 = 0
MISCELLANEOUS:						
Bidet		x	2	=	0	x 0.01 = 0
Bar Sink		x	1	=	0	x 0.01 = 0
Entertainment Sink		x	1	=	0	x 0.01 = 0
Vegetable Sink		x	1	=	0	x 0.01 = 0
Swimming Pool (each 100 sqft of pool surface)		x	1	=	0	x 0.01 = 0

TOTALS CREDIT	**8.8 F.U.**	x 0.01	**0.088 Ac.Ft.**

Residential Water - CREDIT
852 TIOGA. (Credit)

FIXTURE TYPE/DESCRIPTION	No. of Fixtures		Fixture Unit Value		Fixture Units		Acre-Feet
SINKS (bathroom)							
Washbasin (lavatory sink), each	1	x	1	=	1	x 0.01 =	0.01
Two Washbins in Master Bath		x	1	=	0	x 0.01 =	0
TOILETS:							
Toilet, Ultra Low Flush (1.6 gallons/flush)	1	x	1.8	=	1.8	x 0.01 =	0.018
Toilet, High Efficiency (HET) 1.3 gallons/flush)		x	1.3	=	0	x 0.01 =	0
URINALS:							
Urinal (1.0 gallon/flush)		x	1	=	0	x 0.01 =	0
Urinal, High Efficiency (0.5 gallons/flush)		x	0.5	=	0	x 0.01 =	0
Urinal, Zero Water Consumption		x	0	=	0	x 0.01 =	0
BATHTUBS (w/ showers)							
Bathtub, Large (w/showerhead) & separate shower in master bath		x	3	=	0	x 0.01 =	0
Bathtub, Large (may have showerhead)		x	3	=	0	x 0.01 =	0
Bathtub, Standard (may have showerhead)	1	x	2	=	2	x 0.01 =	0.02
SHOWERS (only)							
Shower, separate stall (one showerhead)		x	2	=	0	x 0.01 =	0
Shower, each additional fixture		x	2	=	0	x 0.01 =	0
Shower System, Rain Bars, or custom shower (varies per specifications)		x	2	=	0	x 0.01 =	0
KITCHEN:							
Kitchen Sink (w/ opional dishwasher)	1	x	2	=	2	x 0.01 =	0.02
Kitchen Sink (w/ adjacent High Efficiency Dishwasher (5.8 gallons max/cycle)		x	1.5	=	0	x 0.01 =	0

Residential Water - CREDIT
852 TIOGA. (Credit)

DISHWASHERS (only)						
Dishwasher, each additional (includes optional adjacent sink)		x	2	= 0	x 0.01 =	0
Dishwasher, High Efficiency, each additional (including optional adjacent sink / 5.8 gallons max/cycle)		x	1.5	= 0	x 0.01 =	0
UTILITY SINK:						
Laundry Sink/Utility Sink		x	2	= 0	x 0.01 =	0
WASHING MACHINES:						
Clothes Washer	1	x	2	= 2	x 0.01 =	0.02
Clothes Washer, High Efficiency (HEW) (Water Factor of 5.0 or less)		x	1	= 0	x 0.01 =	0
MISCELLANEOUS:						
Bidet		x	2	= 0	x 0.01 =	0
Bar Sink		x	1	= 0	x 0.01 =	0
Entertainment Sink		x	1	= 0	x 0.01 =	0
Vegetable Sink		x	1	= 0	x 0.01 =	0
Swimming Pool (each 100 sqft of pool surface)		x	1	= 0	x 0.01 =	0

TOTALS CREDIT	**8.8 F.U.**	**x 0.01**	**0.088 Ac.Ft.**

Residential Water - CREDIT
852 TIOGA. (Credit)

FIXTURE TYPE/DESCRIPTION	No. of Fixtures		Fixture Unit Value		Fixture Units		Acre-Feet
SINKS (bathroom)							
Washbasin (lavatory sink), each	1	x	1	=	1	x 0.01 =	0.01
Two Washbins in Master Bath		x	1	=	0	x 0.01 =	0
TOILETS:							
Toilet, Ultra Low Flush (1.6 gallons/flush)	1	x	1.8	=	1.8	x 0.01 =	0.018
Toilet, High Efficiency (HET) 1.3 gallons/flush)		x	1.3	=	0	x 0.01 =	0
URINALS:							
Urinal (1.0 gallon/flush)		x	1	=	0	x 0.01 =	0
Urinal, High Efficiency (0.5 gallons/flush)		x	0.5	=	0	x 0.01 =	0
Urinal, Zero Water Consumption		x	0	=	0	x 0.01 =	0
BATHTUBS (w/ showers)							
Bathtub, Large (w/showerhead) & separate shower in master bath		x	3	=	0	x 0.01 =	0
Bathtub, Large (may have showerhead)		x	3	=	0	x 0.01 =	0
Bathtub, Standard (may have showerhead)	1	x	2	=	2	x 0.01 =	0.02
SHOWERS (only)							
Shower, separate stall (one showerhead)		x	2	=	0	x 0.01 =	0
Shower, each additional fixture		x	2	=	0	x 0.01 =	0
Shower System, Rain Bars, or custom shower (varies per specifications)		x	2	=	0	x 0.01 =	0
KITCHEN:							
Kitchen Sink (w/ opional dishwasher)	1	x	2	=	2	x 0.01 =	0.02
Kitchen Sink (w/ adjacent High Efficiency Dishwasher (5.8 gallons max/cycle)		x	1.5	=	0	x 0.01 =	0

Residential Water - CREDIT
852 TIOGA. (Credit)

DISHWASHERS (only)						
Dishwasher, each additional (includes optional adjacent sink)		x	2	=	0	x 0.01 = 0
Dishwasher, High Efficiency, each additional (including optional adjacent sink / 5.8 gallons max/cycle)		x	1.5	=	0	x 0.01 = 0
UTILITY SINK:						
Laundry Sink/Utility Sink		x	2	=	0	x 0.01 = 0
WASHING MACHINES:						
Clothes Washer		x	2	=	0	x 0.01 = 0
Clothes Washer, High Efficiency (HEW) (Water Factor of 5.0 or less)		x	1	=	0	x 0.01 = 0
MISCELLANEOUS:						
Bidet		x	2	=	0	x 0.01 = 0
Bar Sink		x	1	=	0	x 0.01 = 0
Entertainment Sink		x	1	=	0	x 0.01 = 0
Vegetable Sink		x	1	=	0	x 0.01 = 0
Swimming Pool (each 100 sqft of pool surface)		x	1	=	0	x 0.01 = 0

TOTALS CREDIT	**6.8 F.U.**	**x 0.01**	**0.068 Ac.Ft.**

Residential Water - CREDIT
852 TIOGA. (Credit)

FIXTURE TYPE/DESCRIPTION	No. of Fixtures		Fixture Unit Value		Fixture Units		Acre-Feet
SINKS (bathroom)							
Washbasin (lavatory sink), each	1	x	1	=	1	x 0.01 =	0.01
Two Washbins in Master Bath		x	1	=	0	x 0.01 =	0
TOILETS:							
Toilet, Ultra Low Flush (1.6 gallons/flush)	1	x	1.8	=	1.8	x 0.01 =	0.018
Toilet, High Efficiency (HET) 1.3 gallons/flush)		x	1.3	=	0	x 0.01 =	0
URINALS:							
Urinal (1.0 gallon/flush)		x	1	=	0	x 0.01 =	0
Urinal, High Efficiency (0.5 gallons/flush)		x	0.5	=	0	x 0.01 =	0
Urinal, Zero Water Consumption		x	0	=	0	x 0.01 =	0
BATHTUBS (w/ showers)							
Bathtub, Large (w/showerhead) & separate shower in master bath		x	3	=	0	x 0.01 =	0
Bathtub, Large (may have showerhead)		x	3	=	0	x 0.01 =	0
Bathtub, Standard (may have showerhead)	1	x	2	=	2	x 0.01 =	0.02
SHOWERS (only)							
Shower, separate stall (one showerhead)		x	2	=	0	x 0.01 =	0
Shower, each additional fixture		x	2	=	0	x 0.01 =	0
Shower System, Rain Bars, or custom shower (varies per specifications)		x	2	=	0	x 0.01 =	0
KITCHEN:							
Kitchen Sink (w/ opional dishwasher)	1	x	2	=	2	x 0.01 =	0.02
Kitchen Sink (w/ adjacent High Efficiency Dishwasher (5.8 gallons max/cycle)		x	1.5	=	0	x 0.01 =	0

Residential Water - CREDIT
852 TIOGA. (Credit)

DISHWASHERS (only)						
Dishwasher, each additional (includes optional adjacent sink)		x	2	=	0	x 0.01 = 0
Dishwasher, High Efficiency, each additional (including optional adjacent sink / 5.8 gallons max/cycle)		x	1.5	=	0	x 0.01 = 0
UTILITY SINK:						
Laundry Sink/Utility Sink		x	2	=	0	x 0.01 = 0
WASHING MACHINES:						
Clothes Washer		x	2	=	0	x 0.01 = 0
Clothes Washer, High Efficiency (HEW) (Water Factor of 5.0 or less)		x	1	=	0	x 0.01 = 0
MISCELLANEOUS:						
Bidet		x	2	=	0	x 0.01 = 0
Bar Sink		x	1	=	0	x 0.01 = 0
Entertainment Sink		x	1	=	0	x 0.01 = 0
Vegetable Sink		x	1	=	0	x 0.01 = 0
Swimming Pool (each 100 sqft of pool surface)		x	1	=	0	x 0.01 = 0

TOTALS CREDIT	**6.8 F.U.**	x 0.01	**0.068 Ac.Ft.**

Commecial Water - CREDIT

808 TIOGA AVE.

	ITEM	Sq.Ft.		FACTOR		ACRE-FEET
GROUP I - Low to Moderate Use	square footage (floor area)	2368	x	0.00007	=	0.16576
GROUP II - High Use	square footage (floor area)		x	0.0002	=	0

GROUP III - Miscellaneous	ITEM	#		FACTOR	UNIT		ACRE-FEET
Assisting Living (more than 6 beds)	# of beds		x	0.085	per bed	=	0
Beauty Shop / Dog Grooming	# of stations		x	0.0567	AF/station	=	0
Child Care	# of children		x	0.0072	AF/child	=	0
Dormatory	# of rooms		x	0.04	AF/room	=	0
Gas Station	# of gas pumps		x	0.0913	AF/pump	=	0
Laundromat	# of wash machines		x	0.2	AF/machine	=	0
Meeting Hall	square footage		x	0.00053	AF/sq.ft.	=	0
Motel/Hotel/Bed & Breakfast	# of rooms		x	0.1	AF/room	=	0
rooms w/ large tubs (add to room factor)	# of large bathtubs		x	0.03	AF/tub	=	0
							0

Irrigated areas not adjacent	Provide Landscape Plan		MAWA	n/a		
Plant Nursery	Square Footage		x 0.00009	AF/sf total land	=	0
Public Toilets	# of toilets		x 0.058	AF/toilet	=	0
Public Urinals	# of urinals		x 0.036	AF/urinal	=	0
Zero Water consumptino Urinal(s)	# of urinals		x 0	n/a	=	0
Restaurant (general/bar)	# of seats		x 0.02	AF/seat	=	0
Restaurant (24-hour / Fast Food)	# of seats		x 0.038	AF/seat	=	0
Self-Storage	# of storage units		x 0.0008	AF/storage unit	=	0
Skilled Nursing	# of beds		x 0.12	AF/bed	=	0
Spa	# of spas		x 0.05	AF/spa	=	0
Swimming Pool	pool surface area		x 0.02	AF/100 sf surface area	=	
Theater	# of seats		x 0.0012	AF/seat	=	0

Commecial Water - CREDIT
856 TIOGA AVE.

	ITEM	Sq.Ft.		FACTOR		ACRE-FEET
GROUP I - Low to Moderate Use	square footage (floor area)	2391	x	0.00007	=	0.16737
GROUP II - High Use	square footage (floor area)		x	0.0002	=	0

GROUP III - Miscellaneous	ITEM	#		FACTOR	UNIT		ACRE-FEET
Assisting Living (more than 6 beds)	# of beds		x	0.085	per bed	=	0
Beauty Shop / Dog Grooming	# of stations		x	0.0567	AF/station	=	0
Child Care	# of children		x	0.0072	AF/child	=	0
Dormatory	# of rooms		x	0.04	AF/room	=	0
Gas Station	# of gas pumps		x	0.0913	AF/pump	=	0
Laundromat	# of wash machines		x	0.2	AF/machine	=	0
Meeting Hall	square footage		x	0.00053	AF/sq.ft.	=	0
Motel/Hotel/Bed & Breakfast	# of rooms		x	0.1	AF/room	=	0
rooms w/ large tubs (add to room factor)	# of large bathtubs		x	0.03	AF/tub	=	0
							0

Irrigated areas not adjacent	Provide Landscape Plan	MAWA	n/a

Plant Nursery	Square Footage		x	0.00009	AF/sf total land	=	0
Public Toilets	# of toilets		x	0.058	AF/toilet	=	0
Public Urinals	# of urinals		x	0.036	AF/urinal	=	0
Zero Water consumptino Urinal(s)	# of urinals		x	0	n/a	=	0
Restaurant (general/bar)	# of seats		x	0.02	AF/seat	=	0
Restaurant (24-hour / Fast Food)	# of seats		x	0.038	AF/seat	=	0
Self-Storage	# of storage units		x	0.0008	AF/storage unit	=	0
Skilled Nursing	# of beds		x	0.12	AF/bed	=	0
Spa	# of spas		x	0.05	AF/spa	=	0
Swimming Pool	pool surface area		x	0.02	AF/100 sf surface area	=	
Theater	# of seats		x	0.0012	AF/seat	=	0

Commecial Water - CREDIT

840 TIOGA AVE.

	ITEM	Sq.Ft.		FACTOR		ACRE-FEET
GROUP I - Low to Moderate Use	square footage (floor area)	5155	x	0.00007	=	0.36085
GROUP II - High Use	square footage (floor area)		x	0.0002	=	0

GROUP III - Miscellaneous	ITEM	#		FACTOR	UNIT		ACRE-FEET
Assisting Living (more than 6 beds)	# of beds		x	0.085	per bed	=	0
Beauty Shop / Dog Grooming	# of stations		x	0.0567	AF/station	=	0
Child Care	# of children		x	0.0072	AF/child	=	0
Dormatory	# of rooms		x	0.04	AF/room	=	0
Gas Station	# of gas pumps		x	0.0913	AF/pump	=	0
Laundromat	# of wash machines		x	0.2	AF/machine	=	0
Meeting Hall	square footage		x	0.00053	AF/sq.ft.	=	0
Motel/Hotel/Bed & Breakfast	# of rooms		x	0.1	AF/room	=	0
rooms w/ large tubs (add to room factor)	# of large bathtubs		x	0.03	AF/tub	=	0
							0

Irrigated areas not adjacent	Provide Landscape Plan	MAWA	n/a			
Plant Nursery	Square Footage		x 0.00009	AF/sf total land	=	0
Public Toilets	# of toilets		x 0.058	AF/toilet	=	0
Public Urinals	# of urinals		x 0.036	AF/urinal	=	0
Zero Water consumptino Urinal(s)	# of urinals		x 0	n/a	=	0
Restaurant (general/bar)	# of seats		x 0.02	AF/seat	=	0
Restaurant (24-hour / Fast Food)	# of seats		x 0.038	AF/seat	=	0
Self-Storage	# of storage units		x 0.0008	AF/storage unit	=	0
Skilled Nursing	# of beds		x 0.12	AF/bed	=	0
Spa	# of spas		x 0.05	AF/spa	=	0
Swimming Pool	pool surface area		x 0.02	AF/100 sf surface area	=	
Theater	# of seats		x 0.0012	AF/seat	=	0

Commecial Water - CREDIT
880 TIOGA AVE.

	ITEM	Sq.Ft.		FACTOR		ACRE-FEET
GROUP I - Low to Moderate Use	square footage (floor area)	9512	x	0.00007	=	0.66584
GROUP II - High Use	square footage (floor area)		x	0.0002	=	0

GROUP III - Miscellaneous	ITEM	#		FACTOR	UNIT		ACRE-FEET
Assisting Living (more than 6 beds)	# of beds		x	0.085	per bed	=	0
Beauty Shop / Dog Grooming	# of stations		x	0.0567	AF/station	=	0
Child Care	# of children		x	0.0072	AF/child	=	0
Dormatory	# of rooms		x	0.04	AF/room	=	0
Gas Station	# of gas pumps		x	0.0913	AF/pump	=	0
Laundromat	# of wash machines		x	0.2	AF/machine	=	0
Meeting Hall	square footage		x	0.00053	AF/sq.ft.	=	0
Motel/Hotel/Bed & Breakfast	# of rooms		x	0.1	AF/room	=	0
rooms w/ large tubs (add to room factor)	# of large bathtubs		x	0.03	AF/tub	=	0
							0

Irrigated areas not adjacent	Provide Landscape Plan	MAWA	n/a			
Plant Nursery	Square Footage		x	0.00009	AF/sf total land	= 0
Public Toilets	# of toilets		x	0.058	AF/toilet	= 0
Public Urinals	# of urinals		x	0.036	AF/urinal	= 0
Zero Water consumptino Urinal(s)	# of urinals		x	0	n/a	= 0
Restaurant (general/bar)	# of seats		x	0.02	AF/seat	= 0
Restaurant (24-hour / Fast Food)	# of seats		x	0.038	AF/seat	= 0
Self-Storage	# of storage units		x	0.0008	AF/storage unit	= 0
Skilled Nursing	# of beds		x	0.12	AF/bed	= 0
Spa	# of spas		x	0.05	AF/spa	= 0
Swimming Pool	pool surface area		x	0.02	AF/100 sf surface area	=
Theater	# of seats		x	0.0012	AF/seat	= 0

Commecial Water - CREDIT

872 AFTON AVE.

	ITEM	Sq.Ft.		FACTOR		ACRE-FEET
GROUP I - Low to Moderate Use	square footage (floor area)	647	x	0.00007	=	0.04529
GROUP II - High Use	square footage (floor area)		x	0.0002	=	0

GROUP III - Miscellaneous	ITEM	#		FACTOR	UNIT		ACRE-FEET
Assisting Living (more than 6 beds)	# of beds		x	0.085	per bed	=	0
Beauty Shop / Dog Grooming	# of stations		x	0.0567	AF/station	=	0
Child Care	# of children		x	0.0072	AF/child	=	0
Dormatory	# of rooms		x	0.04	AF/room	=	0
Gas Station	# of gas pumps		x	0.0913	AF/pump	=	0
Laundromat	# of wash machines		x	0.2	AF/machine	=	0
Meeting Hall	square footage		x	0.00053	AF/sq.ft.	=	0
Motel/Hotel/Bed & Breakfast	# of rooms		x	0.1	AF/room	=	0
rooms w/ large tubs (add to room factor)	# of large bathtubs		x	0.03	AF/tub	=	0
							0

Irrigated areas not adjacent	Provide Landscape Plan	MAWA	n/a

Plant Nursery	Square Footage		x	0.00009	AF/sf total land	=	0
Public Toilets	# of toilets		x	0.058	AF/toilet	=	0
Public Urinals	# of urinals		x	0.036	AF/urinal	=	0
Zero Water consumptino Urinal(s)	# of urinals		x	0	n/a	=	0
Restaurant (general/bar)	# of seats		x	0.02	AF/seat	=	0
Restaurant (24-hour / Fast Food)	# of seats		x	0.038	AF/seat	=	0
Self-Storage	# of storage units		x	0.0008	AF/storage unit	=	0
Skilled Nursing	# of beds		x	0.12	AF/bed	=	0
Spa	# of spas		x	0.05	AF/spa	=	0
Swimming Pool	pool surface area		x	0.02	AF/100 sf surface area	=	
Theater	# of seats		x	0.0012	AF/seat	=	0

Commecial Water - CREDIT
1830 CALIFORNIA AVE.

	ITEM	Sq.Ft.		FACTOR		ACRE-FEET
GROUP I - Low to Moderate Use	square footage (floor area)	1621	x	0.00007	=	0.11347
GROUP II - High Use	square footage (floor area)		x	0.0002	=	0

GROUP III - Miscellaneous	ITEM	#		FACTOR	UNIT		ACRE-FEET
Assisting Living (more than 6 beds)	# of beds		x	0.085	per bed	=	0
Beauty Shop / Dog Grooming	# of stations		x	0.0567	AF/station	=	0
Child Care	# of children		x	0.0072	AF/child	=	0
Dormatory	# of rooms		x	0.04	AF/room	=	0
Gas Station	# of gas pumps		x	0.0913	AF/pump	=	0
Laundromat	# of wash machines		x	0.2	AF/machine	=	0
Meeting Hall	square footage		x	0.00053	AF/sq.ft.	=	0
Motel/Hotel/Bed & Breakfast	# of rooms		x	0.1	AF/room	=	0
rooms w/ large tubs (add to room factor)	# of large bathtubs		x	0.03	AF/tub	=	0
							0

Irrigated areas not adjacent	Provide Landscape Plan			MAWA	n/a		
Plant Nursery	Square Footage		x	0.00009	AF/sf total land	=	0
Public Toilets	# of toilets		x	0.058	AF/toilet	=	0
Public Urinals	# of urinals		x	0.036	AF/urinal	=	0
Zero Water consumptino Urinal(s)	# of urinals		x	0	n/a	=	0
Restaurant (general/bar)	# of seats		x	0.02	AF/seat	=	0
Restaurant (24-hour / Fast Food)	# of seats		x	0.038	AF/seat	=	0
Self-Storage	# of storage units		x	0.0008	AF/storage unit	=	0
Skilled Nursing	# of beds		x	0.12	AF/bed	=	0
Spa	# of spas		x	0.05	AF/spa	=	0
Swimming Pool	pool surface area		x	0.02	AF/100 sf surface area	=	
Theater	# of seats		x	0.0012	AF/seat	=	0

Commecial Water - CREDIT

857 865 FIR AVE.

	ITEM	Sq.Ft.		FACTOR		ACRE-FEET
GROUP I - Low to Moderate Use	square footage (floor area)	6520	x	0.00007	=	0.4564
GROUP II - High Use	square footage (floor area)		x	0.0002	=	0

GROUP III - Miscellaneous	ITEM	#		FACTOR	UNIT		ACRE-FEET
Assisting Living (more than 6 beds)	# of beds		x	0.085	per bed	=	0
Beauty Shop / Dog Grooming	# of stations		x	0.0567	AF/station	=	0
Child Care	# of children		x	0.0072	AF/child	=	0
Dormatory	# of rooms		x	0.04	AF/room	=	0
Gas Station	# of gas pumps		x	0.0913	AF/pump	=	0
Laundromat	# of wash machines		x	0.2	AF/machine	=	0
Meeting Hall	square footage		x	0.00053	AF/sq.ft.	=	0
Motel/Hotel/Bed & Breakfast	# of rooms		x	0.1	AF/room	=	0
rooms w/ large tubs (add to room factor)	# of large bathtubs		x	0.03	AF/tub	=	0
							0

Irrigated areas not adjacent	Provide Landscape Plan	MAWA	n/a

Plant Nursery	Square Footage		x	0.00009	AF/sf total land	=	0
Public Toilets	# of toilets		x	0.058	AF/toilet	=	0
Public Urinals	# of urinals		x	0.036	AF/urinal	=	0
Zero Water consumptino Urinal(s)	# of urinals		x	0	n/a	=	0
Restaurant (general/bar)	# of seats		x	0.02	AF/seat	=	0
Restaurant (24-hour / Fast Food)	# of seats		x	0.038	AF/seat	=	0
Self-Storage	# of storage units		x	0.0008	AF/storage unit	=	0
Skilled Nursing	# of beds		x	0.12	AF/bed	=	0
Spa	# of spas		x	0.05	AF/spa	=	0
Swimming Pool	pool surface area		x	0.02	AF/100 sf surface area	=	
Theater	# of seats		x	0.0012	AF/seat	=	0

Commecial Water - CREDIT

877 FIR AVE.

	ITEM	Sq.Ft.		FACTOR		ACRE-FEET
GROUP I - Low to Moderate Use	square footage (floor area)	1182	x	0.00007	=	0.08274
GROUP II - High Use	square footage (floor area)		x	0.0002	=	0

GROUP III - Miscellaneous	ITEM	#		FACTOR	UNIT		ACRE-FEET
Assisting Living (more than 6 beds)	# of beds		x	0.085	per bed	=	0
Beauty Shop / Dog Grooming	# of stations		x	0.0567	AF/station	=	0
Child Care	# of children		x	0.0072	AF/child	=	0
Dormatory	# of rooms		x	0.04	AF/room	=	0
Gas Station	# of gas pumps		x	0.0913	AF/pump	=	0
Laundromat	# of wash machines		x	0.2	AF/machine	=	0
Meeting Hall	square footage		x	0.00053	AF/sq.ft.	=	0
Motel/Hotel/Bed & Breakfast	# of rooms		x	0.1	AF/room	=	0
rooms w/ large tubs (add to room factor)	# of large bathtubs		x	0.03	AF/tub	=	0
							0

Irrigated areas not adjacent	Provide Landscape Plan	MAWA	n/a			
Plant Nursery	Square Footage		x	0.00009	AF/sf total land	=	0
Public Toilets	# of toilets		x	0.058	AF/toilet	=	0
Public Urinals	# of urinals		x	0.036	AF/urinal	=	0
Zero Water consumptino Urinal(s)	# of urinals		x	0	n/a	=	0
Restaurant (general/bar)	# of seats		x	0.02	AF/seat	=	0
Restaurant (24-hour / Fast Food)	# of seats		x	0.038	AF/seat	=	0
Self-Storage	# of storage units		x	0.0008	AF/storage unit	=	0
Skilled Nursing	# of beds		x	0.12	AF/bed	=	0
Spa	# of spas		x	0.05	AF/spa	=	0
Swimming Pool	pool surface area		x	0.02	AF/100 sf surface area	=	
Theater	# of seats		x	0.0012	AF/seat	=	0

Commecial Water - CREDIT

841 FIR AVE.

	ITEM	Sq.Ft.		FACTOR		ACRE-FEET
GROUP I - Low to Moderate Use	square footage (floor area)	15,022	x	0.00007	=	1.05154
GROUP II - High Use	square footage (floor area)		x	0.0002	=	0

GROUP III - Miscellaneous	ITEM	#		FACTOR	UNIT		ACRE-FEET
Assisting Living (more than 6 beds)	# of beds		x	0.085	per bed	=	0
Beauty Shop / Dog Grooming	# of stations		x	0.0567	AF/station	=	0
Child Care	# of children		x	0.0072	AF/child	=	0
Dormatory	# of rooms		x	0.04	AF/room	=	0
Gas Station	# of gas pumps		x	0.0913	AF/pump	=	0
Laundromat	# of wash machines		x	0.2	AF/machine	=	0
Meeting Hall	square footage		x	0.00053	AF/sq.ft.	=	0
Motel/Hotel/Bed & Breakfast	# of rooms		x	0.1	AF/room	=	0
rooms w/ large tubs (add to room factor)	# of large bathtubs		x	0.03	AF/tub	=	0
							0

Irrigated areas not adjacent	Provide Landscape Plan	MAWA	n/a

Plant Nursery	Square Footage		x	0.00009	AF/sf total land	=	0
Public Toilets	# of toilets		x	0.058	AF/toilet	=	0
Public Urinals	# of urinals		x	0.036	AF/urinal	=	0
Zero Water consumptino Urinal(s)	# of urinals		x	0	n/a	=	0
Restaurant (general/bar)	# of seats		x	0.02	AF/seat	=	0
Restaurant (24-hour / Fast Food)	# of seats		x	0.038	AF/seat	=	0
Self-Storage	# of storage units		x	0.0008	AF/storage unit	=	0
Skilled Nursing	# of beds		x	0.12	AF/bed	=	0
Spa	# of spas		x	0.05	AF/spa	=	0
Swimming Pool	pool surface area		x	0.02	AF/100 sf surface area	=	
Theater	# of seats		x	0.0012	AF/seat	=	0

Commecial Water - CREDIT
1857 EAST AVE.

	ITEM	Sq.Ft.		FACTOR		ACRE-FEET
GROUP I - Low to Moderate Use	square footage (floor area)	1357	x	0.00007	=	0.09499
GROUP II - High Use	square footage (floor area)		x	0.0002	=	0

GROUP III - Miscellaneous	ITEM	#		FACTOR	UNIT		ACRE-FEET
Assisting Living (more than 6 beds)	# of beds		x	0.085	per bed	=	0
Beauty Shop / Dog Grooming	# of stations		x	0.0567	AF/station	=	0
Child Care	# of children		x	0.0072	AF/child	=	0
Dormatory	# of rooms		x	0.04	AF/room	=	0
Gas Station	# of gas pumps		x	0.0913	AF/pump	=	0
Laundromat	# of wash machines		x	0.2	AF/machine	=	0
Meeting Hall	square footage		x	0.00053	AF/sq.ft.	=	0
Motel/Hotel/Bed & Breakfast	# of rooms		x	0.1	AF/room	=	0
rooms w/ large tubs (add to room factor)	# of large bathtubs		x	0.03	AF/tub	=	0
							0

Irrigated areas not adjacent	Provide Landscape Plan	MAWA	n/a

Plant Nursery	Square Footage		x	0.00009	AF/sf total land	=	0
Public Toilets	# of toilets		x	0.058	AF/toilet	=	0
Public Urinals	# of urinals		x	0.036	AF/urinal	=	0
Zero Water consumptino Urinal(s)	# of urinals		x	0	n/a	=	0
Restaurant (general/bar)	# of seats		x	0.02	AF/seat	=	0
Restaurant (24-hour / Fast Food)	# of seats		x	0.038	AF/seat	=	0
Self-Storage	# of storage units		x	0.0008	AF/storage unit	=	0
Skilled Nursing	# of beds		x	0.12	AF/bed	=	0
Spa	# of spas		x	0.05	AF/spa	=	0
Swimming Pool	pool surface area		x	0.02	AF/100 sf surface area	=	
Theater	# of seats		x	0.0012	AF/seat	=	0

Commecial Water - CREDIT

1855 EAST AVE.

	ITEM	Sq.Ft.		FACTOR		ACRE-FEET
GROUP I - Low to Moderate Use	square footage (floor area)	10500	x	0.00007	=	0.735
GROUP II - High Use	square footage (floor area)		x	0.0002	=	0

GROUP III - Miscellaneous	ITEM	#		FACTOR	UNIT		ACRE-FEET
Assisting Living (more than 6 beds)	# of beds		x	0.085	per bed	=	0
Beauty Shop / Dog Grooming	# of stations		x	0.0567	AF/station	=	0
Child Care	# of children		x	0.0072	AF/child	=	0
Dormatory	# of rooms		x	0.04	AF/room	=	0
Gas Station	# of gas pumps		x	0.0913	AF/pump	=	0
Laundromat	# of wash machines		x	0.2	AF/machine	=	0
Meeting Hall	square footage		x	0.00053	AF/sq.ft.	=	0
Motel/Hotel/Bed & Breakfast	# of rooms		x	0.1	AF/room	=	0
rooms w/ large tubs (add to room factor)	# of large bathtubs		x	0.03	AF/tub	=	0
							0

Irrigated areas not adjacent	Provide Landscape Plan	MAWA	n/a

Plant Nursery	Square Footage		x	0.00009	AF/sf total land	=	0
Public Toilets	# of toilets		x	0.058	AF/toilet	=	0
Public Urinals	# of urinals		x	0.036	AF/urinal	=	0
Zero Water consumptino Urinal(s)	# of urinals		x	0	n/a	=	0
Restaurant (general/bar)	# of seats		x	0.02	AF/seat	=	0
Restaurant (24-hour / Fast Food)	# of seats		x	0.038	AF/seat	=	0
Self-Storage	# of storage units		x	0.0008	AF/storage unit	=	0
Skilled Nursing	# of beds		x	0.12	AF/bed	=	0
Spa	# of spas		x	0.05	AF/spa	=	0
Swimming Pool	pool surface area		x	0.02	AF/100 sf surface area	=	
Theater	# of seats		x	0.0012	AF/seat	=	0

Commecial Water - CREDIT
1831 EAST AVE.

	ITEM	Sq.Ft.		FACTOR		ACRE-FEET
GROUP I - Low to Moderate Use	square footage (floor area)	8445	x	0.00007	=	0.59115
GROUP II - High Use	square footage (floor area)		x	0.0002	=	0

GROUP III - Miscellaneous	ITEM	#		FACTOR	UNIT		ACRE-FEET
Assisting Living (more than 6 beds)	# of beds		x	0.085	per bed	=	0
Beauty Shop / Dog Grooming	# of stations		x	0.0567	AF/station	=	0
Child Care	# of children		x	0.0072	AF/child	=	0
Dormatory	# of rooms		x	0.04	AF/room	=	0
Gas Station	# of gas pumps		x	0.0913	AF/pump	=	0
Laundromat	# of wash machines		x	0.2	AF/machine	=	0
Meeting Hall	square footage		x	0.00053	AF/sq.ft.	=	0
Motel/Hotel/Bed & Breakfast	# of rooms		x	0.1	AF/room	=	0
rooms w/ large tubs (add to room factor)	# of large bathtubs		x	0.03	AF/tub	=	0
							0

Irrigated areas not adjacent	Provide Landscape Plan	MAWA	n/a

Plant Nursery	Square Footage		x	0.00009	AF/sf total land	=	0
Public Toilets	# of toilets		x	0.058	AF/toilet	=	0
Public Urinals	# of urinals		x	0.036	AF/urinal	=	0
Zero Water consumptino Urinal(s)	# of urinals		x	0	n/a	=	0
Restaurant (general/bar)	# of seats		x	0.02	AF/seat	=	0
Restaurant (24-hour / Fast Food)	# of seats		x	0.038	AF/seat	=	0
Self-Storage	# of storage units		x	0.0008	AF/storage unit	=	0
Skilled Nursing	# of beds		x	0.12	AF/bed	=	0
Spa	# of spas		x	0.05	AF/spa	=	0
Swimming Pool	pool surface area		x	0.02	AF/100 sf surface area	=	
Theater	# of seats		x	0.0012	AF/seat	=	0

Commecial Water - CREDIT
1795 CALIFORNIA AVE.

	ITEM	Sq.Ft.		FACTOR		ACRE-FEET
GROUP I - Low to Moderate Use	square footage (floor area)	2792	x	0.00007	=	0.19544
GROUP II - High Use	square footage (floor area)		x	0.0002	=	0

GROUP III - Miscellaneous	ITEM	#		FACTOR	UNIT		ACRE-FEET
Assisting Living (more than 6 beds)	# of beds		x	0.085	per bed	=	0
Beauty Shop / Dog Grooming	# of stations		x	0.0567	AF/station	=	0
Child Care	# of children		x	0.0072	AF/child	=	0
Dormatory	# of rooms		x	0.04	AF/room	=	0
Gas Station	# of gas pumps		x	0.0913	AF/pump	=	0
Laundromat	# of wash machines		x	0.2	AF/machine	=	0
Meeting Hall	square footage		x	0.00053	AF/sq.ft.	=	0
Motel/Hotel/Bed & Breakfast	# of rooms		x	0.1	AF/room	=	0
rooms w/ large tubs (add to room factor)	# of large bathtubs		x	0.03	AF/tub	=	0
							0

Irrigated areas not adjacent	Provide Landscape Plan	MAWA	n/a

Plant Nursery	Square Footage		x	0.00009	AF/sf total land	=	0
Public Toilets	# of toilets		x	0.058	AF/toilet	=	0
Public Urinals	# of urinals		x	0.036	AF/urinal	=	0
Zero Water consumptino Urinal(s)	# of urinals		x	0	n/a	=	0
Restaurant (general/bar)	# of seats		x	0.02	AF/seat	=	0
Restaurant (24-hour / Fast Food)	# of seats		x	0.038	AF/seat	=	0
Self-Storage	# of storage units		x	0.0008	AF/storage unit	=	0
Skilled Nursing	# of beds		x	0.12	AF/bed	=	0
Spa	# of spas		x	0.05	AF/spa	=	0
Swimming Pool	pool surface area		x	0.02	AF/100 sf surface area	=	
Theater	# of seats		x	0.0012	AF/seat	=	0

Commecial Water - CREDIT

840 872 FIR

	ITEM	Sq.Ft.		FACTOR		ACRE-FEET
GROUP I - Low to Moderate Use	square footage (floor area)	25,186	x	0.00007	=	1.76302
GROUP II - High Use	square footage (floor area)		x	0.0002	=	0

GROUP III - Miscellaneous	ITEM	#		FACTOR	UNIT		ACRE-FEET
Assisting Living (more than 6 beds)	# of beds		x	0.085	per bed	=	0
Beauty Shop / Dog Grooming	# of stations		x	0.0567	AF/station	=	0
Child Care	# of children		x	0.0072	AF/child	=	0
Dormatory	# of rooms		x	0.04	AF/room	=	0
Gas Station	# of gas pumps		x	0.0913	AF/pump	=	0
Laundromat	# of wash machines		x	0.2	AF/machine	=	0
Meeting Hall	square footage		x	0.00053	AF/sq.ft.	=	0
Motel/Hotel/Bed & Breakfast	# of rooms		x	0.1	AF/room	=	0
rooms w/ large tubs (add to room factor)	# of large bathtubs		x	0.03	AF/tub	=	0
							0

Irrigated areas not adjacent	Provide Landscape Plan	MAWA	n/a

Plant Nursery	Square Footage		x	0.00009	AF/sf total land	=	0
Public Toilets	# of toilets		x	0.058	AF/toilet	=	0
Public Urinals	# of urinals		x	0.036	AF/urinal	=	0
Zero Water consumptino Urinal(s)	# of urinals		x	0	n/a	=	0
Restaurant (general/bar)	# of seats		x	0.02	AF/seat	=	0
Restaurant (24-hour / Fast Food)	# of seats		x	0.038	AF/seat	=	0
Self-Storage	# of storage units		x	0.0008	AF/storage unit	=	0
Skilled Nursing	# of beds		x	0.12	AF/bed	=	0
Spa	# of spas		x	0.05	AF/spa	=	0
Swimming Pool	pool surface area		x	0.02	AF/100 sf surface area	=	
Theater	# of seats		x	0.0012	AF/seat	=	0

Commecial Water - CREDIT
836 Afton Ave.

	ITEM	Sq.Ft.		FACTOR		ACRE-FEET
GROUP I - Low to Moderate Use	square footage (floor area)	1,668	x	0.00007	=	0.11676
GROUP II - High Use	square footage (floor area)		x	0.0002	=	0

GROUP III - Miscellaneous	ITEM	#		FACTOR	UNIT		ACRE-FEET
Assisting Living (more than 6 beds)	# of beds		x	0.085	per bed	=	0
Beauty Shop / Dog Grooming	# of stations		x	0.0567	AF/station	=	0
Child Care	# of children		x	0.0072	AF/child	=	0
Dormatory	# of rooms		x	0.04	AF/room	=	0
Gas Station	# of gas pumps		x	0.0913	AF/pump	=	0
Laundromat	# of wash machines		x	0.2	AF/machine	=	0
Meeting Hall	square footage		x	0.00053	AF/sq.ft.	=	0
Motel/Hotel/Bed & Breakfast	# of rooms		x	0.1	AF/room	=	0
rooms w/ large tubs (add to room factor)	# of large bathtubs		x	0.03	AF/tub	=	0
							0

Irrigated areas not adjacent	Provide Landscape Plan	MAWA	n/a

Plant Nursery	Square Footage		x	0.00009	AF/sf total land	=	0
Public Toilets	# of toilets		x	0.058	AF/toilet	=	0
Public Urinals	# of urinals		x	0.036	AF/urinal	=	0
Zero Water consumptino Urinal(s)	# of urinals		x	0	n/a	=	0
Restaurant (general/bar)	# of seats		x	0.02	AF/seat	=	0
Restaurant (24-hour / Fast Food)	# of seats		x	0.038	AF/seat	=	0
Self-Storage	# of storage units		x	0.0008	AF/storage unit	=	0
Skilled Nursing	# of beds		x	0.12	AF/bed	=	0
Spa	# of spas		x	0.05	AF/spa	=	0
Swimming Pool	pool surface area		x	0.02	AF/100 sf surface area	=	
Theater	# of seats		x	0.0012	AF/seat	=	0

Commecial Water - CREDIT

873 Fir Ave.

	ITEM	Sq.Ft.		FACTOR		ACRE-FEET
GROUP I - Low to Moderate Use	square footage (floor area)	996	x	0.00007	=	0.069734
GROUP II - High Use	square footage (floor area)		x	0.0002	=	0

GROUP III - Miscellaneous	ITEM	#		FACTOR	UNIT		ACRE-FEET
Assisting Living (more than 6 beds)	# of beds		x	0.085	per bed	=	0
Beauty Shop / Dog Grooming	# of stations		x	0.0567	AF/station	=	0
Child Care	# of children		x	0.0072	AF/child	=	0
Dormatory	# of rooms		x	0.04	AF/room	=	0
Gas Station	# of gas pumps		x	0.0913	AF/pump	=	0
Laundromat	# of wash machines		x	0.2	AF/machine	=	0
Meeting Hall	square footage		x	0.00053	AF/sq.ft.	=	0
Motel/Hotel/Bed & Breakfast	# of rooms		x	0.1	AF/room	=	0
rooms w/ large tubs (add to room factor)	# of large bathtubs		x	0.03	AF/tub	=	0
							0

Irrigated areas not adjacent	Provide Landscape Plan	MAWA	n/a

Plant Nursery	Square Footage		x	0.00009	AF/sf total land	=	0
Public Toilets	# of toilets		x	0.058	AF/toilet	=	0
Public Urinals	# of urinals		x	0.036	AF/urinal	=	0
Zero Water consumptino Urinal(s)	# of urinals		x	0	n/a	=	0
Restaurant (general/bar)	# of seats		x	0.02	AF/seat	=	0
Restaurant (24-hour / Fast Food)	# of seats		x	0.038	AF/seat	=	0
Self-Storage	# of storage units		x	0.0008	AF/storage unit	=	0
Skilled Nursing	# of beds		x	0.12	AF/bed	=	0
Spa	# of spas		x	0.05	AF/spa	=	0
Swimming Pool	pool surface area		x	0.02	AF/100 sf surface area	=	
Theater	# of seats		x	0.0012	AF/seat	=	0

AGENDA ITEM
9B.

Consideration and Approval of City RESOLUTION to Establish Community Facilities District No. 2021-1 (South of Tioga Project and to Authorize the Levy of Special Taxes

City of Sand City

STAFF MEMO

TO: Mayor and City Council
FROM: Vibeke Norgaard, Acting City Manager/City Attorney
DATE: December 15, 2021
FOR: December 21, 2021 Council meeting
SUBJECT: South of Tioga Development Project – Resolution of intention to establish Community Facilities District No. 2021-1 and to authorize the levy of special taxes

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Background

The South of Tioga Project is a development proposed by DBO Development No 30 LLC (DBO or Developer) to redevelop property in the approximately 10.64 acre area bounded by Tioga Avenue to the northeast, California Avenue to the southeast, East Avenue to the southwest, and the Merle street right-of-way to the northwest in the central portion of the City, generally referred to as the "South of Tioga" district.

At a June 5, 2018 public hearing and City Council meeting, Council approved the Vesting Tentative Map 18-01 ("VTM"), and related mitigation monitoring and reporting program ("MMRP") for the Project. (Resolutions SC 18-58, SC18-59). Also on June 5, 2018, the City Council certified an Environmental Impact Report (EIR) for the South of Tioga Project ("EIR"). On November 6, 2018, the City Council approved conditional use permits and coastal development permits for a hotel and associated parking on parcels H1, H2, H1A and H2A. (Resolution Nos. SC 18-98, 18-99, 18-100 and 18-101).

On October 20, 2021, DBO and the City entered into a development agreement for the South of Tioga Project. ("Development Agreement"). At its December 7, 2021 meeting the Council Approved for first reading a First Amendment to the Development Agreement, which it is anticipated Council will adopt at the December 21, 2021 meeting. On December 4, 2018, the Council adopted goals and policies and appraisal standards for community facilities districts within Sand City. **(**Resolution SC 18-114, 2018).

CFD

In accordance with the VTM and the Development Agreement, in order to offset negative fiscal impacts of development and provide a funding mechanism for certain public services and maintenance, the owners of not less than 10% of the area of land proposed to be included in the proposed CFD (i.e., the Developer) has petitioned the City to form a community facilities district ("CFD"). The Developer's Petition is attached hereto as **Att. A.**

Under the Mello-Roos Community Facilities Act of 1982, (Cal. Gov. Code section 53311 et seq.) (the "Act"), the City Council is authorized to establish a community facilities district and to act as its legislative body.

To that end, in July of 2018, NBS prepared a Fiscal Impact Analysis ("FIA") related to the South of Tioga project. (**Att. B**). The FIA provides analysis and backup related to the fiscal impacts of the project on City services. Additionally, maintenance costs were identified for project specific services that are in addition to the fiscal impacts. Sara Mares at NBS has prepared all the necessary documents for the CFD on behalf of the City.

Resolution of Intention to Form CFD

The Resolution of Intention ("Resolution"), attached as **Att. C**, includes a Rate and Method of Apportionment ("RMA") for the new CFD. The Resolution names the CFD as the City of Sand City Community Facilities District No. 2021-1 (South of Tioga Project) ("CFD 2021-1"). The RMA describes the rates and method by which special taxes may be levied within CFD 2021-1. The estimated revenue is $550,000, which will increase by CPI on an annual basis in accordance with the Development Agreement and amendments thereto. There is also a mechanism by which the amount of special tax levied may be reduced if certain transient occupancy tax thresholds are exceeded by the hotel property within the CFD.

The Resolution is the first step in the process to form the CFD. By adopting it, Council would be deciding to proceed with the establishment of a CFD to finance costs related to the Project, and will be setting a date for a public hearing on the establishment of the CFD. The proposed boundaries of the CFD are also approved by the Resolution (see map at Exhibit A to the Resolution). The map of the boundaries of the CFD will be recorded within15 days of the date of adoption of the Resolution. The Resolution also sets forth the type of services proposed to be financed by the CFD.

The special tax is secured by recordation of a continuing lien against all non-exempt real property in the CFD, and will be levied annually within the CFD. It will be collected in the same manner as ordinary *ad valorem* property taxes, (or in such other manner as this Council were to determine).

Next Steps

The resolution sets the public hearing on the establishment of the CFD for Tuesday, February 1, 2022, at the regularly scheduled City Council meeting. The hearing date is required to be at least 30 days and not more than 60 days after the date of the resolution. The Council, as legislative body for the CFD, will conduct the public hearing where it will consider and finally determine whether the public interest, convenience and necessity require the formation of the CFD and the levy of the Special Tax.

The levy of the Special Tax in the CFD is subject to the approval of the qualified electors of the CFD at a special election. The proposed voting procedure will be by mailed or hand-delivered ballots to the landowners in the proposed CFD boundary, with

each owner having one vote for each acre or portion of an acre such owner owns in the CFD.

CEQA
The action is not subject to the California Environmental Quality Act (CEQA) as there is no possibility that the adoption of a resolution of intent to form a CFD activity in question could have a significant effect on the environment. (Cal. Pub. Res. Code § 21065; Cal. Code Regs. tit. 14, § 15061(B)(3)). Further, to comply with the California Environmental Quality Act (Cal. Pub. Res. Code § 21000 *et seq.* and 14 Cal. Code Regs. § 15000 *et seq*.; "CEQA"), on June 5, 2018, at a duly noticed public hearing, the City Council certified the Environmental Impact Report (EIR) for the South of Tioga Project (SCH # 2017061066) as described more fully in Resolution SC 18-57, and made the required findings.

FISCAL IMPACT
The establishment of the CFD in the amount of $550,000 is intended to mitigate the negative fiscal impact of the Project.

STAFF RECOMMENDATION
Staff recommends APPROVAL of the resolution related to this first step in the CFD formation process.

ATTACHMENTS
Att. 1: Petition
Att. 2: FIA
Att. 3: Resolution of Intent, with Exhibits A-D.

CITY OF SAND CITY
COMMUNITY FACILITIES DISTRICT NO. 2021-1
(SOUTH OF TIOGA PROJECT)

PETITION
(With Waivers)

To Create a Community Facilities District and Related Matters

To the Honorable City Council,
CITY OF SAND CITY
City Hall, 1 Pendergrass Way
Sand City, CA 93955

Members of the Council:

This is a petition to create a community facilities district and related matters under the Mello-Roos Community Facilities Act of 1982, Sections 53311 et seq. of the California Government Code (the "Act") and it states as follows:

1. **Petitioner**. This Petition is submitted by the person (the "Petitioner") (whether one or more) identified below as or for the record owner(s) of the parcels of land identified below (the "Property"). The Petitioner warrants to the City that the Petitioner is such owner or is legally authorized to execute this Petition for and on behalf of such owner(s).

2. **Proceedings Requested**. This Petition asks that the City Council of Sand City undertake proceedings under the Act to create a community facilities district to be designated "City of Sand City Community Facilities District No. 2021-1 (South of Tioga Project) (the "CFD"), or similar title, for financing public services and to levy special taxes in the CFD.

3. **Boundaries**. This Petition asks that the territory to be included in the boundaries of the CFD consist of that shown on a map of the proposed boundaries of the CFD show in Exhibit A attached hereto and made a part hereof and which map includes the Property.

4. **Purpose**. This Petition asks that the CFD be created, the special taxes be levied to finance all or a part of the public services (the "Services") shown in Exhibit B attached hereto and made a part hereof.

5. **Special Taxes.** The Petitioner agrees that the City will, subject to the approval of the Petitioner in the proceedings for the CFD be authorized to levy of Special Taxes in the CFD to pay for the Services, subject to the completion of all proceedings by the City under the Act.

6. **Authority Warranted**. The Petitioner warrants to the City that the presentation of this Petition, any waivers contained herein, casting of ballots at the property owner election and other actions mandated by the City for the formation of the CFD shall not constitute or be construed as events of default or delinquencies under any existing or proposed financing documents entered into or to be entered into by the Petitioner for the Property, including any "due-on-encumbrance" clauses under any existing security instruments secured by the Property. If requested by the City, the Petitioner agrees, at its expense, to supply to the City, current title

evidence so that the City may supply any notice and ballot required under the Act for the establishment of the CFD.

7. Due-Diligence and Disclosures. The Petitioner agrees to cooperate with the City, its, attorneys and consultants and provide all information and disclosures required by the City about the Special Taxes to purchasers of the Property or any part of it.

8. Agreements. The Petitioner further agrees to execute such additional or supplemental agreements as may be required by the City to provide for any of the actions and conditions under this Petition, including any amount of cash deposit required to pay for the City's costs in establishing the CFD. Petitioner agrees that this Petition shall not be considered as filed with the City for purposes of commencing proceedings for the CFD under the Act unless and until deemed filed by the City in its absolute discretion.

The Property is Monterey County Assessor Parcel No(s):

011-122-002-000	011-123-005-000	011-135-024-000
011-122-003-000	011-123-006-000	011-136-007-000
011-122-004-000	011-123-007-000	011-136-012-000
011-122-005-000	011-123-008-000	011-136-024-000
011-122-010-000	011-123-009-000	011-186-021-000
011-122-011-000	011-123-011-000	011-186-038-000
011-122-023-000	011-123-022-000	011-186-039-000
011-122-024-000	011-123-023-000	
011-122-025-000	011-123-024-000	
011-122-026-000	011-123-025-000	
011-122-032-000	011-123-026-000	
011-122-038-000	011-134-011-000	
011-122-039-000	011-135-001-000	
011-122-040-000	011-135-014-000	
011-122-041-000	011-135-015-000	
011-123-001-000	011-135-016-000	
011-123-004-000	011-135-023-000	

and the Property contains a total of 8.701 acres.

The Petitioner (record owner) is:
DBO DEVELOPMENT NO. 30,
a California limited liability company

By: THE OROSCO FAMILY TRUST dated June 28 1977 as amended, Member

By: _____
A. Emory Wishon III, Co-Trustee

By: _____
Christopher R. Orosco, Co-Trustee

By: LYLES DIVERSIFIED, INC.,
a California corporation, Member

By: _____
Gerald V. Lyles
Its: Senior Vice President

Mailing Address for Ballot Materials:
Lyles Diversified, Inc.
525 W. Alluvial Avenue, Suite A
Fresno, CA 93711

CITY OF SAND CITY

Report for:

Fiscal Impact Analysis for the South of Tioga Project

July 2018

OFFICE LOCATIONS:

Temecula – Corporate Headquarters
32605 Temecula Parkway, Suite 100
Temecula, CA 92592

San Francisco – Regional Office
870 Market Street, Suite 1223
San Francisco, CA 94102

California Satellite Offices
Atascadero, Davis
Huntington Beach,
Joshua Tree, Riverside
Sacramento, San Jose

www.nbsgov.com

Prepared by:

NBS helping communities fund tomorrow

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Section 1. INTRODUCTION

The City of Sand City ("City") is undertaking a comprehensive review of the net fiscal impact that would be placed upon the City due to the proposed development of an area, currently within the City's existing boundaries, known as the South of Tioga Project ("Project Area"). When reviewing the anticipated revenues to be generated from the development, as compared to the additional cost burden placed upon the City to provide the public services, development of the Project Area produces an overall positive fiscal impact for the City. However, it should be noted that the Project Area is proposing multiple land uses including residential, hotel and restaurant development. Individually, the proposed residential development produces a large negative fiscal impact, but the significant positive fiscal impact generated from the hotel development produces a net positive fiscal impact for the entire development.

This fiscal impact report is laid out to provide a background of the project, financial information, and recommended actions for the City's consideration. To accomplish this objective, the report includes the following information:

- **Background information**. The introductory portion of the report focuses on the City, as well as the public services and operations under review. Proposed development information is also addressed in this section.
- **Revenues**. This section of the report identifies the various revenue sources and the potential recurring revenues produced from the proposed development.
- **Expenditures**. The expenditure section of the report identifies the estimated cost burden placed upon City operations as a result of the proposed development.
- **Fiscal Impact**. Using the previously identified revenues and allocated expenditures, this section of the report identifies the positive or negative fiscal impact to City operations as a result of the proposed development. Fiscal impacts are addressed in both aggregate and using a per unit factor. Depending on the objectives of the analysis, the per unit factor may be on a per person served, per dwelling unit, per parcel, and/or per acre basis.
- **Recommendations**. Finally, the report concludes with a summary of findings and recommendations for the City to consider.

Section 2. BACKGROUND

New development can provide a significant benefit to a public agency. As part of the overall decision-making process to move forward with the proposed development, it is important to evaluate the contributions and demands that the development will place upon the public agency's general fund. In this particular situation, the City needs to determine and ensure that developing property in the Project Area pay their fair share of any additional fiscal burdens placed upon the City's operational budget as a result of development. To determine the potential positive or negative fiscal impacts placed upon the City from the proposed development, this fiscal impact analysis is designed to quantify the approximate cost of services provided by the City in order to serve the proposed population within the City's Project Area. This fiscal impact analysis assumes that the proposed development will impact current City services in a similar manner that the existing development within the City impacts those public services. This fiscal impact analysis assumes that the same level of public service that is currently provided throughout the City will also be provided to the proposed development. Any enhanced level of public services desired or services not currently provided by the City that may be provided to the proposed development are not addressed in this fiscal analysis. Costs to provide enhanced levels or service or new services to the proposed development are in addition to the costs identified in this analysis.

To determine the proposed development's overall positive or negative fiscal impact, this fiscal analysis focuses on the recurring revenue produced from the proposed development at full buildout, compared to the increased demands placed upon the City's operational budget. Revenue estimates for this fiscal analysis do not include one-time development impact fees that are paid to offset the additional burden placed upon public infrastructure. Similarly, the expenditures exclude any capital allocations to public infrastructure.

Analysis Methodology

The revenue portion of the fiscal impact analysis primarily focuses on various taxes, fees, and other City revenues. The expenditures portion of the fiscal impact analysis includes general government activities, public protection, community development, and other City expenditures.

There are several industry-accepted methods for allocating revenues and expenditures to the proposed development. This analysis primarily focuses on two industry standard approaches: the case study approach and the multiplier approach. Both of the approaches are summarized below.

CASE STUDY APPROACH

When data used in a fiscal impact analysis is specific to the analysis itself, and is not dependent upon a generalized multiplier such as the number of residents, employees, etc., the case study approach is utilized. The case study approach relies on development-specific data to estimate the fiscal impacts of the proposed development of the project. Data used in the case study approach may include assessed valuations, property turnover rates, residential and employee populations, household incomes, estimated sales, and retail expenditures.

MULTIPLIER APPROACH

The multiplier approach is used in a fiscal impact analysis when the relationship of the revenue or expenditures generated from the proposed project are difficult to measure. This approach anticipates that certain revenues and expenditures are indicators of future anticipated revenues and expenditures, which can be quantified based upon changes in the number of persons served. To apply this approach, the analysis determines an average revenue or expenditure amount on a persons served basis. Depending on the type of revenue or expenditure, the persons served can include residents, employees, or both.

City Persons Served

In order to best utilize the multiplier approach in the fiscal impact analysis, and to allocate revenues and expenditures, the City's existing residential and employee service populations need to be identified.

RESIDENTIAL POPULATION

Currently, there is a small residential population living within the City's boundaries. According to the most recent information obtained from the State of California's Department of Finance, the January 2017 total estimated population for the City is 384 residents.

EMPLOYEE POPULATION

While the City may have a limited residential population, the City does have a robust commercial presence. The City's commercial activities serve a sizeable commercial base that attracts anywhere from 40,000 to 50,000 shoppers daily. Per the City's website, in order to serve this large commercial base, there are approximately 3,000 employees.

PERSONS SERVED

Using the residential and employee population estimates established above, the total number of persons served within the City can be determined. When making this determination, it should be noted that the employee population does not have the same service demands on a public agency when compared to the residential population. While the exact service demand relationship between an employee and a resident is often difficult to measure, an industry standard of one-half employee to one resident is common practice. This 50% adjustment suggests that a resident will have twice the demand on a public agency's services than that of an employee. Applying this 50% adjustment to the City's existing employee population, the total number of persons served within the City is provided in the table below.

TABLE 1. CITY PERSONS SERVED

Residential Population	Employee Population(1)	Persons Served
384	1,500	1,884

(1) Adjusted to reflect 50% of the total employee population of 3,000.

Based upon the City's residential and adjusted employee population, the total number of persons currently served within the City is 1,884 persons.

Project Area Description

Pursuant to information obtained from the Draft Environmental Impact Report[1] ("South of Tioga Draft EIR"), the site for the Project Area encompasses approximately 10 acres and is located within the City's existing boundaries. The Project Area is generally bordered by Tioga Avenue to the northeast, California Avenue to the southeast, East Avenue to the southwest, and the Merle Street right-of-way to the northwest. The Project Area site currently includes some light industrial/warehouse uses, commercial uses, residential uses, and undeveloped areas. Recently, the development plan for the Project Area was amended. The revised development plan is anticipated to include one hotel with 216 rooms, two multi-family residential developments that will provide up to 356 multi-family residential units, parking, a rooftop restaurant, landscaping, and a dune area to be set aside within a conservation easement. Further details regarding the specific land uses for the revised Project Area development are provided below.

HOTEL

The hotel development will be situated on 2.18 acres within the Project Area and is anticipated to include 216 guest rooms. Development of the hotel site will include a building not to exceed four stories and the development plans will also provide hotel parking, recreational facilities, meeting and dining room, kitchen, office, laundry, and other back-of-house facilities to serve hotel guests. A portion of the hotel development is anticipated to operate as an extended stay hotel, with 135 guest rooms allocated for extended-stay purposes.

RESIDENTIAL 1

There are two multi-family residential developments planned for the Project Area. One of the residential developments is situated on 1.78 acres and will include up to 125 residential units ("Residential 1"). In addition, the Residential 1 development is proposed to include parking in a partly below-grade structure, recreational facilities, meeting rooms, office and storage areas, and a rooftop restaurant. The current development plan is that approximately 50% of the residential units within the Residential 1 building will be developed as "for sale" condominium properties and the other 50% of the residential units will be developed as rental properties. The Residential 1 development may also include up to 10 affordable housing units.

RESIDENTIAL 2

The other residential development is situated on 3.70 acres and will include up to 231 residential units ("Residential 2"). The Residential 2 development will include a parking garage, recreational facilities, meeting rooms, and office and storage areas. The current development plan anticipates that all of the residential units will be developed as rental properties and the Residential 2 development will not include any "for sale" condominiums. Further, the entire residential development for the Project Area is to include 52 affordable housing units. It is expected that most, if not all, of the affordable housing units will be located within the Residential 2 development.

[1] *Draft Environmental Impact Report, South of Tioga, State Clearinghouse #2017061066, March 1, 2018*

RESTAURANT

The Project Area development will also include a 4,000 square foot rooftop restaurant situated on the Residential 1 building. It is estimated that approximately half of the restaurant space would be used for customer seating and the other half of the space would be utilized for restaurant operations.

PROJECT AREA DEVELOPMENT SUMMARY

The following table provides a summary of the proposed development, excluding parking, open spaces and right-of-ways, for the Project Area:

TABLE 2. PROJECT AREA DEVELOPMENT

Land Use Description	Development Plan
Hotel	216 Rooms
Residential 1 and Residential 2	356 Units
Restaurant	4,000 Square Feet

PROJECT AREA POPULATION

To assign certain revenue and cost estimates to the Project Area, the estimated service population for the Project Area needs to be established. Utilizing the 2.27 persons per household information and employee estimates from the South of Tioga EIR, population information for the revised Project Area is provided in Table 3 below. It is worth noting that the South of Tioga EIR did not include employee estimates for the rooftop restaurant. Without specific details and plans for the restaurant, employee estimates were determined by using average employment data obtained from Statista. According to Statista, the approximate number of employees per restaurant establishment is 15 employees. After increasing the employee population to include these additional employees, the total population for the revised Project Area is 1,026 persons. As previously noted, to account for the reduced service demands of the employee population, a 50% adjustment is applied to the employee population to determine the total number of persons served within the Project Area. The total number of persons served within the Project Area is provided in the table below.

TABLE 3. PROJECT AREA POPULATION AND PERSONS SERVED

Description	Project Area Population	Persons Served
Residential Population(1)	808	808
Employee Population(2)(3)	218	109
Estimated Project Area Residential Population	**1,026**	**917**

(1) 356 residential units multiplied by 2.27 persons per household.
(2) Includes 194 hotel employees, nine residential development employees, and 15 restaurant employees.
(3) Employee persons served adjusted to reflect 50% of the employee population.

Based upon the Project Area's residential and employee population estimates, the total number of persons served within the revised Project Area is 917 persons.

PROPOSED PROJECT SPECIFIC SERVICES

The primary goal of this fiscal impact analysis is to determine the positive or negative fiscal impacts that the proposed development of the Project Area will place upon existing City provided services. Any enhanced levels of service desired, or the inclusion of additional services specific to the Project Area, are not included. These services would be in addition to fiscal impacts identified in providing the City's baseline level of service. Funding for these enhanced and/or additional recurring public service costs, including repairs and replacements, reserves and administration are more fully addressed in Section 6 of this report.

Section 3. PROJECT AREA REVENUE ESTIMATE

To carry out the goals and objectives of the City provided services, the City relies on revenues received from a variety of sources. City revenue sources include property tax revenue, property tax in lieu of vehicle license fee, sales tax revenue, transaction and use tax revenue, and revenues from other taxes, fines, forfeitures, charges for services, grants, and other sources. To determine the estimated revenue generated from the Project Area at full buildout, the case study approach is primarily used in this analysis. The multiplier approach is used to estimate revenues when specific case study data is not readily available to calculate those specific revenue amounts for the Project Area.

The revenue section of this analysis relies, in part, on information contained within the Sand City West End Proposed Development Report ("West End Analysis") prepared by ECONSolutions by HdL. The West End Analysis evaluated a portion of the potential revenues to be generated from the Project Area based upon the original development plans. The revenue section of this report relies on some of the information contained in the West End Analysis, especially information related transient occupancy tax estimates, to determine the overall fiscal impact of the Project Area. It should be noted that the West End Analysis was based upon the original development plan for the Project Area, which included a total of 420 residential units. The development plan for the Project Area was recently amended to reduce the total number of residential units from 420 residential units to 356 residential units.

Property Tax Revenue

Under California law, non-exempt property pays an ad valorem property tax equal to 1% of the assessed value of the property. Any additional voter approved taxes or assessments will result in a total property tax rate burden that can exceed 1%. The tax revenues received from the 1% ad valorem property tax rate are allocated to various entities based upon the percentage allocation for each tax rate area ("TRA"). While the percentage allocated to the City is not the same for all of the TRAs assigned to the City, the average City allocation is approximately 22.26% of the 1% ad valorem property tax revenue. The West End Analysis estimated that the annual property tax revenue generated from the Project Area would be $355,136. Again, this property tax revenue amount was based upon the original development plan of 420 residential units. The amended development plan is now proposing 356 residential units, or 15% fewer units. To account for this reduction in residential development, the estimated values assigned to the residential development have also been reduced by 15%. After applying the reduction to the residential development, the adjusted property tax revenue for the Project Area is $311,816, as shown on the following page.

TABLE 4. WEST END ANALYSIS PROJECT AREA PROPERTY TAX REVENUE

Land Use Description	West End Analysis Original Estimated Value(1)	West End Analysis Original Property Tax Revenue	Revised Development Plan Estimated Value	Revised Development Plan Property Tax Revenue
Hotel	$27,000,000	$60,102	$27,000,000	$60,102
Residential(2)	113,608,800	252,893	96,567,480	214,959
Residential Parking(2)	16,131,120	35,908	13,711,452	30,522
Restaurant	2,800,000	6,233	2,800,000	6,233
Totals:	**$159,539,920**	**$355,136**	**$140,078,932**	**$311,816**

(1) Provided in the West End Analysis. The Residential 1 and Residential 2 developments have been combined for analysis purposes.

(2) The residential development and residential parking estimated values reflect a 15% reduction as a result of project amendments that decreased the number of residential units from 420 to 356.

Further, the City indicated that a portion of the Residential 1 development will include some "for sale" condominium units. The West End Analysis did not reflect this information in the estimated values for the residential development. Instead, the West End Analysis provided a bulk value for the residential development, which results in an estimate value of approximately $271,260 per residential unit. Based on the most recent development plans for the Project Area, approximately 50%, or 63 residential units, within the Residential 1 development, will be "for sale" condominiums. To account for these "for sale" condominiums, the estimated value of the residential development needs to be adjusted to reflect this change in value. Using sales information obtained from Trulia.com, the average price for a condominium sold within the last six months near the City is approximately $506,000. Applying this average sales price information, the estimated value and secured property tax revenue for a portion of the Residential 1 development is updated in the table below.

TABLE 5. "FOR SALE" RESIDENTIAL SECURED PROPERTY TAX REVENUE

Description	Amount
Estimated Condominium Sales Price	$506,000
Less: Homeowner's Exemption	(7,000)
Estimated Value per Condominium	**$499,000**
Number of "For Sale" Condominiums	63
Total "For Sale" Residential Estimated Value	**$31,437,000**
1% Ad Valorem Property Tax	$314,370
City Share of 1% Ad Valorem	22.26%
"For Sale" Residential Secured Property Tax Revenue	**$69,979**

Based on the City's share of the 1% ad valorem property tax revenue, the "for sale" condominiums will generate approximately $70,000 in secured property tax revenue for the City. By designating 63 units in the residential development as "for sale" condominiums, the total revised residential development estimated

value increases to almost $110,900,000. This increase in the estimated value for a portion of the residential units increases the overall revised property tax revenue for the Project Area by approximately $32,000, as shown below.

TABLE 6. PROJECT AREA ADJUSTED PROPERTY TAX REVENUE

Land Use Description	Adjusted Estimated Value	Adjusted Property Tax Revenue
Hotel	$27,000,000	$60,102
Residential(1)	110,915,291	246,897
Residential Parking	13,711,452	30,522
Restaurant	2,800,000	6,233
Totals:	**$154,426,743**	**$343,754**

(1) Value adjusted to reflect the additional estimated value of the 63 "for sale" condominiums. Previous value was $96,567,480.

Property Tax in Lieu of Vehicle License Fee ("VLF") Revenue

Property tax in lieu of VLF is revenue that the City receives in addition to the City's share of property tax revenues. In 2004, the California Legislature permanently reduced the VLF rate from two percent to 0.65% and compensated cities and counties for their revenue loss with a like amount of property taxes, dollar-for-dollar. A public agency's property tax in lieu of VLF revenue allocation increases in proportion to the growth in gross assessed valuation for that public agency. Therefore, to determine the anticipated amount of property tax in lieu of VLF to be generated from the Project Area, ratio of the budgeted property tax in lieu of VLF to the City's total secured assessed value is determined. Using information from the Adopted City Budget FY 17-18 ("City's 2017/18 Budget") and the Monterey County Tax Rates for Fiscal Year 2017-2018, the estimated property tax in lieu of VLF ratio for the Project Area is calculated below:

TABLE 7. PROJECT AREA PROPERTY TAX IN LIEU OF VLF

Description	Amount
2017/18 Total Secured Assessed Value	$249,389,663
2017/18 Budgeted Property Tax in Lieu of VLF	27,000
Property Tax in Lieu of VLF Ratio	**0.0108%**

This property tax in lieu of VLF ratio can then be applied to the adjusted estimated values presented in Table 6 above to determine the amount of property tax in lieu of VLF that the Project Area will potentially generate. Based on the total adjusted estimated value, the Project Area will generate approximately $16,700 in property tax in lieu of VLF revenue as shown below.

TABLE 8. PROJECT AREA PROPERTY TAX IN LIEU OF VLF REVENUE

Land Use Description	Adjusted Estimated Value	Property Tax in Lieu of VLF Revenue(1)
Hotel	$27,000,000	$2,916
Residential	110,915,291	11,979
Residential Parking	13,711,452	1,481
Restaurant	2,800,000	302
Totals:	**$154,426,743**	**$16,678**

(1) Adjusted estimated value multiplied by 0.0108%

Documentary Transfer Tax

When property is sold, a documentary transfer tax is charged. The documentary transfer tax is charged at a rate of $1.10 per $1,000 of assessed value. This transfer tax is then split between the County and the City. To determine the annual documentary transfer tax, the estimated property turnover rate must be considered. The industry average for property to be sold is approximately every seven years, which results in an annual turnover rate of about 14%. This analysis assumes that property ownership of the hotel development and most of the residential development will have minimal, if any, turnover. Therefore, only the "for sale" condominiums will be considered in the documentary transfer tax calculation. Based upon the adjusted estimated value of the "for sale" condominiums and an annual turnover rate of 14%, the City's share of the documentary transfer tax is calculated below.

TABLE 9. PROJECT AREA DOCUMENTARY TRANSFER TAX

Description	Amount
Total "For Sale" Residential Estimated Value	$31,437,000
Estimated Annual Turnover Rate	14%
Annual Turnover Assessed Value	$4,401,180
Annual Turnover Assessed Value / $1,000	$4,401
Documentary Transfer Tax Rate per $1,000(1)	$0.55
Project Area Documentary Transfer Tax	**$2,421**

(1) The $1.10 tax rate is split $0.55 to Monterey County and $0.55 to the City.

The documentary transfer tax from the "for sale" condominiums will generate approximately $2,400 in revenue from the Project Area.

Sales Tax and Transaction and Use Tax Revenue

The West End Analysis provided sales tax estimates for the proposed restaurant, as well as recognizing that employees in the Project Area would generate a certain amount of taxable sales within the City. However, the total sales tax and transaction and use tax revenue estimates should also include taxable sales estimates from the Project Area's future residents and hotel guests. The base sales tax rate in California is 7.25% and sales tax revenue is allocated to state and local jurisdictions, with the City receiving 1% of the base sales tax

rate. As a result of voter-approved measures, the actual sales tax rate for the City is 8.75%. Of this increased sales tax, the City receives an additional 1% transaction and use tax.

HOTEL SALES TAX AND TRANSACTION AND USE TAX REVENUE

Visitors staying at the hotel will generate a certain amount of sales tax revenue for the City. To determine the estimated amount of taxable sales per year from hotel guests, the number of annual guests needs to be identified. Per the West End Analysis, the average occupancy rate for the hotel will be 77%. Applying this occupancy rate to the proposed number of guest rooms and then multiplying this figure by an average occupancy per room, the total number of annual guests can be determined. Based upon information obtained from the FY 2017-2018 Visitor Profile Study prepared by Destination Analysists for the MCCVB Marketing Intelligence Report FY 17-18, the average number of occupants per room is 2.8 persons. Further, this visitor profile noted that hotel guests spend approximately $86 per day on food and beverage and retail purchases. While the City does have a significant commercial presence, 100% of the hotel guest's spending will not occur within City limits. While the exact spending percentages are unavailable, a conservative estimate of 50% is applied to this analysis to account for the taxable purchases that hotel guests will make outside of the City's boundaries.

TABLE 10. PROJECT AREA HOTEL GUESTS SALES TAX AND TRANSACTION AND USE TAX REVENUE

Description	Amount
Number of Hotel Rooms	216
Average Occupancy Rate	77%
Average Number of Guests per Room	2.8
Number of Annual Hotel Guests	169,979
Average Taxable Sales per Guest	$86
Estimated % of Taxable Sales within City	50%
Project Area Hotel Taxable Sales	$7,309,097
City Sales Tax @ 1%	$73,091
City Transaction and Use Tax @ 1%	$73,091
Total Project Area Sales Tax and Transaction and Use Tax Revenue from Hotel Guests	**$146,182**

It is estimated that the hotel guests within the Project Area will generate almost $146,000 in sales tax and transaction and use tax revenue for the City.

RESIDENTIAL SALES TAX AND TRANSACTION AND USE TAX REVENUE

To determine the amount of potential sales and transaction and use tax revenue that will be generated from the residential population, the household income needs to be determined. Based on U.S. Census information, the average household income for the City is $65,975[2]. In addition, information from the State

[2] *U.S. Census Bureau, 2012-2106 American Community Survey 5-Year Estimates, Sand City, California.*

Board of Equalization noted that the approximate household spending for California taxable goods was 29.5%[3] of household income. Applying this household spending percentage to the proposed residential development within the Project Area, the total amount of sales tax and transaction and use tax revenue generated from the residential development is calculated. Again, this analysis recognizes that 100% of the residential population's taxable sales will not occur within the City. A conservative estimate of 50% is applied to reflect taxable sales that will occur outside of the City.

TABLE 11. PROJECT AREA RESIDENTIAL SALES TAX AND TRANSACTION AND USE TAX REVENUE

Description	Amount
Average Household Income	$65,975
% of Household Income Spent on Taxable Goods	29.5%
Taxable Sales per Household	$19,463
Number of Residential Units	356
Estimated % of Taxable Sales within City	50%
Project Area Residential Taxable Sales within City	$3,464,347
City Sales Tax @ 1%	$34,643
City Transaction and Use Tax @ 1%	$34,643
Total Project Area Sales Tax and Transaction and Use Tax Revenue from Residential	**$69,286**

The Project Area's residential population will generate approximately $69,000 in sales tax and transaction and use tax revenue for the City.

RESTAURANT SALES TAX AND TRANSACTION AND USE TAX REVENUE

The West End Analysis estimated that the restaurant would generate $1,600,000 in taxable sales per year. It is anticipated that much of the restaurant's taxable sales will be generated from the Project Area's residential population, hotel guests, and employee population. In an effort to not double-count sales tax and transaction and use tax revenue, it is estimated that 25% of the restaurant's taxable sales will come from a population base that is located outside of the Project Area. The remaining 75% of the restaurant's taxable sales will come from the Project Area population. The taxable sales for the Project Area population are quantified in Tables 10, 11 and 13 of this report. The restaurant's taxable sales coming from the population located outside of the Project Area is presented in the following table.

[3] *State Board of Equalization, Economic Perspective, Discussion of Recent Economic Developments, December 2016.*

TABLE 12. PROJECT AREA RESTAURANT SALES TAX AND TRANSACTION AND USE TAX REVENUE

Description	Amount
Estimated Annual Taxable Sales	$1,600,000
Estimated % of Taxable Sales Outside of Project Area(1)	25%
Restaurant Taxable Sales Outside of Project Area	$400,000
City Sales Tax @ 1%	$4,000
City Transaction and Use Tax @ 1%	$4,000
Total Project Area Sales Tax and Transaction and Use Tax Revenue from Restaurant	**$8,000**

(1) 75% of taxable sales are estimated to come from the Project Area's residential, employee and hotel population. That taxable sales information is quantified in Tables 10, 11 and 13.

The Project Area's restaurant will generate approximately $8,000 in additional sales tax and transaction and use tax revenue for the City.

EMPLOYEE SALES TAX AND TRANSACTION AND USE TAX REVENUE

It is anticipated that about 218 employees are needed to serve the Project Area in order to support hotel, restaurant and residential operations. Further, some of the Project Area employees will most likely live in the Project Area's residential development. To account for employees that may reside in the Project Area, and their taxable sales already quantified in Table 11, the employee population has been reduced by 50%. The West End Analysis provided information related to the spending habits of the suburban workforce. In the analysis, it noted that the average annual spending per employee is $7,300. This amount includes both taxable and non-taxable purchases. While personal spending is unique to each individual, this analysis assumes that approximately half of the employees annual spending is taxable. Further, the employee sales tax calculation also uses a conservative estimate of 50% to recognize that some of the employee's annual taxable sales will occur outside of the City.

TABLE 13. PROJECT AREA EMPLOYEE SALES TAX AND TRANSACTION AND USE TAX REVENUE

Description	Amount
Number of Employees(1)	109
Average Annual Taxable Spending per Employee(2)	$3,650
Estimated % of Taxable Sales within City	50%
Project Area Employee Taxable Sales	$198,925
City Sales Tax @ 1%	$1,989
City Transaction and Use Tax @ 1%	$1,989
Total Project Area Sales Tax and Transaction and Use Tax Revenue from Employees	**$3,978**

(1) 218 total employees, with 50% of the employees estimated to live in the Project Area. Their taxable sales have been accounted for, as part of the residential population in Table 11.

(2) Average annual spending is $7,300 and taxable sales estimated to equal 50%.

Employees within the Project Area will generate almost $4,000 in sales tax and transaction and use tax revenue for the City.

SALES TAX AND TRANSACTION AND USE TAX REVENUE SUMMARY

The total sales tax revenue generated from the Project Area is approximately $113,600 and the total transaction and use tax generated from the Project Area is approximately $113,600. In total, the Project Area will generate just over $227,000 in additional revenue for the City. The sales tax and transaction and use tax revenue amounts are summarized by Project Area land use in the table below.

TABLE 14. PROJECT AREA SALES TAX AND TRANSACTION AND USE TAX REVENUE

Land Use Description	Sales Tax(1)	Transaction and Use Tax(1)	Total Sales and Transaction and Use Tax Revenue
Hotel	$74,861	$74,861	$149,722
Residential	34,725	34,725	69,450
Restaurant	4,137	4,137	8,274
Total Sales Tax and Transaction and Use Tax Revenue:	**$113,723**	**$113,723**	**$227,446**

(1) Includes the employee sales tax and transaction and use tax amounts. The $3,978 amount is allocated to each land use by the number of employees with 194 hotel employees, nine residential development employees, and 15 restaurant employees.

Transient Occupancy Tax ("TOT") Revenue

The revised Project Area development plan includes a hotel with 216 guest rooms. The West End Analysis provided a detailed analysis of the estimated TOT revenue that would be generated from the hotel development. The analysis assumes a 77% occupancy rate, with an average daily rate of $188. It should be noted that while the analysis assumes a 77% occupancy rate, a portion of the hotel development is intended to serve as an extended stay hotel. Once a hotel guest has stayed for 30 consecutive days, the subsequent days are no longer subject to TOT. The West End analysis assumed that of the 135 occupied rooms, designated as extended stay, 36% of the rooms will actually be used for extended stay purposes. Applying the City's 12% TOT rate to the estimated hotel revenue, the hotel development will generate approximately $1,061,000 in TOT revenue as shown below.

TABLE 15. PROJECT AREA TOT REVENUE

Hotel Description	Rooms	Average Daily Rate	Occupancy Rate(1)	Annual Revenue	Total TOT Revenue
Extended Stay	135	$188	49.28%	$4,565,151	$547,818
Standard Stay	81	188	77%	4,279,829	513,579
Total TOT Revenue:	**216**				**$1,061,397**

(1) The West End Analysis estimates that 64% of the occupancy will be TOT eligible. (77% x 64%).

Business License Tax

All persons transacting or carrying on business within the City are required to have a business license and pay an annual business license tax. The business license tax is a minimum of $150, plus an additional business license tax based upon the annual gross receipts. The tax is 0.11% of annual gross receipts in excess of $100,000. However, there are certain businesses that pay an annual business license tax that is based upon a flat amount and hotels fall within this category. Pursuant to the City's Municipal Code Section 5.04.260(H), hotels shall pay a quarterly business license tax of $0.40, or $1.60 annually, per room for which the maximum rental charge is greater than $1.50 per day. Applying the business license tax formulas to the Project Area, the estimated annual business license tax for the hotel and restaurant developments is as follows:

TABLE 16. PROJECT AREA BUSINESS LICENSE TAX REVENUE

Land Use Description	Number of Rooms or Gross Receipts	Annual Tax Rate	Total Business License Tax
Hotel	216	$1.60 per room	$346
Restaurant	$1,600,000	$150 + Gross Receipts Tax(1)	1,800
Total Business License Tax Revenue:			**$2,146**

(1) 0.11% of gross receipts in excess of $100,000. ($1,600,000 - $100,000) x .0011

The Project Area will generate approximately $2,100 in business license tax revenue for the City.

Other City Revenue

The City also generates revenue from sources that were not previously quantified via the case study approach above. Other City revenues include fees, fines, penalties, property rentals, charges for services, and other revenues. For purposes of this fiscal impact analysis, revenues that are not allocated to the Project Area include one-time building and planning permits, interest from City investments, ROPS residual, Successor Agency administration reimbursement, lease payments from other entities, special project funds, and grants. Using revenue information from the City's 2017/18 budget, the table below presents other City revenues to be allocated to the Project Area.

TABLE 17. OTHER CITY REVENUE

Description	Amount
Franchise/Users Tax	$231,800
Rentals	15,000
Miscellaneous revenues	204,410
Total Other City Revenue:	**$451,210**

To allocate these other City revenues to the Project Area, the multiplier approach is utilized. Table 1 previously identified that the numbers of persons served within the City is 1,884 persons. The new population from the Project Area will increase the ongoing amount of other revenues that the City receives

to fund recurring City operations. However, the increase in City revenues from the development of the Project Area will not result in a direct 1:1 relationship. Some of the City's other revenues will have limited increases, regardless of the population served. Therefore, to account for a relationship that is less than 1:1, the other revenue amounts have been adjusted by 50% to reflect a conservative increase in revenue as a result of Project Area development. It should be recognized that the adjustment is only an estimate that is based upon industry averages and the nature of the proposed project. The original budgeted amount, the adjusted amount, and the amount per person served are presented in the table below.

TABLE 18. ADJUSTED OTHER CITY REVENUE PER PERSON

Description	City's 2017/18 Budget Amount	Adjusted City's 2017/18 Budget Amount(1)	Persons Served	Amount per Person Served
Franchise/Users Tax	$231,800	$115,900	1,884	$61.52
Rentals	15,000	7,500	1,884	3.98
Miscellaneous Revenues	204,410	102,205	1,884	54.25
Totals:	**$451,210**	**$225,605**		**$119.75**

(1) City's 2017/18 budget amount adjusted by 50%.

The total other revenue amount allocated per person is $119.75. In order to determine the amount of other revenue allocated to the Project Area, the other revenue amount per person is multiplied by the number of persons served within the Project Area. As previously determined in Table 3, the total persons served in the Project Area is 917 and results in a total other revenue amount of almost $110,000 as shown in the table below.

TABLE 19. PROJECT AREA OTHER CITY REVENUE

Land Use Description	Persons Served(1)	Amount per Person Served	Total Other Revenue
Hotel	97	$119.75	$11,616
Residential	812.5	119.75	97,297
Restaurant	7.5	119.75	898
Total Other City Revenue:	**917**		**$109,811**

(1) Employee population weighted at 50% of a resident with 194 hotel employees, nine residential development employees, and 15 restaurant employees.

Project Area Revenue Summary

The Project Area will generate revenues from several different sources. Some of the anticipated revenues were calculated based upon the case study approach and others were allocated to the Project Area on a multiplier approach. A summary of the estimated Project Area revenues, by land use, is presented below:

TABLE 20. TOTAL PROJECT AREA REVENUE

Description	Hotel Revenue	Residential Revenue(1)	Restaurant Revenue	Total Revenue
Property Tax Revenue	$60,102	277,419	6,233	$343,754
Property Tax In Lieu of VLF Revenue	2,916	13,460	302	16,678
Documentary Transfer Tax Revenue	0	2,421	0	2,421
Sales Tax Revenue	74,861	34,725	4,137	113,723
Transaction and Use Tax Revenue	74,861	34,725	4,137	113,723
Transient Occupancy Tax Revenue	1,061,397	0	0	1,061,397
Business License Tax Revenue	346	0	1,800	2,146
Other City Revenue	11,616	97,297	898	109,811
Total Project Area Revenue	**$1,286,099**	**$460,047**	**$17,507**	**$1,763,653**

(1) Includes revenue generated from the residential development and the residential parking, where applicable.

The Project Area is anticipated to generate approximately $1,764,000 in revenue to support ongoing general City operations.

Section 4. PROJECT AREA EXPENDITURES ESTIMATE

The Project Area revenues identified in Section 3 of this report are used to pay for recurring expenditures related to general City services. The City expenditures that are not considered in this analysis include costs associated with infrastructure improvements, special project expenditures, and other non-recurring expenses. For purposes of determining the overall net fiscal impact of the Project Area, City expenditures are allocated based upon the amounts presented in the City's 2017/18 Budget.

The Project Area will provide significant growth to the City's existing population base, with the residential population increasing approximately 210% to almost 1,200 residents. This population increase will place significant demands upon the existing services provided by the City. In order to account for the cost of the additional demands, the majority of the City expenditures are allocated to the Project Area using the multiplier approach. Similar to the allocation of other City revenues, the demands placed upon the City's recurring expenditures as a result of the proposed development do not necessarily result in a direct 1:1 relationship. Some of the City's recurring expenditures include fixed annual amounts, regardless of the population served. Where appropriate, expenditures have been adjusted to reflect a conservative increase in expenditures as a result of new development within the City. It should be recognized that the adjustments are only estimates based upon industry averages and the nature of the proposed project. The original budgeted amount, the demand adjustment percentage, and the adjusted amount are presented in the table below.

TABLE 21. CITY EXPENDITURES SUMMARY

Description	Recurring City's 2017/18 Budget Amount	Demand Adjustment Percentage	Adjusted Recurring City's 2017/18 Budget Amount
City Council	$231,760	33%	$76,481
Administration	533,720	50%	266,860
Finance	529,210	50%	264,605
Attorney	229,860	33%	75,854
Community Development	498,010	33%	164,343
Police	2,583,800	0%(1)	2,583,800
Fire	278,900	0%(1)	278,900
Public Works	893,025	50%	446,513
Parks	46,500	50%	23,250
Government Buildings	38,000	33%	12,540
Community Outreach	129,000	50%	64,500
Non-Departmental	504,067	50%	252,034
Totals	**$6,495,852**		**$4,509,680**

(1) The police and fire budgets are not adjusted. Expenditures are allocated via the case study method below.

After adjusting the recurring portion of the City's 2017/18 Budget, the adjusted recurring budget amount is approximately $4.5 million.

City Expenditure Allocation

Each City expenditure is reviewed to determine whether the expenditure is intended to serve both the residential and employee population, the residential population only, the employee population only, or some other population set. As previously noted in Table 1, the total number of persons served in the City is 1,884 persons and the number of residents served in the City is 384 persons. The table below provides the persons served category for each recurring expenditure category, with the exception of police and fire expenditures. The police and fire expenditures are allocated to the Project Area via the case study approach.

TABLE 22. CITY EXPENDITURES ALLOCATION

Description	Adjusted Recurring City's 2017/18 Budget Allocation
City Council	Persons Served
Administration	Persons Served
Finance	Persons Served
Attorney	Persons Served
Community Development	Persons Served
Police	Case Study
Fire	Case Study
Public Works	Persons Served
Parks	Residents Served
Government Buildings	Persons Served
Community Outreach	Residents Served
Non-Departmental	Persons Served

City Expenditures per Person Served

Under the multiplier approach, the assigned number of persons within each allocation category is applied to each expenditure line item to determine the estimated expenditure per person. The table below provides the expenditure per person for each summary budget category.

TABLE 23. CITY EXPENDITURES PER PERSON SERVED

Description	Adjusted Recurring City's 2017/18 Budget Amount	Persons Served	Adjusted Recurring City's 2017/18 Budget per Person Served
City Council	$76,481	1,884	$40.59
Administration	266,860	1,884	141.65
Finance	264,605	1,884	140.45
Attorney	75,854	1,884	40.26
Community Development	164,343	1,884	87.23
Police	2,583,800	N/A	N/A(1)
Fire	209,175	N/A	N/A(1)
Public Works	669,769	1,884	237.00
Parks	34,875	384	60.55
Government Buildings	12,540	1,884	6.66
Community Outreach	96,750	384	167.97
Non-Departmental	252,034	1,884	133.78
Total per Person Served	**$4,707,086**		**$1,056.14**

(1) The police and fire budgets are allocated via the case study approach below.

Based on the additional demands anticipated to be placed upon existing City services, the total adjusted expenditure, excluding police and fire expenditures, is $1,056.14 per person served.

Expenditures per Person Served

The expenditure per person served, identified in Table 23, is based upon one resident. There are expenditures that are intended to serve both the residential and employee population and some expenditures intended to primarily serve the residential population. Further, each employee is weighted at 50% of one resident. The table below provides both the expenditure per resident and the expenditure per employee.

TABLE 24. CITY EXPENDITURES PER RESIDENT AND PER EMPLOYEE

Description	Expenditures per Resident	Expenditures per Employee(1)
City Council	$40.59	$20.30
Administration	141.65	70.83
Finance	140.45	70.23
Attorney	40.26	20.13
Community Development	87.23	43.62
Police	0.00	0.00
Fire	0.00	0.00
Public Works	237.00	118.50
Parks(2)	60.55	0.00
Government Buildings	6.66	3.33
Community Outreach(2)	167.97	0.00
Non-Departmental	133.78	66.89
Total Expenditures per	**$1,056.14**	**$413.83**

(1) An employee is equivalent to 50% of a resident.
(2) Parks and community outreach are primarily intended to serve the residential population.

Exclusive of the police expenditures, the total City expenditures allocated to each residential person within the Project Area is $1,056.14 per resident and the total City expenditures allocated to each employee within the Project Area is $413.83 per employee. Applying these rates to the Project Area population, the total City expenditures for the Project Area are presented below.

TABLE 25. PROJECT AREA CITY EXPENDITURES

Land Use Description	Persons Served	Amount per Person Served	Total City Expenditures
Hotel	194	$413.83	$80,279
Residential(1)	817	1,056.14	857,079
Restaurant	15	413.83	6,207
Totals:	**1,026**		**$943,565**

(1) 808 residents at $1,056.14 per resident and nine employees at $473.08 per employee.

The City expenditures allocated to the Project Area are approximately $943,500. However, this amount does not include expenditures attributable to police and fire costs. Police and fire costs are assigned to the Project Area via the case study approach, presented in the following sections of this report.

Police Expenditures per Person Served

As previously mentioned, the City has a significant commercial presence that greatly increases the daytime service population for the City. As a result, the City's policy is to provide a level of police service that is

equivalent to one officer per 1,000 in total population. This level of service ratio is used to allocate police expenditures to the Project Area. The South of Tioga EIR notes that there are 11 employees in the Police Department and the City's 2017/18 Budget has a budgeted amount of $2,583,800. However, the budgeted amount includes certain fixed expenditures that will not change as a result of any adjustments to personnel. To account for those fixed expenditures, the City's budgeted amount has been adjusted by 25%. After applying this adjustment, the police expenditures are approximately $176,000 per employee as shown below.

TABLE 26. POLICE EXPENDITURES PER EMPLOYEE

Description	Amount
Police Expenditures	$2,583,800
Adjustment for Fixed Expenditures	25%
Net Police Expenditures	$1,937,850
Police Department Employees	11
Police Expenditures per Employee	**$176,168**

Based on information presented in Table 3, the total residential and employee population for the Project Area is estimated to be 1,026 persons. In addition, hotel guests will increase the total population and place additional demands upon police. Using the information previously presented in the hotel guest sales tax and transaction and use tax analysis, the average daily occupancy is 77% with 2.8 persons per room. Applying this information to the proposed 216 hotel rooms, the daily hotel guest population is 466 people. Adding the hotel guest population to the population estimate from Table 3, the total service population for the Project Area is 1,492 people. Using this total population figure, and applying the one officer per 1,000 of total service population, 1.49 employees will be needed to serve the Project Area. Using the police expenditure per employee information in Table 26, the police expenditure per person is calculated below.

TABLE 27. POLICE EXPENDITURES PER PERSON

Description	Amount
Police Employees Needed to Serve Project Area	1.49
Police Expenditures per Employee	$176,168
Project Area Police Expenditures	**$262,490**
Project Area Total Population	1,492
Project Area Police Expenditure per Person	**$175.97**

To police services to the Project Area, the estimated police expenditure is approximately $262,500 or $175.97 per person. The police expenditures are allocated to the Project Area land uses as follows:

TABLE 28. POLICE EXPENDITURES BY LAND USE

Land Use Description	Population(1)	Police Expenditure per Person	Total Police Expenditures(2)
Hotel	660	$175.97	$116,087
Residential	817	175.97	143,767
Restaurant	15	175.97	2,640
Totals:	**1,492**		**$262,494**

(1) Includes residents, employees and hotel guests.
(2) Totals do not match due to rounding.

Fire Expenditures per Person Served

The City does not provide their own fire department. Instead, the City contracts for fire protection services from the City of Monterey. Based on the proposed development within the Project Area, the City of Monterey has provided a cost estimate to serve the new development. The City of Monterey has indicated that the City's fire protection services contract will increase by approximately $200,000 to serve the Project Area. Allocating this contract increase to the proposed population within the Project Area, the total City fire expenditures allocated to each person served within the Project Area is $218.10 per person as shown below.

TABLE 29. FIRE EXPENDITURES PER PERSON

Description	Amount
Increase in Fire Contract with City of Monterey	$200,000
Project Area Persons Served(1)	917
Project Area Fire Expenditure per Person	**$218.10**

(1) Employee population weighted at 50% of a resident.

The per person City fire expenditures allocated to the Project Area are $218.10 per resident and $109.05 per employee. Applying these rates to the Project Area population, the total City fire expenditures for each land use within the Project Area are presented below.

TABLE 30. PROJECT AREA FIRE EXPENDITURES

Land Use Description	Persons Served	Amount per Person Served	Total Fire Expenditures
Hotel	194	$109.05	$21,156
Residential(1)	817	218.10	177,208
Restaurant	15	109.05	1,636
Totals:	**1,026**		**$200,000**

(1) 809 residents at $218.10 per resident and nine employees at $109.05 per employee.

Project Area Expenditure Summary

Combining the City expenditures calculated in Table 25, the police expenditures in Table 28, and the fire expenditures in Table 30, the total City expenditures calculated for the Project Area is approximately $1,406,000 as shown in the table below.

TABLE 31. PROJECT AREA TOTAL CITY EXPENDITURES

Land Use Description	Other City Expenditures	Police Expenditures	Fire Expenditures	Total City Expenditures
Hotel	$80,279	$116,087	$21,156	$217,522
Residential	857,079	143,767	177,208	1,178,054
Restaurant	6,207	2,640	1,636	10,483
Totals:	**$943,565**	**$262,494**	**$200,000**	**$1,406,059**

Section 5. PROJECT AREA FISCAL IMPACT

Based on the Project Area revenue presented in Table 20 and the Project Area expenditures presented in Table 31, the development of the Project Area will result in an overall positive fiscal impact for the City. The table below sets forth the total estimated positive fiscal impact.

TABLE 32. PROJECT AREA OVERALL FISCAL IMPACT

Description	Amount
Total Project Area Revenue	$1,763,653
Total Project Area Expenditures	1,406,059
Project Area Positive / (Negative) Fiscal Impact	**$357,594**

The development of the Project Area will produce an overall positive impact of approximately $357,600. This overall positive fiscal impact represents the collective fiscal impact of each of the land uses proposed within the Project Area. The fiscal impacts for each of the land uses is presented in the table below.

TABLE 33. PROJECT AREA FISCAL IMPACTS BY LAND USE

Description	Hotel Amount	Residential Amount	Restaurant Amount	Total Amount
Project Area Revenue	$1,286,099	$460,047	$17,507	$1,763,653
Project Area Expenditures	217,522	1,178,054	10,483	1,406,059
Positive / (Negative) Fiscal Impact	**$1,068,577**	**($718,007)**	**$7,024**	**$357,594**

While the hotel and restaurant land uses provide a positive fiscal impact for the City, the residential development has a negative fiscal impact of approximately $718,000 or almost $2,017 per residential unit, shown below.

TABLE 34. FISCAL IMPACT PER PROJECT AREA RESIDENTIAL UNIT

Description	Amount
Fiscal Impact of Residential Development	($718,007)
Project Area Residential Units	356
Fiscal Impact Per Residential Unit	**($2,016.87)**

Collectively, the Project Area produces positive fiscal impacts for the City. However, since the residential portion produces negative fiscal impacts, the City may consider the establishment of a Community Facilities District to mitigate the negative fiscal impact created from the residential development. In addition, if any enhanced levels of service or additional services are desired for the Project Area, those services can also be included in the Community Facilities District. Section 6 of this report provides additional information.

Section 6. COMMUNITY FACILITIES DISTRICT OPTION

History of Community Facilities Districts ("CFDs")

A CFD, also referred to as a Mello-Roos District, is a type of special financing district that is established via the Mello-Roos Community Facilities District Act of 1982 ("1982 Act"). Through the levy and collection of a special tax, CFDs provide funding for authorized public improvements and/or public services. The CFD's Rate and Method of Apportionment sets forth the formula for calculating the annual special tax, the initial maximum special tax rates, and assigning the special tax to taxable property within the CFD.

Since CFDs authorize a special tax, as opposed to a special assessment, there is no requirement to make a finding of special benefit for the property being taxed. However, the special tax should be based on a benefit received by property, the cost of providing the facilities or services, or some other reasonable basis for assigning the special tax, as determined by the legislative body.

In order to establish a CFD, the 1982 Act requires a two-thirds approval of the registered voters, residing within the proposed CFD boundary, voting in the special tax election. If there are less than 12 registered voters within the proposed CFD boundaries, a landowner election can take place. In the case of a landowner election, a two-thirds approval is still required and each landowner receives one vote per acre or portion of an acre of land owned.

It should be noted that if a CFD is approved via a landowner election, the CFD is only authorized to fund additional services. The additional services funded by the CFD shall not replace services already available and provided within the boundaries of the CFD.

Project Area Specific Costs

Overall, the Project Area produces positive fiscal impacts for the City. However, the City may consider establishing a CFD to mitigate the negative fiscal impact created from the residential development.

In addition to funding the negative fiscal impacts from the residential development, the City may need additional funding for project specific costs. Project specific services may include increased landscaping, habitat conservation, park and open space maintenance, increase police services, detention basins, and utilities. The CFD special tax rate can be structured to allow for special tax rates intended to mitigate the negative fiscal impact to the City from certain development and provide funding for enhanced and additional public services.

Section 7. CONCLUSION

In order for the City to continue to provide necessary services to their population base, the City needs to ensure that developing property pays their fair share as a result of any additional fiscal burdens placed upon the City's operational budget due to the new development. It has been determined that the Project Area provides an overall positive fiscal impact, of approximately $357,600. This overall positive fiscal impact is an aggregate of the unique fiscal impacts produced by each land use within the Project Area. While the hotel and restaurant land uses result in positive fiscal impacts, the proposed residential land use has a significant negative fiscal impact to the City of approximately $2,017 per residential unit. To mitigate the residential negative fiscal impact, the City should consider establishing a CFD. The CFD special tax would generate revenue to offset the residential development's negative fiscal impact to the City, as well as generate additional revenue to fund any enhanced or new project specific costs desired by the Project Area.

CITY OF SAND CITY
RESOLUTION SC-___, 2021

RESOLUTION OF INTENTION TO ESTABLISH COMMUNITY FACILITIES DISTRICT NO. 2021-1 (SOUTH OF TIOGA PROJECT) AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES

WHEREAS, under the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code (the "Act"), the City Council (the "Council") of the City of Sand City (the "City") is authorized to establish a community facilities district and to act as its legislative body; and

WHEREAS, this Council, having received petitions from the owners of not less than 10% of the area of land proposed to be included in the proposed community facilities district, now desires to proceed with the establishment of such community facilities district to finance costs of public services required to meet the demands of development of lands in the City; and

WHEREAS, pursuant to Section 53339.2 of the Act, this Council further desires to undertake proceedings to provide for future annexation of territory to the proposed community facilities district.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sand City as follows:

1. Authority. This Council proposes to conduct proceedings to establish a community facilities district pursuant to the Act, and hereby determines that public convenience and necessity require that the community facilities district be established pursuant to the Act.

2. Name of CFD. The name proposed for the community facilities district is "City of Sand City Community Facilities District No. 2021-1 (South of Tioga Project)" (the "CFD").

3. Boundaries Described. The proposed boundaries of the CFD are as shown on the map of attached as Exhibit A hereto and hereby incorporated herein, which boundaries are hereby preliminarily approved and to which map reference is hereby made for further particulars. The City Clerk is hereby directed to record, or cause to be recorded, the map of the boundaries of the CFD in the office of the County Recorder within fifteen (15) days of the date of adoption of this Resolution.

4. Services. The type of services proposed to be financed by the CFD and pursuant to the Act shall consist of those listed in Exhibit B hereto and hereby incorporated herein (the "Services"). The Council hereby determines that the Services are necessary to meet increased demands for such services placed upon local agencies as the result of development occurring within the area of the CFD. The Services are in addition to those provided in the territory of the CFD as of the date of this resolution and will not supplant services already available within the territory of the CFD as of the date hereof.

5. Special Tax. Except to the extent that funds are otherwise available to the CFD to pay for the Services, a special tax (the "Special Tax") sufficient to pay the costs thereof, secured by recordation of a continuing lien against all non-exempt real property in the CFD, will be levied annually within the CFD, and collected in the same manner as ordinary ad valorem property taxes, or in such other manner as this Council or its designee shall determine, including direct billing of the affected property owners. The proposed rate and method of apportionment of the Special Tax among the parcels of real property within the CFD in sufficient detail to allow each landowner within the proposed CFD to estimate the maximum amount such owner will have to pay, are described in Exhibit C attached hereto and hereby incorporated herein (the "Rate and Method"). This Council hereby finds that the provisions of Section 53313.6, 53313.7 and 53313.9 of the Act (relating to adjustments to ad valorem property taxes and schools financed by a community facilities district) are inapplicable to the proposed CFD.

6. Exempt Property. Except as may otherwise be provided by law or by the rate and method of apportionment of the Special Tax for the CFD, all lands owned by any public entity, including the United States, the State of California, the County and/or the City, or any departments or political subdivisions thereof, shall be omitted from the levy of the Special Tax to be made to cover the costs and expenses of the Services and the CFD. In the event that a portion of the property within the CFD shall become for any reason exempt, wholly or in part, from the levy of the Special Tax, this Council will, on behalf of the CFD, increase the levy to the extent necessary upon the remaining property within the CFD which is not exempt in order to yield the annual expenses of the CFD, if any, subject to the provisions of the rate and method of apportionment of the Special Tax.

7. Election. The levy of the Special Tax in the CFD shall be subject to the approval of the qualified electors of the CFD at a special election. The proposed voting procedure shall be by mailed or hand-delivered ballot among the landowners in the proposed CFD, with each owner having one vote for each acre or portion of an acre such owner owns in the CFD.

8. CFD Report. The City Manager (or deputy or designee thereof) is hereby directed to study the proposed Services and to make, or cause to be made, and file with the City Clerk a report in writing (the "CFD Report"), which shall be a part of the record of the public hearing hereinafter specified and which report shall present the following:

(a) A description of the Services that will be required to adequately meet the needs of the CFD.

(b) An estimate of the fair and reasonable cost of the Services and incidental expenses in connection therewith, and all other related costs.

9. Public Hearing. Tuesday, February 1, 2022, at 5:30 p.m. (which date is at least 30 days and not more than 60 days after the date of this Resolution) or as soon thereafter as possible in the City Council Chambers located at 1 Pendergrass Way, Sand City, California, and the same are hereby appointed and fixed as the time and place when and where this Council, as legislative body for the CFD, will conduct a public hearing on

the establishment of the CFD and consider and finally determine whether the public interest, convenience and necessity require the formation of the CFD and the levy of the Special Tax.

10. Notice of Hearing. The City Clerk is hereby directed to cause notice of the public hearing to be given by publication one time in a newspaper published in the area of the CFD. The publication shall be published at least 7 days before the date of the public hearing specified above.

The City Clerk may also cause notice of the hearing to be given to each property owner within the CFD by first class mail, postage prepaid, to each such owner's address as it appears on the most recent tax records of the County or as otherwise known to the City Clerk to be correct. Such mailing shall be completed not less than fifteen (15) days before the date of the public hearing.

The notice of the public hearing shall be substantially in the form specified in Section 53322 of the Act, with the form summarizing the provisions hereof hereby specifically approved.

11. Further Action. The Mayor, City Manager, Finance Director, City Attorney, City Clerk and all other officers and agents of the City are hereby authorized and directed to take all actions necessary or advisable to give effect to the transactions contemplated by this Resolution.

12. Effective Date. This resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the City Council of the City of Sand City on the _____ day of _____, 2021, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Mary Ann Carbone, Mayor

ATTEST:

_____
Connie Horca, City Clerk

EXHIBIT A

CITY OF SAND CITY
Community Facilities District No. 2021-1
(South of Tioga Project)

MAP OF PROPOSED BOUNDARIES

MAP OF PROPOSED BOUNDARIES OF THE CITY OF SAND CITY COMMUNITY FACILITIES DISTRICT NO. 2021-01 (SOUTH OF TIOGA PROJECT)

CITY OF SAND CITY
COUNTY OF MONTEREY
STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF SAND CITY THIS _____ DAY OF _____, 20__.

_____
CITY CLERK

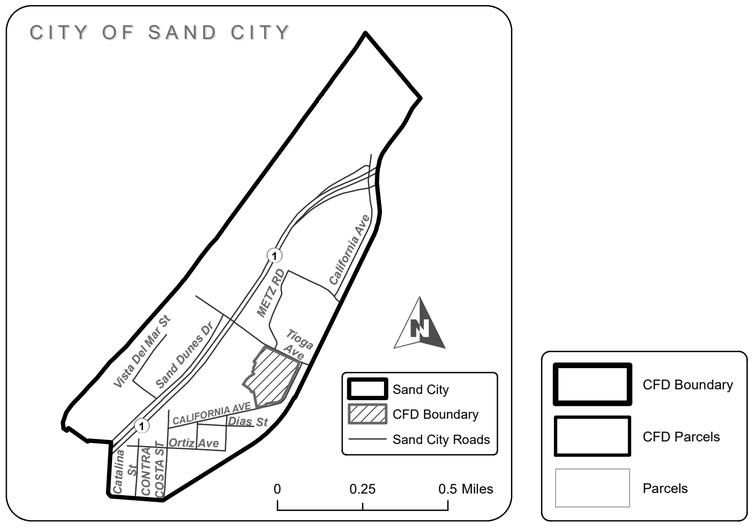
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF THE CITY OF SAND CITY COMMUNITY FACILITIES DISTRICT NO. 2021-01 (SOUTH OF TIOGA PROJECT), COUNTY OF MONTEREY, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF SAND CITY, AT A MEETING THEREOF, HELD ON THE _____ DAY OF _____, 20__, BY ITS RESOLUTION NO._____.

_____
CITY CLERK

FILED THIS _____ DAY OF _____, 20__, AT THE HOUR OF _____ O'CLOCK __.M., IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, AT PAGE _____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF MONTEREY, STATE OF CALIFORNIA.

_____
COUNTY RECORDER,
COUNTY OF MONTEREY

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR, COUNTY OF MONTEREY, STATE OF CALIFORNIA.



Source: Monterey County GIS
Geographic Coordinate Reference: GCS North American 1983
Projection: NAD 1983 StatePlane California IV FIPS 0404 Feet

EXHIBIT B

CITY OF SAND CITY
Community Facilities District No. 2021-1
(South of Tioga Project)

DESCRIPTION OF SERVICES

The captioned Community Facilities District will finance, in whole or in part, the following services ("services" shall have the meaning given that term in the Mello-Roos Community Facilities Act of 1982), including all related administrative costs, expenses and related reserves for replacement of vehicles, equipment and facilities:

Services

The services shall include, but not be limited to: (i) police, fire and related paramedic services required to sustain the public safety service delivery capability for emergency and non-emergency services including related facilities, equipment, vehicles, fire apparatus, services, supplies and personnel; (ii) maintenance and lighting of parks, parkways, streets, roads and open space; (iii) flood and storm protection services; as well as the provision of other public services authorized to be funded under Section 53313 of the California Government Code. CFD No. 2021-1 may also fund any of the following related described in the preceding sentence: obtaining, constructing, furnishing, operating and maintaining equipment, apparatus or facilities related to providing the services and/ or equipment, apparatus, facilities or fixtures in areas to be maintained, paying the salaries and benefits of personnel necessary or convenient to provide the services, payment of insurance costs and other related expenses and the provision of reserves for repairs and replacements and for the future provision of services. It is expected that the services will be provided by the City, either with its own employees or by contract with third parties, or any combination thereof.

The services to be financed by CFD No. 2021-1 are in addition to those provided in the territory of CFD No. 2021-1 before the date of creation of the district, and will not supplant services already available within that territory when CFD No. 2021-1 is created.

Administrative Expenses:

The administrative expenses to be funded by CFD No. 2021-1 include the direct and indirect expenses incurred by the City in carrying out its duties with respect to CFD No. 2021-1, including, but not limited to, the levy and collection of the special taxes, fees and expenses of attorneys, any fees of the County of Monterey related to CFD No. 2021-1 or the collection of special taxes, an allocable share of the salaries of the City staff directly related thereto and a proportionate amount of the City's general administrative overhead related thereto, any amounts paid by the City from its general fund with respect to CFD No. 2021-1 or the services authorized to be financed by CFD No. 2021-1, and expenses incurred by the City in undertaking action to foreclose on properties for which the payment

of special taxes is delinquent, and all other costs and expenses of the City in any way related to CFD No. 2021-1.

Other:
The incidental expenses that may be funded by CFD No. 2021-1 include, in addition to the administrative expenses identified above, the payment or reimbursement to the City of all costs associated with the establishment and administration of CFD No. 2021-1.

EXHIBIT C

CITY OF SAND CITY
Community Facilities District No. 2021-1
(South of Tioga Project)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

EXHIBIT C

CITY OF SAND CITY
COMMUNITY FACILITIES DISTRICT NO. 2021-1
(SOUTH OF TIOGA PROJECT)

RATE AND METHOD OF APPORTIONMENT

A Special Tax as hereinafter defined shall be levied and collected within the City of Sand City Community Facilities District No. 2021-1 (South of Tioga Project) ("CFD 2021-1") in an amount determined by the application of the procedures described below. All of the Taxable Property (defined below), unless exempted by the provisions hereof, shall be taxed for the purposes of, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meaning:

"Accessory Dwelling Unit" means a secondary residential unit of limited size, as defined in California Government Code Section 65852.2 as that may be amended from time to time, that is accessory to a single-unit dwelling. The ADU may be on the same Assessor's Parcel as the single-unit dwelling or on a separate Assessor's Parcel. For purposes of clarification, where an ADU and primary Dwelling Unit are on the same Assessor's Parcel, the ADU located on such Assessor's Parcel is not considered a separate Dwelling Unit from the primary Dwelling Unit on such Assessor's Parcel for purposes of the Special Tax. Should an Assessor's Parcel contain only an ADU, such Assessor's Parcel will not be subject to the levy of the Special Tax.

"Acreage" or "Acre" means the land area of an Assessor's Parcel as shown on County records, such as an Assessor's Parcel Map and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final subdivision map, record of survey, or other recorded document creating or describing the Assessor's Parcel. If the preceding maps for a land area are not available, the Acreage of such land area may be determined utilizing available spatial data and geographic information systems (GIS).

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of CFD 2021-1 including, but not limited to, the following: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City, the CFD Administrator, or both); the costs of collecting the Special Taxes (whether by the County, the City, or otherwise); the costs to the City, CFD 2021-1, or any designee thereof in complying with

disclosure or reporting requirements; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; and the costs of the City, CFD 2021-1, or any designee thereof related to any appeal of the levy or application of the Special Tax. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD 2021-1 for any other administrative purposes, including, but not limited to, attorney's fees, proposed formation of CFD 2021-1, or any other expenses incidental to the provision of the services.

"Annual Services Costs" means the amounts required to fund services authorized to be funded by CFD 2021-1.

"Assessor's Data" means Acreage, Use Code, Property Owner or other Assessor's Parcel information contained in the records of the Assessor of the County.

"Assessor's Parcel" means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the assessor of the County designating parcels by an Assessor's Parcel Number.

"Assessor's Parcel Number" or "APN" means, with respect to an Assessor's Parcel, that number assigned to such Assessor's Parcel by the County for purposes of identification.

"Assigned Special Tax" means the Assigned Special Tax determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Backup Special Tax" means the Backup Special Tax applicable to each Assessor's Parcel of Developed Property, as determined in accordance with the applicable subsection of Section C below.

"Certificate of Occupancy" means that certificate issued by the City certifying a building's compliance with applicable building codes and indicating it is suitable for occupancy.

"CFD 2021-1" means the City of Sand City Community Facilities District No. 2021-1 (South of Tioga Project).

"CFD Administrator" means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"City" means the City of Sand City.

"City Council" means the City Council of the City of Sand City, acting as the legislative body of CFD 2021-1.

"County" means the County of Monterey.

"Excess Hotel Property TOT Revenue for Hotel Property Benefit Initial" means that amount of Hotel Property TOT Revenue that is tendered to the City for the Fiscal Year preceding the Fiscal Year for which the Special Tax is being levied that is in excess of $1,060,000, excluding any enforcement costs incurred by the City in collecting the TOT and excluding any TOT that is collected and tendered to the City more than 60 days after it is due, up to a maximum of $250,000.

"Excess Hotel Property TOT Revenue for Hotel Property Benefit" means that amount of Hotel Property TOT Revenue that is tendered to the City for the Fiscal Year preceding the Fiscal Year for which the Special Tax is being levied that is in excess of $1,300,000, excluding any enforcement costs incurred by the City in collecting the TOT and excluding any TOT that is collected and tendered to the City more than 60 days after it is due, up to a maximum of $125,000.

"Excess Hotel Property TOT Revenue for Residential Property – R-1 Benefit" means that amount of Hotel Property TOT Revenue that is tendered to the City for the Fiscal Year preceding the Fiscal Year for which the Special Tax is being levied that is in excess of $1,610,000, excluding any enforcement costs incurred by the City in collecting the TOT and excluding any TOT that is collected and tendered to the City more than 60 days after it is due, up to a maximum of $150,000.

"Excess Hotel Property TOT Revenue for Residential Property – R-2 Benefit" means that amount of Hotel Property TOT Revenue that is tendered to the City for the Fiscal Year preceding the Fiscal Year for which the Special Tax is being levied that is in excess of $1,760,000, excluding any enforcement costs incurred by the City in collecting the TOT and excluding any TOT that is collected and tendered to the City more than 60 days after it is due, up to a maximum of $150,000.

"Exempt Property" means all Assessors' Parcels that are exempt from the Special Tax pursuant to Section E.

"Fiscal Year" means the City of Sand City's fiscal year period starting July 1 and ending on the following June 30.

"Hotel Property" means all Assessor's Parcels within the boundaries of CFD 2021-1 that have an establishment providing short-term lodging accommodations and other services for travelers and tourists. Typical County use code is 5N.

"Hotel Property TOT Revenue" means certain transient occupancy tax ("TOT") collected by the Hotel Property that is tendered to the City for a specified Fiscal Year.

"Initial Fiscal Year" means Fiscal Year 2022/23.

"Initial Formation Costs" means the costs associated with the formation of CFD 2021-1 in the amount of $33,000 to be included in the Special Tax Requirement in the Initial Fiscal Year only.

"Maximum Annual Special Tax" means the maximum Special Tax, determined in accordance with the provisions of Section C below, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Property Owner" means the owner of record of an Assessor's Parcel as indicated in the Assessor's Data, or as otherwise known to the CFD Administrator pursuant to a recorded grant deed, preliminary title report or other documentation deemed acceptable by the CFD Administrator.

"Property Owner Association Property" means, for each Fiscal Year, all Assessor's Parcels within the boundaries of CFD No. 2021-1 that is owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year.

"Proportionately" means for Taxable Property that the ratio of the Special Tax levy to the Maximum Annual Special Tax is equal for all Assessor's Parcels within each classification (Hotel Property, Residential Property – R-1 and Residential Property – R-2) within CFD 2021-1.

"Public Property" means any property which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is designated with specific boundaries and acreage on a final subdivision map as property which will be owned by a public agency. For purposes of this definition, a public agency includes the federal government, the State of California, the County, the City, or any other public agency.

"Residential Dwelling Unit" means any residential dwelling unit constructed or to be constructed for habitable living purposes located on an Assessor's Parcel as indicated in the records of the County Assessor, or, if not indicated, as otherwise determined by the CFD Administrator based on available official information, including building permit(s) issued. An Accessory Dwelling Unit that shares an Assessor's Parcel with a Residential Dwelling Unit shall not be considered a separate Residential Dwelling Unit for purposes of calculating the Special Tax. An Accessory Dwelling Unit that is on an Assessor's Parcel alone that does not also include a primary Residential Dwelling Unit shall not be considered a separate Residential Dwelling unit for purposes of calculating the Special Tax.

"Residential Property – R-1" means all Assessor's Parcels within the boundaries of CFD 2021-1 that are zoned R-1.

"Residential Property – R-2" means all Assessor's Parcels within the boundaries of CFD 2021-1 that are zoned R-2.

"Special Tax" means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement.

"Special Tax Requirement" means that amount of Special Tax revenue required in any Fiscal Year for CFD 2021-1 to: (i) pay the Annual Services Costs; (ii) pay Administrative Expenses; (iii) in Fiscal Years 2022/23, the Initial Formation Costs, (v) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds for CFD 2021-1; and

(vi) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; and less a credit for funds available to reduce the annual Special Tax levy, as determined by the CFD Administrator.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of CFD 2021-1 that are not exempt from the Special Tax pursuant to law or Section E below.

"Use Code" means that code indicating the primary land use of property assigned by the County Assessor and included in the Assessor's Data.

"Welfare Exempt Property" means all Assessor's Parcels within the boundaries of CFD No. 2021-1 that have been granted a welfare exemption pursuant to Section 53340 (c) under the Act under subdivision (g) of Section 214 of the Revenue and Taxation Code by the County.

B. ASSIGNMENT TO LAND USE CATEGORIES

On or about July 1 of each Fiscal Year when the County secured roll data is released, the CFD Administrator shall determine the valid Assessor's Parcel Numbers within CFD 2021-1. If any Assessor's Parcel Numbers are no longer valid from the previous Fiscal Year, the CFD Administrator shall determine the new Assessor's Parcel Number or Numbers that are in effect for the current Fiscal Year. To the extent an Assessor's Parcel(s) of Taxable Property are subdivided, consolidated or otherwise reconfigured, the Special Tax rates shall be assigned to the new Assessor's Parcel(s) pursuant to Section C.

Each Fiscal Year, all Assessor's Parcels within CFD No. 20-1 shall be classified as follows:

1. Each Assessor's Parcel shall be determined to be Taxable Property, Exempt Property, Property Owner Association Property, Public Property, Welfare Exempt Property.
2. Each Assessor's Parcel of Taxable Property shall further be classified as Hotel Property, Residential Property – R-1 or Residential Property – R-2.

Each Assessor's Parcel of Developed Property, Taxable Public Property and Taxable Welfare Exempt Property shall further be classified as Residential Property, Townhome Property, Apartment Property, Flat Property, or Non-Residential Property.

C. MAXIMUM ANNUAL SPECIAL TAX

The Maximum Special Tax for each Assessor's Parcel shall be the greater of (i) the amount derived by application of the Assigned Special Tax or (ii) the amount derived by application of the Backup Special Tax.

1. Assigned Special Tax

The Assigned Special Tax for each Assessor's Parcel of Taxable Property shall be assigned according to the table below:

Property Land Use	Fiscal Year 2022/23 Assigned Special Tax per Property Land Use	Fiscal Year 2022/23 Assigned Special Tax Allocation
Hotel Property	$250,000	Total Maximum Annual Special Tax per Property Land Use for Hotel Property to be allocated to all Assessor's Parcels of Hotel Property on a Per Acre basis
Residential Property – R-1	$150,000	Total Maximum Annual Special Tax per Property Land Use for Residential Property – R-1 to be allocated to all Assessor's Parcels of Residential Property – R-1 on a Per Residential Dwelling Unit basis
Residential Property – R-2	$150,000	Total Maximum Annual Special Tax per Property Land Use for Residential Property – R-2 to be allocated to all Assessor's Parcels of Residential Property – R-2 on a Per Residential Dwelling Unit basis

On July 1 of each Fiscal Year, commencing with the Fiscal Year following the issuance of the first Certificate of Occupancy for any Assessor's Parcels within CFD 2021-1, the Assigned Special Tax as calculated above shall be increased by the percentage change in the June annualized Consumer Price Index (CPI) for U.S. City Average, All Items, All Urban Consumers. If the percentage change in the annualized CPI is negative, the Assigned Special Tax rates shall not be decreased but shall remain at the Assigned Special Tax amount as computed for the previous Fiscal Year.

2. Backup Special Tax

The Backup Special Tax shall be applied if the Residential Property – R-1 and/or the Residential Property – R-2 becomes Exempt Property for any reason. In such event, the Assigned Special Tax that was assigned to such Exempt Property shall be reallocated to the remaining Taxable Property within CFD 2021-1 pro rata based on the Assigned Special Tax shown in the table above. For example, if the Residential Property – R-2 becomes Exempt Property, the $150,000 Assigned Special Tax will be allocated to the Hotel Property in the amount of $75,000 and to the Residential Property – R-1 in the amount of $75,000.

On July 1 of each Fiscal Year, commencing with the Fiscal Year following the issuance of the first Certificate of Occupancy for any Assessor's Parcel within CFD 2021-1] the Backup Special Tax as calculated above shall be increased by the percentage change in the June annualized Consumer Price Index (CPI) for U.S. City Average, All Items, All Urban Consumers. If the percentage change in the annualized CPI is negative, the Backup Special Tax rates shall not be decreased but shall remain at the Backup Special Tax amount as computed for the previous Fiscal Year.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with the Fiscal Year following the issuance of the first Certificate of Occupancy for any Assessor's Parcel within CFD 2021-1, and through Fiscal Year 2029/30, the CFD Administrator shall determine the Special Tax Requirement and shall levy the Special Tax on each Assessor's Parcel of Taxable Property until the amount of Special Taxes equals the Special Tax Requirement. The Special Taxes shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Hotel Property at a rate of up to 100% of the applicable Maximum Annual Special Tax, less the Excess Hotel Property TOT Revenue for Hotel Property Benefit Initial amount when applicable.

Second: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Residential Property – R-1 at a rate of up to 100% of the applicable Maximum Annual Special Tax, less the Excess Hotel Property TOT Revenue for Residential Property – R-1 Benefit amount when applicable.

Third: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Residential Property – R-2 at a rate of up to 100% of the applicable Maximum Annual Special Tax, less the Excess Hotel Property TOT Revenue for Residential Property – R-2 Benefit amount when applicable.

Commencing with Fiscal Year 2030/31, and for each subsequent Fiscal Year, the CFD Administrator shall determine the Special Tax Requirement and shall levy the Special Tax on each Assessor's Parcel of Taxable Property until the amount of Special Taxes equals the Special Tax Requirement. The Special Taxes shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Hotel Property at a rate of up to 100% of the applicable Maximum Annual Special Tax, less the Excess Hotel Property TOT Revenue for Hotel Property Benefit amount when applicable.

Second: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Residential Property – R-1 at a rate of up to 100% of the applicable Maximum Annual Special Tax.

Third: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Residential Property – R-2 at a rate of up to 100% of the applicable Maximum Annual Special Tax

Notwithstanding the above, under no circumstances will the Special Tax levied against any Assessor's Parcel of Residential Property be increased as a result of delinquencies by owners of other Assessor's Parcels by more than ten percent (10%) above what the Assessor's Parcel of Residential Property would have been levied had there been no delinquencies.

E. EXEMPTIONS

No Special Tax shall be levied on Public Property (except as otherwise provided in Sections 53317.3 and 53317.5 of the Act), Property Owner Association Property, or Welfare Exempt Property.

However, should an Assessor's Parcel no longer be classified as Public Property, Property Owner Association Property, or Welfare Exempt Property, its tax-exempt status will be revoked.

F. **REVIEW/APPEAL**

Any Property Owner may file a written appeal of the Special Taxes with the CFD Administrator claiming that the amount or application of the Special Taxes is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made.

The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination.

If the appellant disagrees with the CFD Administrator's decision relative to the appeal, the owner may then file a written appeal with the City Council whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the Board of Directors requires the Special Taxes to be modified or changed in favor of the Property Owner, the CFD Administrator shall determine if sufficient Special Tax revenue is available to make a cash refund. If a cash refund cannot be made, then an adjustment shall be made to credit future Special Taxes on the Assessor's Parcel associated with the appeal in the Fiscal Year(s) following resolution of the appeal in favor of the Property Owner.

This procedure shall be exclusive and its exhaustion by any Property Owner shall be a condition precedent to filing any legal action by such owner.

G. MANNER AND DURATION OF SPECIAL TAX

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided that CFD 2021-1 may directly bill the Special Tax, may collect the Special Tax at a different time or in a different manner if needed to meet the financial obligations of the CFD 2021-1, and may collect delinquent Special Taxes through foreclosure or other available methods.

A Special Tax shall continue to be levied and collected within CFD 2021-1, as needed to fund the Annual Special Tax Requirement, in perpetuity.

H. FORMULA FOR PREPAYMENT OF SPECIAL TAX OBLIGATIONS

The Special Tax may not be prepaid.

EXHIBIT D

CITY OF SAND CITY
Community Facilities District No. 2021-1
(South of Tioga Project)

NOTICE OF PUBLIC HEARING

Notice is hereby given that the City Council of City of Sand City will conduct a public hearing on Tuesday, February 1, 2022, at 5:30 p.m. or as soon thereafter as the matter may be heard, at the City Council Chambers, 1 Pendergrass Way, Sand City, California, to consider the following:

CITY OF SAND CITY
COMMUNITY FACILITIES DISTRICT NO. 2021-1
(SOUTH OF TIOGA PROJECT)

On December 21, 2021, the City Council of the City of Sand City adopted a Resolution entitled "A Resolution of Intention to Establish Community Facilities District No. 2021-1 (South of Tioga Project) and to Authorize the Levy of Special Taxes" (the "Resolution of Intention"). Reference is hereby made to the Resolution of Intention on file in the office of the City Clerk of City of Sand City for further particulars.

In the Resolution of Intention, the City Council declared its intention to form the City of Sand City Community Facilities District No. 2021-1 (South of Tioga Project) (the "District") to finance the costs of (i) police, fire and related paramedic services required to sustain the public safety service delivery capability for emergency and non-emergency services including related facilities, equipment, vehicles, fire apparatus, services, supplies and personnel; (ii) maintenance and lighting of parks, parkways, streets, roads and open space; (iii) flood and storm protection services; as well as the provision of other public services authorized to be funded under Section 53313 of the California Government Code, as further identified in an exhibit to the Resolution of Intention. The proposed boundaries of the District were identified in another exhibit to the Resolution of Intention, and the Resolution of Intention identified a proposed special tax to be levied on real property to be included in the District to pay for costs of the services.

In the Resolution of Intention, the City Council provided that the levy of the special tax will be subject to a mailed ballot election among the owners of land in the District. The City Council ordered the Director of Finance to prepare a report on the District, and the City Council called for a public hearing on the District.

At the hearing, the testimony of all interested persons or taxpayers for or against the establishment of the District, the extent of the District or the furnishing of specified

types of services will be heard. Any person interested may file a protest in writing with the City Clerk. If fifty percent or more of the registered voters, or six registered voters, whichever is more, residing in the territory proposed to be included in the District, or the owners of one-half or more of the area of land in the territory proposed to be included in the District and not exempt from the special tax file written protests against the establishment of the District and the protests are not withdrawn to reduce the value of the protests to less than a majority, the City Council shall take no further action to establish the District or authorize the special taxes for a period of one year from the date of the decision of the City Council, and if the majority protests of the registered voters or the landowners are only against the furnishing of a type or types of services within the District, or against levying a specified special tax, those types of services, or the specified special tax, will be eliminated from the proceedings to form the District.

Any person interested in these matters is invited to attend and present testimony either for or against the above item. If you challenge the proposed action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Council during or prior to the public hearing.

_____

City Clerk
City of Sand City

AGENDA ITEM
9C.

Consideration of City RESOLUTIONS regarding the Sand City Sustainable Transportation Plan 1) Approval of City Resolution Adopting a Negative Declaration regarding the Sand City Sustainable Transportation Plan 2) Approval of City Resolution Adopting the Sand City Sustainable Transportation Plan 3) Approval of City Resolution to Approve a Mitigation Monitoring Program for the Sand City Sustainable Transportation Plan

CITY OF SAND CITY

STAFF REPORT

DECEMBER 14, 2021
(For City Council Review on December 21, 2021)

TO: **Mayor and City Council**

FROM: **EMC Planning Group & Charles Pooler, City Planner**

SUBJECT: **Sustainable Transportation Plan**

SUMMARY

Sand City occupies a key location within the transportation fabric of the Monterey Peninsula region. However, the street network was built for industry in a time when sidewalks and bicycle lanes were not known or thought to be needed. Because of this there are significant gaps in pedestrian and bicycle facilities within the City. The City obtained an SB 1 Sustainable Communities Grant from Caltrans in February 2019 to prepare a City-wide Sustainable Transportation Plan in order to coordinate future improvements for pedestrians, bicyclists, and the mobility challenged.

The Sustainable Transportation Plan identifies areas in which there are impediments to pedestrian, bicycle, and mobility-challenged circulation, and presents conceptual solutions and criteria for establishing implementation priorities. The First Draft of the Sustainable Transportation Plan was presented to Council on October 5, 2021. Based on comments received a Second Draft Sustainable Transportation Plan was prepared and is attached as Exhibit A.

The Sustainable Transportation Plan is being presented tonight for final adoption in addition to adoption of a mitigated negative declaration and Mitigation Monitoring and Reporting Program under CEQA (California Environmental Quality Act).

OUTREACH AND PROCESS

The Sustainable Transportation Plan was developed by EMC Planning Group ("Consultant") and the City Planner under a Caltrans Sustainable Communities grant. The City established a Technical Advisory Committee and held regular staff meetings that included the Consultant, City staff, and Caltrans representation. A broad range of organizations with a potential interest were invited to participate in the Plan's development. Public outreach is summarized in Sustainable Transportation Plan Section 3 and Appendices A and B.

The City held a virtual walking tour that was posted and generally available on the City's website. Stakeholder interviews were held in July 2020, after which, conceptual improvement options were developed to address impediments at multiple locations within and adjacent to the City. Following Technical Advisory Committee review, the preferred conceptual solutions were selected by staff and the consultant. Both drafts of the Sustainable Transportation Plan were posted to the City's website for public comment. An online survey, focused on prioritization of improvements, was posted on the City's website for public comment from November 23 to December 12. One response was received, and top choices are summarized in the following list:

Rail Corridor:	Segment from Canyon del Rey Blvd. to Contra Costa St.
Bike Connection:	California Ave. to Seaside High School and Fort Ord Dunes
Pedestrian Connection:	Walkway through Shopping Centers
Disabled Improvement:	Connections to Del Monte Avenue
West End Improvement:	Eliminate sidewalk blockages

The survey response is attached as Exhibit B.

PLAN DESCRIPTION

Overview

The following five sections comprise the Sustainable Transportation Plan:

1. Introduction. This section provides background and context for the plan, including state and local transportation policies.
2. Existing Conditions Findings. This section describes the existing conditions within the City for bicyclists, pedestrians, the mobility challenged, and other sustainable forms of transportation.
3. Public Outreach and Needs Assessment. This section provides information on the public outreach efforts and summarizes the needs that were identified.
4. Sustainable Transportation Strategies. This section summarizes existing conditions and presents information on prioritization, funding, and implementation.
5. Recommended Improvements. This section presents the preferred improvements at nine specific locations and several general locations.

Changes and Additions to the Second Draft Plan

As the result of public and City Council/Committee comment on the First Draft Sustainable Transportation Plan, the following have been added to, or changed in, the Second Draft Sustainable Transportation Plan:

- Inclusion of a mid-block crosswalk on Playa Avenue at the MST Station and Lucky Supermarket.
- Additional discussion of parking as an impediment to pedestrian circulation.
- Correction of the MST bus station at Playa Avenue from "Sand City Transit Center" to "Sand City Station" per MST's comment.
- Notes on changes to Monterey Salinas Transit (MST) service.

- An overview map of the proposed improvements.
- Primary network maps for bicycle routes, pedestrian routes, and mobility-challenged routes (Section 5.3).
- The community outreach section was updated.

Geographic Extent:
The Sustainable Transportation Plan covers the entirety of Sand City and extends beyond the City limits where improvements adjacent to the City in neighboring jurisdictions are just as important in achieving functional transportation connections. The Sustainable Transportation Plan focuses on areas in which there are impediments to pedestrian, bicycle, and mobility challenged circulation.

Plan Objective
The objective of the Sustainable Transportation Plan is to improve sustainable transportation alternatives and connectivity that are not automobile related to, though, and within Sand City by presenting a coordinated plan for improved pedestrian, bicycle, and mobility-challenged circulation, including access to transit.

City-wide Circulation Issues
A number of generalized City-wide issues were identified:

- Discontinuous sidewalks
- Parked vehicles blocking sidewalks
- Obstacles blocking sidewalks
- Lack of ADA access
- Lack of bicycle parking
- Discontinuous bicycle routes

Pedestrian and mobility-challenged impediments often hinder access to transit. The Sustainable Transportation Plan recommends addressing these needs as funding is available, with a priority placed on locations where the mobility-challenged have no reasonable options for access.

Specific Locations Addressed
Ten key locations were identified where bicycle, pedestrian, and mobility-challenged circulation was impeded by inadequate or missing infrastructure. The following were identified as key locations:

- Trail Connection between Roberts Lake and Contra Costa Street
- Trail Crossing of Contra Costa Street
- Sand City Station and Shopping Center Connections
- Sand Dollar Shopping Center Tioga Avenue Entry
- Edgewater Shopping Center Pedestrian Circulation
- Edgewater Shopping Center California Avenue Entry
- Seaside High School/Recreation Trail Connections across Fremont Boulevard and California Avenue

- Monterey Bay Sanctuary Scenic Trail Interim Improvements
- Beach Access from West End
- West End/East Dunes ADA Route

Sustainable Transportation Plan Section 4 discusses improvement options that were considered. Refer to Appendix C of the Plan for full discussion and conceptual illustrations of the options. Sustainable Transportation Plan Section 5 presents the preferred options that were selected following the Technical Advisory Committee's review.

ENVIRONMENTAL REVIEW

Environmental review was conducted under the California Environmental Quality Act ("CEQA"). An initial study/negative declaration was prepared by the Consultant, and circulated for 30 days from November 3, 2021 to December 3, 2021, including distribution through the Office of Planning and Research's State Clearinghouse. Mitigation measures are presented for Cultural Resources and Biological Resources. All of the mitigations are protocols related to protecting potential resources that might be encountered during construction of improvements identified in the Plan. Comments were received from the following during the public review period: Caltrans, California Department of Fish and Wildlife, and Monterey Salinas Transit. The initial study and responses to comments are attached as Exhibits C and D.

RECOMMENDATION

Staff recommends the City Council take the following actions:

1) Approve the Resolution to certify and adopt the mitigated negative declaration
2) Approve the Resolution to adopt the Sustainable Transportation Plan, with any direction to staff regarding modifications to be include in the final adopted plan.
3) Approve the Resolution to adopt the mitigation monitoring program.

EXHIBITS:

A. Second Draft Sustainable Transportation Plan
B. On-Line Survey Outreach Responses
C. Initial Study and Proposed Mitigated Negative Declaration
D. Responses to Comments on the Proposed Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program

ATTACHMENTS:

1. Resolution of the City Council of Sand City Adopting A Negative Declaration Regarding the Sand City Sustainable Transportation Plan
2. Resolution of the City Council of Sand City Adopting the Sand City Sustainable Transportation Plan
3. Resolution of the City Council of Sand City to Approve a Mitigated Monitoring Program for the Sand City Sustainable Transportation Plan

EXHIBIT A

Sustainable Transportation Plan

SECOND DRAFT PLAN

Sand City Sustainable Transportation Plan

November 10, 2021







Prepared by

EMC Planning Group

SAND CITY
SUSTAINABLE TRANSPORTATION PLAN
SECON DRAFT PLAN

PREPARED FOR

SAND CITY COMMUNITY DEVELOPMENT DEPARTMENT

CHARLES POOLER, CITY PLANNER

1 PENDERGRASS WAY

SAND CITY, CA 93955

TEL 831.394.6700

PREPARED BY

EMC PLANNING GROUP INC.

301 LIGHTHOUSE AVENUE, SUITE C

MONTEREY, CA 93940

TEL 831.649.1799

FAX 831.649.8399

RICHARD JAMES, AICP, MUP - PRINCIPAL

JAMES@EMCPLANNING.COM

WWW.EMCPLANNING.COM

NOVEMBER 10, 2021

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1.0
INTRODUCTION

The City of Sand City covers about 347 acres of land, situated adjacent to the City of Seaside and a short distance northeast of the City of Monterey, with about 1.5 miles of Monterey Bay shoreline. Sand City's population is about 380 persons, but the City's businesses attract about 10,000 workers and shoppers daily. The State Route 1 freeway, the former Union Pacific Railroad line, and the California Coastal Trail pass through the City. Figure 1-1, Sand City Overview Map, shows the City in context with adjoining areas.



In the past several decades, the City has seen a remarkable evolution from a center for heavy industry, including coastal sand mining, to a progressive and sustainable mixed-use community. The City sees its future as one of continued economic growth and business development, while also establishing itself as a walkable residential community. A variety of physical constraints and lack of suitable infrastructure currently inhibit the City's connectivity, and constrain its full potential prosperity. The Sustainable Transportation Plan was developed to help the City address shortcomings for pedestrian, bicycle, transit and disabled person's access and to help achieve the City's transportation, environmental, and economic goals by moving toward a more balanced transportation network.



The Sustainable Transportation Plan identifies specific needs, proposes a range of potential solutions, selects the best options to achieve a balanced transportation network, and prioritizes improvements. Many of the identified improvements will require coordination with Caltrans, the Transportation Agency for Monterey County (TAMC), the City of Seaside, and/or private property owners. The Sustainable Transportation Plan presents a summary of the existing conditions, public and stakeholder outreach, options considered, strategy details, and recommendations.

1.1 Background

State Policy Context

The California Transportation Plan 2040 establishes sustainability as a key part of the State's transportation vision:

California's transportation system is safe, sustainable, and globally competitive. It provides reliable and efficient mobility and accessibility for people, goods, and services while meeting our greenhouse gas emission reduction goals and preserving community character. This integrated, connected, and resilient multimodal system supports a prosperous economy, human and environmental health, and social equity. The California Transportation Plan 2040 also sets forth the following six goals:

- Improve Multimodal Mobility and Accessibility for All People
- Preserve the Multimodal Transportation System
- Support a Vibrant Economy
- Improve Public Safety and Security
- Foster Livable and Healthy Communities and Promote Social Equity
- Practice Environmental Stewardship

Toward an Active California - State Bicycle and Pedestrian Plan seeks to fulfill the six goals laid out in the California Transportation Plan 2040 and offers the following vision:

By 2040, people in California of all ages, abilities, and incomes can safely, conveniently, and comfortably walk and bicycle for their transportation needs. Sand City's Sustainable Transportation Plan implements the California Transportation Plan 2040 and Toward an Active California at the local level.

City Policy Context

With adoption of the *City of Sand City General Plan 2002-2017,* the City's vision shifted away from the resource extraction, industrial, and heavy commercial uses that had historically existed, toward a mixed-use community with retail, artists, and housing. This shift recognized a trend in land use that had already been in progress at the time the General Plan was adopted.

The General Plan establishes a vision of a "new millennium" community that features a mix of small- and medium-sized shops, low-impact manufacturing, restaurants, offices, artist spaces, and medium-density residences within the West End District and South of Tioga districts.

Cultural activities, markets, and festivals are envisioned to bring life to the area. Beautified streetscapes would make walking within the area enjoyable.



Figure 1-1

Sand City Overview Map

Sand City Sustainable Transportation Plan



The General Plan lays out a series of themes aimed at achieving the City's vision. First among these is economic vitality, as the City diversifies from an industry-based economy. This transition includes redevelopment of the former sand processing operations north of Tioga Avenue into regional shopping centers, development of coastal resorts, and redevelopment of the West End District and South of Tioga districts. The General Plan sees re-development of the older areas of the City as an opportunity to improve the circulation system and other infrastructure.

The following Sand City General Plan goals and policies are relevant to the Sustainable Transportation Plan.

Goal 2.2 Create pedestrian-oriented streets in the Old Town district.

Policy 2.2.1 Work toward the development of a unified streetscape with landscape, pedestrian amenities, and appropriate directional signage throughout the Old Town district.

Goal 3.1 Enhance and maintain the Sand City street and highway system to promote the safe and efficient movement of vehicles throughout the city

Policy 3.1.5 Pursue the development of a new vehicular and/or pedestrian linkage between the Old Town and South of Tioga Coastal districts, as well as pedestrian and aesthetic enhancements to existing coastal linkages at the Tioga Avenue overcrossing and Playa Avenue underpass.

Goal 3.2 Ensure that the development and maintenance of the street system in Sand City is consistent with the land use policy and other community goals.

Policy 3.2.5 All streets, pedestrian paths and bike paths should be part of a fully-connected system of interesting routes to all city destinations. The design of these routes should encourage pedestrian and bicycle use and should be defined by landscaping and energy-efficient lighting.

Goal 3.4 Reduce traffic congestion by the integrated use of alternative transportation modes and encourage use of same.

Policy 3.4.2 Pursue public transit, ride sharing, carpooling, bicycle and pedestrian access, park-and-ride facilities, and other transportation demand management strategies as preferred alternatives over transportation construction projects where feasible. Bicycle and pedestrian facilities should be provided as part of construction of, or improvements to, all major roadways where feasible.

Goal 3.7 Encourage the use of bicycling as an alternative mode of transportation.

Policy 3.7.2 Include bicycle and pedestrian facilities within any new connection between the southeast portion of the city and the South of Tioga Coastal district or improvement projects involving the Tioga Avenue overpass and Playa Avenue undercrossing.

Policy 3.7.3 A complete, integrated program for future rail, bike lanes, sidewalks and boardwalks, parking and shuttle service should be pursued by the City to connect all districts with the coastal area and to transport visitors to the beach.

Goal 3.8 Maximize opportunities to incorporate attractive pedestrian oriented features throughout Sand City.

Policy 3.8.1 Integrate pedestrian facilities in all road improvement and construction projects; where feasible.

Goal 3.9 Encourage the reestablishment of railroad service both as an alternative mode of transportation and as a stimulus to tourism.

Policy 3.9.1 Actively participate in the re-establishment of railroad service form San Francisco to Seaside, as proposed by the TAMC.

Policy 3.9.2 Pursue development of a recreational trail within the existing rail corridor through Sand City.

Policy 3.9.3 Extend Sand City shuttle service to the Seaside train depot as soon as resort development has been established.

Study Process

The Sustainable Transportation Plan is the result of a two-year process that studied the issues that inhibit pedestrian, bicycle, transit, and mobility challenged access within the City, and explored a number of potential solutions. The Sustainable Transportation Plan was developed with input from the public, technical advisors, and City staff, as well as Caltrans, which sponsored the effort through a Sustainable Communities grant.

1.2 Plan Organization

Following this introduction, there are chapters that present the existing conditions within and near the City, summarize the public input and options development process, present strategies to improve conditions, and make specific recommendations for improvements and prioritization.

2.0
EXISTING CONDITIONS FINDINGS

2.1 Summary of Findings

A legacy of the City's industrial past is a street network that in many places lacks sidewalks and accommodation for mobility-challenged persons. Bicycle lanes and parking are likewise absent for the most part. State Route 1 presents a barrier between the City's developed areas and its beach. When the regional shopping centers were built in the 1990s complete pedestrian connections were not provided. The railroad corridor both isolates Sand City from Seaside, and presents an opportunity for a bicycle – pedestrian way through the City's core, with the potential for connections to the City of Monterey and Fort Ord State Park. The Monterey Bay Sanctuary Scenic Trail passes through the City's coastal area, but is mostly separated from the City's oldest and most residentially populated West End District; and there is a "missing link" that requires a detour onto City streets. The City hosts a regional bus transit center; however, local pedestrian connections to transit needs improvement. The City has made pedestrian, disabled, and bicycle improvements over the past 30 years, but many needs remain to be addressed.

2.2 Transit

Background and Local Policy

The Monterey Branch rail line runs along the eastern edge of Sand City within a 100-foot-wide corridor. The Southern Pacific Railroad began standard-gauge rail service on the Monterey Branch Line in 1880, following eight years of narrow-gauge service by the Monterey and Salinas Valley Rail Road Company. Passenger service ended in 1971 and freight service beyond the Sand City sand mines ended in 1979 (Santa Cruz Trains 2020). The Southern Pacific Railroad merged into the Union Pacific Railroad in 1996, and the Transportation Agency for Monterey County purchased the branch rail line in 2003. Resumption of rail service was planned in the Regional Transportation Plan through 2014; however, the 2018 Regional Transportation Plan does not include immediate plans for rail use of the Monterey Branch Line (Transportation Agency for Monterey County 2005, 2010, 2014, 2018).

The *Final Project Report Monterey Bay Area Feasibility Study of Bus on Shoulder Operations on State Route 1 and the Monterey Branch Line* ("Bus Study") was completed in June 2018, concurrently with the 2018 Regional Transportation Plan. The Bus Study considered eight alternatives on or parallel to State Route 1 in Monterey County and concluded that the most cost-effective plan was to use the Monterey Branch

Line for rapid bus service. Based on the Bus Study results, the Transportation Agency for Monterey County (TAMC) is now proposing to use the Monterey Branch Line from Marina to Sand City as part of the Salinas to Monterey rapid bus line. Preliminary plans call for using the railroad corridor for southbound bus service in the morning and northbound bus service in the afternoon, with busses entering and exiting the railroad corridor at Monterey Road near California Avenue (Monterey Salinas Transit and Santa Cruz County Metro 2018).

Current Conditions

Monterey Salinas Transit provides bus service in Monterey County and Sand City. The bus routes serving Sand City use the northern segment of California Avenue and Playa Avenue within the City, and Del Monte Avenue and Fremont Boulevard in the City of Seaside. The Sand City Station is located on Playa Avenue, between the City's two regional shopping centers. The Sand City Station serves 13 bus routes. One of these routes stops on California Avenue, three of these routes stop on Del Monte Avenue, and several stop on Fremont Boulevard. There are three routes that come from and return to State Route 1, stopping only at the Sand City Station. These are the only bus stops within Sand City. Figure 2-1, Map of Current Sand City Bus Service, shows the locations of bus routes and stops within and near Sand City. Table 2-1, Current Sand City Bus Service, provides a summary of routes, frequency, and destinations. Note that with proposed, but not yet adopted, comprehensive route changes, six Monterey Salinas Transit routes would serve the Sand City Station. In addition, Monterey Salinas Transit operates on-demand paratransit services, and special bus services to major events, including the West End Celebration.

Table 2-1 2020 Current Sand City Bus Service

Route, Type, and Destinations			Weekdays	Weekends	Notes
8	Local	Sand City - Ryan Ranch	5	0	
11	Local	Sand City - Carmel	6	0	
18	Regional	Monterey - Marina	32	25	
19	Local	CSUMB – Del Monte Center	8 (Fri only)	8 Sat; 6 Sun	Weekend shopping
20	Regional	Monterey – Salinas	48	34	
55	Regional	Monterey – San Jose	4	6	Amtrak thruway service
75	Local	Presidio – Marshall Park	10	0	
78	Regional	Presidio – Santa Cruz	0	4	
91	Local	Sand City – Pacific Meadows	4	4	
94	Local	Sand City – Carmel	8	8	Discounted senior shuttle
A/B	Local	Sand City -- Aquarium	41	35 Sat; 26 Sun	
DRO	Local	Sand City – Del Rey Oaks	4	0	

SOURCE: Monterey Salinas Transit 2020 (https://mst.org/maps-schedules/route-list/ accessed March 10, 2020)

NOTE: When Sand City is terminus for round-trips, only departures have been counted. Service was limited on some routes as a result of the pandemic. Monterey Salinas Transit is reviewing and revising routes, and has advised the City that the six routes are likely to serve Sand City in the future.



Source: ESRI 2019

Figure 2-1

Map of Current Sand City Bus Service

Sand City Sustainable Transportation Plan

2-3 Bicycle and Pedestrian Connectivity and Safety

Background and Local Policy

The Monterey Bay Sanctuary Scenic Trail, which is planned to extend from Santa Cruz to Pacific Grove, passes through Sand City. Better known as the Rec Trail in Monterey, this paved multi-use Class I trail was first conceived in the mid-1970s, and the first segment was completed in 1980. By the late 1980s the trail was completed from Pacific Grove to State Route 218.

There was considerable debate regarding the alignment of the Monterey Bay Sanctuary Scenic Trail through Sand City. *The Monterey Peninsula Recreation Trail: Seaside-Sand City Alignment Study* was prepared for the Coastal Conservancy in October 1988. This study showed two feasible alternative alignments for the coastal trail: one continuing along the railroad corridor and one to the seaward side of State Route 1. On September 15, 1988, the Sand City Council passed Resolution SC-23 determining that the bike path should be located within the railroad corridor, with Sand Dunes Drive to be considered as an alternate. On April 17, 1990, the Sand City Council Resolution SC-18 rescinded Resolution SC-23, directing staff to continue study of the Sand Dunes Drive alignment and purchase of the railroad right-of-way (California Coastal Commission 1990). The Sand Dunes Drive/ Eolian Dunes alignment was constructed in the mid-1990s, except for a "missing link" between Tioga Avenue and Playa Avenue, that has yet to be completed. This missing segment would be constructed as a part of the King Ventures resort project, which was approved by the City in December 2013, but has been in appeal with the Coastal Commission ever since.



The *Sand City General Plan 2002 – 2017* ("2002 General Plan") Figure 3-3, Bikeways, shows Class II bicycle lanes on California Avenue (continuous from Monterey Road to Contra Costa Street), Contra Costa Street, Tioga Avenue, Playa Avenue, and Metz Road. A Class I bicycle path is shown along Sand Dunes Drive and connecting to the pathway along State Route 1 at Fort Ord Dunes State Park, and two Class I bicycle paths entering the Edgewater Shopping Center from California Avenue near Monterey Road. Policy 3.9.2 calls for the City to pursue development of a recreational trail within the railroad corridor.

The 2002 General Plan proposes a pedestrian crossing of State Route 1 at the end of Contra Costa Street. *The West End Sand City Urban Design and Parking Implementation Plan* (2004) briefly identifies the need for a pedestrian connection to the Coastal Trail, and shows a pedestrian bridge over State Route 1 at the end of Catalina Street. The Sand City Vibrancy Plan included both of those options, as well as a third optional pedestrian bridge location near Calabrese Park, and the concept of a trail connection to the existing Tioga Avenue bridge.

Sand City adopted its Bikeway Master Plan Bicycle Transportation Plan on June 5, 2001. The bicycle transportation plan meets the requirements of California Streets and Highways Code section 891.2. Planned bicycle facility improvements in the Bicycle Transportation Plan are completion of the Class I trail between Tioga Avenue and Playa Avenue, development of a Class I trail along the railroad corridor, and signing of Class III routes on Tioga Avenue, the West End District, and missing segments of California Avenue and Contra Costa Street.

The Sand City Vibrancy Plan recommended a pedestrian route and a bicycle route through the City's West End District, as well as the creation of a greenway and trail within the railroad corridor connecting State Route 218 and Fort Ord Dunes State Park. The recommended pedestrian route included a trail connection between City Hall and Tioga Avenue.

The *Monterey Bay Sanctuary Scenic Trail Master Plan* was adopted in July 2007. The Sand Dunes Drive alignment is the principal bike route through Sand City, but the Master Plan recommends that a pathway be included in the railroad corridor, if feasible, to provide a good access route to the scenic trail and provide an opportunity for environmental enhancements. The City of Seaside Parks, Recreation, and Community Services Plan also shows a trail along the railroad corridor, identified as Trail T-5 in Table 29 on page 81.

The *2018 Monterey County Active Transportation Plan* ("Active Transportation Plan") was adopted by the Transportation Agency for Monterey County in June 2018. This plan shows Class I trail extensions in two locations between Tioga Avenue and Playa Avenue: an extension of the Sand Dunes Drive path and a path along the railroad corridor to connect the southern and northern segments of California Avenue. Sand City's top-ranked bicycle improvement in the Active Transportation Plan is the addition of bicycle lanes on Playa Avenue from Metz Road into Seaside; this project is ranked 12th priority county-wide. The Class I trail along the railroad corridor is ranked 16th county-wide.

The Active Transportation Plan section for the City of Seaside includes public input that pedestrian and bicyclist connectivity improvements are needed between Fremont Boulevard and the Monterey Bay Sanctuary Scenic Trail (at Fort Ord Dunes State Park), a comment that equally applies to the connection from California Avenue in Sand City to the trail. The Seaside & Marina Safe Walking & Biking to School: Complete Streets Plan ("Walk Bike to School Plan") identified this location as a problem for access to Seaside High School. The Active Transportation Plan ranked improvements to this location at 20th priority in Seaside and 260th priority county-wide, with an estimated cost of $402,000. The Walk Bike to School Plan defers improvements at this location to a future not-yet-defined intersection improvement project. At least two designs for this intersection have been proposed, most recently a linked pair of roundabouts. *The Regional Pedestrian and Bicyclist Wayfinding Plan for Monterey County* provides county-wide coordination of route signing, including the Monterey Bay Sanctuary Scenic Trail through Sand City.

Current Conditions

The Monterey Bay Sanctuary Scenic Trail is mostly complete through Sand City, with the exception of the segment between Tioga Avenue and Playa Avenue, where it follows Metz Road along the back side of the Sand Dollar Shopping Center. The completed portions follow Sand Dunes Drive south of Tioga Avenue and within the Eolian Dunes Regional Preserve north of Playa Avenue. At the north end of the City, this trail joins the Class I bicycle path along State Route 1, and a parallel trail on the former Beach Range Road through Fort Ord Dunes State Park.



A Class I spur of the Monterey Bay Sanctuary Scenic Trail follows the Union Pacific railroad corridor parallel to Del Monte Boulevard between Roberts Road and State Route 218 (Canyon del Rey Boulevard), within the City of Seaside. There is also a Class 1 segment within the Roberts Lake parking area that links to the Coastal Trail.

There are Class II bicycle lanes on California Avenue from Monterey Road to Playa Avenue; on Playa Avenue from California Avenue to Metz Road; and on Metz Road from Playa Avenue to Tioga Avenue. Metz Road is a private street that is functionally a part of the City's street network. The City of Seaside has recently added Class II bicycle lanes on Del Monte Avenue between Canyon del Rey Boulevard and Broadway Avenue, and on Broadway Avenue between Del Monte Boulevard and Fremont Boulevard.

Bicycle racks are located in multiple locations within the two regional shopping centers. There are also bicycle racks at The Independent mixed-use development and between City Hall and Calabrese Park.

Figure 2-2, Map of Existing Bicycle Facilities, shows the location of the existing Class I and Class II bicycle facilities and bicycle racks in and near Sand City.

Most streets in the City have incomplete sidewalks. Frequently, cars and trucks park across the sidewalk in front of buildings, because the buildings are close to the street right-of-way, leaving inadequate space for both parking and sidewalks.

The regional shopping centers have sidewalks directly in front of the buildings, but these do not all connect to the sidewalks at other groups of buildings or to sidewalks along nearby streets.

In a couple of places, trails take the place of traditional sidewalks, or provide connections where no street exists. Along Sand Dunes Drive there is no sidewalk, but the Monterey Bay Sanctuary Scenic Trail serves as the pedestrian facility. Likewise, this trail provides a pedestrian connection through the Eolian Dunes Regional Preserve between Playa Avenue and Monterey Road.

In the past ten years the City completed missing sidewalks along Tioga Avenue and Hickory Street, and has developed plans to complete sidewalks on Contra Costa Street and Catalina Street. Figure 2-3, Map of Existing Sidewalks and Barriers, shows the locations of sidewalks, gaps in the sidewalk system, and locations with inadequate wheelchair ramps.

2.4 Challenged Mobility

Background and Policy

The Americans with Disabilities Act (ADA) was passed in 1990, and establishes design criteria for disabled persons' access. Other than ingress and egress from parking spaces to building entrances, the ADA does not address outdoor access such as sidewalks, although draft guidance has been developed. The Sand City Vibrancy Plan includes a recommended disabled route network to avoid hills between the lower portions of the City near the railroad corridor, and the higher elevation areas near City Hall.

Although ADA allows ramp gradients up to 1:12 (8.3 percent), for purposes of this plan, grades along accessible paths should be limited to no greater than 5 percent slope. ADA guidelines section 304.1 directs that detectable warnings shall consist of a surface of truncated domes aligned in a square or radial grid pattern. These surfaces assist the blind and visually-impaired to know they are standing on the curb and not on the street. They also assist in visual contrast for low vision travelers. Accessible pedestrian signals (APS) are enhancements that assist the blind and visually-impaired in determining a safe time to cross. APS includes easily activated buttons and audible alerts.



Current Conditions

Persons dependent on wheelchairs, or of otherwise impaired mobility, face several significant challenges. In addition to incomplete sidewalks, as discussed in the Pedestrian section above, there are intersections that lack curb cuts, a limited number of accessible parking spaces in the older parts of the City, and inclines that may be too steep to be negotiated. Where the City has more recently installed wheelchair ramps at intersections, it has also installed truncated dome warning pads, but there are some intersections where these are absent. The City only has one traffic light, and there are no audible signals at this light to alert the blind. Refer to Figure 2-3 Map of Existing Sidewalks and Barriers for the locations of missing sidewalks and curb ramps and other barriers to mobility challenged persons. Figure 2-4, Map of Existing Accessible Parking Spaces, shows the location of existing accessible parking spaces within the City.

The regional shopping centers were constructed since adoption of the Americans with Disabilities Act of 1990, and accessible parking there meets the ADA standards. Accessible parking in the older West End District is unevenly distributed, with about 16 total spaces. The shopping centers have approximately 58 accessible parking spaces. There are no accessible parking spaces to the west of State Route 1 near the beaches.

2.5 Other Modes

Background and Policy

The Bicycle Sharing Feasibility Study and Implementation Plan was prepared by the Transportation Agency for Monterey County in 2013. It provided recommendations for a program in coastal areas of Monterey and Pacific Grove, but did not propose a bikeshare program for Seaside or Sand City, both of which had lower suitability scores. The Transportation Agency for Monterey County developed best practices guidance for dockless shared bicycles and scooters in 2019.



Source: ESRI 2019

Figure 2-2

Map of Existing Bicycle Facilities

Sand City Sustainable Transportation Plan



Source: ESRI 2019

Figure 2-3

Map of Existing Sidewalks and Barriers

Sand City Sustainable Transportation Plan



Source: ESRI 2019

Figure 2-4

Map of Existing Accessible Parking Spaces

Sand City Sustainable Transportation Plan

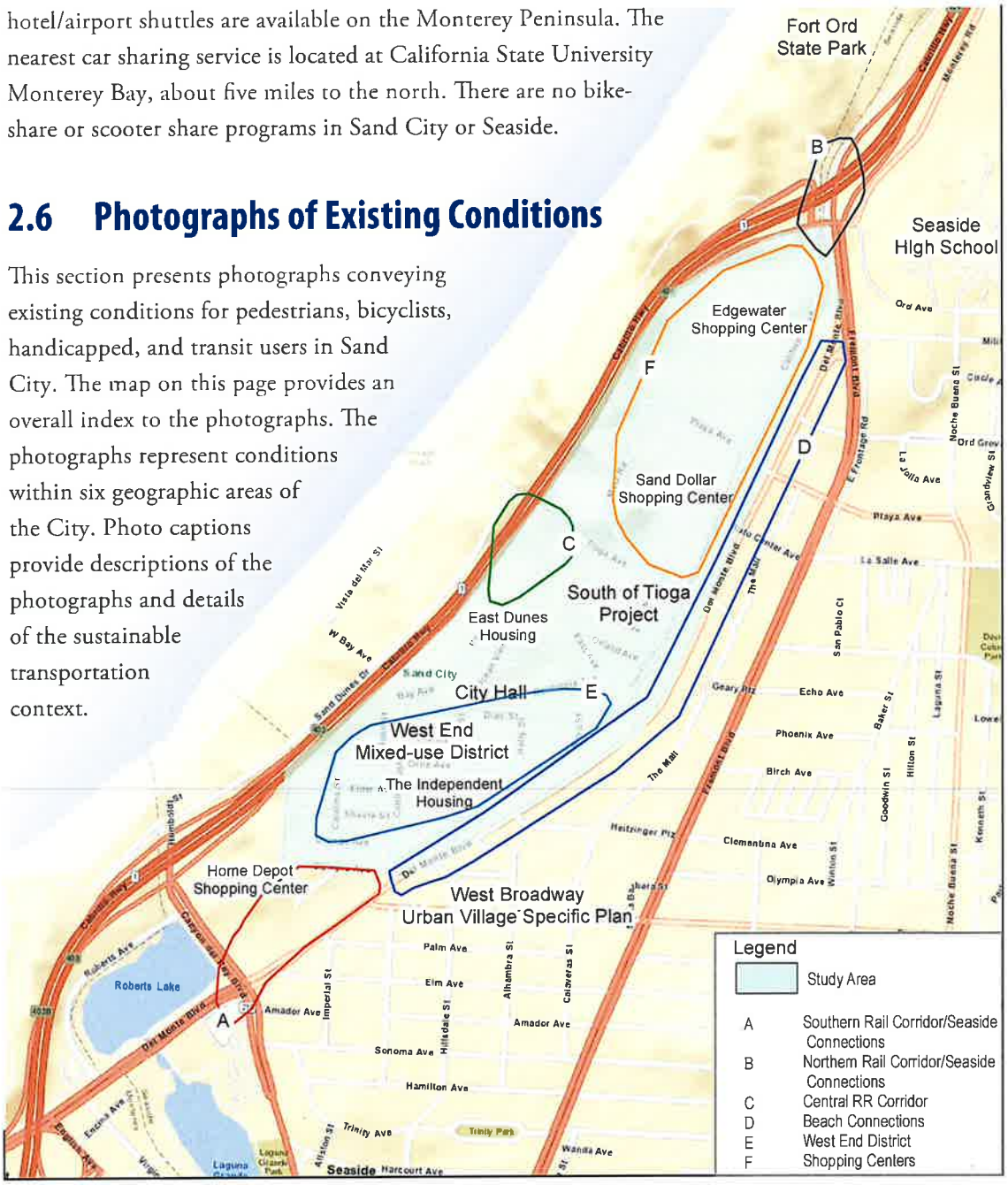
Current Conditions

The City has three electrical vehicle charging stations, near the supermarket in the Edgewater Shopping Center. These stations have two connector types (CHAdeMO and CCS/SAE) and charge at 50 kilowatts (up to 125 miles of range in one hour). A new charging area recently completed construction near the outlying pads of this shopping center.

Uber and Lyft ride services, at least three conventional taxi services, and hotel/airport shuttles are available on the Monterey Peninsula. The nearest car sharing service is located at California State University Monterey Bay, about five miles to the north. There are no bike-share or scooter share programs in Sand City or Seaside.

2.6 Photographs of Existing Conditions

This section presents photographs conveying existing conditions for pedestrians, bicyclists, handicapped, and transit users in Sand City. The map on this page provides an overall index to the photographs. The photographs represent conditions within six geographic areas of the City. Photo captions provide descriptions of the photographs and details of the sustainable transportation context.



Southern Rail Corridor/Seaside Connections

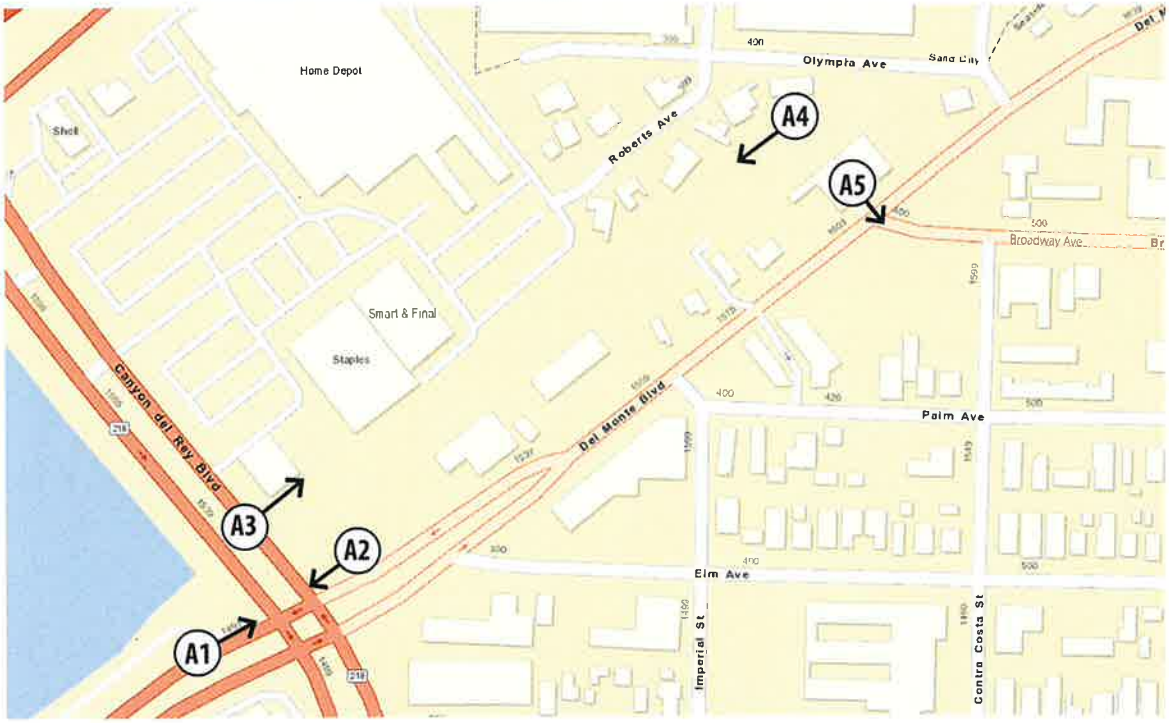




Photo A1: Looking north across Canyon del Rey Boulevard (State Route 218) from the end of the Monterey Bay Sanctuary Scenic Trail spur along Del Monte Boulevard. As seen in the photo, the Monterey Bay Sanctuary Scenic Trail does not continue on the north side of the Canyon del Rey Boulevard (State Route 218) and Del Monte Boulevard intersection. The railroad corridor runs between Staples and Starbucks.



Photo A2: This view is west across Canyon del Rey Boulevard (State Route 218) along the west side of Del Monte Boulevard looking at the former Union Pacific Railroad corridor west of the Canyon del Rey Boulevard. A spur of the Monterey Bay Sanctuary Scenic Trail currently ends in the landscaped area near Canyon del Rey Boulevard in the photo. A trail extension within the railroad corridor would provide a direct connection to local streets in Sand City.



Photo A3: Former Union Pacific Railroad corridor. This segment runs from Canyon del Rey Boulevard (State Route 218) to Olympia Avenue within the City of Seaside.

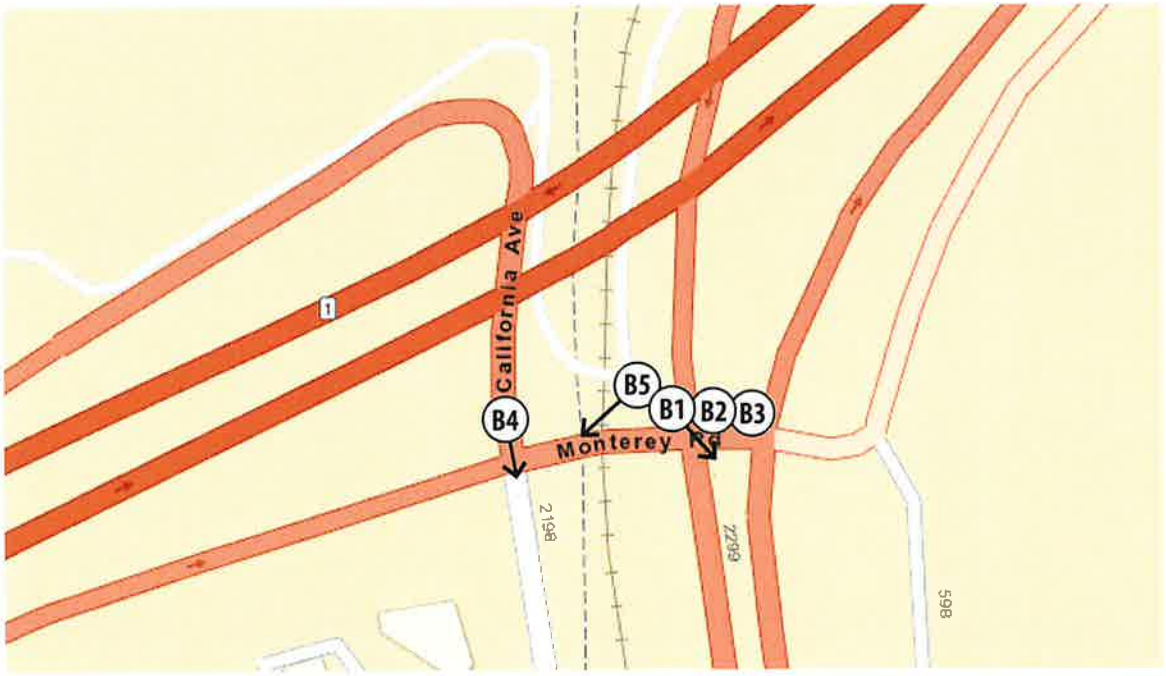


Photo A4: This section of the former Union Pacific Railroad corridor is within the City of Seaside. This view is southward from Olympia Avenue near the Seaside/Sand City limits. TAMC's planned rapid bus/rail station location is to the left of this photograph.



Photo A5: Pedestrian crossing of Del Monte Boulevard between Contra Costa Street and Broadway Avenue in the City of Seaside. This intersection is off-set, with Contra Costa Street about 200 feet to the left of the photo location. TAMC's planned rapid bus/rail station location is behind this photo location.

Northern Rail Corridor/Seaside Connections



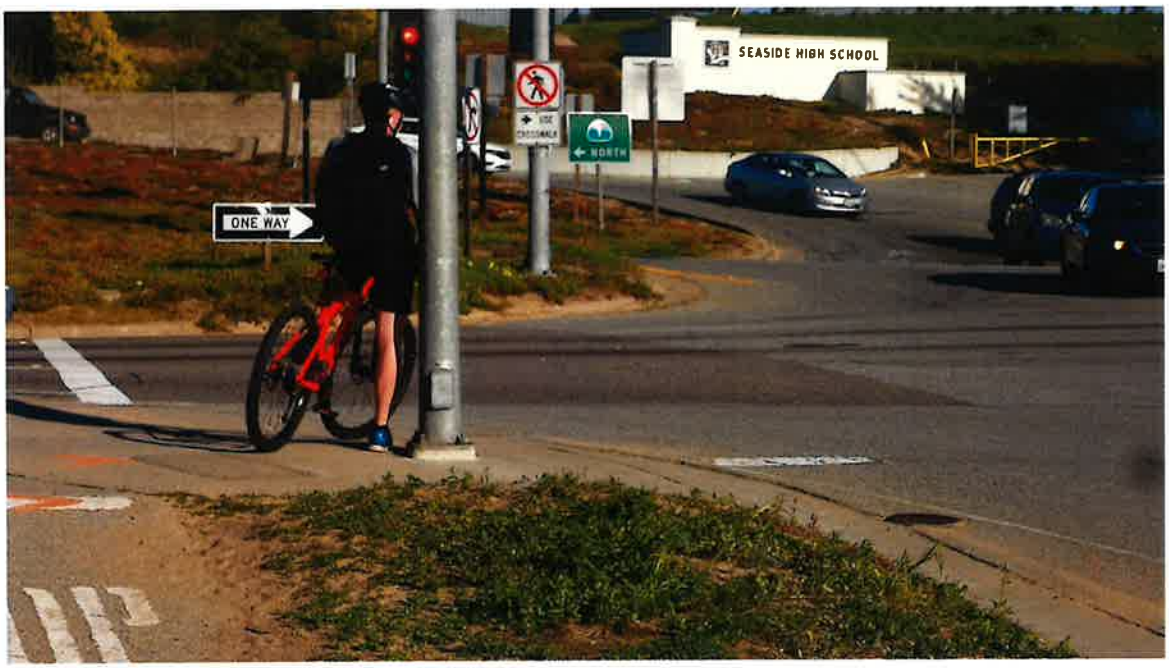


Photo B1: These three photographs show a bicyclist making his way to the City of Seaside from the Caltrans bicycle trail junction within the Monterey Road / Fremont Boulevard / California Avenue intersection in Sand City and Seaside. In this first photograph, the cyclist is waiting on the trail for a walk sign southward across Monterey Road. The photographs show the lack of bicycle-friendly connections between the two cities.



Photo B2: In the second photo, the cyclist is riding within the crosswalk south with the green light from the State Route 1 off-ramp onto Fremont Boulevard to the opposite corner. Note that some traffic exiting the freeway will be turning right across this path of travel onto Monterey Road to enter Sand City.



Photo B3: In the third photo, the cyclist is riding east with the green light along Monterey Road into Seaside. Seaside High School is in the background.



Photo B4: View from Monterey Bay Sanctuary Scenic Trail across Monterey Road to California Avenue. The railroad corridor is immediately to the left. The pedestrian has come from Seaside and is headed toward the Sand City shopping centers. Bicyclists heading north (toward the photo location) in the California Avenue bicycle lane have no direct path of travel to the trail, and compete with a predominant right-turn automobile movement.



Photo B5: This view shows the Caltrans bicycle trail junction with the Monterey Road / Fremont Boulevard / California Avenue intersection in Sand City and Seaside. Monterey Road is in the foreground, Del Monte Boulevard is to the far left, and California Avenue is in the center. To the far right are off-ramps and on-ramps for northbound State Route 1.

Beach Connection

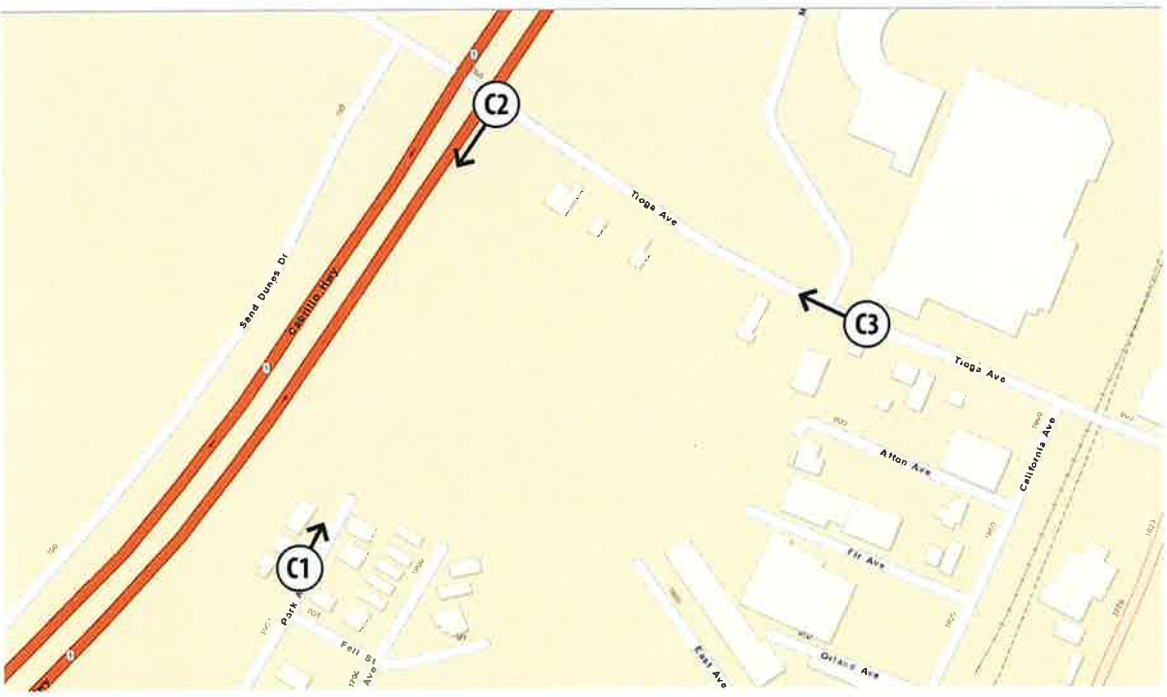




Photo C1: The General Plan and the Urban Design and Parking Study both suggested construction of a bicycle/pedestrian bridge to provide a connection of the State Route 1 freeway between the West End District and the beach, and two potential locations for a bridge were identified. The Vibrancy Plan investigated options for a connection using the existing Tioga Avenue bridge. A pathway between the end of Park Avenue and Tioga Avenue would provide this connection.



Photo C2: The only continuous public land between the eastern landing of the Tioga Avenue bridge over State Route 1 and Park Avenue is the Caltrans right-of-way, marked by the fence line below the bridge. The East Dunes area contains sensitive habitat with three federally protected species present. The intervening land outside the Caltrans right-of-way is either private of discontinuous un-built street rights-of way.

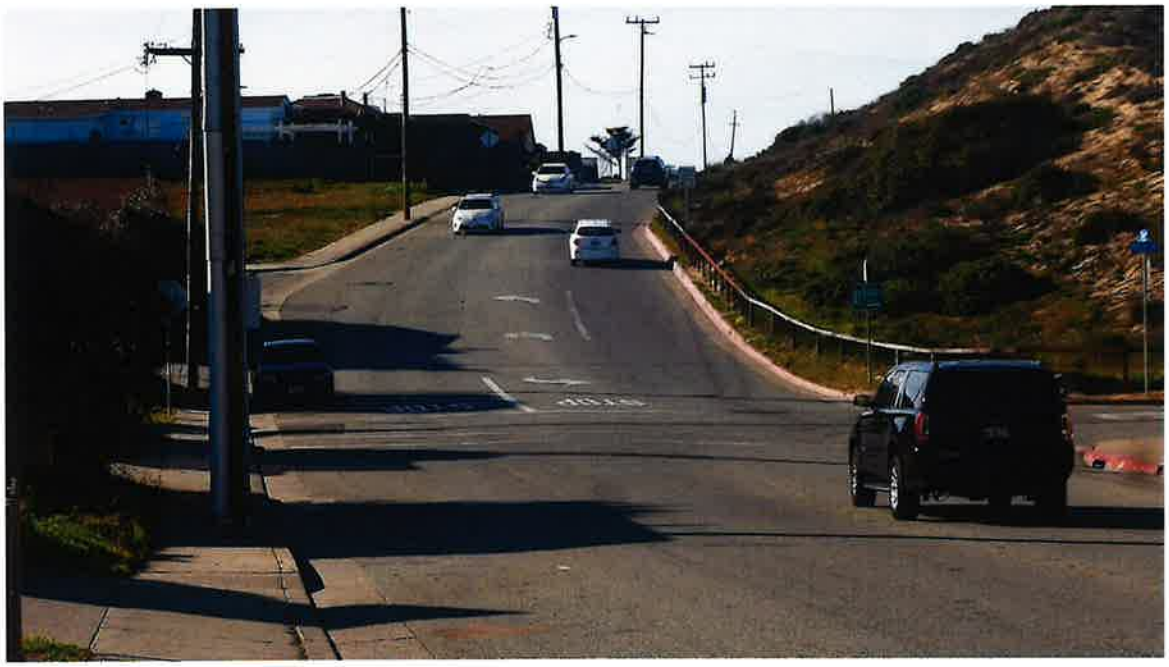


Photo C3: Tioga Avenue west of Metz Road climbs steeply to the bridge over State Route 1. This street provides the temporary alignment of the Monterey Bay Sanctuary Scenic Trail until a Class I trail is built within the King Ventures development as part of the Collections at Monterey Bay Resort. Tioga Avenue is too steep to provide wheelchair access between the West End District and the beach.

Central Railroad Corridor





Photo D1: This section of the railroad corridor just north of Contra Costa Street is used for parking by nearby businesses. Some businesses within Seaside have leases from the Transportation Agency of Monterey County and coastal development permits from Sand City to operate within a portion of the railroad corridor adjacent to those businesses.



Photo D2: The railroad corridor behind a business located on Redwood Avenue. The tracks in the photograph are a siding; the main tracks continue behind the warehouse where cars are parked.



Photo D3: The tracks run through the Granite Construction yard. The company has a retail building on Del Monte Avenue in Seaside and a batch plant on California Avenue in Sand City. Granite Construction has a lease with the Transportation Agency for Monterey County for this portion of the railroad corridor that runs between its two sites.



Photo D4: A footpath crosses the railroad corridor between Del Monte Avenue in Seaside and the Costco parking lot in Sand City.



Photo D5: North of Playa Avenue the railroad corridor is empty as it runs between California Avenue in Sand City and the back of buildings located on Del Monte Boulevard in Seaside.

Shopping Centers





Photo E1: The entry into the Sand Dollar Shopping Center at Tioga Avenue. The sidewalks end as they curve into the entry. There is no pedestrian or wheelchair access between the corner of California Avenue and Tioga Avenue and the Costco store entrance. The only walking path is through the landscaping and the parking lot for the Costco tire center, or on the vehicle lanes.



Photo E2: This is the end of the walkway that provides access between the Costco entrance and the accessible parking spaces. Pedestrians use the parking lot between this point and the McDonalds restaurant on the far side of the shopping center. The Sand City Transit Center is past McDonalds across Playa Avenue.



Photo E3: The Sand City Station along Playa Avenue, adjacent to the Edgewater Shopping Center. California Avenue to the right has sidewalks. The sidewalk in front of the bus stops continues only as far as the shopping center driveway, and steps or use of the parking lot drive aisle is required to reach front of the supermarket. Most of the stores in the Edgewater Shopping Center are fronted by walkways, but they are not connected to one another.

West End District





Photo F1: On-street accessible parking space on Catalina Street serving the adjacent business. There are approximately 16 accessible parking spaces in the West End District, but they may not all fully meet the requirements of the Americans with Disabilities Act.



Photo F2: This photograph is taken from Contra Costa Street upon entering Sand City from Del Monte Boulevard, and shows the lack of sidewalk within the railroad corridor. Both sides of Contra Costa Street are missing sidewalks in this area.

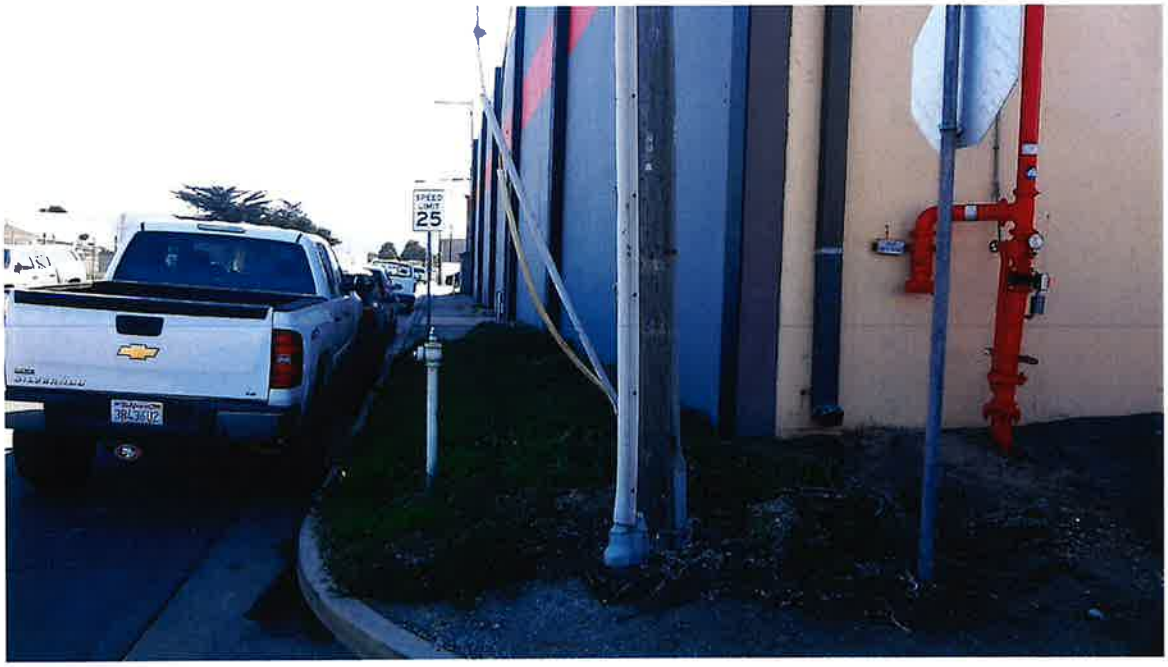


Photo F3: This photograph shows the lack of wheelchair ramps and the lack of complete sidewalks at the southeast intersection of Catalina Street and Ortiz Avenue. The City has preliminary draft public improvement plans to rectify this as part of its Stormwater Proposition 1 Grant endeavors.



Photo F4: This block of Contra Costa Street is used for parking by the adjacent business. The City was awarded grant money to complete designs and construct sidewalks on this block and portions of two connecting streets.



Photo F5: Vehicles park across the sidewalk driveway apron on Redwood Avenue due to a lack of depth between the street and the building front. This is a common occurrence throughout the West End District.



Photo F6: Carmel Stone has a reciprocal parking agreement, whereby the parking spaces are partially on the private lot and partially within the street, but a pedestrian walk area is reserved adjacent to the building.



Photo F7: Dias Street as viewed from the Community Garden. Dias Street is gated off at the Community Garden, so has only local traffic, much of which is residential.



Photo F8: This photograph is taken at the Redwood Avenue and Hickory Street intersection, looking north towards the City Hall, and shows how the grade of Hickory Street is too steep for wheelchair access. This block was recently rebuilt to add sidewalks on the right side, but the grade and narrow right-of-way precluded attaining a slope suitable for wheelchairs.



Photo F9: Pendergrass Way in front of City Hall and Calabrese Park has steep grades. Because the City owns the land in addition to the right-of-way, there is potential that an appropriate slope for wheelchairs could be accommodated here.



Photo F10: This photograph is taken on California Avenue just north of City Hall, where there is a sidewalk on one side of the street frequently blocked by parked vehicles, and no sidewalk on the other side.



Photo F11: This photograph shows the missing sidewalk and ramp at the southeast corner of the Holly Street and Dias Avenue intersection.

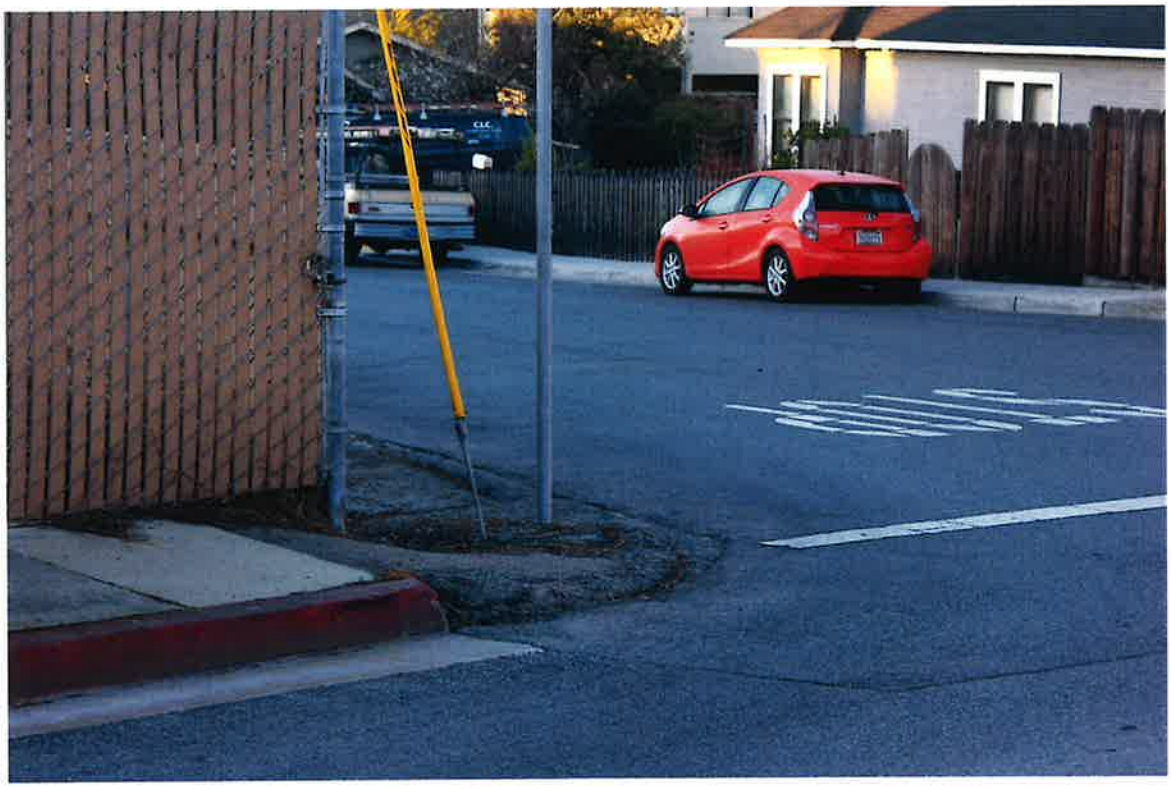


Photo F12: This photograph is taken at the corner of California Avenue and Holly Street and shows the lack of sidewalks and wheelchair ramp.



Photo F13: Tioga Avenue is missing a sidewalk where it crosses the railroad corridor. There is a bus stop near the intersection of Tioga Avenue and Del Monte Boulevard, about 300 feet from here in Seaside. Note that the cut at the driveway crossing does not meet Americans with Disability standards, which require no greater than two percent cross slope over a width of three feet.

3.0
PUBLIC OUTREACH AND NEEDS ASSESSMENT

This section summarizes the public outreach effort that went into developing the Sustainable Transportation Plan and presents an assessment of needs.

3.1 Technical Advisory Committee

A technical advisory committee was formed at the outset of the process. Members included the City Manager, City Planner, City Engineer, and Public Works Supervisor, and representatives from Caltrans, City of Seaside, the Salvation Army, and the City Council. The technical advisory committee reviewed work-in-progress and provided comments at key junctures in plan development, including:

- Participating and commenting on the virtual walking tour;
- Reviewing and commenting on the conceptual options report;
- Reviewing and commenting on the first draft Sustainable Transportation Plan.

The technical advisory committee was asked to identify locations with mobility issues, review and comment on conceptual solutions, suggest additional conceptual solutions, and advise as to preferred solutions.

3.2 Walking Tour

This subsection provides a summary of the self-guided walking tour, distribution, review time, and a table that summarizes the comments and responses.

The self-guided walking tour was conducted beginning on September 25, 2020. The walking tour consisted of an interactive map that could be viewed virtually. Participants were asked to submit their comments to the City. Notices and materials were sent to potentially interested persons and agencies throughout the Monterey Peninsula and surrounding areas.

Table 3-1 Summary of Walking Tour Comments, provides an abbreviated compendium of comments received by walking tour participants. A detailed listing of comments received is provided in Appendix A, as are the materials provided for the walking tour. A map identifying general geographic areas of the City (A through F) is presented at the beginning of Photographs of Existing Condition at the end of Section 2.0, Existing Conditions Findings. References to these geographic areas are included in Table 3-1.

Table 3-1 Summary of Walking Tour Comments

Commenter	Summary of Comments	Map No.
City of Monterey, Fernanda Roveri, Senior Associate Planner	Suggests adding Sand City boundaries to maps	Areas A-F
The Blind and Visually Impaired Center of Monterey County, Esmeralda Ortiz, Orientation and Mobility Specialist, M.A., COMS.	Suggests adding truncated domes (TD) and accessible pedestrian signals (APS) at various locations, as listed below: Canyon del Rey Blvd. at Del Monte Blvd. (TD) Del Monte Blvd at Broadway Ave./Contra Costa St. (TD, APS) Redwood Ave. at Hickory St. (TD) Holly St. at Dias St. (TD) California Ave. at Monterey Rd. (TD) Sand Dollar Shopping Center (TD and brighter median paint at entry) Fremont Blvd. at Monterey Rd. (TD, APS; crossing is too complex) California Ave. at Monterey Rd. (TD, APS; crossing is too complex)	Areas A, B, E, F
Sand City Public Works, Mark Parker (TAC Member)	Roberts Ave. and Olympia Ave. through the Home Depot Shopping Center (within City of Seaside) provide a significant travel route between Sand City and Canyon del Rey Blvd. The condition of the road and lack of sections of sidewalks make this heavily used area unsafe for pedestrians or bicycles. The Olympia St. section of street, has the Sand City businesses on the west side and TAMC right of way on the opposite side (the Olympia St. right-of-way is within City of Seaside).	Area A
	Shasta Ave at Catalina St. southeast area, vehicle parking only with no sidewalk provided.	Area E
	Redwood Ave. has vehicle parking only with no sidewalk. Between Hickory St. and Holly St. residential use is mixed in with commercial.	Area E
	North ends of Shasta Ave. and Elder Ave. lack sidewalks and parked vehicles dominate sides of streets.	Area E
	Ortiz Ave at Contra Costa St. Southwest corner is an asphalt ramp/sidewalk with railing to avoid a storm drain and slope, poor sidewalk condition, not ADA compliant.	Area E
	Dias Ave. missing sidewalks.	Area E
	Tioga Ave. between Metz Rd. and Sand Dunes Dr. needs a designated bike facility connecting the recreation trail gap and improved identification/direction, road markings. Cyclists are all over the place (middle of the street) and lost at times. During summer months, heavy pedestrian traffic to beach from parking within Sand Dollar Shopping Center and Tioga Ave.	Area C
	Sand Dollar Shopping Center between Tioga Ave. and Playa Ave. no sidewalk route from outside in, poor and unsafe pedestrian access. No ADA route through parking lot. Metz Rd. in need of improved bike lanes or identification as such.	Area F
	California Ave. from East Ave. to Tioga Ave. Poor sidewalk conditions along the west side will be resolved with the South of Tioga Project. The east side of street, railroad corridor has no sidewalk connection from Tioga Ave. to Granite Rock. This dirt area is used for parking and semi-truck load transfers.	Area D
	End of Tioga Ave from Sand Dunes Dr. to the end of street has heavy pedestrian and vehicular traffic for beach access. No sidewalk and poorly defined parking spaces.	Area C

Commenter	Summary of Comments	Map No.
Sand City Public Works, Mark Parker (TAC Member)	Monterey Road at California Avenue has numerous issues with cyclists and pedestrians from recreation trail and Seaside High School. Better connections and safer crossing of recreation trail and crosswalks in this area are needed.	Area B
	Contra Costa Avenue, Tioga Avenue, Playa Avenue and Monterey Road all provide entrance to Sand City and have issues due to the railroad corridor (old RR warning arms, lights, or signs) and missing or poor sidewalk sections. Conditions detract from main entrances to Sand City. Poor pedestrian and cyclist access and lack of ADA access.	Area D
	There are a great number of commercial vehicles and some residential vehicles that take up a lot of the designated walking areas, sidewalks and block visibility to traffic at intersections and other areas. Some businesses have more than their fair share of City parking allocations.	Areas A-F
California Department of Transportation, (Caltrans District 5), Gustavo Alfaro	Suggests providing descriptions of the five identified zones (A-F) Show residential areas and/or population density (to better show connectivity and where people are coming from/going to).	Areas A-F
Monterey Salinas Transit (MST) Michelle Overmeyer, Director of Planning and Innovation	MST is the sole public transit provider in Sand City, and the entire City is within ¼ mile of a MST bus stop with the exception of Park Avenue. The commenter provides additional background information on bus lines and ridership.	Areas A-F
	California Avenue at Playa Avenue is an all-way stop intersection that lacks crosswalks on all four sides, which makes it difficult for passengers traveling to and from the Sand City Station on foot.	Areas D, F
	The Surf Busway and Bus Rapid Transit project is in its early planning stages and will serve Sand City.	Areas A-F
	Provided a link to the Designing for Transit document recently completed by MST for ways to improve mobility in Sand City.	Areas A-F
	Missing or incomplete sidewalks identified in the Walking Tour should be improved. Note that MST requires a minimum 11-foot-wide travel lane to safely operate buses	Areas A-F
	The commenter looks forward to assisting the City plan a transportation plan that supports and encourages use of public transit and active transportation modes.	Areas A-F
City of Seaside Engineering, Scott Ottmar, P.E., Senior Engineer (TAC Member)	TAMC has plans for either rail or bus services in the railroad corridor. Unclear if trail for pedestrian and cyclists is to be included. Please check with TAMC.	Area A, B, D
	TAMC is taking lead on improvements at the north end of Del Monte Boulevard and Fremont Boulevard. A double round about is planned in the long term. Sand City and City of Seaside should work with TAMC to ensure pedestrian and cycling facilities are included. In the near term, MST proposes a bus rapid transit Surf project at the elbow of the southbound on ramp. (where the eco- resort entrance is.). This area is largely under the control of Caltrans. (Attachment provided)	Area B
	Creating path at the end of Park is a good idea.	Area C
	Suggests working with TAMC to incorporate bicycle and pedestrian improvements in railroad right-of-way if space permits. There is not good pedestrian connectivity from Del Monte Boulevard (in City of Seaside) to Costco along Tioga Avenue at California Avenue and no sidewalk into Costco along California Avenue. The footpath suggests pedestrians wish to access the shopping center.	Areas A, B, D, F
	No pedestrian path of travel into the Sand Dollar Shopping Center from Tioga Avenue at California Avenue. MST has its bus rapid transit project (Surf) that will create a bus stop along California Avenue behind Lucky. (Attachment provided)	Areas D, F

Commenter	Summary of Comments	Map No.
City of Seaside Engineering, Scott Ottmar, P.E., Senior Engineer (TAC Member)	Shallow sidewalks and driveway aprons full length of blocks exist within this area. Sidewalks may not be ADA compliant. City of Seaside is considering enhanced bicycle facilities along Del Monte Blvd, removing a lane of traffic to accommodate dedicated bicycle lanes north of Broadway Ave. to Playa Ave. ADA access to city owned parks is important.	Area D
Sand City Planning Charles Pooler, City Planner (TAC Member)	**Southern Rail Corridor/Seaside Connections:** The Canyon Del Rey Blvd. crossing has multiple lanes to cross and heavy vehicular traffic; not conducive to crossing by slower elderly or disabled pedestrians. Little space at street corners for pedestrians to wait for signalized crossing times. The south segment of the RR corridor would be an ideal pedestrian and bike path connection between Canyon Del Rey Blvd. and Contra Costa St. The right-of-way is wide enough for separate bike and pedestrian paths with landscaping and lighting. Pedestrian amenities along Del Monte Blvd. are limited with driveway entrances to businesses/ parking creating potential conflicts. The sidewalk along Del Monte Blvd. is narrow (looks like 5-feet), not sufficient for heavy pedestrian traffic. Bikes must use heavy vehicle travel lanes adjacent to curbside parking. Railroad corridor needs cleanup and public safety lighting for use after dark. Emergency call box may be needed in the most secluded area. Del Monte Blvd. crossing at Broadway Ave./Contra Costa St. has multiple lanes to cross. Not conducive to crossing by slower elderly or disabled pedestrians. Incorporating a joint roundabout between Contra Costa St. and Broadway Ave. could provide safety areas that break up the pedestrian crossing.	Area A
	Central Railroad Corridor A pedestrian and bike route on the railroad corridor from Contra Costa St. to Tioga Ave. would continue mitigation for the minimal pedestrian/bike amenities along Del Monte Blvd. This segment of the railroad corridor is interrupted at the Granite Rock facility, which operates within the railroad corridor Segment from Contra Costa St. to Holly St. or Redwood Ave. could also accommodate limited public parking. City is working with TAMC for an Orange Ave. road extension (possibly 1-way) with public parking within the railroad corridor. Parking needs to fit within the overall railroad corridor plan. A pedestrian and bike route on the railroad corridor north of Playa Ave. would provide an alternative to Del Monte Blvd. Such amenities would have to be coordinated with TAMC's future plans for rapid bus and/or rail transportation. Due to potential seclusion and transients, lighting and emergency call box(s) may be necessitated. A footpath across the railroad corridor near Tesla illustrates the public need/demand for pedestrian amenities between the City's shopping centers and Del Monte Blvd. Continuation of a pedestrian and bike route through this portion of the railroad right-of-way would further mitigate the minimal pedestrian/bike amenities currently along Del Monte Blvd.	Area D

Commenter	Summary of Comments	Map No.
	Northern Rail Corridor / Seaside Connections Though signalization allows for crossing the freeway on/off ramp area at Fremont Blvd., the span, the heavy traffic, and limited markings/signs make pedestrian and bike crossing intimidating and potentially dangerous. Not conducive to crossing by slower elderly or disabled pedestrians. Improved pedestrian and bike connectivity between the Seaside residences and Seaside High School to the shopping centers is critical. Future dual roundabout for the freeway on/off ramps could improve vehicular traffic flow, reduce pedestrian/bike wait times, and provide "islands" for pedestrians and cyclists to wait as vehicles pass. The existing bike trail provides bike and pedestrian amenities; however, the bike path routes to the coastline and not into the City.	Area B
	Beach Connection Tioga Ave. is steep for the non-avid bike rider or walker. However, bike and pedestrian amenities/connectivity should be provided with any future improvements to Tioga Ave. This may require widening Tioga Ave. into the abutting Sand Dollar Habitat Preserve (the feasibility of which is unknown). Tioga Ave. bridge over State Route 1 provides a separated and elevated sidewalk, but it is potentially dangerous without a barrier between the sidewalk and vehicle travel lanes. A suggestion would be to provide railing along and between the sidewalk and vehicle lanes of the bridge. This would require Caltrans cooperation/authorization. Park Ave. and Ocean View Ave. and their sidewalks abruptly end. The impromptu walking paths carved into the dune-scape between those points and Tioga Ave. demonstrate a public need/demand for pedestrian connectivity between these points. An eventual connection of Park Ave. and Ocean View Ave. with a single connection to Tioga Ave. is suggested that includes vehicle, pedestrian, and bike amenities. Note: This area has habitat constraints and the above suggestion conflicts with current parcel and ROW layouts.	Area C
	Shopping Centers Sand Dollar Shopping Center has no pedestrian link/connectivity from the Tioga Ave./ California Ave. intersection to or into the shopping center. Bikes are forced to use the narrow and congested vehicle lane and pedestrians forced to walk either in the vehicle lanes or the landscaping, which is dangerous for elderly and disabled pedestrians. As this is private property, it will require cooperation with the property owners and shopping center managers to incorporate appropriate amenities to accommodate pedestrians, disabled, and bikes. One alternative is to provide a separated sidewalk on the inside of the landscaping closer to Costco's tire center and use the existing landscaping as a buffer between pedestrians and vehicular traffic in/out of the center. Sand City has been working with TAMC for a California Ave. extension within the railroad corridor to provide a street connection between Playa Ave. and Tioga Ave.; this extension needs to fit within the overall railroad corridor plan. Location of the MST's Sand City Station between the two shopping centers equally splits the walking distance between the transit stop and the ends of either shopping center. Pedestrian crossing of Tioga Ave. needs improvement to lessen conflict with vehicle traffic. The lack of pedestrian connectivity at Tioga Ave. impedes efficient/safe pedestrian and disabled linkage to the west half of Sand City (i.e. West End and South of Tioga districts).	Area F

Commenter	Summary of Comments	Map No.
	The Costco parking lot has a pedestrian sidewalk from the Costco entrance north, but it dead-ends with no connectivity to Playa Ave. Reconfiguration of parking stalls should be considered to provide a continuous pedestrian link.	
	West End District Catalina St. at Ortiz Ave. lacks sidewalks and ADA access and utility poles and fire stand-pipe impede pedestrians. The City expects (awaiting written confirmation) a grant for reconstruction of Catalina St. between Olympia Ave. and Ortiz Ave. to incorporate stormwater control LID infrastructure, improved landscaping, and pedestrian amenities. Redwood Ave. has a significant number of continuous driveway aprons and parking along property frontages with minimal building setbacks. Pedestrian use of sidewalk is impeded by truck parking encroaching over the street gutter, forcing pedestrians to walk in the street or use the other side of the street. This is dangerous due to conflicts between bicycles, pedestrians, road traffic, and vehicles entering/exiting private properties/parking. Pedestrian connectivity between Hickory St. and Holly St. is absent. Lack of curb, gutter, sidewalk, allow for random vehicle parking that forces pedestrians to use street. Recent improvements along Hickory St. have substantially improved pedestrian connectivity however, bike amenities are still lacking. Bike racks at the community garden could encourage additional public use of the garden. Holly St. at Dias St. lacks proper pedestrian and ADA access and is potentially dangerous, especially to those of reduced mobility. There is only asphalt pavement across the street with no sidewalk or other delineated pedestrian route. No bike lane present. Impromptu angled parking along Contra Costa St. and poor landscaping blocks pedestrian and ADA access. This parking is mostly encroaching into the public right-of-way, and commercial vehicles extend close (if not into) the vehicle travel lane; a dangerous vehicular situation. This west side section of Contra Costa St. provides no pedestrian connectivity; forcing pedestrians to either walk in the street or cross Contra Costa St. to use the sidewalk on the east side. The City currently has a grant application submitted for funding to improve Contra Costa St. from Orange Ave. to Redwood Ave. with 30% drawings completed. Those improvements would provide sidewalk improvements along the east side of Contra Costa St. and eliminate this parking impediment. Utility pole potentially obstructs loading/unloading from right side of parked vehicle in marked ADA curbside space. Curbside parking between driveway aprons also impedes driver view from vehicles backing out from property into Catalina St. Parking is a premium in the West End District, and a balance between providing public parking and improving pedestrian/ bike accessibility in addition to improved driver visibility must be achieved. Contra Costa Street east side sidewalk abruptly ends at railroad corridor. Even if sidewalk were present, it would be obstructed by the utility poles and support cables. No pedestrian connection on opposite side of Contra Costa St. to City of Seaside; however, there are no utility poles on the west side. No bike lanes delineated for a primary entry point into the City Pedestrian connection would have to be coordinated and agreed to by TAMC and City of Seaside. Bike and pedestrian access into the City at Contra Costa St. would be better suited from the railroad corridor than from Del Monte Blvd.	Area E

Commenter	Summary of Comments	Map No.
	At some locations (for example Contra Costa St. near Ortiz Ave.) parking fronts a commercial building with pedestrian area abutting the building. This is a safer arrangement for pedestrian flow; however, this arrangement does not preclude people from just walking in the street. Pedestrians tend to take the most direct-shortest route. The City grant application for funding to improve Contra Costa St. from Orange Ave. to Redwood Ave. will maintain this reciprocal encroachment of sidewalk on private property and private parking encroaching into the street right-of-way. Hickory St. at Ortiz Ave. ADA amenities are outdated. Recent Hickory St, improvements between Redwood Ave. and California Ave. include unobstructed sidewalks and bulb-outs to improve pedestrian safety and reduce street crossing distance for pedestrians. These should be added at Ortiz Ave. No bike lanes provided on Hickory St. Steep slope makes ADA compliance difficult going up Hickory St. **On Pendergrass Way near City Hall,** there is sidewalk along one side of the street abutting the City Hall parking lot and the park; there is no sidewalk on the opposite side. Steep slope makes ADA accessibility challenging, although there is an ADA parking space at the top of the hill for park access. No bike lanes are provided. Blind bend makes bike and pedestrian situation dangerous. Cypress tree encroaches over sidewalk, and pushes pedestrians into the street. The California Ave. sidewalk abruptly ends at Holly St. with substantial slope change and rough asphalt pavement. Utility pole support cable and sign pole also obstruct pedestrian path. Slope change at top of Holly St. makes ADA compliance difficult. Placing utilities underground would be an aesthetic improvement and would remove obstacles from sidewalks. Sidewalk on the north side of California Ave. has numerous utility pole obstructions, impeding pedestrian and disabled use. The sidewalk width along this major connector street is narrow, limiting for groups of pedestrians. No sidewalk connectivity on south side of California Ave., which accommodates street public parking. No bike lanes are provided. Truck parking on properties encroaching into sidewalk/drive-apron impeding pedestrian and disabled use. It may be necessary to narrow street width to relocate sidewalk; however, that would probably eliminate potential for curbside parking and commercial loading/unloading along California Ave. Tioga Ave. lacks a sidewalk within the railroad corridor. This sidewalk is required to be installed with the implementation of the South of Tioga Project. Utility poles conflict with sidewalk entire length of Tioga Ave. Utility meter imbedded into sidewalk allows for both presence of meter and pedestrian use of sidewalk. No bike path or lane on Tioga Ave.	

3.3 Stakeholder Interviews

Specific persons with potential interest in the Sustainable Transportation Plan improvements were interviewed during summer of 2019. A summary of stakeholder interview feedback and comments is provided in Table 3-2, Summary of Stakeholder Interview Comments, below. A detailed listing of comments received is provided in Appendix B.

Table 3-2 Summary of Stakeholder Interview Comments

Stakeholder	Summary of Comments	Map No.
Transportation Agency for Monterey County (TAMC) Todd Muck, Deputy Executive Director	TAMC owns the railroad corridor in Sand City, and it must be used for public transit. TAMC leases portions of the railroad corridor to adjacent property owners for temporary business use.	Areas A, B, D
	TAMC and Monterey Salinas Transit (MST) are implementing bus rapid transit on State Route 1 between Marina and Sand City.	Area B
	TAMC is leading the Canyon Del Rey Boulevard (State Route 218) Corridor Study in partnership with the City of Del Rey Oaks, City of Seaside and Caltrans. The study is available on TAMC's website.	Area A
	The plan should address stormwater issues along Contra Costa St. with pedestrian improvements.	Area E
	The plan should address bicycle and pedestrian connectivity between shopping centers.	Area F
	The plan should address bicycle lanes along Tioga Ave.	Area C
	The plan should address sidewalk improvements throughout the City.	Areas A-F
Monterey Salinas Transit (MST) Michelle Overmeyer, Director of Human Resources/Risk Management	MST is working to implement a six-mile bus rapid transit on State Route 1 between Marina and Sand City within the TAMC railroad corridor. The project is called "SURF! Busway and Bus Rapid Transit Project."	Area B
	The Sand City Station on Playa Avenue is a bus station operated by MST. It is a secondary transfer point based on size, number of buses, etc.	Area F
	MST does not anticipate new routes within Sand City. MST will prepare a Comprehensive Operational Analysis to determine if additional routes are required within MST's service area.	Areas A-F
	MST buses need at least 11 feet street lane width.	Areas A-F
	All MST buses are equipped with bicycle racks.	Areas A-F
	The plan should address sidewalk improvements throughout the City.	Areas A-F
	The plan should address bicycle connectivity throughout the City.	Areas A-F
	The plan should address improved pedestrian crosswalk/connectivity on Playa Avenue to the MST bus depot.	Area F
Edgewater Shopping Center Ben Nurse, Property Manager	There are no designated lanes or areas for bikes within the Edgewater Shopping Center.	Area F
	The parcel between Gamestop and Starbucks, which is currently occupied by parking, is owned by Target, and their cooperation is essential in providing/improving pedestrian amenities in that location.	Area F
	The plan should address connectivity with the Seaside High School. Options discussed included a staircase.	Areas B, F
	Sidewalk connectivity within the shopping center, without removing parking, will be welcomed by the business owners.	Area F
	Pedestrian movement through the shopping center could be better. The plan should address sidewalks or pedestrian walkways.	Area F
	The plan should address bike parking within the shopping center.	Area F
Sand Dollar Shopping Center Wendy Volpano, Senior Property Manager, PGI Management	There are no sidewalks along the driveway to the Sand Dollar Shopping Center at Tioga Avenue (near the Costco store entrance). The only walking path is through the landscaping and the parking lot for the Costco Tire Center, or on the driveway	Area F
	There is a lack of pedestrian walkways that provide reasonable connectivity within the Sand Dollar Shopping Center	Area F
	The Sand City Station is across Playa Avenue from McDonalds. There is no crosswalk at McDonald's on Playa Avenue. Pedestrians walk across the McDonald's parking lot and cross Playa Avenue to get to the Sand City Station. Plan should address creating clearly marked and delineated crosswalk on Playa Avenue. This is a public safety issue.	Area F

Sand Dollar Shopping Center Wendy Volpano, Senior Property Manager, PGI Management	People parking on Metz Road end up backing out while bicyclists/ pedestrians are passing by. This is a public safety issue. Plan should address parking conditions on Metz Road.	Area F
	Plan should include pedestrian walkways along the driveway to the Sand Dollar Shopping Center at Tioga Avenue.	Area F
	Plan should address pedestrian walkways within the shopping center including the completion of pedestrian connectivity to Playa Avenue from Costco's entrance.	Area F

Summary of Specific Needs

Through the public input process, largely as an outcome of the walking tour, locations were identified at which significant impediments to sustainable transportation exist, or which have significant potential to enhance sustainable transportation. A summary of these needs is provided as Table 3-3, Summary of Specific Needs.

Table 3-3 Summary of Specific Needs

Improvement Needed	Locations
Truncated Domes	State Route 218/Del Monte Boulevard; Del Monte Boulevard/ Broadway Avenue/Contra Costa Street; Redwood Avenue/ Hickory Street (if feasible); Holly Street/Dias Avenue; California Avenue/Monterey Road; Fremont Boulevard/Monterey Road Playa Avenue/California Avenue; Roberts Avenue/Olympia Avenue; Railroad Corridor Trail Crossings and Connections.
Accessible Pedestrian Signals	Del Monte Boulevard/ Broadway Avenue/Contra Costa Street; California Avenue/Monterey Road; Fremont Boulevard/Monterey Road.
Curb Ramp	Numerous locations. Refer to Figure 2-3
Sidewalk Gap Completion	Shopping Centers (internal); Sand Dollar Shopping Center/Tioga Avenue; Metz Road; Railroad crossings on Contra Costa Street, Tioga Avenue, and Playa Avenue; Contra Costa Street between Shasta Street and Elder Avenue; Contra Costa Street south of Orange Avenue; Catalina Street between Elder Avenue and Ortiz Avenue; California Avenue between Holly Street and Tioga Avenue; Holly Street south of California; Park Avenue west side of Calabrese Park; Refer also to Figure 2-3.
Sidewalk Obstruction Removal	Numerous locations. Refer to Figure 2-3.
Crosswalk (new)	Playa Avenue at Sand City Station; Contra Costa Street/Orange Avenue; Contra Cota Street/Shasta Street; Contra Costa Street/Elder Avenue; California Avenue/Holly Street; California Avenue/East Avenue; Playa Avenue/Metz Road.
Crosswalk (enhanced)	Monterey Road and Fremont Boulevard; California Avenue/Edgewater Shopping Center Entry; California Avenue/Playa Avenue; Contra Costa Street/Del Monte Boulevard; Contra Costa Street/California Avenue; California Avenue/Tioga Avenue; Tioga Avenue/Metz Road; Tioga Avenue/Sand Dunes Drive; State Route 218/ Del Monte Boulevard.
Crossing Beacon	Playa Avenue at Sand City Station/California; Monterey Road at California Avenue and Fremont Boulevard; Contra Costa Street at Orange Avenue/Shasta Street; Tioga Avenue at California Avenue; California Avenue at East Avenue.
Bike lane or path	Between Tioga Avenue and Playa Avenue (Monterey Sanctuary Scenic Trail missing link); Railroad Corridor; Playa Avenue east of California Avenue; Monterey Road east of California Avenue; Tioga Avenue; California Avenue between Holly Street and Tioga Avenue.
Bike rack	Sand Dollar Shopping Center; West End District; Sand City Station; Beach Access Points.

SOURCE: Sand City 2021

3.4 Conceptual Options

At each of the identified locations, a series of conceptual options were developed to consider for inclusion in the Sustainable Transportation Plan and for future implementation. Each conceptual option was prepared with a set of advantages and disadvantages, for consideration towards the most beneficial and cost-effective solution. After these were presented to the technical advisory committee and refined, they were posted to the City's website for public comment. In each case, the best solution, or a hybrid solution was determined. The following section includes location maps, descriptions of the areas, and descriptions of potential conceptual solutions that were considered. The full set of options, including the conceptual illustrations, are included in Appendix C. General issues are presented at the end of this section.

Key Locations and Conceptual Options

Southern Railroad Corridor Trail Connection between Roberts Lake and Contra Costa Street



The railroad corridor segment between Roberts Lake and Contra Costa Street is planned by TAMC for transit use, although current bus rapid transit plans do not include use of this segment. The 100-foot-wide railroad corridor should be able to accommodate both transit and a trail. Unlike other railroad corridor segments, this segment is owned by the City of Seaside. The trail must cross State Route 218 to connect with the existing trail at Roberts Lake. Prior to construction of the Home Depot (formerly K-Mart) Shopping Center, Roberts Avenue provided a continuous street connection in this area.

Elevated Bicycle/Pedestrian Bridge over State Route 218

See Appendix C Figure 1 for conceptual illustration.

Pros	Cons
▪ Provides seamless continuation of trail across busy roadway. ▪ Potential on north landing to take advantage of higher grade along edge of railroad corridor.	▪ Expensive. ▪ Landings will require long slope to meet ADA, and may be infeasible/impractical. ▪ Requires separate connections to and from State Route 218. ▪ Option not considered in State Route 218 / Canyon Del Rey Boulevard Corridor Plan. ▪ Requires Caltrans, TAMC, and City of Seaside coordination.

Utilize Railroad Corridor Alignment for Surface Crossing of State Route 218

See Appendix C Figure 2 for conceptual illustration.

Pros	Cons
▪ Avoids trail crossing private business driveway on State Route 218.	▪ Mid-block crossing would conflict with or disrupt traffic on State Route 218. ▪ Short off-set from Del Monte Boulevard crossing. ▪ Likely requires separate traffic signalization. ▪ Inconsistent with State Route 218 / Canyon Del Rey Boulevard Corridor Plan. ▪ Requires Caltrans, TAMC, and City of Seaside coordination.

Utilize Del Monte Boulevard Crosswalks for Surface Crossing of State Route 218

See Appendix C Figure 3 for conceptual illustration.

Pros	Cons
▪ Existing roadway requires minimal development. ▪ Generally consistent with State Route 218 / Canyon Del Rey Boulevard Corridor Plan.	▪ Trail crosses private business driveway on State Route 218 conflicting with in/out traffic. ▪ Requires Caltrans and City of Seaside coordination.

Construct Class 1 Path on Del Monte Boulevard to Contra Costa Street in Lieu of Railroad Corridor

This option would involve a separated Class 1 bicycle/pedestrian path along the north-western side of Del Monte Boulevard connecting State Route 218 to Contra Costa Street This option is not illustrated in Appendix C.

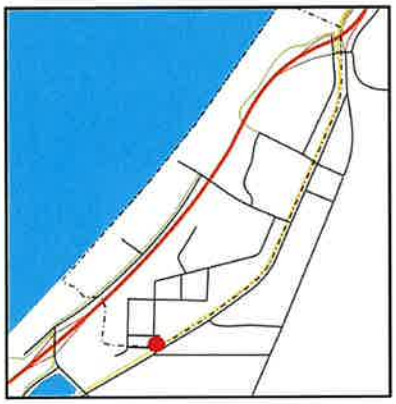
Pros	Cons
▪ Existing roadway requires minimal development.	▪ Trail crosses ten private driveways on Del Monte Boulevard. ▪ May not have adequate space. ▪ Option not considered in State Route 218 / Canyon Del Rey Boulevard Corridor Plan. ▪ Requires Caltrans and City of Seaside coordination.

Use Class 2 Bicycle Lanes on Del Monte Boulevard

Bicycle lanes were recently constructed by the City of Seaside between State Route 218 and Broadway Avenue, but would need to be added between Broadway and Contra Costa Street. This option is not illustrated in Appendix C.

Pros	Cons
▪ Functions adequately for pedestrians and southbound bicyclists. ▪ Consistent with State Route 218 / Canyon Del Rey Boulevard Corridor Plan.	▪ Does not function for northbound cyclists bound for Sand City (need to cross to east side of Del Monte Boulevard then turn left onto Contra Costa Street). ▪ Requires Caltrans and City of Seaside coordination.

Trail Crossing of Contra Costa Street



The trail crossing at this location is complicated by the proximity of an intersection with an arterial street (Del Monte Boulevard), two local street intersections (Olympia Avenue and Orange Avenue), potential future ingress/egress of transit buses using the railroad corridor, potential future light rail, and potentially an access point to a parking lot within the railroad corridor. Due to these complications, a direct trail crossing of Contra Costa Street within the railroad corridor is considered difficult and potentially unsafe for trail users.

Create a Trail Crossing at the Del Monte Boulevard Crosswalk

See Appendix C Figure 4 for conceptual illustration.

Pros	Cons
▪ A signal light controls traffic flow. ▪ Deviation from railroad corridor is minor.	▪ Higher traffic volume at this location. ▪ Trail likely to be isolated from West End District streets by presence of busway, rail, and/or public parking strip. ▪ Requires additional coordination with City of Seaside.

Create a Trail Crossing at the Orange Avenue Intersection

See Appendix C Figure 5 for conceptual illustration.

Pros	Cons
▪ Total traffic volume is lower. ▪ Deviation from railroad corridor is minor. ▪ Better access from trail to West End District streets.	▪ Pattern of crossing traffic is more complicated. ▪ Crossing may not be signal controlled. ▪ May affect City's plans for public parking within the railroad right-of-way.

Central Railroad Corridor



This segment of the railroad corridor, from Contra Costa Street to Tioga Avenue, is planned by TAMC for transit use (potentially bus rapid transit in the near-term, and rail transit in the long-term). The corridor is 100 feet wide and should also be able to accommodate a trail and public parking in addition to transit. The City has proposed public parking with an extension of Orange Avenue between Contra Costa Street and Holly Street. Private business leases currently occupy portions of this segment of the railroad corridor; these leases must be terminated before this segment can be used for transit or trail development.

Develop Corridor Segment with Transit Only

See Appendix C Figure 6 for conceptual illustration.

Pros	Cons
▪ Off-street transit not subject to traffic delays. ▪ Consistent with TAMC planning for Monterey Branch Line.	▪ Does not provide public parking usable for transit. ▪ Local pedestrians and bicyclists must use either Del Monte Boulevard or West End streets. ▪ Regional pedestrians and bicyclists use trail via Sand Dunes Drive with gradients.

Develop Corridor Segment with Transit and Trail

See Appendix C Figure 7 for conceptual illustration.

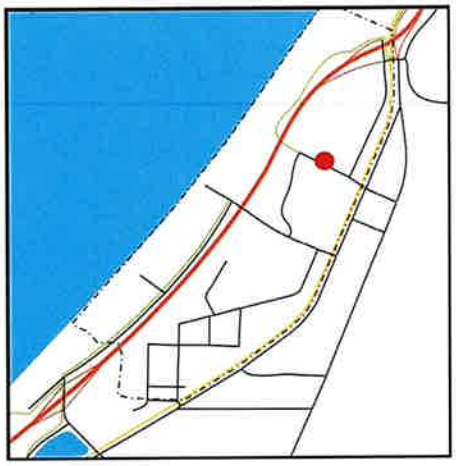
Pros	Cons
▪ Off-street transit not subject to traffic delays. ▪ Accommodates TAMC planning for Monterey Branch Line. ▪ Level alternate local and regional pedestrian and bicyclist route.	▪ Does not provide public parking. ▪ Requires TAMC coordination.

Develop Corridor Segment with Transit, Trail, and Parking

See Appendix C Figure 8 for conceptual illustration.

Pros	Cons
▪ Off-street transit not subject to traffic delays. ▪ Accommodates TAMC planning for Monterey Branch Line. ▪ Level alternate local and regional pedestrian and bicyclist route. ▪ Provides public parking.	▪ All facilities fit within the corridor, but it may be necessary to shift the location of rails within the corridor. ▪ Requires TAMC coordination.

Sand City Station Access to Shopping Centers



The Sand City Station is located on Playa Avenue between the two regional shopping centers, but pedestrian access between the Sand City Station and the shopping centers' businesses is incomplete. The Edgewater Shopping Center pedestrian access nearest the Sand City Station includes a stairway, with disabled access on a route from the corner of California Avenue and Playa Avenue. Crossing Playa Avenue to the Sand Dollar Shopping Center is difficult with the volume of vehicular traffic on Playa Avenue If TAMC implements the Surf bus rapid transit project, a new bus transfer area may be developed along California Avenue or within the railroad corridor, in the vicinity of Playa Avenue.

Enhance Existing Playa Avenue Crosswalks for Access to Sand Dollar Shopping Center

See Appendix C Figure 9 for conceptual illustration.

Pros	Cons
▪ These crosswalks already exist. ▪ Sidewalk within Sand Dollar Shopping Center leads to stores along western edge (former OSH, Marshalls, etc.)	▪ Indirect route to McDonald's. ▪ No direct pedestrian connection to Costco.

Add New Mid-block Crosswalk for Access to Sand Dollar Shopping Center

See Appendix C Figure 10 for conceptual illustration.

Pros	Cons
▪ Reduces walking distance and more direct route compared to crossing at California Avenue	▪ Most direct crossing route is in middle of bus stop turn-out, presents safety issue. ▪ Crossing at Edgewater Shopping Center driveway needs protection from turning vehicles. ▪ No sidewalk within Sand Dollar Shopping Center. A new sidewalk would need to be coordinated with McDonalds' circulation.

Add Continuous Sidewalk from Tioga Avenue to Costco Front Entrance

See Appendix C Figure 11 for conceptual illustration.

Pros	Cons
▪ Provides pedestrian route.	▪ Need to fit between entrance driveway and tire center. ▪ Requires agreement of private property owner.

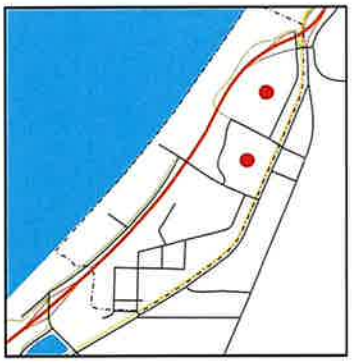
Add Continuous Sidewalk access from Playa Avenue to Lucky Front Entrance

See Appendix C Figure 12 for conceptual illustration.

Pros	Cons
▪ Provides direct access for disabled.	▪ Need to narrow shopping center entrance or rework existing stairway. ▪ Need to assure grade change meets ADA – feasibility is unknown. ▪ Requires agreement of private property owner.

Pedestrian Circulation within Sand Dollar and Edgewater Shopping Centers

There is no shopping center pedestrian access from Tioga Avenue at the southwest or California Avenue at the northeast. Internal pedestrian circulation within both shopping centers requires walking in parking lots for considerable distances.



Add Sidewalk at North Edgewater Shopping Center Entrance

See Appendix C Figure 13 for conceptual illustration.

Pros	Cons
▪ Provides access for disabled, and safer access for all pedestrians.	▪ Requires agreement of private property owner. ▪ Potential need to modify retaining walls.

Link Existing Parking Lot Walkways within Sand Dollar Shopping Center

(from Marshalls and Costco to Playa Avenue near McDonald's).

See Appendix C Figure 14 for conceptual illustration.

Pros	Cons
▪ Provides protected pedestrian access to parking spaces and to adjoining streets. ▪ Links Playa Avenue to Marshalls and Costco. ▪ Completes missing link in pedestrian route between Costco and Playa Avenue.	▪ May require parking lot redesign, and/or conversion of standard parking spaces to compact spaces. ▪ Requires agreement of private property owner.

Link Anchor and Peripheral Businesses in Edgewater Shopping Center with Walkways

See Appendix C Figure 15 for conceptual illustration.

Pros	Cons
▪ Provides protected pedestrian access between stores across parking lot expanse.	▪ Indirect route ▪ Requires agreement of private property owner.

Use sidewalks on future California Avenue extension to provide pedestrian access to Sand Dollar Shopping Center

The City has been working with TAMC to utilize the railroad corridor between Tioga Avenue and Playa Avenue for an extension of California Avenue, to provide a continuous right-of-way for California Avenue between Monterey Road and Contra Costa Street. This option presumes pedestrian access to the Sand Dollar Shopping Center would be provided from the sidewalk along this new segment of California Avenue. This option is not illustrated in Appendix C.

Pros	Cons
▪ Provides continuous link between existing segments of California Ave.	▪ Indirect for most Sand Dollar Shopping Center businesses. ▪ Connections require agreement of private property owner.

East Dunes to Tioga Avenue/Beach Connection

Informal footpaths between the ends of streets in the East Dunes neighborhood and Tioga Avenue indicate a demand for a pedestrian connection in this area. There is no continuous public right-of-way and these paths cross private property.



Provide a Bicycle/Pedestrian Pathway within Caltrans State Route 1 Right-of-way

See Appendix C Figure 16 for conceptual illustration.

Pros	Cons
▪ Continuous right-of-way exists. ▪ Trail has a smaller development footprint than a street.	▪ Cross-section gradients may require retaining wall. ▪ Grade differences require structure to connect to Tioga Avenue bridge. ▪ Need to transition Class 1 to Class 2 bicycle facility at bridge. ▪ Likely to require incidental take permit and habitat mitigation. ▪ Requires Caltrans coordination. ▪ Proximity to freeway lanes presents potential safety issue.

Provide a Bicycle/Pedestrian Pathway along the Alignment of the Informal Pathway

See Appendix C Figure 17 for conceptual illustration.

Pros	Cons
▪ Trail has a smaller development footprint than a street.	▪ Need to acquire right-of-way from private properties. ▪ May need to discourage automobile cut-through traffic. ▪ Likely to require incidental take permit and habitat mitigation.

Extend Park Avenue or Ocean View Avenue to Connect with Tioga Avenue

See Appendix C Figure 18 for conceptual illustration.

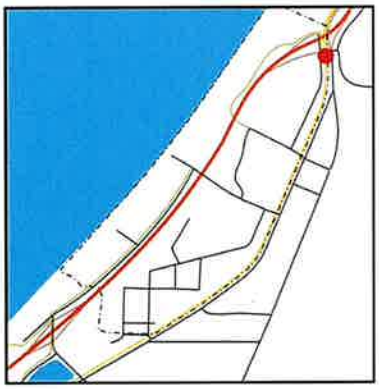
Pros	Cons
▪ Accommodates, automobiles, pedestrians, and bicyclists.	▪ Need to acquire right-of-way from private properties. ▪ May need to discourage automobile cut-through traffic on residential streets. ▪ Likely to require incidental take permit and habitat mitigation.

Elevated Pedestrian Bridge over State Route 1

See Appendix C Figure 19 for conceptual illustration.

Pros	Cons
▪ Provides traffic-free connection for pedestrians, and bicyclists. ▪ Bridge between Contra Costa Street and West Bay Street leads directly to existing beach access. ▪ Likely minimizes habitat effects.	▪ Need to fit landings at each end and address significant grade difference at end of Contra Costa Street. ▪ Expensive. ▪ Requires Caltrans coordination.

Seaside High School/Recreation Trail Connections across Fremont Boulevard/California Avenue



Connections between Sand City and Seaside High School, the adjacent residential areas, and the Fort Ord segment of the Monterey Bay Scenic Sanctuary Trail are complicated by the convergence of several major streets and the presence of freeway ramps. The Monterey Bay Area Feasibility Study of Bus on Shoulder Operations on State Route 1 and the Monterey Branch Line recommends the busway go under this

intersection in a tunnel. However, the latest MST bus express line plans utilize a roundabout near the State Route 1 southbound on-ramp for the transition to and from the railroad corridor in the former Fort Ord. TAMC has developed a conceptual double roundabout design for this intersection.

Utilize Transit Tunnel for a Pathway Connection.

See Appendix C Figure 20 for conceptual illustration.

Pros	Cons
▪ Seamless trail crossing of busy intersection using tunnel identified in TAMC plans for bus rapid transit.	▪ Secluded nature of tunnels raises security concerns. ▪ May be health issue with fumes in tunnel. ▪ Indirect routing for City of Seaside connection. ▪ Requires Caltrans and TAMC coordination. ▪ Feasibility of tunnel development is uncertain.

Elevated Bicycle/Pedestrian Bridges over Monterey Road and/or Fremont Boulevard

See Appendix C Figure 21 for conceptual illustration.

Pros	Cons
▪ Seamless trail crossings of busy intersections/streets.	▪ Expensive. ▪ May not be adequate distance to land north end beneath freeway overhead, while meeting ADA slopes. ▪ Indirect routing for City of Seaside connection. ▪ Requires Caltrans, TAMC and/or City of Seaside coordination. ▪ Limited room for west landing of bridge over Fremont Boulevard

Enhance Existing Crosswalks at Monterey Road and Fremont Boulevard

See Appendix C Figure 22 for conceptual illustration.

Pros	Cons
▪ Existing roadway requires minimal development. ▪ Provides interim improvement.	▪ Multiple traffic lane crossings of busy streets. ▪ Requires City of Seaside coordination.

Design Bicycle and Pedestrian Routes into Double Roundabout

See Appendix C Figure 23 for conceptual illustration.

Pros	Cons
▪ Provides permanent connections to City of Seaside and Fort Ord Dunes State Park.	▪ Long horizon for completion. ▪ Multiple traffic lane crossings. ▪ Requires Caltrans, TAMC, and City of Seaside coordination.

Monterey Bay Sanctuary Scenic Trail Interim Alignment on Tioga Avenue and Metz Road



The Monterey Bay Sanctuary Scenic Trail is currently constructed from Lover's Point in Pacific Grove to north of Marina, with the exception of a gap between Tioga Avenue and Playa Avenue. The interim Class 2 route uses Metz Road at the back of the Sand Dollar Shopping Center and a segment of Tioga Avenue. Aside from a couple of route signs, there are no formal improvements for this interim connection.

Create Class 1 Pathway on Tioga Avenue

See Appendix C Figure 24 for conceptual illustration.

Pros	Cons
▪ Minimizes traffic crossings if on north side of Tioga Avenue.	▪ Northbound bicyclist may require crossing intersection from unexpected direction. ▪ Requires Caltrans coordination.

Create Class 1 Pathway on Metz Road

See Appendix C Figure 25 for conceptual illustration.

Pros	Cons
▪ If located on west side of Metz Road and combined with Class 1 on north side of Tioga Avenue eliminates street crossings.	▪ Private property. ▪ Increased parking conflicts if on west side of Metz Road. ▪ Increased driveway conflicts if on east side of Metz Road. ▪ May not be adequate room for two traffic lanes, Class 1 path, and habitat preserve/ retaining wall.

Stripe Class 2 Bicycle Lanes on Tioga Avenue

See Appendix C Figure 26 for conceptual illustration.

Pros	Cons
▪ Maintains conventual turning movements. ▪ Clarifies route.	▪ Northbound cyclists continue to make left turns to cross Sand Dunes Drive and turn onto Metz Road. ▪ Requires Caltrans coordination.

Improve signage.

As noted, there are only a couple of route signs indicating turns onto and off of Tioga Avenue and Metz Road. This option would provide for signage that more clearly marks the route, either on the existing streets as they exist, or in conjunction with the infrastructure improvement options described above. This option is not illustrated in Appendix C.

Pros	Cons
▪ Eliminates confusion. ▪ Low cost	▪ Does not address other issues.

ADA Route between lower West End District and California Avenue / East Dunes



A lack of continuous sidewalks combined with steep grades on several blocks make access between the lower areas of the West End District, City Hall/Calabrese Park, and the East Dunes difficult or impossible for the disabled.

Establish ADA-compliant Route on Contra Costa Street and California Avenue

See Appendix C Figure 27 for conceptual illustration.

Pros	Cons
▪ Ties in with planned public improvement of Contra Costa Street from railroad right-of-way to Redwood Avenue. ▪ Second most direct route for West End.	▪ One utility pole on west side of California Avenue requires moving, or sidewalk expanding. ▪ Both sides of California Avenue have long driveway cuts.

Construct ADA compliant sidewalk on Hickory Street between Redwood Avenue and California Avenue

This block of Hickory Street was reconstructed by the City several years ago, but an accessible sidewalk could not be included due to the steep grades and minimal right-of-way width. This option is not illustrated in Appendix C.

Pros	Cons
▪ Most direct route.	▪ Very steep grade. ▪ Recent sidewalk improvements were unable to provide a reduced grade.

Construct ADA accessible sidewalk on Holly Street between Dias Avenue and California Avenue

This block of Holly Street is steepest just before the intersection with California Avenue. Private development adjacent to the right-of-way constrains construction of a switch-back sidewalk that may be necessary to keep grades at no greater than 5 percent. This option is not illustrated in Appendix C.

Pros	Cons
▪ Grade that exceeds ADA standard is short.	▪ Very limited space for switchbacks to reduce grade. ▪ Utility pole on California Avenue opposite Holly Street requires moving or sidewalk expanding. ▪ Cars park across sidewalk on California Avenue between Pendergrass Way and Holly Street. ▪ No sidewalk on east side of California Avenue. ▪ Least direct route for most of West End.

Construct ADA-accessible Pathway from City Hall through Calabrese Park

See Appendix C Figure 28 for conceptual illustration.

Pros	Cons
▪ Provides additional access within park. ▪ Provides reasonable grade pathway from City Hall to East Dunes residential neighborhood.	▪ May require design changes within park. ▪ Need to address steep gradients through switchback.

General and City-wide Issues

Additional specific and general locations were identified as impeding pedestrian, bicycle, or disabled access, but generally require standard improvements, such as completion of gaps in sidewalks, or removal of barriers. These needs are noted here, but no conceptual illustrations are provided in Appendix C.

Sand City Entrances from City of Seaside / Del Monte Boulevard

Contra Costa Street, Playa Avenue, and Tioga Avenue provide access from Del Monte Boulevard into Sand City. These streets have sidewalk gaps that affect pedestrians generally, and disabled persons in particular.

West End Through Route for Pedestrians and Bicyclists

While a trail on the railroad corridor may eventually provide a bicycle and pedestrian connection through the West End, as the safest and most direct route, suitable street routes should provide through assess on an interim basis, and local access to the West End businesses and residences on a permanent basis. The Vibrancy Plan included recommendations for priority bicycle and pedestrian routes in the West End.

Del Monte Boulevard Midpoint Connection

An informal pedestrian pathway over vacant private property and the railroad corridor near the Tesla and the Sand Dollar Shopping Center demonstrates a demand for a pedestrian connection in this area. The informal pathway crosses private property that does not contain structures. When sidewalks are completed on Tioga Avenue there will be a reasonable alternative on City streets. A new connection to Del Monte Boulevard would be beneficial, but would require private property acquisition.

General Intersection Crossing and Sidewalk Improvements

Numerous streets within the West End have sidewalk gaps, are completely lacking sidewalks, or have barriers to access within the sidewalk (e.g., utility poles). Some intersections lack ramps or do not meet current ADA standards. The City has already completed some of these necessary improvements, and has plans to address other locations as funding becomes available. When funding becomes available, the City considers those locations with the greatest need, as priority areas. The Vibrancy Plan included recommendations for priority bicycle and pedestrian routes in the West End. Sidewalk gaps and missing

ramp locations are identified in Figure 2-3, Map of Existing Sidewalks and Barriers, and in comments from the walking tour and stakeholder interviews. The City is currently working on storm water control improvement plans for Contra Costa Street and Catalina Street that will also address some of the aforementioned pedestrian and ADA deficiencies on those streets.

Bicycle Parking

The City is in need of additional bicycle parking in many areas. Most of the City's bicycle parking facilities are within the Edgewater Shopping Center. Existing bicycle parking locations are shown on Figure 2-2, Map of Existing Bicycle Facilities.

3.5 Joint Committee and City Council Workshop

At the October 5, 2021 City Council meeting, a joint workshop with City Council and the Design Review Committee, Parking Committee, and Public Safety Committee was held. The first draft Sustainable Transportation Plan was presented to the workshop, and several questions were posed to the City Council and Committee members. The primary feedback received was support for inclusion in the Sustainable Transportation Plan of a mid-block crosswalk on Playa Avenue, near the Sand City Station. There were also recommendations that parking across sidewalks be resolved, sidewalk obstructions be removed, and that the City install a bicycle lane like the one on Broadway Avenue in Seaside. Letters from LandWatch Monterey and Monterey Salinas Transit were submitted with comments on the first draft Sustainable Transportation Plan.

3.6 Online Community Workshop

An online community workshop was held in conjunction with public review of the second draft Sustainable Transportation Plan. Review materials and a survey were available for public response. The survey had questions designed to measure public opinion on prioritization of various sustainable transportation projects. The online community workshop coincided with the public review period for the initial study prepared for compliance with the California Environmental Quality Act.

4.0
SUSTAINABLE TRANSPORTATION STRATEGIES

4.1 Introduction

This section presents strategies for project prioritization, project funding, and project implementation. Strategies may vary as opportunities arise for funding or to take advantage of dovetailing transportation improvements with other city projects or with private development projects.

4.2 Transit

Summary of Conditions



Access to and from public transit is impeded by a lack of adequate pedestrian facilities; and specifically, impeded in several places for persons with challenged mobility. An opportunity exists for improved transit service within the railroad corridor. Transit service is provided by Monterey-Salinas Transit (MST), with the Transportation Agency for Monterey County (TAMC) providing coordination relating to regional transportation planning and utilization of the railroad corridor.

MST is currently studying and designing implementation of the SURF! bus rapid transit project, which would utilize the railroad corridor through the former Fort Ord, and then connect onto public streets in Sand City and Seaside. The SURF! Bus rapid transit project will result in faster peak hour transit times to and from Marina and Salinas. Neither MST nor TAMC have immediate plans for utilizing the railroad corridor for transit service through Sand City, and no additional bus routes within Sand City are proposed. Per comments provided by Monterey Salinas Transit, this Sustainable Transportation Plan presumes that for the foreseeable future, bus transit stops will remain where they currently exist or nearby.

Prioritization

Because no new transit lines or stops are currently foreseen, and the City does not directly make decisions regarding transit service, this Sustainable Transportation Plan prioritizes improvements to pedestrian connections to existing transit stops. Especially important transit connection points are the Sand City Station and the bus stops along Del Monte Boulevard near Contra Costa Street and Tioga Avenue.

Funding

The City does not directly control funding for transit improvements. However, refer to the next section for the City's role in transportation decisions.

Implementation

Although the City is not directly involved in decisions around transit, it does have roles with TAMC and MST that give the City an opportunity to participate in decisions relating to transit. City staff meets regularly with the TAMC and will continue to do so, to keep abreast of regional transportation planning as it may affect the City. One of the Sand City council members sits on the TAMC board of directors, and the City is represented on the TAMC technical advisory committee. A Sand City council member also sits on the MST board of directors, and a Sand City representative may be included on the Measure Q Oversight Committee (representing the Monterey/Seaside/Marina urbanized area). The City uses these connections and positions to advocate for the best transit decisions for Sand City.

It is noted that TAMC's long-term planning for transit includes use of the railroad corridor through Sand City for transit, and the addition of stations along the railroad corridor in the vicinities of Playa Avenue and Contra Costa Street. Plans for other uses within the corridor (pathway and parking) should be coordinated so as not to preclude future transit use within the corridor. In this Sustainable Transportation Plan's conceptual illustrations, the City has presented its preferred alignments for all potential railroad corridor uses. Completion of sidewalks gaps leading to transit stops should be designed consistent with the guidance in Monterey Salinas Transit's "Designing for Transit."

4.3 Bicycle Connectivity and Safety

Summary of Conditions

Bicycle routing in Sand City serves several purposes: transportation within the City, transportation between the City and adjoining areas, and as part of regional bicycle travel. Currently, travel within the City is accommodated by the streets within the West End District, and bicycle lanes on Metz Road and Playa Avenue. The most significant cycling route deficiencies stem from a lack of connections to adjoining areas: connection with the bike path at Roberts Lake to the south and connections with Fort Ord Dunes State Park, Seaside High School, and Monterey Road to the north. The connection between California Avenue and the bike path at Fort Ord Dunes State Park is awkward, and cyclists must mix with heavy traffic into and out of the shopping centers and the freeway ramps. The best existing connection into and out of Sand City is on Playa Avenue to and from Seaside. Regional travel is principally on the Monterey Bay Sanctuary Scenic Trail, which follows an interim route on streets (including steep slopes) between Eolian Dunes Regional Preserve (Playa Avenue) and Sand Dunes Drive. Bicycle racks are not widely available in the City.



Prioritization

The City's priority for bicycle projects is to connect the City to adjoining areas, and complete the missing gap in the regional route system. The most important bicycle connection deficiency, from a transportation standpoint, is the trail connection between the City's West End District and Roberts Lake, which would provide a direct and level off-street route into the City of Monterey. Another critical transportation deficiency is at the north end of the City, where Caltrans, TAMC, and MST are exploring modifications at the State Route 1/California Avenue/Monterey Road/Fremont Boulevard intersections. The modifications are intended primarily to address traffic congestion at the interchange and accommodation of bus rapid transit, but should also be designed to improve bicycle connections to Seaside High School, Monterey Road, Fort Ord Dunes State Park, and the northern segments of the Monterey Bay Sanctuary Scenic Trail.

Ultimately the railroad corridor can provide a direct traffic-free cycling route connecting most parts of the City and providing connections to adjoining areas. In the interim, most of the streets within the West End District have traffic volumes and traffic speeds low enough for comfortable cycling, so the West End is not a high priority for bicycle infrastructure improvements.

From the standpoint of regional connectivity, completing the Monterey Bay Sanctuary Scenic Trail connection between Tioga Avenue and Playa Avenue west of State Route 1 is a priority. This connection is expected to be built as part of the King Ventures resort project. However, this project is awaiting Coastal Commission action on an appeal; and while it is a priority connection, no trail connection is likely until the Coastal Commission appeal is resolved. The City should consider low-cost interim improvements to the connecting route, a portion of which is located on shopping center property.

Bicycle racks should be provided within the West End District and at the beach trailheads. As an interim approach, bicycle racks should be installed at a few priority locations as soon as possible. Enclosed bicycle lockers should be provided at the Sand City Station if space is available. Once the railroad corridor path is constructed, directional signs (to West End businesses, the Sand City Station, the beach, etc.) should be provided to orient users.

Funding

Much of the transportation funding available to local jurisdictions originates through federal transportation funds, and is typically distributed through regional transportation agencies. The current federal transportation funding act is the Fixing America's Surface Transportation (FAST) Act, passed in 2015. The FAST Act authorization went through 2020, and a new federal transportation bill is under consideration. The FAST Act provides Surface Transportation Block Grant (STBG) funding for transportation alternatives. These set-aside funds encompass a variety of smaller-scale transportation projects such as pedestrian and bicycle facilities, recreational trails, and safe routes to school projects.

Community Development Block Grant (CDBG) funding from the Department of Housing and Urban Development (HUD) can be used for infrastructure improvements, including sidewalks. These funds are available to benefit primarily low- and moderate-income neighborhoods, Sand City participates in the CDBG program through the Monterey Urban County consortium.

The federal Congestion Mitigation and Air Quality (CMAQ) Improvement Program provides funds for projects that reduce transportation emissions in areas in nonattainment for ozone, carbon monoxide, and/or particulate matter. In Monterey County, funds are channeled through the Association of Monterey Bay Area Governments and TAMC. CMAQ Improvement Program funds may be used for either the construction of pedestrian walkways, or non-construction projects (such as maps, brochures and public service announcements).

The State's Active Transportation Program was created in 2013 and funds a broad spectrum of bicycle and pedestrian projects. Capital improvements; education, encouragement, and enforcement activities; and planning can be funded through the Active Transportation Program. Senate Bill 1 (2017) directs $100,000,000 of gasoline taxes to the Active Transportation Program and up to $300,000,000 of additional funding comes from other State and federal sources. Local funding is distributed through TAMC.

Monterey County Measure X passed by voters in 2016, provides funding for a range of regional transportation projects, and provides a small amount of funding directly to Sand City.

Implementation

All bicycle route improvements will conform to Chapter 1000 of the Caltrans Highway Design Manual. Attention should be paid to places where Class I paths connect with streets, to minimize crossing hazards and reduce the tendency for bicyclists to continue on the wrong side of the street against the flow of traffic.

A Class 1 multi-use path within the railroad corridor will provide a bicycle route through the core of Sand City and provide connections both north to the former Fort Ord and south to the City of Monterey. This path needs to be coordinated with other potential uses within the railroad corridor and placed within the corridor so that connections to the West End streets are convenient, especially at the corner of Ortiz Avenue and Holly Street.

When the Monterey Bay Scenic Sanctuary Trail is completed through the King Ventures resort project, at least one of the existing interim links across State Route 1 (Tioga Avenue overpass or Playa Avenue underpass) should be preserved as a permanent bicycle route connection.

4.4 Pedestrian Connectivity and Safety

Summary of Conditions





Pedestrian connectivity is lacking throughout the City, largely due to the City's history as an industrial area. When industrial uses were established in the West End District, pedestrian circulation was not a consideration, resulting in streets completely lacking sidewalks, having gaps in the sidewalks, or blocked by poles or other fixtures. Additionally, vehicles are often parked across sidewalks. The shopping centers have sidewalks in front of the stores, but connections to adjoining areas, and to outlying pads are inadequate and incomplete.

Prioritization

The most important pedestrian projects are closures of gaps, where no route currently exists or where pedestrians face obstructions or hazardous conditions (such as California Avenue between Tioga Avenue and Holly Street). As a nearer-term priority, at least one continuous sidewalk through the West End District from Del Monte Boulevard to Tioga Avenue, should be completed (see the preferred primary route on the map on Page 5-1). Pedestrian routes that lead to and from the Sand City Station and to bus stops along Del Monte Boulevard should be given high priority, especially the missing sidewalks at the railroad corridor, and improved crosswalks at Playa Avenue. The City has already prioritized completion of a missing sidewalk along Contra Costa Street with ADA improvements. Sidewalk improvements along much of the western side of California Avenue will be constructed as part of the South of Tioga hotel and residential project. There is a significant pedestrian gap entering the Sand Dollar Shopping Center from Tioga Avenue, and the City should encourage the shopping center owner to install a sidewalk in that area. A continuous sidewalk is also needed between Playa Avenue and Tioga Avenue; in the short-term the City should encourage the shopping center owner to extend the existing walkway in the Costco parking lot. The City hopes to eventually fill this gap with an extension of California Avenue and pathway within the railroad corridor. In addition to these infrastructure improvements, the City needs to improve parking facilities and parking enforcement, so that parked vehicles do not block pedestrian routes.

A pedestrian beach connection route from the West End and East Dunes districts is important, but should be considered as a long-term goal. This connection serves more a recreational purpose, and unless targeted funding is available, the City should focus resources first on gaps described above. Tioga Avenue provides a route but has a steep gradient west of Metz Road. A path or sidewalk through the East Dunes residential neighborhood could provide an attractive route. However, property ownership patterns (i.e., a lack of a suitable public right-of-way) and habitat concerns make a route through the East Dunes area challenging; and therefore, this plan defers to broader planning efforts, such as a

specific plan or a General Plan update, to determine if such a route can be provided. A pedestrian bridge over State Route 1 would be expensive, with gradient challenges, and may have a very long horizon for realization, but could provide a suitable connection if funding was identified and available.

A pathway within the railroad corridor would provide a significant recreational and transportation asset within the City, and ultimately tie the entire City together, and connect it to both City of Monterey and Fort Ord Dunes State Park. This is another long-term project, but the City could consider lower-cost interim improvements, such as a graveled pathway within the West End District; for example, providing a shortened pedestrian route between Contra Costa Street and Holly Street.

A connection between the railroad corridor and Del Monte Boulevard in the vicinity of Holly Street would be very useful to pedestrian circulation, but the land within the City of Seaside is entirely private, and land would have to be acquired for this purpose.

Funding

Funding for pedestrian improvements typically comes from the same sources as bicycle facility funding, as previously described.

Implementation

Pedestrian improvements consist of sidewalks, walkways, and street crossings. Pedestrian improvements should be constructed to accommodate the most mobility-challenged persons. Refer to the following section on challenged mobility. The pathway within the railroad corridor needs to be coordinated with other potential uses within the railroad corridor; the path should be placed within the corridor so that connections to the West End streets are convenient, and without conflict, especially at the corner of Ortiz Avenue and Holly Street. Design of pedestrian areas should focus on safety of all users, including good lighting and absence of barriers. Adequate site lines, warning lights, bulb-outs or median refuges, and measures to reduce traffic speeds should be implemented at busy street crossings. In considering potential improvements, the City should concentrate on finishing sidewalks a single side of a street first, to minimize the need for crossing over to the other side of a street. There may be a few locations in the City where a "woonerf" (a slow speed street shared by motor vehicles, bicycles, and pedestrians), as shown here, could be considered if right-of-way constraints do not permit separate automobile, bicycle, and pedestrian facilities. The City should review West End District parking needs and determine if a new parking ordinance, or direction to more strictly enforce parking over sidewalks, is the best approach to reducing the number of parked vehicles blocking pedestrian access.



4.5 Challenged Mobility

Summary of Conditions

Persons with challenged mobility are especially disadvantaged by incomplete sidewalks, uneven pavement, lack of curb cuts, safety issues when crossing streets, and steep slopes or lack of proper ramps. There are numerous barriers within existing sidewalks, such as utility poles, in addition to the gaps in the sidewalks themselves. The locations of these barriers are marked in Figure 2-3 Existing Sidewalks and Barriers. Additionally, vehicles are often parked across sidewalks. Access to all areas of the City and to transit are affected. While an able-bodied person can usually step over or around barriers, these barriers often completely prohibit progress for a mobility-challenged person, or force them into positions where their safety may be compromised.

Prioritization

Suitable access for the mobility-challenged should ultimately exist on every street and to every destination in the City. The City will need to prioritize the necessary improvements, and a few very low traffic streets may need to provide acceptable access within the roadway for a considerable length of time while the City addresses higher priorities. The first priority for improvements should correct situations in which the mobility-challenged have no reasonable options for access. An accessible route from the lower areas of the West End District to California Avenue should be the highest priority (see the preferred primary route on the map on Page 5-1). Until a pathway is constructed on the railroad corridor, California Avenue. provides the only route in the City between the West End District and the shopping centers, and a complete accessible route on California Avenue is another of the highest priorities in the City. Accessible routes to transit should also factor highly in determining priorities. In establishing priorities, the City should determine which barriers on these routes most severely restrict access, and address those the soonest. In addition to these infrastructure improvements, the City needs to improve parking facilities and parking enforcement, so that parked vehicles do not block access for mobility challenged persons.



Especially difficult transitions due to slopes exist between the West End District, the East Dunes District, and the beach. Providing mobility-challenged access to the East Dunes District and to the beach are longer-term projects; and unless specific opportunities arise for funding, are of a lower priority. It is possible the City can provide a suitable grade pathway within Calabrese Park, but property ownership and habitat issues between Calabrese Park and Tioga Avenue will require a broader consideration than can be provided by this Sustainable Transportation Plan. The grade on Tioga Avenue is very steep, and provision of an accessible slope on its sidewalk is not likely to be feasible. The State has specific guidance for beach and trail access that the City should observe; beaches are required to be

accessible, although trails are only required to allow partial use by persons in wheelchairs. As a long-term goal, the City should endeavor to provide at least one fully accessible beach access trail with disabled parking available.

Improvements within the regional shopping centers could greatly improve access for the mobility-challenged; however, these improvements are not under the City's control, and the City is only able to encourage completion of these improvements. However, the City can take steps to facilitate these improvements in the event those private property owners bring such improvements to the City for approval.

Funding

There are two federal tax incentives to assist private property owners with the cost of accessibility improvements. Each tax incentive may be taken in successive years. These two incentives can be used together by eligible businesses if the expenditures qualify.

The Disabled Access Credit (Internal Revenue Code, Section 44) is available to help small businesses (revenues of $1,000,000 or less or 30 or fewer full-time workers) cover ADA-related eligible access expenditures. The credit can be used to remove physical barriers that prevent a business from being accessible to, or usable by, individuals with disabilities. The amount of the tax credit is equal to 50 percent of the eligible access expenditures between $250 and $10,250, with a maximum tax credit of $5,000 in any year.

Any business can take a tax deduction under Internal Revenue Code - Section 190 for the costs of removing architectural or transportation barriers. The maximum deduction is $15,000 per year for costs of removing barriers in facilities or vehicles.

Implementation

All new pedestrian and civic improvements should be designed to accommodate all mobility-challenged persons; who could include persons in wheelchairs, older adults and injured persons, and the sight or hearing impaired. The only exception to this is on very steep slopes, where accommodation is not feasible. However, on moderate slopes, accommodations should be provided if there is adequate room available. The City should also provide signage for alternative routes that bypass the steepest slopes. Improvements will be designed in accordance with guidance provided under the Americans with Disabilities Act and in the California Access Compliance Advisory Reference Manual. Although the American with Disabilities Act Guidelines allow building entry ramp slopes up to 1 in 12 (about 8 percent), the City should try to keep maximum slopes to no greater than 5 percent if feasible.

Intersection and crosswalk improvements should include truncated dome detectable surfaces, beacons to alert motorists, lights to make pedestrians more visible at night, and/or accessible pedestrian signals as appropriate to maximize safety. Benches should be provided at suitable locations to offer resting opportunities. Suitable locations could include the top of slopes and near busy intersections, where rest

may be more necessary. The City should review West End District parking needs and determine if a new parking ordinance, or direction to more strictly enforce parking over sidewalks, is the best approach to reducing the number of parked vehicles blocking access.

4.6 Railroad Corridor

Summary of Conditions

The railroad corridor runs for approximately 1.2 miles within Sand City and approximately 0.3 miles within Seaside. The majority of the railroad corridor is currently vacant and only informally used. Portions of the railroad corridor, near Tioga Avenue and near Contra Costa Street are used for parking. Informal footpaths are present in several areas. At locations between Contra Costa Street and Tioga Avenue, half the width or the entire width of the corridor is occupied by private uses under lease from TAMC, and entitlement permits from Sand City.

Prioritization

It is likely that trail development within the railroad corridor will need to be phased, both for fiscal and logistical reasons. For purposes of prioritization, the railroad corridor is broken into five segments: Canyon del Rey Boulevard to Contra Costa Street (City of Seaside); Contra Costa Street to Holly Street; Holly Street to Tioga Avenue; Tioga Avenue to Playa Avenue; and Playa Avenue to Monterey Road. Table 4-1, Railroad Corridor Priorities, prioritizes each of these segments for use by bicyclists, pedestrians, and the mobility challenged.

Table 4-1 Railroad Corridor Priorities

Segment	Bicycle	Pedestrian	Mobility Challenged	Avg. Rank*
Canyon del Rey Boulevard to Contra Costa Street.	1. Provides important link to Monterey Peninsula.	4. Provides quiet and convenient alternative to Del Monte Boulevard.	4. Provides quiet and convenient alternative to Del Monte Boulevard.	3.0
Contra Costa Street to Holly Street.	4. Provides convenient alternative to West End streets.	3. Provides convenient alternative to West End streets.	3. Provides convenient alternative to West End streets with potential barriers.	3.3
Holly Street to Tioga Avenue.	3. Provides more direct alternative to California Avenue.	2. Provides more direct alternative to California Avenue, which has poor sidewalks.	2. Provides more direct alternative to California Avenue, which has Poor ADA access on sidewalks.	2.3
Tioga Avenue to Playa Avenue.	2. Eliminates congested route on private property in parking lot or indirect route on Metz Road.	1. Provides link where none currently exists.	1. Provides link where none currently exists.	1.3
Playa Avenue to Monterey Road.	5. bike lanes already exist on California Avenue.	5. sidewalk already exists on California Avenue.	5. ADA accessible sidewalk already exists on California Avenue.	5.0

*Note: Ranked 1 (highest priority) to 5 (lowest priority)

Implementation

All uses of the railroad corridor will need to be coordinated through TAMC, and some will require coordination with the City of Seaside and/or Caltrans. Coordination with MST will be required for design of the busway or rail. Because there are multiple potential uses proposed within the railroad corridor, it is essential to coordinate their locations to achieve the greatest benefit. Probable uses within the railroad corridor include bus rapid transit and/or rail transit, bus or rail boarding platform(s), public parking, and a trail. The railroad corridor is 100 feet wide. Railroad or busway use is expected to require a width of approximately 50 feet; boarding platforms should fit within this area. A single-loaded one-way street with 45-degree angled parking will require approximately 35 feet of width. A trail will require a minimum of 12 feet of width.

Placement of a busway will be more flexible than placement of rail. It is presumed that rail will, for the most part, remain in its current location, approximately centered in the railroad corridor. However, if the railbed is not adequate, re-location may then be desirable. The preferred arrangement would place the trail nearest to the northern/western edge of the railroad corridor, to provide access to West End District streets without crossing tracks or roadways. Public parking would be located only between Contra Costa Street and Holly Street (or Redwood Avenue), and would occupy the southern/eastern edge of the railroad corridor. The busway or rail would be located in the center of the railroad corridor. The conceptual illustrations in this Sustainable Transportation Plan show this preferred alignment, although the City recognizes that the rail placement may dictate the locations of other uses.

There are five street railroad corridor crossings in the area considered in this Sustainable Transportation Plan: Canyon del Rey Boulevard (State Route 218), Contra Costa Street, Tioga Avenue, Playa Avenue, and Monterey Road. All of these crossing are relatively near other streets, generally paralleling the railroad corridor, including Del Monte Boulevard, Orange Avenue, California Avenue, and the Sand Dollar Shopping Center entries. The trail crossings will need to be carefully designed to minimize conflicts with cross traffic and traffic entering from the parallel streets. At crossings of busier streets, the crossings should be coordinated with intersection signal lights or roundabouts, and crosswalks. At the busiest crossings the City should consider a separate traffic signal crossing phase if feasible.

4.7 Other Modes

Summary of Conditions

The City has limited electric car changing opportunities, and does not have any dedicated car share facilities or bike/scooter share options. The Edgewater Shopping Center currently provides car-charging stations at two locations within its parking lot.



Prioritization

The City should identify public parking spots within the City that could be equipped with charging stations. The City should consider the potential value of designating a few automobile parking spaces for drop-off/pick-up (taxi, Uber, Lyft, etc.), especially at popular destinations.

Funding

The City should license or contract these services to private companies. Miscellaneous costs can be covered by the General Fund.

Implementation

The City has undertaken a parking study, and determined that the automobile parking supply is deficient in portions of the West End District to accommodate preferred land uses, and that redevelopment within the West End District could require additional parking. The Sustainable Transportation Plan is one approach to reducing demand for automobile parking, but the City wants to preserve as much automobile parking as feasible for those trips that are not practical by alternative means. If the City considers the provision of car-share locations (e.g., Zip Car) those spaces should be provided in more out-of-the-way locations. The City's streets have narrow rights-of-way (typically about 50 feet) so there is limited room to provide bicycle or scooter docking stations. If a bicycle or scooter share program were established, locations where the docking stations would not interfere with pedestrian travel or remove important parking spaces would need to be identified. Ultimately, the railroad corridor might provide suitable locations for both car share and bike/scooter share staging.

4.8 Additional Strategies

The City should seek grant fund opportunities to assist in funding sustainable transportation improvements. TAMC will be able to help the City identify grant funding opportunities. Once basic improvements towards a sustainable transportation network are in place, the City should consider enhancements, such as wayfinding signs, benches for resting, e-bike/wheelchair charging stations, or bicycle repair stations.

4.9 Summary of Strategies

Realizing fully accessible and sustainable transportation within the community is a long-term endeavor, and as such, priorities must be set for its implementation. The first priority should be providing access where access is currently completely denied; i.e., those locations where persons of challenged mobility find it physically impossible to reach destinations. The second priority should be to address situations that present dangers to users. Additional priorities include access to transit and closing significant regional and inter-community gaps.

Summary of Strategic Priorities

These improvements are listed in approximate priority order, but the City will implement them as opportunities and funding become available, so implementation may follow an order different than listed. However, these priorities should be considered when deciding between improvement options.

Transit

1. Improve pedestrian connectivity to existing bus transit stops.
2. Coordinate transit use and other uses within the Railroad Corridor.

Bicycles

1. Improve bicycle connectivity between the West End District and Robert's Lake trail.
2. Complete missing link of regional trail between Tioga Avenue and Playa Avenue west of State Route 1, and maintain a bicycle route connection on either Tioga Avenue or Playa Avenue.
3. Include bicycle connectivity to Seaside High School, Monterey Road, and northern segments of the Monterey Bay Sanctuary Scenic Trail in coordination with improvements of the Fremont Boulevard State Route 1 intersection/on-off ramps.
4. Provide bicycle racks within the West End District and at Beach trail heads.
5. Provide enclosed bicycle lockers at the MST transit station.
6. Include trail for bicycle circulation within the Railroad Corridor.
7. Provide directional signs for public orientation.

Pedestrian

1. Complete missing gaps of sidewalks, particularly where pedestrians currently face hazards/ obstructions. (long term).
2. Complete at least one (1) continuous sidewalk through the West End District from Del Monte Boulevard to Tioga Avenue. (short term).
3. Enhance pedestrian connection with improved crosswalks between California Avenue and Seaside High School. (short term)
4. Ensure good pedestrian connections between California Avenue, Seaside High School, and Fort Ord Dunes State Park as part of future round-about design and construction. (long term)
5. 5. Establish pedestrian routes to/from the Sand City Station on Playa Avenue and to bus transit stops along Del Monte Boulevard.
6. Encourage the Sand Dollar Shopping Center to install sidewalk from Tioga Avenue into the center. (long term)

7. Encourage the Sand Dollar Shopping Center to extend the existing walkway all the way to Playa Avenue. (short term)
8. Provide pedestrian connection between the West End and East Dunes districts and the beach on the opposite side of State Route 1. (long term)
9. Safety improvements, including improved crosswalks and safety beacons at crossings with higher traffic volumes or faster traffic speeds.
10. Provide directional signs for public orientation.

Challenged Mobility

1. Correct situations where the mobility-challenged have no reasonable options for access; particularly from the lower areas of the West End District to California Avenue.
2. Improvements to accommodate the most mobility-challenged persons and include good lighting and absence of barriers, with a priority toward routes to transit. (long term)
3. Provide at least one (1) fully accessible beach access trail with disabled parking available.

Railroad Corridor

1. Utilize the Railroad Corridor to provide bike, pedestrian, and mobility challenged improvements in conjunction with long-term plans for bus/rail transit improvements.
2. Prioritize development of trail segments in line with Table 4-1.
3. Add trail amenities when the trail itself is substantially complete.

Summary of Funding Sources

- Fixing America's Surface Transportation (FAST) Act
- Surface Transportation Block Grant (STBG)
- Community Development Block Grant (CDBG)
- Congestion Mitigation and Air Quality Improvement Program
- California's Active Transportation Program
- Monterey County Measure X
- The Disabled Access Credit (IRS Code sec. 44)

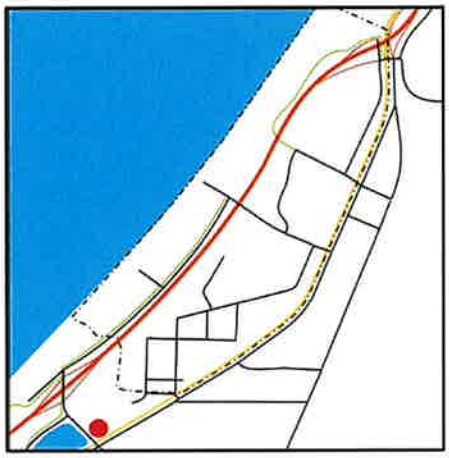
5.0
RECOMMENDED IMPROVEMENTS

This section presents the recommended improvements at each of the nine key locations identified in Section 3.4, Conceptual Options. Prioritization parameters are presented in Section 4.0, Sustainable Transportation Strategies. The general locations of proposed improvements are shown in the following illustration.



5.1 Improvements at Key Locations

Southern Railroad Corridor Trail Connection between Roberts Lake and Contra Costa Street

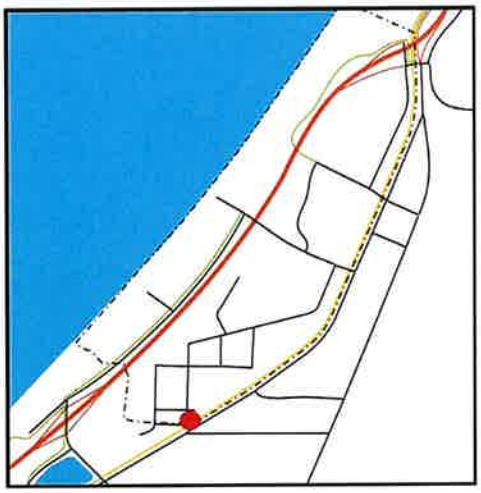


This trail segment connects the existing Monterey Bay Sanctuary Scenic Trail to the railroad corridor north of State Route 218. The recommended trail crossing of State Route 218 uses the crosswalk from the southwest corner to the northwest corner of the State Route 218/Del Monte Boulevard intersection. A spur of the existing trail currently terminates at the southwest corner of that intersection. The railroad corridor is off-set from the northwest corner by about 80 feet.

The trail will need to connect from the northwest corner to the railroad corridor, as a Class 1 path, either within the State Route 218 right-of-way, or within the Del Monte Boulevard right-of-way and a vacant parcel to the north of Starbucks. The preferred alignment is to continue a Class 1 path along the Del Monte Boulevard right-of-way and use the southernmost 15 to 20 feet of the vacant parcel adjacent to Starbucks to connect to the railroad corridor. This routing brings the trail past an exit only driveway rather than an in-out driveway at Starbucks, so traffic conflicts are reduced. If this alignment is not feasible, the alternative alignment would use the State Route 218 right-of-way for a Class 1 path connecting the northwest corner of State Route 218 and Del Monte Boulevard to the railroad corridor adjacent to State Route 218. For either alignment, the driveway crossing will need to be designed to alert drivers and trail users to the crossing.

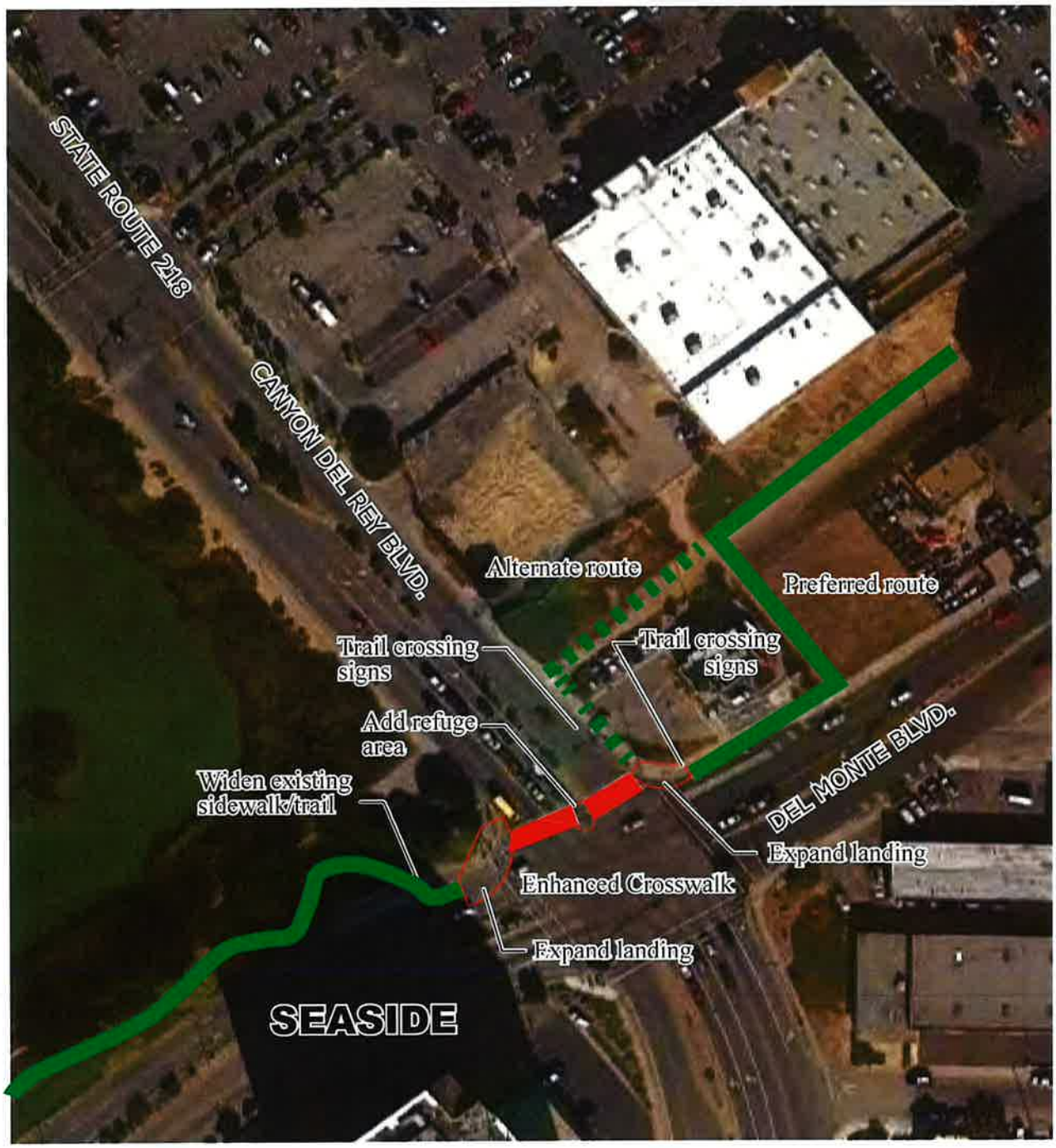
The preferred and alternative alignments for crossing State Route 218 and re-joining the railroad corridor are conceptually illustrated in Figure 5-1, Railroad Corridor Trail Connection between Roberts Lake and Contra Costa Street.

Trail Crossing of Contra Costa Street



The trail crossing of Contra Costa Street poses challenges because of the volume of traffic and close proximity of intersections between Del Monte Boulevard and Orange Avenue. These factors result in a high potential for traffic conflicts. The preferred crossing uses the crosswalk parallel to Del Monte Boulevard where movements are controlled by a signal light.

On the west side of Contra Costa Street, the trail would be aligned along Contra Costa Street (for a distance of about 30 feet), the south side of Olympia Avenue (for a distance of about 50 feet) and then follow the southern/



Source: Google Earth 2018, Monterey County GIS 2020

Figure 5-1

Railroad Corridor Trail Connection between Roberts Lake and Contra Costa Street

Sand City Sustainable Transportation Plan

eastern edge of the railroad corridor. Because Olympia Avenue is a one-way street eastbound towards Contra Costa Street, a spur trail connecting to Catalina Street is recommended to provide access to and from the West End on the west side of Contra Costa Street. Where the trail near Del Monte Boulevard along Contra Costa Street meet, the crosswalk should be adjusted to provide a suitable transition for trail users.

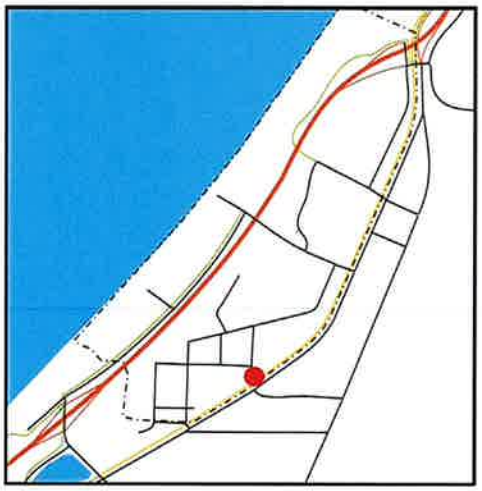
On the east side of Contra Costa Street, the trail would be parallel to Contra Costa Street until it intersects the railroad corridor (for a distance of about 60 feet). The trail would then follow the southern/eastern edge of the railroad corridor (for a distance of about 175 feet) before crossing a one-way parking lane and two-way bus lane/transit line to the northern/western side of the railroad corridor. Placement of the trail on the northern/western side of the railroad corridor provides the best trail access to and from West End streets.

The preferred alignment to connect the Monterey Bay Sanctuary Scenic Trail extension across Contra Costa Street is conceptually illustrated in Figure 5-2, Trail Crossing of Contra Costa Street. This figure also shows the preferred co-alignment of the trail with future transit and parking uses within the railroad corridor.

Central Railroad Corridor

The recommended improvements for this section of the railroad corridor include transit use (bus rapid transit or rail) public parking, and a Class 1 bicycle/pedestrian path.

To best accommodate transit as it transitions onto Contra Cota Street and Del Monte Boulevard, and avoid crossing conflict to the extent possible, the transit space has been reserved in the relative center of the railroad corridor.

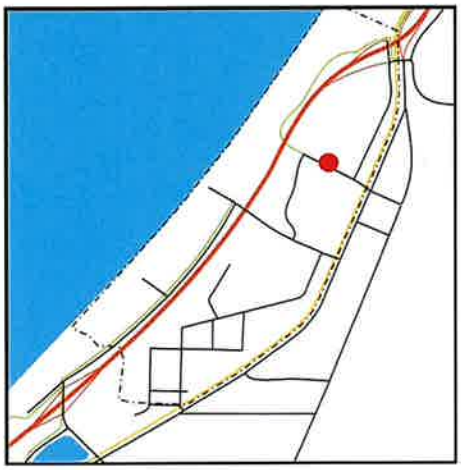


For best access between the West End and the trail, the trail space has been reserved along the northern/western edge of the railroad corridor. This position allows crossings of the parking lane at locations with good visibility for both trail users and vehicle operators, and results in a single transit crossing, also at a location with good visibility. This trail placement also avoids potential conflicts with business driveways on Orange Avenue.

A one-way northeast bound access road and angled parking should be located on the southern/eastern side of the railroad corridor. This placement allows free flow in from Contra Costa Street, and reduces automobile/transit crossing to a single location as the parking lane exits onto West End District streets at either Holly Street or Redwood Avenue.

The preferred trail alignment within the railroad corridor is conceptually illustrated in Figure 5-2, Trail Crossing of Contra Costa Street. The trail would continue along the northern/western side for the remainder of the railroad corridor, crossing the parking lane exit at Holly Street or Redwood Avenue.

Sand City Station Access to Shopping Centers

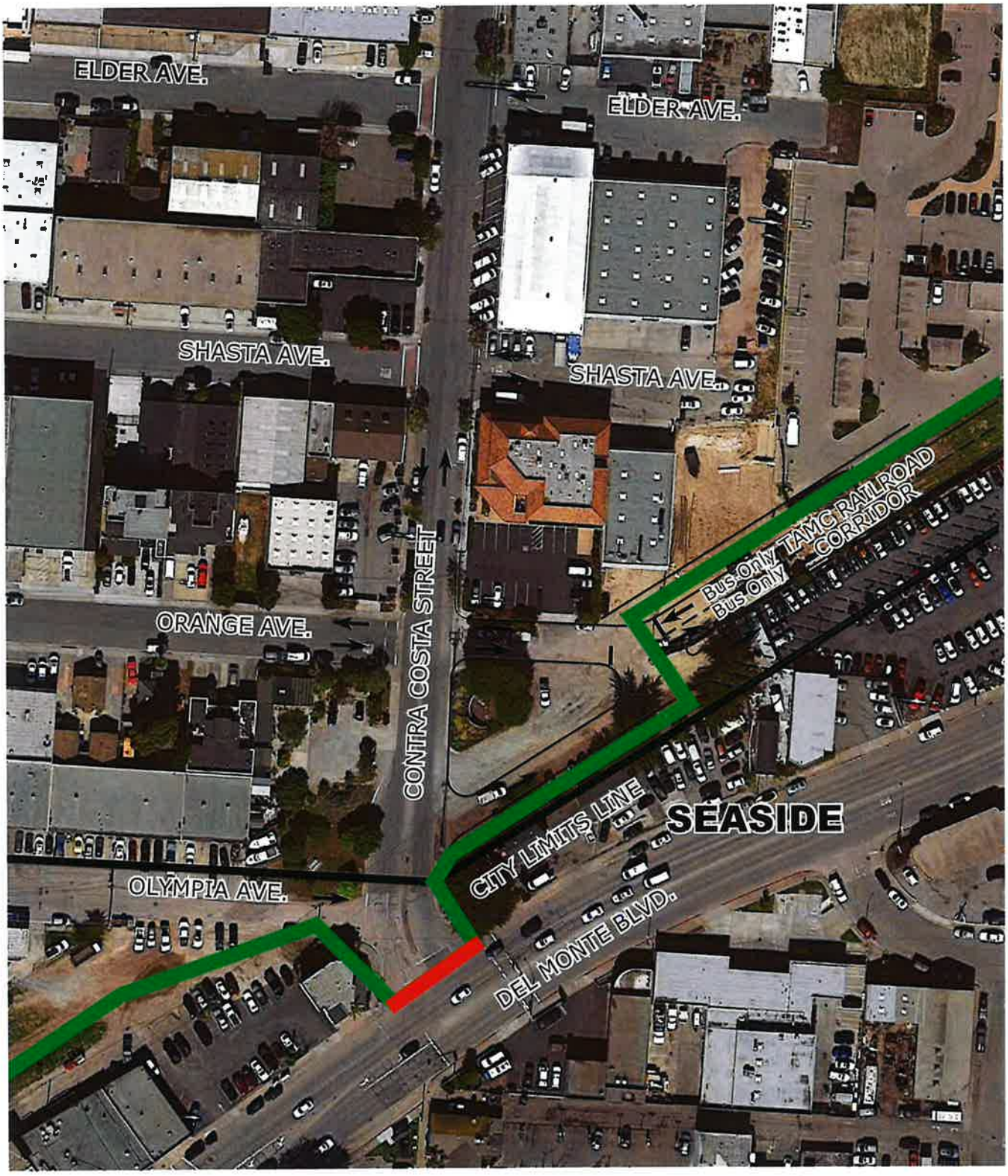


IImproving access to and from the Sand City Station is important for all pedestrians, and especially for mobility-challenged persons. The primary access issue with the adjacent Edgewater Shopping Center is related to access for the mobility-challenged; the primary access includes a set of steps. Access from the Sand City Station to the Sand Dollar Shopping Center involves crossing Playa Avenue and then crossing the parking lot. The two existing crosswalks are located 140 feet east (at California Avenue) and 300 feet west (near Ashley Furniture) as measured from the center of the Sand City Station.

From the Sand City Station, the nearest destination at the Sand Dollar Shopping Center is McDonalds, located directly across Playa Avenue, and about 400 feet distant via the crosswalk at California Avenue. Other destination points are Costco (about 800 feet via the crosswalk at California Avenue), and Ashley Furniture (about 650 feet via the western crosswalk). There is continuous sidewalk access to McDonalds and Ashley Furniture, as well as to the other businesses located south of Ashley Furniture. Although Costco can be reached by this same route, it is 800 feet farther than the direct route. The direct route to Costco includes 400 feet across the parking lot without a separate walkway.

The current route ADA access route from the Sand City Station to the Edgewater Shopping Center is long, difficult to locate, and isolated. The recommended improvement is a switch-backed ramp to the back of the passenger shelters at the Sand City Station. This route is much shorter and directly accessible from the Sand City Station. The elevation differential is about 8 feet, so at a 5 percent slope, the ramp would need to be about 160 feet long, plus landings. This route would reduce the distance from the middle passenger shelter to the front corner of Lucky from about 600 feet to about 300 feet.

In addition to enhancing the two existing crosswalks on Playa Avenue, a new crosswalk should be developed between the Sand City Station and the Playa Avenue entrance to the Edgewater Shopping Center, to provide a direct crossing to the Sand Dollar Shopping Center. The improvements for crossing Playa Avenue, and for crossing the Sand Dollar Shopping Center parking lot, are linked. Pathways within the Sand Dollar Shopping Center should meet all three of the crosswalks (two existing and one proposed) on Playa Avenue. The walkways would join part way through the parking lot before connecting to the existing walkway from Costco. A connecting pathway to the existing walkway from Marshalls should also be provided.



Source: Google Earth 2018, Monterey County GIS

Figure 5-2

Trail Crossing of Contra Costa Street

Sand City Transportation Plan

Design of the mid-block crossing needs to consider pedestrian safety from traffic on Playa Avenue and vehicles turning out of the Edgewater Shopping Center, as well as turning requirements for trucks leaving the Edgewater Shopping Center, and adequate lane width for busses (11 feet minimum). A median refuge and railings to prevent pedestrian crossing outside the new crosswalk are recommended, as well as street lighting in advance of the crosswalk in each direction (to best illuminate pedestrians for visibility from approaching vehicles) and a flashing crosswalk light.

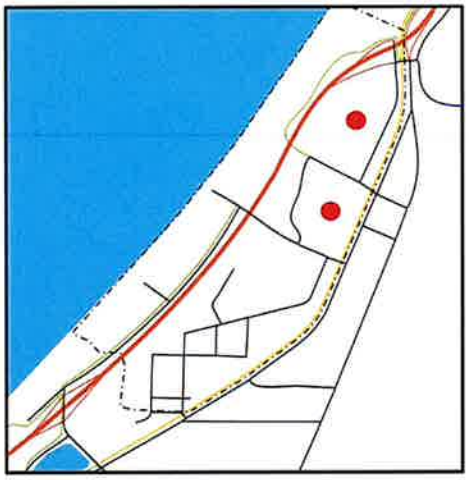


The preferred improvements on Playa Avenue near the Sand City Station, and connections to and from the Sand City Station within the Sand Dollar and Edgewater shopping centers, are conceptually illustrated in Figure 5-3, Sand City Station Shopping Center Connections.

Pedestrian Circulation within Sand Dollar and Edgewater Shopping Centers

Both the Sand Dollar Shopping Center and the Edgewater Shopping Center have significant gaps in the circulation system for pedestrians and the mobility-challenged, including lack of sidewalks and indirect routes.

There are two significant access issues at the Sand Dollar Shopping Center: access across the parking lot previously discussed; and access into the shopping center from Tioga Avenue. The most pressing need within the Sand Dollar Shopping Center is for a sidewalk between the northwest corner of the Tioga Avenue/ California Avenue intersection and the front entrance to Costco. A sidewalk along the exit aisle is recommended, with a crosswalk at the entry to the tire shop. As discussed earlier, the walkways that extend out from Costco and Marshalls should be connected, and then connect to Playa Avenue. Access on Metz Road at the back of the Sand Dollar Shopping Center is addressed separately, later in this section.



The Edgewater Shopping Center needs improved pedestrian access at the California Avenue entry, primarily to a direct pedestrian connection between the southwest corner of the California Avenue/entry intersection and the main row of businesses. It is recommended that the sidewalk be extended to a stairway and crosswalk to Panera. The ADA access at this location is provided from the northwest corner of the California Avenue/entry intersection. It is recommended that ADA access signs be added at both corners, with the crosswalk between the gas station and the main line of businesses enhanced, and ADA directional signs installed there as well. Mobility-challenged access from Playa Avenue was discussed earlier.

Walking between the main line of businesses and the outer pads (i.e., from Target or Ross to Starbucks) requires crossing through the parking lot with no separated walkway, for a distance of about 250 feet. A walkway is recommended to connect these points in line with the recently constructed electrical vehicle charging station near Starbucks.

Recommended pedestrian improvements at the Sand Dollar Shopping Center entry at Tioga Avenue are conceptually illustrated in Figure 5-4, Sand Dollar Shopping Center Tioga Avenue Entry Pedestrian Improvements.

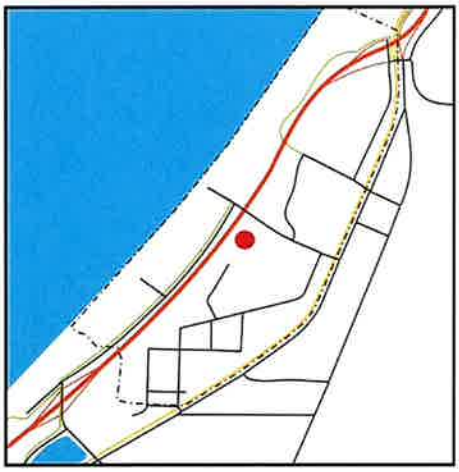
Recommended pedestrian improvements at the Edgewater Shopping Center are conceptually illustrated in Figure 5-5, Edgewater Shopping Center Pedestrian Improvements.

Recommended pedestrian improvements at the Edgewater Shopping Center entry at California Avenue are conceptually illustrated in Figure 5-6, Edgewater Shopping Center California Avenue Entry Pedestrian Improvements.

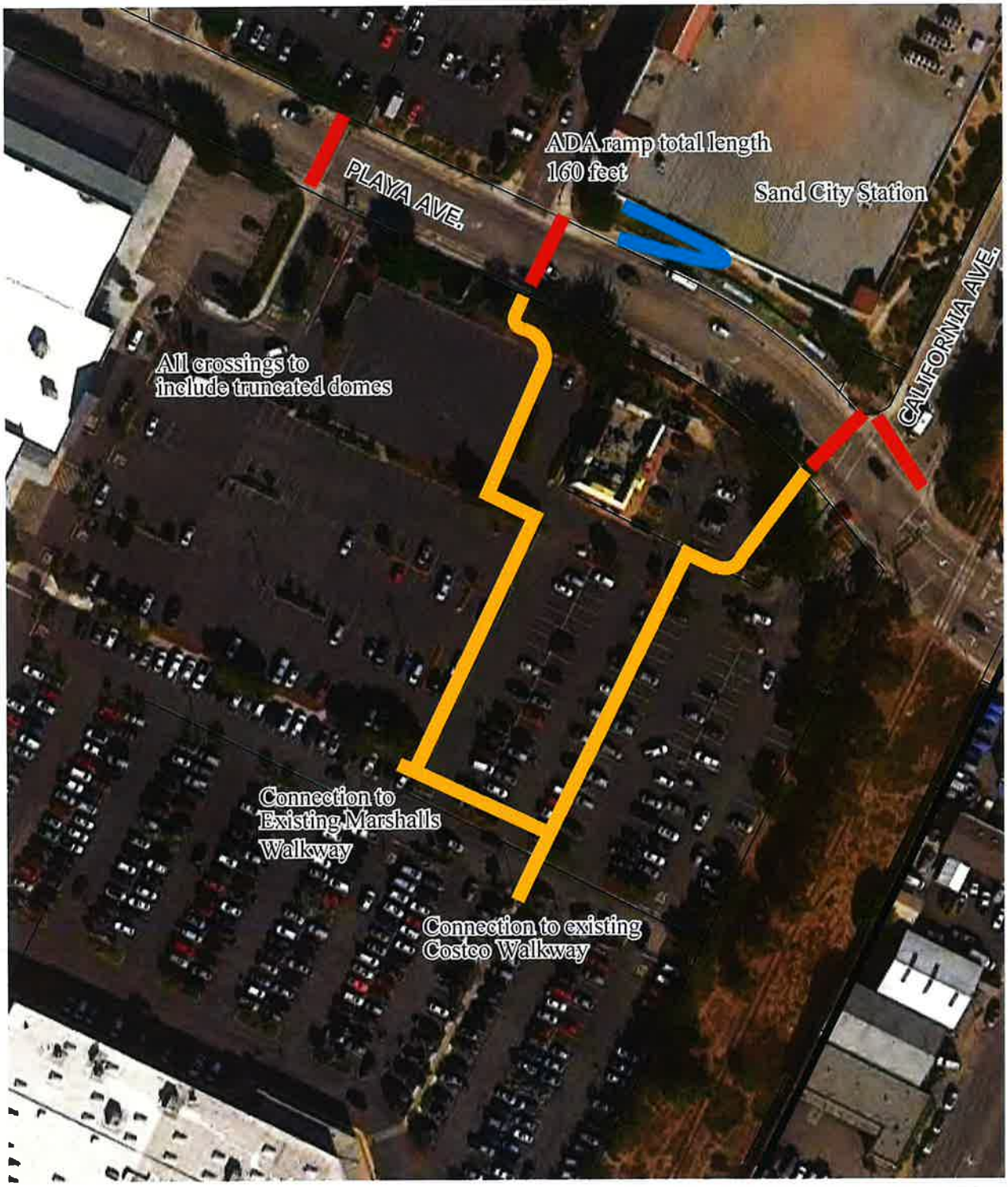
East Dunes to Tioga Avenue/Beach Connection

Significant constraints preclude the inclusion of a trail connection through the East Dunes District. The only available continuous right-of-way is along the State Route 1 freeway. This option is considered unfeasible due to slopes along the highway margins and a significant elevation differential at Tioga Avenue. Additionally, there is some concern about pollutant levels on the upwind side of the freeway.

Inland from State Route 1, the City has a number of un-developed street rights-of-way in the East Dunes District, but none of these connects to Tioga Avenue. Therefore, private property would need to be acquired in order to establish a connecting path or sidewalk.



In addition, the East Dunes District is known to host at least two protected plant species and provide habitat for at least one protected animal species. A lengthy process through the United States Fish and Wildlife Service and the California Department of Fish and Wildlife will be required for development within the East Dunes District.



Source: Google Earth 2018, Monterey County GIS 2020

0 110 feet

Sidewalks
Enhanced Crosswalks
ADA Ramp

Figure 5-3

Sand City Transit Center Shopping Center Connections

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

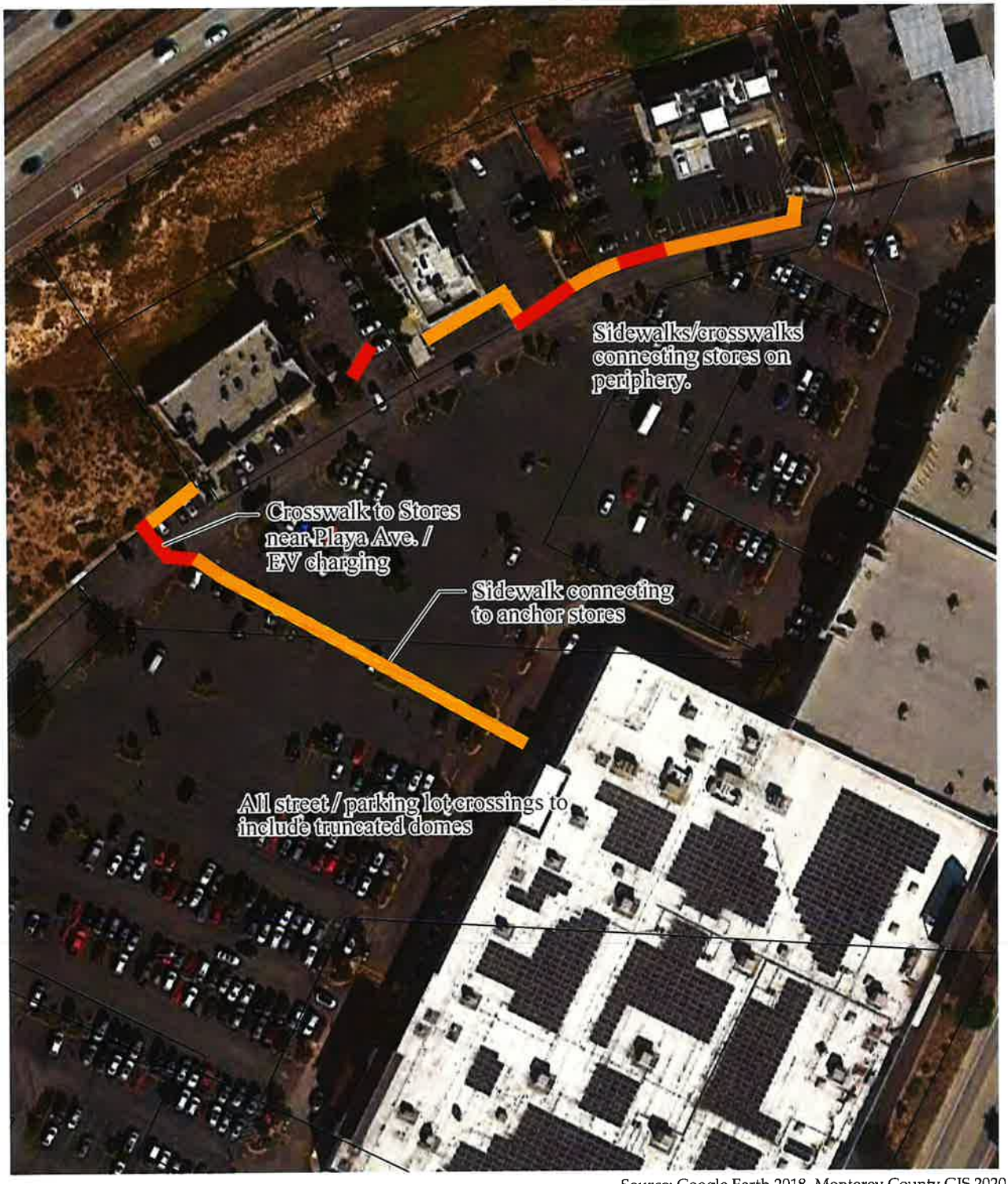
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Sidewalk Crosswalk

Figure 5-4

Sand Dollar Shopping Center
Tioga Avenue Entry Pedestrian Improvements

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

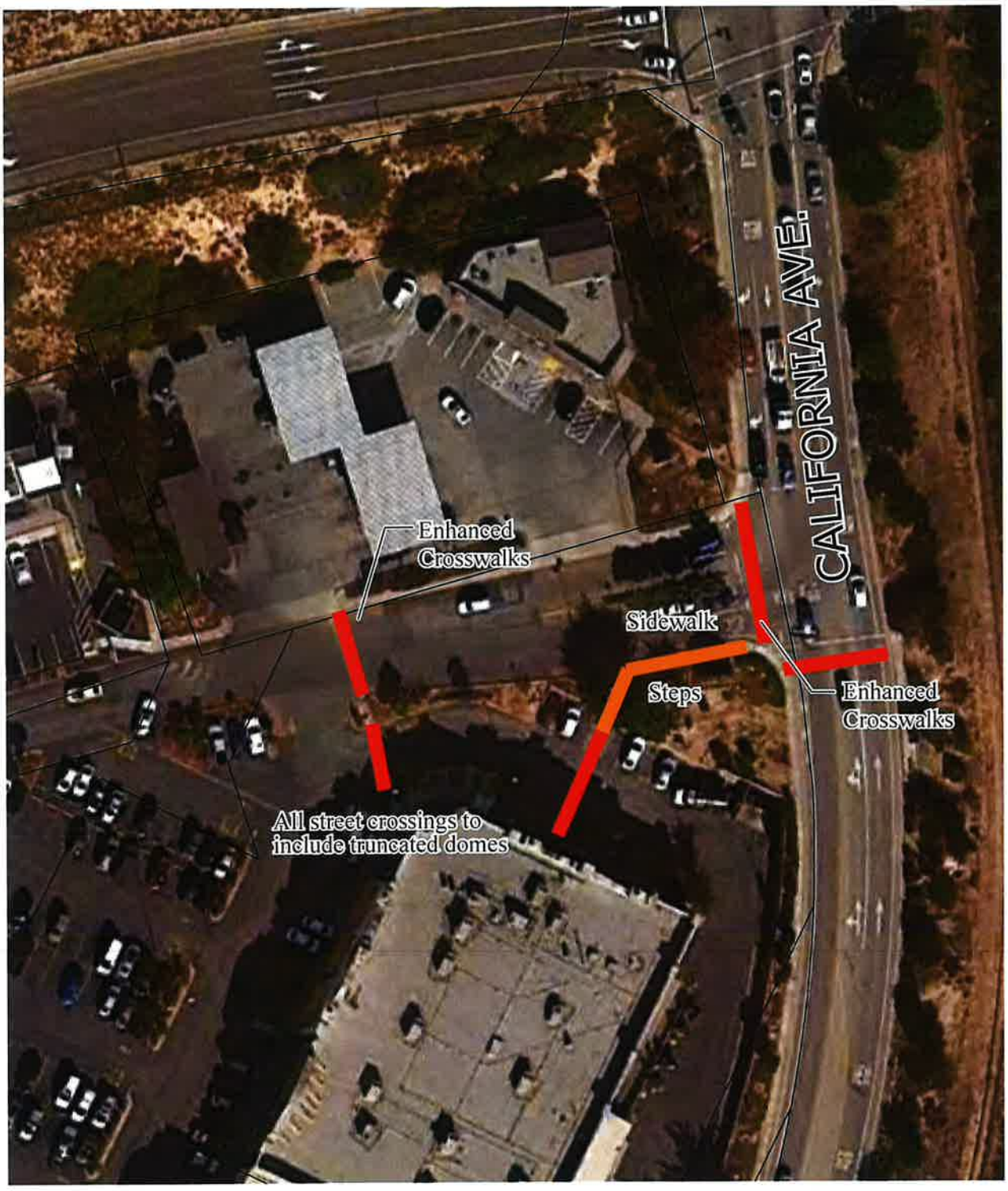
0 110 feet

Sidewalk
Enhanced Crosswalks

Figure 5-5

Edgewater Shopping Center Pedestrian Improvements

Sand City Sustainable Transportation Plan



Source: Google Earth 2018,Monterey County GIS 2020

0 110 feet

Sidewalk
Crosswalk

Figure 5-6

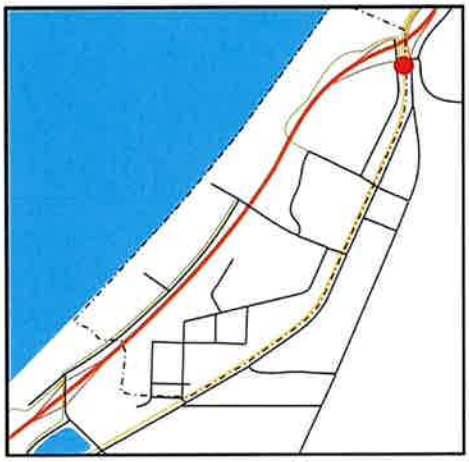
Edgewater Shopping Center
California Avenue Entry Pedestrian Improvements

Sand City Sustainable Transportation Plan

The best way to address these complications would be through assemblage of all of the private parcels by a single entity, and/or adoption of a Specific Plan, in conjunction with a subdivision map to re-arrange the public rights-of-way and private parcels. This process could also be used to set aside land to mitigate for take of endangered species. Until such time as an overall approach is developed for the East Dunes District, a formal public route between City Hall/Calabrese Park and Tioga Avenue is considered infeasible. At this point, the access should remain on Tioga Avenue. Refer to the Conceptual Options Report for potential options that were considered for future pedestrian access within the East Dunes District.

Seaside High School/Recreation Trail Connections across Fremont/California Avenue

This is a complicated intersection that is used by a very high volume of traffic to and from State Route 1; Fremont Boulevard, Del Monte Boulevard and the golf course area within Seaside; and the Sand City shopping centers. This intersection provides the only direct freeway access to and from Sand City. This is also a very important and heavily used bicycle and pedestrian connection point, linking the shopping centers, Seaside High School, and the Monterey Bay Sanctuary Scenic Trail to Fort Ord Dunes State Park and the City of Marina. Crossing is typically accomplished using the crosswalks and signal lights, but these are not suitable for the volumes of traffic, and there are no provisions specifically designed to accommodate bicycles.



As an interim solution, pedestrian and bicycle circulation should be improved by means of enhanced crosswalks and sidewalks. Enhanced crosswalks should connect the southwest corner of the California Avenue/Monterey Road intersection to the southeast corner of the Monterey Road/Ord Avenue intersection, and from the southwest corner of the Fremont Boulevard/Monterey Road intersection to the southeast corner of the Monterey Road/State Route 1 southbound offramps. The Monterey Road and Fremont Boulevard crossings should include a median refuge. The sidewalks on the south side of Monterey Road, between California Avenue and Ord Avenue, should be widened to comfortably accommodate both pedestrian and bicycle traffic (i.e., matching the standards for a Class 1 path). Striping should be provided to guide south/west-bound bicyclists on Monterey Road to the southeast corner of the Monterey Road/State Route 1 southbound offramps, and/or provisions should be made to cross bicyclists to the sidewalks on the south of Monterey Road.

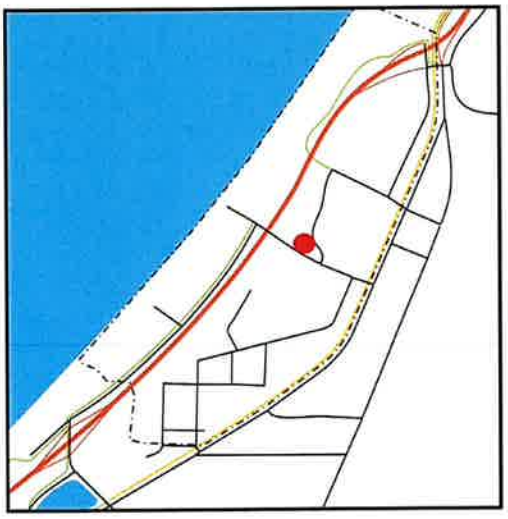
The preferred interim intersection connection improvements are conceptually illustrated in Figure 5-7, Seaside High School/Recreation Trail Interim Intersection Connections across Fremont Boulevard/ California Avenue.

Improvements at these intersections have been considered for decades due to high levels of congestion. The Transportation Agency for Monterey County (TAMC) has proposed a double roundabout for this area, both to reduce congestion and to facilitate Monterey-Salinas Transit's proposed rapid bus transit. The bus rapid transit would use the railroad corridor north of here, and transition to and from public streets using a roundabout near the southbound State Route 1 on-ramp.

Design speeds for urban roundabouts are typically between 20 and 25 miles per hour. Pedestrians use a sidewalk and crosswalks on the outside of a roundabout. Crosswalks are usually set back from each vehicle entry/exit point by between 25 and 75 feet. It is expected with the back-to-back set of roundabouts, that pedestrians would walk around the outer perimeter of the two circles, and that no sidewalk connection would be provided in-between the two circles. Bicyclists traveling through a roundabout usually have a choice of merging with the vehicular traffic, or diverting onto the path shared with pedestrians. Bicycles proceed in the same direction as other traffic in a roundabout. If merging with other traffic, a bicyclist could choose to navigate through one or both of the roundabouts. No special accommodation would be necessary for bicyclists from southbound Monterey Road.

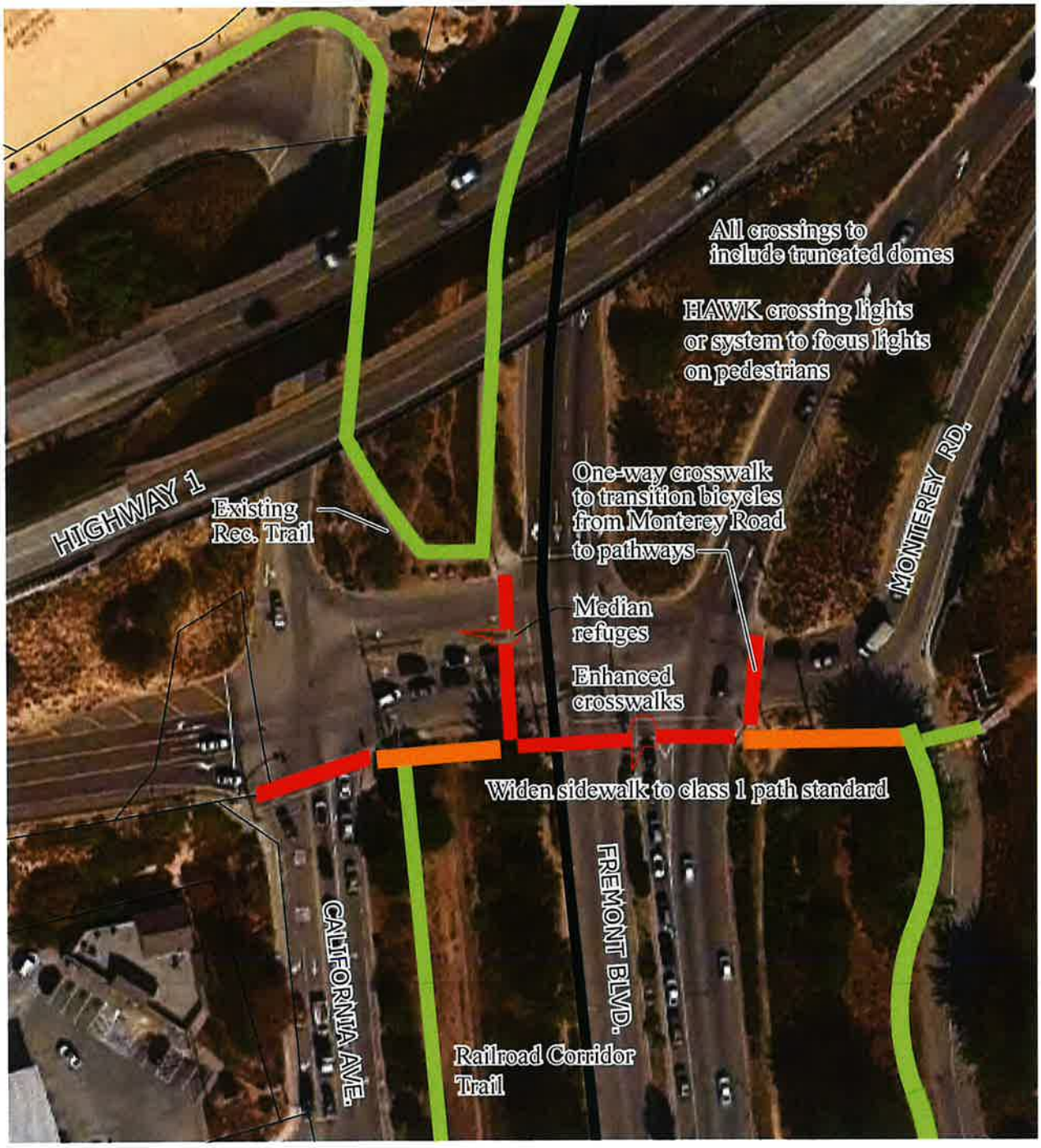
The preferred long-term roundabout connection improvements are conceptually illustrated in Figure 5-8, Seaside High School/Recreation Trail Roundabout Connections across Fremont Boulevard/ California Avenue.

Monterey Bay Sanctuary Scenic Trail Interim Alignment on Tioga Avenue and Metz Road



Because completion of the permanent coastal alignment of the Monterey Bay Sanctuary Scenic Trail is dependent on resolution of a California Coastal Commission appeal of the King Ventures resort project, an interim alignment is expected to be necessary indefinitely.

The interim route is long-established, with a Class 1 path connecting to the corner of Playa Avenue and Metz Road, Class 2 bike lanes on Metz Road, and Class 3 bicycle route signs on westbound Tioga Avenue. Because the interim route is expected to serve indefinitely, the City should consider navigational and safety improvements. Recommended improvements include more prominent directional signs at, and in advance of, turns in the route; green paint near intersections and to the rear of perpendicular parking spaces on Metz Road; and a Class 3 bicycle route sign on eastbound Tioga Road. The advanced turn signs on eastbound Tioga Road and on the Class 1 path connection to Playa Road should be positioned well in advance, before bicyclists gain downhill speed. The City should also consider painting "sharrows" on Tioga Road, particularly in and approaching the eastbound left-turn lane.

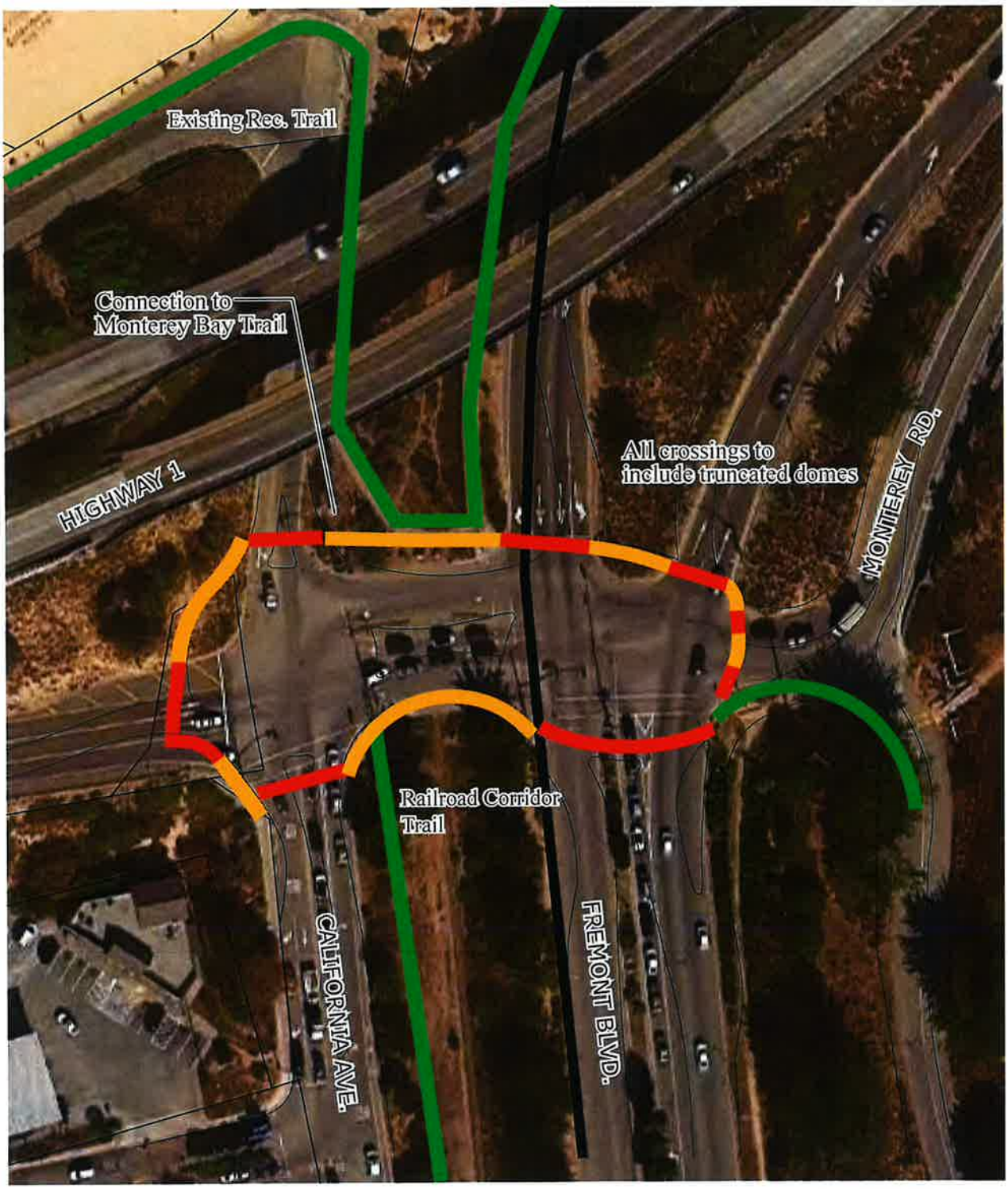


Source: Google Earth 2018, Monterey County GIS 2020

Figure 5-7

Seaside High School/Recreation Trail Interim Intersection Connections across Fremont Boulevard/California Avenue

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

Figure 5-8

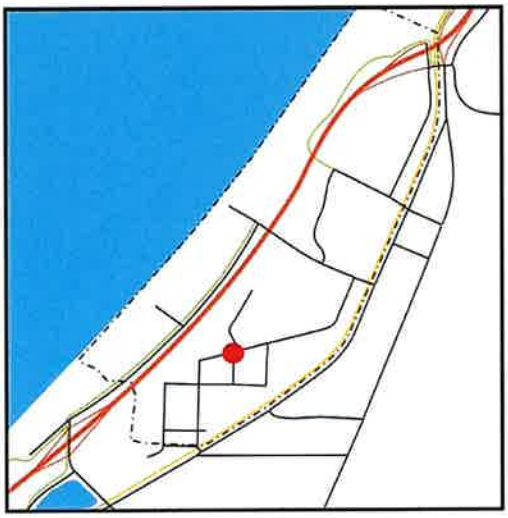
Seaside High School/Recreation Trail Roundabout Connections across Fremont Boulevard/California Avenue

This interim route is also used by pedestrians, and additional sidewalks or a side trail should be provided on Metz Road to the extent feasible, since sidewalks are incomplete. The steep gradients on Tioga Road and the Class 1 path at Playa Avenue preclude most persons with mobility challenges; therefore, access for the mobility challenged should be prioritized at the front side of the Sand Dollar Shopping Center.

When the permanent alignment of the Monterey Bay Sanctuary Scenic Trail is eventually completed, the City will maintain a connection on Playa Avenue, and potentially on Tioga Avenue as well. Per comments from the California Coastal Commission review of the King Ventures resort project, the connection on Playa Avenue is expected to continue as a Class 1 path. The connection on Tioga Avenue will be sidewalks and either a Class 2 bicycle lane or Class 3 bicycle route.

Recommended interim and long-term improvements related to the Monterey Bay Sanctuary Scenic Trail gap are conceptually illustrated in Figure 5-9, Monterey Bay Sanctuary Scenic Trail Alignments.

ADA Route between lower West End and California Avenue / East Dunes



Steep slopes preclude provision of ADA access on both Holly Street and Hickory Street, leaving Contra Costa Street as the best option for providing a continuous ADA route between the lower areas of the West End District and City Hall.

The ADA route follows Contra Costa Street from redwood Avenue to California Avenue, then along California Avenue to Pendergrass Way. The City has designed and acquired funding for ADA parking and access within Calabrese Park. From City Hall, an ADA route can be constructed within Calabrese Park. The City has a conceptual design for this, and is seeking grant funding to construct the pathway. This pathway would connect with ADA improvements constructed at the upper portion of the park (anticipated in 2021/2022). If a pedestrian connection is established through the East Dunes District between Calabrese Park and Tioga Avenue, ADA access will be extended to the beach trailhead at the west end of Tioga Avenue, and the City should consider providing ADA access onto the beach.

The preferred ADA connections in the vicinity of City Hall are conceptually illustrated in Figure 5-10, West End/East Dunes ADA Routes.

5.2 General Improvements

Sand City Entrances from City of Seaside / Del Monte Boulevard

Sidewalk gaps on Contra Costa Street, Playa Avenue, and Tioga Avenue should be completed where those streets enter Sand City. This will provide good pedestrian and mobility-challenged connectivity to businesses and transit stops on Del Monte Boulevard.

West End Through Routes for Pedestrians and Bicyclists

While a trail on the railroad corridor may eventually provide a bicycle and pedestrian connection through the West End, as the safest and most direct route, suitable street routes should provide through access on an interim basis, and local access to the West End businesses and residences on a permanent basis. The Vibrancy Plan included recommendations for priority bicycle and pedestrian routes in the West End District.

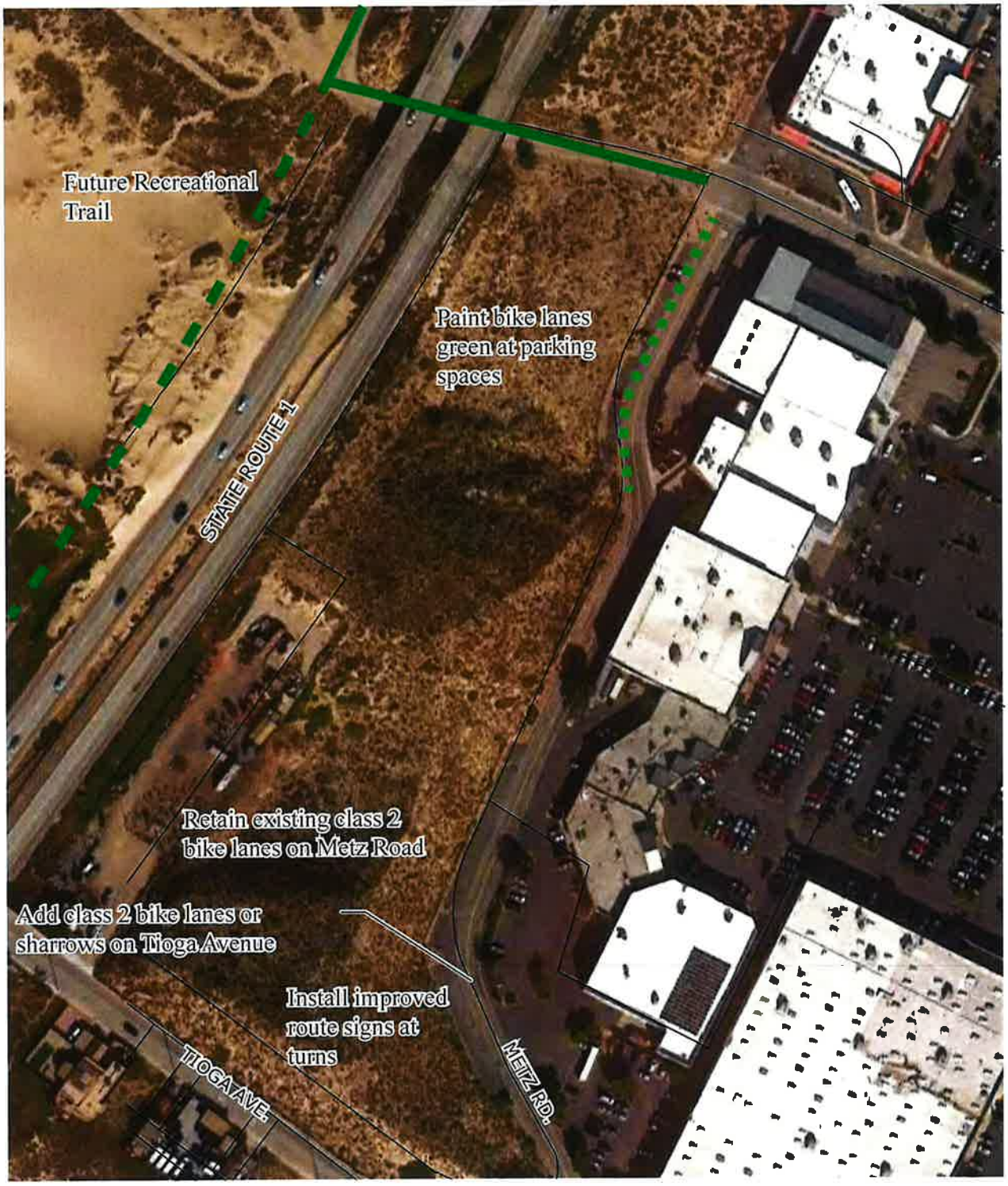
The recommended bicycle through route uses Catalina Street, Ortiz Avenue, Holly Street, and California Avenue. The recommended pedestrian through route uses Contra Costa Street, Ortiz Avenue, Hickory Street and California Avenue. The recommended mobility-challenged through route uses Contra Costa Street and California Avenue. All routes can connect to the railroad corridor via Ortiz Avenue between Contra Costa Street and Holly Street.

General Intersection Crossing and Sidewalk Improvements

Numerous streets within the West End District have sidewalk gaps, are completely lacking sidewalks, or have barriers to access within the sidewalk (e.g., utility poles). Some intersections lack ramps or do not meet current ADA standards. The City has already completed some of these necessary improvements, and has plans to address other locations as funding becomes available. When funding becomes available, the City considers those locations with the greatest need, as priority areas. Sidewalk gaps and missing ramp locations are identified in Figure 2-3, Map of Existing Sidewalks and Barriers, and in comments from the walking tour and stakeholder interviews. The City is finalizing storm water control improvement plans, under Proposition 1 grants, for Contra Costa Street and Catalina Street that will also address some of the aforementioned pedestrian and ADA deficiencies on those streets.

Del Monte Boulevard Midpoint Connection

Informal pedestrian trails over vacant private property and the railroad corridor north and south of Tesla between Del Monte Boulevard and the Sand Dollar Shopping Center demonstrate a demand for a pedestrian connection in this area. Formalization of this route would require acquisition of private property within Seaside; if transit is established on the railroad corridor, approval for the crossing would be required from TAMC. When sidewalks are completed on Tioga Avenue and Playa Avenue there will be a reasonable alternative on public streets. A new connection to Del Monte Boulevard would be beneficial to pedestrian circulation, but would require private property acquisition. If such a connection were established, the location opposite LaSalle Avenue would be most centrally located.



Source: Google Earth 2018, Monterey County GIS 2020

0 160 feet

Recreational Trail (Future)
Existing Recreational Trail
Paint Bike Lanes Green at Parking Spaces

Figure 5-9

Monterey Bay Sanctuary Scenic Trail Alignments

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

0 65 feet

Sidewalk

Park Trail

Figure 5-10

West End/East Dunes ADA Routes

Sand City Sustainable Transportation Plan

Bicycle Parking

The City is in need of additional bicycle parking in many areas. Most of the City's bicycle parking facilities are within the Edgewater Shopping Center. Existing bicycle parking locations are shown on Figure 2-2, Map of Existing Bicycle Facilities. Within the West End District, the City should strive to provide bicycle parking racks and/or lockers at least every two blocks in areas with businesses. The City should also work with MST to install bicycle lockers and/or racks at the Sand City Station, at beach trailheads, and at the junction of the railroad corridor with Ortiz Avenue and Holly Street.

5.3 Long-term Circulation Networks

The long-term networks for bicycle, pedestrian, and mobility-challenged circulation are presented on the following pages in Figure 5-11, Long-term Primary Bicycle Circulation Map, Figure 5-12, Long-term Primary Pedestrian Circulation Map, and Figure 5-13, Long-term Primary Mobility-challenged Circulation Map. Note that these maps show the primary circulation networks, and that all streets are intended to accommodate all users (with the exception of streets for which gradients may be too steep for the mobility challenged).



Source: Google Earth 2021

Figure 5-11

Long-term Primary Bicycle Circulation Map

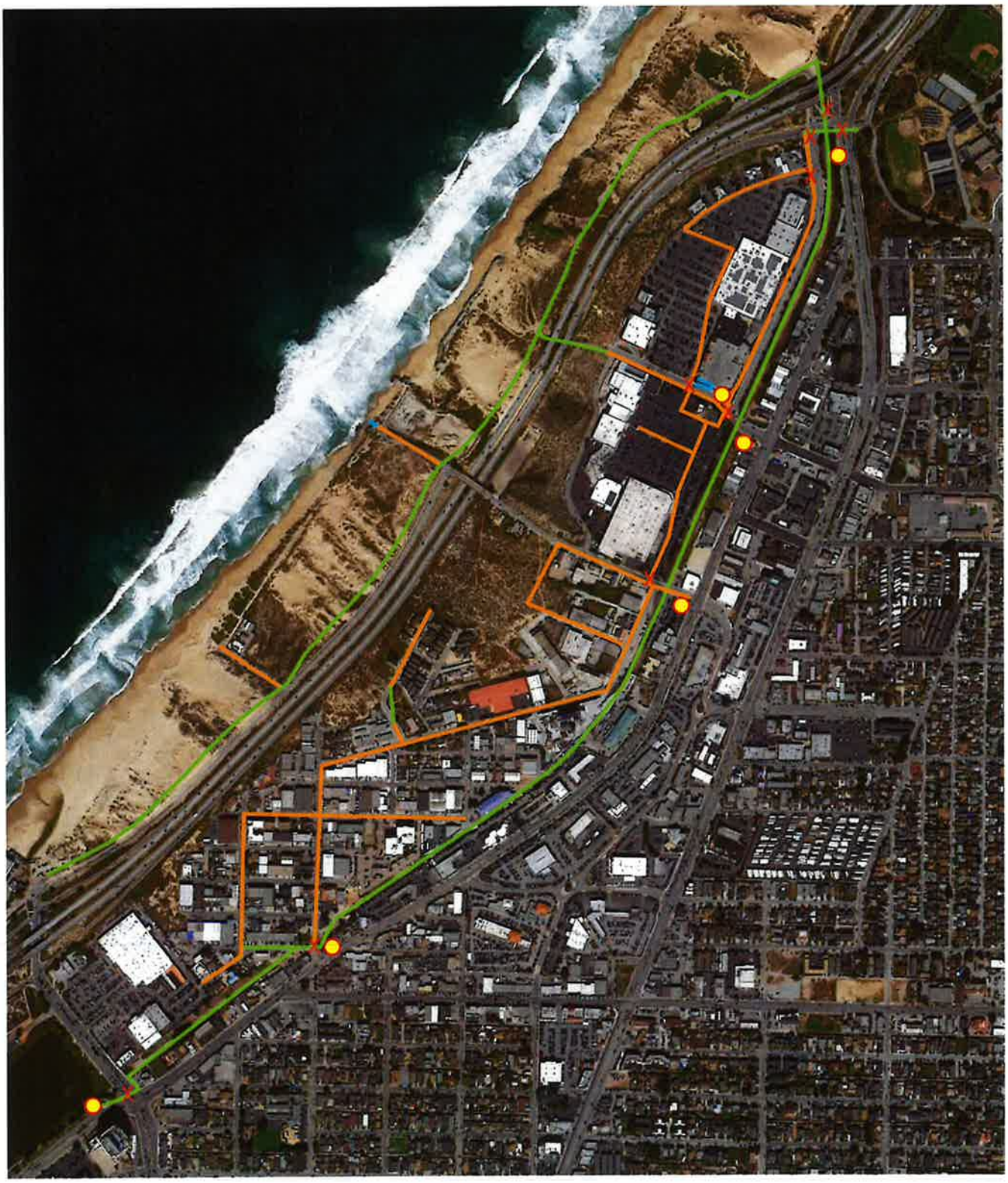
Sand City Sustainable Transportation Plan



Figure 5-12

Long-term Primary Pedestrian Circulation Map

Sand City Sustainable Transportation Plan



Source: Google Earth 2021

Figure 5-13

Long-term Primary Mobility-challenged Circulation Map

Sand City Sustainable Transportation Plan

APPENDIX A

WALKING TOUR

SAND CITY SUSTAINABLE TRANSPORTATION PLAN

APPENDIX A– INITIAL PUBLIC INPUT

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WALKING TOUR COMMENTS

This table provides a summary of walking tour comments and City staff response. Refer to the Walking Tour Materials, presented later, for the maps referenced in this table as A-F. Email and letter comments are presented following the table.

Summary of Walking Tour Comments

Affiliation (if any)	Commenter	Date Received	Comment	Response
City of Monterey	Fernanda Roveri, Senior Associate Planner	09/04/2020 email	It would be helpful if Sand City boundaries were mapped.	**All Sheets** Boundaries will be added.
The Blind and Visually Impaired Center of Monterey County	Esmeralda Ortiz Orientation and Mobility Specialist, M.A., COMS.	09/04/2020 email/attached letter	Canyon del Rey and Del Monte Blvd.: Truncated domes in each corner assists the Blind and Visually Impaired know they are standing on the curb and not on the street. It also assists in visual contrast for low vision travelers.	**Area A** Truncated domes should be added within existing sidewalks. Replace existing treatment. Coordination with Seaside and Cal-Trans will be necessary in this intersection
			Del Monte Blvd and Broadway Ave./Contra Costa St: a. APS [accessible pedestrian signals] to assist the Blind and Visually Impaired in determining a safe time to cross b. Truncated domes on each corner; street blends with curb.	**Area A** Truncated domes should be added within existing sidewalks. Add APS to existing devices. (upgrade) Coordination with Seaside and Cal-Trans will be necessary in this intersection
			Redwood Ave. and Hickory St: Truncated domes on each corner; street blends with curb.	**Area F** This street corner was recently upgraded. Driveway apron issue, cannot be changed. Add truncated domes if feasible.

			Holly St./ Dias St: Truncated domes on each corner.	**Area F** Existing on two corners, upgrade north side, resolve utility pole issue. Utility issue is cost sensitive. Slopes to deal with, not ADA due to slope.
			California Ave. at Monterey Rd.: Truncated domes on each corner.	**Area B** Existing bus stop at this location. No ADA crossings exist. Would need APS also to make safe crossing, if trying to cross to Monterey Road. No sidewalks exist at California Ave crossing. TAMC roundabout project at this intersection. Interim solution should be in this Plan.
			Sand Dollar Shopping Center: a. Truncated domes on each corner. b. Median brighter paint.	**Area E** Add truncated domes in addition to existing treatment. (Playa & California) Repaint medians. Other improvements also necessary at this intersection. Private property coordination necessary. Ideally establish through pedestrian connection within shopping center
			Fremont Blvd./Monterey Rd.: a. Truncated domes on each corner. b. APS if not available: crossing too complex.	**Area B** Roundabout planned in this location with a future pedestrian

				connection. Interim plan could be added to this plan. City to work with Cal-Trans to get requested items in plan.
			Monterey Rd.: Truncated domes on each corner. b. APS if not available: crossing too complex.	**Area B** Roundabout planned in this location with a future pedestrian connection. Interim plan could be added to this plan. City to work with Cal-Trans to get requested items in plan.
Sand City Public Works (TAC Member)	Mark Parker, Public Works Supervisor	09/21/2020	Roberts and Olympia Avenue: Even though all of this area is within City of Seaside right of way, it effects Sand City. This is a major thoroughfare/short cut from Canyon Del Rey to Sand City or the other direction, Del Monte Blvd through the Home Depot parking lot to Canyon Del Rey. The condition of the road and lack of sections of sidewalks make this heavily used area unsafe for pedestrians or bicycles. The Olympia section of street, has the Sand City businesses on the West side and TAMC right of way on the opposite side (the Olympia Street right-of-way is within City of Seaside).	**Area A** Crosswalks needed along with additional sidewalk. Cars park in intersection. Need Truncated domes in sidewalk. Coordination necessary with private property owner if improvements through shopping center to be made and with Seaside for improvements to Olympia.
			Del Monte to Contra Costa to Orange to Catalina and then to Roberts and through Home Depot parking lot. A majority of heavy traffic takes this short cut through Sand City	**Area A** This area will need consultation with private land owner and Seaside, and further discussion to determine solution. Bike/pedestrian traffic could be directed to trail on railroad ROW with coordination

				with Seaside and TAMC.
			Shasta Ave at Catalina Street. South East area, vehicle parking only with no sidewalk provided.	**Area F** Need truncated domes. Encourage crossing to existing sidewalk by adding crosswalk paint. Resolve utility pole issue. Grant in this area bulb-outs proposed.
			Redwood Avenue: Vehicle parking only with no sidewalk provided.	**Area F** Add truncated domes. Consider if street can.be made narrower to add sidewalk. Consider if Redwood Ave can be configured as a one-way street.
			North Ends of Shasta and Elder Avenues: Lack of sidewalks and vehicles inundated into street from businesses.	**Area F** This Issue being studied in City's parking study.
			Ortiz Ave at Contra Costa: The South West corner at the side of Carmel Stone is an asphalt ramp/sidewalk with railing to avoid a storm drain and slope, poor sidewalk condition, not ADA compliant.	**Area F** Add truncated domes. Could rework the grade, add curb and sidewalk, until you get to parking. Would need to work with property owner. This project would include stormwater change, removal of parking, and a retaining wall. This is a big job.
			Redwood and Dias Avenues. Missing sidewalks, inundated with commercial vehicles. Between Hickory and Holly Streets residential use is mixed in with	**Area F** Add sidewalk along residential frontage if

			commercial. Some sidewalks, none connect and no safe pedestrian use, except walking in the street.	possible; stripe crosswalks to encourage use of existing sidewalk on one site of street. Consider making streets one way, add on-street parking and add sidewalk. Discourage parking over the sidewalk by adding curbs.
			Tioga between Metz Rd and Sand Dunes Drive. The road needs a designated bike path of some type (connecting the recreation trails) and improved identification/direction, road markings. Cyclists are all over the place (middle of the street) and lost at times.	**Area C** This is the temporary alignment of the Coastal Trail until a Class 1 path is built as part of the Collections resort project. Consider options (Class 1 or Class 2 or additional signage) to better identify the temporary trail alignment on Tioga Ave. Enhance crosswalks at Metz Rd and Sand Dunes Dr.
			Sand Dollar Shopping Center. Agree with report comments, between Tioga and Playa no sidewalk route from outside in, poor and unsafe pedestrian access. No ADA route through parking lot. Metz Road in back of shopping center in need of improved bike lanes or identification as such.	**Area E** Study this area and work with property owner to add sidewalk access within shopping center and along Metz Road. Consider options (Class 1 or Class 2, or additional signage) to better identify the temporary trail alignment on Metz Road (private property).

			California Avenue from East Avenue to Tioga. The poor sidewalk conditions along the West side of street will be resolved with the 'South of Tioga Project' The East side of street, TAMC right of way has no sidewalk connection from Tioga to Granite Rock. This dirt area is used for parking and semi-truck load transfers/parking	**Area D2** East side of California improvements in future, will eliminate parking. Space is limited in California ROW. Study needed to determine what improvements could be made. May need to focus pedestrian improvements on west side of California and on TAMC rail ROW.
			End of Tioga. The end of Tioga from Sand Dunes Drive to the end of street. This area is heavily travelled for beach access, both pedestrian and vehicular traffic. A dedicated sidewalk with more defined parking spaces would keep pedestrians out of the street when traveling. During Summer months, heavy pedestrian traffic from vehicles parking at the Sand dollar parking lot or along Tioga also walk this route to the beach.	**Area C** Stripe bike lane, add signage to encourage walking on sidewalk. Perhaps a handrail along sidewalk.
			Monterey Road at California Intersection. In agreement that this area has numerous issues with student pedestrians and cyclists, pedestrians from recreation trail and Seaside High School across the street. A better connection, safer crossing of recreation trail and crosswalks in this area is needed.	**Area B** Enhance pedestrian crossing in multiple ways. Add APS to corners, special pavement in street, directional signs. Future Roundabout provides pedestrian access. Consider interim solutions.
			Contra Costa, Tioga Ave, Playa Ave and Monterey Rd. All four of these entrances to Sand City have issues due to the TAMC RR track right of way interfering in some way. From the old warning arms, lights or signs from the old RR tracks. To the missing or poor sections of sidewalks. To the overall condition of these areas as our main entrances to Sand City. All four entrances have poor pedestrian and cyclist safe access, including lack of ADA access	**Areas D1 & D2** Enhance pedestrian crossing, sidewalk, signage, APS signals as needed. Joint coordination with Seaside for

				improvements. TAMC and RR issue to work this out differently. Resolve utility issues. Study this area. Note that COA for South of Tioga includes one sidewalk improvement.
			Excess Vehicles City Wide. There are a great amount of commercial vehicles and some residential vehicles that take up a lot of the designated walking areas, sidewalks and block visibility to traffic at intersections and other areas. Some businesses have more than their fair share of City parking allocations.	**Areas A-F** Working on this with parking plan. Encourage car share or other modes of transportation will help. MST rapid transit and recreation path extension from Canyon del Rey should help. Future street improvement project to focus on vehicle and pedestrian separation and bulb-outs.
Department of Transportation, Caltrans District 5	Gustavo Alfaro	09/25/2020] email	Provide brief descriptions of the identified zones within the City.	**Areas A-F** Brief descriptions of each area will be added.
			Show residential areas and/or population density (to better show connectivity and where people are coming from/going to).	**Areas A-F** This information can be added, probably in the form of a new graphic.
Monterey Salinas Transit (MST)	Michelle Overmeyer, Director of Planning and Innovation	09/25/2020	MST is the sole public transit provider in Sand City, and the entire City is within ¼ mile of a MST bus stop with the exception of Park Avenue. *The commenter provides additional background information on bus lines and ridership.*	**Areas A-F** This is important background information and will be considered in preparation of the plan.
			The California Ave/Playa Ave is an all-way stop intersection that lacks crosswalks on all four sides,	**Areas D1 & E** Enhance crosswalks at this

			which makes it difficult for passengers traveling to and from the Sand City Station on foot.	intersection along with APS.
			*The commenter provides background information on the **Surf! Busway and Bus Rapid Transit** project which is in its early planning stages.*	**Areas A-F** This is important background information and will be considered in preparation of the plan.
			The commenter provides a link to the *Designing for Transit* document recently completed by MST for ways to improve mobility in Sand City.	**Areas A-F** This is important background information and will be considered in preparation of the plan.
			Missing or incomplete sidewalks identified in the Walking Tour should be improved. Note that MST requires a minimum 11-foot-wide travel lane to safely operate buses	**Areas A-F** This will be taken into consideration during the design phase.
			The commenter looks forward to assisting the City plan a transportation plan that supports and encourages use of public transit and active transportation modes.	**Areas A-F** Great!
Seaside Engineering (TAC Member)	Scott Ottmar, P.E., Senior Engineer	9/29/20, email	Area A: TAMC has plans for either rail or bus services in the railroad right of way. Unclear if trail for pedestrian and cyclists is to be included. Please check with TAMC	**Area A** Street crossings are the focus for the Transportation Plan Linear ped and bike in RR/RW to be coordinated with TAMC. Preliminary TAMC drawings have included trail, and in past discussions with TAMC, City has indicated desire for trail. City also has an interest in including parking in portions of the TAMC ROW.
			Area B: TAMC is taking lead on improvements at the north end of Del Monte and Fremont. A double round about is planned in the long term. Sand City and	**Area B** City will coordinate with

			Seaside should work with TAMC to ensure pedestrian and cycling facilities are included. In the near term, MST proposes a bus rapid transit Surf project at the elbow of the southbound on ramp. (where the eco- resort entrance is.). This area is largely under the control of Caltrans. **see attached.**	TAMC regarding plans and timing of improvements. Depending on timing, consider interim or phased improvements.
			Area C: Creating path at the end of Park is a good idea.	**Area C** This area is habitat sensitive and will require coordination with CDFW and/or USFWS and land purchases to achieve. Consider potential for use of CalTrans ROW.
			Area D: There are long term plans by TAMC to establish rail service into City of Monterey as noted above. Potential for interim use of a bus rapid transit route. Potentially work with TAMC to incorporate bike & ped improvements if space permits. There is not good pedestrian connectivity from Del Monte (in Seaside) to Costco along Tioga at California. (there is no sidewalk into Costco along California) The footpath suggests pedestrians wish to access the shopping center.	**Areas D1 & E** Coordinate with private property owner, Seaside and TAMC as necessary. Add sidewalk if possible. Coordinate TAMC ROW design to include shopping center access for pedestrians.
			Area E: No pedestrian path of travel into the Sand Dollar shopping center from Tioga at California. MST has its bus rapid transit project (Surf) that will create a bus stop along California (back side of Lucky's), **as shown on attached**.	**Areas D2 & E** Coordinate with private property owner, Seaside and TAMC is necessary. Add sidewalk if possible. Note that shopping center ADA access is near proposed Surf stop.
			Area F: Shallow sidewalks and driveway approaches full length of blocks exist within this area. Sidewalk may not be ADA compliant. City of Seaside is considering enhanced bicycle facilities along Del Monte Boulevard, removing a lane of traffic to accommodate dedicated bicycle lanes north of	**Areas D1 & F** Good information on Seaside endeavors, Sand City project for ped and bike to

			Broadway to Playa. ADA access to city owned parks is important.	be coordinated with Seaside.
Sand City Planning (TAC Member)	Charles Pooler, City Planner, City of Sand City		**SOUTHERN RAIL CORRIDOR/SEASIDE CONNECTIONS:** Canyon Del Rey Blvd.: The crossing is intimidating and pedestrian unfriendly, with multiple lanes to cross and heavy vehicular traffic. This intersection is not conducive to elderly or handicapped pedestrians who walk/move slower. Little space at street corners for pedestrians to wait for signalized crossing times. RR Corridor South: This would be an ideal pedestrian and bike path connection between Canyon Del Rey in Seaside and Contra Costa Street in Sand City. The width of the right-of-way would provide adequate space for both dedicated bike lane and separate pedestrian path with landscaping and lighting (for safety). Pedestrian amenities along Del Monte Boulevard is limited with driveway entrances to businesses/parking creating potential conflict between pedestrian/bikers and automobiles. The sidewalk width along Del Monte Boulevard is narrow (looks like 5-feet) that is not sufficient for heavy pedestrian traffic, and bikes are thus forced to use heavy vehicle travel lanes with curbside parking that is dangerous. Former RR Corridor: See above comment under "RR Corridor South." This area needs extensive cleanup and would necessitate lighting for any pedestrian and/or bike route for public safety. Emergency call box in the most secluded area might also be necessitated. Del Monte Boulevard: The crossing at Del Monte Boulevard is intimidating and pedestrian unfriendly, with multiple lanes to cross. Not conducive to elderly or handicapped pedestrians who may walk/move slower. Incorporating a joint roundabout between Contra Costa Street and Broadway at Del Monte Boulevard could provide "islands" for pedestrian crossing that allows "escapes" from auto travel lanes and additional time to cross the entire distance of the street width.	**Area A** Canyon Del Rey Blvd - Study how this could be improved. Coordination with CalTrans. Sand City has indicated in its Vibrancy Plan the desire for this bicycle/pedestrian trail extension from Canyon del Rey. Coordinate with Seaside and CalTrans regarding designs to provide a safe connection Concur. Coordinate with Seaside to develop designs for this crossing, in coordination with trail on TAMC ROW.
			CENTRAL RAILROAD CORRIDOR: Contra Costa Street: Continuation of a pedestrian and bike route through this portion of the railroad right-of-way would continue mitigation the minimal pedestrian/bike amenities currently along Del Monte Blvd. This area could also accommodate limited public parking. City is working with TAMC for an Orange Avenue road extension (possibly 1-way) with public parking within the TAMC ROW. All aforementioned amenities would have to be coordinated as a single cohesive design. Redwood Avenue: This segment of the railroad ROW 'dead-ends' at the Granite Rock facility (behind the photo) and the northern edge of the City's West End	**Areas D1 & D2** City is working with TAMC Granite Rock operates with the

			Planning District. There is limited potential for pedestrian and bike amenities or destination in this area unless pedestrian and bike links can be continued through the Granite rock site (that occupies a segment of the railroad ROW) and continues north for connectivity. North of Playa Avenue: Continuation of a pedestrian and bike route through this portion of the railroad right-of-way would further mitigate the minimal pedestrian/bike amenities currently along Del Monte Blvd. Such amenities would have to be coordinated with TAMC's future plans for rapid bus and/or rail transportation. Due to potential seclusion and transients, lighting and emergency call box(s) may be necessitated. Granite Construction Yard: Continuation of a pedestrian/bike trail, possibly with extension of rapid bus or train service through this area would require evicting Granite Rock from the railroad right-of-way and install fencing for security and preclude the Granite's operation from 'cris-crossing' over and conflicting with pedestrian/bike, rail, bus routes. Footpath Across RR to Tesla: This impromptu path illustrates the public need/demand for pedestrian amenities between the City's shopping centers and Del Monte Boulevard. Continuation of a pedestrian and bike route through this portion of the railroad right-of-way would further mitigate the minimal pedestrian/bike amenities currently along Del Monte Blvd.	TAMC ROW under lease from TAMC. Coordinate with TAMC on timing for eventual extension of public facilities in this reach of the TAMC ROW. City to coordinate with TAMC See discussion of Redwood Ave, above. City to coordinate / work with TAMC. There is no public land connecting to Del Monte; coordination with private property owner would be necessary.
			NORTHERN RAIL CORRIDOR / SEASIDE CONNECTIONS: Fremont Blvd.: The freeway on/off ramp area is not pedestrian or bike friendly. Though signalization allows for crossing this intersection, the span, the heavy traffic, and limited markings/signs make pedestrian and bike crossing intimidating and potentially dangerous. Elderly and handicapped pedestrians are at a further disadvantage to cross this area. Improved connectivity between the Seaside residences and the Seaside High School to the shopping centers is critical for pedestrian and bike crossing at this location. Future dual round-about for the freeway on/off ramps could improve vehicular traffic flow, reduce pedestrian/bike wait times, and provide "islands" for pedestrians and bikers to wait as vehicles pass. Fremont Blvd./Monterey Road: The existing bike trail does provide bike and pedestrian amenities; however, the bike path routes to the coastline and not into the City. Also...See comments under "Fremont Blvd.".	**Area B** Roundabout planned for this area by TAMC. Interim solution while TAMC works on the project. Study plan and see what improvements can be made now. Future regional improvements in the rail corridor

			Monterey Road: NOTE: This photo is actually of California Avenue at Monterey Road.	may address this issue. Title corrected.
			BEACH CONNECTION: Tioga Avenue: I concur with the description noted in the virtual tour. Tioga Avenue is steep for the non-avid bike rider or walker. However, bike and pedestrian amenities/connectivity should be provided with any future improvements to Tioga Avenue. This may require widening Tioga Avenue into the abutting Sand Dollar Habitat Preserve (the feasibility of which is unknown). Tioga Avenue/Bridge: Though the bridge provides separated and elevated pedestrian area from the street lane (not shown in photo), it is still dangerous without some barrier between the vehicle and pedestrian travel lanes. A suggestion would be to provide railing along and between the pedestrian and vehicle lanes of the bridge. This would require Cal-Trans (Calif. Dept. Of Transportation) cooperation/authorization. View Toward Tioga Bridge: The sidewalk abruptly ends at both Park Avenue (as shown) and Ocean View Avenue (not a point view on the map), resulting in the impromptu walking paths carved into the dune-scape between this point and Tioga Avenue. This demonstrates a public need/demand for pedestrian connectivity between these two points. An eventual connection of Park and Ocean View with a single connection to Tioga Avenue is suggested that includes vehicle, pedestrian, and bike amenities. Note: This area is impacted by Habitat and the above suggestion conflicts with current parcel and ROW layouts.	**Area C** See discussion above. This could be a long-term solution, paint and pedestrian signage in the short term. Make pedestrian dominate so cars are more aware. Work with Cal-Trans for solution Habitat issue and land purchase necessary to make this happen. See discussion above.
			SHOPPING CENTERS: Sand Dollar Shopping Center: No pedestrian link/connectivity from the Tioga/California intersection to or into the shopping center. Bikes are forced to use the narrow and congested vehicle lane and pedestrians forced to walk either in the vehicle lanes or the landscaping, which is dangerous for elderly and handicapped pedestrians. As this is private property, it will require cooperation with the property owners and shopping center managers to incorporate appropriate amenities to accommodate pedestrians, handicapped, and bikes. One alternative is to provide a separated sidewalk on the inside of the landscaping closer to Costco's tire center and use the existing landscaping	**Area E** Private property coordination required. Also consider adding long term bicycle parking and park and ride lot so people could use MST Rapid Transit. California Avenue extension and/or trail within TAMC ROW would

			as a buffer between pedestrians and vehicular traffic in/out of center. It should be noted that Sand City has been working with TAMC for a "California Avenue" extension through the rail right-of-way to provide a California Avenue connection between Playa Avenue and Tioga Avenue; however, such a project will have to be coordinated and incorporated into TAMC's future transportation plans within this RR right-of-way. Sand City Transit Center: Location of the MST transit center between the two shopping centers is ideal and splits the walking distance between the transit stop and the ends of either shopping center. Pedestrian crossing needs improvement to lessen conflict with vehicle traffic. Additional crosswalk with bulb-outs to narrow street width that better accommodates pedestrian crossing and slows traffic. However, the lack of pedestrian connectivity at Tioga Avenue impedes efficient/safe pedestrian and handicapped linkage to the west half of Sand City (i.e. West End and South of Tioga Districts). Costco Parking Lot: Sea of Asphalt! A pedestrian link is provided in the Costco area heading towards the bus transit center, but dead-ends with no connectivity to Playa Avenue. Reconfiguration of parking stalls should be considered to provide the remaining pedestrian link all the way to Playa Avenue.	provide a pedestrian route. Consider sidewalk and related improvements that would provide complete connectivity. Will need to work with property owner.

			WEST END DISTRICT:	**Area F**
			Catalina St. / Ortiz Avenue: No pedestrian amenities at this corner. Not only the lack of sidewalk and ADA improvements, but utility poles and fire stand-pipe are also an impediment to pedestrian connectivity. It should be noted that the City has received (awaiting written confirmation) a grant for reconstruction of Catalina Street between Olympia and Ortiz Avenues to incorporate stormwater control LID infrastructure in addition to improved landscaping and pedestrian amenities that would improve this area as shown in the photo.	Catalina project to address this issue.
			Redwood Avenue: A common occurrence for the older developed properties in Sand City and evidence to discourage new development from implementing continuous driveway aprons and parking along property frontages in this fashion without greater building setbacks. The pedestrian use of sidewalk is completely impeded by truck parking encroaching over the street gutter, forcing pedestrians to walk in the street or use the other side of the right-of-way (presuming it too is not encumbered). This creates a dangerous situation for both bikers and pedestrians from vehicles backing out from private properties and from road traffic.	See discussion above.
			Community Garden: NOTE: This photo is more a view of Dias Avenue at the Community Garden. The title should probably be changed to reflect that. Suggest "Dias Avenue at Community Garden."	Title changed
			Pedestrian connectivity between Hickory Street and Holly Street are absent. No public improvements (i.e. curb, gutter, sidewalk) allow for random vehicle parking that forces pedestrians to use vehicle pavement. Recent improvements along Hickory street (behind and to the sides of the photo) have substantially improved pedestrian connectivity on Hickory; however, bike amenities are still lacking. Bike racks at the community garden could encourage additional public use of the garden.	Consider approaches to slope issues; Consider locations where bike racks are needed.
			Holly St./Dias St.: There is a lack of proper pedestrian and handicap access or amenities. This corner is potentially dangerous for the handicapped or elderly to traverse. There is only asphalt pavement across the street with no sidewalk or other delineated pedestrian route. No bike lane present.	Future development to include public amenity along frontage, include

			Contra Costa: Impromptu angled parking along Contra Costa Street, in addition to the pathetic landscape planter (shown in picture), completely blocks any potential for pedestrian or ADA amenities. This parking is mostly encroaching into the public right-of-way, and commercial vehicles extend close (if not into) the vehicle travel lane; a dangerous vehicular situation. This west side section of Contra Costa Street provides absolutely no pedestrian connectivity; forcing pedestrians to either walk in the street or cross Contra Costa Street to use the sidewalk on the east side. It should be noted that the City currently has a grant application submitted for funding to improve Contra Costa Street from Orange Avenue to Redwood Avenue with 30% drawings completed. Those improvements are currently designed to provide sidewalk improvements along the east side of Contra Costa Street and eliminate this parking impediment. On-street Parking: Utility pole potentially obstructs loading/unloading from right side of parked vehicle in marked ADA curbside space. Curbside parking between driveway aprons also impedes driver view from vehicles backing out from property into Catalina Street. Parking is a premium in the West End District, and a balance between providing public parking and improving pedestrian/bike accessibility in addition to improved driver visibility must be achieved. View Down Contra Costa Street: Sidewalk abruptly ends at railroad right of way on east side of street. Even if sidewalk were present, it would be obstructed by the utility poles and support cables. No pedestrian connection on opposite side of Contra Costa Street to Seaside; however, there are no utility poles on the west side. No bike lanes delineated for a primary entry point into the City. Bike and pedestrian access into the City on Contra Costa would be better suited from the railroad right-of-way than from Del Monte Blvd. (see comments above under sections "RR Corridor South", "Former RR Corridor" and "Contra Costa Street"). The City currently has a grant application submitted for funding to improve Contra Costa Street from Orange Avenue to Redwood Avenue with 30% drawings completed. Those improvements would provide for sidewalk improvements along Contra Costa Street, but would not provide for the pedestrian connection with Seaside; which would have to be coordinated and agreed to by TAMC (Transportation Agency of Monterey County). View South on Contra Costa Street: This photo shows parking fronting a commercial building with pedestrian area abutting the building. This is a safer arrangement for pedestrian flow; however, this arrangement does not preclude people from just walking in the street. Pedestrians tend to take the most direct-shortest route.	ped and ADA amenities. Add bike lane on Holly St. See Vibrancy Plan for suggested routes through West End If Grant is approved it will help address this issue. A good way to improve this is to make pedestrian areas dominate. Current parking study will evaluate this situation. Grant will not address this issue within TAMC RR. Future project to be coordinated with TAMC, and Seaside.

			The City currently has a grant application submitted for funding to improve Contra Costa Street from Orange Avenue to Redwood Avenue with 30% drawings completed. Those improvements would provide for sidewalk improvements along Contra Costa Street, but will maintain this reciprocal encroachment of sidewalk on private property and private parking encroaching into the street right-of-way.	
			View North on Hickory Street: Crosswalks delineate pedestrian linkage, which is good. ADA amenities at Ortiz Avenue intersection are outdated. Further up Hickory Street, past Redwood Avenue, new street improvements are evident, with unobstructed sidewalks. Bulb-outs improve pedestrian safety and reduce street crossing distance for pedestrians and should be added at Ortiz Avenue intersection to improve pedestrian experience and improve street crossing safety. No bike lanes provided. Steep slope makes ADA compliance difficult going up Hickory Street.	Grant will help address this issue, rework parking and ped access.
			City Hall Parking Lot: From this view, there is pedestrian sidewalk along one side of the street abutting the park; however, there is no sidewalk on the opposite side. Steep slope makes ADA accessibility challenging. Photo does not show that there is a handicapped parking space at the top of the hill for park access. No bike lanes are provided. Blind bend makes bike and pedestrian situation dangerous. Cypress tree encroaches over sidewalk, and "pushes" pedestrians into the street.	Future improvement projects need to include these issues in their design. Steep slope makes ADA compliance difficult.
			View South on Holly Street: NOTE: The photo on the virtual tour does not match the title. The photo is of California Avenue, not Holly Street. The California Avenue sidewalk abruptly ends at Holly Street with substantial slope change and rough asphalt pavement. Utility pole support cable and sign pole also obstruct pedestrian path. Slope change at top of Holly Street makes ADA compliance difficult/challenging. Placing utilities underground would not only be an aesthetic improvement, but would remove obstacles from sidewalks.	**Area F** Ped connectivity along one side, future improvements on other side with future development of capital improvement project.
				Image corrected
			California Avenue: NOTE: The photo on the virtual tour does not match the title. The photo is of Holly Street at California Avenue intersection.	Expense currently prohibits undergrounding of utilities.

			Sidewalk on the north side of the street is "littered" with utility pole obstructions, impeding pedestrian and handicapped persons use. The sidewalk width along this major connector street is narrow, limiting group or large numbers of pedestrians. No sidewalk connectivity on opposite side (south side) of California Avenue, which accommodates street public parking. No bike lanes are provided. Truck parking on properties encroaching into sidewalk/drive-apron impeding pedestrian and handicapped use. It may be necessary to narrow street width to relocate sidewalk; however, that would probably eliminate potential for curbside parking and commercial loading/unloading along California Avenue. View Northwest on Tioga Avenue: This view of Tioga Avenue is taken from the approximate City limit between Sand City and Seaside. There is a missing link of sidewalk within the railroad right-of-way; which is required to be installed with the implementation of the South of Tioga Development Project. Utility pole conflict with sidewalk use up entire length of Tioga Avenue. Utility meter imbedded into sidewalk allows for both presence of meter and pedestrian use of sidewalk. No bike path or lane.	Possible bulb outs to wrap around utility poles. Solutions pending capital improvements projects and budget. Image corrected Expense currently prohibits undergrounding of utilities. Possible bulb outs to wrap around utility poles. Solutions pending capital improvements projects and budget. **Area C** Utilities to be undergrounded as part of South of Tioga project.

SOURCE: EMC Planning Group 2020

THE BLIND & VISUALLY IMPAIRED CENTER
OF MONTEREY COUNTY INC.

September 3, 2020

To whom it may concern,

My name is Esmeralda Ortiz, Orientation and Mobility Specialist at The Blind and Visually Impaired Center of Monterey County. In response to the virtual tour, please find below recommendations that will assist travelers who are blind and visually impaired. One of the biggest barriers faced by travelers who are blind and visually impaired is the route travel to get to the bus stop or transportation hub. As noted in this virtual tour, the lack of sidewalks, corners, and accessible pedestrian signals can inhibit travelers who are blind and visually impaired to access the bus stop or transportation hub. My recommendations are as follows:

1. Canyon del Rey Blvd. & Del Monte Blvd.
    a. Truncated domes on each corner assists the Blind and Visually Impaired know they are standing on the curb and not the street. It also assists in visual contrast for low vision travelers.
2. Del Monte Blvd & Broadway Ave/Contra Costa St:
    a. APS to assist the Blind and Visually Impaired in determining a safe time to cross, given its "T" shape.
    b. Truncated domes on each corner: street blends with curb
3. Redwood Ave & Hickory St:
    a. Truncated domes on each corner: street blends with curb
4. Holly St./Dias St.
    a. Truncated domes on each corner
5. California Ave. at Monterey Rd.
    a. Truncated domes on each corner
6. Sand Dollar Shopping center
    a. Truncated domes on each corner
    b. Median brighter paint
7. Fremont Blvd/Monterey Rd.
    a. Truncated domes on each corner
    b. APS if not available: crossings too complex
8. Monterey Rd.
    a. Truncated domes on each corner
    b. APS if not available: crossings too complex

Please feel free to contact me at our normal office hours from 8:30am through 1:30 pm Monday through Friday at 831-649-3505 extension x111.

Thank you,

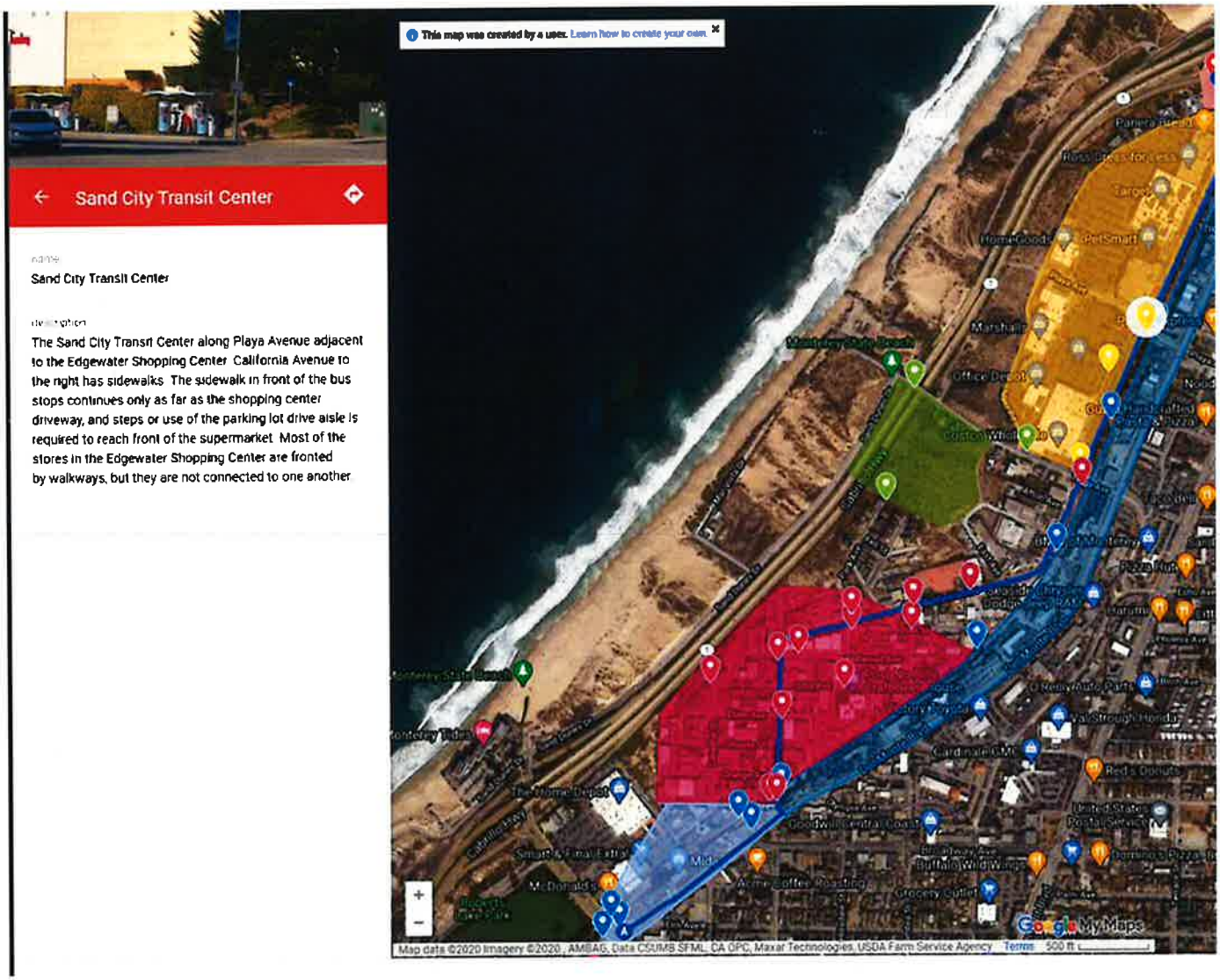
Esmeralda Ortiz, M.A., COMS.

Richard James

From: Alfaro, Gustavo@DOT <gustavo.alfaro@dot.ca.gov>
Sent: Monday, September 14, 2020 5:43 PM
To: Tanya Kalaskar
Cc: Monroy-Ochoa, Orchid N@DOT
Subject: RE: Virtual Walking Tour of Sand City is Now Live!

Hi Tanya,

Great job on creating the online walking tour. I think the pictures are really helpful. I see you identified different zones within the city. Might I suggest briefly describing the locations. For understanding connectivity, I'd like to suggest showing residential areas and/or population density. This will help understand where pedestrians/bicyclists are walking from/to the city zones. That's all my comments. Thanks!



Regards,

Gus Alfaro Jr.
Caltrans District 5
Planning Division
NEW # 805-835-6490

From: Susan Groves-Ameil <grovesameil@emcplanning.com>
Sent: Thursday, September 3, 2020 2:59 PM
To: 'jerry@sandcityca.org' <jerry@sandcityca.org>
Cc: Tanya Kalaskar <kalaskar@emcplanning.com>
Subject: Virtual Walking Tour of Sand City is Now Live!

EXTERNAL EMAIL. Links/attachments may not be safe.

Hello!

As part of the Sand City Sustainable Transportation Plan, we have put together a virtual walking tour of Sand City. The virtual. walking tour of Sand City is available on the City website address (www.sandcity.org). Please note that the tour is located under the "Visitors" tab on the home page. You can also access the tour by typing "virtual walking tour" in the search bar.

The virtual walking tour is essentially a map that you can use to get acquainted with the current conditions within the City and identify transportation/mobility connections or deficiencies. Feel free to take the tour at your own pace and please provide any comments/feedback you may have. Instructions on how to navigate through the tour are posted on the City's website. Look for things that make it difficult to get around the City and provide comments via email to kalaskar@emcplanning.com by September 30, 2020.

We're excited about this project and look forward to hearing from you.

Tanya Kalaskar, Associate Planner, EMC Planning Group
Consultant to the City of Sand City

Susan Groves-Ameil | Administrative Assistant
tel 831.649.1799 ext 200
grovesameil@emcplanning.com

EMC Planning Group
301 Lighthouse Avenue, Suite C
Monterey, CA 93940
www.emcplanning.com

Celebrating 40 Years of Excellence

Richard James

From: Tanya Kalaskar
Sent: Friday, September 25, 2020 1:46 PM
To: Polaris Kinison Brown
Subject: FW: Sand City Virtual Tour

From: Fernanda Roveri <roveri@monterey.org>
Sent: Friday, September 4, 2020 10:15 AM
To: Tanya Kalaskar <kalaskar@emcplanning.com>
Subject: Re: Sand City Virtual Tour

Thanks. It would be helpful if Sand City boundaries were mapped.

On Thu, Sep 3, 2020 at 2:28 PM Tanya Kalaskar <kalaskar@emcplanning.com> wrote:

Hi Fernanda:

You can access the virtual tour on Sand City's website (www.sandcity.org). Please note that the tour is located under the "Visitors" tab on the home page. You can also access the tour by typing "virtual walking tour" in the search bar.

Tanya

Tanya Kalaskar, MS | Associate Planner

tel 831.649.1799 ext 214

kalaskar@emcplanning.com

EMC Planning Group

301 Lighthouse Avenue, Suite C

Monterey, CA 93940

Fax 831.649.8399

September 25, 2020

Charles Pooler, City Planner
City of Sand City
1 Pendergrass Way
Sand City, CA 93955

Dear Mr. Pooler,

Thank you for meeting with me on September 10, 2020 to discuss the city's Sustainable Transportation Plan. Pedestrian, bicycle, and transit mobility are important to Monterey-Salians Transit (MST), and I appreciate having this opportunity to review Sand City's virtual walking tour and provide you some feedback. MST is the sole public transit provider in Sand City, and the entire city is within ¼ mile of an MST bus stop, with the exception of Park Avenue.

MST serves Sand City Station along Playa Avenue, just west of California Avenue. This passenger station had 140,096 passenger boardings in calendar year 2019, an average of nearly 400 daily boardings. This location is important in MST's transit system because it provides a hub where passengers can not only access the major retail centers in Sand City, but also connect with over a dozen bus routes providing mobility options to travel beyond the City to destinations such as Carmel, Monterey, Salinas, San Jose, and Santa Cruz. It is the northern terminus of the *Jazz* Bus Rapid Transit (BRT) connecting Sand City, Seaside and Monterey. Transit improvements were made to this passenger station when *Jazz* was completed in 2012, so it is equipped with shelters, real-time arrival signs, benches, and trash cans. The closest intersection to Sand City Station is California Avenue/Playa Avenue, an all-way stop-sign controlled intersection. This intersection lacks crosswalks on all four sides, which makes it difficult for MST passengers traveling to and from the transit station on foot.

The *Surf! Busway and Bus Rapid Transit* project is in the early planning stages. This will be the second phase of the region's BRT. The project begins in the north at the Marina Transit Exchange, travels along city roadways until it enters the TAMC-owned rail right-of-way at Palm Avenue in Marina. The BRT will extend in a dedicated right-of-way until it enters Sand City at the intersection of California Avenue/ Highway 1 southbound on-ramp. From there, the busway will either extend down California Avenue to Playa Avenue or return to the rail right-of-way, just south of Monterey Road. From Playa Avenue to Contra Costa Street, the Busway will operate along Del Monte Boulevard in the near term, and along the rail right-of-way in a future phase of the project.

As I mentioned in our meeting, MST recently completed *Designing for Transit*, a guide to help local cities and developers incorporate transit into their developments. The document identifies preferred bus stop placements, required roadway and sidewalk dimensions, as well as other amenities such as street lights and bicycle racks that enhance the traveler's experience and put all forms of mobility at the forefront of planning quality circulation networks. I would like to refer you to this document as you look for ways to improve mobility in Sand City. The document is available on MST's website https://mst.org/wp-content/media/DesigningForTransit-2020-Edition.pdf.

The City's virtual walking tour notes a number of locations with missing or incomplete sidewalks and bicycle lanes. Improving City roads to include these features will enhance the residents' and visitors' experience and safety when traveling to and from MST bus stops. Additionally, when designing complete streets, please refer back to MST's *Designing for Transit* and note that we require a minimum of 11-foot wide travel lanes to safely operate our vehicles.

I look forward to assisting the City plan a transportation network that supports and encourages the use of public transit and active transportation modes. Feel free to contact me at (831) 264-5877 if you have any questions.

Sincerely,

Michelle Overmeyer
Director of Planning and Innovation

MST BUSWAY PHASE II – SURF!
CONCEPT FOR DISCUSSION PURPOSES ONLY
INTERIM CONCEPT – PIP RAIL

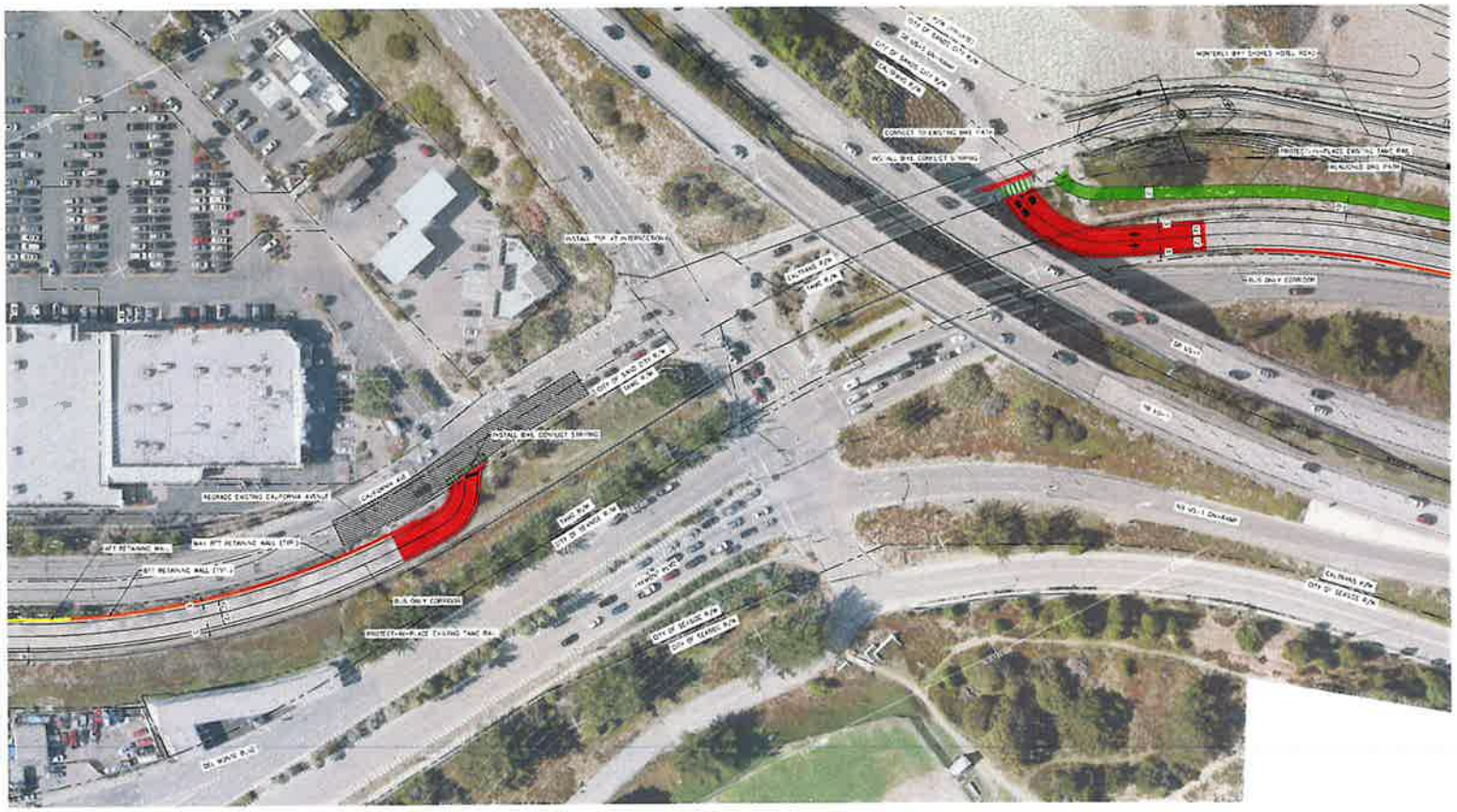


July 06, 2020
SHEET 1 OF 2

NORTH

GRAPHIC SCALE IN FEET
0 20 40 80

MST BUSWAY PHASE II – SURF!
CONCEPT FOR DISCUSSION PURPOSES ONLY
INTERIM CONCEPT – PIP RAIL



July 06, 2020
SHEET 2 OF 2

Richard James

From: Tanya Kalaskar
Sent: Tuesday, September 29, 2020 4:15 PM
To: Polaris Kinison Brown
Subject: FW: Sand City Sustainable Transportation Virtual Tour
Attachments: 2020.07.06 SURF - California Connection-Interim.pdf; Scott Ottmar.vcf

From: Scott Ottmar <SOttmar@ci.seaside.ca.us>
Sent: Tuesday, September 29, 2020 4:14 PM
To: Tanya Kalaskar <kalaskar@emcplanning.com>
Subject: Sand City Sustainable Transportation Virtual Tour

Comments on the walking tour.

Area A
TAMC has plans for either rail or bus services in the railroad right of way. Unclear if trail for pedestrian and cyclists is to be included. Please check with TAMC.

Area B.
TAMC is taking lead on improvements at the north end of Del Monte and Fremont. A double round about is planned in the long term. Sand City and Seaside should work with TAMC to insure pedestrian and cycling facilities are included.
In the near term, MST proposes a bus rapid transit Surf project at the elbow of the southbound on ramp. (where the eco-resort entrance is.). This area is largely under the control of Caltrans. see attached.

Area C
Creating path at the end of Park is a good idea.

Area D
There are long term plans by TAMC to establish rail service into City of Monterey as noted above. Potential for interim use of a bus rapid transit route. Potentially work with TAMC to incorporate bike & ped improvements if space permits. There is not good pedestrian connectivity from Del Monte (in Seaside) to Costco along Tioga at California. (there is no sidewalk into Costco along California) The footpath suggests pedestrians wish to access the shopping center.

Area E
No pedestrian path of travel into the Sand Dollar shopping center from Tioga at California. MST has its bus rapid transit project (Surf) that will create a bus stop along California (back side of Luckys), as shown on attached.

Area F.
shallow sidewalks and driveway approaches full length of blocks exist within this area. Sidewalk may not be ADA compliant. City of Seaside is considering enhanced bicycle facilities along Del Monte Boulevard, removing a lane of traffic to accomodate dedicated bicycle lanes north of Broadway to Playa. ADA access to city owned parks is important

Scott Ottmar, P.E.
Senior Engineer

WALKING TOUR MATERIALS

The materials on the following pages were provided to guide the self-led walking tour of the City. Maps of sections of the City were labeled A-F.

Virtual Walking Tour

Welcome to the City of Sand City's virtual walking tour! The purpose of the walking tour is to acquaint members of the public with the existing conditions in Sand City. Your feedback will be most helpful to informing the Sand City Sustainable Transportation Plan.

The link to the virtual tour:
https://www.google.com/maps/d/viewer?mid=1XIYwYEb85ePQfJONCYGOff6piVHtabia&ll=36.622476980479064%2C-121.8421720294998&z=18

Taking the Tour - Users Guide

The featured aerial map has six (6) colored sections within the City of Sand City, and each section contain several Points of Interest (POI) marked with a pin.
This map allows you to:

1. Zoom in and out of areas of interest
2. Toggle layers on and off
3. Click on each option to read more.
4. Click on each image to see more. Many options have multiple images.

There are two (2) primary ways to navigate through the interactive map.

1. **Legend Block**
   The legend block on the left side of the map contain a list of the six (6) section and Points of Interest. To view any of the sections or POI, simple click on the link and you will be guided to that location on the map and provided with information regarding that location. To go back to the legend box, simple click on the white arrow pointing left next to the title of the POI.
   To hide/unhide a section on the map, simply click on the red, square box with the check mark.

2. **Aerial Map**
   To view the various sections and/or POI, simply click on the any on the six (6) colored sections or any of the POI pins.

What to Look Out for While on the Tour!

As you take the tour, look out for things that make it difficult to get around the City. This may be as a pedestrian, a bicyclist, a transit rider, a person that relies on a wheelchair or scooter, etc. Things to look out for may include, but are not limited to:

- Lack of bicycle-friendly connections;

- Missing sidewalks;
- Gaps in sidewalk connectivity;
- Sidewalks with inadequate wheelchair ramps;
- Lack of audible signals at the City's traffic lights to alert the blind;
- Limited number of handicapped parking spaces; and
- Streets near the City Hall that may be too steep to be negotiated.

Also take note of connections that work well or that you would like to see more of.

I Took the Tour, Now What?

We are looking to receive specific feedback that will inform the Sustainable Transportation Plan. Here are some pointers that will help you provide the specific feedback we are looking for:

- What aspects areas of the City's transportation network is working well? This may be a specific area or type of transportation.
- Identify any transportation barriers you perceive or have experienced in the City's transportation network.
- What are the three areas that you would most like to see connectivity improvements in the City's transportation network (three priority areas)?

Please send in your comments/feedback via email by September 30, 2020 to kalaskar@emcplanning.com.

Sand City Sustainable T...

- **A: Southern Rail Corridor/Seaside Co...**
  - A: Southern Rail Corridor/Seaside
  - Canyon del Rey Boulevard
  - Del Monte Boulevard
  - Canyon del Rey Blvd./Del Monte Blvd.
  - RR Corridor South
  - Former RR Corridor
- **B: Northern Rail Corridor/Seaside Co...**
  - B: Northern Rail Corridor/Seaside
  - Fremont Boulevard
  - Fremont Blvd./Monterey Rd.
  - California Avenue at Monterey Road
- **C: Beach Connection**
  - C: Beach Connection
  - Tioga Avenue
  - Tioga Avenue/Bridge
  - View Toward Tioga Bridge



Sand City Sustainable T...

D: Central Railroad Corridor

- D: Central Railroad Corridor
- Contra Costa Street
- Redwood Avenue
- North of Playa Avenue
- Granite Construction Yard
- Footpath Across RR to Tesla Parking Lot

E: Shopping Centers

- E: Edgewater Shopping Center
- Sand Dollar Shopping Center
- Sand City Transit Center
- Costco Parking Lot

F: West End District

- F: West End District
- Catalina St./Ortiz Ave.
- Redwood Avenue
- Dias Avenue at Community Garden

... 10 more



Sand City Sustainable T...

F: West End District

- F: West End District
- Catalina St./Ortiz Ave.
- Redwood Avenue
- Dias Avenue at Community Garden
- Holly St./Dias St.
- Contra Costa
- On-street Parking
- View North on Contra Costa Street
- View South on Contra Costa
- View North on Hickory Street
- City Hall Parking Lot
- View Northwest on Tioga Avenue
- Corner of California Avenue and Holley S...
- View from California Avenue looking tow...

Directions from Del Monte / Canyon D...

- A Del Monte / Canyon Del Rey, Seaside, CA...
- B 2100 California Ave, Sand City, CA 93955...



Subject Line: Virtual Walking Tour of Sand City Coming Soon!

Hello!

The City of Sand City has begun preparation of a Sustainable Transportation Plan. The Sustainable Transportation Plan will address pedestrian, bicycle, disabled, and transit mobility within Sand City, as well as connections to the neighboring City of Seaside and the Fort Ord Dunes State Park. We are inviting you or your organization to provide guidance in developing this plan.

Given the current COVID-19 pandemic situation, we are putting together a virtual walking tour of the Sand City. The virtual walking tour is essentially a map that you can use to get acquainted with the current conditions within the City and identify transportation/mobility connections or deficiencies. Feel free to take the tour at your own pace and please provide any comments/feedback you may have. Instructions on how to navigate through the tour, things to look out for, and how to provide comments will be posted to the City's website. You will be contacted when the virtual tour is live.

If there is someone else in your organization who would be a better contact, please pass this message along to them, and let us know so we can update our contact list. Likewise, if you wish to be removed from the list, please let us know.

We're excited about this project and look forward to hearing from you.

Tanya Kalaskar, Associate Planner, EMC Planning Group
Consultant to the City of Sand City

Subject Line: Virtual Walking Tour of Sand City is Now Live!

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Consultant to the City of Sand City

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We're excited about this project and look forward to hearing from you.

Polaris Kinison Brown, Principal Planner, EMC Planning Group
Consultant to the City of Sand City

Hello!

The City of Sand City has begun preparation of a Sustainable Transportation Plan. The Sustainable Transportation Plan will address pedestrian, handicapped, bicycle, and transit mobility within Sand City, as well as connections to neighboring Seaside and Fort Ord Dunes State Park. We are inviting you or your organization to provide guidance in developing this plan.

Given the current COVID-19 pandemic situation, we have put together a virtual walking tour of Sand City. The virtual walking tour is essentially a map that you can use to get acquainted with the current conditions within the City and identify transportation/mobility connections or deficiencies. Feel free to take the tour at your own pace and please provide any comments/feedback you may have. Instructions on how to navigate through the tour are posted on the City's website. Look for things that make it difficult to get around the city and provide your comments by September 30, 2020 via email to kalaskar@emcplanning.com.

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Tanya Kalaskar, Associate Planner, EMC Planning Group
Consultant to the City of Sand City

APPENDIX B

STAKEHOLDER INTERVIEWS

SAND CITY SUSTAINABLE TRANSPORTATION PLAN

APPENDIX B – STAKEHOLDER INTERVIEWS

TABLE OF CONTENTS

Stakeholder Interviews 2

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STAKEHOLDER INTERVIEWS

This table provides a summary of stakeholder interview feedback and comments, and City staff response

Summary of Stakeholder Interview Comments

Stakeholder Agency/Entity	Comment by	Date Received [1]	Comment	Response
Transportation Agency for Monterey County (TAMC)	Todd Muck, Deputy Executive Director	09/09/2020	The railroad ROW between Monterey Road and Contra Costa Street in Sand City is owned TAMC. Ultimate use of rail line must be public transit e.g. bus or rail. TAMC is currently leasing portions rr corridor to adjacent property owners for temporary business use until such time as a public transit project can proceed.	Noted. The City has also had discussions with TAMC about providing an extension of the Monterey Bay trail and parking within the ROW. The ROW width is 100 feet, and the terrain mostly level, which should provide room for these additional uses.
			TAMC is actively working with Monterey Salinas Transit (MST) as a partner to implement bus rapid transit within a six-mile corridor on Highway 1 between the cities of Marina and Sand City.	Noted
			TAMC is leading the Canyon Del Rey Boulevard (State Route 218) Corridor Study in partnership with the City of Del Rey Oaks, City of Seaside and Caltrans. The study is available on TAMC's website.	Noted
			The plan should address Stormwater issues along Contra Costa with pedestrian improvements.	This is included in 30% plans for Contra Costa improvements excluding TAMC Right of way.
			The plan should address bicycle and pedestrian connectivity between shopping centers	Noted
			The plan should address bicycle lanes along Tioga Avenue	Noted
			The plan should address sidewalk improvements throughout the City (City has made some nice ones already - e.g. Hickory Street	Noted

Monterey Salinas Transit (MST)	Michelle Overmeyer, Director of Planning and Innovation	09/10/20	MST is working to implement a six-mile bus rapid transit on Highway 1 between the cities of Marina and Sand City within the TAMC railroad corridor. The project is called "SURF! Busway and Bus Rapid Transit Project."	Noted
			The Sand City Station is a bus station operated by MST. The Sand City Station on Playa Avenue is considered a secondary transfer point based on aspects like size, number of buses, etc.	Noted
			Currently, MST does not anticipate any new routes within Sand City. MST will hire a consultant to prepare a Comprehensive Operational Analysis. This study would determine if additional routes are required within MST's service area.	Noted
			MST buses need at least 11 feet street lane width; and therefore, streets should not be less than 11 feet wide.	Noted. This applies to any street on which the City may at some time desire MST bus service.
			All MST buses are equipped with bicycle racks.	Noted
			The plan should address sidewalk improvements throughout the City.	Noted
			The plan should address bicycle connectivity throughout the City.	Noted
			The plan should address improved pedestrian crosswalk/connectivity on Playa Avenue to the MST bus depot.	MST rapid transit plan should also address this issue. Coordinate with private property owner, and TAMC.
Edgewater Shopping Center	Ben Nurse, Property Manager	09/11/20	There are no designated lanes or areas for bikes within the Edgewater Shopping Center.	This is private property, that will take coordinated effort from the City and owner to address improvements
			The parcel between Gamestop and Starbucks, which is currently occupied by parking, is owned by Target. Therefore, Target's cooperation is essential in providing/improving pedestrian amenities between Gamestop and Starbucks.	This is private property, that will take coordinated effort from the City and owner to address improvements

			Connections to Seaside High School, including options for a staircase, were discussed.	Noted
			Sidewalk connectivity within the shopping center, without removing parking, will be welcomed by the business owners.	Noted
			Pedestrian movement through the shopping center could be better.	Noted
			The plan should address sidewalks or pedestrian walkways within the shopping center	This is private property, that will take coordinated effort from the City and owner to address improvements
			The plan should address designated bike parking within the shopping center	This is private property, that will take coordinated effort from the City and owner to address improvements
			The plan should address connectivity with the Seaside High School	Future plan with TAMC and Cal-Trans coordination necessary to ensure connectivity.
Sand Dollar Shopping Center	Wendy Volpano, Senior Property Manager, PGI Management	9/11/20	There are no sidewalks along the driveway to the Sand Dollar Shopping Center at Tioga Avenue (near the Costco store entrance). The only walking path is through the landscaping and the parking lot for the Costco Tire Center, or on the driveway	Noted.
			There is a lack of pedestrian walkways that provide reasonable connectivity within the Sand Dollar Shopping Center	This is private property, that will take coordinated effort from the City and owner to address improvements
			The Sand City Transit Center is across Playa Avenue from McDonalds. There is no crosswalk along McDonalds on Playa Avenue. Pedestrians walk across the McDonalds parking lot and cross Playa Avenue to get to the transit center. This is a public safety issue	MST rapid transit should address this issue within their plans. Improvements on Playa Ave could be a coordination effort between MST and the City.
			People parking on Metz Road, to the west of the shopping center, end up backing out while bicyclists/pedestrians are coming down the Monterey Bay Sanctuary Scenic Trail, better known as the Rec Trail	Enhancement to temporary trail alignment to help drivers understand pedestrian circulation. Note that Metz Road is private property.

			in Monterey. This is a public safety issue	
			Plan should sidewalks or pedestrian walkways along the driveway to the Sand Dollar Shopping Center at Tioga Avenue.	This is private property, that will take coordinated effort from the City and owner to address improvements
			Plan should address pedestrian walkways within the shopping center including the completion of pedestrian connectivity to Playa Avenue from Costco's entrance.	This is private property, that will take coordinated effort from the City and owner to address improvements
			Plan should address creating clearly marked and delineated crosswalk on Playa Avenue.	Noted
			Plan should address parking conditions on Metz Road (behind the shopping center).	Note that Metz Road is private property.

SOURCE: EMC Planning Group 2020

NOTES:

1. Comments were received via scheduled phone interviews conducted by City of Sand City staff and EMC Planning Group with the stakeholders.

APPENDIX C

CONCEPTUAL OPTIONS REPORT

E M C

Planning for Success.

May 26, 2021

Sand City Sustainable Transportation Plan
Technical Advisory Committee
Via email

Re: Sand City Sustainable Transportation Plan – Conceptual Options

Dear TAC Member:

Enclosed are the following documents relating to development of Sand City's Sustainable Transportation Plan:

- Conceptual Options Report (for your review)
- Existing Conditions Report (for your reference)
- Walking Tour Comments Summary (for your reference)

The City has identified specific locations within the City where conditions hinder sustainable transportation, as well as general conditions found throughout the City. For each specific location, the City has developed a series of conceptual options to consider for improvement of the conditions. In reviewing the Conceptual Options Report, we ask that you:

- Identify any other sustainable transportation issues or issues locations within Sand City that are not identified here;
- Identify any additional solutions at the locations listed or new locations you have identified;
- Provide comments on the introduction to each option, the pros or cons to each option, or additional pros or cons.

EMC PLANNING GROUP INC.
A LAND USE PLANNING & DESIGN FIRM
301 Lighthouse Avenue Suite C Monterey California 93940 Tel 831·649·1799 Fax 831·649·8399
www.emcplanning.com

- Provide comments on a preferred option, a preferred combination of options (hybrid option), or a new option.

Please note that the conceptual options extend beyond the City's jurisdiction in places where improvements outside Sand City's jurisdiction affect sustainable transportation within the City. Sand City hopes to work collaboratively with these jurisdictions to improve the region's sustainable transportation infrastructure.

Comments may be sent by email to chuck@sandcity.org with copy to james@emcplanning.com. We ask that comments be sent by June 15, 2021. Thanks for your participation and input in guiding this process.

Sincerely,

Richard James, AICP
Principal, EMC Planning Group

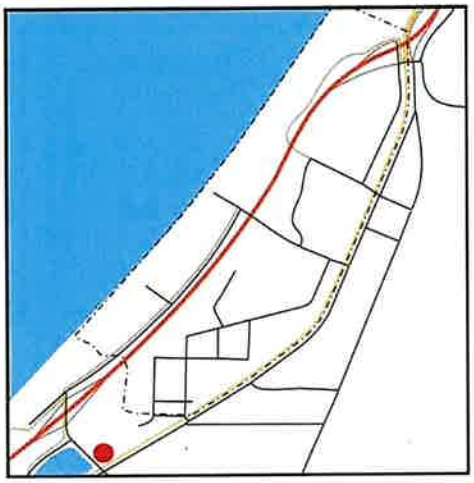
Sand City Sustainable Transportation Plan
Conceptual Options Report for TAC Review

May 25, 2021

NEEDS AND OPTIONS SUMMARY

Key Locations and Options

Southern Railroad Corridor Trail Connection between Roberts Lake and Contra Costa St.



The railroad corridor segment between Roberts Lake and Contra Costa Street is planned by TAMC for transit use, although current bus rapid transit plans do not include use of this segment. The 100-foot-wide railroad corridor should be able to accommodate both transit and a trail. Unlike other railroad corridor segments, this segment is owned by the City of Seaside. The trail must cross State Route 218 to connect with the existing trail at Roberts Lake. Prior to construction of the Home Depot (formerly K-Mart) Shopping Center, Roberts Avenue provided a continuous street connection in this area.

Elevated Bicycle/Pedestrian Bridge over State Route 218.

See Figure 1.

Pros	Cons
▪ Provides seamless continuation of trail across busy roadway. ▪ Potential on north landing to take advantage of higher grade along edge of railroad corridor.	▪ Expensive. ▪ Landings will require long slope to meet ADA, and may be infeasible/impractical. ▪ Requires separate connections to and from State Route 218. ▪ Option not considered in State Route 218 / Canyon Del Rey Boulevard Corridor Plan. ▪ Requires Caltrans, TAMC, and City of Seaside coordination.

Utilize Railroad Corridor Alignment for Surface Crossing of State Route 218.
Figure 2.

Pros	Cons
▪ Avoids trail crossing private business driveway on State Route 218.	▪ Mid-block crossing would conflict with or disrupt traffic on State Route 218. ▪ Short off-set from Del Monte Blvd. crossing ▪ Likely requires separate traffic signalization. ▪ Inconsistent with State Route 218 / Canyon Del Rey Boulevard Corridor Plan. ▪ Requires Caltrans, TAMC, and City of Seaside coordination.

Utilize Del Monte Blvd. Crosswalks for Surface Crossing of State Route 218.
See Figure 3.

Pros	Cons
▪ Existing roadway requires minimal development. ▪ Generally consistent with State Route 218 / Canyon Del Rey Boulevard Corridor Plan.	▪ Trail crosses private business driveway on State Route 218 conflicting with in/out traffic. ▪ Requires Caltrans and City of Seaside coordination.

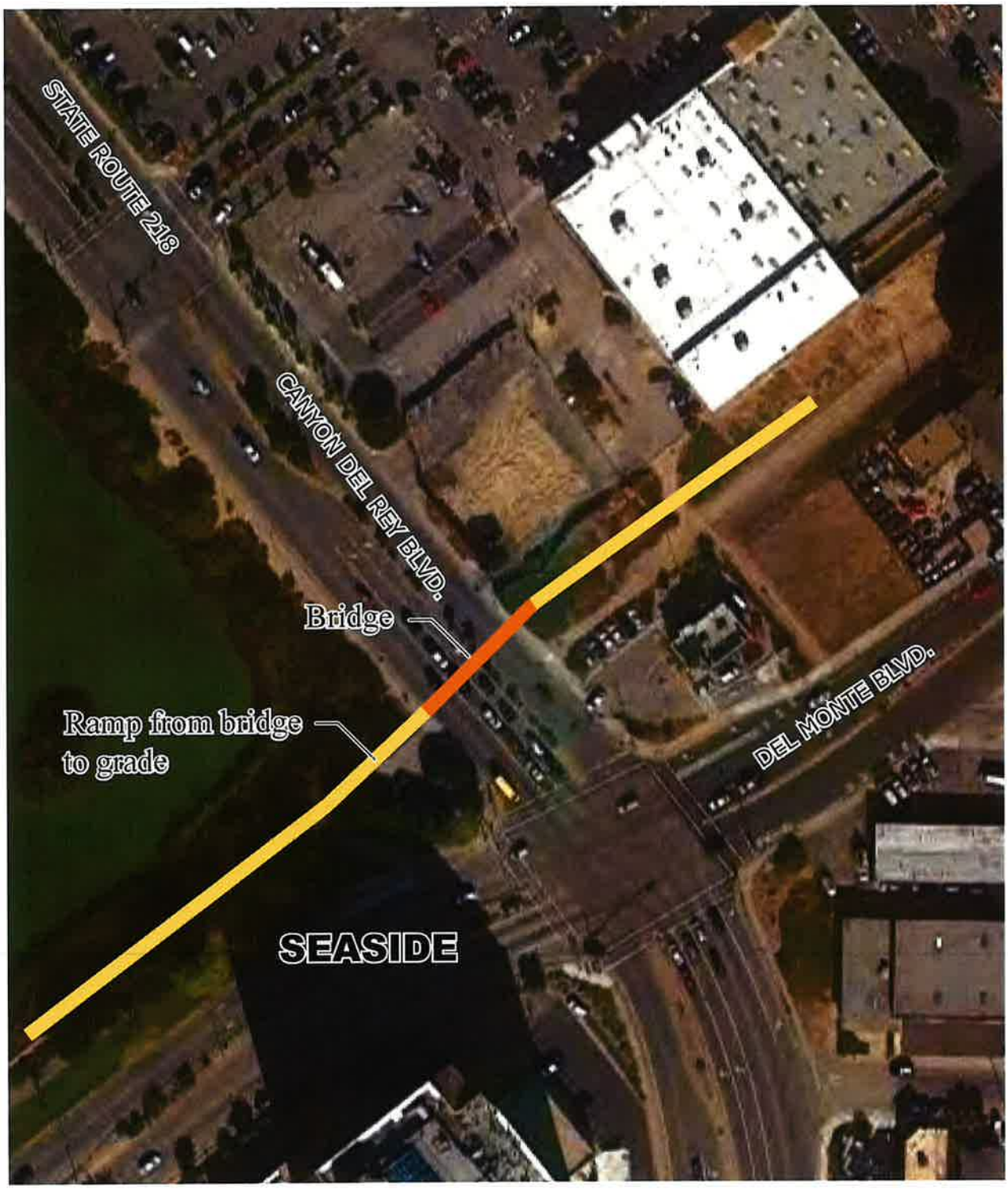
Construct Class 1 Path on Del Monte Blvd. to Contra Costa St. in lieu of Railroad Corridor.
Not illustrated. This option would involve a separated Class 1 bicycle/pedestrian path along the north-western side of Del Monte Blvd. connecting State Route 218 to Contra Costa St.

Pros	Cons
▪ Existing roadway requires minimal development.	▪ Trail crosses ten private driveways on Del Monte Blvd. ▪ May not have adequate space. ▪ Option not considered in State Route 218 / Canyon Del Rey Boulevard Corridor Plan. ▪ Requires Caltrans and City of Seaside coordination.

Use Class 2 Bicycle Lanes on Del Monte Blvd.

Not illustrated. Bicycle lanes were recently constructed by the City of Seaside between State Route 218 and Broadway Ave., but would need to be added between Broadway and Contra Costa St.

Pros	Cons
▪ Functions adequately for pedestrians and southbound bicyclists. ▪ Consistent with State Route 218 / Canyon Del Rey Boulevard Corridor Plan.	▪ Does not function for northbound cyclists bound for Sand City (need to cross to east side of Del Monte Blvd. then turn left onto Contra Costa St.). ▪ Requires Caltrans and City of Seaside coordination.

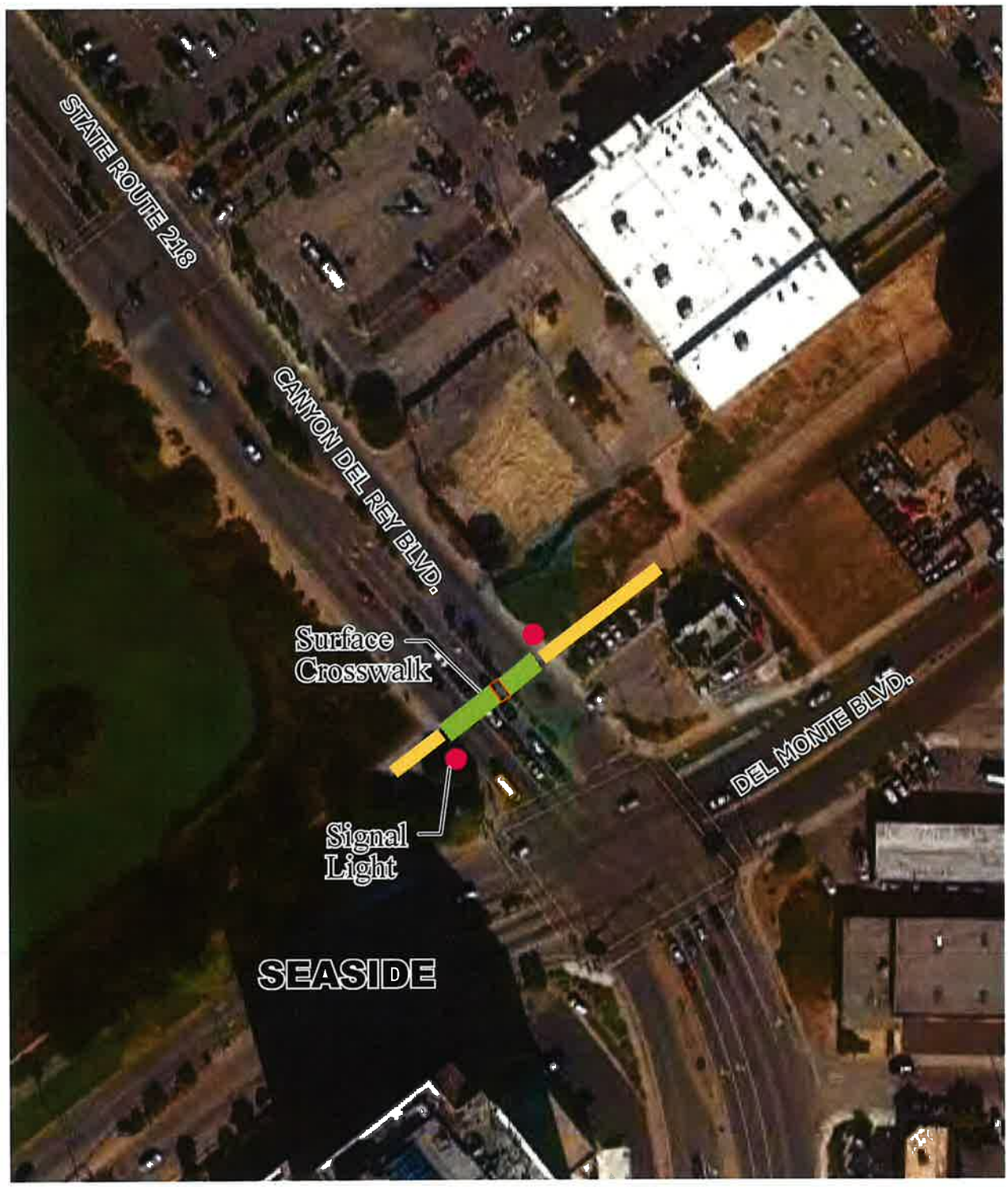


Source: Google Earth 2018, Monterey County GIS 2020

Figure 1

Elevated Bicycle/Pedestrian Bridge over State Route 218

Sand City Sustainable Transportation Plan



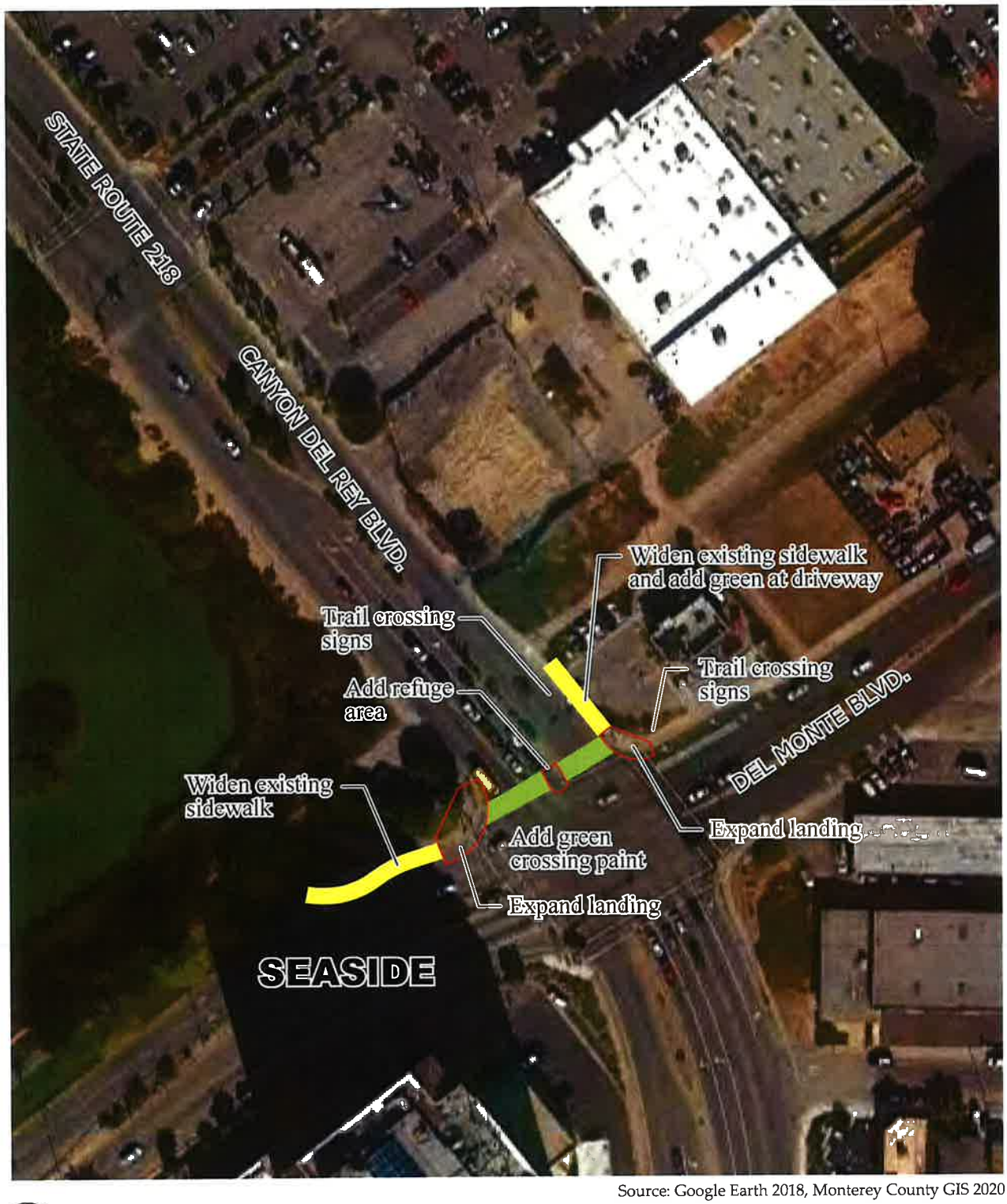
Source: Google Earth 2018, Monterey County GIS 2020

0 110 feet

Surface Crosswalk
Ramp
Signal Light

Figure 2
Utilize Railroad Corridor Alignment for Surface Crossing of State Route 218

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

0 110 feet

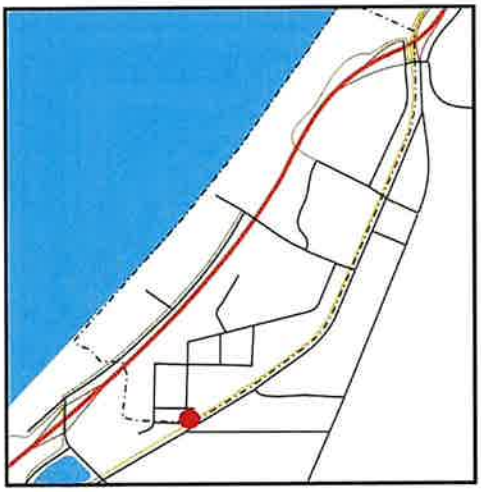
Sidewalk/Trail
Surface Crosswalk

Figure 3

Utilize Del Monte Blvd. Crosswalks for Surface Crossing of State Route 218

Sand City Sustainable Transportation Plan

Trail Crossing of Contra Costa Street



The trail crossing at this location is complicated by the proximity of an intersection with an arterial street (Del Monte Blvd.), two local street intersections (Olympia Ave. and Orange Ave.), potential future ingress/egress of transit buses using the railroad corridor, potential future light rail, and potentially an access point to a parking lot within the railroad corridor. Due to these complications, a direct trail crossing of Contra Costa St. within the railroad corridor is considered too difficult and potentially unsafe for trail users.

Create a Trail Crossing at the Del Monte Ave. Crosswalk.

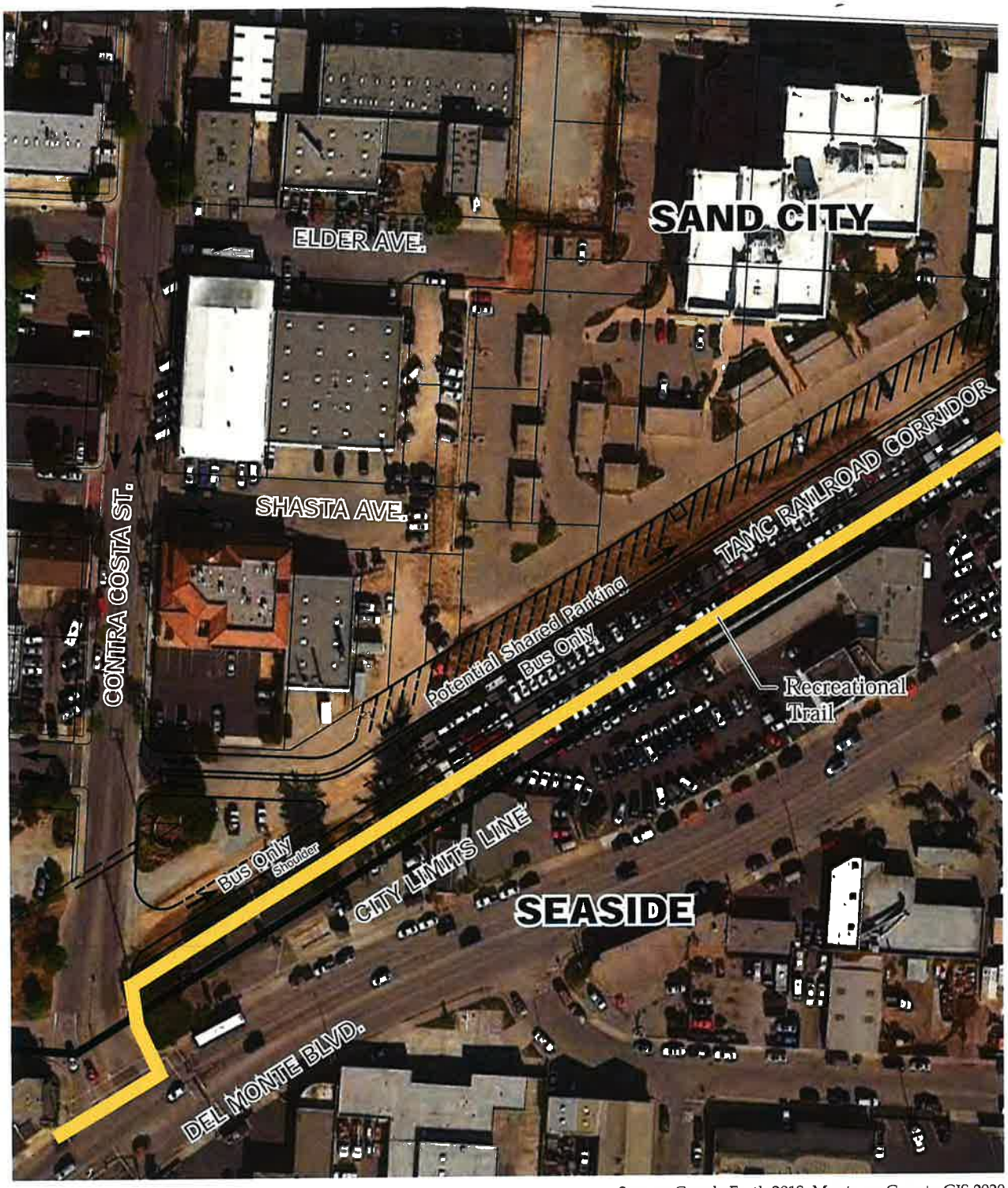
See Figure 4.

Pros	Cons
▪ A signal light controls traffic flow. ▪ Deviation from railroad corridor is minor.	▪ Higher traffic volume at this location. ▪ Trail likely to be isolated from West End streets by presence of busway, rail, and/or public parking strip. ▪ Requires additional coordination with City of Seaside.

Create a Trail Crossing at the Orange Ave Intersection.

See Figure 5.

Pros	Cons
▪ Total traffic volume is lower. ▪ Deviation from railroad corridor is minor. ▪ Better access from trail to West End streets.	▪ Pattern of crossing traffic is more complicated. ▪ Crossing may not be signal controlled. ▪ May affect City's plans for public parking within the railroad right-of-way.



Source: Google Earth 2018, Monterey County GIS 2020

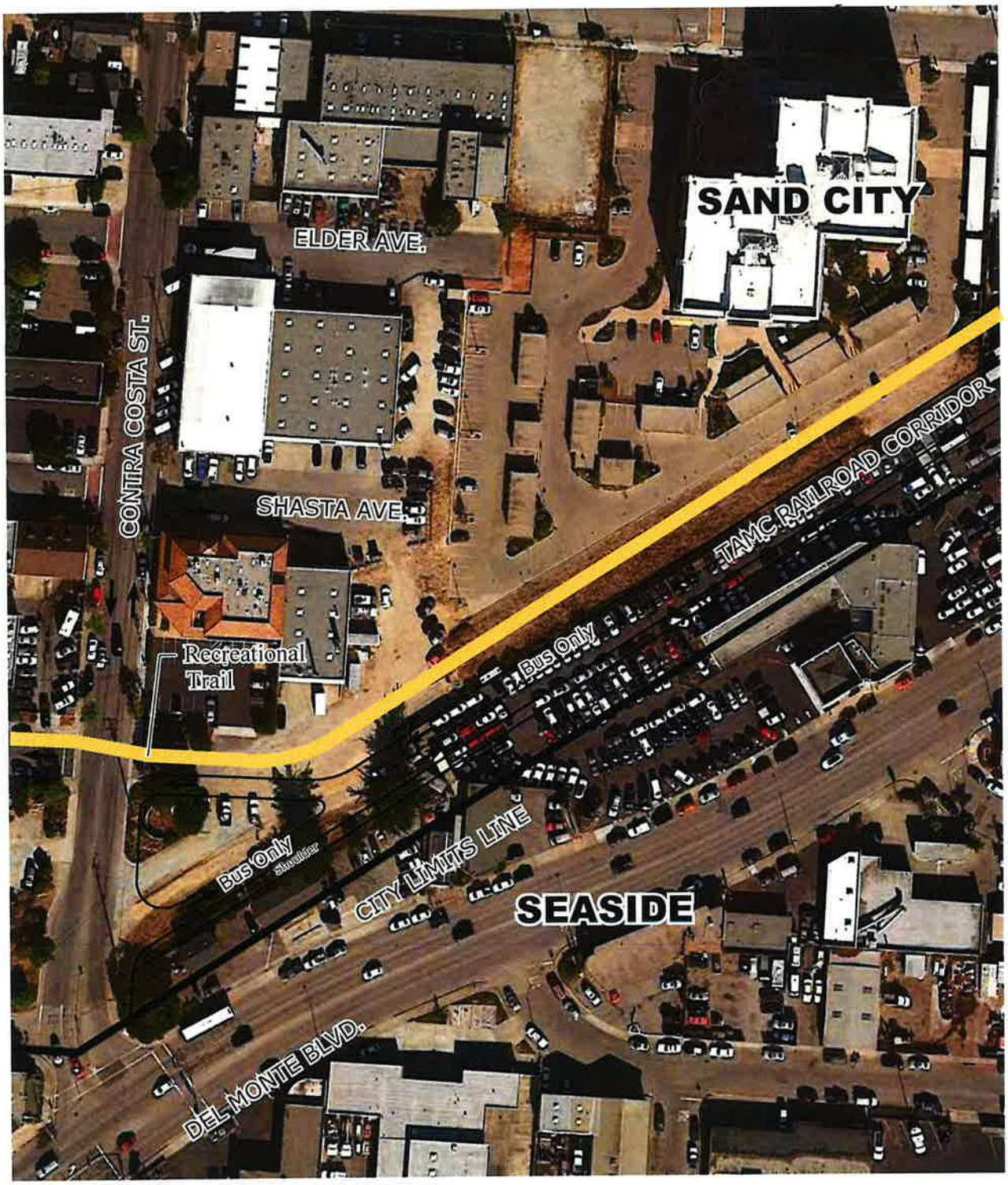
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Recreational Trail

Figure 4

Create a Trail Crossing at the Del Monte Blvd. Crosswalk

Sand City Sustainable Transportation Plan



0 110 feet

Recreational Trail

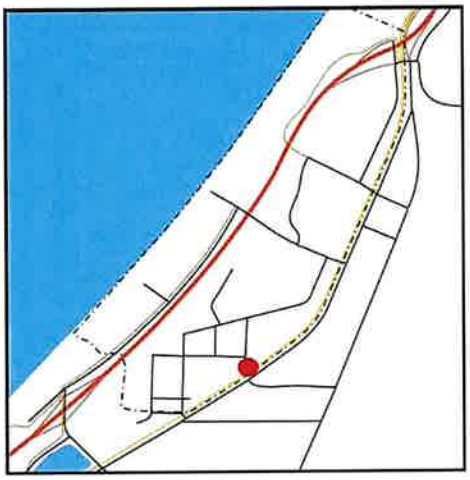
Source: Google Earth 2018, Monterey County GIS 2020

Figure 5

Create a Trail Crossing at the Orange Ave. Intersection

Sand City Sustainable Transportation Plan

Central Railroad Corridor



This segment of the railroad corridor, from Contra Costa St. to Tioga Ave., is planned by TAMC for transit use (bus rapid transit in the near-term, and possible rail transit in the long-term). The corridor is 100 feet wide and should also be able to accommodate a trail and public parking in addition to transit. The City has proposed public parking with an extension of Orange Ave. between Contra Costa St. and Holly St. Private business leases currently occupy portions of this segment of the railroad corridor; these leases must be terminated before this segment can be used for transit or trail development.

Develop Corridor Segment with Transit Only.

See Figure 6.

Pros	Cons
▪ Off-street transit not subject to traffic delays. ▪ Consistent with TAMC planning for Monterey Branch Line.	▪ Does not provide public parking usable for transit. ▪ Local pedestrians and bicyclists must use either Del Monte Blvd. or West End streets. ▪ Regional pedestrians and bicyclists use trail via Sand Dunes Dr. with gradients.

Develop Corridor Segment with Transit and Trail.

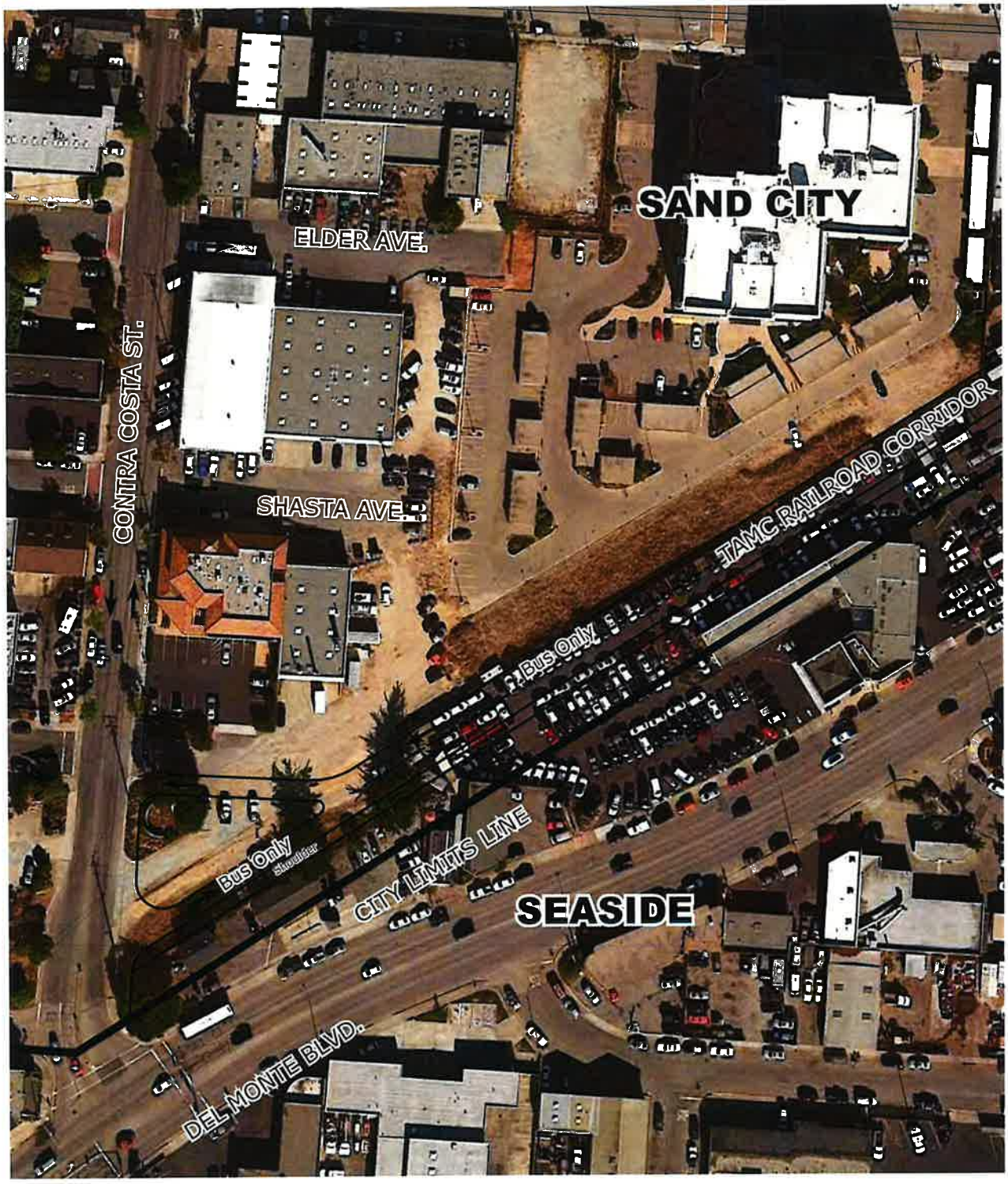
See Figure 7.

Pros	Cons
▪ Off-street transit not subject to traffic delays. ▪ Accommodates TAMC planning for Monterey Branch Line. ▪ Level alternate local and regional pedestrian and bicyclist route.	▪ Does not provide public parking. ▪ Requires TAMC coordination.

Develop Corridor Segment with Transit, Trail, and Parking.

See Figure 8.

Pros	Cons
▪ Off-street transit not subject to traffic delays. ▪ Accommodates TAMC planning for Monterey Branch Line. ▪ Level alternate local and regional pedestrian and bicyclist route. ▪ Provides public parking.	▪ All facilities fit within the corridor, but it may be necessary to shift the location of rails within the corridor. ▪ Requires TAMC coordination.



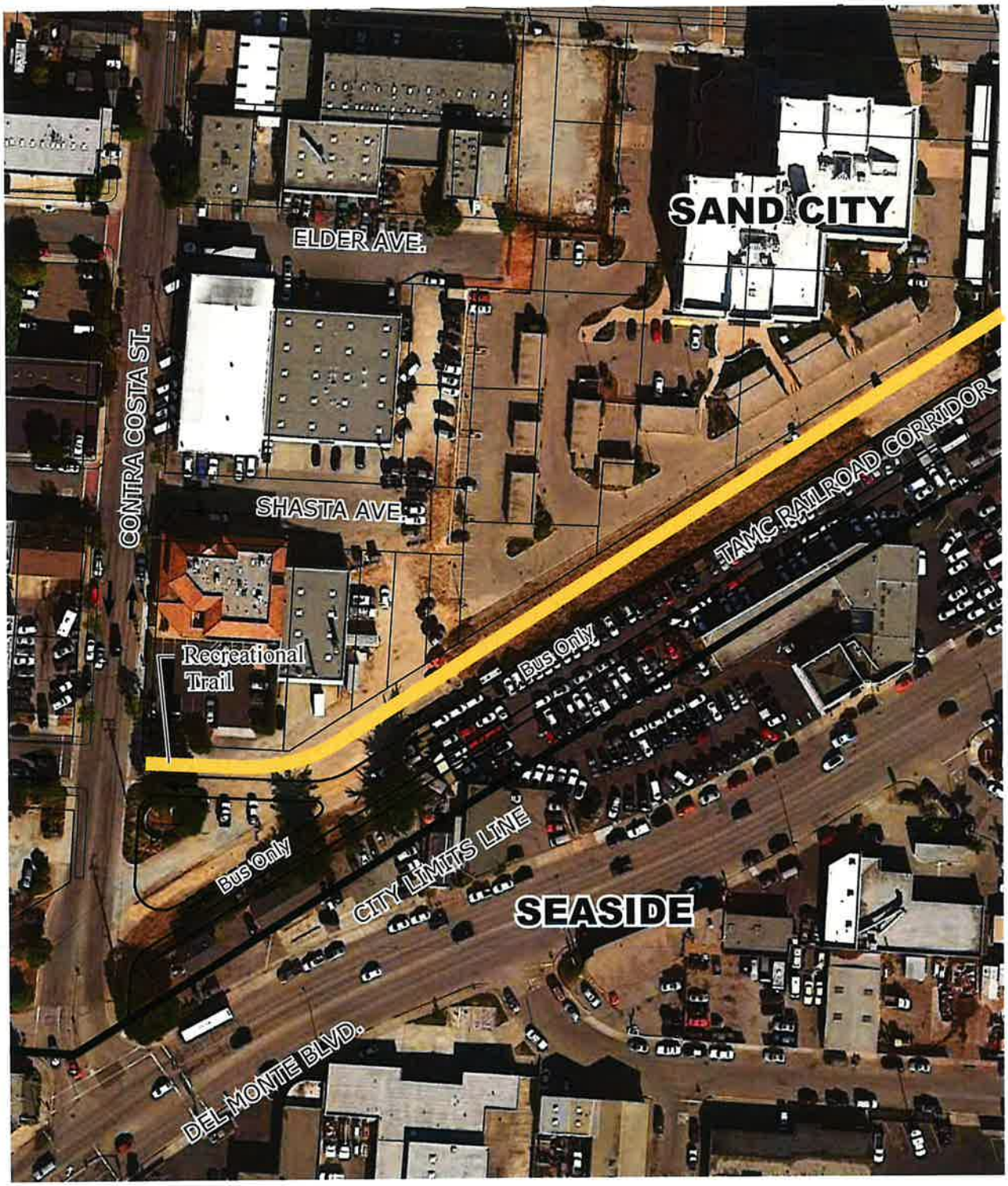
Source: Google Earth 2018, Monterey County GIS 2020

0 110 feet

Figure 6

Develop Corridor Segment with Transit Only

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

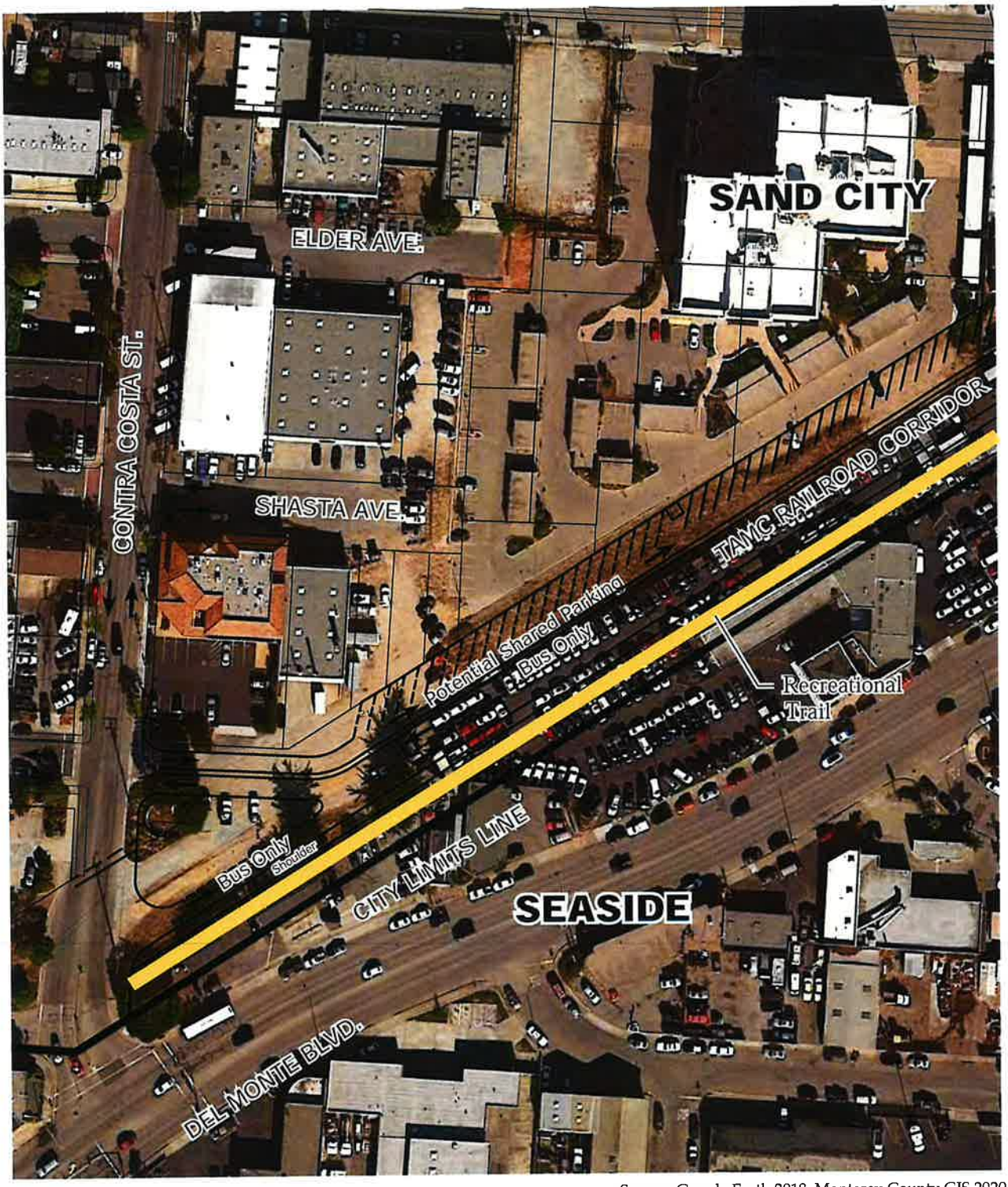
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Recreational Trail

Figure 7

Develop Corridor Segment with Transit and Trail

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

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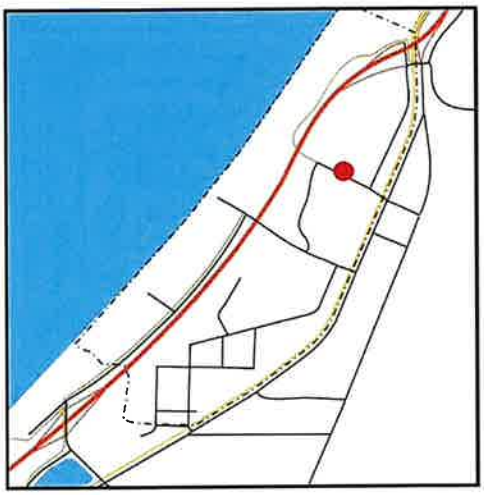
Recreational Trail

Figure 8

Develop Corridor Segment with Transit, Trail & Parking

Sand City Transportation Plan

Sand City Transit Center access to Shopping Centers



The Sand City Transit Center is located on Playa Ave. between the two regional shopping centers, but pedestrian access between the transit center and the shopping centers' businesses is incomplete. The Edgewater Shopping Center pedestrian access nearest the transit center includes a stairway, with disabled access on a route from the corner of California Ave. and Playa Ave. Crossing Playa Ave. to the Sand Dollar Shopping Center is difficult with the volume of vehicular traffic on Playa Ave. If TAMC implements the Branch Line bus rapid transit project, a new bus transfer area may be developed along California Avenue or within the railroad corridor, in the vicinity of Playa Ave.

Enhance Existing Playa Avenue Crosswalks for Access to Sand Dollar Shopping Center.

See Figure 9.

Pros	Cons
▪ These crosswalks already exist. ▪ Sidewalk within Sand Dollar Shopping Center leads to stores along western edge (former OSH, Marshalls, etc.)	▪ Indirect route to McDonalds. ▪ No direct pedestrian connection to Costco.

Add New Mid-block Crosswalk for Access to Sand Dollar Shopping Center.

See Figure 10.

Pros	Cons
▪ Reduces walking distance and more direct route compared to crossing at California Ave.	▪ Most direct crossing route is in middle of bus stop turn-out, presents safety issue. ▪ Crossing at Edgewater Shopping Center driveway needs protection from turning vehicles. ▪ No sidewalk within Sand Dollar Shopping Center. A new sidewalk would need to be coordinated with McDonalds' circulation.

Add Continuous Sidewalk from Tioga Ave. to Costco Front Entrance.

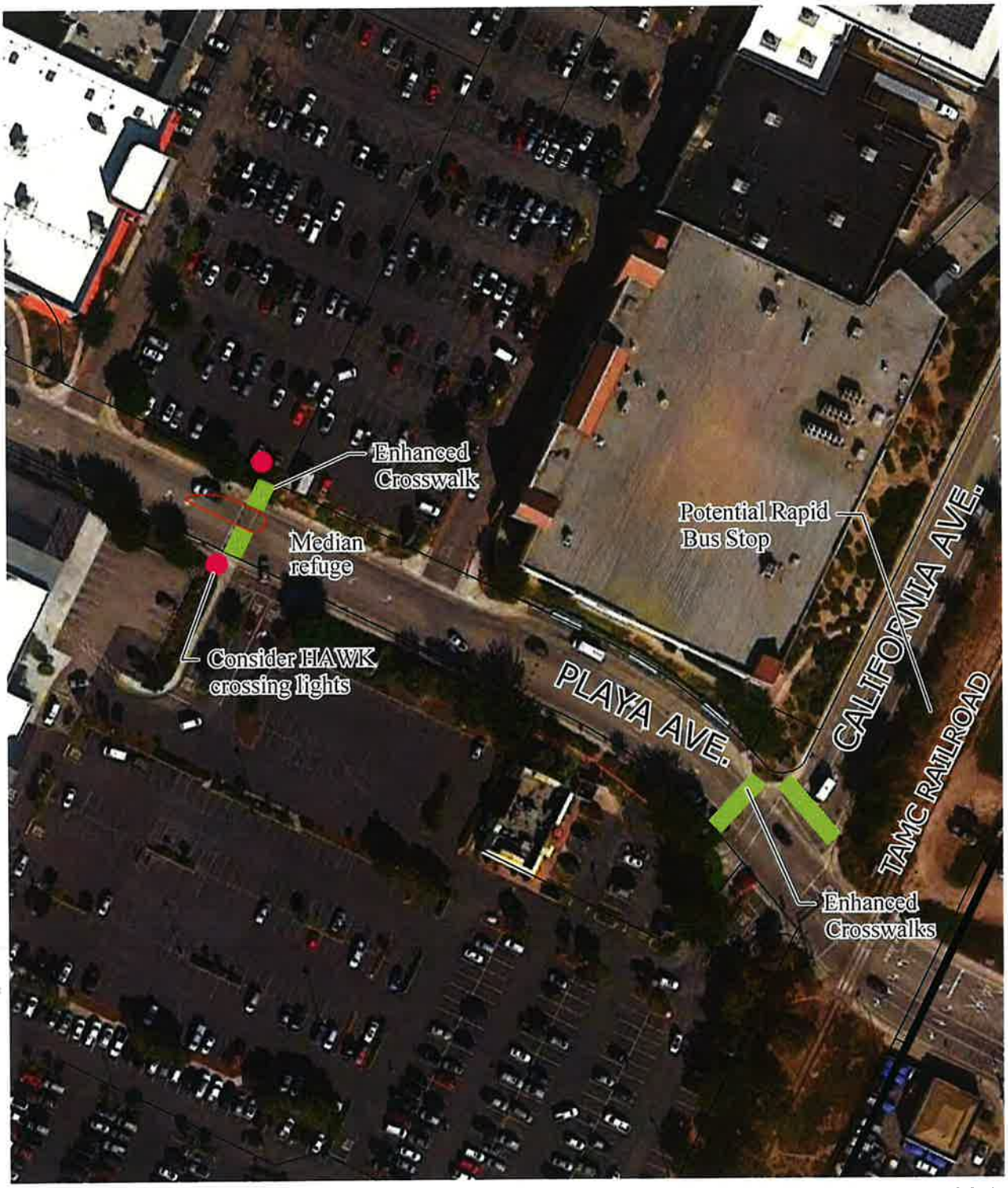
See Figure 11.

Pros	Cons
▪ Provides pedestrian route.	▪ Need to fit between entrance driveway and tire center. ▪ Requires agreement of private property owner.

Add Continuous Sidewalk access from Playa Ave. to Lucky Front Entrance.

See Figure 12.

Pros	Cons
▪ Provides direct access for disabled.	▪ Need to narrow shopping center entrance or rework existing stairway. ▪ Need to assure grade change meets ADA – feasibility is unknown. ▪ Requires agreement of private property owner.



Source: Google Earth 2018, Monterey County GIS 2020

0 110 feet

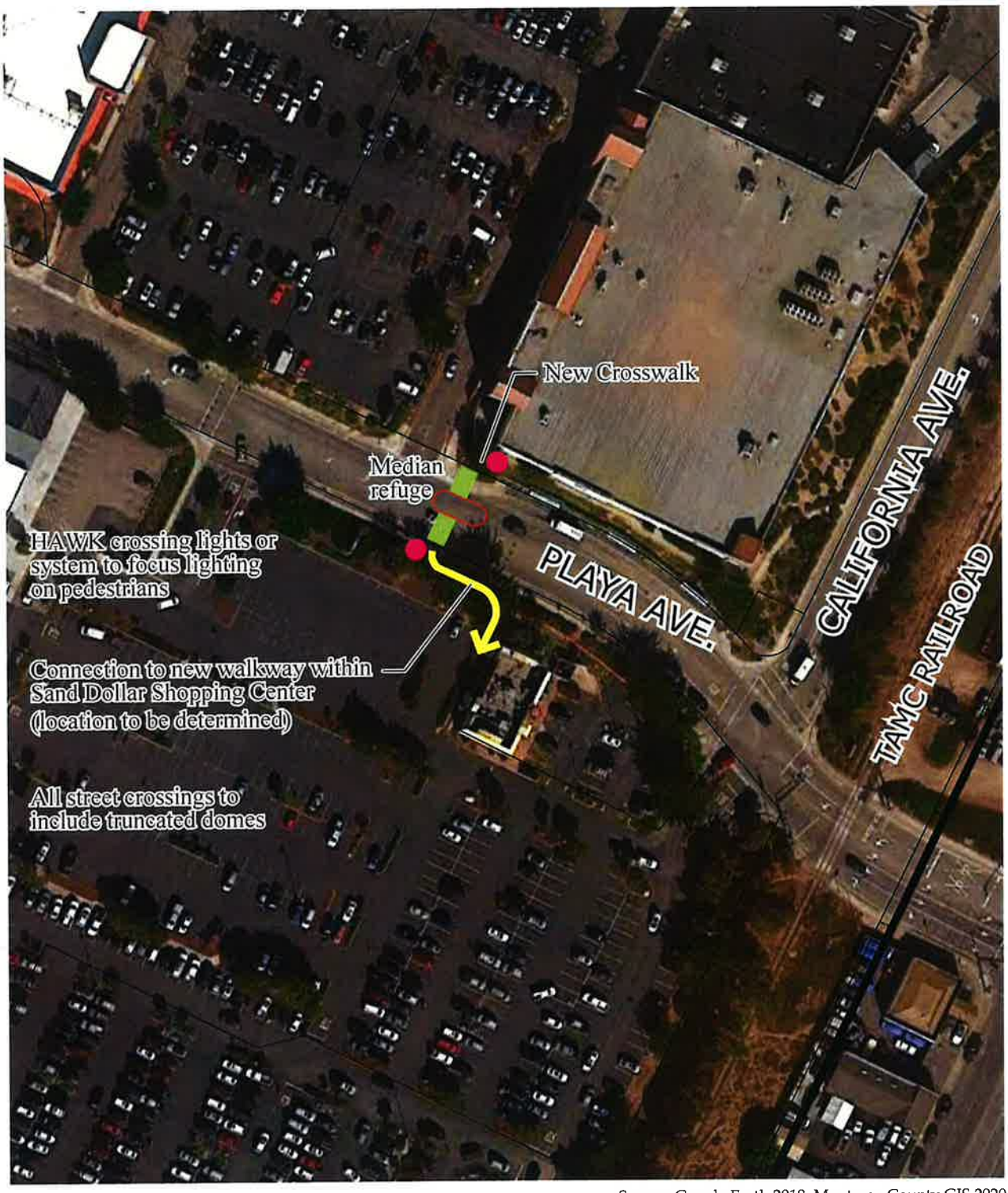
Crosswalk

Signal Light

Figure 9

Enhance Existing Playa Ave. Crosswalks for Access to Sand Dollar Shopping Center

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

0 110 feet

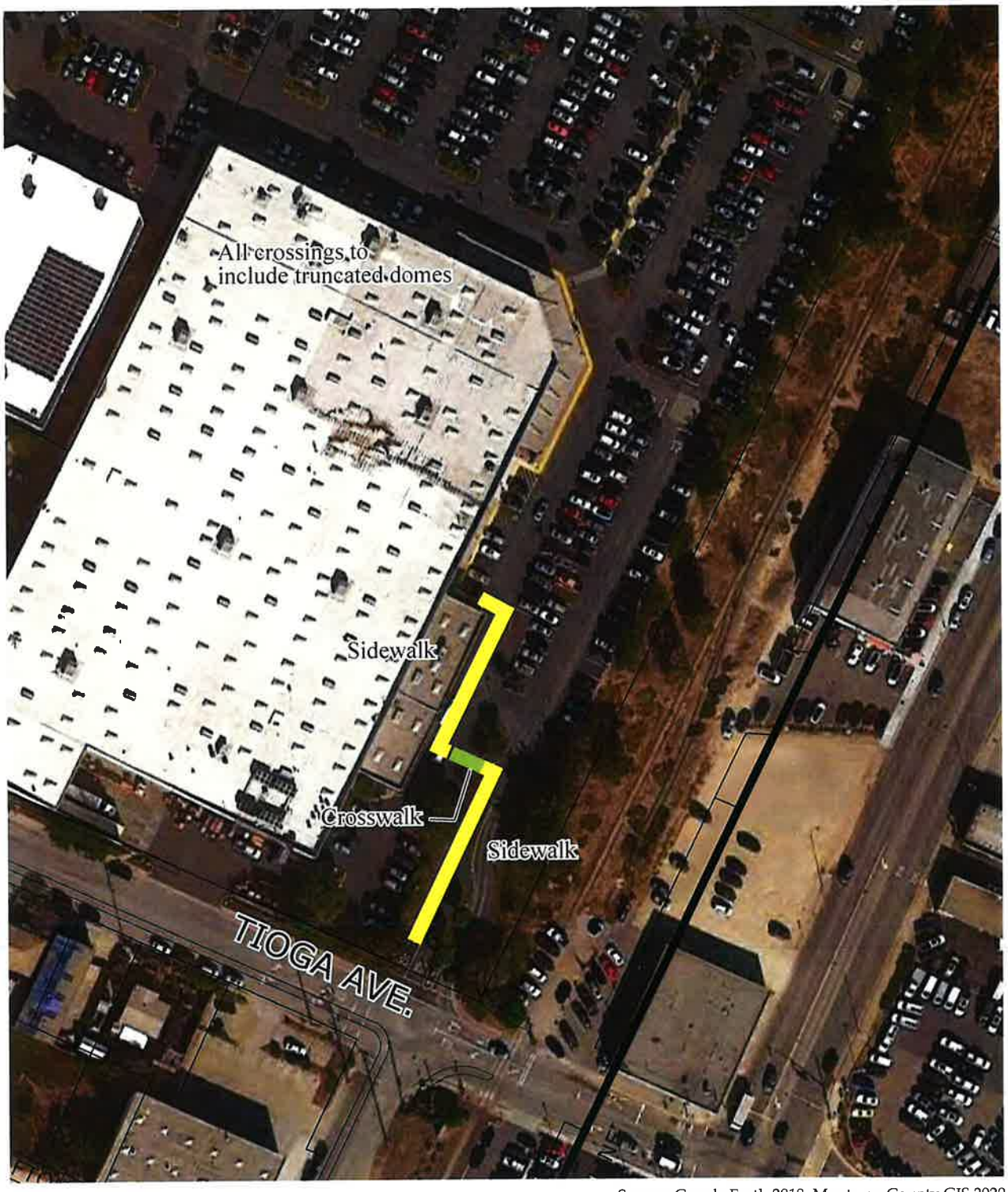
Crosswalk

Signal Light

Figure 10

Add New Mid-block Crosswalk for Access to Sand Dollar Shopping Center

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

0 110 feet

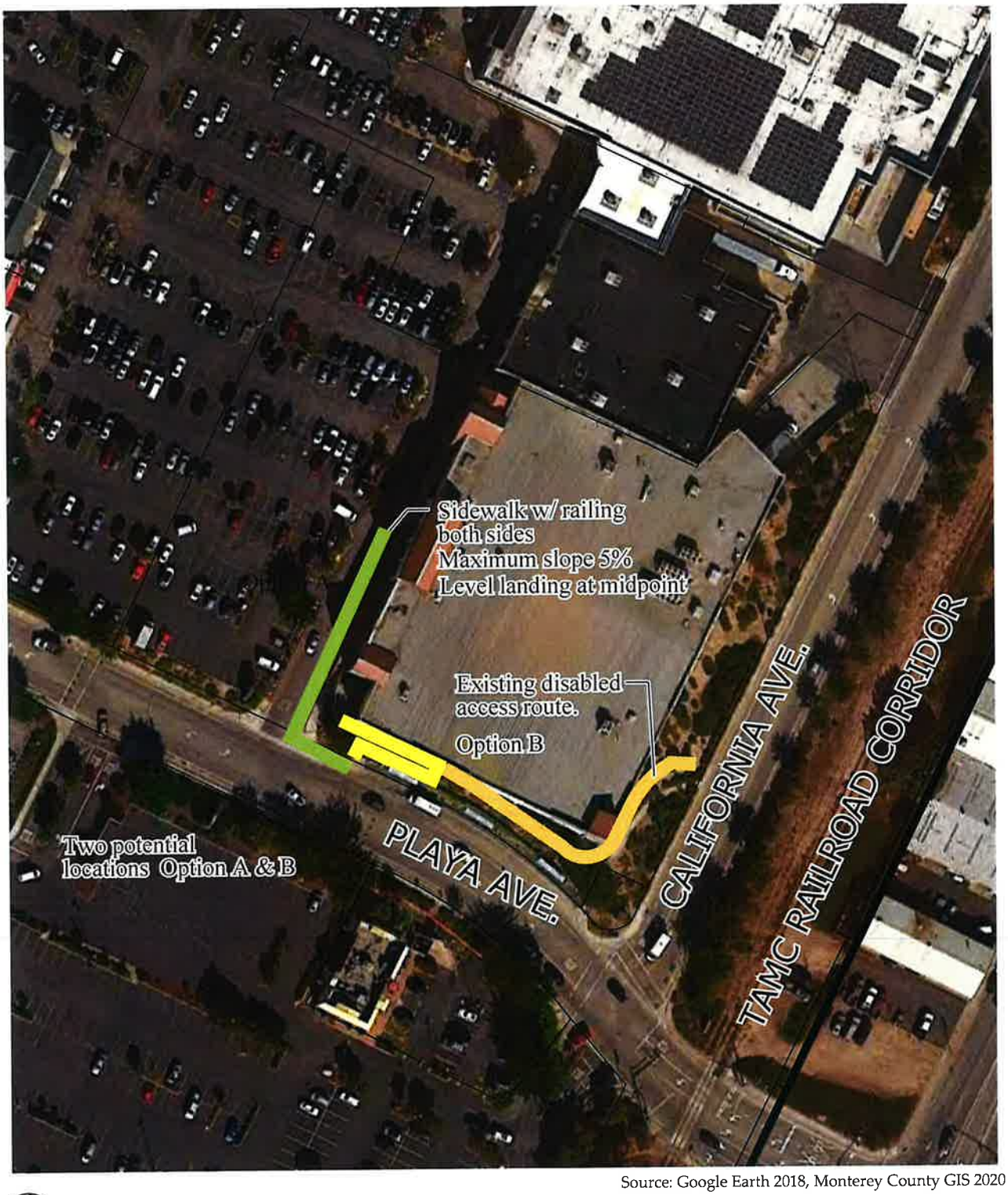
Sidewalk
Crosswalk

Figure 11

Add Continuous Sidewalk From Tioga Ave. to Costco Front Entrance

E M C

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

0 110 feet

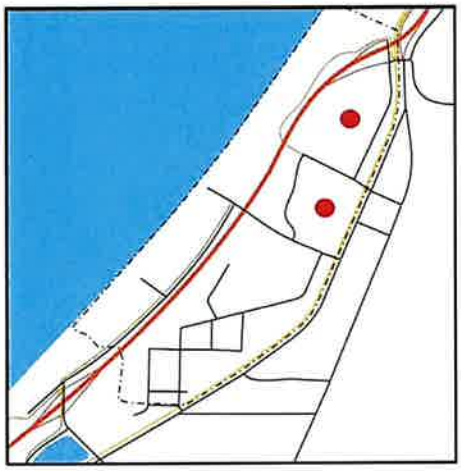
Existing disabled access route
Sidewalk
Crosswalk

Figure 12

Add Continuous Sidewalk Access from Playa Ave. to Lucky Front Entrance

Sand City Sustainable Transportation Plan

Pedestrian Circulation within Sand Dollar and Edgewater Shopping Centers



There is no shopping center pedestrian access from Tioga Ave. at the southwest or California Ave. at the northeast. Internal pedestrian circulation within both shopping centers requires walking in parking lots for considerable distances.

Add Sidewalk at North Edgewater Shopping Center Entrance.

See Figure 13.

Pros	Cons
▪ Provides access for disabled, and safer access for all pedestrians.	▪ Requires agreement of private property owner. ▪ Potential need to modify retaining walls.

Link Existing Parking Lot Walkways within Sand Dollar Shopping Center

(from Marshalls and Costco to Playa Ave. near McDonalds).

See Figure 14.

Pros	Cons
▪ Provides protected pedestrian access to parking spaces and to adjoining streets. ▪ Links Playa Ave. to Marshalls and Costco. ▪ Completes missing link in pedestrian route between Costco and Playa Ave.	▪ May require parking lot redesign, and/or conversion of standard parking spaces to compact spaces. ▪ Requires agreement of private property owner.

Link Anchor and Peripheral Businesses in Edgewater Shopping Center with Walkways.

See Figure 15.

Pros	Cons
▪ Provides protected pedestrian access between stores across parking lot expanse.	▪ Indirect route. ▪ Requires agreement of private property owner.

Use sidewalks on future California Ave. extension to provide pedestrian access to Sand Dollar Shopping Center.

Not illustrated. The City has been working with TAMC to utilize the railroad corridor between Tioga Ave. and Playa Ave. for an extension of California Ave., to provide a continuous right-of-way for California Ave. between Monterey Rd. and Contra Costa St. This option presumes pedestrian access to the Sand Dollar Shopping Center would be provided from the sidewalk along this new segment of California Ave.

Pros	Cons
▪ Provides continuous link between existing segments of California Ave.	▪ Indirect for most Sand Dollar Shopping Center businesses. ▪ Connections require agreement of private property owner.



Source: Google Earth 2018,Monterey County GIS 2020

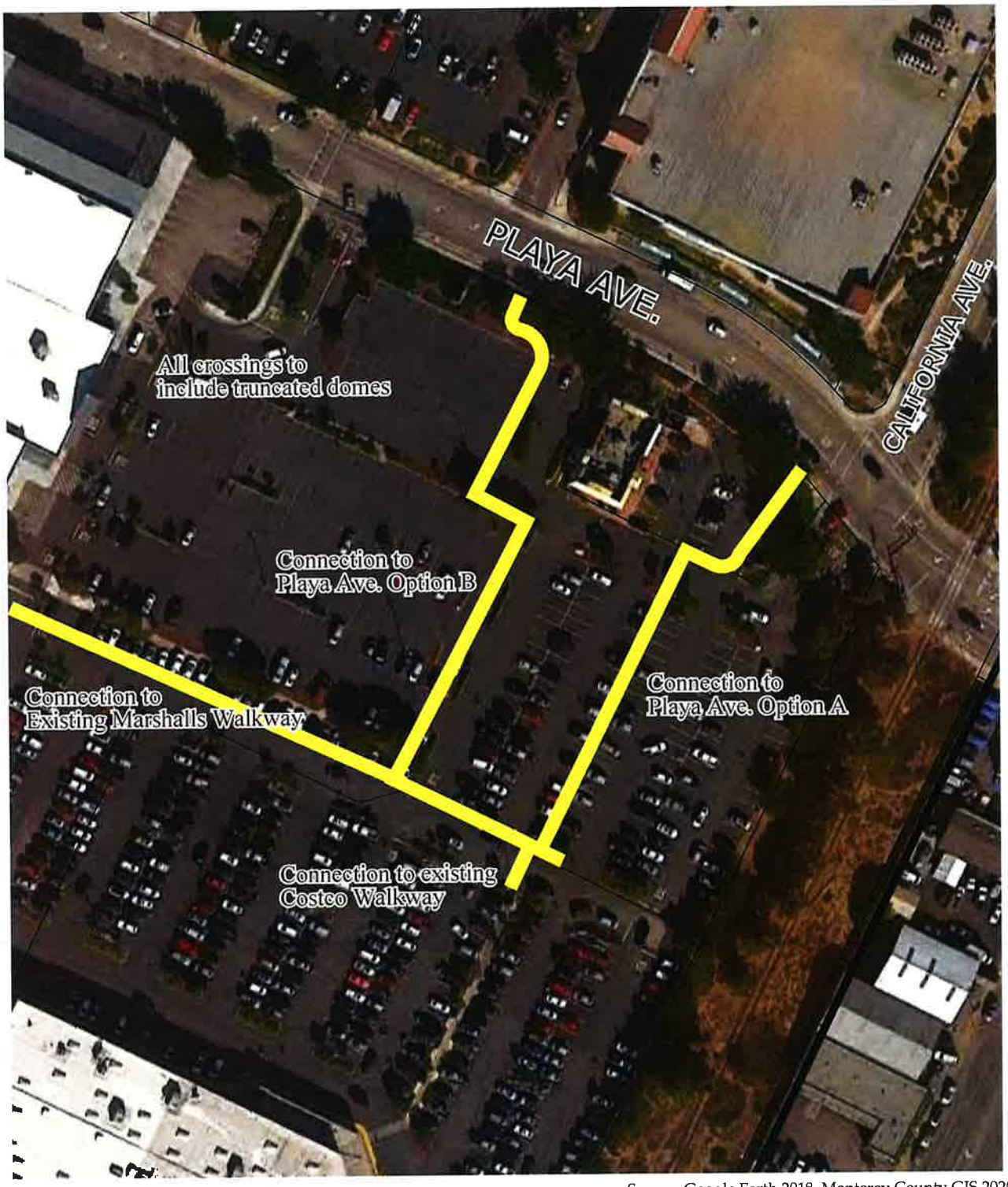
0 110 feet

Sidewalk
Crosswalk

Figure 13

Add Sidewalk at North Edgewater Shopping Center Entrance

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

0 110 feet

Walkway

Figure 14

Link Existing Parking Lot Walkways within Sand Dollar Shopping Center

Sand City Sustainable Transportation Plan

E M C



Source: Google Earth 2018, Monterey County GIS 2020

0 110 feet

Sidewalk

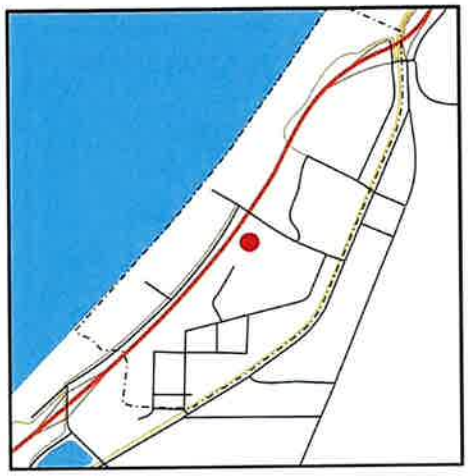
Figure 15

Link Anchor and Peripheral Businesses in Edgewater Shopping Center with Walkways

E M C

Sand City Sustainable Transportation Plan

East Dunes to Tioga Ave./Beach Connection



Informal footpaths between the ends of streets in the East Dunes neighborhood and Tioga Ave. indicate a demand for a pedestrian connection in this area. There is no continuous public right-of-way and these paths cross private property.

Provide a Bicycle/Pedestrian Pathway within Caltrans Right-of-way.

See Figure 16.

Pros	Cons
▪ Continuous right-of-way exists. ▪ Trail has a smaller development footprint than a street.	▪ Cross-section gradients may require retaining wall. ▪ Grade differences require structure to connect to Tioga Avenue bridge. ▪ Need to transition Class 1 to Class 2 bicycle facility at bridge. ▪ Likely to require incidental take permit and habitat mitigation. ▪ Requires Caltrans coordination. ▪ Proximity to freeway lanes presents potential safety issue.

Provide a Bicycle/Pedestrian Pathway along the Alignment of the Informal Pathway.

See Figure 17.

Pros	Cons
▪ Trail has a smaller development footprint than a street.	▪ Need to acquire right-of-way from private properties. ▪ May need to discourage automobile cut-through traffic.

	▪ Likely to require incidental take permit and habitat mitigation.

Extend Park Ave. or Ocean View Ave. to Connect with Tioga Ave.

See Figure 18.

Pros	Cons
▪ Accommodates, automobiles, pedestrians, and bicyclists.	▪ Need to acquire right-of-way from private properties. ▪ May need to discourage automobile cut-through traffic on residential streets. ▪ Likely to require incidental take permit and habitat mitigation.

Elevated Pedestrian Bridge over State Route 1

See Figure 19.

Pros	Cons
▪ Provides traffic-free connection for pedestrians, and bicyclists. ▪ Bridge between Contra Costa St. and West Bay St. leads directly to existing beach access. ▪ Likely minimizes habitat effects.	▪ Need to fit landings at each end and address significant grade difference at end of Contra Costa St. ▪ Expensive. ▪ Requires Caltrans coordination.



Source: Google Earth 2018, Monterey County GIS 2020

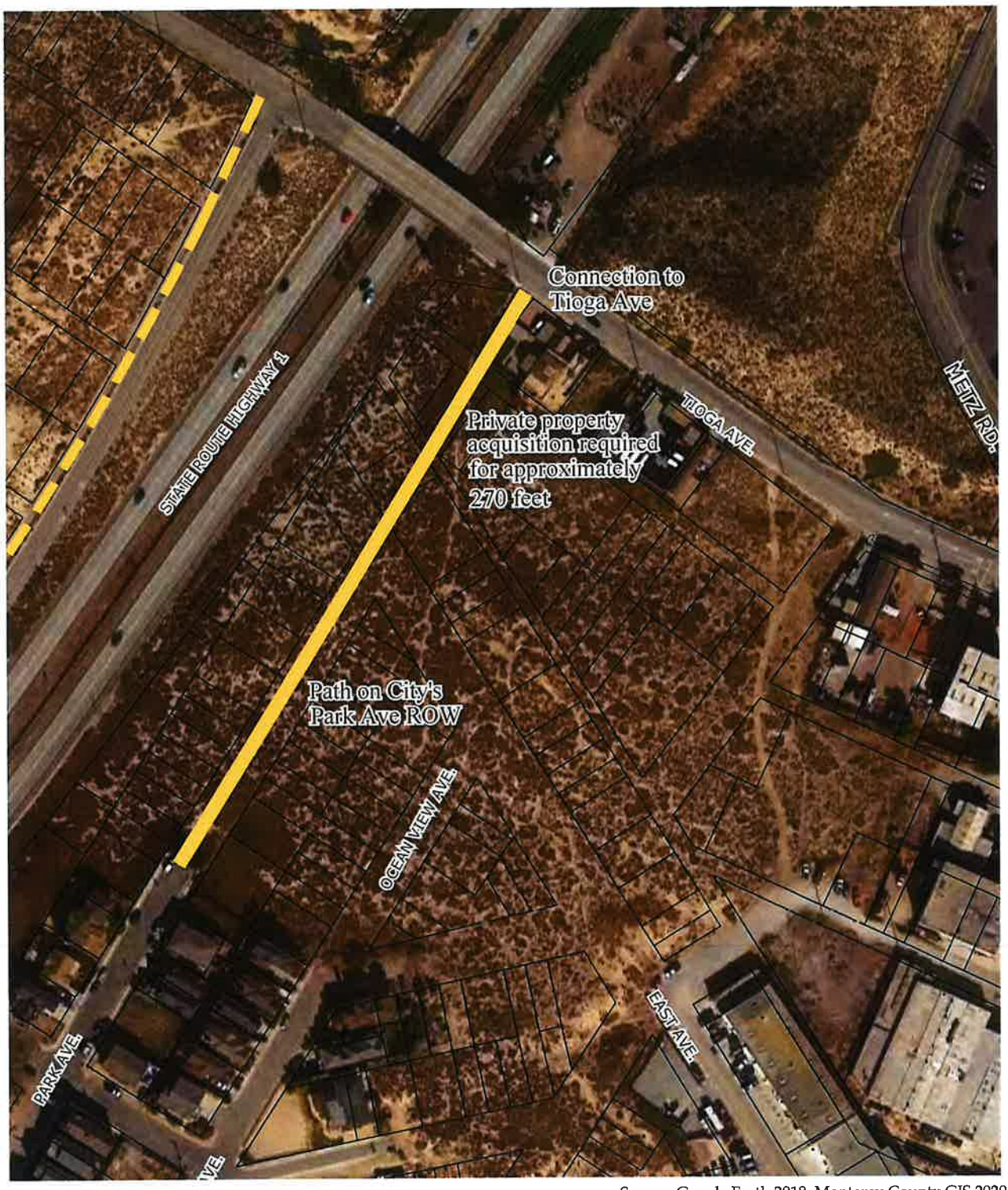
0 160 feet

Existing Recreational Trail
Recreational Trail

Figure 16

Provide a Bicycle/Pedestrian Pathway within Caltrans Right-of-way

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

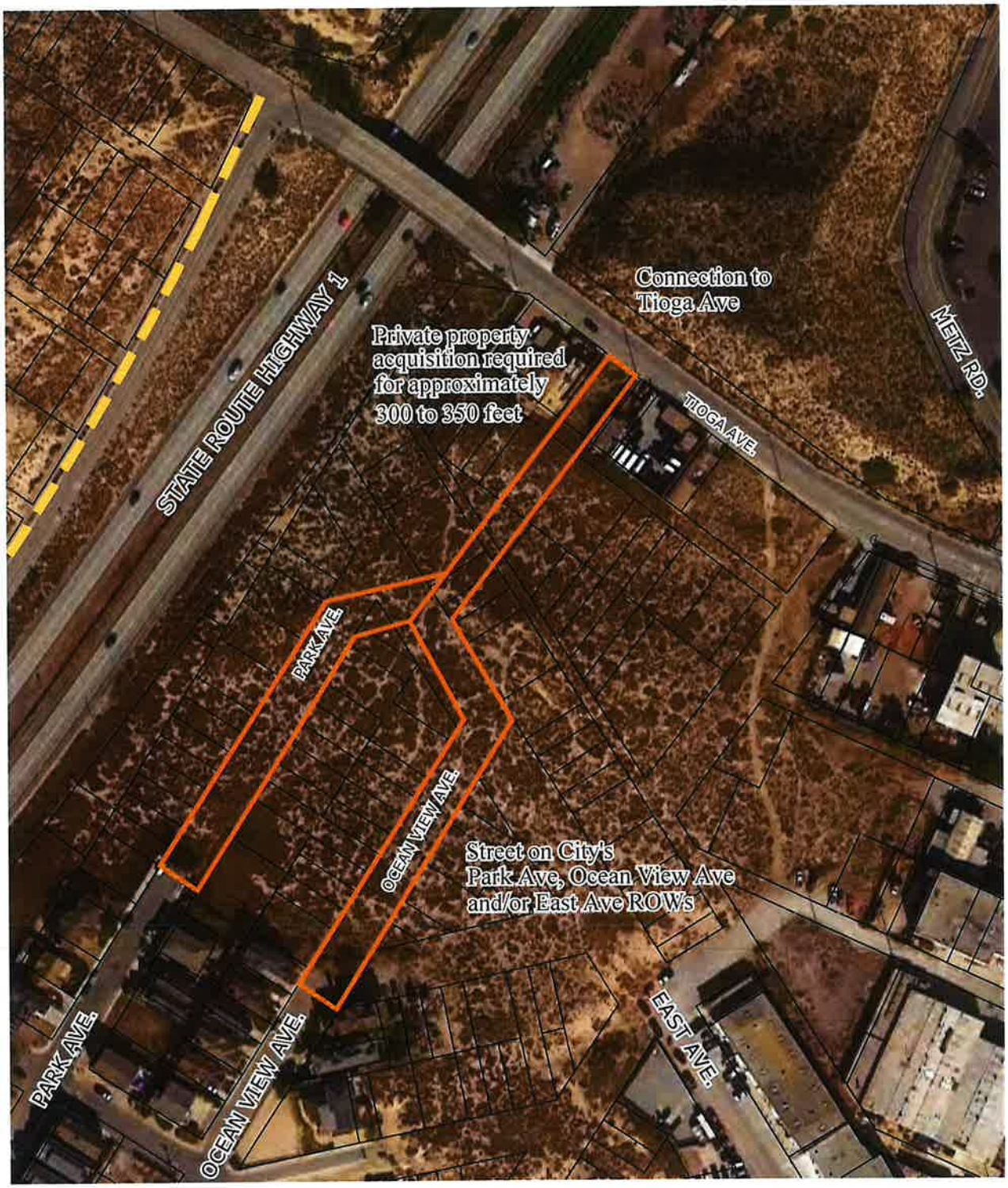
0 160 feet

Existing Recreational Trail
Recreational Trail

Figure 17

Provide a Bicycle/Pedestrian Pathway Along the Alignment of the Informal Pathway

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

0 160 feet

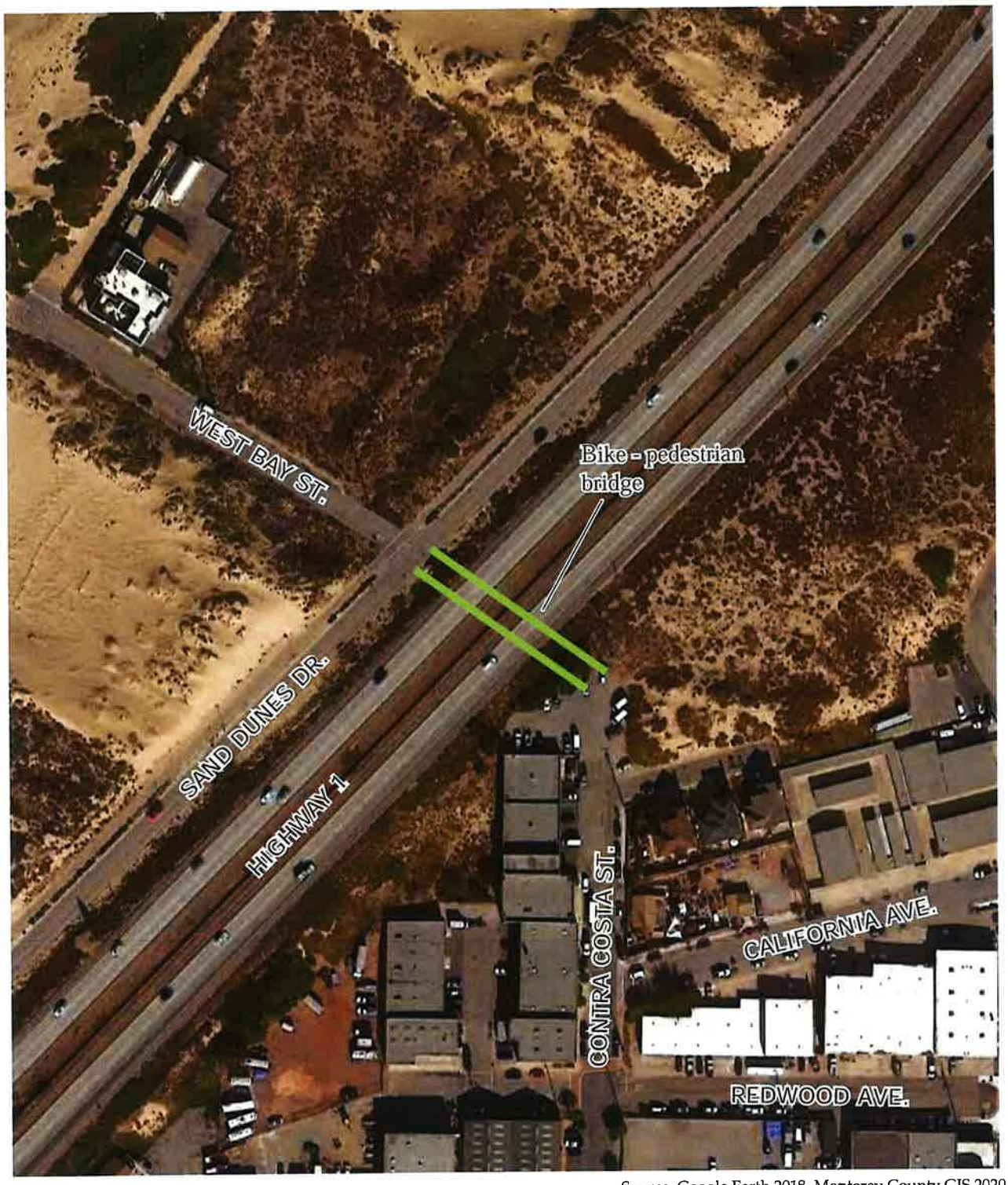
Existing Recreational Trail

Potential Future Street Alignment

Figure 18

Extend Park Ave. or Ocean View to Connect with Tioga Ave.

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

0 150 feet

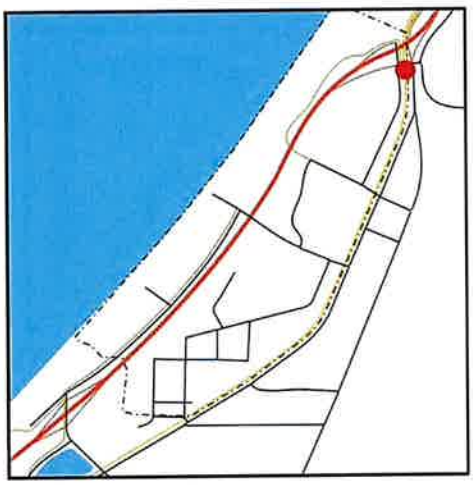
Bicycle/Pedestrian Bridge

Figure 19

Elevated State Route 1 Pedestrian Bridge

Sand City Sustainable Transportation Plan

Seaside High School/Recreation Trail Connections across Del Monte Blvd./California Ave.



Connections between Sand City and Seaside High School, the adjacent residential areas, and the Fort Ord segment of the Monterey Bay Scenic Sanctuary Trail are complicated by the convergence of several major streets and the presence of freeway ramps. The Monterey Bay Area Feasibility Study of Bus on Shoulder Operations on State Route 1 and the Monterey Branch Line recommends the busway go under this intersection in a tunnel. TAMC has developed a conceptual double roundabout design for this intersection.

Utilize Transit Tunnel for a Pathway Connection.

See Figure 20.

Pros	Cons
▪ Seamless trail crossing of busy intersection using tunnel identified in TAMC plans for bus rapid transit.	▪ Secluded nature of tunnels raises security concerns. ▪ May be health issue with fumes in tunnel. ▪ Indirect routing for City of Seaside connection. ▪ Requires Caltrans and TAMC coordination. ▪ Feasibility of tunnel development is uncertain.

Elevated Bicycle/Pedestrian Bridges over Monterey Rd. and/or Fremont Blvd.

See Figure 21.

Pros	Cons
▪ Seamless trail crossings of busy intersections/streets.	▪ Expensive. ▪ May not be adequate distance to land north end beneath freeway overhead, while meeting ADA slopes. ▪ Indirect routing for City of Seaside connection. ▪ Requires Caltrans, TAMC and/or City of Seaside coordination. ▪ Limited room for west landing of bridge over Fremont Blvd.

Enhance Existing Crosswalks at Monterey Rd. and Del Monte Blvd.

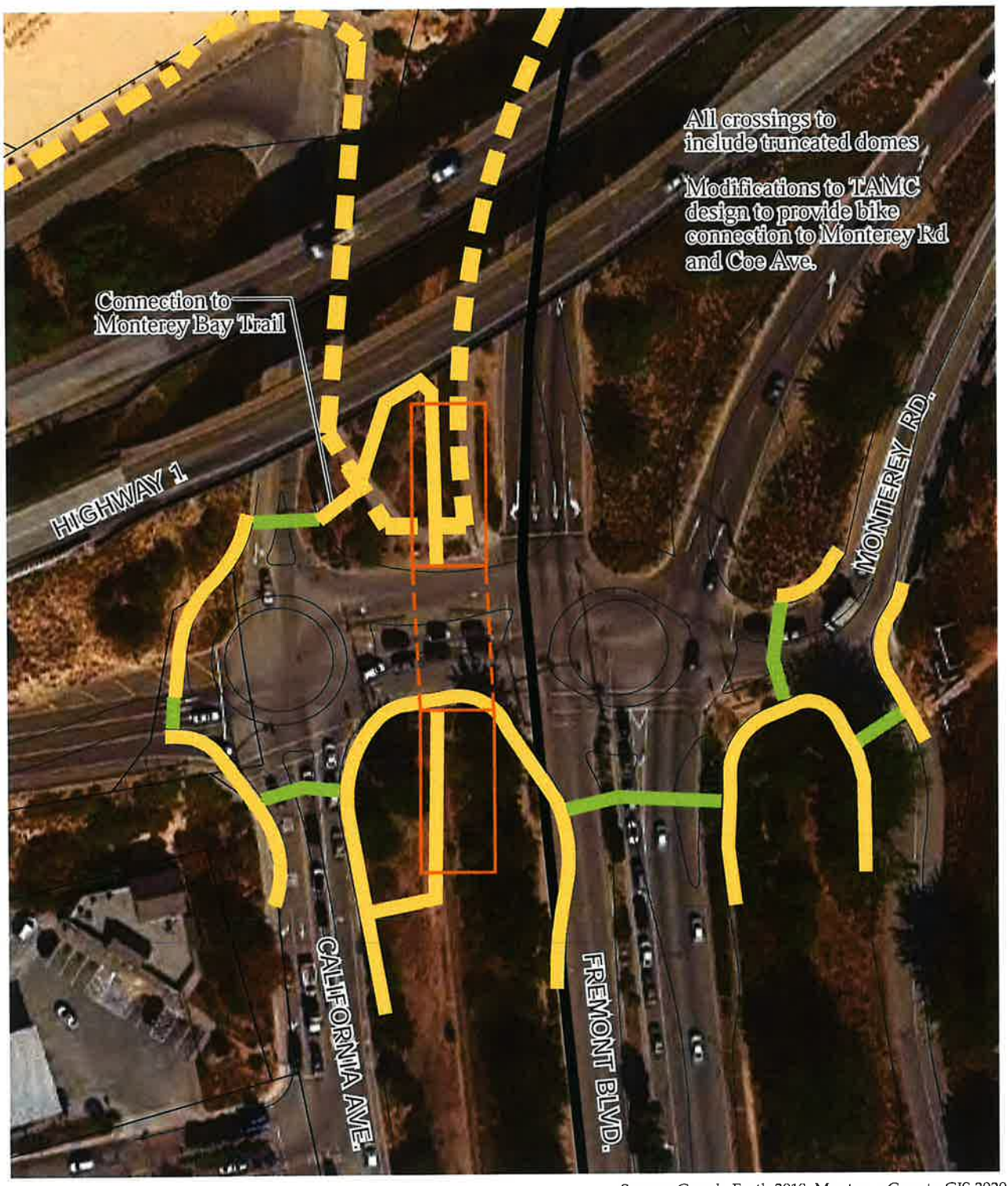
See Figure 22.

Pros	Cons
▪ Existing roadway requires minimal development. ▪ Provides interim improvement.	▪ Multiple traffic lane crossings of busy streets. ▪ Requires City of Seaside coordination.

Design Bicycle and Pedestrian Routes into Double Roundabout.

See Figure 23.

Pros	Cons
▪ Provides permanent connections to City of Seaside and Fort Ord Dunes State Park.	▪ Long horizon for completion. ▪ Multiple traffic lane crossings. ▪ Requires Caltrans, TAMC, and City of Seaside coordination.



Source: Google Earth 2018, Monterey County GIS 2020

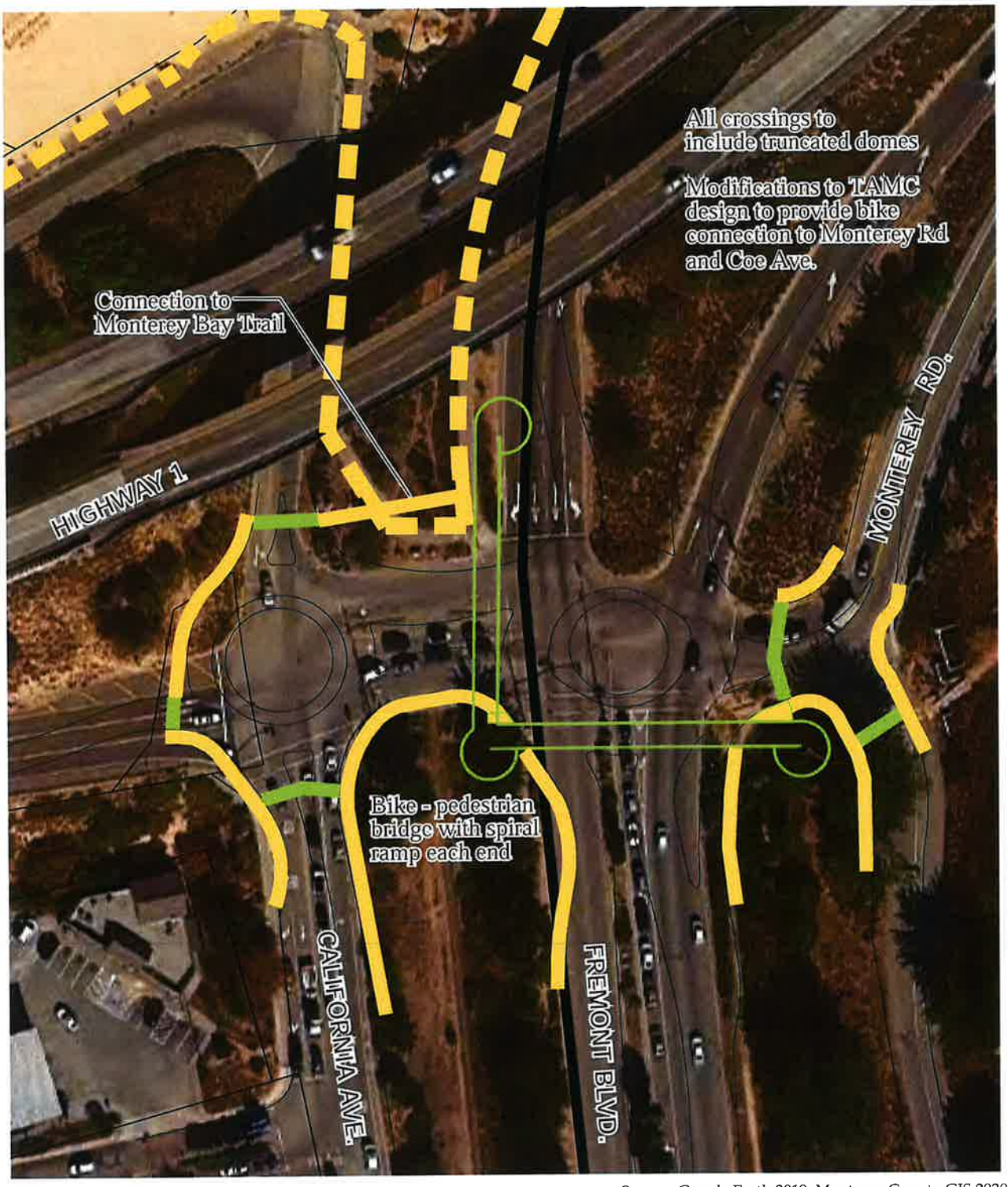
0 85 feet

Transit Tunnel
Sidewalk
Crosswalk
Existing Recreational Trail

Figure 20

Utilize Transit Tunnel for a Pathway Connection

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

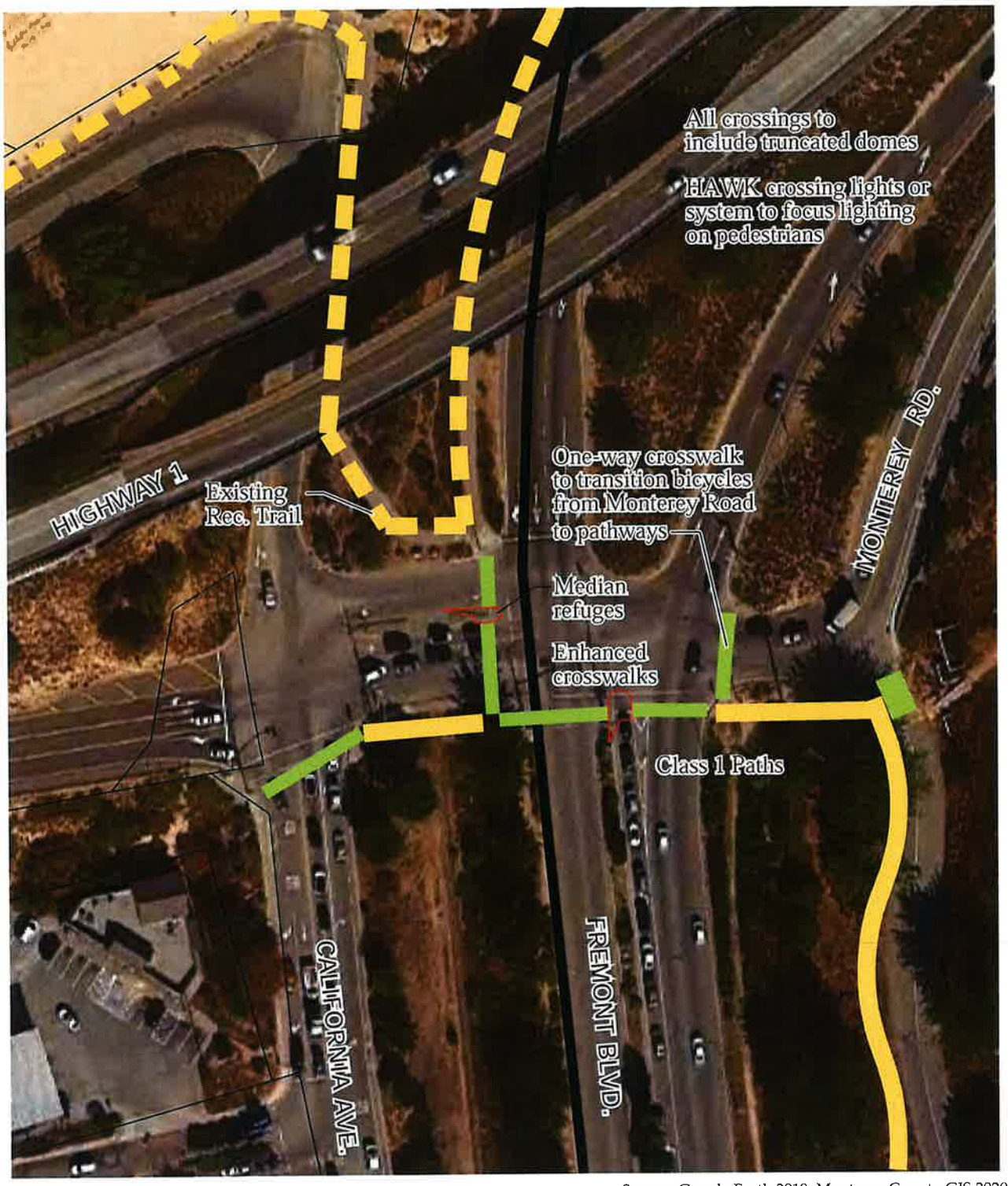
0 85 feet

Crosswalk
Sidewalk
Existing Recreational Trail

Figure 21

Elevated Bicycle/Pedestrian Bridge over Monterey Rd. and/or Fremont Blvd.

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

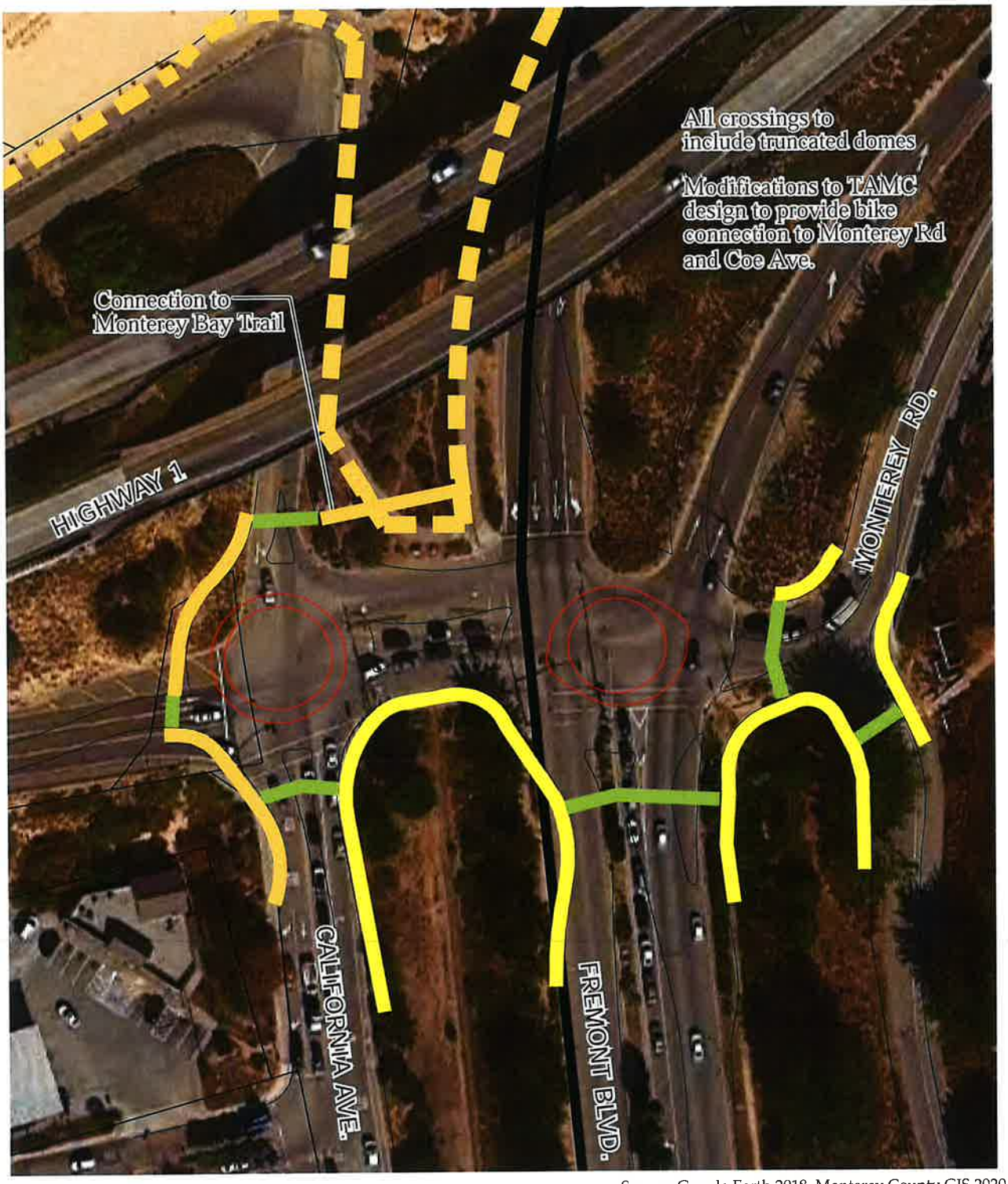
0 85 feet

Sidewalk
Crosswalk
Existing Recreational Trail

Figure 22

Enhance Existing Crosswalks at Monterey Road and Fremont Blvd.

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

0 85 feet

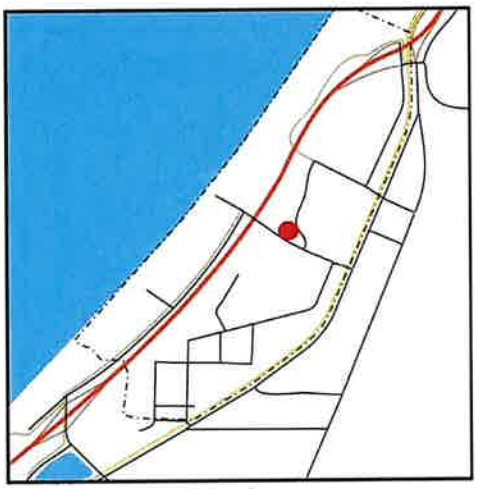
Recreational Trail
Existing Recreational Trail
Crosswalk
Sidewalk

Figure 23

Design Bicycle/Pedestrian Routes into Double Roundabout

Sand City Sustainable Transportation Plan

Monterey Bay Sanctuary Scenic Trail Interim Alignment on Tioga Ave. and Metz Rd.



The Monterey Bay Sanctuary Scenic Trail is currently constructed from Lover's Point in Pacific Grove to north of Marina, with the exception of a gap between Sand Dunes Drive and Playa Ave. The interim Class 2 route uses Metz Road at the back of the Sand Dollar Shopping Center and a segment of Tioga Ave. Aside from a couple of route signs, there are no formal improvements for this interim connection.

Create Class 1 Pathway on Tioga Ave.

See Figure 24.

Pros	Cons
▪ Minimizes traffic crossings if on north side of Tioga Ave.	▪ Northbound bicyclist may require crossing intersection from unexpected direction. ▪ Requires Caltrans coordination.

Create Class 1 Pathway on Metz Rd.

See Figure 25.

Pros	Cons
▪ If located on west side of Metz Rd. and combined with Class 1 on north side of Tioga Ave. eliminates street crossings.	▪ Private property. ▪ Increased parking conflicts if on west side of Metz Rd. ▪ Increased driveway conflicts if on east side of Metz Rd. ▪ May not be adequate room for two traffic lanes, Class 1 path, and habitat preserve/retaining wall.

Stripe Class 2 Bicycle Lanes on Tioga Ave.

See Figure 26.

Pros	Cons
▪ Maintains conventual turning movements. ▪ Clarifies route.	▪ Northbound cyclists continue to make left turns to cross Sand Dunes Dr. and turn onto Metz Rd. ▪ Requires Caltrans coordination.

Improve signage.

Not illustrated. As noted, there are only a couple of route signs indicating turns onto and off of Tioga Ave, and Metz Road. This option would provide for signage that more clearly marks the route, either on the existing streets as they exist, or in conjunction with the infrastructure improvement options described above.

Pros	Cons
▪ Eliminates confusion. ▪ Low cost.	▪ Does not address other issues.



Source: Google Earth 2018, Monterey County GIS 2020

0 160 feet

Recreational Trail
Existing Recreational Trail
Crosswalk

Figure 24

Create Class 1 Pathway on Tioga Avenue

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

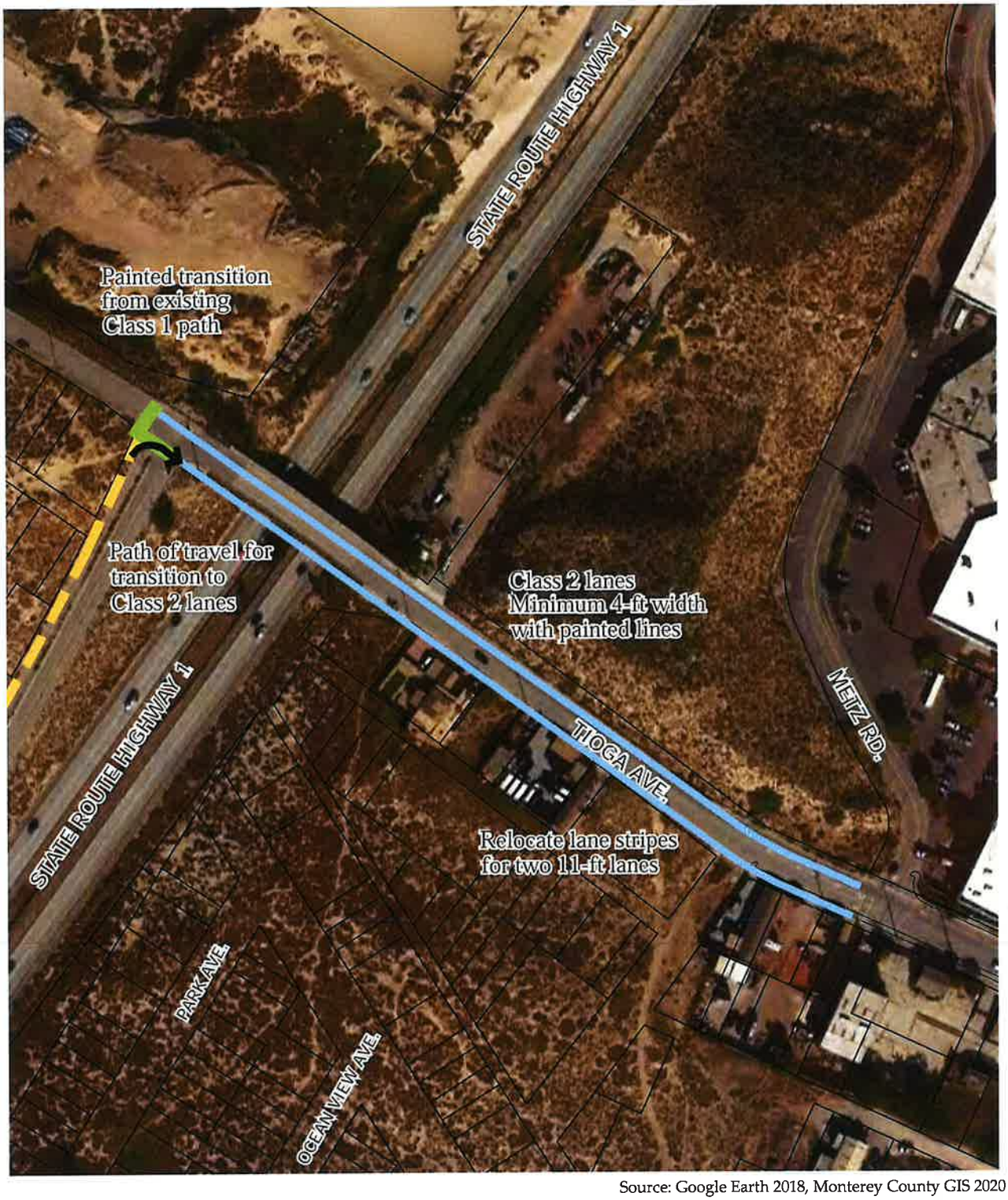
0 160 feet

Recreational Trail
Existing Recreational Trail
Crosswalk

Figure 25

Create Class 1 Pathway on Metz Road

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

0 160 feet

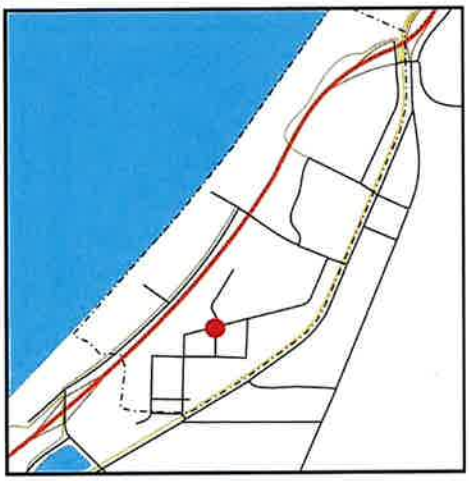
Recreational Trail
Existing Recreational Trail
Class 2 Bike Lanes
Crosswalk

Figure 26

Stripe Class 2 Bicycle Lanes on Tioga Avenue

Sand City Sustainable Transportation Plan

ADA Route between lower West End and California Ave. / East Dunes



A lack of continuous sidewalks combined with steep grades on several blocks make access between the lower areas of the West End, City Hall/Calabrese Park, and the East Dunes difficult or impossible for the disabled.

Establish ADA-compliant Route on Contra Costa St. and California Ave.
See Figure 27.

Pros	Cons
▪ Ties in with planned public improvement of Contra Costa St from railroad right-of-way to Redwood Ave. ▪ Second most direct route for West End.	▪ One utility pole on west side of California Ave. requires moving, or sidewalk expanding. ▪ Both sides of California Ave. have long driveway cuts.

Construct ADA compliant sidewalk on Hickory St. between Redwood Ave. and California Ave.
Not illustrated. This block of Hickory St. was reconstructed by the City several years ago, but an accessible sidewalk could not be included due to the steep grades and minimal right-of-way width.

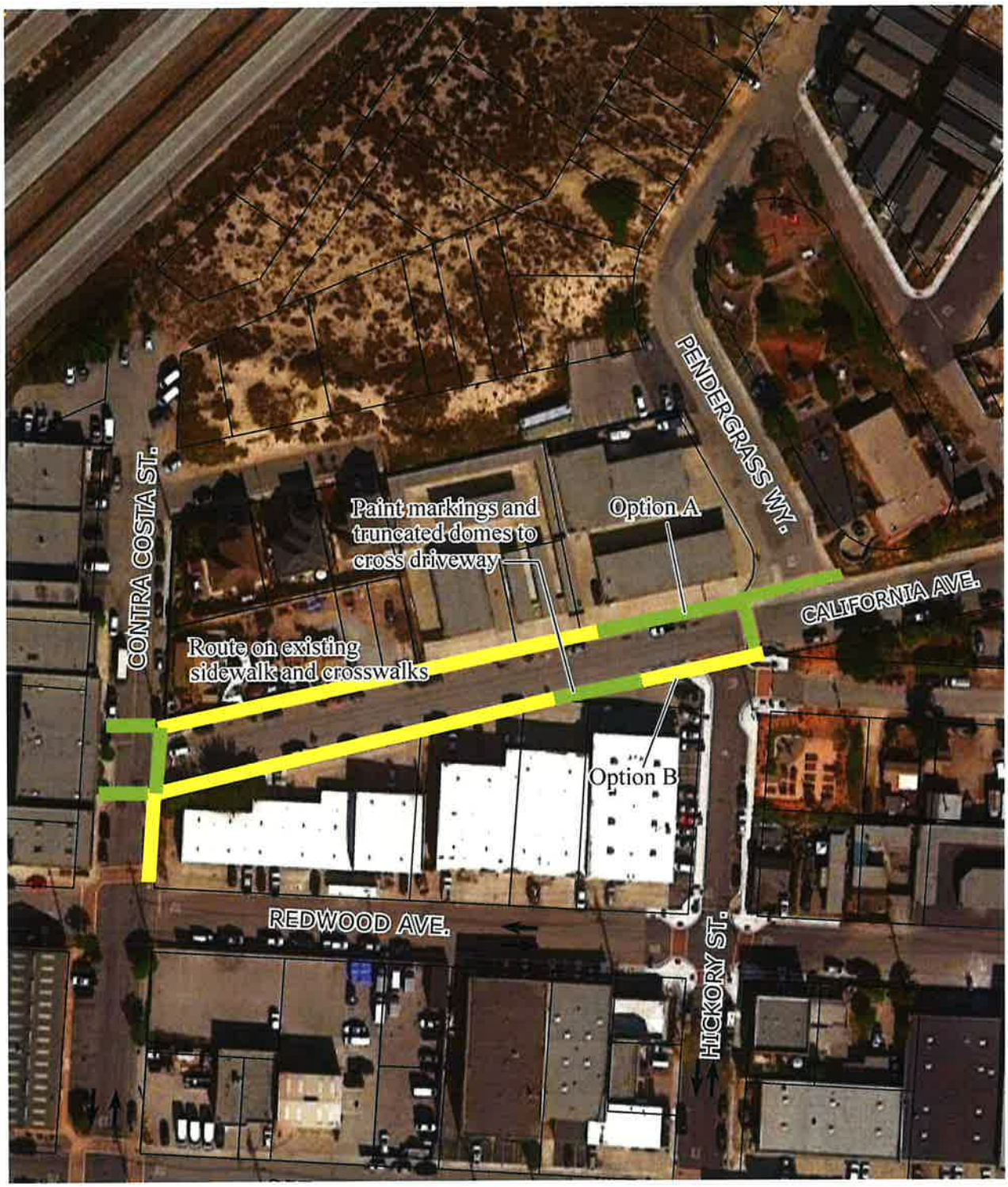
Pros	Cons
▪ Most direct route.	▪ Very steep grade. ▪ Recent sidewalk improvements were unable to provide a reduced grade.

Construct ADA accessible sidewalk on Holly St. between Dias Ave. and California Ave.
Not illustrated. This block of Holly St. is steepest just before the intersection with California Ave. Private development adjacent to the right-of-way constrains construction of a switch-back sidewalk that may be necessary to keep grades at no greater than 5 percent.

Pros	Cons
▪ Grade is short and not extremely steep.	▪ Very limited space for switchbacks to reduce grade. ▪ Utility pole on California Ave. opposite Holly St. requires moving or sidewalk expanding. ▪ Cars park across sidewalk on California Ave. near Pendergrass Way. ▪ No sidewalk on east side of California Ave. ▪ Least direct route for most of West End.

Construct ADA-accessible Pathway from City Hall through Calabrese Park.
See Figure 28.

Pros	Cons
▪ Provides additional access within park. ▪ Provides reasonable grade pathway from City Hall to East Dunes residential neighborhood.	▪ May require design changes within park. ▪ Need to address steep gradients through switchback.



Source: Google Earth 2018, Monterey County GIS 2020

0 110 feet

Sidewalk
Crosswalk

Figure 27

Establish ADA-Accessible Route on Contra Costa St. and California Ave.

Sand City Sustainable Transportation Plan



Source: Google Earth 2018, Monterey County GIS 2020

0 65 feet

Sidewalk

Figure 28

Construct ADA-accessible Pathway from City Hall through Calabrese Park

Sand City Sustainable Transportation Plan

Additional specific and general locations were identified as impeding pedestrian, bicycle, or disabled access, but generally require standard improvements, such as completion of gaps in sidewalks, or removal of barriers. Therefore, these needs are noted here, but no conceptual illustrations are provided.

Sand City Entrances from City of Seaside / Del Monte Blvd.

Contra Costa St., Playa Ave., and Tioga Ave. provide access from Del Monte Blvd. into Sand City. These streets have sidewalk gaps that affect pedestrians generally, and disabled persons in particular.

West End Through Route for Pedestrians and Bicyclists

While a trail on the railroad corridor may eventually provide a bicycle and pedestrian connection through the West End, as the safest and most direct route, suitable street routes should provide through assess on an interim basis, and local access to the West End businesses and residences on a permanent basis. The Vibrancy Plan included recommendations for priority bicycle and pedestrian routes in the West End.

Del Monte Blvd. Midpoint Connection

An informal pedestrian pathway over vacant private property and the railroad corridor near the Tesla and the Sand Dollar Shopping Center demonstrates a demand for a pedestrian connection in this area. The informal pathway crosses private property that does not contain structures. When sidewalks are completed on Tioga Ave. there will be a reasonable alternative on City streets. A new connection to Del Monte Blvd. would be beneficial, but would require private property acquisition.

General Intersection Crossing and Sidewalk Improvements

Numerous streets within the West End have sidewalk gaps, are completely lacking sidewalks, or have barriers to access within the sidewalk (e.g., utility poles). Some intersections lack ramps or do not meet current ADA standards. The City has already completed some of these necessary improvements, and has plans to address other locations as funding becomes available. When funding becomes available, the City considers those locations with the greatest need, as priority areas. The Vibrancy Plan included recommendations for priority bicycle and pedestrian routes in the West End. Many of these locations are identified in the Existing Conditions Report or in comments from the walking tour.

Bicycle Parking

The City is in need of additional bicycle parking in many areas. Existing bicycle parking locations are shown in the Existing Conditions Report.

EXHIBIT B

On-Line Survey Outreach Responses

#1

COMPLETE

Collector:	Link to Transportation Survey (Web Link)
Started:	Monday, December 06, 2021 9:59:34 PM
Last Modified:	Monday, December 06, 2021 10:17:51 PM
Time Spent:	00:18:17
IP Address:	73.162.220.120

Page 1: Community Survey

Q1

The Sand City Vibrancy Plan and the Sand City Sustainable Transportation Plan envision an extension of the Rec Trail along the railroad corridor into Sand City from Roberts Lake in Seaside. Prioritize construction of a pathway on the following railroad corridor segments:



1

Canyon del Rey Boulevard to Contra Costa Street.



2

Contra Costa Street to Holly Street.



3

Holly Street to Tioga Avenue.



4

Tioga Avenue to Playa Avenue.



5

Playa Avenue to Monterey Road.

Q2

Under current conditions, it is difficult for someone in a wheelchair, or with other mobility issues, to get around Sand City. In addition to some steep slopes, sidewalks often end abruptly.Prioritize the following mobility-challenged access improvements:



Accessible sidewalk connections to Del Monte Boulevard. **1**



Accessible pathway through Calabrese Park connecting City Hall to East Dunes District. **5**



Continuous accessible pathway/sidewalk through the shopping centers. **2**



New ADA access from the Transit Center to Lucky Market. **3**



Accessible route from Ortiz Avenue to City Hall. **4**



Accessible path to the beach. **6**

Q3

Sand City's bicycle routes and paths are limited to two non-contiguous sections of the Monterey Bay Sanctuary Scenic Trail, an interim on-street link, and a couple of streets with bicycle lanes. Prioritize the following bicycle improvements:



Interim improvements along Metz Road and Tioga Avenue. **3**



Trail connection from California Avenue to Fort Ord Dunes State Park/Seaside High School. **1**



Trail connection from Canyon del Rey Boulevard to West End District. **5**



Improvements on Playa Avenue into Seaside. **2**



Completion of Monterey Bay Trail between Tioga Avenue and Playa Avenue. **4**

Q4

Many sidewalks in Sand City are blocked by utility poles or parked cars, or a sidewalk doesn't exist at all. In other parts of Sand City, you have to walk through a parking lot or use a poorly marked crosswalk. Prioritize the following pedestrian improvements:



One continuous sidewalk route through the West End District. **4**



Continuous pathway/sidewalk through the shopping centers. **1**



Improved access to Seaside High School and Fort Ord Dunes State Park. **3**



Enhanced crosswalks on Playa Avenue, Tioga Avenue, and Contra Costa Street. **5**



New mid-block crosswalk at the Sand City Station / Lucky Market / McDonalds **2**

Q5

The West End District is a transitioning industrial warehouse area, and little thought was given to accommodating walkers, cyclists, or the mobility challenged when the streets were built. Prioritize actions to improve circulation within the West End District:


Construct missing sidewalks. **4**


Prevent parking across existing sidewalks. **5**


Eliminate sidewalk blockages (fire hydrants, poles, etc.). **1**


Construct additional wheelchair ramps. **3**


Sign a bicycle route. **2**


Eliminate parking to make room for bicycle lanes. **6**

Q6

We realize there is a wide range of reasons that someone would choose not to walk or bicycle within Sand City. We'd like to know what impedes you the most. For yourself, what are the most significant problems for getting around Sand City without a car? [choose up to three]

Lack of time.,

Steep slopes.,

Concerned about crime.

Q7

We would love to hear any other concerns that were not included above, or additional information on any of your answers above. If you have specific comments or examples regarding your answer to the question above, please share those.

Respondent skipped this question

Q8

Please provide any comments you have on the Second Draft Sustainable Transportation Plan:

Respondent skipped this question

Q9

Finally, to help better understand your answers, we'd like to know a little bit about who you are.Tell us about yourself: [choose all that apply]

I live elsewhere on the Monterey Peninsula.,

I work in Sand City.

Q10

I use the following transportation at least once a month: [choose all that apply]

Walk.,

Bicycle.

Q11

Which of these is your primary means of transportation within Sand City?[choose 1]

Car.

EXHIBIT C

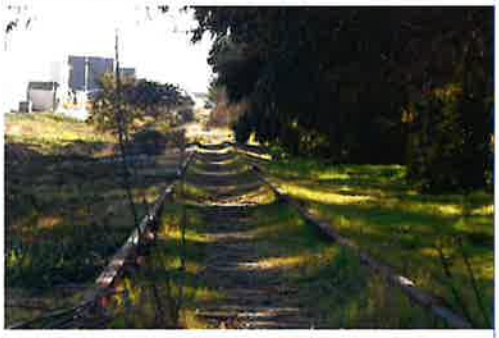
Initial Study & Proposed Mitigated Negative Declaration

Initial Study and Proposed Mitigated Negative Declaration

Sand City Sustainable Transportation Plan

October 29, 2021







Prepared by

EMC Planning Group

PROPOSED MITIGATED NEGATIVE DECLARATION

SAND CITY
SUSTAINABLE TRANSPORTATION PLAN

PREPARED FOR

City of Sand City

Charles Pooler, City Planner

1 Pendergrass Way

Sand City, CA 93955

Tel 831.394.3054

PREPARED BY

EMC Planning Group Inc.

301 Lighthouse Avenue, Suite C

Monterey, CA 93940

Tel 831.649.1799

Fax 831.649.8399

Richard James, AICP, Principal

james@emcplanning.com

www.emcplanning.com

October 29, 2021

This document was produced on recycled paper.

PROPOSED MITIGATED NEGATIVE DECLARATION

In Compliance with the California Environmental Quality Act (CEQA)

Project Name	Sand City Sustainable Transportation Plan
Lead Agency	Sand City
Project Proponent	Sand City Community Development Department
Project Location	Sand City
Project Description	The Sustainable Transportation Plan proposes conceptual improvements within and adjacent to Sand City to improve circulation for pedestrians, bicyclists, and the mobility-challenged, and improve access to transit. The Sustainable Transportation Plan will guide future investments in non-motorized transportation facilities. No final improvement designs have been prepared at this time; the improvements depicted in the Sustainable Transportation Plan are conceptual.
Public Review Period	November 3 to December 3, 2021
Written Comments To	Charles Pooler, City Planner
Proposed Findings	The City of Sand City is the custodian of the documents and other material that constitute the record of proceedings upon which this decision is based. The initial study indicates that the proposed project has the potential to result in significant adverse environmental impacts. However, the mitigation measures identified in the initial study would reduce the impacts to a less than significant level. There is no substantial evidence, in light of the whole record before the lead agency City of Sand City that the project, with mitigation measures incorporated, may have a significant effect on the environment. See the following project-specific mitigation measures:

Mitigation Measures

Biological Resources

BIO-1 Prior to construction of project components, a biologist qualified in botany shall conduct a focused survey for special-status plant species in accordance with current CDFW and CNPS rare plant survey protocols (CDFW 2009 and CNPS 2001). The survey shall occur during the peak blooming period for these species to determine their presence or absence. Some special-status plant species are only identifiable during their blooming periods and surveys are only considered valid if they occur when blooms are visible. Based on the known blooming periods of the special-status plant species potentially present, two surveys are proposed to adequately survey the project site: the first in May and the second in June/July. If possible, known reference populations of the target species in the project vicinity shall first be visited to verify that the species is observable, and the focused survey shall be conducted within two weeks of observing the reference population in full bloom.

The biologist shall then prepare a brief report documenting the results of the surveys. If the focused surveys conclude that special-status plant species are not present within the project site boundary, or if they are present but impacts to them can be completely avoided, then no further mitigation would be required.

If the focused surveys identify special-status plant species within the project site boundary and they would be affected by the proposed project, then appropriate mitigation shall be developed by the biologist and implemented by the City prior to disturbance. Measures may include, but are not limited to:

a. A qualified biologist shall identify an on-site or off-site mitigation area suitable for restoration of habitat and seed transplantation for any special-status plant species.

b. Prior to approval of a grading permit, a qualified biologist or native plant specialist shall perform seed collection from all special-status plants located within the impact areas and implement seed installation at a mitigation area at the optimal time. Additionally, topsoil from the special-status species occurrence area(s) shall be salvaged (where practical) for use in the mitigation area.

c. A maintenance and monitoring program shall be developed by a qualified biologist and established for a minimum of five years after mitigation area installation to verify that restoration activities have been successful. Maintenance activities may include, but not be limited to, watering during

the plant establishment period, supplemental seed planting as needed, and removal of non-native plants. Monitoring shall include, at a minimum, quarterly monitoring reports for the first year and annual reports for the remaining four years. The performance standard for successful mitigation shall be a minimum 3:1 replacement ratio (i.e., three plants observed in mitigation area for each plant lost from the project site) achieved in at least one of the five years of monitoring.

The City shall be responsible for implementation of this mitigation measure. Compliance with this measure shall be documented prior to approval of a grading permit or commencement of work on improvement plans. This measure shall not be necessary for improvements located within paved or landscaped areas.

BIO-2 Prior to construction of project components, a qualified biologist shall conduct a training session for all construction personnel. At a minimum, the training shall include a description of special-status species potentially occurring in the project vicinity, including, but not limited to, American badger, burrowing owl, western snowy plover, Northern California legless lizard, coast horned lizard, Smith's blue butterfly, monarch butterfly, special-status bats, nesting birds, and special-status plants (if found). Their habitats, general measures that are being implemented to conserve species as they relate to the project, and the boundaries within which construction activities will occur will be explained. Informational handouts with photographs clearly illustrating the species' appearances shall be used in the training session. All new construction personnel shall undergo this mandatory environmental awareness training. The project applicant/proponent shall document evidence of completion of this training prior to prior to approval of a grading permit or commencement of work on improvement plans. This measure shall not be necessary for improvements located within paved or landscaped areas.

The qualified biologist will train biological monitors selected from the construction crew by the construction contractor (typically the project foreman). Before the start of work each day, the monitor will check for animals under any equipment such as vehicles and stored pipes within active construction zones. The monitor will also check all excavated steep-walled holes or trenches greater than one foot deep for trapped animals. If a special-status species is observed within an active construction zone, the qualified biologist will be notified immediately and all work within 50 feet of the individual will be halted and all equipment turned off until the individual has left the construction area.

Implementation of this mitigation measure would reduce the potential significant impact to special-status species to a less-than-significant level by requiring construction personnel to undergo environmental awareness training to identify special-status species potentially occurring on the project site.

BIO-3 Not more than 14 days prior to the commencement of ground-disturbing activities, a qualified wildlife biologist shall conduct surveys of grassland and ruderal habitat on site to identify any potential American badger burrows/dens. If the survey results are negative (i.e., no badger dens observed), a letter report confirming absence will be prepared and submitted to the City and no further mitigation is required.

If the results are positive (badger dens are observed), the qualified biologist shall determine if the dens are active by installing a game camera for 3 days and 3 nights to determine if the den is in use.

a) If the biologist determines that a den may be active, coordination with the CDFW shall be undertaken to develop a suitable strategy to avoid impacts to American badger. The strategy may include the following: the biologist shall install a one-way door in the den opening and continue use of the game camera. Once the camera captures the individual exiting the one-way door, the den can be excavated with hand tools to prevent badgers from reusing them. If the biologist determines that the den is a maternity den, construction activities shall be delayed during the maternity season (February to August), or until the badgers leave the den on their own accord or the biologist determines that the den is no longer in use.

b) If the game camera does not capture an individual entering/exiting the den, the den can be excavated with hand tools to prevent badgers from reusing them.

After dens have been excavated and the absence of American badger confirmed, a letter report will be prepared and submitted to the City.

BIO-4 To avoid/minimize impacts to burrowing owls potentially occurring within the project site, the City shall retain a biologist qualified in ornithology to conduct surveys for burrowing owl. The approved biologist shall conduct a two-visit (i.e., morning and evening) presence/absence survey at areas of suitable habitat on and adjacent to the project site boundary no less than 14 days prior to the start of construction or ground disturbance activities. Surveys shall be conducted according to the methods for take avoidance described in the *Burrowing Owl Survey Protocol and Mitigation Guidelines* (California Burrowing Owl Consortium

1993) and the *Staff Report on Burrowing Owl Mitigation* (CDFW 2012). If no burrowing owls are found, a letter report confirming absence will be prepared and submitted to the City and no further mitigation is required.

Because burrowing owls occupy habitat year-round, seasonal no-disturbance buffers, as outlined in the *Burrowing Owl Survey Protocol and Mitigation Guidelines* (CBOC 1993) and the *Staff Report on Burrowing Owl Mitigation* (CDFW 2012), shall be in place around occupied habitat prior to and during any ground disturbance activities. The following table includes buffer areas based on the time of year and level of disturbance (CDFW 2012), unless a qualified biologist approved by the CDFW verifies through non-invasive measures that either: 1) birds have not begun egg laying and incubation; or 2) that juveniles from the occupied burrows are foraging independently and are capable of independent survival.

Location	Time of Year	Level of Disturbance Buffers (meters)		
		Low	Med	High
Nesting Sites	April 1 – Aug 15	200 m	500 m	500 m
Nesting Sites	Aug 16 – Oct 15	200 m	200 m	500 m
Nesting Sites	Oct 16 – Mar 31	50 m	100 m	500 m

If burrowing owl is found and avoidance is not possible, burrow exclusion may be conducted by qualified biologists only during the non-breeding season, before breeding behavior is exhibited and after the burrow is confirmed empty through non-invasive methods, such as surveillance. Occupied burrows shall be replaced with artificial burrows at a ratio of one collapsed burrow to one constructed artificial burrow (1:1). Evicted burrowing owls may attempt to colonize or re-colonize an area that would be impacted, thus ongoing surveillance during project activities shall be conducted at a rate sufficient to detect burrowing owls if they return.

If surveys locate occupied burrows in or near construction areas, consultation with the CDFW shall occur to interpret survey results and develop a project-specific avoidance and minimization approach. Once the absence of burrowing owl has been confirmed, a letter report will be prepared and submitted to the City.

This measure shall not be required for improvements located within paved or landscaped areas.

BIO-5 To avoid impacts to nesting western snowy plover, project construction within 200 feet of United States Fish and Wildlife Service (USFWS)-designated habitat shall occur outside the nesting season (September 16 to March 14).

If construction must occur during the western snowy plover nesting season (March 15 to September 15), the biologist shall coordinate with Point Blue Conservation Science and the USFWS who regularly monitor western snowy plover nesting to determine if any western snowy plovers are nesting close to the project site.

A report documenting coordination with Point Blue Conservation Science and the USFWS and a plan for active bird nest avoidance (if needed) will be completed by the biologist and submitted to the City prior to disturbance and/or construction activities. If no active bird nests are reported within 200 feet of the construction area, then project activities can proceed without scheduling constraints. If nesting occurs within 200 feet of the proposed project, construction may not occur until the young have fledged and left the area or Incidental Take Authorization has been obtained from USFWS.

The on-site western snowy plover critical habitat area shall not be disturbed by construction activities.

BIO-6 Prior to construction, the following measures to avoid or minimize impacts to legless lizards and coast horned lizards shall be implemented:

a. Not less than three months prior to the start of grading activities (including staging and mobilization), a qualified biologist shall place coverboards in impact areas with suitable habitat (coastal dune scrub and disturbed maritime chaparral mixed with coastal dune scrub) for legless lizards and coast horned lizard. The coverboards shall be at least four feet by four feet and constructed of untreated plywood placed flat on the ground. The coverboards shall be checked by the biologist once per week for each week after placement up until the start of vegetation removal. All legless lizards and coast horned lizards found under the coverboards shall be captured and placed in five-gallon buckets for transportation to relocation sites. If areas are left undisturbed for a period of three months or longer, the coverboards will replaced and relocation efforts will be repeated prior to the re-initiation of ground disturbance activities.

b. All relocation sites shall be approved by Sand City and shall consist of suitable habitat. Relocation sites shall be as close to the capture site as possible but far enough away to ensure the animal(s) is/are not harmed by construction of the project. Relocation shall occur on the same day as capture. California Department of Fish and Wildlife *California Natural Diversity Database* Native Species Field Survey Forms shall be submitted to the California Department of Fish and Wildlife for all special-status species observed.

c. During all initial ground vegetation removal activities, a qualified biologist shall be on the site to recover any legless lizards and coast horned lizards that may be excavated/unearthed. If the animals are in good health, they shall be immediately moved to relocation sites. If they are injured, the animals shall be released to a wildlife recovery specialist until they are in a condition to be released into relocation sites.

d. A report of all preconstruction survey efforts and monitoring during initial ground vegetation removal shall be submitted to the City within 30 days of completion of the survey/monitoring efforts to document compliance. The report shall include the dates, times, weather conditions, and personnel involved in the surveys and monitoring. The report shall also include for each captured special-status animal, the Universal Transverse Mercator coordinates and habitat descriptions of the capture and release sites, the length of time between capture and release, and the general health of the individual(s).

This measure shall not be required for improvements located within paved or landscaped areas.

BIO-7 If construction is proposed during the monarch overwintering period (October through April), the City shall conduct a pre-construction survey for overwintering monarch butterfly habitat within 150 feet of any area proposed for disturbance. The pre-construction survey shall be conducted by a qualified biologist no more than 15 days prior to commencement of construction. The biologist shall have familiarity with monarch butterflies. If no monarch butterflies are found, no further mitigation would be required. A report documenting survey results will be completed by the biologist and submitted to the City prior to disturbance and/or construction activities.

If monarch butterflies are encountered, the location shall be documented and an exclusion area of a minimum of 150 feet shall be established, in coordination with CDFW and/or USFWS.

If no mature trees are located within 150 feet of proposed improvements, the City Planner may document that a survey is not necessary.

BIO-8 A pre-construction survey for Smith's blue butterfly or larval host species/food source plants shall be conducted during the host plant blooming period (June through September) within 150 feet of any area proposed for disturbance. The pre-construction survey shall be conducted by a qualified biologist no more than 30 days prior to commencement of construction. The biologist shall have

familiarity with Smith's blue butterfly and their larval host species/food source plants. If Smith's blue butterfly or larval host species/food source are not found, no further mitigation would be required. A report documenting survey results will be submitted to the City prior to disturbance and/or construction activities.

If Smith's blue butterfly or larval host species/food source plants are encountered, the location shall be documented and species-specific avoidance and minimization measures shall be prepared by the qualified biologist in coordination with the USFWS. Construction may not be initiated until an incidental take permit is obtained.

This measure shall not be required for improvements located within paved or landscaped areas.

BIO-9 Approximately 14 days prior to tree removal or construction activities, a qualified biologist shall conduct a habitat assessment for bats and potential roosting sites in trees to be removed and in trees or buildings within 50 feet of any construction site. These surveys shall include a visual inspection of potential roosting features (bats need not be present) and a search for presence of guano within the construction site, construction access routes, and 50 feet around these areas. Cavities, crevices, exfoliating bark, and bark fissures that could provide suitable potential nest or roost habitat for bats shall be surveyed. Assumptions can be made on what species is present due to observed visual characteristics along with habitat use, or the bats can be identified to the species level with the use of a bat echolocation detector such as an "Anabat" unit. Potential roosting features found during the survey shall be flagged or marked.

If no roosting sites or bats are found, a letter report confirming absence shall be prepared and submitted to the City and no further mitigation is required.

If bats or roosting sites are found, bats shall not be disturbed without specific notice to and consultation with CDFW.

If bats are found roosting outside of the nursery season (May 1 through October 1), CDFW shall be consulted prior to any eviction or other action. If avoidance or postponement is not feasible, a Bat Eviction Plan will be submitted to CDFW for written approval prior to project implementation. A request to evict bats from a roost includes details for excluding bats from the roost site and monitoring to ensure that all bats have exited the roost prior to the start of activity and are unable to re-enter the roost until activity is completed. Any bat eviction shall be timed to avoid lactation and young-rearing. If bats are found roosting during the nursery season, they shall be monitored to determine if the roost site is a maternal roost. This could occur by either visual inspection of the roost bat pups, if

possible, or by monitoring the roost after the adults leave for the night to listen for bat pups. Because bat pups cannot leave the roost until they are mature enough, eviction of a maternal roost cannot occur during the nursery season. Therefore, if a maternal roost is present, a 50-foot buffer zone (or different size if determined in consultation with the CDFW) shall be established around the roosting site within which no construction activities including tree removal or structure disturbance shall occur until after the nursery season.

If no buildings or mature trees are located within 50 feet of proposed improvements, the City Planner may document that a survey is not necessary.

BIO-10 To avoid impacts to nesting birds during the nesting season (January 15 through September 15), construction activities that include grading, grubbing, or demolition should be conducted between September 16 and January 14, which is outside of the bird nesting season. If this type of construction occurs during the bird nesting season, then a qualified biologist shall conduct a pre-construction survey for nesting birds to ensure that no nests would be disturbed during project construction.

a. A survey for active nests shall occur within 14 days prior to start of construction. An appropriate minimum survey radius surrounding each work area is typically 250 feet for passerines, 500 feet for smaller raptors, and 1,000 feet for larger raptors. Surveys shall be conducted at the appropriate times of day to observe nesting activities.

b. If no nesting birds are found, a letter report confirming absence will be prepared and submitted to the City and no further mitigation is required

c. If the qualified biologist documents active nests within the project site or in nearby surrounding areas, an appropriate buffer between each nest and active construction shall be established. The buffer shall be clearly marked and maintained until the young have fledged and are foraging independently. Prior to construction, the qualified biologist shall conduct baseline monitoring of each nest to characterize "normal" bird behavior and establish a buffer distance, which allows the birds to exhibit normal behavior. The qualified biologist shall monitor the nesting birds daily during construction activities and increase the buffer if birds show signs of unusual or distressed behavior (e.g., defensive flights and vocalizations, standing up from a brooding position, and/or flying away from the nest). If buffer establishment is not possible, the qualified biologist or construction foreman shall have the authority to cease all construction work in the area until the young have fledged and the nest is no longer active. Once the

absence of nesting birds has been confirmed, a letter report will be prepared and submitted to the City.

If no mature trees are located within the survey distance from proposed improvements, the City Planner may document that a survey is not necessary.

Cultural Resources

CR-1 Prior to construction, all personnel directly involved in project-related ground disturbance shall be provided archaeological and paleontological sensitivity training. The training will be conducted by a qualified Archaeologist and Paleontologist that meet the Secretary of the Interior's standards for archaeology and California Environmental Quality Act qualifications for paleontology. The training will take place at a day and time to be determined in conjunction with the project construction foreman, and prior to any scheduled ground disturbance. The training will include: a discussion of applicable laws and penalties; samples or visual aids of artifacts and paleontological resources that could be encountered in the project vicinity, including what those artifacts and resources may look like partially buried, or wholly buried and freshly exposed; and instructions to halt work in the vicinity of any potential cultural resources discovery, and notify the archaeological or paleontological monitor as necessary.

CR-2 Archaeological construction monitoring shall be conducted for improvements within 500 feet of the edge of Canyon del Rey Boulevard, where there is a high potential for underground cultural resources, and within 50 feet of the former southern boundary of Fort Ord Military Reserve. For other proposed improvements, which have a moderate potential for underground resources, an archaeologist is to be present for ground-disturbing activities.

CR-3 In the event archaeological resources are encountered during ground disturbing activities, contractor shall temporarily halt or divert excavations within a 100-foot radius of the find until it can be evaluated. All potentially significant archaeological deposits shall be evaluated to demonstrate whether the resource is eligible for inclusion on the California Register of Historic Resources, even if discovered during construction. If archaeological deposits are encountered they will be evaluated and mitigated simultaneously in the timeliest manner practicable, allowing for recovery of materials and data by standard archaeological procedures. For prehistoric archaeological sites, this data recovery involves the hand-excavated recovery and non-destructive analysis of a small sample of the deposit. Historic resources shall also be sampled through hand excavation, though architectural features may require careful mechanical exposure and hand excavation.

Any previously undiscovered resources found during construction activities shall be recorded on appropriate California Department of Parks and Recreation (DPR) forms and evaluated for significance by a qualified Archaeologist. Significant cultural resources consist of, but are not limited to, stone, bone, glass, ceramics, fossils, wood, or shell artifacts, or features including hearths, structural remains, or historic dumpsites. If the resource is determined significant, a qualified Archaeologist shall prepare and implement a research design and archaeological data recovery plan that will capture those categories of data for which the site is significant in accordance with Section 15064.5 of the CEQA Guidelines.

If such resources or artifacts are determined to be of native tribal origin, any mitigation or recovery program shall include direction from Ohlone/Costanoan Esselen Nation tribal leadership for proper handling and treatment.

The Archaeologist shall also perform appropriate technical analyses, prepare a comprehensive report complete with methods, results, and recommendations, and provide for the permanent curation of the recovered resources. The report shall be submitted to Monterey Salinas Transit, Transportation Agency for Monterey County, the Northwest Information Center, and the State Historic Preservation Office, as required.

CR-4 In the event that human remains (or remains that may be human) are discovered at the project site, Public Resource Code Section 5097.98 must be followed. All grading or earthmoving activities shall immediately stop within a 100-foot radius of the find. The project proponent shall then inform the Monterey County Coroner and the respective city (Sand City or Seaside) immediately, and the Coroner shall be permitted to examine the remains as required by California Health and Safety Code Section 7050.5(b).

Section 7050.5 requires that excavation be stopped in the vicinity of discovered human remains until the Coroner can determine whether the remains are those of a Native American. If human remains are determined as those of Native American origin, the Applicant shall comply with the state relating to the disposition of Native American burials that fall within the jurisdiction of the NAHC (Public Resource Code [PRC] § 5097). The Coroner shall contact the Native American Heritage Commission (NAHC) to determine the most likely descendant(s) (MLD). The MLD shall complete his or her inspection and make recommendations or preferences for treatment within 48 hours of being granted access to the site. The MLD will determine the most appropriate means of treating the human remains and associated grave artifacts, and shall oversee the disposition of the remains.

In the event the NAHC is unable to identify an MLD or the MLD fails to make a recommendation within 48 hours after being granted access to the site, the landowner or his/her authorized representative shall rebury the Native American human remains and associated grave goods with appropriate dignity within the project area in a location not subject to further subsurface disturbance.

Hazards and Hazardous Materials

HAZ-1 A Soil and Groundwater Management Plan shall be prepared prior to ground disturbance, identifying the methods and procedures required to handle, store, transport and dispose of chemically impacted soil and groundwater. If groundwater is encountered during construction, groundwater sampling shall be conducted to determine contaminants and contamination levels. If contamination is found, a work plan shall be developed and implemented by the project geotechnical engineer consistent with the Management Plan to protect the health of construction workers.

HAZ-2 Once the construction plans showing the depth and extent of the excavation are completed for all project segments, a targeted soil and groundwater sampling shall be conducted in areas of known or suspected contamination prior to the start of disturbance in those areas. If contamination is found, a work plan shall be developed by the project geotechnical engineer to protect the health of construction workers.

HAZ-3 A worker health and safety plan (HSP) that meets the provisions of California Code of Regulations (Title 22, Section 5192) shall be developed by the project contractor. HSP procedures will address the identification, excavation, handling, and disposal of hazardous wastes and materials that may be found in construction areas. The HSP shall include Best Management Practices (BMPs) that all contractors must employ during construction.

INITIAL STUDY

SAND CITY
SUSTAINABLE TRANSPORTATION PLAN

PREPARED FOR

City of Sand City

Charles Pooler, City Planner

1 Pendergrass Way

Sand City, CA 93955

Tel 831.394.3054

PREPARED BY

EMC Planning Group Inc.

301 Lighthouse Avenue, Suite C

Monterey, CA 93940

Tel 831.649.1799

Fax 831.649.8399

Richard James, AICP, Principal

james@emcplanning.com

www.emcplanning.com

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A. BACKGROUND

Project Title	Sand City Sustainable Transportation Plan
Lead Agency Contact Person and Phone Number	Charles Pooler, City Planner (831)
Date Prepared	October 29, 2021
Study Prepared by	EMC Planning Group Inc. 301 Lighthouse Avenue, Suite C Monterey, CA 93940 Richard James, AICP, Principal Janet Walther, Principal Biologist Patrick Furtado, Associate Biologist / Regulatory Specialist Kaitlin Ruppert, Registered Professional Archaeologist/Assistant Planner
Project Location	City of Sand City
Project Sponsor Name and Address	City of Sand City
General Plan Designation	All
Zoning	All

Setting

Sand City occupies a key location within the transportation fabric of the Monterey Peninsula region. However, the City's street network was built for industry in a time when sidewalks and bicycle lanes were not known or not thought to be needed. Because of this there are significant gaps in pedestrian and bicycle facilities within the City. Figure 1, Regional Location, shows Sand City's location within the Monterey Bay region.

The Sustainable Transportation Plan covers the entirety of Sand City and extends beyond the Sand City limits where improvements adjacent to the City are important in achieving functional transportation connections. The Sustainable Transportation Plan focuses on areas in which there are impediments to pedestrian, bicycle, and mobility challenged circulation. Significant improvements would take place within and adjacent to the railroad corridor, within the Sand Dollar and Edgewater shopping centers, along Contra Costa Street, along Playa Avenue, along Tioga Avenue, within Calabrese Park, and at the Tioga Avenue beach access. Smaller improvements may take place throughout already-developed portions of the

City. Portions of Sand City and adjacent areas are within the Coastal Zone. Refer to the discussion of the General Plan and Local Coastal Program, below.

Enhanced crosswalks (i.e., better striping, median refuges, safety lighting) would be constructed at a number of specific locations on existing streets, and access for the mobility-challenged would be improved at several specific locations. The locations of Sand City Sustainable Transportation Plan primary improvements are shown in Figure 2, Primary Improvement Locations. Typical existing conditions are shown in Figure 3, Southern Photographs and Figure 4, Northern Photographs.

Description of Project

The Sustainable Transportation Plan proposes conceptual improvements within and adjacent to Sand City to improve circulation for pedestrians, bicyclists, and the mobility-challenged, and improve access to transit. The Sustainable Transportation Plan will guide future investments in non-motorized transportation facilities, such as sidewalks and walkways, crosswalks, bicycle lanes and paths, bicycle parking racks, disabled access ramps with detectable surfaces, and safety lights. No final improvement designs have been prepared at this time; the improvements depicted in the Sustainable Transportation Plan are conceptual. The Sustainable Transportation Plan presents parameters for prioritization of improvements, but does not lay out an implementation timetable; specific timing will be dependent on the availability of funding. The following specific improvements are included in the Sustainable Transportation Plan:

Railroad Corridor Bicycle/Pedestrian Trail

A bicycle/pedestrian trail would be constructed from the southwest corner of State Route 218 and Del Monte Boulevard to the northwest corner of Monterey Road and Fremont Boulevard/State Route southbound off-ramp, primarily along the Transportation Agency for Monterey County railroad right-of-way. Between Contra Costa Street and Monterey Road, the trail would run alongside future transit (rapid bus and/or light rail) that is planned within the railroad corridor by the Transportation Agency for Monterey County and Monterey Salinas Transit. The trail would be on the eastern side of the railroad tracks between Canyon del Rey Boulevard and just north of Contra Costa Street, and on the western side of the railroad tracks between just north of Contra Costa Street and Monterey Road, although this proposed alignment could be shifted as necessary to accommodate transit uses planned by the Transportation Agency for Monterey County. At the south end, the trail would cross State Route 218 and Contra Costa Street at the existing crosswalks adjacent to Del Monte Boulevard. The trail would briefly follow Del Monte Boulevard before turning behind the Starbucks to return to the railroad corridor. At the north end, the trail would cross Monterey Road to connect to the existing trail along State Route 1 between Sand

City and Marina (refer also to the description of the Fort Ord Dunes State Park/Seaside High School Connection, below. The overall alignment of the trail is shown in Figure 2, Primary Improvement Locations. The conceptual alignment at Contra Costa Street is shown in Figure 5, Conceptual Railroad Corridor and Contra Costa Street Crossing Improvements.

Sand Dollar Shopping Center Pedestrian Improvements

Pedestrian walkways would be constructed within the Sand Dollar Shopping Center. One walkway would extend from Tioga Avenue along the west side of the shopping center entry, cross the Costco Tire Center parking entrance, and connect to an existing walkway along the eastern side of the Costco building. The existing walkways extending into the parking lot from the Costco and Marshalls stores would be connected and extended north to Playa Avenue near McDonalds, potentially along two separate alignments to two separate points along Playa Avenue. The walkways would be accessible for persons with mobility challenges. The existing crosswalks on Playa Avenue would be improved with new markings and/or safety alert lighting, and a new crosswalk with safety alert lighting and street lighting would be developed to the east of the existing shopping center entry near Lucky Market and the Sand City Transit Center. The recommended Sand Dollar Shopping Center pedestrian improvements are illustrated in Figure 6, Conceptual Shopping Center Pedestrian and Mobility-challenged Improvements.

Edgewater Shopping Center Pedestrian Improvements

Pedestrian walkways would be constructed within the Edgewater Shopping Center. Existing walkways near the outlying businesses at the north end of the shopping center may be enhanced to improve continuity. A new walkway would be constructed across the parking lot between Starbucks and Target. These walkways would be accessible for persons with mobility challenges. A new sidewalk and steps would be constructed along the south side of the California Avenue entry to the Edgewater Shopping Center. A new ramp accessible for persons with mobility challenges would be constructed behind the Monterey Salinas Transit Center providing access to the Lucky supermarket from Playa Avenue. The recommended Edgewater Shopping Center pedestrian improvements are illustrated in Figure 6, Conceptual Shopping Center Pedestrian and Mobility-challenged Improvements.

West End and East Dunes Bicycle, Pedestrian, and Mobility-Challenged Routes

A Class III bicycle route would be signed on Catalina Street, Ortiz Avenue, Holly Street, and Class II bicycle lanes would be constructed on California Street north of Holly Street, to provide a continuous bicycle route through the West End District. Sidewalk improvements would be focused on Contra Costa Street, Ortiz Avenue, Hickory Street, and the west side of California Avenue, to provide a continuous pedestrian route through the West End District. The purpose of the pedestrian route is to coordinate and prioritize development of a

continuous sidewalk before extending sidewalks to other streets within the West End. Improvements to meet Americans with Disabilities Act standards (curb ramps and detectable surfaces) would be constructed on Contra Costa Street and California Avenue between Ortiz Avenue and City Hall. The route would be signed to direct persons with mobility challenges towards an alternative to the steep gradients on other nearby streets. A pathway with gradients of five percent or less would be developed within Calabrese Park between City Hall and Park Avenue, to provide access between those points for persons with mobility challenges. These suggested routes are shown in Figure 2, Primary Improvement Locations.

Monterey Bay Sanctuary Scenic Route Interim Alignment Improvements

Minor improvements would be constructed on existing streets that comprise a temporary alignment of the Monterey Bay Sanctuary Scenic Trail. The improvements include green striping within the existing southbound bicycle lane on the north end of Metz Road, bicycle lanes or sharrow markings on Tioga Road between Sand Dunes Drive and Metz Road, and additional directional signs.

Fort Ord Dunes State Park/Seaside High School Connection

These connections would provide improved conditions for bicycle and pedestrian travel between California Avenue and the railroad corridor in Sand City, and Fort Ord Dunes State Park to the north and Seaside High School to the northeast. This location is a complicated intersection that includes closely spaced Monterey Road intersections with California Avenue, Fremont Boulevard, and the Seaside High School driveway, as well as State Highway 1 off-ramps on-ramps. The Transportation Agency for Monterey County has proposed a double round-about for the location, so the Sustainable Transportation Plan presents conceptual improvement designs for both the current intersection configuration and a potential future double round-about. The current intersection improvements would consist of enhanced crosswalks across California Avenue, Fremont Boulevard, and Monterey Road, and widening of existing sidewalks/pathways on the south side of Monterey Road to better accommodate shared pedestrian and bicycle use. In the potential future double round-about option, standard sidewalks and bicycling facilities common to round-about design would be used; the double-roundabout is only in the very preliminary stages of consideration, and is not analyzed in this initial study. Proposed improvements with the existing street configuration at this location are shown in Figure 7, Monterey Road Crossing Improvements.

Enhanced Crosswalks

Enhanced crosswalks would consist of more distinctive stripping on the pavement, median refuges for pedestrians, detectable surfaces consistent with Americans with Disabilities Act standards, and safety lighting to alert oncoming drivers (e.g., HAWK lights).

General Plan and Local Coastal Program

The Sand City General Plan was adopted by the City in February 2002. The General Plan land uses include East Dunes Specific Plan; Mixed Use District; Residential Medium Density; Residential High Density; Regional Commercial; Visitor Serving Commercial, Medium Density; Visitor Serving Commercial, Low Density; Light Commercial; Heavy Commercial Public Facility; Habitat Preserve; and Public Recreation.

General Plan Figure 3-3, Bikeways, shows Class II bicycle lanes on California Avenue (from Monterey Road to Contra Costa Street), Contra Costa Street, Tioga Avenue, Playa Avenue, and Metz Road. A Class I bicycle path is shown adjacent to Sand Dunes Drive and connecting to the pathway parallel to State Route 1 at Fort Ord Dunes State Park, and two Class I bicycle paths entering the Edgewater Shopping Center from California Avenue near Monterey Road. Policy 3.9.3 calls for the City to pursue development of a recreational trail within the railroad corridor. The General Plan proposes a pedestrian crossing of State Route 1 at the end of Contra Costa Street. The Sustainable Transportation Plan refines and modifies some of these improvements, in anticipation of inclusion in an upcoming update to the City's General Plan.

Sand City's Local Coastal Program was certified by the California Coastal Commission on December 2, 1982. The Coastal Zone includes lands west of State Route 1, lands within 200 feet east of State Route 1, and land within and within 100 feet west of the railroad corridor.

Access and visual resources policies focus on the Coastal Zone west of State Route 1, identifying beach access points and vistas toward Monterey Bay. The terminus of Tioga Avenue is identified as a vista point, and the sand from Tioga Avenue southward is identified as a lateral coastal access. The Local Coastal Program notes informal use of the Tioga Avenue terminus for public access across private property, and public access continues at this location. Land south of Tioga Avenue is publicly owned. Local Coastal Program Policy 2.3.4 provides guidance for the placement and development of vertical coastal accessways.

Development of a bicycle trail through Sand City is discussed in the Local Coastal Program. Use of the railroad corridor is dismissed due to (at the time the Local Coastal Program was adopted) the corridor by freight rail service, and the presence of heavy industrial uses (sand mining) adjacent to the railroad corridor. An alternative alignment west of State Route 1 is identified.

The Local Coastal Program includes policies protecting environmentally sensitive habitat, including coastal strand and coastal dune habitat, and associated plant and animal species. Local Coastal Program Figure 7 identifies sensitive habitat areas. The two sensitive habitat areas identified nearest improvements proposed in the Sustainable Transportation Plan are

located southeast of the intersection of Tioga Avenue and Sand Dunes Drive, and west of the railroad corridor, between Monterey Road and Playa Avenue (now within the Edgewater Shopping Center. The former is within dune habitat that continues along Tioga Avenue to the proposed coastal access point, but the dune habitat at the proposed access point is severely degraded, with primarily non-native ice plant, and concrete rip-rap to the seaward end of Tioga Avenue. The latter is a protected plant re-location area; this relocation would have occurred with construction of California Avenue and the Edgewater Shopping Center in the 1990s.

Other Public Agencies Whose Approval is Required

Depending on the specific improvement, approvals from the following other agencies may be necessary:

California Department of Transportation (improvements within State Highways)

Transportation Agency for Monterey County (improvements within the railroad corridor)

City of Seaside (improvements within the Seaside City Limits)

Have California Native American tribes traditionally and culturally affiliated with the project area requested consultation pursuant to Public Resources Code section 21080.3.1? If so, is there a plan for consultation that includes, for example, the determination of significance of impacts to tribal cultural resources, procedures regarding confidentiality, etc.?

Yes. A consultation offer letter was sent on September 27, 2021 to the Ohlone Costanoan Esselen Nation.

Note: Conducting consultation early in the CEQA process allows tribal governments, lead agencies, and project proponents to discuss the level of environmental review, identify and address potential adverse impacts to tribal cultural resources, and reduce the potential for delay and conflict in the environmental review process. (See Public Resources Code section 21080.3.2.) Information may also be available from the California Native American Heritage Commission's Sacred Lands File per Public Resources Code section 5097.96 and the California Historical Resources Information System administered by the California Office of Historic Preservation. Please also note that Public Resources Code section 21082.3(c) contains provisions specific to confidentiality.

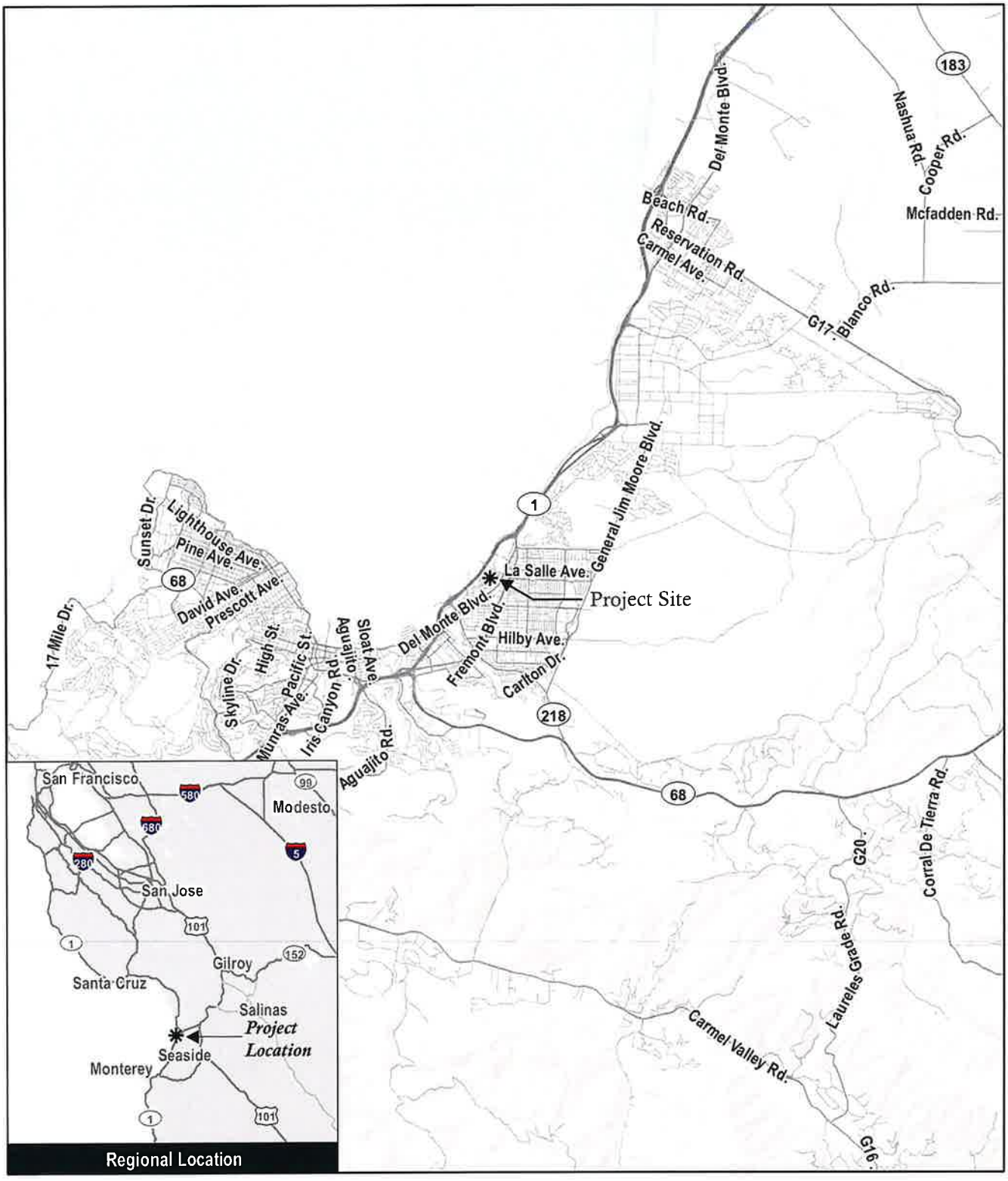


Figure 1

Regional Location

Sand City Sustainable Transportation Plan Initial Study

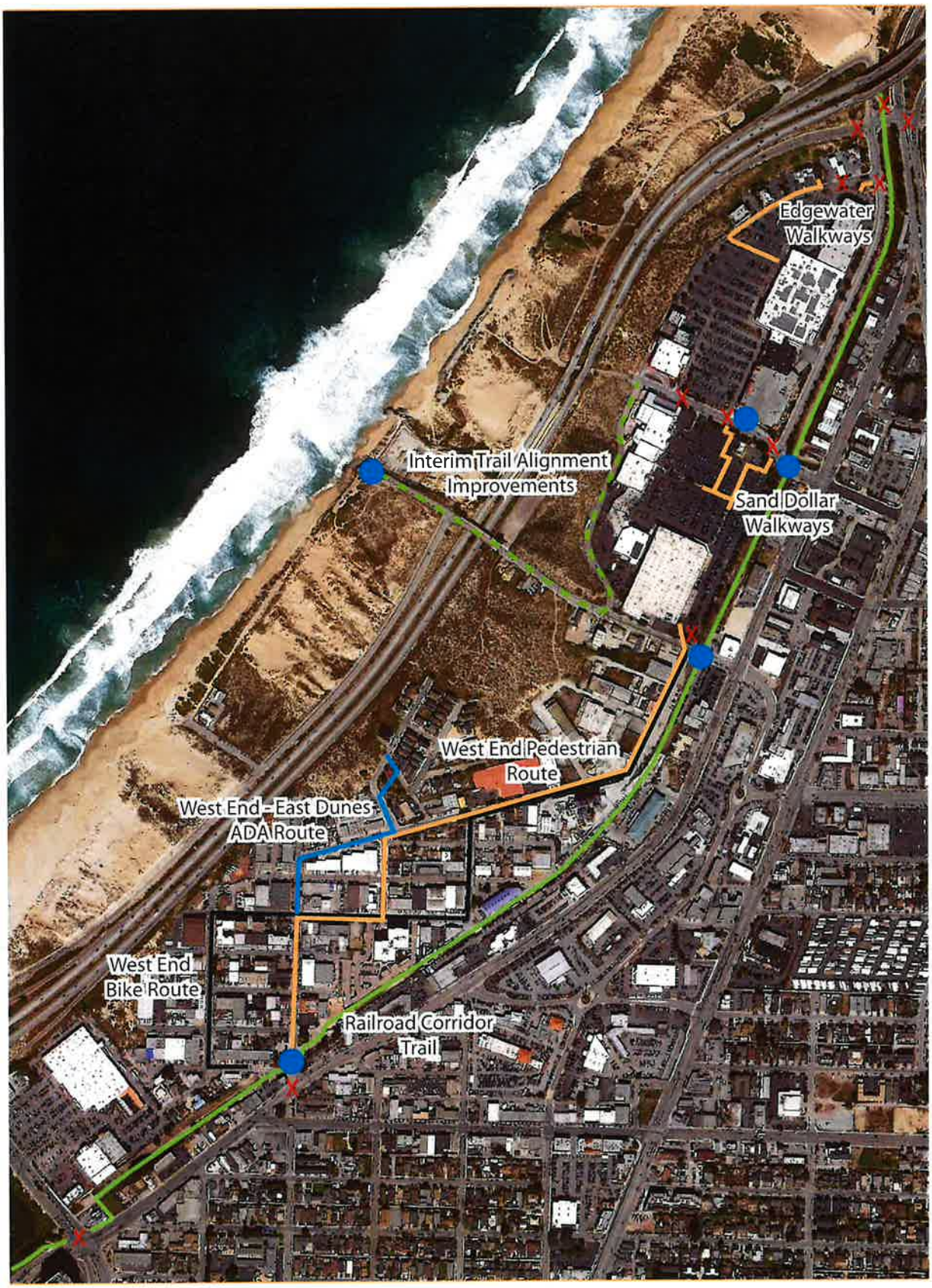


Figure 2

Primary Improvement Locations

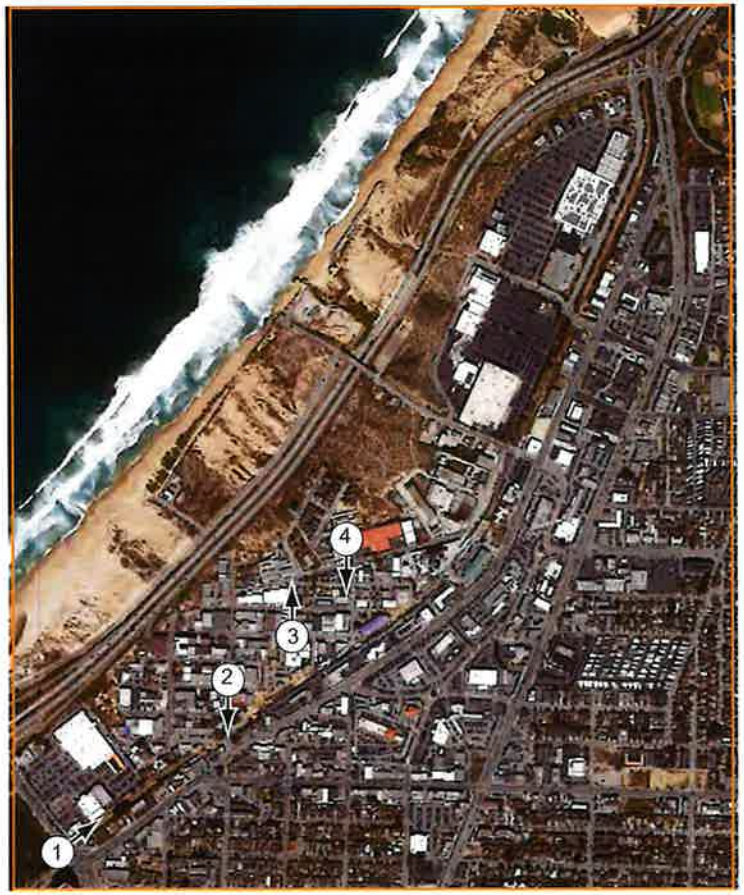
Sand City Sustainable Transportation Plan Initial Study



(1) View north across Canyon del Rey Boulevard toward Starbucks.



(2) Vehicles parked on Contra Costa Street with no sidewalk.



Source: Google Earth 2021
Photographs: EMC Planning Group 2021



(3) Steep slope on Hickory Street.



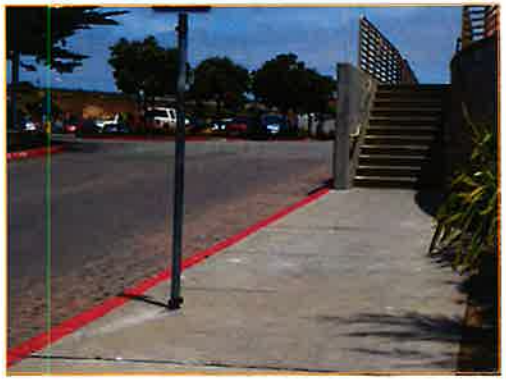
(4) Sidewalk ends abruptly with obstructions.

Figure 3
Southern Photographs

Sand City Sustainable Transportation Plan Initial Study



(1) The Sand Dollar Shopping Center's entrance at Tioga Avenue



(2) Steps up to Lucky Market entrance from Playa Avenue



Source: Google Earth 2021
Photographs: EMC Planning Group 2021

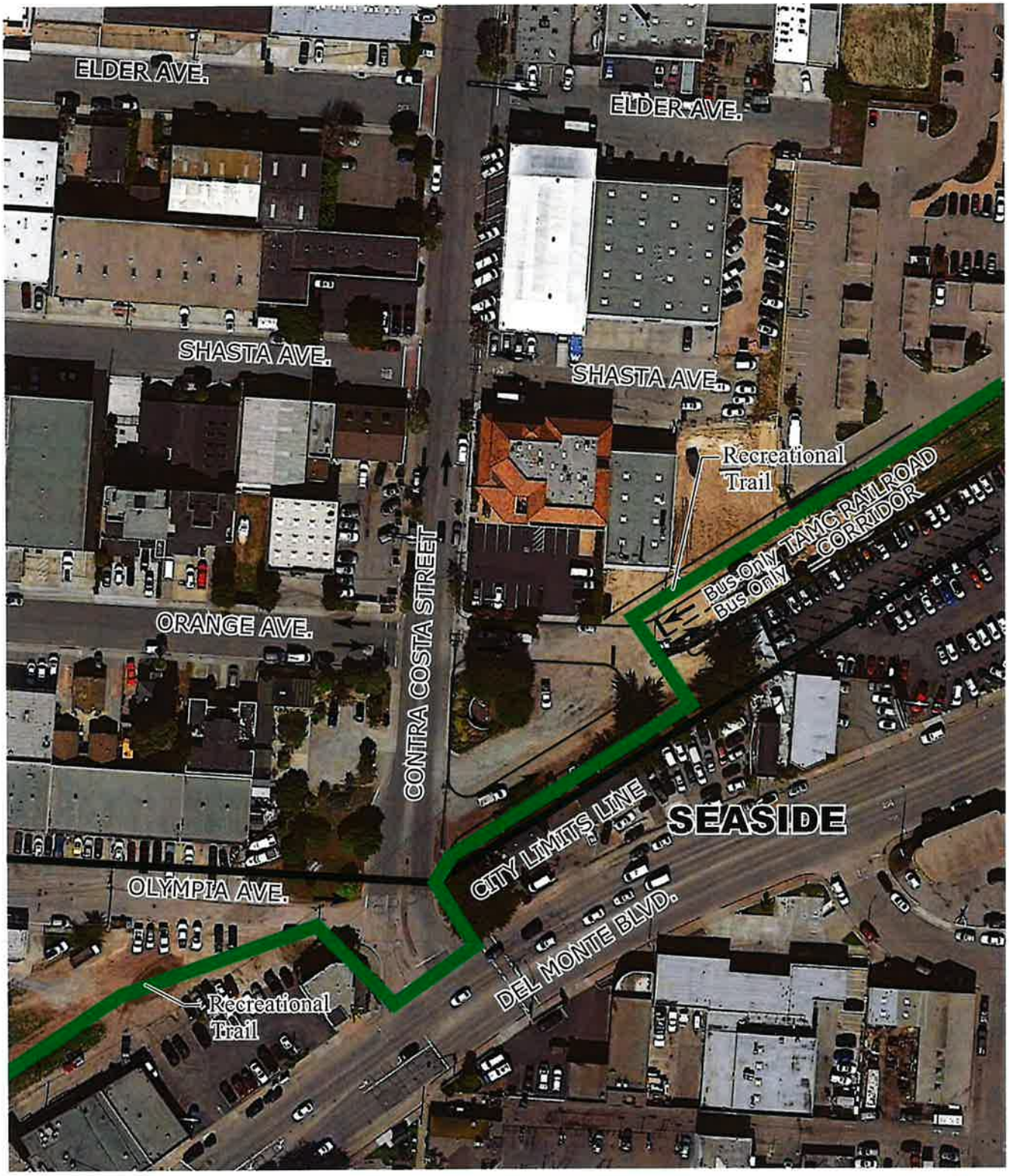


(3) Railroad corridor south of Playa Avenue



(4) Pedestrian waiting to cross California Avenue at Monterey Road

Figure 4
Northern Photographs
Sand City Sustainable Transportation Plan Initial Study



Source: Google Earth 2018, Monterey County GIS 2018

Figure 5

Conceptual Railroad Corridor and Contra Costa Street Crossing Improvements

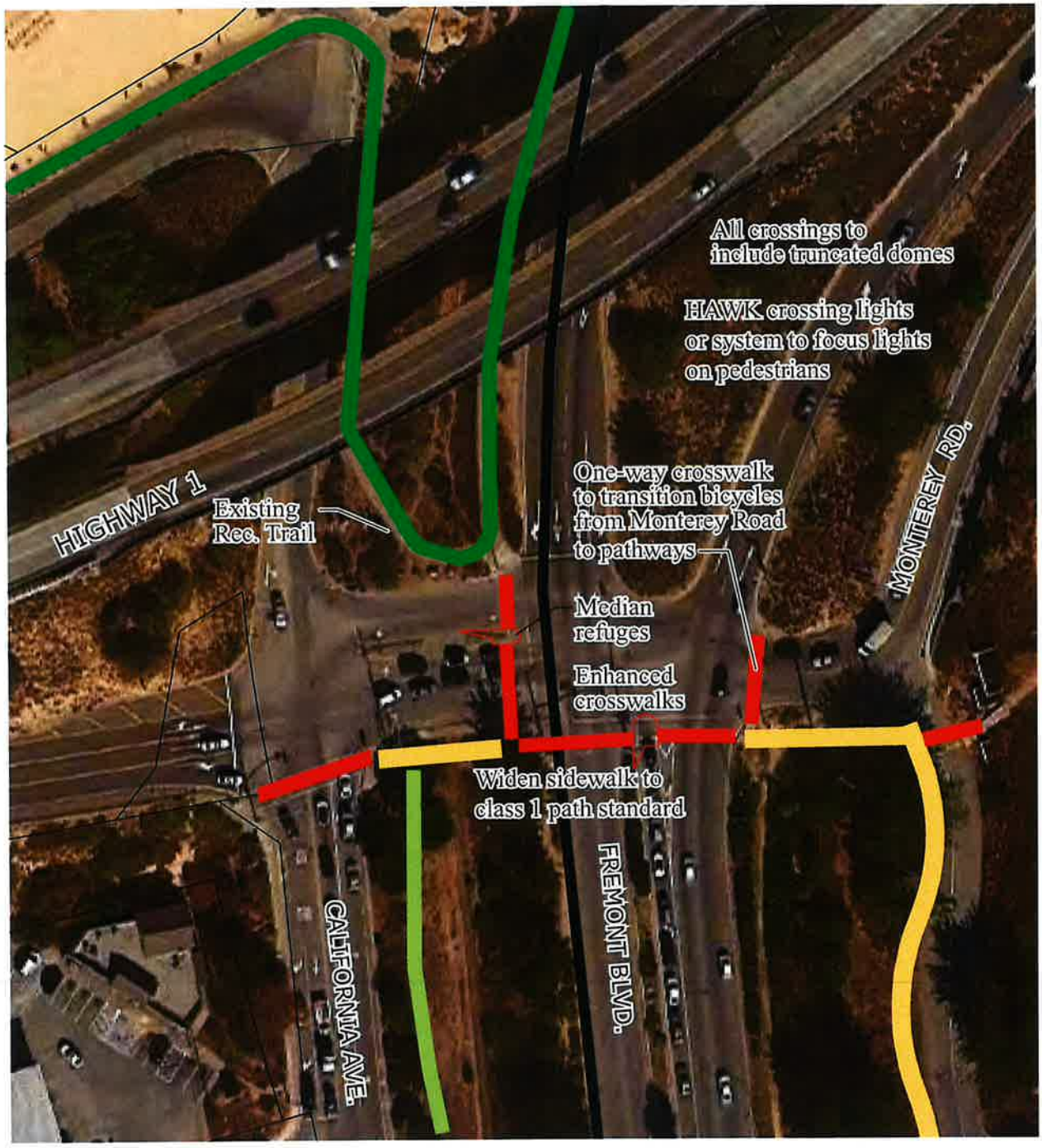
Sand City Sustainable Transportation Plan Initial Study



Source: Google Earth 2021

Figure 6

Conceptual Shopping Center Pedestrian and Mobility-challenged Improvements



0 85 feet

Source: Google Earth 2018, Monterey County GIS 2020

Sidewalk | Crosswalk | Existing Rec. Trail | Proposed Rail Road Corridor Trail

Figure 7

Monterey Road Crossing Improvements

Sand City Sustainable Transportation Plan Initial Study

B. Environmental Factors Potentially Affected

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

- ☐ Aesthetics
- ☐ Agriculture and Forestry Resources
- ☐ Air Quality
- ☐ Biological Resources
- ☐ Cultural Resources
- ☐ Energy
- ☐ Geology/Soils
- ☐ Greenhouse Gas Emissions
- ☐ Hazards & Hazardous Materials
- ☐ Hydrology/Water Quality
- ☐ Land Use/Planning
- ☐ Wildfire
- ☐ Mineral Resources
- ☐ Noise
- ☐ Population/Housing
- ☐ Public Services
- ☐ Recreation
- ☐ Transportation
- ☐ Tribal Cultural Resources
- ☐ Utilities/Service Systems
- ☐ Mandatory Findings of Significance

C. DETERMINATION

On the basis of this initial evaluation:

☐ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

☒ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

☐ I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect (1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and (2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (1) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (2) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

CITY PLANER 10/28/21

Name and Title Date

D. Evaluation of Environmental Impacts

Notes

1. A brief explanation is provided for all answers except "No Impact" answers that are adequately supported by the information sources cited in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer is explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
2. All answers take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
3. Once it has been determined that a particular physical impact may occur, then the checklist answers indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.
4. "Negative Declaration: Less-Than-Significant Impact with Mitigation Measures Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less-Than-Significant Impact." The lead agency must describe the mitigation measures and briefly explain how they reduce the effect to a less-than-significant level (mitigation measures from section XVII, "Earlier Analyses," may be cross-referenced).
5. Earlier analyses are used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. [Section 15063(c)(3)(D)] In this case, a brief discussion would identify the following:
    a. "Earlier Analysis Used" identifies and states where such document is available for review.
    b. "Impact Adequately Addressed" identifies which effects from the checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and states whether such effects were addressed by mitigation measures based on the earlier analysis.
    c. "Mitigation Measures"—For effects that are "Less-Than-Significant Impact with Mitigation Measures Incorporated," mitigation measures are described

which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.

6. Checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances, etc.) are incorporated. Each reference to a previously prepared or outside document, where appropriate, includes a reference to the page or pages where the statement is substantiated.
7. "Supporting Information Sources"—A source list is attached, and other sources used or individuals contacted are cited in the discussion.
8. This is a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project's environmental effects in whatever format is selected. This is the format recommended in the CEQA Guidelines as amended 2018.
9. The explanation of each issue identifies:
    a. The significance criteria or threshold, if any, used to evaluate each question; and
    b. The mitigation measure identified, if any to reduce the impact to less than significant.

1. AESTHETICS

Except as provided in Public Resources Code Section 21099 (Modernization of Transportation Analysis for Transit-Oriented Infill Projects), would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Have a substantial adverse effect on a scenic vista? (1, 2, 5)	☐	☐	☒	☐
b. Substantially damage scenic resources, including but not limited to trees, rock outcroppings, and historic buildings within a state scenic highway? (6)	☐	☐	☒	☐
c. In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage points.) If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality? (1, 5)	☐	☐	☐	☒
d. Create a new source of substantial light or glare, which would adversely affect day or nighttime views in the area? (4)	☐	☐	☒	☐

Comments:

a. The Sand City General Plan and Local Coastal Program identify scenic vistas to the west of State Route 1. The only Sustainable Transportation Plan improvements proposed to the west of State Route 1 are roadway markings for the interim bicycle route on Tioga Avenue, and a beach access for disabled persons, which is likely to consist of a parking space compliant with Americans with Disabilities Act standards, and a ramp from the parking space to the sand within an area that has concrete rip-rap armoring the shoreline. The addition of the parking and ramp would not impede views to Monterey Bay and would have a less-than-significant impact on scenic vistas. Access to scenic vistas would be improved for a segment of the population.

b. There are no officially designated State scenic highways in or adjacent to Sand City. State Route 1 is an eligible State scenic highway. State Route 218 is neither an officially designated nor eligible state scenic highway. The improvements proposed

in the Sustainable Transportation Plan are surface improvements such as pathways and pavement markings, that would not be visible to travelers on State Route 1.

c. Sand City is an urbanized area. The improvements proposed in the Sustainable Transportation Plan would be primarily surface improvements (i.e., sidewalks, pathways, striping), and would not significantly affect visual character, and would not conflict with General Plan scenic resources policies.

d. The only lighting proposed in the Sustainable Transportation Plan is safety alert lighting (e. g., HAWK lights) at the enhanced crosswalks on existing city streets with other lighting already existing in the vicinity. This lighting would not represent a substantial new source of light.

2. AGRICULTURE AND FOREST RESOURCES

In determining whether impacts on agricultural resources are significant environmental effects and in assessing impacts on agriculture and farmland, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to nonagricultural use? (1, 5, 7)	☐	☐	☐	☒
b. Conflict with existing zoning for agricultural use, or a Williamson Act contract? (1, 8)	☐	☐	☐	☒
c. Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))? (1, 5)	☐	☐	☐	☒
d. Result in the loss of forest land or conversion of forest land to non-forest use? (1, 5)	☐	☐	☐	☒
e. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to nonagricultural use or conversion of forest land to non-forest use? (1, 5, 7)	☐	☐	☐	☒

Comments:

a. There is no farmland within or adjacent to Sand City.

b. There are no Williamson Act lands within or adjacent to Sand City.

c. There is no forest land or timberland in or adjacent to Sand City.

d. There is no forest land in or adjacent to Sand City.

e. There is no forest land or agricultural land in or adjacent to Sand City.

3. AIR QUALITY

Where available, the significance criteria established by the applicable air quality management district or air pollution control district may be relied upon to make the following determinations. Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Conflict with or obstruct implementation of the applicable air quality plan? (9, 10, 11)	☐	☐	☐	☒
b. Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is nonattainment under an applicable federal or state ambient air quality standard? (9)	☐	☐	☐	☒
c. Expose sensitive receptors to substantial pollutant concentrations? (5, 9)	☐	☐	☒	☐
d. Result in other emissions, such as those leading to odors adversely affecting a substantial number of people? (4)	☐	☐	☐	☒

Comments:

a. The proposed Sustainable Transportation Plan improvements would facilitate pedestrian and bicycle travel and have the potential to reduce automobile trips within Sand City and environs, which could decrease air emissions.

b. The Monterey Bay Air Basin is in non-attainment of the State standards for ozone and PM_{10}. Reactive organic gas and nitrogen oxides emissions, which contribute to ozone formation in the atmosphere, come from several sources: mobile, stationary, and area wide sources. None of these sources is attributable to bicycle or pedestrian travel, and to the extent the proposed project could reduce automobile travel, emissions of these pollutants would be reduced. Therefore, the Sustainable Transportation Plan could further progress towards the Monterey Bay Air Resources District reaching attainment status for ozone. Particulate Matter Attainment Plan Table 5-1 lists the control measures the Monterey Bay Air Resources District has implemented to reduce PM_{10} emissions. None of these is relevant to construction of infrastructure, such as would be required for the proposed bicycle and pedestrian projects included in the Sustainable Transportation Plan.

c. The Sustainable Transportation Plan would result in construction of bicycle / pedestrian pathways and other minor pedestrian improvements, so could result in short-term construction emissions. Construction would take place primarily on or adjacent to streets in commercial areas. Construction emissions could include dust (PM_{10} and $PM_{2.5}$) diesel exhaust emissions, and other criteria pollutant emissions. Standard procedural requirements required by the Monterey Bay Air Resources District and California Air Resources Board would limit these emissions to a less-than-significant level.

d. The Sustainable Transportation Plan would not create any odors.

4. BIOLOGICAL RESOURCES

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, regulations, or by the California Department of Fish and Wildlife or US Fish and Wildlife Service? (1, 2, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39)	☐	☒	☐	☐
b. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or US Fish and Wildlife Service? (1, 2, 4, 39)	☐	☐	☐	☒
c. Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.), through direct removal, filing, hydrological interruption, or other means? (1, 2, 4, 39)	☐	☐	☐	☒
d. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites? (1, 2, 4, 39)	☐	☐	☒	☐
e. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance? (1, 2, 3, 5)	☐	☐	☒	☐
f. Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan? (1, 2, 4)	☐	☐	☐	☒

Comments:

This section is based on a reconnaissance-level biological field survey conducted by EMC Planning Group biologist Patrick Furtado, M.S., on October 7, 2021, to document existing plant communities/wildlife habitats and evaluate the potential for special-status species to occur on the Sand City Sustainable Transportation Plan project site. Biological resources were documented in field notes, including species observed, dominant plant communities, significant wildlife habitat characteristics, and riparian and wetland habitat. Qualitative estimations of plant cover, structure, and spatial changes in species composition were used to determine plant communities and wildlife habitats. Habitat quality and disturbance levels were also described.

Prior to conducting the survey, Mr. Furtado reviewed site plans, aerial photographs, natural resource database mapping and reports, and other relevant scientific literature. This included searching the U.S. Fish and Wildlife Service (USFWS) Endangered Species Database (USFWS 2021a), California Department of Fish and Wildlife (CDFW) California Natural Diversity Database (CDFW 2021), and California Native Plant Society (CNPS) Inventory of Rare and Endangered Plants (CNPS 2021) to identify special-status plants, wildlife, and habitats known to occur in the vicinity of the project site. Special-status species in this report are those listed as Endangered, Threatened, or Rare, or as Candidates for listing by the USFWS and/or CDFW; as Species of Special Concern or Fully Protected species by the CDFW; or as Rare Plant Rank 1B or 2B species by the CNPS. A review was also conducted of the National Wetlands Inventory (USFWS 2021b) to identify potential jurisdictional aquatic features on or adjacent to the project site.

The Sand City Sustainable Transportation Plan area is located in Sand City and adjacent areas, within Monterey County, on the Seaside United States Geological Survey (USGS) quadrangle map, with approximate elevations of 17 feet above sea level at the southern end of the project site and 68 feet above sea level at the northern end. Biological resources were surveyed at three areas of the project site: Sand City Beach, at the western terminus of Tioga Avenue, Calabrese Park, and the railroad corridor parallel to Del Monte Boulevard, between Monterey Road and Canyon del Rey Boulevard. The western terminus of Tioga Avenue has rip-rap armoring to the seaward side, degraded dun habitat to the south, and a corporation yard to the north. Calabrese Park is adjacent to City Hall on the east, houses on the north, dune habitat on the west, and a parking lot on the south. The railroad corridor is surrounded on both sides by a mix of commercial and residential development within Sand City and Seaside. Other areas in which the Sustainable Transportation Plan proposes improvements are within parking lots and street rights-of-way with paved surfaces, and these were not surveyed for biological resources.

Sand City Beach. The plant community at Sand City Beach is fragmented coastal scrub habitat with potential for biological value. Disturbance at this location has resulted in the dominance of nonnative ice plant (*Carpobrotus edulis*) which has displaced native coastal vegetation. Other nonnative coastal species found here include sea rocket (*Cakile maritima*) and crystalline ice plant (*Mesembryanthemum crystallinum*). However, this damaged habitat can be restored and can still harbor rare coastal natives such as Monterey spineflower (*Chorizanthe pungens* var. *pungens*), Monterey gilia (*Gilia tenuiflora* ssp. *arenaria*), and Eastwood's goldenbush (*Ericameria fasciculata*).

Host plants of the federally endangered Smith's blue butterfly (*Euphilotes enoptes smithi*), also grow in this habitat and include coast buckwheat (*Eriogonum latifolium*) and seacliff buckwheat (*Eriogonum parvifolium*). Suitable, sandy habitat is available here for the California Species of Special Concern Northern California legless lizard (*Anniella pulchra*), a fossorial species that burrows in loose sand.

Much of the beach below the cliff at the end of Tioga Road is heavily eroded and fortified with rip-rap. However, the beach widens to the north and south and is designated critical habitat for the western snowy plover (*Charadrius nivosus nivosus*), which can potentially nest in the beach foredunes.

Calabrese Park. Calabrese Park is a developed and landscaped park within Sand City. Tree species here include Monterey cypress (*Hesperocyparis macrocarpa*), coast live oak (*Quercus agrifolia*), red flowering gum (*Corymbia ficifolia*), and Australian tea tree (*Leptospermum laevigatum*). Stairways lead up the south-facing park slope, formerly dune habitat. This sandy slope is now stabilized by ice plant and other landscaping plants such as fountain grass (*Pennisetum setaceum*), rosemary (*Rosmarinus officinalis*), lavender (*Lavandula stoechas*), and rock rose (*Cistus incanus*). Ruderal (weedy) species present include spiny sowthistle (*Sonchus asper*), ripgut brome (*Bromus diandrus*), sourgrass (*Oxalis pes-caprae*), and common groundsel (*Senecio vulgaris*).

This vegetation type is considered low quality habitat for wildlife. However, urban-adapted species such as striped skunk (*Mephitis mephitis*), raccoon (*Procyon lotor*), and western fence lizard (*Sceloporus occidentalis*) may forage within this habitat.

Railroad Corridor. The railroad corridor is highly disturbed habitat consisting mainly of grassland and ruderal (weedy) plant species such as ice plant, fennel (*Foeniculum vulgare*), pampas grass (*Cortaderia jubata*), telegraph weed (*Heterotheca grandiflora*), and Canada horseweed (*Erigeron canadensis*). Trees growing in the corridor include Monterey cypress, Monterey pine (*Pinus radiata*), coast live oak, blackwood acacia (*Acacia melanoxylon*), and blue gum (*Eucalyptus globulus*). These mature trees can habro birds, and can potentially harbor

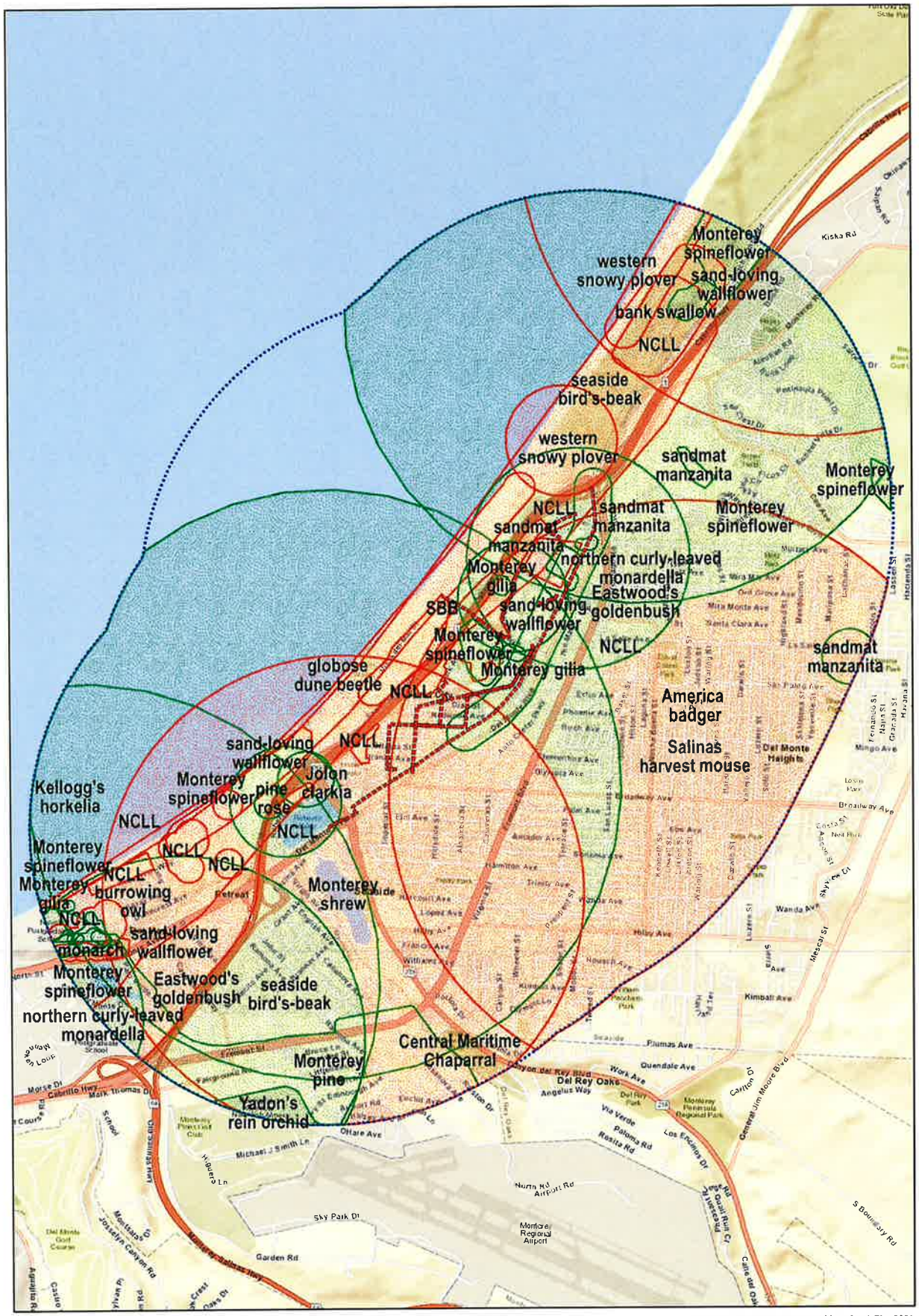
wintering monarch butterfly (*Danaus plexippus*), a candidate species for protection under the Endangered Species Act.

Some small, remnant patches of native vegetation were observed growing in the sandy soils of the corridor, including silver bush lupine (*Lupinus albifrons*), Monterey ceanothus (*Ceanothus rigidus*), and the CNPS-listed rare plant, sandmat manzanita (*Arctostaphylos pumila*). The Local Coastal Program identifies the former presence of protected plant species to the west of the railroad corridor between Monterey Road and Playa Avenue (these were re-located as part of the construction of California Avenue and the Edgewater Shopping Center). The sandy railroad corridor would provide an ideal location for local, native plant landscaping along any future pedestrian/bike pathways.

The disturbed, ruderal vegetation found along the railroad corridor is currently low-quality habitat for wildlife but does support species such as California ground squirrel (*Spermophilus beecheyi*), a prey species for American badger (*Taxidea taxus*), a California Species of Special Concern. Ground squirrel burrows were commonly observed in the corridor, especially in and around the remaining railroad ties, and a potential badger burrow was also identified. Although marginal, this habitat can also potentially support another California Species of Special Concern, burrowing owl (*Athene cunicularia*), which can utilize available small mammal burrows.

a. A search of the CDFW's California Natural Diversity Database (CNDDB) was conducted for the target USGS quadrangle, Seaside, and four surrounding quadrangles: Marina, Salinas, Spreckels, and Monterey, to generate a list of potentially occurring special-status species in the project vicinity (CDFW 2021). Records of occurrence for special-status plants were also reviewed for all five USGS quadrangles in the CNPS Inventory of Rare and Endangered Plants (CNPS 2021). A USFWS Endangered Species Program threatened and endangered species list was generated for Monterey County (USFWS 2021a). Appendix A, Special-Status Species in the Project Vicinity, presents tables with CNDDB results, which lists special-status species documented within the project vicinity, their listing status and suitable habitat description, and their potential to occur on the site. Figure 8, Special-Status Species Known to Occur in the Project Vicinity, presents a map of CNDDB results.

   Special-Status Plant Species. Of the special-status plant species known to occur in the project vicinity identified in Appendix A, the following species have the potential to occur on the project site: beach layia (*Layia carnosa*), Choris' popcorn-flower (*Plagiobothrys chorisianus* var. *chorisianus*), coastal dunes milkvetch (*Astragalus tener* var. *titi*), Congdon's tarplant (*Centromadia parryi* spp. *congdonii*), Eastwood's goldenbush (*Ericameria fasciculata*), Hickman's cinquefoil (*Potentilla hickmanii*), Hickman's onion (*Allium hickmanii*), Hooker's manzanita (*Arctostaphylos hookeri* ssp.



Source: ESRI 2021, CNDDB 2021, Sand City 2021

0 1,600 feet

Primary Improvements

1.0-Mile Buffer

Special-Status Plants

Special-Status Wildlife

NCLL: Northern California Legless Lizard
SBB: Smith's Blue Butterfly

Figure 8
Special-Status Species in the Project Vicinity
Sand City Sustainable Transportation Plan Initial Study

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hookeri), Hutchinson's larkspur (*Delphinium hutchinsoniae*), Menzies's wallflower (*Erysimum menziesii* ssp. *menziesii*), Monterey gilia (*Gilia tenuiflora* ssp. *arenaria*), Monterey spineflower (*Chorizanthe pungens* var. *pungens*), northern curly-leaved monardella (*Monardella sinuata* ssp. *nigrescens*), pink Johnny-nip (*Castilleja ambigua* var. *insalutata*), Point Reyes horkelia (*Horkelia marinensis*), sand-loving wallflower (*Erysimum ammophilum*), sandmat manzanita (*Arctostaphylos pumila*), seaside bird's-beak (*Cordylanthus rigidus* ssp. *littoralis*), and Tidestrom's lupine (*Lupinus tidestromii*).

Project development could result in impacts to these species during construction. Loss or harm to special-status plant species are considered significant adverse impacts. Implementation of Mitigation Measure BIO-1 would reduce potentially significant impacts to special-status plant species to a less-than-significant level.

Mitigation Measure

BIO-1 Prior to construction of project components, a biologist qualified in botany shall conduct a focused survey for special-status plant species in accordance with current CDFW and CNPS rare plant survey protocols (CDFW 2009 and CNPS 2001). The survey shall occur during the peak blooming period for these species to determine their presence or absence. Some special-status plant species are only identifiable during their blooming periods and surveys are only considered valid if they occur when blooms are visible. Based on the known blooming periods of the special-status plant species potentially present, two surveys are proposed to adequately survey the project site: the first in May and the second in June/July. If possible, known reference populations of the target species in the project vicinity shall first be visited to verify that the species is observable, and the focused survey shall be conducted within two weeks of observing the reference population in full bloom.

The biologist shall then prepare a brief report documenting the results of the surveys. If the focused surveys conclude that special-status plant species are not present within the project site boundary, or if they are present but impacts to them can be completely avoided, then no further mitigation would be required.

If the focused surveys identify special-status plant species within the project site boundary and they would be affected by the proposed project, then appropriate mitigation shall be developed by the biologist and implemented by the City prior to disturbance. Measures may include, but are not limited to:

a. A qualified biologist shall identify an on-site or off-site mitigation area suitable for restoration of habitat and seed transplantation for any special-status plant species.

b. Prior to approval of a grading permit, a qualified biologist or native plant specialist shall perform seed collection from all special-status plants located within the impact areas and implement seed installation at a mitigation area at the optimal time. Additionally, topsoil from the special-status species occurrence area(s) shall be salvaged (where practical) for use in the mitigation area.

c. A maintenance and monitoring program shall be developed by a qualified biologist and established for a minimum of five years after mitigation area installation to verify that restoration activities have been successful. Maintenance activities may include, but not be limited to, watering during the plant establishment period, supplemental seed planting as needed, and removal of non-native plants. Monitoring shall include, at a minimum, quarterly monitoring reports for the first year and annual reports for the remaining four years. The performance standard for successful mitigation shall be a minimum 3:1 replacement ratio (i.e., three plants observed in mitigation area for each plant lost from the project site) achieved in at least one of the five years of monitoring.

The City shall be responsible for implementation of this mitigation measure. Compliance with this measure shall be documented prior to approval of a grading permit or commencement of work on improvement plans. This measure shall not be necessary for improvements located within paved or landscaped areas.

Special-Status Wildlife Species. Of the special-status wildlife species known to occur in the project vicinity identified in Appendix A, the following species have the potential to occur on the project site: American badger (*Taxidea taxus*), burrowing owl (*Athene cunicularia*), western snowy plover, Northern California legless lizard (*Anniella pulchra*), monarch butterfly (*Danaus plexippus*), Smith's blue butterfly (*Euphilotes enoptes smithi*), hoary bat (*Lasiurus cinereus*), and Townsend's big-eared bat (*Corynorhinus townsendii*). Figure 8, Special-Status Species in the Project Vicinity, presents CNDDB results. Nesting birds may also occur at the project site and are protected by the Migratory Bird Treaty Act.

American badger. American badger is a California Species of Special Concern. It is an uncommon, permanent resident found throughout most of the state, except in the northern North Coast area. Typical habitats include drier open stages of most shrub, forest, and herbaceous habitats with friable soils suitable for burrows. Prey species include fossorial rodents such as rats, mice, chipmunks, ground squirrels, and pocket gophers. Badger diet shifts seasonally depending on the availability of prey and may also include reptiles, insects, earthworms, eggs, birds, and carrion. Mixed oak woodland, coastal scrub, and grassland habitats provide cover, drier soils for burrowing, and prey resources for this species. American badger was recorded in 1992 approximately 3 miles east of the project site (Occurrence No. 241, CDFW 2021). The grassland and ruderal habitat on which some improvements are propose provides marginally suitable habitat for the American badger.

American badgers are known to occur in the region and could den and forage in portions of the project area (see survey observation above). Project development could result in impacts to this species from direct mortality or injury during construction. Loss or harm to American badger is considered a significant adverse impact. Implementation of Mitigation Measures BIO-2 and BIO-3 would reduce potentially significant impacts to American badger to a less-than-significant level.

Mitigation Measures

BIO-2 Prior to construction of project components, a qualified biologist shall conduct a training session for all construction personnel. At a minimum, the training shall include a description of special-status species potentially occurring in the project vicinity, including, but not limited to, American badger, burrowing owl, western snowy plover, Northern California legless lizard, coast horned lizard, Smith's blue butterfly, monarch butterfly, special-status bats, nesting birds, and special-status plants (if found). Their habitats, general measures that are being implemented to conserve species as they relate to the project, and the boundaries within which construction activities will occur will be explained. Informational handouts with photographs clearly illustrating the species' appearances shall be used in the training session. All new construction personnel shall undergo this mandatory environmental awareness training. The project applicant/proponent shall document evidence of completion of this training prior to prior to approval of a grading permit or commencement of work on improvement plans. This measure shall not be necessary for improvements located within paved or landscaped areas.

The qualified biologist will train biological monitors selected from the construction crew by the construction contractor (typically the project foreman). Before the start of work each day, the monitor will check for animals under any equipment such as vehicles and stored pipes within active construction zones. The monitor will also check all excavated steep-walled holes or trenches greater than one foot deep for trapped animals. If a special-status species is observed within an active construction zone, the qualified biologist will be notified immediately and all work within 50 feet of the individual will be halted and all equipment turned off until the individual has left the construction area.

Implementation of this mitigation measure would reduce the potential significant impact to special-status species to a less-than-significant level by requiring construction personnel to undergo environmental awareness training to identify special-status species potentially occurring on the project site.

BIO-3 Not more than 14 days prior to the commencement of ground-disturbing activities, a qualified wildlife biologist shall conduct surveys of grassland and ruderal habitat on site to identify any potential American badger burrows/dens. If the survey results are negative (i.e., no badger dens observed), a letter report confirming absence will be prepared and submitted to the City and no further mitigation is required.

If the results are positive (badger dens are observed), the qualified biologist shall determine if the dens are active by installing a game camera for 3 days and 3 nights to determine if the den is in use.

a) If the biologist determines that a den may be active, coordination with the CDFW shall be undertaken to develop a suitable strategy to avoid impacts to American badger. The strategy may include the following: the biologist shall install a one-way door in the den opening and continue use of the game camera. Once the camera captures the individual exiting the one-way door, the den can be excavated with hand tools to prevent badgers from reusing them. If the biologist determines that the den is a maternity den, construction activities shall be delayed during the maternity season (February to August), or until the badgers leave the den on

their own accord or the biologist determines that the den is no longer in use.

b) If the game camera does not capture an individual entering/exiting the den, the den can be excavated with hand tools to prevent badgers from reusing them.

After dens have been excavated and the absence of American badger confirmed, a letter report will be prepared and submitted to the City.

Burrowing Owl. Burrowing owl is a California Species of Special Concern. Burrowing owls live and breed in burrows in the ground, especially in abandoned California ground squirrel burrows. Optimal habitat conditions include large open, dry and nearly level grasslands or prairies with short to moderate vegetation height and cover, areas of bare ground, and populations of burrowing mammals. This species is known to occur less than one mile southwest of the project site (Occurrence No. 574, CNDDB 2021). The non-native grassland and ruderal areas on which some improvements are proposed provide marginally suitable foraging habitat for burrowing owl and a few scattered small mammal burrows observed could be utilized for nesting habitat.

Burrowing owl has moderate potential to occur on the site. If burrowing owl is present on or adjacent to the project site, construction activities could result in the loss or disturbance of individual animals. This would be a significant adverse environmental impact. Implementation of mitigation measure BIO-2, presented above, which requires a training session on special-status species potentially present on the construction site for all personnel, and BIO-4 would reduce this potential, significant impact to less-than-significant.

Mitigation Measure

BIO-4 To avoid/minimize impacts to burrowing owls potentially occurring within the project site, the City shall retain a biologist qualified in ornithology to conduct surveys for burrowing owl. The approved biologist shall conduct a two-visit (i.e., morning and evening) presence/absence survey at areas of suitable habitat on and adjacent to the project site boundary no less than 14 days prior to the start of construction or ground disturbance activities. Surveys shall be conducted according to the methods for take avoidance described in the *Burrowing Owl Survey Protocol and Mitigation Guidelines* (California Burrowing Owl Consortium 1993) and the *Staff Report on Burrowing Owl Mitigation* (CDFW 2012). If no burrowing owls are found, a letter report confirming absence will be prepared and submitted to the City and no further mitigation is required.

Because burrowing owls occupy habitat year-round, seasonal no-disturbance buffers, as outlined in the *Burrowing Owl Survey Protocol and Mitigation Guidelines* (CBOC 1993) and the *Staff Report on Burrowing Owl Mitigation* (CDFW 2012), shall be in place around occupied habitat prior to and during any ground disturbance activities. The following table includes buffer areas based on the time of year and level of disturbance (CDFW 2012), unless a qualified biologist approved by the CDFW verifies through non-invasive measures that either: 1) birds have not begun egg laying and incubation; or 2) that juveniles from the occupied burrows are foraging independently and are capable of independent survival.

Location	Time of Year	Level of Disturbance Buffers (meters)		
		Low	Med	High
Nesting Sites	April 1 – Aug 15	200 m	500 m	500 m
Nesting Sites	Aug 16 – Oct 15	200 m	200 m	500 m
Nesting Sites	Oct 16 – Mar 31	50 m	100 m	500 m

If burrowing owl is found and avoidance is not possible, burrow exclusion may be conducted by qualified biologists only during the non-breeding season, before breeding behavior is exhibited and after the burrow is confirmed empty through non-invasive methods, such as surveillance. Occupied burrows shall be replaced with artificial burrows at a ratio of one collapsed burrow to one constructed artificial burrow (1:1). Evicted burrowing owls may attempt to colonize or re-colonize an area that would be impacted, thus ongoing surveillance during project activities shall be conducted at a rate sufficient to detect burrowing owls if they return.

If surveys locate occupied burrows in or near construction areas, consultation with the CDFW shall occur to interpret survey results and develop a project-specific avoidance and minimization approach. Once the absence of burrowing owl has been confirmed, a letter report will be prepared and submitted to the City.

This measure shall not be required for improvements located within paved or landscaped areas.

Western Snowy Plover. The federally-listed Threatened and California Species of Special Concern western snowy plover occurs on sandy beaches, salt pond levees, and shores of large alkali lakes; it requires sandy, gravelly, or friable soils for nesting. It prefers early

successional dune habitat or open habitats with cover or camouflage for nesting, and also nests on mudflats and evaporation ponds. This species occurs in the immediate project vicinity along the Sand City coastline and is regularly monitored during the nesting season (March 15 to September 15) by Point Blue Conservation Science and the USFWS. Western snowy plover has potential to occur on and near the project site, and USFWS-designated critical habitat for this species exists along the entire Sand City coastline (USFWS 2021c).

If western snowy plover is present on or adjacent to the project site, construction activities could result in the loss or disturbance of individual animals. This would be a significant adverse environmental impact. Implementation of mitigation measure BIO-2, presented above, which requires a training session on special-status species potentially present on the construction site for all personnel, and BIO-5 would reduce this potential, significant impact to less-than-significant.

Mitigation Measure

BIO-5 To avoid impacts to nesting western snowy plover, project construction within 200 feet of United States Fish and Wildlife Service (USFWS)-designated habitat shall occur outside the nesting season (September 16 to March 14).

If construction must occur during the western snowy plover nesting season (March 15 to September 15), the biologist shall coordinate with Point Blue Conservation Science and the USFWS who regularly monitor western snowy plover nesting to determine if any western snowy plovers are nesting close to the project site.

A report documenting coordination with Point Blue Conservation Science and the USFWS and a plan for active bird nest avoidance (if needed) will be completed by the biologist and submitted to the City prior to disturbance and/or construction activities. If no active bird nests are reported within 200 feet of the construction area, then project activities can proceed without scheduling constraints. If nesting occurs within 200 feet of the proposed project, construction may not occur until the young have fledged and left the area or Incidental Take Authorization has been obtained from USFWS.

The on-site western snowy plover critical habitat area shall not be disturbed by construction activities.

Northern California Legless Lizard. Northern California legless lizard is a California Species of Special Concern. This is a small, slender lizard with no legs that lives mostly

underground, burrowing in loose, sandy soil. It forages in loose soil, sand, and leaf litter during the day. It does not bask in direct sunlight, but is sometimes found on the surface at dusk and at night.

Treeless, open areas with sandy soils and sparse vegetation on the project site provide suitable habitat for legless lizard. The CNDDB records multiple occurrences within the Sustainable Transportation Plan area including in both dune habitat near Tioga Avenue and in the northern section of the railroad corridor near the Lucky and Target stores (between Monterey Road and Playa Avenue).

If Northern California legless lizard is present on or adjacent to the project site, construction activities could result in the loss or disturbance of individual animals. This would be a significant adverse environmental impact. Implementation of mitigation measure BIO-2, presented above, which requires a training session on special-status species potentially present on the construction site for all personnel, and BIO-6, below, would reduce this potential, significant impact to less-than-significant.

Coast Horned Lizard. The coast horned lizard is designated as a California Species of Special Concern. This species is endemic to California, occurring from Shasta County south along the edges of the Sacramento Valley into much of the South Coast Ranges, San Joaquin Valley, and Sierra Nevada foothills to southern California. California horned lizards are active above ground between April and October, with most activity concentrated between April and June. During the winter months, this species uses small mammal burrows or burrows into loose soils under surface objects. California horned lizards require habitats with loose, sandy loam or sandy-gravelly soils. They can occur in a variety of habitats supported by these soil types including riparian woodland, riparian scrub, coastal scrub, chaparral, and annual grassland (Jennings and Hayes 1994). No records of coast horned lizard were found in the Sand City area (California Department of Fish and Wildlife 2017) and none were observed during field surveys. Most local California Department of Fish and Wildlife *California Natural Diversity Database* records for the coast horned lizard are found on the former Fort Ord, approximately five miles north of the improvements proposed in the Sustainable Transportation Plan. Soil types on the project site appear suitable for the species, and support patches of suitable coastal scrub habitat.

Soil types within the project area are considered suitable for legless lizards and coast horned lizard, and support patches of dune scrub plants preferred as habitat. These species could occur in low numbers on or adjacent to the project area, mostly under shrubs growing in sandy soils. If legless lizards or coast horned lizards are present in project areas, vegetation removal, grading, excavation, and other construction activities could result in the loss of individual animals. This would be a significant adverse environmental impact. Implementation of mitigation measure BIO-2, presented above, which requires a training

session on special-status species potentially present on the construction site for all personnel, and BIO-6, below, would reduce this potential, significant impact to less-than-significant.

Mitigation Measure

BIO-6 Prior to construction, the following measures to avoid or minimize impacts to legless lizards and coast horned lizards shall be implemented:

a. Not less than three months prior to the start of grading activities (including staging and mobilization), a qualified biologist shall place coverboards in impact areas with suitable habitat (coastal dune scrub and disturbed maritime chaparral mixed with coastal dune scrub) for legless lizards and coast horned lizard. The coverboards shall be at least four feet by four feet and constructed of untreated plywood placed flat on the ground. The coverboards shall be checked by the biologist once per week for each week after placement up until the start of vegetation removal. All legless lizards and coast horned lizards found under the coverboards shall be captured and placed in five-gallon buckets for transportation to relocation sites. If areas are left undisturbed for a period of three months or longer, the coverboards will replaced and relocation efforts will be repeated prior to the re-initiation of ground disturbance activities.

b. All relocation sites shall be approved by Sand City and shall consist of suitable habitat. Relocation sites shall be as close to the capture site as possible but far enough away to ensure the animal(s) is/are not harmed by construction of the project. Relocation shall occur on the same day as capture. California Department of Fish and Wildlife *California Natural Diversity Database* Native Species Field Survey Forms shall be submitted to the California Department of Fish and Wildlife for all special-status species observed.

c. During all initial ground vegetation removal activities, a qualified biologist shall be on the site to recover any legless lizards and coast horned lizards that may be excavated/unearthed. If the animals are in good health, they shall be immediately moved to relocation sites. If they are injured, the animals shall be released to a wildlife recovery specialist until they are in a condition to be released into relocation sites.

d. A report of all preconstruction survey efforts and monitoring during initial ground vegetation removal shall be submitted to the City within 30 days of completion of the survey/monitoring efforts to document compliance. The report shall include the dates, times, weather conditions, and personnel involved in the surveys and monitoring. The report shall also include for each captured special-status animal, the Universal Transverse Mercator coordinates and habitat descriptions of the capture and release sites, the length of time between capture and release, and the general health of the individual(s).

This measure shall not be required for improvements located within paved or landscaped areas.

Monarch butterfly. The monarch butterfly is a candidate for listing under the Endangered Species Act. In the fall, monarchs in western North America migrate to overwintering sites along the California coast. Once numbering in the millions along the coast in the winter, monarch butterfly numbers dropped to less than 1% of the population's historic size in both 2018 and 2019, and to less than 0.01% of the historic size in 2020 (Xerces Society). The nearest recorded observation of overwintering habitat is approximately 0.75 miles west of the improvement areas, adjacent to Del Monte Lake.

Monterey cypress, Monterey pine, and blue gum trees growing in the railroad corridor and in project areas such as Calabrese Park can potentially harbor wintering monarch butterflies. If monarch butterfly is present on or adjacent to the project site, tree removal and/or construction activities could result in the loss or disturbance of individual animals. This would be a significant adverse environmental impact. Implementation of mitigation measure BIO-2, presented above, which requires a training session on special-status species potentially present on the construction site for all personnel, and BIO-7 would reduce this potential, significant impact to less-than-significant.

Mitigation Measure

BIO-7 If construction is proposed during the monarch overwintering period (October through April), the City shall conduct a pre-construction survey for overwintering monarch butterfly habitat within 150 feet of any area proposed for disturbance. The pre-construction survey shall be conducted by a qualified biologist no more than 15 days prior to commencement of construction. The biologist shall have familiarity with monarch butterflies. If no monarch butterflies are found, no further mitigation would be required. A report documenting survey

results will be completed by the biologist and submitted to the City prior to disturbance and/or construction activities.

If monarch butterflies are encountered, the location shall be documented and an exclusion area of a minimum of 150 feet shall be established, in coordination with CDFW and/or USFWS.

If no mature trees are located within 150 feet of proposed improvements, the City Planner may document that a survey is not necessary.

Smith's blue butterfly. Smith's blue butterfly is a federally listed endangered species. The butterfly is entirely dependent upon seacliff buckwheat (*Erigonum parvifolium*), and coast buckwheat coast buckwheat (*Eriogonum latifolium*), although the species has been observed using naked buckwheat (*Eriogonum nudum*), and occurs only where the host plants are found within its range. The CNDDB reports multiple occurrences of Smith's blue butterfly along the Sand City coastline.

If Smith's blue butterfly is present on or adjacent to the project site, construction activities could result in the loss or disturbance of individual animals. This would be a significant adverse environmental impact. Implementation of mitigation measure BIO-2, presented above, which requires a training session on special-status species potentially present on the construction site for all personnel, and BIO-8 would reduce this potential, significant impact to less-than-significant.

Mitigation Measure

BIO-8 A pre-construction survey for Smith's blue butterfly or larval host species/food source plants shall be conducted during the host plant blooming period (June through September) within 150 feet of any area proposed for disturbance. The pre-construction survey shall be conducted by a qualified biologist no more than 30 days prior to commencement of construction. The biologist shall have familiarity with Smith's blue butterfly and their larval host species/food source plants. If Smith's blue butterfly or larval host species/food source are not found, no further mitigation would be required. A report documenting survey results will be submitted to the City prior to disturbance and/or construction activities.

If Smith's blue butterfly or larval host species/food source plants are encountered, the location shall be documented and species-specific avoidance and minimization measures shall be prepared by the

qualified biologist in coordination with the USFWS. Construction may not be initiated until an incidental take permit is obtained.

This measure shall not be required for improvements located within paved or landscaped areas.

Bats. Trees in the project area and/or buildings or structures on or adjacent to improvement areas could provide roosting habitat for special-status bat species known to occur in the vicinity of the project site: hoary bat and Townsend's big-eared bat. These bat species inhabit a wide variety of habitats including grasslands, woodlands, and forests. Hoary bats roost in dense foliage of medium to large trees. Townsend's big-eared bat prefers building roosts, hanging from walls and ceilings.

Construction activities at the project site could result in the disturbance of roost and natal sites occupied by special-status bats on or adjacent to the project site, if present. Implementation of mitigation measure BIO-2, presented above, which requires a training session on special-status species potentially present on the construction site for all personnel, and BIO-9 would reduce this potential, significant impact to special-status bats to a less-than-significant level.

Mitigation Measure

BIO-9 Approximately 14 days prior to tree removal or construction activities, a qualified biologist shall conduct a habitat assessment for bats and potential roosting sites in trees to be removed and in trees or buildings within 50 feet of any construction site. These surveys shall include a visual inspection of potential roosting features (bats need not be present) and a search for presence of guano within the construction site, construction access routes, and 50 feet around these areas. Cavities, crevices, exfoliating bark, and bark fissures that could provide suitable potential nest or roost habitat for bats shall be surveyed. Assumptions can be made on what species is present due to observed visual characteristics along with habitat use, or the bats can be identified to the species level with the use of a bat echolocation detector such as an "Anabat" unit. Potential roosting features found during the survey shall be flagged or marked.

If no roosting sites or bats are found, a letter report confirming absence shall be prepared and submitted to the City and no further mitigation is required.

If bats or roosting sites are found, bats shall not be disturbed without specific notice to and consultation with CDFW.

If bats are found roosting outside of the nursery season (May 1 through October 1), CDFW shall be consulted prior to any eviction or other action. If avoidance or postponement is not feasible, a Bat Eviction Plan will be submitted to CDFW for written approval prior to project implementation. A request to evict bats from a roost includes details for excluding bats from the roost site and monitoring to ensure that all bats have exited the roost prior to the start of activity and are unable to re-enter the roost until activity is completed. Any bat eviction shall be timed to avoid lactation and young-rearing. If bats are found roosting during the nursery season, they shall be monitored to determine if the roost site is a maternal roost. This could occur by either visual inspection of the roost bat pups, if possible, or by monitoring the roost after the adults leave for the night to listen for bat pups. Because bat pups cannot leave the roost until they are mature enough, eviction of a maternal roost cannot occur during the nursery season. Therefore, if a maternal roost is present, a 50-foot buffer zone (or different size if determined in consultation with the CDFW) shall be established around the roosting site within which no construction activities including tree removal or structure disturbance shall occur until after the nursery season.

If no buildings or mature trees are located within 50 feet of proposed improvements, the City Planner may document that a survey is not necessary.

Nesting Birds. Protected nesting birds, including raptor species, have the potential to nest in buildings or structures, on open ground, or in any type of vegetation, including trees, during the nesting bird season (January 15 through September 15). The project site contains a variety of trees and shrubs, resulting in the potential for impacts to protected nesting birds.

Construction activities, including ground disturbance, can impact nesting birds protected under the federal Migratory Bird Treaty Act and California Fish and Game Code, should nesting birds be present during construction. If protected bird species are nesting adjacent to the project site during the bird nesting season, then noise-generating construction activities could result in the loss of fertile eggs, nestlings, or otherwise lead to the abandonment of nests. Implementation of Mitigation Measures BIO-2, which requires a training session on special-status species potentially present on the construction site for all personnel, and BIO-10 would reduce potential, significant impacts to nesting birds to less-than-significant.

Mitigation Measure

BIO-10 To avoid impacts to nesting birds during the nesting season (January 15 through September 15), construction activities that include grading, grubbing, or demolition should be conducted between September 16 and January 14, which is outside of the bird nesting season. If this type of construction occurs during the bird nesting season, then a qualified biologist shall conduct a pre-construction survey for nesting birds to ensure that no nests would be disturbed during project construction.

a. A survey for active nests shall occur within 14 days prior to start of construction. An appropriate minimum survey radius surrounding each work area is typically 250 feet for passerines, 500 feet for smaller raptors, and 1,000 feet for larger raptors. Surveys shall be conducted at the appropriate times of day to observe nesting activities.

b. If no nesting birds are found, a letter report confirming absence will be prepared and submitted to the City and no further mitigation is required

c. If the qualified biologist documents active nests within the project site or in nearby surrounding areas, an appropriate buffer between each nest and active construction shall be established. The buffer shall be clearly marked and maintained until the young have fledged and are foraging independently. Prior to construction, the qualified biologist shall conduct baseline monitoring of each nest to characterize "normal" bird behavior and establish a buffer distance, which allows the birds to exhibit normal behavior. The qualified biologist shall monitor the nesting birds daily during construction activities and increase the buffer if birds show signs of unusual or distressed behavior (e.g., defensive flights and vocalizations, standing up from a brooding position, and/or flying away from the nest). If buffer establishment is not possible, the qualified biologist or construction foreman shall have the authority to cease all construction work in the area until the young have fledged and the nest is no longer active. Once the absence of nesting birds has been confirmed, a letter report will be prepared and submitted to the City.

If no mature trees are located within the survey distance from proposed improvements, the City Planner may document that a survey is not necessary.

b. No riparian habitats or sensitive natural communities were observed on the Sand City Sustainable Transportation Plan project site.

c. A review of the National Wetlands Inventory online database was conducted to identify the closest jurisdictional aquatic features on or adjacent to the project site (USFWS 2021c). The closest aquatic feature to the project site is Roberts Lake, located south of the project area. There were no potentially jurisdictional wetlands or Waters of the U.S. identified in the project area during the reconnaissance-level survey. Therefore, the Sand City Sustainable Transportation Plan project improvements would have no impact to wetlands or Waters of the U.S.

d. Wildlife movement corridors provide connectivity between habitat areas, enhancing species richness and diversity, and usually also provide cover, water, food, and breeding sites.

The Sustainable Transportation Plan area is located mostly within the urban landscape and would likely not have an impact on wildlife movement. The Sustainable Transportation Plan area is not likely to facilitate major wildlife movement due to lack of suitable habitat and human disturbance. As such, the Sand City Sustainable Transportation Plan project improvements would have a less-than-significant impact on wildlife movement.

e. The Sand City Local Coastal Program regulates land use in the City's coastal zone. Sand City's coastal zone extends from Monterey Bay to 200 feet east of State Route 1, and encompasses the railroad corridor and land within 100 feet west of the railroad corridor. The Local Coastal Program designates areas of important biological value, such as wetlands and habitats for special-status species, as Environmentally Sensitive Habitat Areas (ESHA). None of the proposed Sustainable Transportation Plan improvements is located within areas identified as environmentally sensitive habitat in the Local Coastal Program.

The following Sand City General Plan policies relating to biological resources are applicable to the improvements proposed in the Sustainable Transportation Plan:

5.4.2 Public access should be controlled to allow regeneration of native vegetation and restoration of wildlife habitat.

5.4.6 The City will continue to work with the USFWS and state CDFG [CDFW] to ensure that the habitat needs of rare and endangered species

and other species of special concern are addressed during its development review process.

The Sand City General Plan Update Mitigated Negative Declaration includes the following mitigation measures:

MM 3.3.1 Applicants for new development proposals shall be responsible for costs related to determining the potential for occurrence of protected plant and wildlife species within the individual project area. Determination of the degree of field investigation required shall be made by City staff during application review.

MM 3.3.2 If the presence of protected species is determined to be likely, the project applicant shall be responsible for all costs associated with investigating species presence, agency consultations, and preparation of any required mitigation plan. All potential habitat and species impacts shall be reduced to a less than significant level.

Sand City Municipal Code Chapter 16.12, Significant Tree Protection, outlines the protection of significant trees on private and public property. A significant tree is defined as any tree equal to or greater than 10 inches in diameter at breast height. A permit is required for the removal or substantial trimming of any significant tree. The Sand City Sustainable Transportation Plan improvements would generally not require the removal of significant trees; and therefore, would not conflict with local regulations related to protected trees. If significant trees need to be removed within the railroad corridor, the requirements of Chapter 16.12 would be observed.

f. **Conservation Plans.** There are no habitat conservation plans that have been adopted for the areas in which the Sand City Sustainable Transportation Plan proposes improvements.

5. CULTURAL RESOURCES

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Cause a substantial adverse change in the significance of a historical resource pursuant to section 15064.5? (29)	☐	☐	☒	☐
b. Cause a substantial adverse change in the significance of an archaeological resource pursuant to section 15064.5? (23, 24, 25, 26, 27, 28)	☐	☒	☐	☐
c. Disturb any human remains, including those interred outside of dedicated cemeteries? (23, 24, 25, 26, 27, 28)	☐	☒	☐	☐

Comments:

a. A cultural resources records search was conducted through the Northwest Information Center. The results from the Northwest Information Center search revealed that there is a historic resource located within the project area. The resource is P-27-002923 the Southern Pacific Railroad. Segments of the Southern Pacific Railroad are within the project area and within the 1/8-mile radius. Within the 1/8-mile radius is a 200-foot segment that is located adjacent to and south of Roberts Lake. This segment of the Southern Pacific Railroad, "forms the grade for a bike and pedestrian trail and associated open space" (Jones, 2008). For the specific Southern Pacific Railroad segment that, "forms the grade for a bike and pedestrian trail" it was noted that the berms for the railroad are still visible along certain portions of the railroad. Due to the segment being bisected by an asphalt trail and its ballast and ties being removed, this portion of the Southern Pacific Railroad lacks integrity and thus is unable to provide any significant data in regard to the historic consequence.

Many segments of the Southern Pacific Railroad within the project area have either been buried and or built over. The improvements proposed in the Sustainable Transportation Plan are not expected to disturb the existing railroad tracks. The proposed pathways within the railroad corridor would be located to one side or the other of the railroad tracks, so as not to interfere with rail or bus transit planned by the Transportation Agency for Monterey County and/or Monterey Salinas Transit..

b. The results from the Northwest Information Center revealed that there is a prehistoric resource within the northern portion of the project area. P-27-000385, a prehistoric site that was listed as an occupation site and was mentioned in a 1950's site record. The 1950's site record noted that the site was destroyed by a bulldozer in 1940 and that a gentleman named Jesse Neusbaum had, "correspondence with Lovejoy of Mnt. Pen. Herald about site" (Pilling, 1950). The exact location of the site is unknown. In 2019 a survey was conducted along a portion of the southern boundary of the former Fort Ord Military reservation. During that 2019 investigation, archaeologists did not locate the site nor did they find any cultural resources.

Ruby and Meyer's 2010 report describes the potential for cultural resources within the railroad corridor. The report concludes that the potential for discovery of buried cultural resources is high within 200 meters of bodies of water. One body of water, Roberts Lake (historically part of Laguna del Rey), is located within 200 meters of improvements proposed by the Sustainable Transportation Plan. In other areas of proposed improvements, the report concludes that there is a moderate chance of discovering buried cultural resources.

Therefore, the potential exists that work on improvements proposed by the Sustainable Transportation Plan could disturb unknown cultural resources. Implementation of the following mitigation measures would reduce this potential impact to a less-than-significant level.

Mitigation Measures

CR-1 Prior to construction, all personnel directly involved in project-related ground disturbance shall be provided archaeological and paleontological sensitivity training. The training will be conducted by a qualified Archaeologist and Paleontologist that meet the Secretary of the Interior's standards for archaeology and California Environmental Quality Act qualifications for paleontology. The training will take place at a day and time to be determined in conjunction with the project construction foreman, and prior to any scheduled ground disturbance. The training will include: a discussion of applicable laws and penalties; samples or visual aids of artifacts and paleontological resources that could be encountered in the project vicinity, including what those artifacts and resources may look like partially buried, or wholly buried and freshly exposed; and instructions to halt work in the vicinity of any potential cultural resources discovery, and notify the archaeological or paleontological monitor as necessary.

CR-2 Archaeological construction monitoring shall be conducted for improvements within 500 feet of the edge of Canyon del Rey Boulevard, where there is a high potential for underground cultural resources, and within 50 feet of the former southern boundary of Fort Ord Military Reserve. For other proposed improvements, which have a moderate potential for underground resources, an archaeologist is to be present for ground-disturbing activities.

CR-3 In the event archaeological resources are encountered during ground disturbing activities, contractor shall temporarily halt or divert excavations within a 100-foot radius of the find until it can be evaluated. All potentially significant archaeological deposits shall be evaluated to demonstrate whether the resource is eligible for inclusion on the California Register of Historic Resources, even if discovered during construction. If archaeological deposits are encountered they will be evaluated and mitigated simultaneously in the timeliest manner practicable, allowing for recovery of materials and data by standard archaeological procedures. For prehistoric archaeological sites, this data recovery involves the hand-excavated recovery and non-destructive analysis of a small sample of the deposit. Historic resources shall also be sampled through hand excavation, though architectural features may require careful mechanical exposure and hand excavation.

Any previously undiscovered resources found during construction activities shall be recorded on appropriate California Department of Parks and Recreation (DPR) forms and evaluated for significance by a qualified Archaeologist. Significant cultural resources consist, of but are not limited to, stone, bone, glass, ceramics, fossils, wood, or shell artifacts, or features including hearths, structural remains, or historic dumpsites. If the resource is determined significant, a qualified Archaeologist shall prepare and implement a research design and archaeological data recovery plan that will capture those categories of data for which the site is significant in accordance with Section 15064.5 of the CEQA Guidelines.

If such resources or artifacts are determined to be of native tribal origin, any mitigation or recovery program shall include direction from Ohlone/Costanoan Esselen Nation tribal leadership for proper handling and treatment.

The Archaeologist shall also perform appropriate technical analyses, prepare a comprehensive report complete with methods, results, and recommendations, and provide for the permanent curation of the recovered resources. The report shall be submitted to Monterey Salinas Transit, Transportation Agency for Monterey County, the Northwest Information Center, and the State Historic Preservation Office, as required.

c. As with other buried resources, there is the potential to locate buried human remains during excavations. Implementation of the following mitigation measure would reduce this potential impact to a less-than-significant level.

Mitigation Measure

CR-4 In the event that human remains (or remains that may be human) are discovered at the project site, Public Resource Code Section 5097.98 must be followed. All grading or earthmoving activities shall immediately stop within a 100-foot radius of the find. The project proponent shall then inform the Monterey County Coroner and the respective city (Sand City or Seaside) immediately, and the Coroner shall be permitted to examine the remains as required by California Health and Safety Code Section 7050.5(b).

Section 7050.5 requires that excavation be stopped in the vicinity of discovered human remains until the Coroner can determine whether the remains are those of a Native American. If human remains are determined as those of Native American origin, the Applicant shall comply with the state relating to the disposition of Native American burials that fall within the jurisdiction of the NAHC (Public Resource Code [PRC] § 5097). The Coroner shall contact the Native American Heritage Commission (NAHC) to determine the most likely descendant(s) (MLD). The MLD shall complete his or her inspection and make recommendations or preferences for treatment within 48 hours of being granted access to the site. The MLD will determine the most appropriate means of treating the human remains and associated grave artifacts, and shall oversee the disposition of the remains.

In the event the NAHC is unable to identify an MLD or the MLD fails to make a recommendation within 48 hours after being granted access to the site, the landowner or his/her authorized representative shall rebury the Native American human remains and associated grave

goods with appropriate dignity within the project area in a location not subject to further subsurface disturbance.

Final, recommendation is to wait for the Native American tribal member to respond for the request for comment in order to see if the individual would like to have a monitor during construction.

6. ENERGY

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Result in a potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation? (4)	☐	☐	☐	☒
b. Conflict with or obstruct a state or local plan for renewable energy or energy efficiency? (4)	☐	☐	☐	☒

Comments:

a. Energy impacts are assessed based on the proposed project energy demand profile and on its relationship to the state's energy efficiency regulations. The Sustainable Transportation Plan would not result in an increased demand for electricity, natural gas or transportation fuel. The proposed Sustainable Transportation Plan improvements will facilitate pedestrian and bicycle travel and have the potential to reduce automobile trips within Sand City and environs, thus potentially reducing use of transportation fuel.

b. The Sustainable Transportation Plan would not conflict with or obstruct a state or local plan for energy efficiency or alternative energy.

7. GEOLOGY AND SOILS

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:				
(1) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42? (12)	☐	☐	☐	☒
(2) Strong seismic ground shaking? (4)	☐	☐	☐	☒
(3) Seismic-related ground failure, including liquefaction? (4)	☐	☐	☒	☐
(4) Landslides? (4, 5)	☐	☐	☐	☒
b. Result in substantial soil erosion or the loss of topsoil? (4)	☐	☐	☒	☐
c. Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction, or collapse? (4)	☐	☐	☒	☐
d. Be located on expansive soil, creating substantial direct or indirect risks to life or property? (4)	☐	☐	☐	☒
e. Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater? (4)	☐	☐	☐	☒
f. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature? (1, 4, 5)	☐	☐	☒	☐

Comments:

a. No Alquist Priolo earthquake fault zones pass through Sand City or the adjacent area. The proposed improvements are surface level, i.e., striping or pavement; or are very minor structures, such as sign posts; and are not subject to significant damage from ground shaking, nor could they result in significant injury in the event of ground shaking. While liquefaction could potentially damage improvements proposed in the Sustainable Transportation Plan, significant damage that would result in injury is not likely. The only improvements proposed on slopes are pedestrian improvements such as pathways and steps, and are not likely to precipitate landslides.

b. Sustainable Transportation Plan improvements will involve only shallow groundwork, and generally on level ground, so erosion is not likely to occur. Standard construction practices would be employed to prevent transport of silt from construction sites.

c. There are generally no known unstable soils where improvements are proposed. The possible exception is the potential disabled access to the beach, which could be subject to coastal erosion over time. This improvement would either be constructed to withstand wave action, or removable to avoid exposure to wave action.

d. Expansive soils would not affect the surface improvements that are proposed in the Sustainable Transportation Plan.

e. Septic systems are not a part of the proposed improvements.

f. Sustainable Transportation Plan improvements would involve only shallow groundwork, almost exclusively in previously disturbed or developed areas, so are unlikely to disturb paleontological resources. As reflected within the Sand City General Plan's Negative Declaration, there is no indication of paleontological resources associated with the project area. However, in the event that paleontological resources were discovered, any impacts would be mitigated by Mitigation Measure CR-1.

8. GREENHOUSE GAS EMISSIONS

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment? (4)	☐	☐	☒	☐
b. Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases? (4)	☐	☐	☐	☒

Comments:

a. The proposed Sustainable Transportation Plan improvements will facilitate pedestrian and bicycle travel and have the potential to reduce automobile trips within Sand City and environs, which could decrease greenhouse gas emissions. There could be minor quantities of greenhouse gas emissions during construction.

b. The proposed Sustainable Transportation Plan improvements will facilitate pedestrian and bicycle travel and have the potential to reduce automobile trips within Sand City and environs, which could decrease greenhouse gas emissions. Therefore, the Sustainable Transportation Plan would not conflict with plans, policies, or regulations to reduce greenhouse gas emissions.

9. HAZARDS AND HAZARDOUS MATERIALS

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials? (4)	☐	☐	☐	☒
b. Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment? (4)	☐	☐	☐	☒
c. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school? (4, 5)	☐	☐	☐	☒
d. Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5 and, as a result, create a significant hazard to the public or the environment? (13, 14, 15)	☐	☒	☐	☐
e. For a project located within an airport land-use plan or, where such a plan has not been adopted, within two miles of a public airport or a public-use airport, result in a safety hazard or excessive noise for people residing or working in the project area? (16)	☐	☐	☐	☒
f. Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan? (4)	☐	☐	☐	☒
g. Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires? (17)	☐	☐	☐	☒

Comments:

a. The Sustainable Transportation Plan does not involve the use or transport of hazardous materials.

b. The Sustainable Transportation Plan will not result in accidental release of hazardous materials.

c. Seaside High School is within one-quarter of a mile of some of the improvements proposed in the Sustainable Transportation Plan. The Sustainable Transportation Plan does not involve the use or emission of hazardous materials.

d. Some of the improvements proposed in the Sustainable Transportation Plan would be constructed within the railroad corridor, which was used for rail transport from about 1880 to about 1990. A Phase 1 hazardous materials assessment of the railroad corridor was prepared for the Transportation Agency for Monterey County in 2010. Contaminants potentially deposited from rail operations include, oils and heavy metals such as cadmium, chromium, copper, nickel and lead. Creosote from railroad ties may have leached arsenic, copper azole, and pentachlorophynol. Herbicides were sprayed along the tracks to control vegetative growth. It is also possible that hazardous waste materials from automotive businesses adjacent to the railroad corridor have been disposed of within the railroad corridor. It is assumed that pathway improvements proposed within the railroad corridor by the Sustainable Transportation Plan would require ground disturbance and grading to no greater than three feet in depth (consistent with the assumption in the Phase 1 report). Soils disturbance during construction within the railroad corridor could potentially expose workers to hazardous materials in near-surface soils. Implementation of the following mitigation measures would reduce this impact to a less-than-significant level.

Mitigation Measures

HAZ-1 A Soil and Groundwater Management Plan shall be prepared prior to ground disturbance, identifying the methods and procedures required to handle, store, transport and dispose of chemically impacted soil and groundwater. If groundwater is encountered during construction, groundwater sampling shall be conducted to determine contaminants and contamination levels. If contamination is found, a work plan shall be developed and implemented by the project geotechnical engineer consistent with the Management Plan to protect the health of construction workers.

HAZ-2 Once the construction plans showing the depth and extent of the excavation are completed for all project segments, a targeted soil and groundwater sampling shall be conducted in areas of known or suspected contamination prior to the start of disturbance in those areas. If contamination is found, a work plan shall be developed by the

project geotechnical engineer to protect the health of construction workers.

HAZ-3 A worker health and safety plan (HSP) that meets the provisions of California Code of Regulations (Title 22, Section 5192) shall be developed by the project contractor. HSP procedures will address the identification, excavation, handling, and disposal of hazardous wastes and materials that may be found in construction areas. The HSP shall include Best Management Practices (BMPs) that all contractors must employ during construction.

The Department of Toxic Substances Control envirostor and Department of Water Resources geotracker databases were searched for other hazardous material sites, and none were located near improvements proposed in the Sustainable Transportation Plan.

e. Sand City and adjacent areas are within the Airport Influence Area of the Monterey Regional Airport. The Airport Land Use Compatibility Plan does not impose land use restrictions within this area, and the improvements proposed in the Sustainable Transportation Plan would not interfere with airport operations or pose a danger to users of the improvements.

f. The improvements proposed in the Sustainable Transportation Plan would not interfere with travel along any streets that would be used for emergency response purposes.

g. Sand City and adjacent areas are not located in an area of high fire hazard risk.

10. HYDROLOGY AND WATER QUALITY

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality? (4, 18)	☐	☐	☐	☒
b. Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin? (4, 18)	☐	☐	☐	☒
c. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:				
(1) Result in substantial erosion or siltation on- or off-site; (4)	☐	☐	☒	☐
(2) Substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site; (4)	☐	☐	☐	☒
(3) Create or contribute runoff water that would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff; or (4)	☐	☐	☐	☒
(4) Impede or redirect flood flows? (4)	☐	☐	☐	☒
d. In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation? (4)	☐	☐	☐	☒
e. Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan? (4)	☐	☐	☐	☒

Comments:

a. The improvements proposed in the Sustainable Transportation Plan would not violate any water quality standards. In some cases, the improvements may include concurrent water quality improvements, as has been the case for pedestrian improvements currently in design for Catalina Avenue and Contra Costa Street.

b. The improvements proposed in the Sustainable Transportation Plan would not use groundwater, and the additional impervious surfaces created would divert storm water only a short distance to pervious surfaces, where storm water would continue to percolate into the ground. In some cases, the improvements may include concurrent water table improvements, as has been the case for pedestrian and storm water management improvements currently in design for Catalina Avenue and Contra Costa Street.

c. Improvements proposed in the Sustainable Transportation Plan would, for the most part, have no effect on storm water drainage patterns, because they would involve striping on existing pavement or construction of sidewalks within existing streets or parking lots. A pathway within the railroad corridor would likely be paved and result in no more than 2.2 acres of impervious surfaces (7,800 feet long by maximum 12 feet wide). The pathway could marginally increase run-off, most of which would flow to either side of the pathway and percolate into the adjacent ground. Run-off from the pathway would not be of sufficient volume to cause significant erosion or flooding. Other new impervious areas could include new disabled access ramps/paths at Calabrese Park and the Edgewater Shopping Center; these would comprise about one tenth of an acre of impervious surface area, and have minimal effects on storm water run-off.

d. The only potential improvement within a tsunami zone would be a beach access for disabled persons. This improvement could not result in the release of pollutants were it to be inundated.

e. The improvements proposed in the Sustainable Transportation Plan would not obstruct implementation of these plans.

11. LAND USE AND PLANNING

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Physically divide an established community? (1, 2, 4)	☐	☐	☐	☒
b. Cause any significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect? (1, 2, 4)	☐	☐	☐	☒

Comments:

a. The Sustainable Transportation Plan is intended to connect the City and adjacent areas through the facilitation of pedestrian and bicycle circulation.

b. The Sustainable Transportation Plan would not conflict with any plans adopted for the protection of the environment.

12. MINERAL RESOURCES

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Result in loss of availability of a known mineral resource that would be of value to the region and the residents of the state? (1)	☐	☐	☐	☒
b. Result in the loss of availability of a locally important mineral resource recovery site delineated in a local general plan, specific plan, or other land-use plan? (1)	☐	☐	☐	☒

Comments:

a. Sand City was the site of sand mining operations, but those operations ceased in the early 1990s. The Sustainable Transportation Plan would not result in the loss of a valuable mineral resource.

b. No mineral resources are identified in local plans.

13. NOISE

Would the project result in:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or in applicable standards of other agencies? (1, 4)	☐	☐	☒	☐
b. Generation of excessive ground-borne vibration or ground borne noise levels? (4)	☐	☐	☐	☒
c. For a project located within the vicinity of a private airstrip or an airport land-use plan or, where such a plan has not been adopted, within two miles of a public airport or public-use airport, expose people residing or working in the project area to excessive noise levels? (16)	☐	☐	☐	☒

Comments:

a. Temporary noise would occur during construction of the improvements in the Sustainable Transportation Plan. Sensitive receptors nearest to proposed improvements are the residential units along Ortiz Avenue, which are near the trail proposed within the railroad corridor; and houses near Park Avenue and Ocean View Avenue, which are near proposed disabled pathway improvements at Calabrese Park. All improvements would be constructed during normal working hours to reduce impacts on sensitive receptors, and most improvements would be located at a significant distance from sensitive receptors.

b. No ground-borne noise or vibration would result from construction or operation of the improvements proposed in the Sustainable Transportation Plan.

c. Sand City and adjacent areas are outside of the CNEL 65 noise contour of the Monterey Regional Airport.

14. POPULATION AND HOUSING

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Induce substantial unplanned population growth in an area, either directly (e.g., by proposing new homes and businesses) or indirectly (e.g., through extension of roads or other infrastructure)? (1, 4)	☐	☐	☐	☒
b. Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere? (1, 4, 5)	☐	☐	☐	☒

Comments:

a. The Sustainable Transportation Plan proposes improvements to facilitate pedestrian and bicycle transportation within an existing city by eliminating impediments. The improvements would not expand the capacity of utilities that would allow for increased population.

b. No residential units would be displaced. All of the improvements proposed in the Sustainable Transportation Plan would be constructed within public property or private commercial property, where there is no existing housing.

15. PUBLIC SERVICES

Would the project result in substantial adverse physical impacts associated with the provision of or need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other performance objectives for any of the following public services:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Fire protection? (1, 4)	☐	☐	☐	☒
b. Police protection? (1, 4)	☐	☐	☐	☒
c. Schools? (1, 4)	☐	☐	☐	☒
d. Parks? (1, 2, 4)	☐	☐	☐	☒
e. Other public facilities? (1, 4)	☐	☐	☐	☒

Comments:

a. The Sustainable Transportation Plan would not create the need for new or expanded fire department facilities.

b. The Sustainable Transportation Plan would not create the need for new or expanded police department facilities.

c. The Sustainable Transportation Plan would not create the need for new or expanded school facilities.

d. The pathway for mobility-challenged access within Calabrese Park, and the mobility-challenged access path to the beach would expand access to park and recreation facilities within the City for a segment of the population. The pathway within the railroad corridor is proposed principally for transportation purposes, but would be used for recreation as well. These improvements would not require additional park facilities beyond those proposed in the Sustainable Transportation Plan.

e. The Sustainable Transportation Plan would not create the need for other types of new or expanded facilities.

16. RECREATION

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated? (4)	☐	☐	☐	☒
b. Does the project include recreational facilities or require the construction or expansion of recreational facilities, which might have an adverse physical effect on the environment? (4)	☐	☒	☐	☐

Comments:

a. Proposed improvements include access for the mobility-challenged at the beach and at Calabrese Park. Access to the general public is freely available at both of these locations, and the facilitation of access for the mobility-challenged would not result in substantial physical deterioration.

b. The goal of the Sustainable Transportation Plan is to improve and expand circulation opportunities for pedestrian, bicyclists, and mobility-challenged persons. Some of the improvements, including access paths for the mobility-challenged at Calabrese Park and the beach, and the pathway proposed within the railroad corridor, would also serve recreational purposes. These improvements have the potential for impacts on biological and cultural resources, and impacts related to disturbance of hazardous materials during construction. The potential environmental effects of those improvements are studied within this initial study, and the potential impacts can be mitigated by the mitigation measures presented herein.

17. TRANSPORTATION

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Conflict with a program, plan, ordinance, or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities? (1, 2, 4, 19, 20, 21)	☐	☐	☐	☒
b. Conflict or be inconsistent with CEQA guidelines section 15064.3, subdivision (b)? (4)	☐	☐	☐	☒
c. Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)? (4, 22)	☐	☐	☒	☐
d. Result in inadequate emergency access? (4)	☐	☐	☐	☒

Comments:

a. The goal of the Sustainable Transportation Plan is to expand circulation opportunities for pedestrian, bicyclists, and mobility-challenged persons. The improvements proposed do not interfere with other transportation plans. Within the railroad corridor, there is adequate width to accommodate both the proposed trail improvements and transit uses planned by the Transportation Agency for Monterey County and by Monterey Salinas Transit. The improvements proposed at the California Avenue/Fremont Boulevard/Monterey Road intersections are compatible with the existing intersection configuration and with a proposed double roundabout interchange.

b. The Sustainable Transportation Plan would facilitate pedestrian and bicycle circulation, and could reduce motorized transportation. Therefore, vehicle miles traveled could be reduced, and would not increase in any case. The Sustainable Transportation Plan would not conflict with CEQA guidelines section 15064.3, subdivision (b).

c. The trail within the railroad corridor would include several street and driveway crossings. The conceptual designs in the Sustainable Transportation Plan were selected to minimize conflicts with vehicles at these locations. The crossings of Canyon del Rey Boulevard and Contra Costa Street would use the existing

crosswalks at Del Monte Boulevard, so that trail users would take advantage of signalized crossings. The preferred route at the corner of Canyon del Rey Boulevard and Del Monte Boulevard crosses the exit-only driveway at the Starbucks property to reduce crossing conflicts compared to crossing the driveway on Canyon del Rey Boulevard. Where the pathway would cross the transit and parking lot access lanes north of Contra Costa Street, the crossing location was selected to provide good sight lines. Many of the proposed improvements, such as walkways within the shopping center parking lots, and enhanced crosswalks, are designed to separate pedestrian and vehicle traffic, and improve safety. When designed and constructed, the bicycle improvements (including multi-use trails) would meet Caltrans Highway Design Manual specifications.

d. The improvements proposed in the Sustainable Transportation Plan would not interfere with travel along any street that would be used for emergency response purposes. The improvements, when located within a street (i.e., crosswalks or median refuges) would retain full vehicular lane access. The pathway within the railroad corridor could provide an alternative emergency vehicle access route.

18. TRIBAL CULTURAL RESOURCES

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, or cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:				
(1) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources code section 5020.1(k), or (29)	☐	☐	☐	☒
(2) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe. (21, 22, 23, 24, 25, 26, 27, 28, 29)	☐	☐	☒	☐

Comments:

a. A cultural resources records search was conducted through the Northwest Information Center. The results from the Northwest Information Center search revealed that there is a historic resource located within the project area. The resource is the Southern Pacific Railroad, and is not a Tribal resource.

The results from the Northwest Information Center revealed that there is a prehistoric resource within the northern portion of the project area. P-27-000385, a prehistoric site that was listed as an occupation site and was mentioned in a 1950's site record. The 1950's site record noted that the site was destroyed by a bulldozer in 1940 and that a gentleman named Jesse Neusbaum had, "correspondence with Lovejoy of Mnt. Pen. Herald about site" (Pilling, 1950). The exact location of the site is unknown. In 2019 a survey was conducted along a portion of the southern boundary

of the former Fort Ord Military reservation. During that 2019 investigation, archaeologists did not locate the site nor did they find any cultural resources.

19. UTILITIES AND SERVICES SYSTEMS

Would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Require or result in the relocation or construction of new or expanded water, wastewater treatment, storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects? (4, 13)	☐	☐	☒	☐
b. Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years? (4)	☐	☐	☐	☒
c. Result in a determination by the wastewater treatment provider, which serves or may serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments? (4)	☐	☐	☐	☒
d. Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals? (4)	☐	☐	☒	☐
e. Comply with federal, state, and local management and reduction statutes and regulations related to solid waste? (4)	☐	☐	☐	☒

Comments:

a. Some utility lines may exist within the railroad corridor, including water lines, natural gas lines, or underground electrical lines. However, if these exist, it is not uncommon for trail improvements to be constructed over or near them, and the lines would not require re-location. The Sustainable Transportation Plan does not propose re-location of the existing railroad tracks.

b. The Sustainable Transportation Plan would not utilize water.

c. The Sustainable Transportation Plan does not generate wastewater.

d. The Sustainable Transportation Plan could result in a small amount of construction waste.

e. The temporary construction waste would not exceed standards or negatively affect attainment of solid waste reduction goals.

20. WILDFIRE

If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Substantially impair an adopted emergency response plan or emergency evacuation plan? (4)	☐	☐	☐	☒
b. Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to pollutant concentrations from a wildfire or the uncontrolled spread of wildfire? (4, 17)	☐	☐	☐	☒
c. Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment? (4, 17)	☐	☐	☐	☒
d. Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes? (4, 17)	☐	☐	☐	☒

Comments:

a. The improvements proposed in the Sustainable Transportation Plan would not interfere with travel along any streets that would be used for emergency response purposes. The improvements, when located within a street (i.e., crosswalks or median refuges) would retain full vehicular lane access. The pathway within the railroad corridor could provide an alternative emergency vehicle access route.

b. The Sustainable Transportation Plan would not exacerbate wildfire risk or expose users to wildfire smoke.

c. The Sustainable Transportation Plan would not include associated infrastructure that would exacerbate wildfire risk or result in additional environmental impacts.

d. Sustainable Transportation Plan would not exacerbate post-wildfire risk of flooding or landslides.

21. MANDATORY FINDINGS OF SIGNIFICANCE

	Potentially Significant Impact	Less-than-Significant Impact with Mitigation Measures Incorporated	Less-Than-Significant Impact	No Impact
a. Does the project have the potential to substantially degrade the quality of the environment; substantially reduce the habitat of a fish or wildlife species; cause a fish or wildlife population to drop below self-sustaining levels; threaten to eliminate a plant or animal community; substantially reduce the number or restrict the range of an endangered, rare, or threatened species; or eliminate important examples of the major periods of California history or prehistory? (21, 22, 23, 24, 25, 26, 27, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38)	☐	☒	☐	☐
b. Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects) (2)	☐	☐	☒	☐
c. Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly? (11, 12, 13)	☐	☒	☐	☐

Comments:

a. Construction of improvements proposed in the Sustainable Transportation Plan could potentially disturb, injure, or kill plant and/or animal species that are protected at either the State or federal level. Protected plant species include beach layia (*Layia carnosa*), Choris' popcorn-flower (*Plagiobothrys chorisianus* var. *chorisianus*), coastal dunes milkvetch (*Astragalus tener* var. *titi*), Congdon's tarplant (*Centromadia parryi* spp. *congdonii*), Eastwood's goldenbush (*Ericameria fasciculata*), Hickman's cinquefoil (*Potentilla hickmanii*), Hickman's onion (*Allium hickmanii*), Hooker's manzanita (*Arctostaphylos hookeri* ssp. *hookeri*), Hutchinson's larkspur (*Delphinium hutchinsoniae*), Menzies's wallflower (*Erysimum menziesii* ssp. *menziesii*), Monterey gilia (*Gilia tenuiflora* ssp. *arenaria*), Monterey spineflower (*Chorizanthe pungens* var.

pungens), northern curly-leaved monardella (*Monardella sinuata* ssp. *nigrescens*), pink Johnny-nip (*Castilleja ambigua* var. *insalutata*), Point Reyes horkelia (*Horkelia marinensis*), sand-loving wallflower (*Erysimum ammophilum*), sandmat manzanita (*Arctostaphylos pumila*), seaside bird's-beak (*Cordylanthus rigidus* ssp. *littoralis*), and Tidestrom's lupine (*Lupinus tidestromii*). Protected animal species include: American badger (*Taxidea taxus*), burrowing owl (*Athene cunicularia*), western snowy plover, Northern California legless lizard (*Anniella pulchra*), monarch butterfly (*Danaus plexippus*), Smith's blue butterfly (*Euphilotes enoptes smithi*), hoary bat (*Lasiurus cinereus*), and Townsend's big-eared bat (*Corynorhinus townsendii*). Implementation of mitigation measures presented in Section 4, Biological Resources, would reduce potential impacts to a less-than-significant level.

The Sustainable Transportation Plan would not eliminate important examples of California history or pre-history. In the event that buried resources were discovered, mitigation measures in Section 5, Cultural Resources, would reduce the impact to a less-than-significant level.

b. The Sustainable Transportation Plan would not result in cumulatively considerable environmental effects.

c. Disturbance of potentially hazardous materials within the railroad corridor could result in adverse effects on the health of construction workers. Mitigation measures provided in Section 9, Hazards and Hazardous Materials would reduce this potential impact to a less-than-significant level.

E. SOURCES

1. City of Sand City. Sand City General Plan 2002-2017 and Negative Declaration. February 2002.
2. City of Sand City Local Coastal Plan. December 1982.
3. Sand City Municipal Code
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All documents in bold are available for review at the **Lead Agency Name, Lead Agency Address, Lead Agency Phone Number** during normal business hours.

All documents listed above are available for review at EMC Planning Group Inc., 301 Lighthouse Avenue, Suite C, Monterey, California 93940, (831) 649-1799 during normal business hours.

APPENDIX A

Special-Status Wildlife and Plant Species

Special-Status Plant Species with Potential to Occur in the Project Vicinity

Species	Status (Federal/State/ CNPS)	Suitable Habitat Description	Potential to Occur on Project Site
Alkali milk-vetch *(Astragalus tener* var. *tener)*	--/--/1B.2	Alkaline sites in playas, valley and foothill grassland (on adobe clay), and vernal pools; elevation 1-60m. Blooming Period: March - June	Unlikely. Suitable habitat not found at project site.
Beach layia *(Layia carnosa)*	FE/SE/1B.1	Coastal dunes, hugely reduced in range along California's north coast dunes, on sparsely vegetated semi-stabilized dunes, usually behind foredunes; elevation 0-75m. Blooming Period: March - July	Low Potential. Suitable habitat present where route is adjacent to dunes.
Carmel Valley bush-mallow *(Malacothamnus palmeri* var. *involucratus)*	--/--/1B.2	Chaparral, cismontane woodland, coastal scrub; elevation 30-1100m. Blooming Period: May - October	Unlikely. Suitable habitat not found at project site.
Carmel Valley malacothrix *(Malacothrix saxatilis* var. *arachnoidea)*	--/--/1B.2	Chaparral (rocky); elevation 25-335m. Blooming Period: March - December	Unlikely. Suitable habitat not found at project site.
Choris' popcorn-flower *(Plagiobothrys chorisianus* var. *chorisianus)*	--/--/1B.2	Chaparral, coastal scrub, coastal prairie, mesic sites; elevation 15-100m. Blooming Period: March - June	Low Potential. Suitable habitat present in coastal scrub areas.
Coastal dunes milkvetch *(Astragalus tener* var. *titi)*	FE/SE/1B.1	Coastal bluff scrub, coastal dunes. Known only from a few extant occurrences, mostly historical in Southern California. Moist sandy depressions of bluffs or dunes along and near the Pacific Ocean, one site on a clay terrace; elevation 1-50m. Blooming Period: March - May	Low Potential. Suitable habitat present in coastal scrub areas.
Congdon's tarplant *(Centromadia parryi* spp. *congdonii)*	--/--/1B.1	Valley and foothill grassland (alkaline); elevation 1-230m. Known to occur on various substrates, and in disturbed and ruderal (weedy) areas. Blooming Period: June - November	Low Potential. Suitable habitat present in ruderal areas.
Contra Costa goldfields *(Lasthenia conjugens)*	FE/--/1B.1	Wet areas in cismontane woodland, playas (alkaline), valley and foothill grassland, and vernal pools; elevation 0-470m. Blooming Period: March - June	Unlikely. Suitable habitat not found at project site.
Eastwood's goldenbush *(Ericameria fasciculata)*	--/--/1B.1	Closed cone coniferous forest, chaparral (maritime), coastal dunes, and coastal scrub/sand; elevation 30 - 275 meters. Blooming Period: July - October	Low Potential. Suitable habitat present in coastal scrub areas.
Fort Ord spineflower *(Chorizanthe minutiflora)*	--/--/1B.2	Coastal scrub, maritime chaparral, sandy openings; elevation 60-145m. Blooming Period: April - July	Unlikely. Suitable habitat not found at project site.

Species	Status (Federal/State/ CNPS)	Suitable Habitat Description	Potential to Occur on Project Site
Fragrant fritillary *(Fritillaria liliacea)*	--/--/1B.2	Coastal scrub, valley and foothill grassland, and coastal prairie. Often on serpentine; various soils reported though usually clay in grassland; elevation 3-410m. Blooming Period: February - April	Unlikely. Suitable habitat not found at project site.
Gowen cypress *(Cupressus goveniana ssp. goveniana)*	FT/--/1B.2	Closed cone coniferous forest. Narrowly endemic to Monterey County. Coastal terraces, usually in sandy soils, sometimes with Monterey pine, Bishop pine; elevation 100-125m. Evergreen	Unlikely. Suitable habitat not found at project site.
Hickman's cinquefoil *(Potentilla hickmanii)*	FE/SE/1B.1	Coastal bluff scrub, closed-cone coniferous forest, meadows and seeps, marshes and swamps, small streams in open or forested areas along the coast; elevation 5-125m. Blooming Period: April - August	Low Potential. Suitable habitat present in coastal scrub areas.
Hickman's onion *(Allium hickmanii)*	--/--/1B.2	Closed-cone coniferous forest, chaparral, coastal scrub, valley and foothill grassland, coastal prairie, sandy loam, damp ground and vernal swales; elevation 20-200m. Blooming Period: April - May	Low Potential. Suitable habitat present in coastal scrub areas.
Hooker's manzanita *(Arctostaphylos hookeri* ssp. *hookeri)*	--/--/1B.2	Sandy soils in coastal scrub, chaparral, and closed-cone forest habitats; evergreen; elevation 45-215m. Blooming Period: February - April	Low Potential. Suitable habitat present in coastal scrub areas.
Hospital Canyon larkspur *(Delphinium californicum* ssp. *interius)*	--/--/1B.2	Cismontane woodland and chaparral, in wet, boggy meadows, openings in chaparral, and in canyons; elevation 225-1060m. Blooming Period: April - June	Unlikely. Suitable habitat not found at project site.
Hutchinson's larkspur *(Delphinium hutchinsoniae)*	--/--/1B.2	Broadleaved upland forest, chaparral, coastal prairie, coastal scrub; elevation 0-400m. Blooming Period: March - June	Low Potential. Suitable habitat present in coastal scrub areas.
Jolon clarkia *(Clarkia jolonensis)*	--/--/1B.2	Cismontane woodland, chaparral, coastal scrub; elevation 20-660m. Blooming Period: April - June	Unlikely. Suitable habitat not found at project site.
Kellogg's horkelia *(Horkelia cuneata* ssp. *sericea)*	--/--/1B.1	Closed-cone coniferous forest, maritime chaparral, coastal scrub, sandy or gravelly openings; elevation 10-200m. Blooming Period: April - September	Unlikely. Suitable habitat not found at project site.
Legenere *(Legenere limosa)*	--/--/1B.1	In beds of vernal pools; elevation 1-880m. Blooming Period: April - June	Unlikely. Suitable habitat not found at project site.
Maple-leaved checkerbloom *(Sidalcea malachroides)*	--/--/4.2	Broadleaved upland forest, coastal prairie, coastal scrub, North Coast coniferous forest, often in disturbed areas; elevation 2-700m. Blooming Period: April - August	Unlikely. Suitable habitat not found at project site.

Species	Status (Federal/State/ CNPS)	Suitable Habitat Description	Potential to Occur on Project Site
Marsh microseris *(Microseris paludosa)*	--/--/1B.2	Closed-cone coniferous forest, cismontane woodland, coastal scrub, valley and foothill grassland; elevation 5-300m. Blooming Period: April - June	Unlikely. Suitable habitat not found at project site.
Menzies's wallflower *(Erysimum menziesii* ssp. *menziesii)*	FE/SE/1B.1	Coastal dunes. Known only from Mendocino and Monterey Counties, localized on dunes and coastal strand; elevation 0-35m. Blooming Period: March - June	Low Potential. Suitable habitat present in coastal dune areas.
Monterey clover *(Trifolium trichocalyx)*	FE/SE/1B.1	Closed-cone coniferous forest, endemic to Monterey County. Poorly drained, low nutrient soil underlain with hardpan soils, also openings and burned areas; elevation 120-205. Blooming Period: April - June	Unlikely. Suitable habitat not found at project site.
Monterey cypress *(Cupressus macrocarpa)*	--/--/1B.2	Closed-cone coniferous forest. Narrowly endemic to Monterey County, granitic soils; elevation 10-30m. Evergreen	Unlikely. Suitable habitat not found at project site.
Monterey gilia *(Gilia tenuiflora* ssp. *arenaria)*	FE/ST/1B.2	Maritime chaparral, cismontane woodland, coastal dunes, coastal scrub, sandy openings; elevation 0-45m. Blooming Period: April - June	Low Potential. Suitable habitat present in coastal scrub areas.
Monterey pine *(Pinus radiata)*	--/--/1B.1	Closed-cone coniferous forest, cismontane woodland; elevation 25-185m. Evergreen	
Monterey spineflower *(Chorizanthe pungens* var. *pungens)*	FT/--/1B.2	Sandy openings in maritime chaparral, cismontane woodland, coastal dunes, coastal scrub, and valley and foothill grassland; elevation 3-450m. Blooming Period: April - June	Moderate Potential. Suitable habitat present in coastal scrub areas.
Northern curly-leaved monardella *(Monardella sinuata ssp. nigrescens)*	--/--/1B.2	Sandy sites in chaparral, coastal dunes, coastal scrub, and lower montane coniferous forest (ponderosa pine sandhills); elevation 0-300m. Blooming Period: April - September	Low Potential. Suitable habitat present in coastal scrub areas.
Oregon meconella *(Meconella oregana)*	--/--/1B.1	Coastal prairie, coastal scrub. Open, moist places; elevation 250-500m. Blooming Period: March - April	Unlikely. Suitable habitat not found at project site.
Pacific Grove clover *(Trifolium polyodon)*	--/SR/1B.1	Closed-cone coniferous forest, coastal prairie, meadows and seeps, valley and foothill grassland, mesic; elevation 5-120m. Blooming Period: April - June	Unlikely. Suitable habitat not found at project site.
Pajaro manzanita *(Arctostaphylos pajaroensis)*	--/--/1B.1	Sandy soils in chaparral habitat; evergreen; elevation 30-760m. Blooming Period: December - March	Unlikely. Suitable habitat not found at project site.
Pine rose *(Rosa pinetorum)*	--/--/1B.2	Closed-cone coniferous forest; elevation 2-300m. Blooming Period: May - July	Unlikely. Suitable habitat not found at project site.

Species	Status (Federal/State/ CNPS)	Suitable Habitat Description	Potential to Occur on Project Site
Pink Johnny-nip *(Castilleja ambigua* var. *insalutata)*	--/--/1B.1	Coastal bluff scrub, coastal prairie. Wet or moist coastal strand or scrub habitats; 3-135m elevation. Blooming Period: May - August	Low Potential. Suitable habitat present in coastal scrub areas.
Pinnacles buckwheat *(Eriogonum nortonii)*	--/--/1B.3	Sandy sites in chaparral and valley and foothill grassland, often on recent burns; elevation 300-975m. Blooming Period: May - June	Unlikely. Suitable habitat not found at project site.
Point Reyes horkelia *(Horkelia marinensis)*	--/--/1B.2	Sandy sites in coastal dunes, coastal prairie, and coastal scrub; elevation 5-755m. Blooming Period: May - September	Low Potential. Suitable habitat present in coastal scrub areas.
Saline clover *(Trifolium hydrophilum)*	--/--/1B.2	Marshes and swamps, valley and foothill grassland, and vernal pools. Prefers wet, alkaline sites; elevation 0-300m. Blooming Period: April - June	Unlikely. Suitable habitat not found at project site.
San Francisco collinsia *(Collinsia multicolor)*	--/--/1B.2	Serpentine sites in closed cone coniferous forest and coastal scrub. Prefers decomposed shale (mudstone) mixed with humus; elevation 30-250m. Blooming Period: March - May	Unlikely. Suitable habitat not found at project site.
Sand-loving wallflower *(Erysimum ammophilum)*	--/--/1B.2	Maritime chaparral, coastal dunes, coastal scrub, sandy openings; elevation 0 – 60m. Blooming Period: February - June	Low Potential. Suitable habitat present in coastal scrub areas.
Sandmat manzanita *(Arctostaphylos pumila)*	--/--/1B.2	Closed cone coniferous forest, maritime chaparral, cismontane woodland, coastal dunes, coastal scrub, sandy openings; elevation 30-730m. Blooming Period: February - May	Low Potential. Suitable habitat present in coastal scrub areas.
Santa Cruz clover *(Trifolium buckwestiorum)*	--/--/1B.1	Broadleaved upland forest, cismontane woodland, and coastal prairie; prefers moist grassland and gravelly margins; elevation 105-610m. Blooming Period: April - October	Unlikely. Suitable habitat not found at project site.
Santa Cruz microseris *(Stebbinsoseris decipiens)*	--/--/1B	Broadleaved upland forest, closed-cone coniferous forest, chaparral, coastal prairie, coastal scrub, valley and foothill grassland, open areas, sometimes serpentine; elevation 10-500m. Blooming Period: April - May	Unlikely. Suitable habitat not found at project site.
Seaside bird's-beak *(Cordylanthus rigidus* ssp. *littoralis)*	--/SE/1B.1	Closed-cone coniferous forest, maritime chaparral, cismontane woodland, coastal dunes, coastal scrub, sandy often disturbed sites; elevation 0-215m. Blooming Period: May - October	Low Potential. Suitable habitat present in coastal scrub areas.
Tidestrom's lupine *(Lupinus tidestromii)*	FE/SE/1B.1	Partially stabilized dunes, immediately near the ocean; elevation 0-3m. Blooming Period: April - June	Low Potential. Suitable habitat present in coastal dune areas.
Toro manzanita *(Arctostaphylos montereyensis)*	--/--/1B.2	Maritime chaparral, cismontane woodland, coastal scrub, sandy; elevation 30-730m. Blooming Period: February – March	Unlikely. Suitable habitat not found at project site.

Species	Status (Federal/State/ CNPS)	Suitable Habitat Description	Potential to Occur on Project Site
Umbrella larkspur *(Delphinium umbraculorum)*	--/--/1B.2	Cismontane woodland, mesic sites; elevation 400-1600m. Blooming Period: April - June	Unlikely. Suitable habitat not found at project site.
Vernal pool bent grass *(Agrostis lacuna-vernalis)*	--/--/1B.1	Vernal pools (mima mounds); elevation 115-145m.	Unlikely. Suitable habitat not found at project site.
Woodland woollythreads *(Monolopia gracilens)*	--/--/1B.2	Serpentine, open sites in broadleaved upland forest, chaparral, cismontane woodland, North Coast coniferous forest, and valley and foothill grassland; elevation 100-1200m. Blooming Period: March - July	Unlikely. Suitable habitat not found at project site.
Yadon's rein orchid *(Piperia yadonii)*	FE/--/1B.1	Sandy sites in coastal bluff scrub, closed cone coniferous forest, maritime chaparral; elevation 10-510m. Blooming Period: May - August	Unlikely. Suitable habitat not found at project site.

SOURCE: CDFW 2020, CNPS 2020
NOTE: Status Codes:
Federal (USFWS)
FE: Listed as Endangered under the Federal Endangered Species Act.
FT: Listed as Threatened under the Federal Endangered Species Act.
FC: A Candidate for listing as Threatened or Endangered under the Federal Endangered Species Act.
FSC: Species of Special Concern.
FD: Delisted under the Federal Endangered Species Act.

State (CDFW)
SE: Listed as Endangered under the California Endangered Species Act.
ST: Listed as Threatened under the California Endangered Species Act.
SR: Listed as Rare under the California Endangered Species Act.
SC: A Candidate for listing as Threatened or Endangered under the California Endangered Species Act.
SSC: Species of Special Concern.
SFP: Fully Protected species under the California Fish and Game Code.
SD: Delisted under the California Endangered Species Act.

CNPS Rare Plant Ranks and Threat Code Extensions
1B: Plants that are considered Rare, Threatened, or Endangered in California and elsewhere.
2B: Plants that are considered Rare, Threatened, or Endangered in California, but more common elsewhere.
.1: Seriously endangered in California (over 80% of occurrences threatened/high degree and immediacy of threat).
.2: Fairly endangered in California (20-80% occurrences threatened).

.3: Not very endangered in California (<20% of occurrences threatened or no current threats known).

Special-Status Wildlife Species with Potential to Occur in the Project Vicinity

Species	Status (Federal/State)	Suitable Habitat Description	Potential to Occur on Project Site
American badger *(Taxidea taxus)*	--/SSC	Most abundant in drier, open stages of most shrub, forest, and herbaceous habitats. Need sufficient food and open, uncultivated ground with friable soils to dig burrows. Prey on burrowing rodents.	Low Potential. Potential habitat within open areas along project route.
Bank swallow *(Riparia riparia)*	--/ST	Highly colonial species that nests in alluvial soils along rivers, streams, lakes, and ocean coasts. Nesting colonies only occur in vertical banks or bluffs of friable soils at least one meter tall, suitable for burrowing with some predator deterrence values. Breeding colony present in Salinas River.	Unlikely. Suitable habitat not present.
Black swift *(Cypseloides niger)*	--/SSC	Breeds in small colonies on cliffs behind or adjacent to waterfalls in deep canyons and sea bluffs above surf; forages widely.	Unlikely. Suitable habitat not present.
Burrowing owl *(Athene cunicularia)*	--/SSC	Open, dry, annual or perennial grasslands, desert, or scrubland, with available small mammal burrows.	Low Potential. Potential habitat within open or ruderal areas along project route.
California black rail *(Laterallus jamaicensis coturniculus)*	--/ST	Inhabits freshwater marshes, wet meadows, and shallow margins of saltwater marshes bordering larger bays. Needs water depth of about 1 inch that does not fluctuate during the year and dense vegetation for nesting.	Unlikely. Suitable habitat not present.
California brown pelican *(Pelecanus occidentalis californicus)*	FE/SE	(Nesting Colony) Colonial nester on coastal islands just outside the surf line, nests on coastal islands of small to moderate size which afford immunity from attach by ground-dwelling predators.	Unlikely. Suitable habitat not present.
California horned lark *(Eremophila alpestris actia)*	--/SSC	Coastal regions, chiefly from Sonoma County to San Diego County, also within the main part of the San Joaquin Valley and east to the foothills. Prefers short-grass prairie, mountain meadows, open coastal plains, fallow grain fields, alkali flats.	Unlikely. Suitable habitat not present.
California linderiella *(Linderiella occidentalis)*	FSC/--	Seasonal pools in unplowed grasslands with old alluvial soils underlain by hardpan or in sandstone depressions. Water in the pools typically has very low alkalinity, conductivity, and total dissolved solids.	Unlikely. Suitable habitat not present.

Species	Status (Federal/State)	Suitable Habitat Description	Potential to Occur on Project Site
California red-legged frog *(Rana draytonii)*	FT/SSC	Rivers, creeks, and stock ponds with pools and overhanging vegetation. Requires dense, shrubby or emergent riparian vegetation, and prefers short riffles and pools with slow-moving, well-oxygenated water. Needs upland habitat to aestivate (remain dormant during dry months) in small mammal burrows, cracks in the soil, or moist leaf litter.	Unlikely. Suitable habitat not present.
California tiger salamander *(Ambystoma californiense)*	FT/ST	Grasslands and oak woodlands near seasonal pools and stock ponds in central and coastal California. Needs upland habitat to aestivate (remain dormant during dry months) in small mammal burrows, cracks in the soil, or moist leaf litter. Requires seasonal water sources that persist into late March for breeding habitat.	Unlikely. Suitable habitat not present.
Coast horned lizard *(Phrynosoma blainvillii)*	--/SSC	Arid grassland and scrubland habitats; prefers lowlands along sandy washes with scattered low bushes. Requires open areas for sunning, bushes for cover, patches of loose soil for burrowing, and abundant supply of ants and other insects for feeding.	Low Potential. Potential habitat within coastal scrub areas along project route.
Coast Range newt *(Taricha torosa)*	--/SSC	Coastal drainages; lives in terrestrial habitats and can migrate over 1 km to breed in ponds, reservoirs, and slow-moving streams.	Unlikely. Suitable habitat not present.
Ferruginous hawk *(Buteo regalis)*	--/SSC	(Wintering) Open grasslands, sagebrush flats, desert scrub, low foothills and fringes of pinyon-juniper habitats. Mostly consumes flat lagomorphs, ground squirrels, and mice.	Unlikely. Suitable habitat not present.
Foothill yellow-legged frog *(Rana boylii)*	--/SE	Partly shaded, shallow streams and riffles with rocky substrate in a variety of habitats. Requires at least some cobble-sized substrate for egg-laying and 15 weeks of available water to attain metamorphosis.	Unlikely. Suitable habitat not present.
Globose dune beetle *(Coelus globosus)*	--/--	Inhabitant of coastal sand dune habitat, erratically distributed from Ten Mile Creek in Mendocino County south to Ensenada, Mexico. Inhabits foredunes and sand hummocks. It burrows beneath the sand surface and is most common beneath dune vegetation.	Unlikely. Suitable foredune habitat not present.
Hoary bat *(Lasiurus cinereus)*	--/SSC	Prefers open habitats or habitat mosaics, with access to trees for cover and open areas or habitat edges for feeding. Roosts in dense foliage of medium to large trees. Feeds primarily on moths. Requires water.	Low Potential. Potential trees along project route.
Monarch butterfly *(Danaus plexippus)*	--/--	Winter roost sites. Wind protected tree groves (Eucalyptus, Monterey pine, cypress) with nectar and water sources nearby.	Low Potential. Potential overwintering habitat along project route. Nearest overwintering site less than one mile from project site.

Species	Status (Federal/State)	Suitable Habitat Description	Potential to Occur on Project Site
Monterey dusky-footed woodrat *(Neotoma fuscipes luciana)*	--/SSC	Forest habitats of moderate canopy and moderate to dense understory. Also in chaparral habitats. Nests constructed of grass, leaves, sticks, feathers, etc. Population may be limited by availability of nest materials.	Unlikely. Suitable habitat not present.
Monterey hitch (*Lavinia exilicauda harengus*)	--/SSC	Widely distributed in the Pajaro and Salinas river systems. Most abundant in lowland areas with large pools or in small reservoirs.	Unlikely. Suitable habitat not present.
Monterey shrew *(Sorex ornatus salarius)*	--/SSC	Riparian, wetland, and upland areas in the vicinity of the Salinas River delta. Prefers moist microhabitats. Feeds on insects and other invertebrates found under logs, rocks, and litter.	Unlikely. Suitable habitat not present.
Northern California legless lizard *(Anniella pulchra)*	--/SSC	Sandy or loose loamy soils under sparse vegetation, moist soils. Anniella pulchra is traditionally split into two subspecies: *A. pulchra pulchra* (silvery legless lizard) and *A. pulchra nigra* (black legless lizard), but these subspecies are typically no longer recognized.	Low Potential. Potential habitat within coastal scrub areas along project route.
Smith's blue butterfly *(Euphilotes enoptes smithi)*	FE/--	Coastal dunes and coastal sage scrub plant communities. Host plants include *Eriogonum latifolium* and *E. parvifolium* for larval and adult stages.	Low Potential. Potential habitat within coastal scrub areas along project route.
Steelhead *(Oncorhynchus mykiss irideus)*	FT/--	Coastal stream with clean spawning gravel. Requires cool water and pools. Needs migratory access between natal stream and ocean.	Unlikely. Suitable habitat not present.
Tidewater goby *(Eucyclogobius newberryi)*	FE/SSC	Brackish water habitats, found in shallow lagoons and lower stream reaches, still but not stagnant water with high oxygen levels.	Unlikely. Suitable habitat not present.
Townsend's big-eared bat *(Corynorhinus townsendii)*	--/SSC	Inhabits a wide variety of habitats. Most common in mesic sites. Roosts in the open, hanging from walls and ceilings. Roosting sites limiting. Extremely sensitive to human disturbance.	Low Potential. Potential habitat within structures along project route.
Tricolored blackbird *(Agelaius tricolor)*	--/SSC	Areas adjacent to open water with protected nesting substrate, which typically consists of dense, emergent freshwater marsh vegetation.	Unlikely. Suitable habitat not present.
Two-striped garter snake *(Thamnophis hammondii)*	--/SSC	Coastal California from sea level to about 7,000 feet in elevation. Highly aquatic, found in or near permanent fresh water, often along streams with rocky beds and riparian growth.	Unlikely. Suitable habitat not present.
Western pond turtle *(Emys marmorata)*	--/SSC	Ponds, marshes, rivers, streams, and irrigation ditches with aquatic vegetation. Needs basking sites (such as rocks or partially submerged logs) and suitable upland habitat for egg-laying (sandy banks or grassy open fields).	Unlikely. Suitable habitat not present.

Species	Status (Federal/State)	Suitable Habitat Description	Potential to Occur on Project Site
Western snowy plover *(Charadrius alexandrinus nivosus)*	FT/SSC	Sandy beaches, salt pond levees, shores of large alkali lakes; sandy, gravelly, or friable soils for nesting.	Low Potential. Known habitat located along Sand City Beach.
Western spadefoot *(Spea hammondii)*	--/SSC	Occurs primarily in grassland habitats, but can be found in valley-foothill hardwood woodlands, breeds in winter and spring (January - May) in quiet streams and temporary pools.	Unlikely. Suitable habitat not present.
Yellow rail *(Corturnicops noveboracensis)*	--/SSC	Summer resident in eastern Sierra Nevadas, prefers freshwater marshlands.	Unlikely. Suitable habitat not present.

SOURCE: CDFW 2021

NOTE: Status Codes:

Federal (USFWS)

FE: Listed as Endangered under the Federal Endangered Species Act.

FT: Listed as Threatened under the Federal Endangered Species Act.

FC: A Candidate for listing as Threatened or Endangered under the Federal Endangered Species Act.

FSC: Species of Special Concern.

FD: Delisted under the Federal Endangered Species Act.

State (CDFW)

SE: Listed as Endangered under the California Endangered Species Act.

ST: Listed as Threatened under the California Endangered Species Act.

SC: A Candidate for listing as Threatened or Endangered under the California Endangered Species Act.

SSC: Species of Special Concern.

SFP: Fully Protected species under the California Fish and Game Code.

WL: Watch List. Taxa that were previously designated as "Species of Special Concern" but no longer merit that status, or which do not yet meet SSC criteria, but for which there is concern and a need for additional information to clarify status.

EXHIBIT D

Responses to Comments on the Proposed Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program

E M C

Planning for Success.

December 14, 2021

Charles Pooler
City Planner
City of Sand City
1 Pendergrass Way
Sand City, CA 93955

Re: Response to Public Comments on the Sand City Sustainable Transportation Plan Initial Study and Proposed Mitigated Negative Declaration

Dear Mr. Pooler:

The above-referenced initial study and proposed mitigated negative declaration were circulated for public review from November 3 through December 3. Comment letters were received from Caltrans, the California Department of Fish and Wildlife, and Monterey-Salinas Transit. The comment letters are included in Attachment A, Comment Letters. Several of the comments have resulted in changes to mitigation measures. The final mitigation measures are included in Attachment B, Mitigation Monitoring and Reporting Program.

Letter from Caltrans. Caltrans states that the agency supports smart growth principles which include improvements to pedestrian, bicycle, and transit infrastructure, and looks forward to working with the City on projects within State highways. The letter provides information on standard practices including the requirement for an encroachment permit for work within State highways. Caltrans also informs the City that there is an ADA project programmed for construction at the Canyon del Rey Boulevard/Del Monte Boulevard intersection.

Caltrans comments do not raise environmental issues, and no response is necessary.

Letter from California Department of Fish and Wildlife. The letter from the California Department of Fish and Wildlife requests that in addition to the multiple species listed, two additional species, western bumble bee (*Bombus occidentalis*) and Monterey shrew (*Sorex ornatus salaries*), be addressed. Edits to Mitigation Measures BIO-2, which requires a training session on special-status species potentially present on the construction site for all personnel, have been made to include these two species. In addition, Mitigation Measure BIO-4 has been added to address potential impacts to Monterey shrew and Mitigation Measures BIO-10 has been added to address potential impacts to western bumble bee.

The letter from the California Department of Fish and Wildlife also recommends consultation if the presence of state-listed special-status plant species are found during surveys conducted as part of Mitigation Measure BIO-1. The measure has been revised to include the requirement to obtain incidental take authorization if state and/or federally-listed species are found during focused surveys.

Final mitigation measure language is included in Attachment B, Mitigation Monitoring and Reporting Program. The revised text of the Biological Resources section is included in Attachment C, Revised Biological Resources Revised Text.

Letter from Monterey Salinas Transit. Monterey-Salinas Transit is concerned that its comments on the First Draft Plan were not incorporated into the Second Draft Plan. The letter asks for clarification as to which draft of the plan the initial study is based on. Monterey Salinas Transit reminds the City that the SURF! Rapid bus line will be utilizing the western edge of portions the railroad corridor, and expresses concern that the City's proposed improvements within the railroad corridor (proposed trail and parking) could conflict with the planned transit line. Monterey-Salinas Transit requests the City coordinate design regarding these other improvements.

The initial study is based on the Second Draft Sustainable Transportation Plan. The initial study was circulated before the final version of the Second Draft Plan was available for publication to the website.

The letter does not raise other environmental issues, and no further response is necessary. However, the City acknowledges the need to coordinate improvements within the railroad corridor with both MST and TAMC, and the conceptual plans

presented in the Sustainable Transportation Plan will be reviewed and revised as needed to conform with SURF! plans. Numerous wording changes were made per comments from MST, but Table 2-1 was only foot-noted, rather than changed, since the City did not have concrete information on future bus routes. The latest available information will be incorporated into the Final Plan.

Sincerely,

Richard James, AICP
Principal

Cc: Orchid Monroy-Ochoa, Caltrans
Chris Bjornstad, Caltrans District 5 Development Review
Annee Ferranti, CDFW
Sloan Thomas Campi, MST

Attachment A - Comment Letters

Attachment B - Mitigation Monitoring and Reporting Program

Attachment C - Biological Resources Text Revisions

Comment Letters

APPENDIX A

DEPARTMENT OF TRANSPORTATION
CALTRANS DISTRICT 5
50 HIGUERA STREET
SAN LUIS OBISPO, CA 93401-5415
PHONE (805) 549-3101
FAX (805) 549-3329
TTY 711
www.dot.ca.gov/dist05/

Making Conservation a California Way of Life.

December 3, 2021

MON/Var
SCH#2021110061

Charles Pooler
City of Sand City
1 Pendergrass Way
Sand City, CA 93955

Dear Mr. Pooler:

COMMENTS FOR THE MITIGATED NEGATIVE DECLARATION (MND) – SAND CITY SUSTAINABLE TRANSPORTATION PLAN, SAND CITY, CA

The California Department of Transportation (Caltrans) appreciates the opportunity to review the MND for the Sand City Sustainable Transportation Plan. Proposed in the plan are conceptual improvements within and adjacent to Sand City to improve circulation for pedestrians, bicyclists, and the mobility-challenged, and improve access to transit. Caltrans offers the following comments in response to the MND:

1. Caltrans supports local development that is consistent with State planning priorities intended to promote equity, strengthen the economy, protect the environment, and promote public health and safety. We accomplish this by working with local jurisdictions to achieve a shared vision of how the transportation system should and can accommodate interregional and local travel and development. Projects that support smart growth principles which include improvements to pedestrian, bicycle, and transit infrastructure (or other key Transportation Demand Strategies) are supported by Caltrans and are consistent with our mission, vision, and goals.

2. We look forward to working with Sand City on future projects in the State's right-of-way that improve walking, cycling, transit, and multimodal trips.

3. Please be aware that if any future work is completed in the State's right-of-way it will require an encroachment permit from Caltrans and must be done to our engineering and environmental standards, and at no cost to the State. The conditions of approval and the requirements for the encroachment permit are issued at the sole discretion of the Permits Office, and nothing in this letter shall be implied as limiting those future conditioned and requirements. For more information regarding the encroachment permit process, please visit our Encroachment Permit Website at: https://dot.ca.gov/caltrans-near-me/district-5/district-5-programs/d5-encroachment-permits.

4. Caltrans currently has an American with Disabilities Act project planned at State Route 218 and Del Monte Boulevard. The project is scheduled to be constructed in late 2022.

Thank you for the opportunity to review and comment on the proposed project. If you have any questions, or need further clarification on items discussed above, please contact me at (805) 835-6543 or christopher.bjornstad@dot.ca.gov.

Sincerely,

Christopher Bjornstad

Chris Bjornstad
Associate Transportation Planner
District 5 Development Review

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State of California – Natural Resources Agency
DEPARTMENT OF FISH AND WILDLIFE
Central Region
1234 East Shaw Ave
Fresno, California 93710
www.wildlife.ca.gov

GAVIN NEWSOM, Governor
CHARLTON H. BONHAM, Director

December 3, 2021

Charles Pooler
City Planner
Sand City Community Development Department
1 Pendergrass Way
Sand City, California 93955

Subject: SAND CITY SUSTAINABLE TRANSPORTATION PLAN (PROJECT)
MITIGATED NEGATIVE DECLARATION (MND)
SCH No.: 2021110061

Dear Mr. Pooler:

The California Department of Fish and Wildlife (CDFW) received a Notice of Intent to Adopt an MND from Sand City for the Project pursuant the California Environmental Quality Act (CEQA) and CEQA Guidelines.[1]

Thank you for the opportunity to provide comments and recommendations regarding those activities involved in the Project that may affect California fish and wildlife. Likewise, we appreciate the opportunity to provide comments regarding those aspects of the Project that CDFW, by law, may be required to carry out or approve through the exercise of its own regulatory authority under the Fish and Game Code.

CDFW ROLE

CDFW is California's **Trustee Agency** for fish and wildlife resources and holds those resources in trust by statute for all the people of the State (Fish & G. Code, §§ 711.7, subd. (a) & 1802; Pub. Resources Code, § 21070; CEQA Guidelines § 15386, subd. (a)). CDFW, in its trustee capacity, has jurisdiction over the conservation, protection, and management of fish, wildlife, native plants, and habitat necessary for biologically sustainable populations of those species (*Id.*, § 1802). Similarly, for purposes of CEQA, CDFW is charged by law to provide, as available, biological expertise during public agency environmental review efforts, focusing specifically on projects and related activities that have the potential to adversely affect fish and wildlife resources.

[1] CEQA is codified in the California Public Resources Code in section 21000 et seq. The "CEQA Guidelines" are found in Title 14 of the California Code of Regulations, commencing with section 15000.

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CDFW is also submitting comments as a **Responsible Agency** under CEQA (Pub. Resources Code, § 21069; CEQA Guidelines, § 15381). CDFW expects that it may need to exercise regulatory authority as provided by the Fish and Game Code. As proposed, for example, the Project may be subject to CDFW's lake and streambed alteration regulatory authority (Fish & G. Code, § 1600 et seq.). Likewise, to the extent implementation of the Project as proposed may result in "take" as defined by State law of any species protected under the California Endangered Species Act (CESA) (Fish & G. Code, § 2050 et seq.), related authorization as provided by the Fish and Game Code may be required.

PROJECT DESCRIPTION SUMMARY

Proponent: Sand City Community Development Department

Objective: The objective of the Project is to propose conceptual improvements within and adjacent to Sand City. Primary Project activities include improve circulation for pedestrians, bicyclists, persons that are mobility challenged, and improve access to transit. The Sustainable Transportation Plan will guide future investments in non-motorized transportation facilities.

Location: The entire area of Sand City.

Timeframe: Unspecified

COMMENTS AND RECOMMENDATIONS

CDFW offers the comments and recommendations below to assist Sand City in adequately identifying and/or mitigating the Project's significant, or potentially significant, direct and indirect impacts on fish and wildlife (biological) resources.

The MND indicates there is potential for significant impact to multiple special status species that have the potential to present in and adjacent to the Project area unless mitigation measures are taken, including special-status plants, American badger (*Taxidea taxus*), burrowing owl (*Athene cunicularia*), western snowy plover, Northern California legless lizard (*Anniella pulchra*), monarch butterfly (*Danaus plexippus*), Smith's blue butterfly (*Euphilotes enoptes smithi*), hoary bat (*Lasiurus cinereus*), and Townsend's big-eared bat (*Corynorhinus townsendii*). However, the MND does not consider potential impacts to the rare and endemic western bumble bee (*Bombus occidentalis*) or the State species of special concern Monterey shrew (*Sorex ornatus salaries*). Both species have the potential to occur in the Project area based upon documented occurrences in the California Natural Diversity Database and/or their historic range.

While CDFW cannot provide substantive comments without additional information, CDFW recommends that western bumble bee and Monterey shrew be added to the education program required in Mitigation Measure BIO-2 and that additional measures to evaluate, avoid, and minimize impacts to individual Project sites be added to the MND,

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including a habitat assessment in advance of project implementation, to determine if Project areas or their immediate vicinity contain suitable habitat for these species. If suitable habitat is present, CDFW recommends that a qualified biologist conduct focused surveys for applicable species and their requisite habitat features to evaluate potential impacts resulting from ground and vegetation disturbance and develop and potential mitigation measures. For western bumble bee specifically, CDFW recommends that all small mammal burrows and thatched/bunch grasses be surveyed for the species during the optimal flight period (April 1-July 31) during peak blooming period of preferred plant species prior to Project implementation. Avoidance of detected queens or workers is encouraged to allow individuals to leave the Project site on their own volition. Avoidance and protection of a detected nests prior to or during Project implementation is encouraged with delineation and observance of a 50-foot no-disturbance buffer.

In regard to Mitigation Measure BIO-1, CDFW advises that some requirements of this measure require take authorization from CDFW to comply if with Fish and Game Code if the plants are listed pursuant to the CESA or the Native Plant Protection Act (NPPA). If plant species listed pursuant to CESA or NPPA are detected at a Project site, CDFW strongly recommends consultation with CDFW to discuss how to avoid take, or if avoidance is not feasible, to acquire an Incidental Take Permit (ITP) prior to ground-disturbing activities, pursuant to Fish and Game Code section 2081 subdivision (b).

CDFW appreciates the opportunity to comment on the MND to assist Sand City Community Development Department in identifying and mitigating Project impacts on biological resources. Questions regarding this letter or further coordination should be directed to R4CEQA@wildlife.ca.gov.

Sincerely,

DocuSigned by:
Annee Ferranti
041A77B10D78486...
Annee Ferranti for Julie A. Vance
Regional Manager

cc: Office of Planning and Research, State Clearinghouse, Sacramento

December 3, 2021

Charles Pooler, City Planner
City of Sand City
Community Development Department
1 Pendergrass Way
Sand City, CA 93955

RE: Comments on Sustainable Transportation Plan IS/MND

Dear Mr. Pooler:

On behalf of Monterey-Salinas Transit District (MST), please accept these comments in response to the City of Sand City's Initial Study/Mitigated Negative Declaration (IS/MND) for the Sustainable Transportation Plan (Plan).

The first draft of the Plan was published September 13, 2021. MST reviewed the document and provided comments on October 15, 2021 (copy attached). The second draft of the Plan was published on November 10, 2021, and does not appear to incorporate any of MST's comments.

The City released an IS/MND on November 3, 2021, pursuant to the California Environmental Quality Act, in review of the draft Plan. MST provides the following comments:

1. It is not clear if the IS/MND is based on the first or second draft of the Plan.

2. The Initial Study contains an assessment of the Plan's impacts to the transportation network beginning on page 73, Section 17, Transportation. The IS/MND indicates the Plan would have no impact to the transportation system with regard to "Conflict with a program, plan, ordinance, or policy addressing the circulation system, including transit, roadway, bicycle, and pedestrian facilities."

   Page 2 of the IS/MND discusses the Railroad Corridor Bicycle/Pedestrian Trail and states "The trail would be on the eastern side of the railroad tracks between Canyon del Rey Boulevard and just north of Contra Costa Street, and on the western side of the railroad tracks between just north of Contra Costa Street and Monterey Road, although this proposed alignment could be shifted as necessary to accommodate transit uses planned by the Transportation Agency for Monterey County."

The SURF! Busway and Bus Rapid Transit project was approved by MST's board of directors in 2021. The project is at 35% engineering design and includes a dedicated busway on the west side of the rail line near the location of the City's proposed "Railroad Corridor Trail" concept. The **Plan's impacts to the SURF! Busway and Bus Rapid Transit project are potentially significant without mitigation.** The City should coordinate with MST and Transportation Agency for Monterey County to ensure there are no design conflicts given the steep slope between the rail line and California Avenue and the future intersection of the Busway with Playa Avenue.

MST commends the City for its efforts in planning for multimodal transportation. We look forward to working with you on transportation improvements that give residents many options for traveling in and around town. We also look forward to collaborating with your team as the Railroad Corridor Trail concept gets more fully developed.

If you have any questions about the above comments, please do not hesitate to contact me at movermeyer@mst.org or 831-264-5877.

Sincerely,

Michelle Overmeyer
Director of Planning and Innovation

Attachment: MST Comment Letter 10-15-2021

October 15, 2021

Charles Pooler, City Planner
City of Sand City
Community Development Department
1 Pendergrass Way
Sand City, CA 93955

RE: Comments on Sustainable Transportation Plan First Draft

Dear Mr. Pooler:

On behalf of Monterey-Salinas Transit District (MST), please accept these comments in response to your request regarding the public draft of the City of Sand City Sustainable Transportation Plan. As referenced in the Sustainable Transportation Plan (Plan), MST provides bus serve in Monterey County and Sand City, and MST utilizes the Edgewater Transit Center (A.K.A. Sand City Station), located on Playa Avenue.

MST is undergoing several major operational changes to bus routes in response to, and as a consequence of, the COVID-19 pandemic, many of which were not fully captured in the Sustainable Transportation Plan. One component to manage these changes includes a Comprehensive Operational Analysis (COA), which seeks to re-design the network entirely. As of this letter's date, MST has released a Draft Network Plan but has not yet had a plan formally approved by the MST Board of Directors. Because of these evolving changes, I would like to offer any assistance necessary from the MST Planning Department to include up-to-date information in your Plan. Specifically, this will result in several changes to many of the transit components of the Plan, including addition of new routes which will serve Sand City, and deletion of routes that will no longer serve Sand City. New infrastructure may be needed as a result of implementing the COA as well, however, at this time, it is unclear as to which specific new infrastructure would be proposed.

MST submits the following comments pertaining to specific pages within the Plan:

- Figure 1-1: The SURF! Busway and Bus Rapid Transit alignment should be shown on this map. Contact MST for this shapefile.
- Page 2-2 and throughout: Revise instances of "Sand City Transit Center" to "Sand City Station."

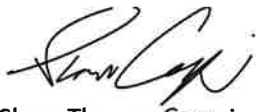
- Page 2-2: Revise: Sand City Station currently serves seven bus routes, and one seasonal bus route. However, MST is planning changes to the system through the COA, which seeks to re-design the network holistically. Under the Draft Network Plan of the COA, there are six lines planned to operate at Sand City Station.
- Table 2-1: Current Sand City Bus Service: the following changes should be noted:
    - Route 8 has been suspended.
    - Route 11 is not planned to operate once the COA is completed.
    - A new Line 17 is proposed to serve Sand City Station once the COA is completed.
    - Line 19 is a contracted seasonal route with CSU Monterey Bay.
    - Line 55 has been suspended.
    - Line 75 does not serve Sand City Station.
    - Line 78 is suspended.
    - Line 94 currently serves Sand City Station but is not planned to operate once the COA is completed.
    - The Del Rey Oaks Shuttle (DRO) has been suspended
- Figure 2-1: The following revisions are needed:
    - Lines 11 and 91 are not planned to operate once the COA is completed.
    - Lines 8, 12, 55, 78, and the DRO have been suspended.
    - Line 75 does not currently serve Sand City Station nor operates on Del Monte Street
- Page 4-1 [General revision]: New routes are in draft plan format through the COA. At this time, it is safe to presume that bus stops should remain where they currently exist in Sand City, however.
- Page 4-1 [Under "Prioritization"]: MST utilizes the "Designing for Transit Guidelines" to implement bus stops and to determine if bus stops and pedestrian and bicycle connections to bus stops are adequate. Please reference the "Designing for Transit Guidelines[1]" in this plan where appropriate.
- Chapter 4.0: Sustainable Transportation Strategies. It should be noted that MST usually operates special service to City-sponsored events in the City of Sand City, such as the West End Festival. Strategies such as utilizing special services provided by MST should be listed as a sustainable strategy in addition to the sustainability strategies already incorporated.
- Chapter 4.0: Sustainable Transportation Strategies. MST is currently planning a bus rapid transit corridor into Sand City from Marina. This project should be noted throughout the plan as the SURF! Busway and Bus Rapid Transit Project. The plan should also mention that the City of Sand City should work with MST on implementation of the SURF! Busway and Bus Rapid Transit project in order to facilitate safe and meaningful transit connections into the City.
- Section 4.5: Challenged Mobility: It should be noted that MST is also the paratransit operator for the region through the MST RIDES program.
- Appendix B: Please correct the stakeholder contact information for MST. Michelle Overmeyer is the Director of Planning and Innovation, not Human Resources/Risk Management.

[1] DesigningForTransit-2020-Edition.pdf (mst.org)

- Appendix C, Figure 4, Figure 8: Potential Shared Parking - Angled parking next to a bus-only lane is not preferred. Angled parking poses safety hazards and schedule delays to buses utilizing the lane.
- Appendix C, Figure 9, 10: For any proposed pedestrian refuges in the median, please ensure that lane width is not less than 11 feet to let buses pass through.
- Appendix C, Figure 20: Work with MST to ensure consistency with SURF! Busway and Bus Rapid Transit plans and design.

If you have any questions about the above comments, please do not hesitate to contact me at scampi@mst.org or 831-264-5881.

Sincerely,



Sloan Thomas Campi
Planning Manager

Mitigation Monitoring and Reporting Program

B

APPENDIX

MITIGATION MONITORING PROGRAM FOR PROJECTS IMPLEMENTED UNDER THE SAND CITY SUSTAINABLE TRANPORTATION PLAN

Adopted December 21, 2021

The Sustainable Transportation Plan will be implemented with a series of specific projects over the course of years. The mitigation measures will be applied to each specific improvement project as applicable. The pre-construction and construction timeframes listed on the following pages trigger implementation of mitigation measures as listed below. The full text of each mitigation measure is provided at the end of the monitoring program.

Specific Construction Project Name:

Specific Project Description:

Specific Location:

Approval Date:

Improvement Plans Date:

Construction Start Date (s)

Anticipated Construction End Date:

Contractor (s) and Contact (s):

City Personnel Overseeing Specific Project:

Specific Site Characteristics:

Monitoring Completion Date:

MONTORIING PROGRAM

PRIOR TO ANY CONSTRUCTION ACTIVITY
UP TO ONE YEAR IN ADVANCE

BIO-1 Survey for special status plant species, including:

beach layia (*Layia carnosa*), Choris' popcorn-flower (*Plagiobothrys chorisianus* var. *chorisianus*), coastal dunes milkvetch (*Astragalus tener* var. *titi*), Congdon's tarplant (*Centromadia parryi* spp. *congdonii*), Eastwood's goldenbush (*Ericameria fasciculata*), Hickman's cinquefoil (*Potentilla hickmanii*), Hickman's onion (*Allium hickmanii*), Hooker's manzanita (*Arctostaphylos hookeri* ssp. *hookeri), Hutchinson's larkspur (Delphinium hutchinsoniae), Menzies's wallflower (Erysimum menziesii ssp. menziesii), Monterey gilia (Gilia tenuiflora ssp. arenaria), Monterey spineflower (Chorizanthe pungens var. pungens), northern curly-leaved monardella (Monardella sinuata ssp. nigrescens), pink Johnny-nip (Castilleja ambigua var. insalutata), Point Reyes horkelia (Horkelia marinensis), sand-loving wallflower (Erysimum ammophilum), sandmat manzanita (Arctostaphylos pumila), seaside bird's-beak (Cordylanthus rigidus ssp. littoralis), and Tidestrom's lupine (Lupinus tidestromii).*

This measure is dependent on the habitat characteristics of the site and the survey timing for particular species. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the appropriate surveys prior to commencement of construction.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW/USFWS*

Monitoring Notes: _____

_____

_____

_____

PRIOR TO ANY CONSTRUCTION ACTIVITY
THREE MONTHS IN ADVANCE

BIO-7 Survey for legless lizards and coast horned lizards.

This measure is dependent on the habitat characteristics of the specific project site and is required any time of the year. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the appropriate survey at least three months prior to commencement of construction.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW*

Monitoring Notes: _____

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PRIOR TO ANY CONSTRUCTION ACTIVITY
SURVEY REQUIRED APRIL 1 - JULY 31

BIO-10 Survey for western bumble bee

This measure is dependent on the habitat characteristics of the specific project site. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey during the specified time period.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW*

Monitoring Notes: _____

_____

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PRIOR TO ANY CONSTRUCTION ACTIVITY
SURVEY REQUIRED JUNE 1 - SEPT 30

BIO-9 Survey for Smith's blue butterfly

This measure is dependent on the habitat characteristics of the specific project site. Smith's blue butterfly or its larvae may be present most times of the year, but the survey must occur during bloom period of the host plant. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey during the specified time period, no more than 30 days prior to commencement of construction.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/USFWS*

Monitoring Notes: _____

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PRIOR TO ANY CONSTRUCTION ACTIVITY
SURVEY REQUIRED IF CONSTRUCTION COMMENCES JANUARY 15 - SEPT 30

BIO-12 Survey for nesting birds

This measure is dependent on the habitat characteristics of the specific project site. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey during the specified time period, no more than 14 days prior to commencement of construction. This measure is not required if construction commences outside of the survey dates.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department*

Monitoring Notes: _____

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PRIOR TO ANY CONSTRUCTION ACTIVITY
SURVEY REQUIRED IF CONSTRUCTION COMMENCES MARCH 15 - SEPTEMBER 15

BIO-6 Survey for snowy plover

This measure is dependent on the habitat characteristics of the specific project site. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey during the specified time period prior to commencement of construction. This measure is not required if construction commences outside of the survey dates.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/USFWS/Point Blue Conservation Science*

Monitoring Notes: _____

_____

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PRIOR TO ANY CONSTRUCTION ACTIVITY
SURVEY REQUIRED IF CONSTRUCTION COMMENCES OCTOBER 1 - APRIL 30

BIO-8 Survey for monarch butterflies

This measure is dependent on the habitat characteristics of the specific project site. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey during the specified time period, no more than 15 days prior to commencement of construction. This measure is not required if construction commences outside of the survey dates.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/USFWS/CDFW*

Monitoring Notes: _____

_____

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PRIOR TO ANY CONSTRUCTION ACTIVITY
SURVEY REQUIRED 14 DAYS BEFORE CONSTRUCTION COMMENCES

BIO-3 Survey for American badger

This measure is dependent on the habitat characteristics of the specific project site. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey no more than 14 days prior to commencement of construction.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW*

Monitoring Notes: _____

_____

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BIO-4 Survey for Monterey shrew

This measure is dependent on the habitat characteristics of the specific project site. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey no more than 14 days prior to commencement of construction.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW*

Monitoring Notes: _____

_____

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PRIOR TO ANY CONSTRUCTION ACTIVITY
SURVEY REQUIRED 14 DAYS BEFORE CONSTRUCTION COMMENCES

BIO-5 Survey for burrowing owl

This measure is dependent on the habitat characteristics of the specific project site. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey no more than 14 days prior to commencement of construction.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW*

Monitoring Notes: _____

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BIO-11 Survey for bats

This measure is dependent on the habitat characteristics of the specific project site. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey approximately 14 days prior to commencement of construction.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW*

Monitoring Notes: _____

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TRAINING REQUIRED FOR CONSTRUCTION WORKERS

BIO-2 Training for recognition and protection of special-status species

CR-1 Archaeological and paleontological sensitivity training

HAZ-3 Worker health and safety plan

Training should occur prior to commencement of applicable work.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department*

Monitoring Notes: _____

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PRIOR TO FINALIZING IMPROVEMENT / CONSTRUCTION PLANS

HAZ-1 Soil and Groundwater Management Plan

HAZ-2 Targeted soil and groundwater sampling

These measures are applicable only within the railroad corridor.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department*

Monitoring Notes: _____

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PRIOR TO ISSUING GRADING PERMITS

BIO-1 Seed collection

If determined necessary during the pre-construction surveys, seed from special status plants shall be collected from the impacted area prior to issuance of grading permits.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/USFWS/CDWF*

Monitoring Notes: _____

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DURING GRADING AND EARTHWORK

BIO Measures: Observation for protected species, especially as identified in pre-construction surveys.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/USFWS/CDFW/Point Blue Conservation Science*

Monitoring Notes: _____

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DURING GRADING AND EARTHWORK

BIO-3, BIO-4, BIO-5, BIO-6, BIO-8, BIO-9, BIO-10, BIO-11, BIO-12 Fencing, flagging, exclusion, eviction

If pre-construction surveys indicate presence of protected species within impacted project areas, various fencing, flagging, exclusion, or eviction protocols shall be required.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/USFWS/CDFW/Point Blue Conservation Science*

Monitoring Notes: _____

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BIO-7 Field monitoring

If pre-construction surveys indicate presence of protected lizards within impacted project areas, monitoring shall occur during vegetation removal.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW*

Monitoring Notes: _____

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DURING GRADING AND EARTHWORK

CR-2 Construction monitoring

This measure is applicable only within 500 feet of the edge of Canyon del Rey Boulevard and within 50 feet of the former southern boundary of Fort Ord Military Reserve.

CR-3 Discovery of cultural resources

CR-4 Discovery of human remains

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department*

Monitoring Notes: _____

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POST-CONSTRUCTION

BIO-1 Habitat monitoring

If establishment of mitigation areas is determined necessary during the pre-construction surveys, mitigation areas shall be monitored for five years following completion.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW/USFWS*

Monitoring Notes: _____

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BIOLOGICAL RESOURCES MITIGATION MEASURES

BIO-1 Prior to construction of project components, a biologist qualified in botany shall conduct a focused survey for special-status plant species in accordance with current CDFW and CNPS rare plant survey protocols (CDFW 2009 and CNPS 2001). The survey shall occur during the peak blooming period for these species to determine their presence or absence. Some special-status plant species are only identifiable during their blooming periods and surveys are only considered valid if they occur when blooms are visible. Based on the known blooming periods of the special-status plant species potentially present, two surveys are proposed to adequately survey the project site: the first in May and the second in June/July. If possible, known reference populations of the target species in the project vicinity shall first be visited to verify that the species is observable, and the focused survey shall be conducted within two weeks of observing the reference population in full bloom.

The biologist shall then prepare a brief report documenting the results of the surveys. If the focused surveys conclude that special-status plant species are not present within the project site boundary, or if they are present but impacts to them can be completely avoided, then no further mitigation would be required.

If the focused surveys identify special-status plant species within the project site boundary and they would be affected by the proposed project, then appropriate mitigation shall be developed by the biologist and implemented by the City prior to disturbance. To comply with the Federal and California Endangered Species Acts, impacts to species listed as threatened or endangered may also require incidental take authorization from CDFW and/or USFWS. Measures to mitigate impacts to special-status plant species may include, but are not limited to:

a. A qualified biologist shall identify an on-site or off-site mitigation area suitable for restoration of habitat and seed transplantation for any special-status plant species.

b. Prior to approval of a grading permit, a qualified biologist or native plant specialist shall perform seed collection from all special-status plants located within the impact areas and implement seed installation at a mitigation area at the optimal time. Additionally, topsoil from the special-status species occurrence area(s) shall be salvaged (where practical) for use in the mitigation area.

c. A maintenance and monitoring program shall be developed by a qualified biologist and established for a minimum of five years after mitigation area installation to verify that restoration activities have been successful. Maintenance activities may include, but not be limited to, watering during the plant establishment period, supplemental seed planting as needed, and removal of non-native plants. Monitoring shall include, at a minimum, quarterly monitoring reports for the first year and annual reports for the remaining four years. The performance standard for successful mitigation shall be a minimum 3:1 replacement ratio (i.e., three plants observed in mitigation area for each plant lost from the project site) achieved in at least one of the five years of monitoring.

The City shall be responsible for implementation of this mitigation measure. Compliance with this measure shall be documented prior to approval of a grading permit or commencement of work on improvement plans. This measure shall not be necessary for improvements located within paved or landscaped areas.

BIO-2 Prior to construction of project components, a qualified biologist shall conduct a training session for all construction personnel. At a minimum, the training shall include a description of special-status species potentially occurring in the project vicinity, including, but not limited to, American badger, Monterey shrew, burrowing owl, western snowy plover, Northern California legless lizard, coast horned lizard, Smith's blue butterfly, monarch butterfly, western bumble bee, special-status bats, nesting birds, and special-status plants (if found). Their habitats, general measures that are being implemented to conserve species as they relate to the project, and the boundaries within which construction activities will occur will be explained. Informational handouts with photographs clearly illustrating the species' appearances shall be used in the training session. All new construction personnel shall undergo this mandatory environmental awareness training. The project applicant/proponent shall document evidence of completion of this training prior to prior to approval of a grading permit or commencement of work on improvement plans. This measure shall not be necessary for improvements located within paved or landscaped areas.

The qualified biologist will train biological monitors selected from the construction crew by the construction contractor (typically the project foreman). Before the start of work each day, the monitor will check for animals under any equipment such as vehicles and stored pipes within active construction zones. The monitor will also check all excavated steep-walled holes or trenches greater than one foot deep for trapped animals. If a special-status species is observed within an active construction zone, the qualified biologist will be notified immediately and all work within 50 feet of the individual will be halted and all equipment turned off until the individual has left the construction area.

Implementation of this mitigation measure would reduce the potential significant impact to special-status species to a less-than-significant level by requiring construction personnel to undergo environmental awareness training to identify special-status species potentially occurring on the project site.

BIO-3 Not more than 14 days prior to the commencement of ground-disturbing activities, a qualified wildlife biologist shall conduct surveys of grassland and ruderal habitat on site to identify any potential American badger burrows/dens. If the survey results are negative (i.e., no badger dens observed), a letter report confirming absence will be prepared and submitted to the City and no further mitigation is required.

If the results are positive (badger dens are observed), the qualified biologist shall determine if the dens are active by installing a game camera for 3 days and 3 nights to determine if the den is in use.

a) If the biologist determines that a den may be active, coordination with the CDFW shall be undertaken to develop a suitable strategy to avoid impacts to American badger. The strategy may include the following: the biologist shall install a one-way door in the den opening and continue use of the game camera. Once the camera captures the individual exiting the one-way door, the den can be excavated with hand tools to prevent badgers from reusing them. If the biologist determines that the den is a maternity den, construction activities shall be delayed during the maternity season (February to August), or until the badgers leave the den on their own accord or the biologist determines that the den is no longer in use.

b) If the game camera does not capture an individual entering/exiting the den, the den can be excavated with hand tools to prevent badgers from reusing them.

After dens have been excavated and the absence of American badger confirmed, a letter report will be prepared and submitted to the City.

BIO-4 Not more than 14 days prior to the commencement of ground-disturbing activities, a qualified wildlife biologist shall conduct surveys of swales, oak trees and/or brush habitat on site to identify the potential presence of Monterey shrew habitat. If the survey results are negative (i.e., no potential habitat observed), a letter report confirming absence will be prepared and submitted to the City and no further mitigation is required.

If the results are positive (potential habitat is observed) and the area can be avoided, a qualified biologist shall supervise the installation of protective fencing/flagging around the potential habitat areas prior to construction. The fencing/flagging will be checked at least once per week until construction is complete to ensure that the protective fencing/flagging remains intact. The qualified biologist can conduct the weekly checks or train a biological monitor selected from the construction crew by the construction contractor (typically the project foreman) to check the fencing/flagging and provide weekly updates. Documentation of the fencing/flagging installation shall be provided to the City prior to the start of ground disturbance activities. Documentation of the weekly checks and timely maintenance (if needed) shall be provided to the City quarterly during construction.

If the results are positive (habitat is observed) and the area cannot be avoided, the qualified biologist shall coordinate with CDFW to determine the appropriate survey methodology to identify Monterey shrew in the habitat area. Depending on the size and location of the habitat area, this may include small mammal trapping or installation of game cameras to monitor shrew activity. If it is determined that habitat is occupied, coordination with CDFW shall be undertaken to develop a suitable strategy to relocate Monterey shrew individuals.

After it has been confirmed that the habitat area is not occupied or Monterey shrew individuals have been relocated, a letter report will be prepared and submitted to the City.

BIO-5 To avoid/minimize impacts to burrowing owls potentially occurring within the project site, the City shall retain a biologist qualified in ornithology to conduct surveys for burrowing owl. The approved biologist shall conduct a two-visit (i.e., morning and evening) presence/absence survey at areas of suitable habitat on and adjacent to the project site

boundary no less than 14 days prior to the start of construction or ground disturbance activities. Surveys shall be conducted according to the methods for take avoidance described in the *Burrowing Owl Survey Protocol and Mitigation Guidelines* (California Burrowing Owl Consortium 1993) and the *Staff Report on Burrowing Owl Mitigation* (CDFW 2012). If no burrowing owls are found, a letter report confirming absence will be prepared and submitted to the City and no further mitigation is required.

Because burrowing owls occupy habitat year-round, seasonal no-disturbance buffers, as outlined in the *Burrowing Owl Survey Protocol and Mitigation Guidelines* (CBOC 1993) and the *Staff Report on Burrowing Owl Mitigation* (CDFW 2012), shall be in place around occupied habitat prior to and during any ground disturbance activities. The following table includes buffer areas based on the time of year and level of disturbance (CDFW 2012), unless a qualified biologist approved by the CDFW verifies through non-invasive measures that either: 1) birds have not begun egg laying and incubation; or 2) that juveniles from the occupied burrows are foraging independently and are capable of independent survival.

Location	Time of Year	Level of Disturbance Buffers (meters)		
		Low	Med	High
Nesting Sites	April 1 – Aug 15	200 m	500 m	500 m
Nesting Sites	Aug 16 – Oct 15	200 m	200 m	500 m
Nesting Sites	Oct 16 – Mar 31	50 m	100 m	500 m

If burrowing owl is found and avoidance is not possible, burrow exclusion may be conducted by qualified biologists only during the non-breeding season, before breeding behavior is exhibited and after the burrow is confirmed empty through non-invasive methods, such as surveillance. Occupied burrows shall be replaced with artificial burrows at a ratio of one collapsed burrow to one constructed artificial burrow (1:1). Evicted burrowing owls may attempt to colonize or re-colonize an area that would be impacted, thus ongoing surveillance during project activities shall be conducted at a rate sufficient to detect burrowing owls if they return.

If surveys locate occupied burrows in or near construction areas, consultation with the CDFW shall occur to interpret survey results and develop a project-specific avoidance and minimization approach. Once the absence of burrowing owl has been confirmed, a letter report will be prepared and submitted to the City.

This measure shall not be required for improvements located within paved or landscaped areas.

BIO-6 To avoid impacts to nesting western snowy plover, project construction within 200 feet of United States Fish and Wildlife Service (USFWS)-designated habitat shall occur outside the nesting season (September 16 to March 14).

If construction must occur during the western snowy plover nesting season (March 15 to September 15), the biologist shall coordinate with Point Blue Conservation Science and the

USFWS who regularly monitor western snowy plover nesting to determine if any western snowy plovers are nesting close to the project site.

A report documenting coordination with Point Blue Conservation Science and the USFWS and a plan for active bird nest avoidance (if needed) will be completed by the biologist and submitted to the City prior to disturbance and/or construction activities. If no active bird nests are reported within 200 feet of the construction area, then project activities can proceed without scheduling constraints. If nesting occurs within 200 feet of the proposed project, construction may not occur until the young have fledged and left the area or Incidental Take Authorization has been obtained from USFWS.

The on-site western snowy plover critical habitat area shall not be disturbed by construction activities.

BIO-7 Prior to construction, the following measures to avoid or minimize impacts to legless lizards and coast horned lizards shall be implemented:

a. Not less than three months prior to the start of grading activities (including staging and mobilization), a qualified biologist shall place coverboards in impact areas with suitable habitat (coastal dune scrub and disturbed maritime chaparral mixed with coastal dune scrub) for legless lizards and coast horned lizard. The coverboards shall be at least four feet by four feet and constructed of untreated plywood placed flat on the ground. The coverboards shall be checked by the biologist once per week for each week after placement up until the start of vegetation removal. All legless lizards and coast horned lizards found under the coverboards shall be captured and placed in five-gallon buckets for transportation to relocation sites. If areas are left undisturbed for a period of three months or longer, the coverboards will replaced and relocation efforts will be repeated prior to the re-initiation of ground disturbance activities.

b. All relocation sites shall be approved by Sand City and shall consist of suitable habitat. Relocation sites shall be as close to the capture site as possible but far enough away to ensure the animal(s) is/are not harmed by construction of the project. Relocation shall occur on the same day as capture. California Department of Fish and Wildlife *California Natural Diversity Database* Native Species Field Survey Forms shall be submitted to the California Department of Fish and Wildlife for all special-status species observed.

c. During all initial ground vegetation removal activities, a qualified biologist shall be on the site to recover any legless lizards and coast horned lizards that may be excavated/unearthed. If the animals are in good health, they shall be immediately moved to relocation sites. If they are injured, the animals shall be released to a wildlife recovery specialist until they are in a condition to be released into relocation sites.

d. A report of all preconstruction survey efforts and monitoring during initial ground vegetation removal shall be submitted to the City within 30 days of completion of the survey/monitoring efforts to document compliance. The report shall include the dates, times, weather conditions, and personnel involved in the surveys and monitoring. The

report shall also include for each captured special-status animal, the Universal Transverse Mercator coordinates and habitat descriptions of the capture and release sites, the length of time between capture and release, and the general health of the individual(s).

This measure shall not be required for improvements located within paved or landscaped areas.

BIO-8 If construction is proposed during the monarch overwintering period (October through April), the City shall conduct a pre-construction survey for overwintering monarch butterfly habitat within 150 feet of any area proposed for disturbance. The pre-construction survey shall be conducted by a qualified biologist no more than 15 days prior to commencement of construction. The biologist shall have familiarity with monarch butterflies. If no monarch butterflies are found, no further mitigation would be required. A report documenting survey results will be completed by the biologist and submitted to the City prior to disturbance and/or construction activities.

If monarch butterflies are encountered, the location shall be documented and an exclusion area of a minimum of 150 feet shall be established, in coordination with CDFW and/or USFWS.

If no mature trees are located within 150 feet of proposed improvements, the City Planner may document that a survey is not necessary.

BIO-9 A pre-construction survey for Smith's blue butterfly or larval host species/food source plants shall be conducted during the host plant blooming period (June through September) within 150 feet of any area proposed for disturbance. The pre-construction survey shall be conducted by a qualified biologist no more than 30 days prior to commencement of construction. The biologist shall have familiarity with Smith's blue butterfly and their larval host species/food source plants. If Smith's blue butterfly or larval host species/food source are not found, no further mitigation would be required. A report documenting survey results will be submitted to the City prior to disturbance and/or construction activities.

If Smith's blue butterfly or larval host species/food source plants are encountered, the location shall be documented and species-specific avoidance and minimization measures shall be prepared by the qualified biologist in coordination with the USFWS. Construction may not be initiated until an incidental take permit is obtained.

This measure shall not be required for improvements located within paved or landscaped areas.

BIO-10 Prior to construction activities a qualified biologist shall conduct a pre-construction survey of small mammal burrows and thatched/bunch grasses for western bumble bee activity during the optimal flight period (April 1 – July 31). If the survey results are negative (i.e., no bumble bee activity observed), a letter report confirming absence will be prepared and submitted to the City and no further mitigation is required.

If bumble bee nests are detected and the area can be avoided, a qualified biologist shall supervise the installation of protective fencing/flagging a minimum of 50 feet around the nest area prior to construction. The fencing/flagging will be checked at least once per week until construction is complete to ensure that the protective fencing/flagging remains intact. The qualified biologist can conduct the weekly checks or train a biological monitor selected from the construction crew by the construction contractor (typically the project foreman) to check the fencing/flagging and provide weekly updates. Documentation of the fencing/flagging installation shall be provided to the City prior to the start of ground disturbance activities. Documentation of the weekly checks and timely maintenance (if needed) shall be provided to the City quarterly during construction.

If bumble bee nests are detected and the area cannot be avoided, the qualified biologist shall coordinate with CDFW to determine the appropriate method of relocation or eviction of the nests.

After it has been confirmed that the habitat area is no longer occupied, a letter report will be prepared and submitted to the City.

BIO-11 Approximately 14 days prior to tree removal or construction activities, a qualified biologist shall conduct a habitat assessment for bats and potential roosting sites in trees to be removed and in trees or buildings within 50 feet of any construction site. These surveys shall include a visual inspection of potential roosting features (bats need not be present) and a search for presence of guano within the construction site, construction access routes, and 50 feet around these areas. Cavities, crevices, exfoliating bark, and bark fissures that could provide suitable potential nest or roost habitat for bats shall be surveyed. Assumptions can be made on what species is present due to observed visual characteristics along with habitat use, or the bats can be identified to the species level with the use of a bat echolocation detector such as an "Anabat" unit. Potential roosting features found during the survey shall be flagged or marked.

If no roosting sites or bats are found, a letter report confirming absence shall be prepared and submitted to the City and no further mitigation is required.

If bats or roosting sites are found, bats shall not be disturbed without specific notice to and consultation with CDFW.

If bats are found roosting outside of the nursery season (May 1 through October 1), CDFW shall be consulted prior to any eviction or other action. If avoidance or postponement is not feasible, a Bat Eviction Plan will be submitted to CDFW for written approval prior to project implementation. A request to evict bats from a roost includes details for excluding bats from the roost site and monitoring to ensure that all bats have exited the roost prior to the start of activity and are unable to re-enter the roost until activity is completed. Any bat eviction shall be timed to avoid lactation and young-rearing. If bats are found roosting during the nursery season, they shall be monitored to determine if the roost site is a maternal roost. This could occur by either visual inspection of the roost bat pups, if possible, or by

monitoring the roost after the adults leave for the night to listen for bat pups. Because bat pups cannot leave the roost until they are mature enough, eviction of a maternal roost cannot occur during the nursery season. Therefore, if a maternal roost is present, a 50-foot buffer zone (or different size if determined in consultation with the CDFW) shall be established around the roosting site within which no construction activities including tree removal or structure disturbance shall occur until after the nursery season.

If no buildings or mature trees are located within 50 feet of proposed improvements, the City Planner may document that a survey is not necessary.

BIO-12 To avoid impacts to nesting birds during the nesting season (January 15 through September 15), construction activities that include grading, grubbing, or demolition should be conducted between September 16 and January 14, which is outside of the bird nesting season. If this type of construction occurs during the bird nesting season, then a qualified biologist shall conduct a pre-construction survey for nesting birds to ensure that no nests would be disturbed during project construction.

a. A survey for active nests shall occur within 14 days prior to start of construction. An appropriate minimum survey radius surrounding each work area is typically 250 feet for passerines, 500 feet for smaller raptors, and 1,000 feet for larger raptors. Surveys shall be conducted at the appropriate times of day to observe nesting activities.

b. If no nesting birds are found, a letter report confirming absence will be prepared and submitted to the City and no further mitigation is required

c. If the qualified biologist documents active nests within the project site or in nearby surrounding areas, an appropriate buffer between each nest and active construction shall be established. The buffer shall be clearly marked and maintained until the young have fledged and are foraging independently. Prior to construction, the qualified biologist shall conduct baseline monitoring of each nest to characterize "normal" bird behavior and establish a buffer distance, which allows the birds to exhibit normal behavior. The qualified biologist shall monitor the nesting birds daily during construction activities and increase the buffer if birds show signs of unusual or distressed behavior (e.g., defensive flights and vocalizations, standing up from a brooding position, and/or flying away from the nest). If buffer establishment is not possible, the qualified biologist or construction foreman shall have the authority to cease all construction work in the area until the young have fledged and the nest is no longer active. Once the absence of nesting birds has been confirmed, a letter report will be prepared and submitted to the City.

If no mature trees are located within the survey distance from proposed improvements, the City Planner may document that a survey is not necessary.

CULTURAL RESOURCES MITIGATION MEASURES

CR-1 Prior to construction, all personnel directly involved in project-related ground disturbance shall be provided archaeological and paleontological sensitivity training. The training will be conducted by a qualified Archaeologist and Paleontologist that meet the Secretary of the Interior's standards for archaeology and California Environmental Quality Act qualifications for paleontology. The training will take place at a day and time to be determined in conjunction with the project construction foreman, and prior to any scheduled ground disturbance. The training will include: a discussion of applicable laws and penalties; samples or visual aids of artifacts and paleontological resources that could be encountered in the project vicinity, including what those artifacts and resources may look like partially buried, or wholly buried and freshly exposed; and instructions to halt work in the vicinity of any potential cultural resources discovery, and notify the archaeological or paleontological monitor as necessary.

CR-2 Archaeological construction monitoring shall be conducted for improvements within 500 feet of the edge of Canyon del Rey Boulevard, where there is a high potential for underground cultural resources, and within 50 feet of the former southern boundary of Fort Ord Military Reserve. For other proposed improvements, which have a moderate potential for underground resources, an archaeologist is to be present for ground-disturbing activities.

CR-3 In the event archaeological resources are encountered during ground disturbing activities, contractor shall temporarily halt or divert excavations within a 100-foot radius of the find until it can be evaluated. All potentially significant archaeological deposits shall be evaluated to demonstrate whether the resource is eligible for inclusion on the California Register of Historic Resources, even if discovered during construction. If archaeological deposits are encountered they will be evaluated and mitigated simultaneously in the timeliest manner practicable, allowing for recovery of materials and data by standard archaeological procedures. For prehistoric archaeological sites, this data recovery involves the hand-excavated recovery and non-destructive analysis of a small sample of the deposit. Historic resources shall also be sampled through hand excavation, though architectural features may require careful mechanical exposure and hand excavation.

Any previously undiscovered resources found during construction activities shall be recorded on appropriate California Department of Parks and Recreation (DPR) forms and evaluated for significance by a qualified Archaeologist. Significant cultural resources consist, of but are not limited to, stone, bone, glass, ceramics, fossils, wood, or shell artifacts, or features including hearths, structural remains, or historic dumpsites. If the resource is determined significant, a qualified Archaeologist shall prepare and implement a research design and archaeological data recovery plan that will capture those categories of data for which the site is significant in accordance with Section 15064.5 of the CEQA Guidelines.

If such resources or artifacts are determined to be of native tribal origin, any mitigation or recovery program shall include direction from Ohlone/Costanoan Esselen Nation tribal leadership for proper handling and treatment.

The Archaeologist shall also perform appropriate technical analyses, prepare a comprehensive report complete with methods, results, and recommendations, and provide for the permanent curation of the recovered resources. The report shall be submitted to Monterey Salinas Transit, Transportation Agency for Monterey County, the Northwest Information Center, and the State Historic Preservation Office, as required.

CR-4 In the event that human remains (or remains that may be human) are discovered at the project site, Public Resource Code Section 5097.98 must be followed. All grading or earthmoving activities shall immediately stop within a 100-foot radius of the find. The project proponent shall then inform the Monterey County Coroner and the respective city (Sand City or Seaside) immediately, and the Coroner shall be permitted to examine the remains as required by California Health and Safety Code Section 7050.5(b).

Section 7050.5 requires that excavation be stopped in the vicinity of discovered human remains until the Coroner can determine whether the remains are those of a Native American. If human remains are determined as those of Native American origin, the Applicant shall comply with the state relating to the disposition of Native American burials that fall within the jurisdiction of the NAHC (Public Resource Code [PRC] § 5097). The Coroner shall contact the Native American Heritage Commission (NAHC) to determine the most likely descendant(s) (MLD). The MLD shall complete his or her inspection and make recommendations or preferences for treatment within 48 hours of being granted access to the site. The MLD will determine the most appropriate means of treating the human remains and associated grave artifacts, and shall oversee the disposition of the remains.

In the event the NAHC is unable to identify an MLD or the MLD fails to make a recommendation within 48 hours after being granted access to the site, the landowner or his/her authorized representative shall rebury the Native American human remains and associated grave goods with appropriate dignity within the project area in a location not subject to further subsurface disturbance.

Final, recommendation is to wait for the Native American tribal member to respond for the request for comment in order to see if the individual would like to have a monitor during construction.

HAZARDOUS MATERIALS MITIGATION MEASURES

HAZ-1 A Soil and Groundwater Management Plan shall be prepared prior to ground disturbance, identifying the methods and procedures required to handle, store, transport and dispose of chemically impacted soil and groundwater. If groundwater is encountered during construction, groundwater sampling shall be conducted to determine contaminants and contamination levels. If contamination is found, a work plan shall be developed and implemented by the project geotechnical engineer consistent with the Management Plan to protect the health of construction workers.

HAZ-2 Once the construction plans showing the depth and extent of the excavation are completed for all project segments, a targeted soil and groundwater sampling shall be conducted in areas of known or suspected contamination prior to the start of disturbance in those areas. If contamination is found, a work plan shall be developed by the project geotechnical engineer to protect the health of construction workers.

HAZ-3 A worker health and safety plan (HSP) that meets the provisions of California Code of Regulations (Title 22, Section 5192) shall be developed by the project contractor. HSP procedures will address the identification, excavation, handling, and disposal of hazardous wastes and materials that may be found in construction areas. The HSP shall include Best Management Practices (BMPs) that all contractors must employ during construction.

Biological Resources Revised Text

C
APPENDIX

Sand City Sustainable Transportation Plan Initial Study

Revisions to the Biological Resources Text

The Biological Resources section of the Sand City Sustainable Transportation Plan Initial Study has been revised in response to comments received from the California Department of Fish and Wildlife. Additions to the text are underlined. New mitigation measures for Monterey shrew and western bumblebee have been added to the Mitigation Monitoring and Reporting Program.

Special-Status Wildlife Species. Of the special-status wildlife species known to occur in the project vicinity identified in Appendix A, the following species have the potential to occur on the project site: American badger (*Taxidea taxus*), Monterey shrew (*Sorex ornatus salaries*), burrowing owl (*Athene cunicularia*), western snowy plover, Northern California legless lizard (*Anniella pulchra*), monarch butterfly (*Danaus plexippus*), Smith's blue butterfly (*Euphilotes enoptes smithi*), western bumble bee (*Bombus occidentalis*), hoary bat (*Lasiurus cinereus*), and Townsend's big-eared bat (*Corynorhinus townsendii*). Figure 8, Special-Status Species in the Project Vicinity, presents CNDDB results. Nesting birds may also occur at the project site and are protected by the Migratory Bird Treaty Act.

Monterey Shrew. The Monterey shrew is a California Species of Special Concern and is typically found in oak woodlands where a thick layer of duff or downed logs is present. They prefer areas that have some moisture (i.e. swale habitat or riparian areas) and presence of a shrub layer. Areas supporting swales, oak trees and/or brush within the project area may provide suitable habitat for this species, if suitable moisture is present.

Monterey shrew has low potential to occur on the site. If Monterey shrew is present on or adjacent to the project site, construction activities could result in the loss or disturbance of individual animals. This would be a significant adverse environmental impact. Implementation of mitigation measure BIO-2, presented above, which requires a training session on special-status species potentially present on the construction site for all personnel, and BIO-4 would reduce this potential, significant impact to less-than-significant.

Western Bumble Bee. In 2019, western bumble bee was identified as a candidate species for an endangered species listing under CESA (California Fish and Game Commission 2019). Although not yet formally listed, species identified as "candidate" require consideration during CEQA analysis. Although formerly common throughout much of its range, populations from central California to southern British Columbia and west of the Sierra-Cascade Ranges have declined sharply since the late 1990s. Western bumble bees primarily nest in underground cavities such as abandoned burrows or other animal nests on open west-southwest slopes. General habitat requirements include meadows and grasslands with

flowering plants, and they may be found in some natural areas within urban environments. Western bumble bees require species that bloom and provide adequate nectar and pollen throughout the colony's flight period from as early as February to late November.

If western bumble bee is present on or adjacent to the project site, construction activities could result in the loss or disturbance of individual animals. This would be a significant adverse environmental impact. Implementation of mitigation measure BIO-2, presented above, which requires a training session on special-status species potentially present on the construction site for all personnel, and BIO-10 would reduce this potential, significant impact to less-than-significant.

ATTACHMENT 1

CITY OF SAND CITY

RESOLUTION SC_____, 2021

RESOLUTION OF THE CITY COUNCIL OF SAND CITY ADOPTING A NEGATIVE DECLARATION REGARDING THE SAND CITY SUSTAINABLE TRANSPORTATION PLAN

WHEREAS, the City of Sand City (the "City") occupies a key location within the transportation fabric of the Monterey Peninsula region, yet the City's street network was built for industry in a time when sidewalks and bicycle lanes were not known or thought as needed, resulting in gaps of facilities within the City for pedestrians, bicyclists, and mobility-challenged individuals; and

WHEREAS, the City obtained an SB 1 Sustainable Communities Grant from Caltrans in February 2019 to prepare a City-wide Sustainable Transportation Plan in order to coordinate future improvements and address and improve circulation within the City for pedestrians, bicyclists, and the mobility challenged; and

WHEREAS, the Sand City Sustainable Transportation Plan (the "Plan") is the result of an approximate two year process that identifies current conditions and areas in which there are impediments to pedestrian, bicycle, and mobility-challenged circulation to, through, and from the City, and presents conceptual solutions and criteria for establishing implementation priorities to be incorporated into future development and public improvements; and

WHEREAS, many of the identified improvements of the Plan will require coordination with Caltrans, the Transportation Agency for Monterey County (TAMC), Monterey-Salinas Transit (MST), the City of Seaside, and/or private property owners; and

WHEREAS, development of the Plan involved public and stakeholder outreach, including an on-line virtual walking tour, public meetings, both drafts of the Plan posted to the City's website for public viewing, and an on-line prioritization of improvements survey posted on the City's website from November 23 to December 12; all enabling the public to comment and participate in the development of the Plan; and

WHEREAS, in accordance with the California Environmental Quality Act (CEQA), an environmental initial study and a Notice of Intent to adopt a Mitigated Negative Declaration were prepared and circulated for a 30-day public review and comment period of November 3, 2021 to December 3, 2021, including distribution through the Office of Planning and Research's State Clearinghouse and the local clearinghouse (AMBAG), distribution to appropriate local agencies, and advertised for public hearing; and

WHEREAS, the environmental initial study indicates that projects identified/proposed in the Plan have the potential to result in significant adverse environmental impacts to biological resources, cultural resources, and exposure to potential hazards that might be encountered

during construction of improvements, each of which are addressed with mitigation measures to reduce such impacts to a "less than significant" level; and

WHEREAS, comments received from Caltrans, Monterey-Salinas Transit (MST), and the California Department of Fish and Wildlife were received within the review period, and henceforth responded to and incorporated, as deemed appropriate, into the final Plan.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sand City to 1) certify the environmental initial study as complete and adequate, 2) adopt a Mitigated Negative Declaration for the Sand City Sustainable Transportation Plan, and 3) to direct the City Clerk to file a Notice of Determination with the Regional Clearinghouse (AMBAG) and the Monterey County Clerk.

PASSED AND ADOPTED by the City Council of Sand City this ___ day of December, 2021, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

ATTEST:

_____
Mary Ann Carbone, Mayor

_____
Connie Horca, City Clerk

ATTACHMENT 2

CITY OF SAND CITY

RESOLUTION SC_____, 2021

RESOLUTION OF THE CITY COUNCIL OF SAND CITY ADOPTING THE SAND CITY SUSTAINABLE TRANSPORTATION PLAN

WHEREAS, the City of Sand City (the "City") occupies a key location within the transportation fabric of the Monterey Peninsula region, yet the City's street network was built for industry in a time when sidewalks and bicycle lanes were not known or thought as needed, resulting in gaps of facilities within the City for pedestrians, bicyclists, and mobility-challenged individuals; and

WHEREAS, the City obtained an SB 1 Sustainable Communities Grant from Caltrans in February 2019 to prepare a City-wide Sustainable Transportation Plan in order to coordinate future improvements and address and improve circulation within the City for pedestrians, bicyclists, and the mobility challenged; and

WHEREAS, the Sand City Sustainable Transportation Plan (the "Plan") is the result of an approximate two year process that identifies current conditions and areas in which there are impediments to pedestrian, bicycle, and mobility-challenged circulation to, through, and from the City, and presents conceptual solutions and criteria for establishing implementation priorities to be incorporated into future development and public improvements; and

WHEREAS, many of the identified improvements of the Plan will require coordination with Caltrans, the Transportation Agency for Monterey County (TAMC), Monterey-Salinas Transit (MST), the City of Seaside, and/or private property owners; and

WHEREAS, development of the Plan involved public and stakeholder outreach, including an on-line virtual walking tour, public meetings, both drafts of the Plan posted to the City's website for public viewing, and an on-line prioritization of improvements survey posted on the City's website from November 23 to December 12; all enabling the public to comment and participate in the development of the Plan; and

WHEREAS, the Plan is consistent with General Plan Goal 2.2 to create pedestrian-oriented streets, Policy 3.1.5 to pursue development of pedestrian linkage, Policy 3.2.5 promote pedestrian and bike paths be part of a connected system, Policy 3.4.2 to pursue bicycle and pedestrian access where feasible, Policy 3.7.2 to include bicycle and pedestrian facilities within new connections between the southeastern portion of the City and the South of Tioga Coastal district, Policy 3.7.3, complete an integrated program for future bike lands and sidewalks to connect all districts, and Policy 3.8.1 integrate pedestrian facilities in all road improvement projects where feasible; and

WHEREAS, the conceptual proposals and recommendations of the Plan will not only improve pedestrian, bicyclists, or mobility-impaired connectivity and access, but will also

improve the health, safety, and welfare of those groups through safer and more accommodating improvements; and

WHEREAS, in accordance with the California Environmental Quality Act (CEQA), an environmental initial study and a Notice of Intent to adopt a Mitigated Negative Declaration were prepared and circulated for a 30-day public review and comment period of November 3, 2021 to December 3, 2021, including distribution through the Office of Planning and Research's State Clearinghouse and the local clearinghouse (AMBAG), distribution to appropriate local agencies, and advertised for public hearing, thereafter the City Council certified the initial study and approved the mitigated negative declaration on December 21, 2021.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sand City to adopt the Sand City Sustainable Transportation Plan.

PASSED AND ADOPTED by the City Council of Sand City this ___ day of December, 2021, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

ATTEST:

_____
Mary Ann Carbone, Mayor

_____
Connie Horca, City Clerk

ATTACHMENT 3

CITY OF SAND CITY

RESOLUTION SC_____, 2021

RESOLUTION OF THE CITY COUNCIL OF SAND CITY TO APPROVE A MITIGATION MONITORING PROGRAM FOR THE SAND CITY SUSTAINABLE TRANSPORTATION PLAN

WHEREAS, the City of Sand City (the "City") occupies a key location within the transportation fabric of the Monterey Peninsula region, yet the City's street network was built for industry in a time when sidewalks and bicycle lanes were not known or thought as needed, resulting in gaps of facilities within the City for pedestrians, bicyclists, and mobility-challenged individuals; and

WHEREAS, the City obtained an SB 1 Sustainable Communities Grant from Caltrans in February 2019 to prepare a City-wide Sustainable Transportation Plan in order to coordinate future improvements and address and improve circulation within the City for pedestrians, bicyclists, and the mobility challenged; and

WHEREAS, the Sand City Sustainable Transportation Plan (the "Plan") is the result of an approximate two year process that identifies current conditions and areas in which there are impediments to pedestrian, bicycle, and mobility-challenged circulation to, through, and from the City, and presents conceptual solutions and criteria for establishing implementation priorities to be incorporated into future development and public improvements; and

WHEREAS, many of the identified improvements of the Plan will require coordination with Caltrans, the Transportation Agency for Monterey County (TAMC), Monterey-Salinas Transit (MST), the City of Seaside, and/or private property owners; and

WHEREAS, in accordance with the California Environmental Quality Act (CEQA), an environmental initial study and a Notice of Intent to adopt a Mitigated Negative Declaration were prepared and circulated for a 30-day public review and comment period of November 3, 2021 to December 3, 2021, including distribution through the Office of Planning and Research's State Clearinghouse and the local clearinghouse (AMBAG), distribution to appropriate local agencies, and advertised for public hearing, thereafter the City Council certified the initial study and approved the Mitigated Negative Declaration on December 21, 2021; and

WHEREAS, the environmental initial study indicates that projects identified/proposed in the Plan have the potential to result in significant adverse environmental impacts to biological resources, cultural resources, and exposure to potential hazards that might be encountered during construction of improvements, each of which are addressed with mitigation measures to reduce such impacts to a "less than significant" level; and

WHEREAS, California Public Resources Code, Section 21081.6(a) requires the City to adopt a mitigation monitoring program for those conditions of the Plan's approval that have

been adopted through the CEQA process in order to mitigate or avoid potentially significant effects upon the environment, which are designed to ensure compliance during the Plan's implementation.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sand City that:

1) The City finds the Mitigation Monitoring Program, attached hereto as Resolution 'Exhibit A" and incorporated herein by this reference, fully complies with the requirements of Public Resource Code Section 21081.6(a) and will ensure compliance with the mitigation measures identified within the Mitigated Negative Declaration for the Sand City Sustainable Transportation Plan; and

2) The City hereby adopts the attached Mitigation Monitoring Program prepared for the Sand City Sustainable Transportation Plan.

PASSED AND ADOPTED by the City Council of Sand City this ___ day of December, 2021, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

ATTEST:

_____
Mary Ann Carbone, Mayor

_____
Connie Horca, City Clerk

RESOLUTION "EXHIBIT A"
SC 21 - ___ (2021)

Mitigation Monitoring Program (MMP)
for the
Sand City Sustainable Transportation Plan
(2021)

MITIGATION MONITORING PROGRAM FOR PROJECTS IMPLEMENTED UNDER THE SAND CITY SUSTAINABLE TRANPORTATION PLAN

Adopted December 21, 2021

The Sustainable Transportation Plan will be implemented with a series of specific projects over the course of years. The mitigation measures will be applied to each specific improvement project as applicable. The pre-construction and construction timeframes listed on the following pages trigger implementation of mitigation measures as listed below. The full text of each mitigation measure is provided at the end of the monitoring program.

Specific Construction Project Name:

Specific Project Description:

Specific Location:

Approval Date:

Improvement Plans Date:

Construction Start Date (s)

Anticipated Construction End Date:

Contractor (s) and Contact (s):

City Personnel Overseeing Specific Project:

Specific Site Characteristics:

Monitoring Completion Date:

MONTORIING PROGRAM

PRIOR TO ANY CONSTRUCTION ACTIVITY
UP TO ONE YEAR IN ADVANCE

BIO-1 Survey for special status plant species, including:

beach layia (*Layia carnosa*), Choris' popcorn-flower (*Plagiobothrys chorisianus* var. *chorisianus*), coastal dunes milkvetch (*Astragalus tener* var. *titi*), Congdon's tarplant (*Centromadia parryi* spp. *congdonii*), Eastwood's goldenbush (*Ericameria fasciculata*), Hickman's cinquefoil (*Potentilla hickmanii*), Hickman's onion (*Allium hickmanii*), Hooker's manzanita (*Arctostaphylos hookeri* ssp. *hookeri), Hutchinson's larkspur (Delphinium hutchinsoniae), Menzies's wallflower (Erysimum menziesii ssp. menziesii), Monterey gilia (Gilia tenuiflora ssp. arenaria), Monterey spineflower (Chorizanthe pungens var. pungens), northern curly-leaved monardella (Monardella sinuata ssp. nigrescens), pink Johnny-nip (Castilleja ambigua var. insalutata), Point Reyes horkelia (Horkelia marinensis), sand-loving wallflower (Erysimum ammophilum), sandmat manzanita (Arctostaphylos pumila), seaside bird's-beak (Cordylanthus rigidus ssp. littoralis), and Tidestrom's lupine (Lupinus tidestromii).*

This measure is dependent on the habitat characteristics of the site and the survey timing for particular species. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the appropriate surveys prior to commencement of construction.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW/USFWS*

Monitoring Notes: _____

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PRIOR TO ANY CONSTRUCTION ACTIVITY
THREE MONTHS IN ADVANCE

BIO-7 Survey for legless lizards and coast horned lizards.

This measure is dependent on the habitat characteristics of the specific project site and is required any time of the year. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the appropriate survey at least three months prior to commencement of construction.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW*

Monitoring Notes: _____

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PRIOR TO ANY CONSTRUCTION ACTIVITY
SURVEY REQUIRED APRIL 1 - JULY 31

BIO-10 Survey for western bumble bee

This measure is dependent on the habitat characteristics of the specific project site. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey during the specified time period.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW*

Monitoring Notes: _____

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PRIOR TO ANY CONSTRUCTION ACTIVITY
SURVEY REQUIRED JUNE 1 - SEPT 30

BIO-9 Survey for Smith's blue butterfly

This measure is dependent on the habitat characteristics of the specific project site. Smith's blue butterfly or its larvae may be present most times of the year, but the survey must occur during bloom period of the host plant. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey during the specified time period, no more than 30 days prior to commencement of construction.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/USFWS*

Monitoring Notes: _____

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PRIOR TO ANY CONSTRUCTION ACTIVITY
SURVEY REQUIRED IF CONSTRUCTION COMMENCES JANUARY 15 - SEPT 30

BIO-12 Survey for nesting birds

This measure is dependent on the habitat characteristics of the specific project site. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey during the specified time period, no more than 14 days prior to commencement of construction. This measure is not required if construction commences outside of the survey dates.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department*

Monitoring Notes: _____

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PRIOR TO ANY CONSTRUCTION ACTIVITY
SURVEY REQUIRED IF CONSTRUCTION COMMENCES MARCH 15 - SEPTEMBER 15

BIO-6 Survey for snowy plover

This measure is dependent on the habitat characteristics of the specific project site. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey during the specified time period prior to commencement of construction. This measure is not required if construction commences outside of the survey dates.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/USFWS/Point Blue Conservation Science*

Monitoring Notes: _____

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PRIOR TO ANY CONSTRUCTION ACTIVITY
SURVEY REQUIRED IF CONSTRUCTION COMMENCES OCTOBER 1 - APRIL 30

BIO-8 Survey for monarch butterflies

This measure is dependent on the habitat characteristics of the specific project site. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey during the specified time period, no more than 15 days prior to commencement of construction. This measure is not required if construction commences outside of the survey dates.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/USFWS/CDFW*

Monitoring Notes: _____

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PRIOR TO ANY CONSTRUCTION ACTIVITY
SURVEY REQUIRED 14 DAYS BEFORE CONSTRUCTION COMMENCES

BIO-3 Survey for American badger

This measure is dependent on the habitat characteristics of the specific project site. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey no more than 14 days prior to commencement of construction.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW*

Monitoring Notes: _____

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BIO-4 Survey for Monterey shrew

This measure is dependent on the habitat characteristics of the specific project site. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey no more than 14 days prior to commencement of construction.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW*

Monitoring Notes: _____

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PRIOR TO ANY CONSTRUCTION ACTIVITY
SURVEY REQUIRED 14 DAYS BEFORE CONSTRUCTION COMMENCES

BIO-5 Survey for burrowing owl

This measure is dependent on the habitat characteristics of the specific project site. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey no more than 14 days prior to commencement of construction.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW*

Monitoring Notes: _____

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BIO-11 Survey for bats

This measure is dependent on the habitat characteristics of the specific project site. A qualified biologist shall determine if a particular construction site provides potential habitat, and conduct the survey approximately 14 days prior to commencement of construction.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW*

Monitoring Notes: _____

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TRAINING REQUIRED FOR CONSTRUCTION WORKERS

BIO-2 Training for recognition and protection of special-status species

CR-1 Archaeological and paleontological sensitivity training

HAZ-3 Worker health and safety plan

Training should occur prior to commencement of applicable work.

Party Responsible for Implementation: *Contractor / Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department*

Monitoring Notes: _____

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PRIOR TO FINALIZING IMPROVEMENT / CONSTRUCTION PLANS

HAZ-1 Soil and Groundwater Management Plan

HAZ-2 Targeted soil and groundwater sampling

These measures are applicable only within the railroad corridor.

Party Responsible for Implementation: *Contractor / Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department*

Monitoring Notes: _____

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PRIOR TO ISSUING GRADING PERMITS

BIO-1 Seed collection

If determined necessary during the pre-construction surveys, seed from special status plants shall be collected from the impacted area prior to issuance of grading permits.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/USFWS/CDWF*

Monitoring Notes: _____

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DURING GRADING AND EARTHWORK

BIO Measures: Observation for protected species, especially as identified in pre-construction surveys.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/USFWS/CDFW/Point Blue Conservation Science*

Monitoring Notes: _____

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DURING GRADING AND EARTHWORK

BIO-3, BIO-4, BIO-5, BIO-6, BIO-8, BIO-9, BIO-10, BIO-11, BIO-12 Fencing, flagging, exclusion, eviction

If pre-construction surveys indicate presence of protected species within impacted project areas, various fencing, flagging, exclusion, or eviction protocols shall be required.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/USFWS/CDFW/Point Blue Conservation Science*

Monitoring Notes: _____

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BIO-7 Field monitoring

If pre-construction surveys indicate presence of protected lizards within impacted project areas, monitoring shall occur during vegetation removal.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW*

Monitoring Notes: _____

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DURING GRADING AND EARTHWORK

CR-2 Construction monitoring

This measure is applicable only within 500 feet of the edge of Canyon del Rey Boulevard and within 50 feet of the former southern boundary of Fort Ord Military Reserve.

CR-3 Discovery of cultural resources

CR-4 Discovery of human remains

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department*

Monitoring Notes: _____

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POST-CONSTRUCTION

BIO-1 Habitat monitoring

If establishment of mitigation areas is determined necessary during the pre-construction surveys, mitigation areas shall be monitored for five years following completion.

Party Responsible for Implementation: *Contractor/Project Proponent*

Party Responsible for Monitoring: *Sand City Planning Department/CDFW/USFWS*

Monitoring Notes: _____

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BIOLOGICAL RESOURCES MITIGATION MEASURES

BIO-1 Prior to construction of project components, a biologist qualified in botany shall conduct a focused survey for special-status plant species in accordance with current CDFW and CNPS rare plant survey protocols (CDFW 2009 and CNPS 2001). The survey shall occur during the peak blooming period for these species to determine their presence or absence. Some special-status plant species are only identifiable during their blooming periods and surveys are only considered valid if they occur when blooms are visible. Based on the known blooming periods of the special-status plant species potentially present, two surveys are proposed to adequately survey the project site: the first in May and the second in June/July. If possible, known reference populations of the target species in the project vicinity shall first be visited to verify that the species is observable, and the focused survey shall be conducted within two weeks of observing the reference population in full bloom.

The biologist shall then prepare a brief report documenting the results of the surveys. If the focused surveys conclude that special-status plant species are not present within the project site boundary, or if they are present but impacts to them can be completely avoided, then no further mitigation would be required.

If the focused surveys identify special-status plant species within the project site boundary and they would be affected by the proposed project, then appropriate mitigation shall be developed by the biologist and implemented by the City prior to disturbance. To comply with the Federal and California Endangered Species Acts, impacts to species listed as threatened or endangered may also require incidental take authorization from CDFW and/or USFWS. Measures to mitigate impacts to special-status plant species may include, but are not limited to:

a. A qualified biologist shall identify an on-site or off-site mitigation area suitable for restoration of habitat and seed transplantation for any special-status plant species.

b. Prior to approval of a grading permit, a qualified biologist or native plant specialist shall perform seed collection from all special-status plants located within the impact areas and implement seed installation at a mitigation area at the optimal time. Additionally, topsoil from the special-status species occurrence area(s) shall be salvaged (where practical) for use in the mitigation area.

c. A maintenance and monitoring program shall be developed by a qualified biologist and established for a minimum of five years after mitigation area installation to verify that restoration activities have been successful. Maintenance activities may include, but not be limited to, watering during the plant establishment period, supplemental seed planting as needed, and removal of non-native plants. Monitoring shall include, at a minimum, quarterly monitoring reports for the first year and annual reports for the remaining four years. The performance standard for successful mitigation shall be a minimum 3:1 replacement ratio (i.e., three plants observed in mitigation area for each plant lost from the project site) achieved in at least one of the five years of monitoring.

The City shall be responsible for implementation of this mitigation measure. Compliance with this measure shall be documented prior to approval of a grading permit or commencement of work on improvement plans. This measure shall not be necessary for improvements located within paved or landscaped areas.

BIO-2 Prior to construction of project components, a qualified biologist shall conduct a training session for all construction personnel. At a minimum, the training shall include a description of special-status species potentially occurring in the project vicinity, including, but not limited to, American badger, Monterey shrew, burrowing owl, western snowy plover, Northern California legless lizard, coast horned lizard, Smith's blue butterfly, monarch butterfly, western bumble bee, special-status bats, nesting birds, and special-status plants (if found). Their habitats, general measures that are being implemented to conserve species as they relate to the project, and the boundaries within which construction activities will occur will be explained. Informational handouts with photographs clearly illustrating the species' appearances shall be used in the training session. All new construction personnel shall undergo this mandatory environmental awareness training. The project applicant/proponent shall document evidence of completion of this training prior to prior to approval of a grading permit or commencement of work on improvement plans. This measure shall not be necessary for improvements located within paved or landscaped areas.

The qualified biologist will train biological monitors selected from the construction crew by the construction contractor (typically the project foreman). Before the start of work each day, the monitor will check for animals under any equipment such as vehicles and stored pipes within active construction zones. The monitor will also check all excavated steep-walled holes or trenches greater than one foot deep for trapped animals. If a special-status species is observed within an active construction zone, the qualified biologist will be notified immediately and all work within 50 feet of the individual will be halted and all equipment turned off until the individual has left the construction area.

Implementation of this mitigation measure would reduce the potential significant impact to special-status species to a less-than-significant level by requiring construction personnel to undergo environmental awareness training to identify special-status species potentially occurring on the project site.

BIO-3 Not more than 14 days prior to the commencement of ground-disturbing activities, a qualified wildlife biologist shall conduct surveys of grassland and ruderal habitat on site to identify any potential American badger burrows/dens. If the survey results are negative (i.e., no badger dens observed), a letter report confirming absence will be prepared and submitted to the City and no further mitigation is required.

If the results are positive (badger dens are observed), the qualified biologist shall determine if the dens are active by installing a game camera for 3 days and 3 nights to determine if the den is in use.

a) If the biologist determines that a den may be active, coordination with the CDFW shall be undertaken to develop a suitable strategy to avoid impacts to American badger. The strategy may include the following: the biologist shall install a one-way door in the den opening and continue use of the game camera. Once the camera captures the individual exiting the one-way door, the den can be excavated with hand tools to prevent badgers from reusing them. If the biologist determines that the den is a maternity den, construction activities shall be delayed during the maternity season (February to August), or until the badgers leave the den on their own accord or the biologist determines that the den is no longer in use.

b) If the game camera does not capture an individual entering/exiting the den, the den can be excavated with hand tools to prevent badgers from reusing them.

After dens have been excavated and the absence of American badger confirmed, a letter report will be prepared and submitted to the City.

BIO-4 Not more than 14 days prior to the commencement of ground-disturbing activities, a qualified wildlife biologist shall conduct surveys of swales, oak trees and/or brush habitat on site to identify the potential presence of Monterey shrew habitat. If the survey results are negative (i.e., no potential habitat observed), a letter report confirming absence will be prepared and submitted to the City and no further mitigation is required.

If the results are positive (potential habitat is observed) and the area can be avoided, a qualified biologist shall supervise the installation of protective fencing/flagging around the potential habitat areas prior to construction. The fencing/flagging will be checked at least once per week until construction is complete to ensure that the protective fencing/flagging remains intact. The qualified biologist can conduct the weekly checks or train a biological monitor selected from the construction crew by the construction contractor (typically the project foreman) to check the fencing/flagging and provide weekly updates. Documentation of the fencing/flagging installation shall be provided to the City prior to the start of ground disturbance activities. Documentation of the weekly checks and timely maintenance (if needed) shall be provided to the City quarterly during construction.

If the results are positive (habitat is observed) and the area cannot be avoided, the qualified biologist shall coordinate with CDFW to determine the appropriate survey methodology to identify Monterey shrew in the habitat area. Depending on the size and location of the habitat area, this may include small mammal trapping or installation of game cameras to monitor shrew activity. If it is determined that habitat is occupied, coordination with CDFW shall be undertaken to develop a suitable strategy to relocate Monterey shrew individuals.

After it has been confirmed that the habitat area is not occupied or Monterey shrew individuals have been relocated, a letter report will be prepared and submitted to the City.

BIO-5 To avoid/minimize impacts to burrowing owls potentially occurring within the project site, the City shall retain a biologist qualified in ornithology to conduct surveys for burrowing owl. The approved biologist shall conduct a two-visit (i.e., morning and evening) presence/absence survey at areas of suitable habitat on and adjacent to the project site

boundary no less than 14 days prior to the start of construction or ground disturbance activities. Surveys shall be conducted according to the methods for take avoidance described in the *Burrowing Owl Survey Protocol and Mitigation Guidelines* (California Burrowing Owl Consortium 1993) and the *Staff Report on Burrowing Owl Mitigation* (CDFW 2012). If no burrowing owls are found, a letter report confirming absence will be prepared and submitted to the City and no further mitigation is required.

Because burrowing owls occupy habitat year-round, seasonal no-disturbance buffers, as outlined in the *Burrowing Owl Survey Protocol and Mitigation Guidelines* (CBOC 1993) and the *Staff Report on Burrowing Owl Mitigation* (CDFW 2012), shall be in place around occupied habitat prior to and during any ground disturbance activities. The following table includes buffer areas based on the time of year and level of disturbance (CDFW 2012), unless a qualified biologist approved by the CDFW verifies through non-invasive measures that either: 1) birds have not begun egg laying and incubation; or 2) that juveniles from the occupied burrows are foraging independently and are capable of independent survival.

Location	Time of Year	Level of Disturbance Buffers (meters)		
		Low	Med	High
Nesting Sites	April 1 – Aug 15	200 m	500 m	500 m
Nesting Sites	Aug 16 – Oct 15	200 m	200 m	500 m
Nesting Sites	Oct 16 – Mar 31	50 m	100 m	500 m

If burrowing owl is found and avoidance is not possible, burrow exclusion may be conducted by qualified biologists only during the non-breeding season, before breeding behavior is exhibited and after the burrow is confirmed empty through non-invasive methods, such as surveillance. Occupied burrows shall be replaced with artificial burrows at a ratio of one collapsed burrow to one constructed artificial burrow (1:1). Evicted burrowing owls may attempt to colonize or re-colonize an area that would be impacted, thus ongoing surveillance during project activities shall be conducted at a rate sufficient to detect burrowing owls if they return.

If surveys locate occupied burrows in or near construction areas, consultation with the CDFW shall occur to interpret survey results and develop a project-specific avoidance and minimization approach. Once the absence of burrowing owl has been confirmed, a letter report will be prepared and submitted to the City.

This measure shall not be required for improvements located within paved or landscaped areas.

BIO-6 To avoid impacts to nesting western snowy plover, project construction within 200 feet of United States Fish and Wildlife Service (USFWS)-designated habitat shall occur outside the nesting season (September 16 to March 14).

If construction must occur during the western snowy plover nesting season (March 15 to September 15), the biologist shall coordinate with Point Blue Conservation Science and the

USFWS who regularly monitor western snowy plover nesting to determine if any western snowy plovers are nesting close to the project site.

A report documenting coordination with Point Blue Conservation Science and the USFWS and a plan for active bird nest avoidance (if needed) will be completed by the biologist and submitted to the City prior to disturbance and/or construction activities. If no active bird nests are reported within 200 feet of the construction area, then project activities can proceed without scheduling constraints. If nesting occurs within 200 feet of the proposed project, construction may not occur until the young have fledged and left the area or Incidental Take Authorization has been obtained from USFWS.

The on-site western snowy plover critical habitat area shall not be disturbed by construction activities.

BIO-7 Prior to construction, the following measures to avoid or minimize impacts to legless lizards and coast horned lizards shall be implemented:

a. Not less than three months prior to the start of grading activities (including staging and mobilization), a qualified biologist shall place coverboards in impact areas with suitable habitat (coastal dune scrub and disturbed maritime chaparral mixed with coastal dune scrub) for legless lizards and coast horned lizard. The coverboards shall be at least four feet by four feet and constructed of untreated plywood placed flat on the ground. The coverboards shall be checked by the biologist once per week for each week after placement up until the start of vegetation removal. All legless lizards and coast horned lizards found under the coverboards shall be captured and placed in five-gallon buckets for transportation to relocation sites. If areas are left undisturbed for a period of three months or longer, the coverboards will replaced and relocation efforts will be repeated prior to the re-initiation of ground disturbance activities.

b. All relocation sites shall be approved by Sand City and shall consist of suitable habitat. Relocation sites shall be as close to the capture site as possible but far enough away to ensure the animal(s) is/are not harmed by construction of the project. Relocation shall occur on the same day as capture. California Department of Fish and Wildlife *California Natural Diversity Database* Native Species Field Survey Forms shall be submitted to the California Department of Fish and Wildlife for all special-status species observed.

c. During all initial ground vegetation removal activities, a qualified biologist shall be on the site to recover any legless lizards and coast horned lizards that may be excavated/unearthed. If the animals are in good health, they shall be immediately moved to relocation sites. If they are injured, the animals shall be released to a wildlife recovery specialist until they are in a condition to be released into relocation sites.

d. A report of all preconstruction survey efforts and monitoring during initial ground vegetation removal shall be submitted to the City within 30 days of completion of the survey/monitoring efforts to document compliance. The report shall include the dates, times, weather conditions, and personnel involved in the surveys and monitoring. The

report shall also include for each captured special-status animal, the Universal Transverse Mercator coordinates and habitat descriptions of the capture and release sites, the length of time between capture and release, and the general health of the individual(s).

This measure shall not be required for improvements located within paved or landscaped areas.

BIO-8 If construction is proposed during the monarch overwintering period (October through April), the City shall conduct a pre-construction survey for overwintering monarch butterfly habitat within 150 feet of any area proposed for disturbance. The pre-construction survey shall be conducted by a qualified biologist no more than 15 days prior to commencement of construction. The biologist shall have familiarity with monarch butterflies. If no monarch butterflies are found, no further mitigation would be required. A report documenting survey results will be completed by the biologist and submitted to the City prior to disturbance and/or construction activities.

If monarch butterflies are encountered, the location shall be documented and an exclusion area of a minimum of 150 feet shall be established, in coordination with CDFW and/or USFWS.

If no mature trees are located within 150 feet of proposed improvements, the City Planner may document that a survey is not necessary.

BIO-9 A pre-construction survey for Smith's blue butterfly or larval host species/food source plants shall be conducted during the host plant blooming period (June through September) within 150 feet of any area proposed for disturbance. The pre-construction survey shall be conducted by a qualified biologist no more than 30 days prior to commencement of construction. The biologist shall have familiarity with Smith's blue butterfly and their larval host species/food source plants. If Smith's blue butterfly or larval host species/food source are not found, no further mitigation would be required. A report documenting survey results will be submitted to the City prior to disturbance and/or construction activities.

If Smith's blue butterfly or larval host species/food source plants are encountered, the location shall be documented and species-specific avoidance and minimization measures shall be prepared by the qualified biologist in coordination with the USFWS. Construction may not be initiated until an incidental take permit is obtained.

This measure shall not be required for improvements located within paved or landscaped areas.

BIO-10 Prior to construction activities a qualified biologist shall conduct a pre-construction survey of small mammal burrows and thatched/bunch grasses for western bumble bee activity during the optimal flight period (April 1 – July 31). If the survey results are negative (i.e., no bumble bee activity observed), a letter report confirming absence will be prepared and submitted to the City and no further mitigation is required.

If bumble bee nests are detected and the area can be avoided, a qualified biologist shall supervise the installation of protective fencing/flagging a minimum of 50 feet around the nest area prior to construction. The fencing/flagging will be checked at least once per week until construction is complete to ensure that the protective fencing/flagging remains intact. The qualified biologist can conduct the weekly checks or train a biological monitor selected from the construction crew by the construction contractor (typically the project foreman) to check the fencing/flagging and provide weekly updates. Documentation of the fencing/flagging installation shall be provided to the City prior to the start of ground disturbance activities. Documentation of the weekly checks and timely maintenance (if needed) shall be provided to the City quarterly during construction.

If bumble bee nests are detected and the area cannot be avoided, the qualified biologist shall coordinate with CDFW to determine the appropriate method of relocation or eviction of the nests.

After it has been confirmed that the habitat area is no longer occupied, a letter report will be prepared and submitted to the City.

BIO-11 Approximately 14 days prior to tree removal or construction activities, a qualified biologist shall conduct a habitat assessment for bats and potential roosting sites in trees to be removed and in trees or buildings within 50 feet of any construction site. These surveys shall include a visual inspection of potential roosting features (bats need not be present) and a search for presence of guano within the construction site, construction access routes, and 50 feet around these areas. Cavities, crevices, exfoliating bark, and bark fissures that could provide suitable potential nest or roost habitat for bats shall be surveyed. Assumptions can be made on what species is present due to observed visual characteristics along with habitat use, or the bats can be identified to the species level with the use of a bat echolocation detector such as an "Anabat" unit. Potential roosting features found during the survey shall be flagged or marked.

If no roosting sites or bats are found, a letter report confirming absence shall be prepared and submitted to the City and no further mitigation is required.

If bats or roosting sites are found, bats shall not be disturbed without specific notice to and consultation with CDFW.

If bats are found roosting outside of the nursery season (May 1 through October 1), CDFW shall be consulted prior to any eviction or other action. If avoidance or postponement is not feasible, a Bat Eviction Plan will be submitted to CDFW for written approval prior to project implementation. A request to evict bats from a roost includes details for excluding bats from the roost site and monitoring to ensure that all bats have exited the roost prior to the start of activity and are unable to re-enter the roost until activity is completed. Any bat eviction shall be timed to avoid lactation and young-rearing. If bats are found roosting during the nursery season, they shall be monitored to determine if the roost site is a maternal roost. This could occur by either visual inspection of the roost bat pups, if possible, or by

monitoring the roost after the adults leave for the night to listen for bat pups. Because bat pups cannot leave the roost until they are mature enough, eviction of a maternal roost cannot occur during the nursery season. Therefore, if a maternal roost is present, a 50-foot buffer zone (or different size if determined in consultation with the CDFW) shall be established around the roosting site within which no construction activities including tree removal or structure disturbance shall occur until after the nursery season.

If no buildings or mature trees are located within 50 feet of proposed improvements, the City Planner may document that a survey is not necessary.

BIO-12 To avoid impacts to nesting birds during the nesting season (January 15 through September 15), construction activities that include grading, grubbing, or demolition should be conducted between September 16 and January 14, which is outside of the bird nesting season. If this type of construction occurs during the bird nesting season, then a qualified biologist shall conduct a pre-construction survey for nesting birds to ensure that no nests would be disturbed during project construction.

a. A survey for active nests shall occur within 14 days prior to start of construction. An appropriate minimum survey radius surrounding each work area is typically 250 feet for passerines, 500 feet for smaller raptors, and 1,000 feet for larger raptors. Surveys shall be conducted at the appropriate times of day to observe nesting activities.

b. If no nesting birds are found, a letter report confirming absence will be prepared and submitted to the City and no further mitigation is required

c. If the qualified biologist documents active nests within the project site or in nearby surrounding areas, an appropriate buffer between each nest and active construction shall be established. The buffer shall be clearly marked and maintained until the young have fledged and are foraging independently. Prior to construction, the qualified biologist shall conduct baseline monitoring of each nest to characterize "normal" bird behavior and establish a buffer distance, which allows the birds to exhibit normal behavior. The qualified biologist shall monitor the nesting birds daily during construction activities and increase the buffer if birds show signs of unusual or distressed behavior (e.g., defensive flights and vocalizations, standing up from a brooding position, and/or flying away from the nest). If buffer establishment is not possible, the qualified biologist or construction foreman shall have the authority to cease all construction work in the area until the young have fledged and the nest is no longer active. Once the absence of nesting birds has been confirmed, a letter report will be prepared and submitted to the City.

If no mature trees are located within the survey distance from proposed improvements, the City Planner may document that a survey is not necessary.

CULTURAL RESOURCES MITIGATION MEASURES

CR-1 Prior to construction, all personnel directly involved in project-related ground disturbance shall be provided archaeological and paleontological sensitivity training. The training will be conducted by a qualified Archaeologist and Paleontologist that meet the Secretary of the Interior's standards for archaeology and California Environmental Quality Act qualifications for paleontology. The training will take place at a day and time to be determined in conjunction with the project construction foreman, and prior to any scheduled ground disturbance. The training will include: a discussion of applicable laws and penalties; samples or visual aids of artifacts and paleontological resources that could be encountered in the project vicinity, including what those artifacts and resources may look like partially buried, or wholly buried and freshly exposed; and instructions to halt work in the vicinity of any potential cultural resources discovery, and notify the archaeological or paleontological monitor as necessary.

CR-2 Archaeological construction monitoring shall be conducted for improvements within 500 feet of the edge of Canyon del Rey Boulevard, where there is a high potential for underground cultural resources, and within 50 feet of the former southern boundary of Fort Ord Military Reserve. For other proposed improvements, which have a moderate potential for underground resources, an archaeologist is to be present for ground-disturbing activities.

CR-3 In the event archaeological resources are encountered during ground disturbing activities, contractor shall temporarily halt or divert excavations within a 100-foot radius of the find until it can be evaluated. All potentially significant archaeological deposits shall be evaluated to demonstrate whether the resource is eligible for inclusion on the California Register of Historic Resources, even if discovered during construction. If archaeological deposits are encountered they will be evaluated and mitigated simultaneously in the timeliest manner practicable, allowing for recovery of materials and data by standard archaeological procedures. For prehistoric archaeological sites, this data recovery involves the hand-excavated recovery and non-destructive analysis of a small sample of the deposit. Historic resources shall also be sampled through hand excavation, though architectural features may require careful mechanical exposure and hand excavation.

Any previously undiscovered resources found during construction activities shall be recorded on appropriate California Department of Parks and Recreation (DPR) forms and evaluated for significance by a qualified Archaeologist. Significant cultural resources consist, of but are not limited to, stone, bone, glass, ceramics, fossils, wood, or shell artifacts, or features including hearths, structural remains, or historic dumpsites. If the resource is determined significant, a qualified Archaeologist shall prepare and implement a research design and archaeological data recovery plan that will capture those categories of data for which the site is significant in accordance with Section 15064.5 of the CEQA Guidelines.

If such resources or artifacts are determined to be of native tribal origin, any mitigation or recovery program shall include direction from Ohlone/Costanoan Esselen Nation tribal leadership for proper handling and treatment.

The Archaeologist shall also perform appropriate technical analyses, prepare a comprehensive report complete with methods, results, and recommendations, and provide for the permanent curation of the recovered resources. The report shall be submitted to Monterey Salinas Transit, Transportation Agency for Monterey County, the Northwest Information Center, and the State Historic Preservation Office, as required.

CR-4 In the event that human remains (or remains that may be human) are discovered at the project site, Public Resource Code Section 5097.98 must be followed. All grading or earthmoving activities shall immediately stop within a 100-foot radius of the find. The project proponent shall then inform the Monterey County Coroner and the respective city (Sand City or Seaside) immediately, and the Coroner shall be permitted to examine the remains as required by California Health and Safety Code Section 7050.5(b).

Section 7050.5 requires that excavation be stopped in the vicinity of discovered human remains until the Coroner can determine whether the remains are those of a Native American. If human remains are determined as those of Native American origin, the Applicant shall comply with the state relating to the disposition of Native American burials that fall within the jurisdiction of the NAHC (Public Resource Code [PRC] § 5097). The Coroner shall contact the Native American Heritage Commission (NAHC) to determine the most likely descendant(s) (MLD). The MLD shall complete his or her inspection and make recommendations or preferences for treatment within 48 hours of being granted access to the site. The MLD will determine the most appropriate means of treating the human remains and associated grave artifacts, and shall oversee the disposition of the remains.

In the event the NAHC is unable to identify an MLD or the MLD fails to make a recommendation within 48 hours after being granted access to the site, the landowner or his/her authorized representative shall rebury the Native American human remains and associated grave goods with appropriate dignity within the project area in a location not subject to further subsurface disturbance.

Final, recommendation is to wait for the Native American tribal member to respond for the request for comment in order to see if the individual would like to have a monitor during construction.

HAZARDOUS MATERIALS MITIGATION MEASURES

HAZ-1 A Soil and Groundwater Management Plan shall be prepared prior to ground disturbance, identifying the methods and procedures required to handle, store, transport and dispose of chemically impacted soil and groundwater. If groundwater is encountered during construction, groundwater sampling shall be conducted to determine contaminants and contamination levels. If contamination is found, a work plan shall be developed and implemented by the project geotechnical engineer consistent with the Management Plan to protect the health of construction workers.

HAZ-2 Once the construction plans showing the depth and extent of the excavation are completed for all project segments, a targeted soil and groundwater sampling shall be conducted in areas of known or suspected contamination prior to the start of disturbance in those areas. If contamination is found, a work plan shall be developed by the project geotechnical engineer to protect the health of construction workers.

HAZ-3 A worker health and safety plan (HSP) that meets the provisions of California Code of Regulations (Title 22, Section 5192) shall be developed by the project contractor. HSP procedures will address the identification, excavation, handling, and disposal of hazardous wastes and materials that may be found in construction areas. The HSP shall include Best Management Practices (BMPs) that all contractors must employ during construction.

AGENDA ITEM
10A.

Consideration of City RESOLUTION Approving a Service Agreement with SLV Management (Stephen Vagnini) for the 2022 West End Celebration (WEC)

City of Sand City

STAFF MEMO

TO: Mayor and City Council
FROM: Vibeke Norgaard, Acting City Manager/City Attorney
DATE: December 12, 2021
FOR: December 21, 2021 Council meeting
SUBJECT: Resolution approving service agreement with SLV Management (Stephen Vagnini) for the 2022 West End celebration in an amount not to exceed $80,000.

Discussion:
The City of Sand City has been sponsoring and coordinating the West End Celebration (WEC) since its inception in 2002. Steve Vagnini has provided professional event and music procurement services for the WEC that have resulted in continuous improvement to the WEC.

2021 WEC
The 2021 WEC raised revenues of $26,674 through donations, sponsorships and other sources such as vendor fees. The revenues raised were somewhat lower than projected, resulting in the total net cost to the City for the 2021 West End Celebration of $44,809, including a $20,000 services agreement fee to Mr. Vagnini. The 2021 WEC budget is attached as **Exhibit A**.

2022 WEC
The 2022 West End Celebration is scheduled for August 27-28, 2022. The proposed 2022 WEC budget (received from Mr. Vagnini) is attached as **Exhibit B**. Under the terms of the agreement the City Manager will work with Mr. Vagnini to finalize the budget as has been done in past years. To that end, Council review and comment is greatly appreciated. The proposed services agreement with SLV Management and resolution is attached as **Exhibit C** to this Staff report. The contract allows for up to $80,000 for the 2022 WEC with $30,028.00 to be spent in FY 2021-22, as budgeted.

CEQA
The approval of a service agreement does not constitute a "project" as defined by the California Environmental Quality Act (CEQA) guidelines section 15378.

Fiscal impact.
The City Council has previously approved the expenditure of $75,000 in its adopted budget for FY 21-22 for WEC celebrations. The 2021 WEC incurred actual expenses of $44,971.20, leaving $30,028 in the current FY budget for WEC 2022. If Council approves the attached contract with the budget of $80,000, it will need to allocate approximately $50,000 towards WEC 2022 in its FY 2022-23 budget.

Recommendation:
Staff recommends that Council approve the attached contract.

2021
WEST END CELEBRATION PROPOSED BUDGET

EXPENSES

Advertising		
Mtry County Weekly (Print and web ads and program)		$5,500.00
The Herald (print and web ads)		$1,000.00
Radio (Mapleton and KRML)		$3,560.00
TV Ads (KION)		$500.00
Design By Glass (Advertising and design work)		$3,000.00
Riddell (Web site, press releases and overall)		$3,000.00
Chidlaw	Bus Tails	$2,000.00
Total Advertising		**$18,560.00**
Printing		**$1,200.00**
Postage		**$400.00**
Coordinator		**$27,500.00**
Volunteer Coordinator		**$1,500.00**
Misc/Supplies/Licenses		**$3,500.00**
Saturday & Sunday Entertainment (includes sound and stage)		**$20,000.00**
Infrastructure		
	Tables/Chairs	$1,750.00
	Golden Portables	$3,000.00
	Hope Services	$500.00
	Street Sweep	$200.00
	Generators	$500.00
	Volunteer Expenses	$1,250.00
	Security Fencing	$1,500.00
	Security	$1,500.00
	Total	**$10,200.00**
	Overtime	**$6,000.00**
TOTALS		**$88,860.00**

REVENUES

Donations	$17,500.00
Artist Fees	$17,500.00
Food Vendor Fees	$10,000.00
T-Shirt Sales	$300.00
ATM	$200.00
TOTAL REVENUE	**$45,500.00**
Total Cost after Revenue	**$43,360.00**

EXHIBIT B

2022
WEST END CELEBRATION PROPOSED BUDGET

	EXPENSES		
Advertising			
Mtry County Weekly (Print and web ads and program)		$5,500.00	
The Herald (print and web ads)		$1,000.00	
Radio (Mapleton and KRML)			
TV Ads (KION)			
Design By Glass (Advertising and design work)		$3,000.00	
Riddell (Web site, press releases and overall)		$3,000.00	
Chidlaw	Bus Tails	$3,100.00	
Total Advertising			**$15,600.00**
Printing		$500.00	
Postage		$400.00	
			$900.00
Coordinator		$27,500.00	
Volunteer Coordinator			
Misc/Supplies/Licenses		$1,150.00	
			$28,650.00
Saturday & Sunday Entertainment (includes sound and stage)		$25,000.00	**$25,000.00**
Infrastructure			
	Tables/Chairs	$1,750.00	
	Golden State Portables	$3,500.00	
	Hope Services	$500.00	
	Street Sweep	$0.00	
	Tower Rental	$0.00	
	Volunteer Expenses	$1,200.00	
	Security Fencing	$400.00	
	Security	$2,500.00	
	Total		**$9,850.00**
	Overtime		**$7,500.00**
TOTALS		**$80,000.00**	
	REVENUES		
Donations		$10,000.00	
Artist Fees		$15,000.00	
Food Vendor Fees		$10,000.00	
T-Shirt Sales		$300.00	
ATM		$200.00	
TOTAL REVENUE		**$35,500.00**	
Total Cost after Revenue		**$44,500.00**	

CITY OF SAND CITY
RESOLUTION SC ____, 2021

RESOLUTION OF THE CITY COUNCIL OF SAND CITY APPROVING A SERVICE AGREEMENT WITH SLV MANAGEMENT (STEPHEN VAGNINI) FOR THE 2022 WEST END CELEBRATION (WEC)

WHEREAS, the City of Sand City has been sponsoring and coordinating the West End Celebration (WEC) since its inception in 2002; and

WHEREAS, Steve Vagnini has provided professional event and music procurement services for the WEC that have resulted in continuous improvement to the WEC; and

WHEREAS, the 2021 WEC raised revenues of $26,674 through donations, sponsorships and other sources such as vendor fees and Council desires that additional revenue be raised from donors and sponsors to offset budget expenses related to the 2022 West End Celebration; and

WHEREAS, the total net cost to the City for the 2021 West End Celebration was $44,809.69, including a $20,000 services agreement fee to Mr. Vagnini; and

WHEREAS, the City Council has previously approved the expenditure of $75,000 in its adopted budget for FY 21-22 for WEC celebrations of which actual expenses of $44,971.20 were incurred for the 2021 WEC, leaving $30,028 in the current FY budget for WEC 2022; and

WHEREAS, the City Council anticipates it will allocate approximately $50,000 additional funds towards the 2022 WEC in its FY 22-23 budget.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Sand City as follows:

1. The City Manager is hereby authorized to execute the West End Celebration Service Agreement attached hereto and incorporated herein as Attachment 1.

PASSED AND ADOPTED by the City Council of Sand City on this___, day of December, 2022 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

_____
Mary Ann Carbone, Mayor

ATTEST:

_____
Connie Horca, City Clerk

ATTACHMENT 1

WEST END CELEBRATION SERVICE AGREEMENT

This West End Celebration Service Agreement (**"Agreement"**) made and effective this ___day of December, 2021, is by and between the City of Sand City, a municipal corporation (**"City"**) and Steve Vagnini doing business as SLV Management **("Contractor").**

RECITALS

A. City holds its West End Celebration annually during the month of August.

B. City desires to hire Contractor for the general purposes of organizing the 2022 West End Celebration ("WEC") including sponsorship development related to the event, and performing other services described herein below.

C. Contractor agrees to provide the services described in this Agreement to City from the time of its execution through the time necessary to complete the West End Celebration, all on the terms and conditions as hereinafter set forth.

NOW, THEREFORE, the parties agree as follows:

AGREEMENT

1. Term. The term of the Agreement will begin on January 1, 2022 and shall end on December 31, 2022, unless sooner terminated pursuant to the provisions of this Agreement. The Agreement may be reviewed and renewed annually. No modification to the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto.

2. Duties of Contractor. Contractor will perform the following services for City concerning the West End Celebration:

   (a) Contact and actively solicit for financial contribution and sponsorships, nationally recognized and local companies, organizations and individuals. In particular, companies that include policies of corporate giving shall be contacted for potential financial assistance regarding the West End Celebration. This sponsorship development activity shall be documented by the Contractor and presented to the City on a regular basis.

   (b) Create all promotional materials necessary for the 2022 West End Celebration (e.g., fliers, public service announcements, website development, and advertising for all media outlets);

   (c) Arrange for the production of promotional materials at a cost not to exceed the amounts shown for this purpose in the Approved Budget, as defined below;

   (d) Schedule entertainment for the event at costs not exceeding amounts shown for this purpose in the Approved Budget;

(e) Organize volunteers and coordinate with “the West End Committee” to conduct the event;

(f) Ensure that the WEC is conducted in the manner required by City, State and Federal law (e.g., business license, safety and land use requirements; and beverage control laws and regulations); and

(g) Coordinate the planning and conduct the WEC with the Steering Committee (City Manager, Council, Art Committee and other representatives as appointed by the Mayor), City staff and the City’s Police Department (e.g., security, traffic and parking, set-up and take down).

3. General Obligation. Contractor shall at all times faithfully, competently and to the best of his ability, experience, and talent, perform all tasks described herein. Contractor shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Contractor hereunder in meeting its obligations under this Agreement.

4. Budget. Contractor shall prepare a final budget for the 2022 West End Event. The total budget shall not exceed $80,000, including the $27,500 base compensation to Contractor described below. Expected income and expense items shall be itemized to a level of detail which is acceptable to the City Manager, including the hourly cost of all services and approximate expected date of the expense. The budget’s expected expenses to be paid in fiscal year (FY) 2021-22 shall not exceed funds remaining in the City’s FY 2021-22 budget for the West End Event, or thirty thousand and twenty-eight dollars ($30,028.00). Contractor shall submit the final budget to the City Manager no later than January 18, 2022 for his/her final review and approval. (“**Approved Budget**”). The City Manager may withhold his/her approval for any reason. Contractor shall not expend or commit to expend any City funds in excess of the amounts shown in the Approved Budget or earlier than required by same. The City Manager may authorize in writing limited expenditure of funds prior to approval of the Approved Budget for early expenses.

5. Compensation to Contractor. The City agrees to pay Contractor an amount not to exceed twenty-seven thousand dollars ($27,500) for the services required by this Agreement. ("Base Compensation"). The City shall make such payments within thirty (30) days of receiving a monthly itemized invoice, provided the invoice is in accordance with the Approved Budget. The invoice shall be based upon actual time spent on the required tasks and any incidental reimbursable expenses. Except as specifically authorized by City in writing, Contractor shall not bill City for duplicative services performed by more than one person.

6. Modification and Cancelation of the West End Celebration. The City Council reserves the right to cancel the 2022 West End Celebration at any time. If the City cancels the 2022 West End Celebration, Contractor shall be entitled to any fee he has received or invoiced prior to the date the City notifies Contractor of such cancellation. In the event of cancellation, Contractor further agrees to assist City in seeking reimbursement of any additional funds already spent on the event. Contractor agrees that to the greatest extent possible any agreements Contractor enters into for the WEC will allow for full reimbursement in the event that the WEC is canceled.

7. City's Right to Review and Approve. Notwithstanding anything in this Agreement to the contrary, the City Council reserves the right to review and approve all matters concerning the 2022 West End Celebration (WEC), including but not limited to any

promotional materials and any aspect of the conduct of the event.

8. Ownership of Materials. All promotional materials created by Contractor for the West End Event shall be owned by the City. All materials capable of visual representation shall be marked “Copyright Sand City”.

9. Relationship of Contractor. Contractor is and shall at all times remain as to the City a wholly independent Contractor and not an employee of City. The personnel performing the services under this Agreement on behalf of Contractor shall at all times be under Contractor’s exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Contractor or any of Contractor's officers, employees, subcontractors or agents, except as set forth in this Agreement. Contractor shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner.

10. Indemnification. To the fullest extent permitted by law, Contractor shall indemnify and hold harmless City and any and all of its officials, employees, contractors and agents (“Indemnified Parties”) from and against any and all claims, losses, liabilities, damages, costs and expenses, including legal counsel’s fees and costs, caused in whole or in part by the negligent, reckless or wrongful act, error or omission of Contractor, its officers, agents, employees or subcontractors in the performance of services under this Agreement. Contractor’s duty to indemnify and hold harmless City shall not extend to the City’s sole or active negligence. This indemnification obligation is not limited by any limitation on the amount or type of damages available under any applicable insurance coverage and shall survive the expiration or termination of this Agreement with respect to any liability arising during the term of the Agreement. With respect to third party claims against the Contractor, Contractor waives any and all rights of any type to express or implied indemnity against the Indemnified Parties.

    In the event the City, its officers, employees, agents and/or volunteers are made a party to any action, lawsuit, or other adversarial proceeding arising from the performance of the services encompassed by this Agreement, and upon demand by City, Contractor shall defend the City at Contractor’s cost or at City’s option, to reimburse City for its costs of defense, including reasonable attorney’s fees and costs incurred in the defense of such matters to the extent the matters arise from, relate to or are caused by Contractor’s negligent acts, errors or omissions. Payment by City is not a condition precedent to enforcement of this indemnity. Notwithstanding the foregoing, to the extent that the Contractor’s services are subject to California Civil Code Section 2782.8, the above indemnity, including the cost to defend, shall be limited to the extent required by California Civil Code Section 2782.8.

11. Business License. Contractor shall pay for and keep active during the term of this agreement, a business license from the City of Sand City.

12. Termination of Agreement. City may terminate this Agreement at any time.

13. No Assignment. The services to be provided by Contractor hereunder are personal in nature. Contractor may not assign all or any portions of Contractor’s obligations under this Agreement without first obtaining the written consent of the City, which the City may withhold in its absolute discretion.

14. Severability/No Implied waiver of breach. If a court of competent jurisdiction finds that any provision of this Agreement is invalid, void or unenforceable, the provisions not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any

provision of this Agreement shall not void or affect the validity of any other provision of this Agreement. The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any breach of that term or any other term of this Agreement.

15. Governing law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of California. Any action to enforce or interpret this Agreement shall be brought in the Superior Court of the State of California, County of Monterey, or, in the case of any federal claims, in the United States District Court, Central District of California.

16. No conflict of interest. Contractor declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of the City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City has or will receive compensation, directly or indirectly, from Contractor, or from any officer, employee or agent of Contractor, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity. Contractor may not serve other clients whose activities within the corporate limits of City or whose business regardless of location would place Contractor in a "conflict of interest" as that term is defined in the Political Reform Act, California Government Code section 81000 et seq

17. No benefit to arise to local employee. No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any Agreement or sub-Agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

18. Legal Responsibilities. The Contractor shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Contractor shall at all times observe and comply with all such laws and regulations. The City, and its officers, consultants and employees, shall not be liable at law or in equity occasioned by failure of the Contractor to comply with this Section.

19. Notices. Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To CITY:

City of Sand City
1 Pendergrass Way
Sand City, CA 93955
Attention: City Clerk

To Contractor:

Steve Vagnini
SLV Management
P.O.Box 101
Monterey, CA 93942
slvmanagement@yahoo.com

20. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto and incorporates any prior oral or written understanding between the parties. Any amendment to this Agreement must be made in a writing signed by both of the parties of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first written above.

City of Sand City:

_____
Vibeke Norgaard, Acting City manager

Date: _____

Attest:

_____
Connie Horca, City Clerk

Contractor:

_____
Steve Vagnini, SLV Management

Date: _____

AGENDA ITEM
10B.

Presentation on and Consideration of the Audited Financial Statements for the Year ended June 30, 2021 and Independent Auditors Report by Therese Courtney and Mike Nolan of Hayashi and Wayland, LLC

1) Approval of City RESOLUTION Accepting the Audited Financial Statements for the Year ended June 30, 2021 and Independent Auditor's Report

City of Sand City

STAFF REPORT

TO: CITY COUNCIL, ACTING CITY MANAGER

FROM: DEVON LAZZARINO, FINANCE/HR SPECIALIST

SUBJECT: REVIEW OF FY 2020-2021 FINAL AUDIT

DATE: DECEMBER 3, 2021

FOR: DECEMBER 21, 2021 CITY COUNCIL MEETING

Discussion: On December 2, 2021 the Budget and Personnel Committee received a presentation from the City auditors Hayashi & Wayland. The key takeaways from that presentation and discussion are listed below:

1. The assets of the City of Sand City exceeded its liabilities at the close of the year ended June 30, 2021 by $29 million. However, $11 million is a net investment in capital assets, and $10 million is a noncurrent receivable due from the Successor Agency.
2. The City of Sand City's total net position increased by $1.2 million.
3. The assets and liabilities include $542,222 that is due to TAMC in regards to a development project.
4. At the close of the year ended June 30, 2021, the City of Sand City's governmental funds reported combined ending fund balanced of $21 million, $10 million of which is a noncurrent receivable. The net change in fund balances was an increase of $1.8 million.

Additional information will be shared during the auditor's presentation including highlights of the City's assets and liabilities and overall financial position. They will also provide information on how the City's current position compares to the financial position in past years. The auditors will be available for questions from the Council and the public after their presentation.

Fiscal Impact: There is no fiscal impact associated with approving a resolution accepting the audit statements and the auditor's report.

Recommendation: Staff recommends that the City Council approve the attached resolution accepting the City's audited financial statements for the Fiscal year ending June 30, 2021 and the Independent Auditor's Report.

CITY OF SAND CITY

RESOLUTION SC _____ , 2021

RESOLUTION OF THE CITY COUNCIL OF SAND CITY ACCEPTING THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021 AND INDEPENDENT AUDITOR'S REPORT

WHEREAS, the City of Sand City has completed financial transactions for the fiscal year ending June 30, 2021; and

WHEREAS, prudent financial management, along with State and Federal regulations, dictate that an independent financial audit be conducted on the City's yearly financial transactions; and

WHEREAS, the City of Sand City has contracted with the accounting firm of Hayashi & Wayland for accounting/audit services; and

WHEREAS, Hayashi & Wayland have the necessary qualifications and have full access to all City/Successor Agency financial records to conduct an audit of the City's finances for this year; and

WHEREAS, Hayashi & Wayland have worked with City staff in auditing the financial records of the City for fiscal year ended June 30, 2021; and

WHEREAS, in the Auditor's opinion, the enclosed financial statements do present fairly, in all material respects the financial position of the City of Sand City as of June 30, 2021, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America; and

WHEREAS, it is noted in these Statements that the City of Sand City has been following the provisions of Governmental Accounting Standards Board (GASB) Statements that pertains to local governments, and these audited financial statements were prepared in compliance with these new accounting standards; and

WHEREAS, on December 2, 2021, the Auditors and Budget Committee reviewed with City staff the attached financial statements for fiscal year ended June 30, 2021 and the Budget Committee is recommending acceptance of the documents by the full City Council.

NOW, THEREFORE, BE IT RESOLVED by the Sand City Council as follows:

1. That the attached financial statements are hereby accepted.

2. That City staff are authorized to use this final audit as the City's financial record for the fiscal year ended June 30, 2021.

PASSED AND ADOPTED by the Sand City Council on this ___ day of _____ by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

ATTEST:

_____
Mary Ann Carbone, Mayor

_____
Connie Horca, City Clerk

HAYASHI | WAYLAND

November 22, 2021

The Honorable Mayor and City Council
City of Sand City
Sand City, California

We are pleased to present this report related to our audit of the basic financial statements and compliance of the City of Sand City (the City) for the year ended June 30, 2021. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the City of Sand City's financial and compliance reporting process. Also included is a summary of recently issued accounting standards that may affect future financial reporting by the City of Sand City.

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication with Those Charged with Governance)* require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are, significant and relevant to your responsibility to oversee the financial reporting process.

Our Responsibilities with Regard to the Financial Statement Audit

Our responsibilities under auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States have been described to you in our arrangement letter dated April 15, 2021. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in this letter.

Overview of the Planned Scope and Timing of the Financial Statement Audit

We have issued a separate communication dated April 15, 2021 regarding the planned scope and timing of our audit and have discussed with you our identification of and planned audit response to significant risks of material misstatement.

Accounting Policies and Practices

Preferability of Accounting Policies and Practices

Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

Adoption of, or Change in, Accounting Policies
Management has the ultimate responsibility for the appropriateness of the accounting policies used by the City. The policies adopted by the City for the current fiscal year are as follows:

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Necessary changes were made to the notes to the financial statements.

Recently Issued Accounting Standards

In June 2017, GASB issued Statement No. 87, *Leases.* The requirements of this Statement are effective for fiscal years beginning after June 15, 2021. At this time the City is not certain of the effect of the adoption of Statement No. 87 will have on the financial statements.

In January 2020, GASB issued Statement No. 92 *Omnibus 2020.* The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. At this time the City is not certain of the effect of the adoption of Statement No. 87 will have on the financial statements.

In May 2020, GASB issued Statement No. 96 *Subscription-Based Information Technology Arrangements.* The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. At this time the City is not certain of the effect of the adoption of Statement No. 87 will have on the financial statements.

In June 2020, GASB issued Statement No. 97 *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32.* The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. At this time the City is not certain of the effect of the adoption of Statement No. 87 will have on the financial statements.

Significant or Unusual Transactions
We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Management Judgments and Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. You may wish to monitor throughout the year the process used to compute and record these accounting estimates. The significant accounting estimates reflected in the City of

Sand City's June 30, 2021 financial statements include the cost and liability/(asset) of other post-employment benefits and the pension.

Audit Adjustments and Uncorrected Misstatements

Audit adjustments proposed by us and recorded by the City of Sand City are shown on the attached "Adjusting Journal Entries".

There were no uncorrected misstatements.

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

Consultations with Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed with Management

No significant issues arising from the audit were discussed with or were the subject of correspondence with management.

Significant Difficulties Encountered in Performing the Audit

We did not encounter any significant difficulties in dealing with management during the audit.

Letter Communicating Significant Deficiencies and Material Weaknesses in Internal Control over Financial Reporting

When significant deficiencies and material weaknesses are identified during our audit of the financial statements, we are required to communicate them to you in writing. For the year ended June 30, 2021 a letter was not required.

Certain Written Communications between Management and Our Firm

We have requested certain representations from management that are included in the management representation letter dated November 22, 2021.

This report is intended solely for the information and use of the City Council and management and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to continue to be of service to the City of Sand City.

Sincerely,

Hayashi Wayland, LLP

City of Sand City AJE
Year End: June 30, 2021
Adjusting Journal Entries
Date: 7/1/2020 To 6/30/2021
Account No: AJE-01 To AJE-99

Number	Date	Name	Account No	Debit	Credit	Amount Chg	Net Income (Loss)
		Net Income (Loss) Before Adjustments				973,552.00	
AJE-01	6/30/2021	DEFERRED REVENUE	10-2050-00 GF01	41,878.00			
AJE-01	6/30/2021	AB 1484 DISTRIB	10-4006-00 GF01		41,878.00		
		To reverse ROPS payments deferred in error.					
				41,878.00	41,878.00	41,878.00	1,015,430.00
AJE-02	6/30/2021	Grants Receivable	10-1105-00 GF01	43,964.00			
AJE-02	6/30/2021	DEFERRED REVENUE	10-2050-00 GF01		116,594.00		
AJE-02	6/30/2021	CDBG CALBRESE	10-4681-12 GF01F	50,603.00			
AJE-02	6/30/2021	SUSTAIN GRANT	10-4757-11 GF01E	22,027.00			
		To adjust grants receivable, deferred revenue and revenue to actual.					
				116,594.00	116,594.00	(72,630.00)	942,800.00
				158,472.00	**158,472.00**	**(30,752.00)**	**942,800.00**

CITY OF SAND CITY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2021

AND INDEPENDENT AUDITORS' REPORT

CITY OF SAND CITY

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CITY OF SAND CITY

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CITY OF SAND CITY

JUNE 30, 2021

Members of the City Council

Name	Office	Term Expires
Mary Ann Carbone	Mayor	December, 2022
Jerry Blackwelder	Vice Mayor	December, 2022
Elizabeth Sofer	Council Member	December, 2022
Gregory Hawthorne	Council Member	December, 2024
Kim Cruz	Council Member	December, 2024

City Staff

Name	Office
Aaron Blair	City Manager
Brian Ferrante	Chief of Police
Vibeke Norgaard	City Attorney

HAYASHI | WAYLAND

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and City Council
City of Sand City
Sand City, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the ***City of Sand City***, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

1188 PADRE DRIVE, STE 101, SALINAS, CA 93901 | PHONE: 831.759.6300 | FAX: 831.759.6380 | HW-CPA.COM
HAYASHI & WAYLAND ACCOUNTING & CONSULTING, LLP | LOCATIONS IN CARMEL, KING CITY, PASO ROBLES & SALINAS

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the ***City of Sand City*** as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 10, the Budgetary Comparison Schedule on page 45, the Schedule of Proportionate Share of the Net Pension Liability on page 47, the Schedule of Contributions – Pension on page 48, the Schedule of Changes in the Net OPEB Liability/(Asset) and Related Ratios on page 49, and the Schedule of Contributions – OPEB on page 50 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2021 on our consideration of the ***City of Sand City's*** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the ***City of Sand City's*** internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the ***City of Sand City's*** internal control over financial reporting and compliance.

Hayashi Wayland, LLP

Salinas, California
November 22, 2021

CITY OF SAND CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021

The discussion and analysis of the City of Sand City's financial performance provides an overview and analysis of the City's financial activities for the year ended June 30, 2021. It should be read in conjunction with the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the City of Sand City exceeded its liabilities at the close of the year ended June 30, 2021 by $29 million. However, $11 million is a net investment in capital assets, and $10 million is a noncurrent receivable due from the Successor Agency.
- The City of Sand City's total net position increased by $1.2 million.
- The assets and liabilities include $542,222 that is due to TAMC in regard to a development project.
- At the close of the year ended June 30, 2021, the City of Sand City's governmental funds reported combined ending fund balances of $21 million, $10 million of which is a noncurrent receivable. The net change in fund balances was an increase of $1.8 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis serve as an introduction to the City's financial statements. The City's financial statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains required supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements – The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The Statement of Net Position combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations. Other nonfinancial factors should also be taken into consideration, such as changes in the City's property tax base, and the condition of the City's infrastructure (i.e. roads, drainage improvements, storm and sewer lines, etc.) to assess the overall health or financial condition of the City.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Government-wide Financial Statements (Continued)

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes).

The government-wide financial statements include all the governmental activities of the City. The governmental activities of the City include public safety, streets, parks, planning, community development and general administration. The City does not operate any business-type activities.

The government-wide financial statements can be found on pages 11 and 12 of this report.

Fund Financial Statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the City can be divided into two categories, governmental funds and fiduciary funds:

Governmental Funds – The focus of governmental funds is narrower than that of government-wide financial statements. It is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the government's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Fiduciary Funds – These funds are used to account for resources held for the benefit of parties outside the government. It is in these funds that the City accounts for the former assets and liabilities of the Redevelopment Agency that were transferred to a Successor Agency. Fiduciary funds are not included in the government-wide statements because the resources of those funds are not available to support the City's own programs. The accounting for fiduciary funds is much like that used for proprietary funds.

The City maintains four individual governmental funds. Information is presented separately in the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, which is considered to be a major fund. Data from the other governmental funds is presented as other governmental funds.

The fund financial statements can be found on pages 13 to 18 of this report.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19 through 44 of this report.

GOVERNMENT–WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. The City's net position increased by $1.2 million in fiscal year 2020–2021 from fiscal year 2019–2020. The City's net investment in assets of $11 million is used to provide services to citizens; consequently, these assets are not available for future spending. Another $10 million is a noncurrent receivable leaving approximately $8 million available for operations.

Summary of Net Position (Rounded to the nearest $1,000)
For the Year Ended June 30

	2021	2020	Change
Current and other assets	$ 23,792,000	$ 22,010,000	$ 1,782,000
Capital assets	10,883,000	11,209,000	(326,000)
Total assets	34,675,000	33,219,000	1,456,000
Deferred outflows of resources	1,619,000	1,617,000	2,000
Current and other liabilities	1,022,000	1,003,000	19,000
Long-term liabilities	5,641,000	5,196,000	445,000
Total liabilities	6,663,000	6,199,000	464,000
Deferred inflows of resources	863,000	1,119,000	(256,000)
Net Investment in capital assets	10,789,000	11,088,000	(299,000)
Restricted for:			
Streets/roads	88,000	102,000	(14,000)
Beach access repair	44,000	96,000	(52,000)
Unrestricted	17,847,000	16,233,000	1,614,000
Total net position	$ 28,768,000	$ 27,519,000	$ 1,249,000

Current assets increased due to an increase in cash of $505,000, investments of $1,132,000 and receivables from other governments of $252,000.

Capital assets and net investment in capital assets decreased due to depreciation of $488,056 offset by net capital additions of $161,611.

Long-term liabilities increased due to an increase in the pension liability of $392,000 and compensated absences of $149,000.

The increase in deferred inflows of resources is due to a change in the deferred OPEB adjustments.

The increase in unrestricted is due to the revenues over expenses of $1,200,000 and the decrease of net investment in capital assets.

The decrease in restricted for Beach access repair is due to amounts spent during the year.

GOVERNMENT–WIDE FINANCIAL ANALYSIS (Continued)

Change in Net Position (Rounded to the nearest $1,000)
For the Year Ended June 30

	2021	2020	Change
Revenues:			
Program revenues:			
Charges for services	$ 1,700,000	$ 1,902,000	$ (202,000)
Operating grants and contributions	292,000	235,000	57,000
Capital grants and contributions	134,000	–	134,000
General revenues:			
Property taxes	386,000	272,000	114,000
Sales and transaction taxes	5,755,000	4,880,000	875,000
Other taxes	290,000	288,000	2,000
Investment earnings	14,000	206,000	(192,000)
Total revenues	8,571,000	7,783,000	788,000
Expenses:			
General government	1,575,000	1,886,000	(311,000)
Public safety	3,839,000	3,920,000	(81,000)
Public works	1,382,000	1,396,000	(14,000)
Planning	306,000	514,000	(208,000)
Building	113,000	–	113,000
Community development	96,000	122,000	(26,000)
Parks	5,000	42,000	(37,000)
Interest on long-term debt	6,000	11,000	(5,000)
Total expenses	7,322,000	7,891,000	(569,000)
Change in net position	1,249,000	(108,000)	1,357,000
Net position, beginning of year	27,519,000	27,627,000	(108,000)
Net position, end of year	$ 28,768,000	$ 27,519,000	$ 1,249,000

The decrease in charges for services is due to a decrease in planning, building, and engineering fees for projects in Sand City.

The increase in property and sales tax revenues is due to recovery from COVID-19, including deferred payments of said taxes and businesses reopening.

The decrease in general government expenses is due to not replacing the Director of Administrative Services, and hiring the City Attorney as a full-time employee, instead of a contract consultant.

The decrease in public safety is due to a hiring freeze, not replacing employees on leave.

The net decrease in planning/building is due to a decrease in plan check and building expenses for projects in Sand City. The building department was added in FY 20-21 to separate it from the planning department.

The decrease in community development is due to a lack of City sponsored events due to COVID-19.

GOVERNMENT–WIDE FINANCIAL ANALYSIS (Continued)

The decrease in parks is due to a decrease in the expenses for the Calabrese Park ADA project.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets – At June 30, 2021, the City's net investment in capital assets amounted to $11 million (net of accumulated depreciation), a net decrease of $326,000 over the prior year due to depreciation offset by the purchase of a street sweeper and construction in progress. Capital assets included land, land improvements, infrastructure, buildings, equipment, vehicles, furniture and fixtures, and construction in progress.

Debt Administration – At June 30, 2021, the City had $5 million in long-term debt. The net change to debt during the year was an increase of $455,000 due to an increase of the pension obligation.

FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements.

At the end of the current fiscal year, the City's governmental funds reported a total fund balance of $21 million. This fund balance includes a noncurrent receivable of $10 million. The General Fund has an unassigned fund balance of $9.6 million.

During the current fiscal year, the fund balance of the City's General Fund increased by $1.8 million.

FUND BUDGETARY HIGHLIGHTS

General Fund – The original budgeted revenues were increased by $32,420 due to a better recovery from COVID-19 in sales tax. The actual revenues were over budget by $185,000 due to the same reason.

The original budgeted expenditures were decreased by $751,000 due to a City-wide hiring freeze and continued cutting of expenses because of the uncertainty caused by the pandemic. The actual expenditures were under budget by $576,000 due to the same reason.

ECONOMIC FACTORS AND NEXT YEARS BUDGET

The Budget for fiscal year 20-21 anticipated an increase in revenues over the previous year budget. Some of the factors for the anticipated increase in revenue was due to expectations of additional sales/use tax, transaction tax, and an expected increase in fees under the planning department due to the South of Tioga project.

There were expected increases in expenditures for fiscal year 20-21 over the fiscal year 19-20. Those increases were primarily due to the increase in the attorney's budget for legal services, the planning department due to the South of Tioga project, and the police department. There was a projected overall slight increase to the salaries and Pers retirement cost in each department.

In fiscal year 20-21, we added the City Attorney as a full-time City employee which raised our employee total to 21 Full-time employees within the following departments: Administration, City Attorney, Finance, Clerk, Planning, Public Safety, and Public Works. The City utilized Consultants and Contract Labor in several areas for assistance in lieu of permanent additions to the payroll such as building, engineering, and information technology.

The City took several important steps in fiscal year 20-21 to modernize and digitize our building department. Although it may only have a minor impact on expenses, these steps allowed staff to improve efficiency which will have a lasting impact. Going forward, we will continue to look for opportunities to improve not only our organizations infrastructure, but our overall infrastructure for the City.

The South of Tioga project took several key steps forward in fiscal year 20-21 but was also slowed by internal ownership changes. The project, which includes a hotel and a residential component that includes 356 units, continued into the fiscal year 21-22 with several key items including demolition. Although the project ultimately will be a positive revenue generator for the City, revenue impacts will not be seen until the fiscal year 22-23 at the earliest.

Two other projects that have been projected to positively impact the City revenues, Collections at Monterey Bay (King Ventures) and the Monterey Bay Shores Eco-Resort, are currently not projected to impact the fiscal year 21-22 or 22-23 budgets. However, the City is confident that at some point these two wonderful projects will come to fruition, but at this point, no projected revenues or expenses related to the two projects has been included in the 3-year projections.

Looking forward to fiscal year 22-23 and 23-24, the budget will be developed in an acutely uncertain moment in the world. The years ahead are very difficult to plan due to the continued impacts of COVID and inflation. With that in mind, the budgets will communicate what we think is the most fiscally responsible approach to funding operations and capital investments to best serve the Sand City community.

Staff will ensure that a balanced and fiscally responsible budget for fiscal year 22-23 and 23-24 that takes into account all information available in ever-changing times. Staff will anticipate revenues and expenditures are such that we will have a positive operating reserve. This reserve will be available for operating contingencies, capital improvements, or service changes.

ECONOMIC FACTORS AND NEXT YEARS BUDGET (Continued)

We will continue to monitor revenues and expenditures, and any additional modifications that may need to be made based on new available information. Future proposed budgets and capital improvements will do the following:

- Remain fiscally responsible
- Maintain a safe and healthy community
- Enhance economic vitality
- Deliver exceptional City services
- Invest in well-planned infrastructure and growth

In light of the economic reality imposed by COVID-19 over the past two years, staff will continue to look for opportunities to reduce expenses without impacting the level of service provided. We will continue to look for opportunities to increase revenues including a future voter dependent increase in the sales tax, the successful development of the South of Tioga project, short-term rental ordinance, retail cannabis ordinance, and the continued investment into the West End and various infill projects.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Sand City, 1 Pendergrass Way, Sand City, California 93955.

BASIC FINANCIAL STATEMENTS

CITY OF SAND CITY
STATEMENT OF NET POSITION
JUNE 30, 2021

ASSETS	
Cash and cash equivalents	$ 2,047,625
Investments	9,574,548
Receivables	66,623
Receivables from other governments	1,177,654
Loans due from Successor Agency	9,730,824
Net OPEB asset	1,194,563
Capital assets, net:	
Non-depreciable	2,359,157
Depreciable	8,523,662
Total assets	34,674,656
DEFERRED OUTFLOWS OF RESOURCES	
PERS contributions	829,461
Deferred pension adjustments	631,014
OPEB contributions	86,077
Deferred OPEB adjustments	72,420
Total deferred outflows of resources	1,618,972
LIABILITIES	
Accounts payable	213,152
Due to other governments	542,222
Accrued liabilities	30,133
Developer deposit	25,000
Noncurrent liabilities:	
Due within one year	211,181
Due in more than one year	5,640,589
Total liabilities	6,662,277
DEFERRED INFLOWS OF RESOURCES	
Deferred pension adjustments	168,119
Deferred OPEB adjustments	695,089
Total deferred inflows of resources	863,208
NET POSITION	
Net investment in capital assets	10,789,419
Restricted for:	
Streets and roads	87,635
Beach access repair	44,139
Unrestricted	17,846,950
Total net position	$ 28,768,143

See Notes to the Basic Financial Statements.

CITY OF SAND CITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
Governmental activities:					
General government	$ 1,574,669	$ 1,507,116	$ 62,500	$ –	$ (5,053)
Public safety	3,838,694	32,313	159,716	–	(3,646,665)
Public works	1,382,183	11,533	63,465	43,964	(1,263,221)
Planning	305,469	101,588	–	–	(203,881)
Building	112,954	47,102	–	–	(65,852)
Community development	96,153	–	6,000	–	(90,153)
Parks	5,238	–	–	90,000	84,762
Interest on long-term debt	6,492	–	–	–	(6,492)
Total governmental activities	$ 7,321,852	$ 1,699,652	$ 291,681	$ 133,964	$ (5,196,555)
General revenues:					
Taxes:					
Property taxes, levied for general purposes					386,485
Sales tax					3,159,647
Transaction tax					2,595,765
Utility user's tax					148,887
Franchise taxes					96,989
Gas taxes					13,800
Road maintenance and rehabilitation					7,137
Measure X					22,910
Investment earnings					13,968
Total general revenues					6,445,588
CHANGE IN NET POSITION					1,249,033
NET POSITION, BEGINNING OF YEAR					27,519,110
NET POSITION, END OF YEAR					$ 28,768,143

See Notes to the Basic Financial Statements.

CITY OF SAND CITY
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2021

	General	Other Governmental Funds	Total
ASSETS			
Cash and cash equivalents	$ 1,955,948	$ 91,677	$ 2,047,625
Investments	9,574,548	–	9,574,548
Receivables	66,623	–	66,623
Receivables from other governments	1,175,115	2,539	1,177,654
Loans due from Successor Agency	9,730,824	–	9,730,824
Total assets	22,503,058	94,216	22,597,274
LIABILITIES			
Accounts payable	206,571	6,581	213,152
Due to other governments	542,222	–	542,222
Accrued liabilities	30,133	–	30,133
Developer deposit	25,000	–	25,000
Total liabilities	803,926	6,581	810,507
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue	116,594	–	116,594
Deferred interest on Successor Agency loans	774,766	–	774,766
Total deferred inflows of resources	891,360	–	891,360
FUND BALANCES			
Non-spendable –			
Noncurrent receivable	9,730,824	–	9,730,824
Restricted:			
Streets and roads	–	87,635	87,635
Beach access repair	44,139	–	44,139
Committed:			
Tioga beach	120,000	–	120,000
OPEB Funding	142,566	–	142,566
Contracts	1,255,713	–	1,255,713
Unassigned	9,514,530	–	9,514,530
Total fund balances	20,807,772	87,635	20,895,407
Total liabilities, deferred inflows of Resources and fund balances	$ 22,503,058	$ 94,216	$ 22,597,274

See Notes to the Basic Financial Statements.

CITY OF SAND CITY
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

FUND BALANCES – TOTAL GOVERNMENTAL FUNDS	$ 20,895,407
Amounts reported in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	10,882,819
Amounts paid to the trust for other post-employment benefits in excess of the required contributions, the net OPEB asset, are not financial resources and therefore are not reported in the funds.	1,194,563
Other assets are not available to pay for the current period expenditures and therefore are deferred in the funds.	891,360
Deferred outflows and inflows of resources associated with net pension and OPEB are not financial resources and therefore are not reported in the funds:	
Deferred outflows	1,618,972
Deferred inflows	(863,208)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(5,851,770)
NET POSITION	$ 28,768,143

See Notes to the Basic Financial Statements.

CITY OF SAND CITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	General	Other Governmental Funds	Total
REVENUES:			
Property taxes	$ 386,485	$ –	$ 386,485
Sales tax	3,159,647	–	3,159,647
Transaction tax	2,595,765	–	2,595,765
Utility user's tax	148,887	–	148,887
Franchise taxes	96,989	–	96,989
Business licenses	503,617	–	503,617
Licenses and permits	59,019	–	59,019
Fines, forfeits and penalties	5,505	908	6,413
Charges for current services	184,209	–	184,209
Developer reimbursements	42,584	–	42,584
Revenue from other agencies	292,324	43,847	336,171
Investment earnings	13,968	–	13,968
Rental income	867,109	–	867,109
Other revenue	53,428	–	53,428
Total revenues	8,409,536	44,755	8,454,291
EXPENDITURES:			
Current:			
General government	1,485,331	–	1,485,331
Public safety	3,490,624	–	3,490,624
Public works	926,095	44,782	970,877
Planning	298,974	–	298,974
Building	112,954	–	112,954
Community development	96,153	–	96,153
Parks	4,423	–	4,423
Debt service:			
Principal	28,028	–	28,028
Interest and other charges	6,492	–	6,492
Capital outlay	161,611	–	161,611
Total expenditures	6,610,685	44,782	6,655,467
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,798,851	(27)	1,798,824
OTHER FINANCING SOURCES (USES):			
Transfers in	14,350	–	14,350
Transfers out	–	(14,350)	(14,350)
Total other financing sources (uses)	14,350	(14,350)	–
NET CHANGE IN FUND BALANCES	1,813,201	(14,377)	1,798,824
FUND BALANCES, BEGINNING OF YEAR	18,994,571	102,012	19,096,583
FUND BALANCES, END OF YEAR	$ 20,807,772	$ 87,635	$ 20,895,407

See Notes to the Basic Financial Statements.

CITY OF SAND CITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

NET CHANGE IN FUND BALANCES	$ 1,798,824
Amounts reported in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts are:	
Capital outlay	161,611
Current year depreciation	(488,056)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds.	116,594
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, it has no effect on net assets. In the current period, the amount is:	
Principal payments on long-term debt	28,028
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Compensated absences	(149,276)
Current year OPEB cost difference	134,331
Current year pension cost difference	(353,023)
CHANGE IN NET POSITION	$ 1,249,033

See Notes to the Basic Financial Statements.

CITY OF SAND CITY
STATEMENT OF FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

ASSETS	
Cash and cash equivalents	$ 956,879
Investments	1,283,728
Capital assets, net-	
Non-depreciable	1,100,000
Total assets	3,340,607
LIABILITIES	
Developer fees received in advance	1,455,000
Noncurrent liabilities:	
Due within one year	525,000
Due in more than one year	13,190,824
Total liabilities	15,170,824
DEFERRED INFLOWS OF RESOURCES	
Deferred ROPS revenue	585,324
NET POSITION	
Enforceable obligations	(12,415,541)
Total net position (deficit)	$ (12,415,541)

See Notes to the Basic Financial Statements.

CITY OF SAND CITY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

ADDITIONS:	
Property taxes	$ 1,125,031
Interest income	848
Total additions	1,125,879
DEDUCTIONS:	
Administrative expenses	97,439
Legal expenses	24,000
Contract services	26,279
Interest expense	140,779
Seaside settlement	364,522
Total deductions	653,019
NET INCREASE	472,860
NET POSITION, (DEFICIT) BEGINNING OF THE YEAR	(12,888,401)
NET POSITION, (DEFICIT) END OF THE YEAR	$ (12,415,541)

See Notes to the Basic Financial Statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Sand City (the City), California have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

Reporting Entity – The City is a Charter City operating under a Mayor-Council-City Manager form of government. As required by GAAP, these financial statements present the City (the primary government) and its component units. The City's financial statements include one fiduciary component unit-

Successor Agency Trust Fund
Assembly Bill 1X 26 ("the Bill") provided for the dissolution of all redevelopment agencies in the State of California. As allowed under the Bill, the City elected to serve as the Successor Agency to hold the assets until they are distributed to other units of state and local government. The Successor Agency Trust Fund meets the definition of a fiduciary component unit and is reported as a private-purpose trust fund. Separate financial statements are not available for the Successor Agency Trust Fund.

Basis of Presentation and Accounting – The basic financial statements include both government-wide and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or identifiable activity is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or identifiable activity. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund based financial statements are provided for governmental funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The City has no proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The nonmajor funds are combined in a column in the fund financial statements.

The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting – The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences and claims and judgments, are recognized only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

Ad valorem, franchise and sales tax revenues are recognized under the susceptible to accrual concept. Licenses and permits, charges for services, fines and forfeitures, contributions, and miscellaneous revenues are recorded as revenues when received in cash as the resulting receivable is immaterial. Investment earnings are recorded as earned since they are measurable and available. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to the purpose of expenditure and are usually revocable only for failure to comply with the prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

The City reports the following major governmental fund –

> *General Fund*, accounts for the City's primary services (Public Safety, Public Works, Parks, etc.) and is the primary operating unit of the City.

Additionally, the City reports the following fund type –

> *Fiduciary Funds* include the Successor Agency. This fund was established as a result of the dissolution of the Redevelopment Agency and is used to account for assets held by the City in a trustee capacity.

NOTE 1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Fair Value – The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the City's investments are level one.

Cash, Cash Equivalents and Investments – The City follows the practice of pooling cash and investments of all funds. Investments of the pooled cash consist of deposits with the Local Agency Investment Fund and are accounted for at fair market value. Interest earned as a result of pooling is distributed to the appropriate funds utilizing a formula based on the average daily balance of cash of each fund. The City considers highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Receivables and Deferred Inflows of Resources – Receivables are amounts due representing revenues earned or accrued in the current period. Receivables which have not been remitted within 60 days subsequent to year end are offset by deferred inflows of resources, and accordingly have not been recorded as revenue in the governmental fund. When the revenue becomes available, the revenue is recognized in the governmental fund.

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. The allowance is based on an assessment of the current status of individual accounts. At June 30, 2021, the allowance was estimated to be zero.

Capital Assets – Property, facilities, equipment and infrastructure purchased or acquired is carried at historical cost or estimated historical cost. Contributed fixed assets are recorded at acquisition value at the time received. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 for equipment; $25,000 for facilities and improvements; $150,000 for infrastructure and all land; and an estimated useful life in excess of one year.

Property, facilities, equipment and infrastructure is depreciated using the straight-line method over the following estimated useful lives:

Buildings	40 Years
Improvements	5–20 Years
Equipment	5–10 Years
Vehicles	8 Years
Furniture and Fixtures	10 Years
Infrastructure	20–50 Years

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Compensated Absences – Unused paid time off (PTO), which includes vacation, sick, and comp time, may be accumulated up to 800 hours and is paid at the time of termination from City employment. Hours accumulated over the 800 hours are paid out as compensation at the end of each calendar year. PTO is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Interfund Activity – During the course of operations, transactions occur between individual funds that result in amounts owed between funds, which are classified as "due to/from other funds." Eliminations have been made on the government-wide statements for amounts due to/from within the governmental funds.

Long-Term Obligations – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized in the current period.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financial sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions – For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefits (OPEB) – For purposes of measuring the net OPEB liability/(asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Measurement Period	July 1, 2019 to June 30, 2020

Net Position – The Statement of Net Position presents the City's assets and deferred outflows of resources, and liabilities, and deferred inflows of resources with the difference reported as net position. Net position is reported in three categories.

- *Net investment in capital assets* consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction, or improvement of those assets.

- *Restricted* results when constraints placed on net positions use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

- *Unrestricted* consist of net position not meeting the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

Fund Balances – Fund balance classifications are based primarily on the extent to which the City is bound to honor constraints on the use of the resources reported in each governmental fund.

The City reports the following classifications:

- *Non-spendable* – Non-spendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form, such as long-term receivables or (b) legally or contractually required to be maintained intact, such as a trust that must be retained in perpetuity.

- *Restricted* – Restricted fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

- *Committed* – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by the City Council. Committed amounts cannot be used for any other purpose unless the City Council removes those constraints by taking some type of action (passage of a resolution). Amounts in the committed fund balance classification may be used for other purposes with appropriate due process by the City Council. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions or enabling legislation.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- *Assigned* – Assigned fund balances are amounts that are constrained by the City's intent to be used for specific purpose, but are neither restricted nor committed. Intent is expressed by (a) the City Administrator or (b) the City Council. The City Council has the authority to remove or change the assignment of the funds with a simple majority vote.

- *Unassigned* – This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When restricted and other fund balance resources are available for use, it is the City's policy to use restricted resources first, followed by committed, assigned and unassigned amounts, respectively.

Property Tax Levy, Collection and Maximum Rates – State of California (State) Constitution Article 13 provides for a maximum general property tax rate statewide of $1 per $100 of assessed value. Assessed value is calculated at 100% of market value as defined by the above referenced Article 13. The State Legislature has determined the method of distribution of receipts from $1 tax levy among counties, cities, schools and other districts. Counties, cities and school districts may levy such additional tax rates as necessary to provide for voter approved debt service.

The County of Monterey assesses properties, bills for and collects property taxes, as follows:

	Secured	Unsecured
Valuation dates	January 1	January 1
Lien/levy dates	July 1	July 1
Due dates	50% on November 1	July 1
	50% on February 1	
Delinquent as of	December 10 (for November)	August 31
	April 10 (for February)	

The term "Unsecured" refers to taxes on personal property other than land and buildings. These taxes are secured by liens on the property being taxed.

Property tax revenues are recorded in governmental funds as receivables and deferred revenues at the time the tax levy is billed. Current year revenues are those collected within the current period or soon enough thereafter to pay current liabilities, generally within sixty days of year-end. No allowance is provided for delinquent taxes as the lien is considered an enforceable legal obligation.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events – Subsequent events have been evaluated through November 22, 2021, which is the date the financial statements were available to be issued.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Effects of New Pronouncements - In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Necessary changes were made to the notes to the financial statements.

NOTE 2. DEPOSITS AND INVESTMENTS

Custodial Credit Risk-Deposits – Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the provision which requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2021, $1,899,402 of the City's bank balances of $2,149,402 was exposed to custodial credit risk as uninsured, but it's collateralized by the pledging bank's trust department not in the City's name.

Investments – The City's investments consist of the State Treasurer's Local Agency Investment Fund and certificates of deposit held with a local financial institution. All investments are recorded at fair value. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The fair value of the pledged securities in the collateral pool must equal 110% of the total amount deposited by the public agencies. The investment of state pooled funds is governed by State law, by policies adopted by the Pooled Money Investment Board (PMIB) and by accepted norms for prudent fiduciary management of investments. PMIB funds may be invested in a wide range of interest-bearing securities, such as Treasury notes, prime commercial paper, certain California municipal and agency obligations, highly rated corporate bonds, obligations of such agencies as Fannie Mae, and negotiable certificates of deposit. Also allowed are time deposits in California banks, savings and loans, and credit unions that have not less than a "satisfactory" CRA rating. The value of each participating dollar equals the fair value divided by the amortized cost. The City's fair value of the position in the pool is the same as the value of the pool shares. Investments at June 30, 2021 consisted of the following:

Local Agency Investment Fund	$ 8,321,054
Certificates of Deposit	1,253,494
Total	$ 9,574,548

As of June 30, 2021, all of the City's investments had a maturity of less than one year.

NOTE 2. DEPOSITS AND INVESTMENTS (Continued)

Interest rate risk – Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City has no formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates beyond those specified in the statues.

NOTE 3. RECEIVABLES

Receivables at June 30, 2021 for the City's individual major funds and nonmajor fund in the aggregate, are as follows:

	General	Other Governmental Funds	Total
Receivables:			
Accounts	$ 60,072	$ –	$ 60,072
Interest	6,551	–	6,551
Total	$ 66,623	$ –	$ 66,623
Other Governments:			
Sales tax	$ 562,271	$ –	$ 562,271
Transaction tax	479,583	–	479,583
Gas tax	–	2,539	2,539
Grants	133,261	–	133,261
Total	$ 1,175,115	$ 2,539	$ 1,177,654

NOTE 4. LOANS DUE FROM SUCCESSOR AGENCY

The Redevelopment Agency (the Agency) received loans from the City to pay its share of administrative expenses, to make payments on non-tax incremental borrowings, and to reimburse the City for payments made on Certificates of Participation. Upon dissolution of the Agency, these loans became the obligation of the Successor Agency. In addition, the City elected to be the Housing Successor Agency of the former Agency and in doing so, they will receive the funds borrowed by the Agency's Debt Service Fund from the Housing Fund to make the SERAF payments. Balances as of June 30, 2021 are as follows:

Operating Expenses	$ 3,626,058
Costco/Seaside Agreements	4,650,000
COP Reimbursement	1,454,766
Total	$ 9,730,824

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance 6/30/20	Additions and Transfers	Deletions and Transfers	Balance 6/30/21
Capital assets not being depreciated:				
Land	$ 1,837,194	$ –	$ –	$ 1,837,194
Construction in progress	399,033	122,930	–	521,963
Total capital assets not being depreciated	2,236,227	122,930	–	2,359,157
Capital assets being depreciated:				
Infrastructure	5,209,014	–	–	5,209,014
Land improvements	441,563	–	–	441,563
Equipment	2,594,596	–	–	2,594,596
Vehicles	567,289	38,681	–	605,970
Buildings	8,538,775	–	–	8,538,775
Furniture and fixtures	114,514	–	–	114,514
Total capital assets being depreciated	17,465,751	38,681	–	17,504,432
Less accumulated depreciation for:				
Infrastructure	2,756,633	139,059	–	2,895,692
Land improvements	417,483	18,270	–	435,753
Equipment	2,344,031	86,683	–	2,430,714
Vehicles	513,373	33,395	–	546,768
Buildings	2,346,680	210,649	–	2,557,329
Furniture and fixtures	114,514	–	–	114,514
Total accumulated depreciation	8,492,714	488,056	–	8,980,770
Total capital assets being depreciated – net	8,973,037	(449,375)	–	8,523,662
Capital assets – net	$ 11,209,264	$ (326,445)	$ –	$ 10,882,819

Depreciation expense for the year ending June 30, 2021 was charged to functions/programs of the primary government as follows:

General government	$ 31,577
Public safety	68,739
Public works	386,925
Parks	815
Total depreciation expense	$ 488,056

NOTE 6. LONG–TERM LIABILITIES

Capital Lease – The City has the following noncancelable capital lease agreement with a financial institution to finance the acquisition of a capital asset. The lease meets the criteria of a capital lease since it transfers benefits and risks of ownership to the lessee at the end of the lease term and therefore has been recorded at the present value of future minimum lease payments at the date of the inception of the lease as follows:

Police Radios – The assets under the lease total $148,033 with accumulated depreciation of $74,017 at June 30, 2021. Principal and interest payments at $34,520 with interest at 5.22% are to be made annually beginning August 15, 2019 and continue until August 15, 2023.

Annual debt service requirements to maturity are as follows:

Fiscal Year Ended June 30	Principal	Interest	Total
2022	$ 29,527	$ 4,993	$ 34,520
2023	31,105	3,415	34,520
2024	32,768	1,752	34,520
Total	$ 93,400	$ 10,160	$ 103,560

General long-term liability balances and transactions for the fiscal year ended June 30, 2021 are as follows:

	Balance 6/30/20	Additions	Reductions	Balance 6/30/21	Due Within One Year
Capital Lease-					
Police radios	$ 121,428	$ –	$ 28,028	$ 93,400	$ 29,527
Subtotal capital leases	121,428	–	28,028	93,400	29,527
Other liabilities:					
Compensated absences	529,232	149,276	–	678,508	181,654
Net pension liability	4,687,474	1,145,490	753,102	5,079,862	–
Total	$5,338,134	$1,294,766	$ 781,130	$5,851,770	$ 211,181

In prior years, the General Fund has been used to liquidate compensated absences.

NOTE 7. INTERFUND ACTIVITY

Transfers between funds during the year were as follows:

	Transfers In	Transfers Out
General fund	$ 14,350	$ –
Special revenue fund	–	14,350
Total	$ 14,350	$ 14,350

Transfers were made for expenditures covered by gas tax and traffic safety monies.

NOTE 8. PENSION PLAN

General Information about the Pension Plans

Plan Descriptions – All qualified permanent and probationary employees are eligible to participate in the City's separate Safety (police) and Miscellaneous (all other) Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided – CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Miscellaneous	
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% @55, 3% @ 60	2 @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of eligible compensation	2% - 2.7%	1.0% - 2.5%
Required employee contribution rates	7% and 8%	6.75%
Required employer contribution rates	11.031% and 15.445%	7.732%

	Safety	
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% @ 50, 3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	50-57
Monthly benefits, as a % of eligible compensation	3.0%	2.0% to 2.7%
Required employee contribution rates	9%	13%
Required employer contribution rates	19.214% and 21.746%	13.044%

NOTE 8. PENSION PLAN (Continued)

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2021, the contributions recognized as part of pension expense for each Plan were as follows:

	Miscellaneous	Safety
Contributions	$ 360,507	$ 392,595

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2021, the City reported net pension liabilities for its proportionate shares of the net pension liability of each Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	$ 2,648,872
Safety	2,430,990
Total Net Pension Liability	$ 5,079,862

The City's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2020, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2020 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for each Plan as of June 30, 2021 and 2020 was as follows:

	Miscellaneous	Safety
Proportion – June 30, 2020	0.02470%	0.002104%
Proportion – June 30, 2021	0.02435%	0.002234%
Change - Increase (Decrease)	(0.00035%)	0.000130%

NOTE 8. PENSION PLAN (Continued)

For the year ended June 30, 2021, the City recognized pension expense of $1,182,484. Pension expense is allocated to the functions based on full time equivalents. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ 325,015	$ –
Change of Assumptions	–	26,991
Difference between Projected and Actual Investment Earnings	131,525	–
Change in Employer's Proportion	95,945	58,191
Differences between Employer's Contributions and Proportionate Share of Contributions	78,529	82,937
Pension Contributions Made Subsequent to Measurement Date	829,461	–
Total	$ 1,460,475	$ 168,119

The $753,102 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2022	$ 116,929
2023	$ 166,879
2024	$ 114,873
2025	$ 64,214

NOTE 8. PENSION PLAN (Continued)

Actuarial Assumptions – The total pension liabilities in the June 30, 2021 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous/Safety
Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by entry age and service
Mortality	Derived using CalPERS' membership data for all funds. The mortality rate includes 15 years of projected on-going mortality improvements using 90% scale MP 2016 published by the Society of Actuaries.
Post Retirement Benefit Increase	Contract Cola up to 2.5% Until Purchasing Power Protection Allowance Floor On Purchasing Power applies. 2.5% thereafter.

All other actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study can be found on the CalPERS website.

Discount Rate –The discount rate used to measure the total pension liability was 7.15% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

NOTE 8. PENSION PLAN (Continued)

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as follows:

Asset Class	Assumed Asset Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	50%	4.80%	5.98%
Fixed Income	28%	1.00%	2.62%
Inflation Assets	0%	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Estate	13%	3.75%	4.93%
Liquidity	1%	(0)%	(.92)%
Total	100%		

(a) An expected inflation of 2.0% used for this period.
(b) An expected inflation of 2.92% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous	Safety
1% Decrease	6.15%	6.15%
Net Pension Liability	$ 4,127,353	$ 4,017,849
Current Discount Rate	7.15%	7.15%
Net Pension Liability	$ 2,648,872	$ 2,430,990
1% Increase	8.15%	8.15%
Net Pension Liability	$ 1,427,250	$ 1,128,822

Pension Plan Fiduciary Net Position – Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 9. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457, through the California Public Employee's Retirement System (CalPERS) 457 Deferred Compensation Program. All employees of the City are eligible for the plan. Participation in the plan is optional. The funds of the plan are invested by the City, through CalPERS, as directed by and on behalf of the employees in various investment options.

NOTE 10. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Description – The City contracts with the Public Employees Retirement System (PERS) under the PERS Care Health Plan to provide benefits of the Meyer-Geddes State Employees' Medical and Hospital Care Act per Government Code Section 22850. The Plan provides employees and option members (City Council members and City Attorney) who retire directly from the City under CalPERS continuation of medical insurance benefits for them, one dependent and surviving spouse. The Plan can be amended by action of the City Council on passing a resolution. The City pays premiums up to the PEMHCA Other Northern California PERS Care single party non-Medicare and Medicare eligible premiums at 100% for retirees and 50% for dependents and surviving spouses. For the fiscal year 2020, the non-Medicare premium was $861 and the Medicare eligible was $385. Retirees pay blended medical premiums rather than expected medical costs by age and gender and active premiums subsidize non-Medicare eligible retiree medical costs as implied subsidies.

Employees Covered – As of the June 30, 2020 actuarial valuation, the following current and former employees were covered by the benefit terms under the plan:

Active employees	22
Inactive employees or beneficiaries currently receiving benefits	9
Inactive employees entitled to, but not yet receiving benefits	11
Total	42

Contributions – The obligations of the Plan members and the City are established by action of the City Council pursuant to the passing of a resolution. The annual contribution is based on the actuarially determined contribution, which is paid to the California Employer's Retiree Benefit Trust Program (CERBT). Cash subsidy and implied subsidy benefit payments and PEMCHA administrative fees are currently paid with City assets on a pay-as-you-go basis and are not reimbursed by CERBT. For the fiscal year ended June 30, 2021, the City's pay-as-you-go payments were $70,571 and the estimated implied subsidy was $11,000 resulting in total payments of $81,571.

NOTE 10. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Net OPEB Liability/(Asset) – The City's net OPEB liability/(Asset) was measured as of June 30, 2020 and the total OPEB liability used to calculate the net OPEB liability/(Asset) was determined by an actuarial valuation dated June 30, 2019 based on the following actuarial methods and assumptions:

Actuarial Assumptions:	
Discount Rate	6.75%
Inflation	2.75%
Salary Increases	3.00% annually
Investment Rate of Return	6.75%
Mortality	CalPERS 1997-2015 Experience Study
Retirement	CalPERS 1997-2015 Experience Study
Healthcare Trend Rate	7.25% decreasing to 4.00%

The Experience Study Reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global Equity	59%	4.82%
Fixed Income	25%	1.47%
TIPS	5%	1.29%
REITs	8%	3.76%
Commodities	3%	0.84%
	100%	

Discount Rate – The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

NOTE 10. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Changes in the Net OPEB Liability/ (Asset) – The changes in the net OPEB liability/(Asset) for the Plan are as follows:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2019	$ 2,215,801	$ 3,493,930	$ (1,278,129)
Changes recognized for measurement period:			
Service cost	180,004	–	180,004
Interest	158,964	–	158,964
Changes of assumptions	(52,022)		(52,022)
Contributions - employer	–	81,784	(81,784)
Net investment income	–	123,517	(123,517)
Benefit payments (outside trust)	(81,571)	(81,571)	–
Administrative expense	–	(1,921)	1,921
Net Changes	$ 205,375	$ 121,809	$ 83,566
Balance at June 30, 2020	$ 2,421,176	$ 3,615,739	$ (1,194,563)

Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Discount Rate – The following presents the net OPEB liability/(Asset) of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for the measurement period ended June 30, 2020:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net OPEB Liability/ (Asset)	$(911,373)	$(1,194,563)	$(1,434,046)

Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Health Care Cost Trend Rates – The following presents the net OPEB liability/(Asset) of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for the measurement period ended June 30, 2020:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Net OPEB Liability/ (Asset)	$(1,372,965)	$(1,194,563)	$(1,037,515)

NOTE 10. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

OPEB Plan Fiduciary Net Position – CERBT issues a publicly available financial report that may be obtained from California Employer's Retiree Benefit Trust Program at the CalPERS website.

Recognition of Deferred Outflows and Deferred Inflows of Resources – Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on OPEB plan investments	5 years
All other amounts	Expected average remaining service lifetime (EARSL) (6.3 years at June 30, 2021)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB – For the fiscal year ended June 30, 2021, the City recognized OPEB expense/(income) of $(43,253). As of fiscal year ended June 30, 2021, the City reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
OPEB contributions subsequent to measurement date	$ 86,077	$ –
Changes of assumptions	–	109,001
Net difference between projected and actual earnings on OPEB plan investments	72,420	–
Difference between expected and actual experience	–	586,088
Total	$ 158,497	$ 695,089

The $86,077 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2022. Other amounts reported as deferred inflows of resources related to OPEB will be recognized as expense as follows:

Fiscal Year Ended June 30:	Deferred Outflows/(Inflows) Of Resources
2022	$(155,360)
2023	$(140,362)
2024	$(133,495)
2025	$(137,275)
2026 and thereafter	$ (56,177)

NOTE 11. JOINTLY GOVERNED ORGANIZATIONS

The City participates on the Boards of Community Human Services, a joint powers agency, Monterey Regional Waste Management District, the Monterey Peninsula Water Management District, Monterey Regional Water Pollution Control Agency, Monterey Peninsula Regional Water Authority, Monterey One Water, Association of Monterey Bay Area Governments, Transportation Agency for Monterey County, Seaside Groundwater Basin Watermaster, Seaside/Sand City Chamber of Commerce, the Monterey Peninsula Chamber of Commerce, League of California Cities, Monterey County Convention and Visitor's Bureau, Monterey County Business Council, Monterey County Mayor's Association, and Monterey Bay Area Self Insurance Authority. The Boards of these entities are comprised of representatives from local municipalities, districts, and unincorporated areas. The City made various disbursements to the organizations in the amount of $500,158 for the fiscal year ended June 30, 2021.

NOTE 12. RISK FINANCING

The City is exposed to various risks of loss related to torts, thefts, damage to, or destruction of assets; errors and omissions; injuries to workers; and natural disasters. These risks are covered by a combination of commercial insurance purchased from independent third parties and participation in the Monterey Bay Area Self Insurance Authority (MBASIA), which is a public entity risk pool. There have not been any significant reductions in insurance coverage as compared to the previous year. Settled claims from these risks have not exceeded commercial coverage for the past three fiscal years.

MBASIA was formed under a joint powers agreement (JPA) pursuant to California Government Code Section 6500 et seq. effective July 1, 1982. MBASIA is administered by a Board of Directors consisting of thirteen members appointed by the cities participating. The Board controls the operations of the JPA, including selection of management and approval of operating budgets, independent of any influence by member cities beyond their representation on the Board. Each member city pays a premium commensurate with the amount of predicted losses and shares surpluses and deficits proportionate to their participation in the JPA.

NOTE 13. OPERATING LEASES

On October 30, 2009, the City and California-American Water Company (CAW) entered into an Amended and Restated Lease Agreement whereby CAW leases and operates the desalination facility plant. CAW will hold the leased property for a term of thirty (30) years. At June 30, 2021, leased property carried at cost is as follows:

Building	$ 8,065,207
Equipment	1,835,430
	9,900,637
Less: Accumulated depreciation	4,150,672
Net property under operating lease	$ 5,749,965

The depreciation expense relating to the facility was $201,630 for the year ended June 30, 2021.

NOTE 13. OPERATING LEASES (Continued)

On May 15, 2007, the City and T-Mobile entered into a Site Lease Agreement for certain premises of the property located at 1 Pendergrass Way, Sand City, California. The term of the lease started on the first day of December 2007 and continued for 60 months, expiring on November 30, 2012 with the right to renew the lease for up to 5 additional 60-month periods. The current renewal period is until November 30, 2022. On January 25, 2013, the City was notified that T-Mobile entered into an agreement with an affiliate of Crown Castle International Corp. to control and operate the site.

The minimum future rentals under these leases as of June 30, 2021 are as follows:

June 30	CAW	Crown Castle	Total
2022	$ 850,000	$ 16,571	$ 866,571
2023	–	–	–
2024	7,000	–	7,000
2025	7,000	–	7,000
2026	7,000	–	7,000
Thereafter	84,000	–	84,000
Total	$ 955,000	$ 16,571	$ 971,571

Rental revenue recognized for the year ended June 30, 2021 was $867,109.

NOTE 14. COMMITMENTS AND CONTINGENCIES

In the fiscal year ending June 30, 2021, the City has various service and project contracts totaling $1,403,385, of which $1,255,713 on contract commitments still remained as of June 30, 2021.

NOTE 15. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Sand City that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the City or another unit of local government will agree to serve as the "Successor Agency" to hold the assets until they are distributed to other units of state and local government. On October 18, 2011, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number SC-11-104. Accordingly, the City established the Successor Agency Trust fund, a private-purpose trust fund, which is a fiduciary type fund.

Subject to the control of an established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution. In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

NOTE 15. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (Continued)

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the Successor Agency trust under the requirements of the Bill. The City's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

Following are disclosures specific to the Successor Agency Trust Funds:

NOTE A. DEPOSITS AND INVESTMENTS

Custodial Credit Risk-Deposits – Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the provision which requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2021, $715,020 of the Fiduciary Fund's bank balances of $965,000 was exposed to custodial credit risk as uninsured, but it's collateralized by the pledging bank's trust department not in the City's name. All cash held by the Fiduciary Fund must be used to repay enforceable obligations.

Investments – The Fiduciary Fund investments consist of money market funds and certificates of deposit held with various financial institutions. All investments are recorded at fair value. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The fair value of the pledged securities in the collateral pool must equal 110% of the total amount deposited by the public agencies. Investments at June 30, 2021 consisted of the following:

Money Market Funds	$ 224,503
Certificates of Deposit	1,059,225
Total	$ 1,283,728

As of June 30, 2021, all of the Fiduciary Fund's investments had a maturity of less than one year.

NOTE 15. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (Continued)

NOTE B. CAPITAL ASSETS

	Balance 6/30/20	Additions	Deletions	Balance 6/30/21
Capital assets not being depreciated –				
Land	$ 1,100,000	$ –	$ –	$ 1,100,000
Total capital asset not being depreciated	1,100,000	–	–	1,100,000
Capital assets being depreciated:				
Land improvements	182,631	–	–	182,631
Sculpture	40,218	–	–	40,218
Total capital assets being depreciated	222,849	–	–	222,849
Less accumulated depreciation for:				
Land improvements	182,631	–	–	182,631
Sculpture	40,218	–	–	40,218
Total accumulated depreciation	222,849	–	–	222,849
Total capital assets being depreciated—net	–	–	–	–
Capital assets—net	$ 1,100,000	$ –	$ –	$ 1,100,000

NOTE C. DEVELOPER FEES RECEIVED IN ADVANCE

The former Redevelopment Agency entered into a Disposition and Development Agreement (DDA) with a developer that required the developer to pay certain negotiation fees. In the event that the DDA is terminated by either party, the DDA requires a portion of the fees in the amount of $1,455,000 be refunded to the developer. The fees subject to refund will not be earned until the property connected with the DDA is conveyed to the developer, at which time the fees will be recognized as revenue.

NOTE D. LONG–TERM DEBT

Taxable Tax Allocation Bonds, 2008 Series B – Taxable Tax Allocation Bonds, 2008 Series B in the amount of $2,135,000 were issued January 30, 2008 at a discount of $50,916, to help finance redevelopment activities within and for the benefit of the Sand City Redevelopment Project. The Bonds consist of Term Bonds as follows: $465,000 at a 4.75% interest rate, due November 1, 2013, $720,000 at a 5.50% interest rate, due November 1, 2018 and $950,000 at a 5.75% interest rate, due November 1, 2023. Interest on the Bonds is payable semi-annually on each May 1 and November 1, commencing May 1, 2008. All Bonds are subject to mandatory redemption, in part by lot, from sinking account payments scheduled to begin November 1, 2010 and ending November 1, 2023 at a redemption price equal to the principal amount thereof to be redeemed, together with interest accrued thereon to the date fixed for redemption. The Bonds are payable solely from tax increment revenue, which has been pledged for repayment of the Bonds.

2017 Subordinate Tax Allocation Refunding Bonds – 2017 Subordinate Tax Allocation Refunding Bonds in the amount of $4,690,000 were issued August 10, 2017 to advance refund the Tax Allocation Bonds, 2008 Series A bonds. The Bonds consist of coupon bonds with a price of $115,000 at an interest rate of 2.850%. Interest on the Bonds is payable semi-annually on each May 1st and November 1st, commencing November 1, 2017. The Bonds are subject to mandatory sinking fund redemption in part by lot on November 1, 2017, and on each November 1st thereafter, to and including November 1, 2027. The Bonds are not subject to optional redemption prior to maturity. The Bonds are payable solely from tax increment revenue, which has been pledged for repayment of the Bonds.

NOTE 15. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (Continued)

NOTE D. LONG–TERM DEBT

Loans from the City – The former Redevelopment Agency received loans from the City to pay its share of administrative expenses and make payments on non-tax increment borrowings. The City accrued interest at a rate of 7% on these advances. There is no formal repayment schedule in place at this time. In the year ending June 30, 2013, interest on these loans was recalculated based on the average Local Agency Investment Fund rate of return for the period in which the loans existed as required by Assembly Bill 1484, in the amount of $3,626,058 for Operating Expenditures and $4,650,000 for Costco/Seaside.

Reimbursements Payable – The City issued Certificates of Participation (Certificates) to refinance certain real property legally owned by the former Redevelopment Agency. Under a Reimbursement Agreement with the City, the former Redevelopment Agency agreed to reimburse the City for all the Base Rental Payments made by the City to the Trustee of Certificates. The Reimbursements were to be made from available monies of the former Redevelopment Agency; therefore, no formal repayment schedule is in place at this time.

Long-term debt balances and transactions for the fiscal year ended June 30, 2021 are as follows:

	Balance 6/30/20	Additions	Reductions	Balance 6/30/21	Due Within One Year
Bonds, loans and reimbursements:					
2008 Series B	$ 780,000	$ –	$ 180,000	$ 600,000	$ 190,000
2017 Subordinate Tax Allocation Refunding Bonds	3,710,000	–	325,000	3,385,000	335,000
Subtotal	4,490,000	–	505,000	3,985,000	525,000
Loans from the City:					
Operating Expenditures	3,626,058	–	–	3,626,058	–
Costco/Seaside	4,650,000	–	–	4,650,000	–
Subtotal	8,276,058	–	–	8,276,058	–
Reimbursement due to City	1,454,766	–	–	1,454,766	–
Total bonds, loans and reimbursement	$ 14,220,824	$ –	$ 505,000	$ 13,715,824	$ 525,000

Annual debt service requirements to maturity are as follows:

Fiscal Year Ended June 30	Series B Bonds		2017 Refunding Bonds	
	Principal	Interest	Principal	Interest
2022	$ 190,000	$ 29,037	$ 335,000	$ 91,699
2023	200,000	23,862	345,000	82,009
2024	210,000	–	495,000	70,039
2025	–	–	680,000	53,295
2026	–	–	695,000	33,701
2027-2028	–	–	835,000	15,177
	$ 600,000	$ 52,899	$ 3,385,000	$ 345,920

NOTE 15. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (Continued)

NOTE E. DEFERRED ROPS REVENUE

The deferred ROPS revenue represents Real Property Tax Transfer Funds (RPTTF) received in advance for future obligation payments. The revenue will be recognized in the period in which the obligation payments are made. At June 30, 2021, this amount was $585,324.

NOTE 16. AUTHORITATIVE PRONOUNCEMENTS ISSUED BUT NOT YET ADOPTED

In June 2017, GASB issued Statement No. 87, *Leases.* The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use the lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for fiscal years beginning after June 15, 2021. At this time the City is not certain of the effect the adoption of Statement No. 87 will have on the accompanying financial statements.

In January 2020, GASB issued Statement No. 92 *Omnibus 2020.* The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. At this time the City is not certain of the effect of the adoption of Statement No. 92 will have on the accompanying financial statements.

In May 2020, GASB issued Statement No. 96 *Subscription-Based Information Technology Arrangements.* This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset–an intangible asset–and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases,* as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. The City has no plan for early implementation of this Statement. At this time the City is not certain of the effect the adoption of Statement No. 96 will have on the accompanying financial statements.

NOTE 16. AUTHORITATIVE PRONOUNCEMENT ISSUED BUT NOT YET ADOPTED (Continued)

In June 2020, GASB issued Statement No. 97 *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans– an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021. Earlier application of those requirements is encouraged and permitted by requirement as specified within this Statement. The City has no plan for early implementation of this Statement. At this time the City is not certain of the effect the adoption of Statement No. 97 will have on the accompanying financial statements.

REQUIRED

SUPPLEMENTARY INFORMATION

CITY OF SAND CITY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE,
BUDGET AND ACTUAL – GENERAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
REVENUES:				
Property taxes	$ 253,000	$ 341,650	$ 386,485	$ 44,835
Sales tax	2,498,750	2,961,000	3,159,647	198,647
Transaction tax	2,240,000	2,403,000	2,595,765	192,765
Utility user's tax	150,000	150,000	148,887	(1,113)
Franchise taxes	95,400	92,800	96,989	4,189
Business licenses	501,000	506,000	503,617	(2,383)
Licenses and permits	73,570	59,820	59,019	(801)
Fines, forfeits and penalties	3,100	5,600	5,505	(95)
Charges for current services	459,800	232,450	184,209	(48,241)
Developer reimbursements	125,000	50,000	42,584	(7,416)
Revenue from other agencies	642,100	403,700	292,324	(111,376)
Investment earnings	178,100	59,670	13,968	(45,702)
Rental income	867,200	867,200	867,109	(91)
Other revenue	104,700	91,250	53,428	(37,822)
Total revenues	8,191,720	8,224,140	8,409,536	185,396
EXPENDITURES:				
Current:				
General government	1,582,430	1,525,805	1,485,331	40,474
Public safety	3,687,200	3,576,100	3,490,624	85,476
Public works	1,140,170	1,053,675	926,095	127,580
Planning	399,500	330,650	298,974	31,676
Building	426,050	134,650	112,954	21,696
Community development	112,500	100,700	96,153	4,547
Parks	9,000	6,000	4,423	1,577
Debt Service:				
Principal	28,050	28,050	28,028	22
Interest and other charges	6,500	6,500	6,492	8
Capital outlay	547,000	425,000	161,611	263,389
Total expenditures	7,938,400	7,187,130	6,610,685	576,445
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	253,320	1,037,010	1,798,851	761,841
OTHER FINANCING SOURCES (USES):				
Transfer in	–	–	14,350	14,350
Total other financing sources (uses)	–	–	14,350	14,350
NET CHANGE IN FUND BALANCE	$ 253,320	$ 1,037,010	$ 1,813,201	$ 776,191

See Accompanying Notes to Required Supplementary Information.

NOTE 1. BUDGETARY DATA

The City legally adopts an annual budget for the General Fund. The City adopts the budget before June 30 for each ensuing fiscal year.

Budgets submitted to the Council include both proposed appropriations and the means of financing them. A mid-year budget review is performed and the budget is amended by passage of a resolution. Additional appropriations or interfund transfers not included in the amended budget resolution must be approved by the City Council.

All budgets have been prepared on a basis consistent with generally accepted accounting principles, which is the same basis of accounting as used to reflect actual revenues and expenditures.

Appropriations lapse at each fiscal year end and then are re-budgeted for the coming fiscal year. Encumbrance accounting is not used.

CITY OF SAND CITY
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Last 10 Years*
FOR THE YEAR ENDED JUNE 30, 2021

Measurement Period	Proportion of the net pension liability	Proportionate share of the net pension liability	Covered payroll	Proportionate share of the net pension liability as percentage of covered payroll	Plan's fiduciary net position	Plan fiduciary net position as a percentage of the total pension liability
2014						
Miscellaneous Plan	0.03280%	$ 2,041,105	$ 979,700	208.34%	$ 10,639,461,174	81.15%
Safety Plan	0.02186%	$ 1,360,244	$ 1,018,285	133.58%	$ 13,968,041,341	78.83%
2015						
Miscellaneous Plan	0.07699%	$ 2,112,302	$ 957,621	220.58%	$ 10,896,036,068	79.89%
Safety Plan	0.03227%	$ 1,329,846	$ 1,095,485	121.39%	$ 14,011,269,803	77.27%
2016						
Miscellaneous Plan	0.07245%	$ 2,516,961	$ 973,812	258.46%	$ 10,923,476,287	75.87%
Safety Plan	0.04925%	$ 1,744,395	$ 1,179,383	147.91%	$ 13,782,056,004	72.69%
2017						
Miscellaneous Plan	0.07161%	$ 2,823,013	$ 964,572	292.67%	$ 12,074,499,781	75.39%
Safety Plan	0.03447%	$ 2,059,738	$ 1,306,040	157.71%	$ 15,169,595,595	71.74%
2018						
Miscellaneous Plan	0.06325%	$ 2,383,530	$ 968,615	246.08%	$ 13,122,440,092	77.69%
Safety Plan	0.03322%	$ 1,949,412	$ 1,346,212	144.81%	$ 13,782,056,004	72.69%
2019						
Miscellaneous Plan	0.02470%	$ 2,531,795	$ 980,084	258.32%	$ 13,979,687,268	77.73%
Safety Plan	0.02104%	$ 2,155,679	$ 1,517,774	142.03%	$ 17,199,726799	73.37%
2020						
Miscellaneous Plan	0.02435%	$ 2,648,872	$ 981,708	269.82%	$ 14,702,361,183	77.71%
Safety Plan	0.02234%	$ 2,430,990	$ 1,523,485	159.57%	$ 18,120,140,152	73.12%

Notes to Schedule:

Benefit Changes:
In 2015, benefit terms were modified to base public safety employee pensions on a final three-year average salary instead of a final five-year average salary.

The figures above do not include any liability impact that may have resulted from plan changes which occurred after the valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in assumptions:
In 2015, amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of general employees.

In 2016, the discount rate was changed from 7.50 percent (net of administrative expense) to 7.65 percent to correct for an adjustment to exclude administrative expense.

In 2017, the discount rate was changed from 7.65 percent to 7.15 percent.

In 2018, demographic assumptions and the inflation rate were changed in accordance to the CalPERS Experience Study and review of Actuarial Assumptions December 2017.

* Fiscal year 2015 was the 1st year of implementation; therefore, only seven years are shown.

CITY OF SAND CITY
SCHEDULE OF CONTRIBUTIONS – PENSIONS
Last 10 Years*
FOR THE YEAR ENDED JUNE 30, 2021

Fiscal Year	Contractually required contribution (actuarily determined)	Contributions in relation to the actuarially determined contributions	Contribution deficiency (excess)	Covered payroll	Contributions as percentage of covered payroll
2015					
Miscellaneous Plan	$ 232,159	$ 232,159	$ –	$ 957,621	24.24%
Safety Plan	$ 214,913	$ 214,913	$ –	$ 1,095,485	19.62%
2016					
Miscellaneous Plan	$ 272,359	$ 272,359	$ –	$ 973,812	27.97%
Safety Plan	$ 213,436	$ 213,436	$ –	$ 1,179,383	18.10%
2017					
Miscellaneous Plan	$ 284,073	$ 284,073	$ –	$ 964,572	29.45%
Safety Plan	$ 274,606	$ 274,606	$ –	$ 1,306,040	21.03%
2018					
Miscellaneous Plan	$ 602,399	$ 602,399	$ –	$ 968,615	62.19%
Safety Plan	$ 404,055	$ 404,055	$ –	$ 1,346,212	30.01%
2019					
Miscellaneous Plan	$ 322,974	$ 322,974	$ –	$ 980,084	32.95%
Safety Plan	$ 367,990	$ 367,990	$ –	$ 1,517,774	24.25%
2020					
Miscellaneous Plan	$ 360,507	$ 360,507	$ –	$ 981,707	36.72%
Safety Plan	$ 392,595	$ 392,595	$ –	$ 1,523,485	25.77%
2021					
Miscellaneous Plan	$ 380,620	$ 380,620	$ –	$ 997,179	38.17%
Safety Plan	$ 448,851	$ 448,851	$ –	$ 1,521,503	29.50%

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for the fiscal year are as follows:

FYE 2014-2015 - June 30, 2012 actuarial valuation report
FYE 2015-2016 - June 30, 2013 actuarial valuation report
FYE 2016-2017 - June 30, 2014 actuarial valuation report
FYE 2017-2018 - June 30, 2015 actuarial valuation report
FYE 2018-2019 - June 30, 2016 actuarial valuation report
FYE 2019-2020 - June 30, 2017 actuarial valuation report
FYE 2020-2021 - June 30, 2018 actuarial valuation report

Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level percentage of pay, direct rate smoothing
Remaining Amortization Periods	Differs by employer rate plan but not more than 30 years.
Asset Valuation Method	Market value of assets
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Discount Rate	7.00% (net of administrative expenses)
Mortality	Derived using CalPERS' Membership Data for all Funds. The post-retirement mortality rates include 15 years of projected on-going mortality improvement using 90 percent of Scale MP 2016 published by the Society of Actuaries.

* Fiscal year 2015 was the 1st year of implementation; therefore, only seven years are shown.

CITY OF SAND CITY
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY/(ASSET) AND RELATED RATIOS
For the Measurement Periods Ended June 30

Measurement Period	2020	2019	2018	2017
Total OPEB Liability				
Service cost	$ 180,004	$ 248,439	$ 241,203	$ 234,000
Interest on the total OPEB liability	158,964	202,924	178,950	157,000
Actual and expected experience difference	–	(858,688)	–	–
Changes in assumptions	(52,022)	(95,578)	–	–
Benefit payments	(81,571)	(78,257)	(66,192)	(83,000)
Net change in total OPEB liability	205,375	(581,160)	353,961	308,000
Total OPEB liability – beginning	2,215,801	2,796,961	2,443,000	2,135,000
Total OPEB liability – ending (a)	2,421,176	2,215,801	2,796,961	2,443,000
Plan Fiduciary Net Position				
Contribution - employer	81,784	78,451	316,453	2,733,000
Net investment income	123,517	203,252	224,625	173,000
Benefit payments	(81,571)	(78,257)	(66,192)	(83,000)
Administrative expense	(1,951)	(900)	(5,502)	(1,000)
Net Change in plan fiduciary net position	121,779	202,546	469,384	2,822,000
Plan fiduciary net position – beginning	3,493,930	3,291,384	2,822,000	–
Plan fiduciary net position – ending (b)	$ 3,615,709	$ 3,493,930	$ 3,291,384	$ 2,822,000
Net OPEB liability/(asset) – ending (a)-(b)	$ (1,194,533)	$ (1,278,129)	$ (494,423)	$ (379,000)
Plan fiduciary net position as percentage of the total OPEB liability	149.34%	157.68%	117.68%	115.51%
Covered-employee payroll	$ 2,505,193	$ 2,497,858	$ 2,314,827	$ 2,270,612
Net OPEB liability/(asset) as a percentage of covered-employee payroll	47.68%	51.17%	21.36%	16.69%

Notes to Schedule:
Fiscal year 2017 was the 1st year of implementation; therefore, only four years are shown.
Future years' information will be displayed up to 10 years as information becomes available.

CITY OF SAND CITY
SCHEDULE OF CONTRIBUTIONS – OPEB
Last 10 Years*
FOR THE YEAR ENDED JUNE 30, 2021

Fiscal Year Ended June 30	2021	2020	2019	2018
Actuarially Determined Contribution (ADC)	$ 78,752	$ 239,000	$ 232,000	$ 225,000
Contributions in relation to the ADC	(86,077)	(81,784)	(78,451)	(83,000)
Contribution deficiency (excess)	$ (7,325)	$ 157,216	$ 153,549	$ 142,000
Covered-employee payroll	$ 2,405,581	$ 2,505,193	$ 2,497,858	$ 2,314,827
Contributions as a percentage of covered-employee payroll	3.58%	3.26%	3.14%	3.59%

Notes to Schedule:

*Actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2021 were from the June 30, 2019 actuarial valuation.

Methods and assumptions used to determine contributions:

Actuarial Cost Method	Entry Age Normal, Level % of pay
Amortization Method	Level % of pay
Amortization Period	15-year fixed period for 2020/2021
Asset Valuation Method	Investment gains and losses spread over 5-year rolling period
Discount Rate	6.75%
General Inflation	2.75%
Medical Trend	Non-Medicare - 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076. Medicare – 6.3% for 2021, decreasing to an ultimate rate of 4.0% in 2076.
Mortality	CalPERS 1997-2015 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2019

Fiscal year 2018 was the 1st year of implementation; therefore, only four years are shown. Future years' information will be displayed up to 10 years as information becomes available.

REPORT REQUIRED BY

GOVERNMENT AUDITING STANDARDS

HAYASHI | WAYLAND

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Mayor and City Council
City of Sand City
Sand City, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the ***City of Sand City***, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the ***City of Sand City's*** basic financial statements, and have issued our report thereon dated November 22, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the ***City of Sand City's*** internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the ***City of Sand City's*** internal control. Accordingly, we do not express an opinion on the effectiveness of the ***City of Sand City's*** internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

1188 PADRE DRIVE, STE 101, SALINAS, CA 93901 | PHONE: 831.759.6300 | FAX: 831.759.6380 | HW-CPA.COM
HAYASHI & WAYLAND ACCOUNTING & CONSULTING, LLP | LOCATIONS IN CARMEL, KING CITY, PASO ROBLES & SALINAS

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the ***City of Sand City's*** financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hayashi Wayland, LLP

Salinas, California
November 22, 2021

AGENDA ITEM
10C.

Consideration of Successor Agency RESOLUTION Confirming Reinstatement of a Loan Agreement between the City of Sand city and the Former Sand City Redevelopment Agency, Finding the Loan is an Enforceable Obligation within the meaning of Health and Safety Code Sections 34171(d)(2) and 34191.4(b)(2) and Approving Adjustments to the Repayment Schedule as Approved by Resolution SA 21-02

City of Sand City

Staff Report

TO: Successor Agency Chair and Agency Members
FROM: Vibeke Norgaard, Successor Agency Counsel
DATE: December 16, 2021 (for December 21, 2021 Successor Agency meeting)
SUBJECT: Resolution Confirming Reinstatement of a Loan Agreement Between the City of Sand City and the Former Sand City Redevelopment Agency, Finding the Loan is an Enforceable Obligation Within the Meaning of Health & Safety Code Sections 34171(d)(2) and 34191.4(b)(2) and Approving Adjustments to the Repayment Schedule as Approved by Resolution SA 21-02

Background:

In 1989, the Sand City Redevelopment Agency ("**Former Agency**") entered into the following two agreements:

1) "Agreement Regarding Future Impacts on the Provision of Public Services" dated May 18, 1989 with the City of Seaside (the "**Seaside Agreement**"); and

2) "Owner Participation Agreement" dated May 31, 1989 with Costco Wholesale Corporation (the "**Costco Agreement**").

To enable the Former Agency to meet its payment obligations under the Seaside Agreement (the "**Seaside Loan**") and the Costco Agreement (the "**Costco Loan**"), the City agreed to financially assist the Former Agency by loaning City Sales and Use Taxes generated in the Redevelopment Project Area on an "as needed" basis pursuant to an "Agreement Between the City of Sand City and the Redevelopment Agency of the City of Sand City Concerning Certain Sales and Use Taxes" dated July 18, 1989 (the "**Loan Agreement**").

Under the terms of the Loan Agreement, the Former Agency agreed to repay the City from future property tax increment funds. Pursuant to that repayment obligation and prior to dissolution, the Former Agency did in fact make payments to the City under the Seaside Loan in the aggregate amount of $1,920,908 from available property tax increment funds.

Although the Loan Agreement has been included on the Successor Agency's annual ROPS as Items #13 (Seaside Loan) and Item #28 (Costco Loan), the Successor Agency first requested an allocation of Real Property Tax Trust Funds ("**RPTTF**") on its Amended ROPS 21-22B. At that time, the Successor Agency also adopted Resolution SA 21-02 approving reinstatement of the Loan Agreement, finding the loan was made for legitimate

redevelopment purposes and approving a revised Schedule For Repayment for the Seaside Loan. By Resolution No. 21-09 adopted on September 16, 2021, the Consolidated Oversight Board for the County of Monterey ("**Oversight Board**") also approved the reinstatement of the Loan Agreement, found that the loan was made for legitimate redevelopment purposes and approved the repayment schedule for the Seaside Loan.

By letter dated October 28, 2021, the Department of Finance ("**DOF**") notified the Successor Agency and the Oversight Board of its determination that the Loan Agreement did not meet the definition of an "enforceable obligation" under Health & Safety Code Section 34191.4(b)(2)(A). As discussed below, based on the City and Successor Agency documentation relating to the Loan Agreement and applicable law, the Successor Agency staff requests that the Successor Agency confirm its findings and approvals set forth in Resolution SA 21-02 and find that the Loan Agreement also qualifies as an enforceable obligation under Health & Safety Code Section 34171(d). This item has also been submitted to the Countywide Consolidated Oversight Board for reconsideration and approval at its January 14, 2022 meeting.

Discussion:

In accordance with the **Dissolution Act** (AB1x 26 as amended by AB 1484 and further amended by SB 107), certain pre-dissolution loan agreements between a city and its redevelopment agency qualify as "enforceable obligations" and are eligible for repayment from an allocation of Real Property Tax Trust Funds (**RPTTF**) through the Successor Agency Recognized Obligation Payment Schedule (**ROPS**). The Loan Agreement qualifies as an enforceable obligation under two sections of the Health & Safety Code; Section 34171(d) and Section 34191.4(b)(2)(A).

<u>Health & Safety Code Section 34171(d)</u>

Under Health & Safety Code Section 34171(d)(1)(B), "enforceable obligations" include "loans of moneys borrowed by the redevelopment agency for a lawful purpose, to the extent they are legally required to be repaid pursuant to a required repayment schedule or other mandatory loan terms." Health & Safety Code Section 34171(d)(2) extends this definition to written agreements between a city and its redevelopment agency entered into (A) at the time of issuance, but in no event later than December 31, 2010, of indebtedness obligations, and (B) solely for the purpose of securing or repaying those indebtedness obligations.

The Seaside Agreement established an indebtedness of the Former Agency. To meet the Agency's financial obligations to Seaside, the Seaside Agreement required the Former Agency and the City adopt sales and use tax ordinances. On July 18, 1989, in compliance with this requirement and as authorized by Revenue & Taxation Code section 7202.6, the Former Agency adopted Ordinance No. RA-1 imposing the sales and use tax of 1% within the Redevelopment Project Area boundaries. The City simultaneously opted out of its rights to receive a 1% sales and use tax in an amount equal to the sales and

use taxes paid in the Redevelopment Project Area. At the time the Ordinances were adopted, the City and the Former Agency concurrently entered into the Loan Agreement.

Under the terms of the Loan Agreement, the Sales and Use Taxes from the Redevelopment Project Area were "pledged to the payment due under the Seaside Agreement and as pledged in the Costco… Agreement" and to be used solely for these purposes. Any sales and use taxes generated within the Redevelopment Project Area that were not necessary to meet the Agency's financial obligations under the Seaside and Costco agreements were to be paid to the City. Sales & Use Taxes used by the former Agency to pay Seaside and Costco constituted a loan from the City to the Agency and to be repaid from future tax increment.

Under the legal principle referred to as the 'end result test,' separate transactions are amalgamated as a single transaction when it appears that they were really component parts of a single transaction intended from the outset to be taken for the purpose of reaching the ultimate result. (*Shuwa Investments Corp. v. County of Los Angeles* (1991) 1 Cal.App.4th 1635, 1650, 2 Cal. Rptr. 2d 783.) Under this principle, the July 18, 1989 Sale and Use Tax Ordinances and Loan Agreement are intrinsically part of the overall structure of the indebtedness created by the Seaside Agreement approved on May 18, 1989 and therefore constitute a single transaction entered into "at the same time" solely for the purpose of securing the Agency's repayment of funds borrowed from the City to meet the Agency's indebtedness obligations to Seaside.

Health & Safety Code Section 34191.4(b)(2)(A)

Health & Safety Code Section 34191.4(b)(2)(A) provides that after receiving a Finding of Completion from the DOF, loan agreements between a former redevelopment agency and a city are eligible for repayment provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes.

The Successor Agency received a Finding of Completion from the DOF on August 1, 2013. A copy of the Finding of Completion is attached to this Report as Attachment 2. In addition, based on the Memorandum from the Successor Agency to the Oversight Board, the Oversight Board found that the Loan Agreement was entered into for legitimate redevelopment purposes. A copy of the Memorandum and Oversight Board Resolution 21-09 are attached to this Report as Attachment 3 and Attachment 4, respectively.

The DOF acknowledges the Successor Agency's Finding of Completion and does not dispute that the Loan Agreement was entered into for legitimate redevelopment purposes. Despite these qualifications under Health & Safety Code Section 34191.4, the DOF determined that the Loan Agreement "did not include a loan amount, interest rate, repayment terms or a requirement for the loan to be repaid."

Loan Amount

Under the Loan Agreement, the City agreed to loan the Agency the sales tax revenues necessary to meet the Agency's financial obligations under the Seaside Agreement. That amount was calculated annually based on sales tax generated in the two shopping centers in the Redevelopment Project Area. Consequently, at the time the Loan Agreement was entered into, the parties could not know the precise amount of the loan itself. The loan amount was, however, sufficiently certain based on an objective formula that was calculated in accordance with the terms of the Loan Agreement and reflected in the City and Agency's records, including Annual Financial Statements and Audited Financial Reports, Statements of Indebtedness, and copies of checks from the City to the Agency and from the Agency to Seaside.

Sales and use taxes are paid quarterly by the state to the City. As required by the Loan Agreement, the Former Agency's consultant prepared a quarterly Sale & Use Tax Report of the sales and use tax revenues generated in the two shopping centers in the Redevelopment Project Area. This report was used to calculate the amounts due to Seaside under the Seaside Agreement. The City then made a loan in that amount by writing a check to the Agency and accounting for the payment as a City Advance. The Agency deposited the City check, booking the amount as long-term debt to be repaid by the Agency to the City, and, in turn, cut a check to Seaside in that exact amount. Commencing in 1992 when the first payment was made, the journal entries consistently demonstrate this flow of funds as a City Loan to be repaid by the Former Agency.

The City and the Former Agency maintained accurate accounting records of the loan amount since its inception. Upon dissolution, the loan amount was recalculated in accordance with statutory requirements described below. As of December 31, 2021, the unpaid balance of the funds borrowed by the Former Agency from the City under the Loan Agreement for the Seaside Loan was $6,308,551.99.

Interest Rate

As permitted under the Loan Agreement and reported in the City and Agency Annual Financial Statements and Audited Financial Reports, the outstanding loan amount accrued interest at 7%. However, in accordance with Health & Safety Code Section 34191.4(b)(3, interest on the outstanding principal of amounts due to the City pursuant the Loan Agreement has been recalculated from the date of origination of the loan on a quarterly basis at 3% simple interest.

Repayment Terms

The Loan Agreement specifies future available tax increment as the source of funds for the Former Agency's obligation to repay the City. In 1989, is was impossible for the City or the Former Redevelopment Agency to predict how much tax increment would be generated in the Redevelopment Project Area and available for repayment. However, just as the amounts loan by the City to the Agency were calculated and disbursed annually

in accordance with the formula set forth in the Seaside Agreement, the availability of tax increment and the repayment schedule was determined and recalculated annually. The annual repayment schedule is documented in the Former Agency's Annual Audited Financial Statements which reflect the Former Agency's Long-Term Debt, including "loans from the city to pay non-tax-increment borrowings." Each year, the Financial Statement included the calculation of the current loan balance and amortized repayment schedule demonstrating the city loan(s) would be retired by 2037 (the expiration of the Agency's allocation of tax increment under the Redevelopment Plan).

Requirement for the Loan to be Repaid

The Loan Agreement specifically references that the City is making a "loan" to the Former Agency and obligates the former Agency to repay the City. However, any ambiguity relied on by the DOF to conclude otherwise is refuted by the laws governing the interpretation of contracts in California.

Civil Code section 1636 provides that contracts "must be so interpreted as to give effect to the mutual intention of the parties as it existed at the time of the contracting, so far as the same is ascertainable and lawful." In construing contract terms, the courts have held that "[T]he conduct of the parties after execution of the contract and before any controversy has arisen as to its effect affords the most reliable evidence of the parties' intentions." (Kennecott Corp. v. Union Oil Co. of California (1987) 196 Cal.App.3d 1179, 1189) "This rule of practical construction is predicated on the common sense concept that 'actions speak louder than words.' Words are frequently but an imperfect medium to convey thought and intention. When the parties to a contract perform under it and demonstrate by their conduct that they knew what they were talking about the courts should enforce that intent." (Crestview Cemetery Assn. v. Dieden (1960) 54 Cal.2d 744, 754)

Applying these principles to the Loan Agreement, there is no stronger or more compelling evidence of the mutual understanding of the contracting parties that the Former Agency was obligated to repay the City than the actual payment from available tax increment in accordance with the terms of the Loan Agreement. The City and the Former Agency's conduct in implementing the Loan Agreement and the precision of the record keeping in accordance with its terms demonstrate that the sales and use taxes from the Redevelopment Project Area transferred by the City to the Agency were a loan by the City to be repaid by the Former Agency. In fact, commencing in June 2005, the Former Agency repaid a total of $1,920,908.14 over a series of 15 payments prior to the dissolution of the Former Agency and prior to the current dispute with the DOF.

Updated Repayment Schedule.

By Resolution No. SA 21-01 adopted on September 7, 2021, the Successor Agency approved a repayment schedule for the Seaside Loan in accordance with the Dissolution Act requirements that interest on the outstanding principal be recalculated from the date

of origination of the loan on a quarterly basis at 3% simple interest. (Health & Safety Code Section 34191.4(b)(3).)

The Repayment Schedule has been updated in accordance with Resolution SA 21-01 to eliminate the payment scheduled for January 2022 as requested by the Successor Agency and rejected by the DOF on the Amended ROPS 21-22B and updated available residual revenues based on the 2021-22 Assessed Valuation. The first payment of $500,000 is reflected on Item #13 of the proposed ROPS 22-23 and the projected amortization schedule illustrates repayment in full as of July 1, 2037.

Attached to the proposed Resolution marked Exhibit "B" is a true and correct accounting of all funds the Former Agency borrowed from the City under the Loan Agreement for the Seaside Loan, all payments made by the Former Agency from available tax increment prior to dissolution to reduce the outstanding principal amount and recalculation of the total amount due from the Successor Agency to the City for the Seaside Loan in accordance with Health & Safety Code Section 34191.4(b)(3). As of June 30, 2022, the unpaid balance of the funds borrowed by the Former Agency from the City under the Loan Agreement for the Seaside Loan will be $6,367,545.96.

CEQA:

The actions set forth in the recommended accompanying resolution, as summarized above, are exempt under Guideline 15378(b)(4) of the California Environmental Quality Act (CEQA) in that the actions do not constitute a "project" which may result in a potentially significant physical impact on the environment, but instead are required to continue a governmental funding mechanism for enforceable obligations of the former Agency and to perform the statutorily mandated unwinding of the assets, liabilities, and functions of the former Agency pursuant to the Dissolution Act.

Fiscal Impact:

If the attached Resolution and the ROPS 22-23 are approved by the Sand City Successor Agency, the Consolidated Oversight Board and the Department of Finance, the Successor Agency will receive RPTTF sufficient to make a payment of $500,000 to the City for the Seaside Loan during the fiscal year 2022-2023.

Recommendation:

Staff seeks Successor Agency approval of the attached Resolution Confirming Reinstatement of a Loan Agreement Between the City of Sand City and the Former Sand City Redevelopment Agency, Finding the Loan is an Enforceable Obligation Within the Meaning of Health & Safety Code Sections 34171(d)(2) and 34191.4(b)(2) and Approving Adjustments to the Repayment Schedule as Approved by Resolution SA 21-02.

Attachments:

1. Resolution
    A. Loan Agreement
    B. Seaside Loan – Seaside Monetary Loan
    C. Loan Repayment Schedule – Seaside Monetary Loan
2. Finding of Completion
3. Memorandum To Oversight Board (September 16, 2021 Meeting)
4. Oversight Board Resolution 21-09

SAND CITY SUCCESSOR AGENCY
RESOLUTION SA _____, 2021

RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER SAND CITY REDEVELOPMENT AGENCY CONFIRMING REINSTATEMENT OF A LOAN AGREEMENT BETWEEN THE CITY OF SAND CITY AND THE FORMER SAND CITY REDEVELOPMENT AGENCY, FINDING THE LOAN IS AN ENFORCEABLE OBLIGATION WITHIN THE MEANING OF HEALTH & SAFETY CODE SECTIONS 34171(d)(2) AND 34191.4(b)(2) AND APPROVING ADJUSTMENTS TO THE REPAYMENT SCHEDULE APPROVED BY RESOLUTION SA 21-02

WHEREAS, the Sand City Redevelopment Agency ("**Former Agency**") was established as a redevelopment agency organized and existing under the California Community Redevelopment Law, Health & Safety Code Section 33000, et seq. ("**CRL**") and authorized to transact business and exercise powers of a redevelopment agency pursuant to Ordinance No. 86-12 adopted by the City Council of the City of Sand City ("**City**) on October 16, 1986; and

WHEREAS, the Redevelopment Plan ("**Redevelopment Plan**") for the Sand City Redevelopment Project Area ("**Project Area**) was approved and adopted by the City Council on July 20, 1987 by Ordinance No. 87-6; and

WHEREAS, on May 18, 1989, the Former Agency entered into an agreement with the City of Seaside to mitigate and provide a funding mechanism for the mitigation of the impacts on streets located within the City of Seaside resulting from the Former Agency's redevelopment activities within the Project Area pursuant to and in furtherance of the Redevelopment Plan (the "**Seaside Agreement**"); and

WHEREAS, on May 31, 1989, the Former Agency entered into an Owner Participation Agreement with Costco Wholesale Corporation pursuant to which the Former Agency agreed to reimburse Costco for certain property acquisition costs associated with the Costco project in order to facilitate and expedite the financing and construction of public and infrastructure improvements and to stimulate redevelopment and revitalization within the Project Area pursuant to and in furtherance of the Redevelopment Plan (the "**Costco Agreement**"); and

WHEREAS, on July 18, 1989, pursuant to the requirements of the Seaside Agreement and as authorized by Revenue & Taxation Code section 7202.6, the Former Agency adopted Ordinance No. RA-1 imposing a 1% sales and use tax within the Redevelopment Project Area boundaries and the City of Sand City simultaneously opted out of its rights to receive the 1% sales and use tax under its Municipal Code in an amount equal to the sales and use taxes from the Redevelopment Project Area; and

WHEREAS, at the time the above-referenced Ordinances were adopted, the City and the Former Agency concurrently entered into that certain "Agreement Between the City of Sand City and the Redevelopment Agency of the City of Sand City Concerning Certain Sales and Use Taxes", a copy of which is attached hereto marked Exhibit "A" and by this reference incorporated herein (the "**Loan Agreement**"); and

WHEREAS, under the terms of the Loan Agreement the City agreed to loan sufficient funds to the Former Agency to enable the Former Agency to meet its obligations to make payments under the Seaside Agreement (the "**Seaside Loan**") and the Costco Agreement (the "**Costco Loan**") and the Former Agency agreed to repay such loans from future property tax increment funds received by the Former Agency; and

WHEREAS, on February 1, 2012 the Former Agency was dissolved pursuant to Assembly Bill 1X 26 as later amended by AB 1484 and further amended by SB 107 (the "**Dissolution Act**") and its rights, powers, duties and obligations were transferred to a successor agency; and

WHEREAS, the City Council of the City elected to act as the Former Agency's successor agency ("**Successor Agency**") under Section 34173 of the Dissolution Act, and, as such, is charged with implementing the enforceable obligations and winding down the affairs of the Former Agency; and

WHEREAS, pursuant to Health & Safety Code Section 34171(d)(1)(B) of the Dissolution Act "enforceable obligations" include "loans of moneys borrowed by the redevelopment agency for a lawful purpose, to the extent they are legally required to be repaid pursuant to a required repayment schedule or other mandatory loan terms" and Health & Safety Code Section 34171(d)(2) extends this definition to written agreements between a city and its redevelopment agency entered into (A) at the time of issuance, but in no event later than December 31, 2010, of indebtedness obligations, and (B) solely for the purpose of securing or repaying those indebtedness obligations; and

WHEREAS, Health & Safety Code Section 34191.4(b) of the Dissolution Act also allows reinstatement of loans previously made by the City to the former Agency as enforceable obligations payable from Real Property Tax Trust Funds ("**RPTTF**") over time subject to certain limitations and provided the following conditions are satisfied: (1) the Department of Finance ("**DOF**") must have issued a Finding of Completion to the Successor Agency; (2) the Oversight Board must find that the loans were made for legitimate redevelopment purposes and must approve repayment of the loans as enforceable obligations in the Recognized Obligation Payment Schedule ("**ROPS**"); and (3) the Oversight Board's action is subject to review and approval by the DOF; and

WHEREAS the DOF issued the Finding of Completion to the Successor Agency on August 1, 2013; and

WHEREAS, by Resolution No. 21-09 adopted on September 16, 2021, the Consolidated Oversight Board for the County of Monterey ("**Oversight Board**") also approved the reinstatement of the Loan Agreement, found that the loan was made for legitimate redevelopment purposes and approved the repayment schedule for the Seaside Loan; and

WHEREAS, in accordance with the Loan Agreement, the City and the Former Agency maintained accurate and precise records that were updated annually in the Annual Financial Statements and Independent Auditor's Reports and which are summarized in

the attached Exhibit "B" incorporated herein by reference as a true and correct accounting of (i) all funds the Former Agency borrowed from the City under the Loan Agreement for the Seaside Loan which amount is $5,853,839.93, plus interest; (ii) all payments made by the Former Agency from available tax increment in the aggregate amount of $1,920,908.14 prior to dissolution to reduce the outstanding principal amount, and (iii) recalculation of the total amount due from the Successor Agency to the City for the Seaside Loan in accordance with Health & Safety Code Section 34191.4(b)(3) which amount as of June 30, 2022 will be $6,367,545.96; and

WHEREAS, by Resolution SA 21-01, the Successor Agency adopted a revised and recalculated Loan Repayment Schedule (Seaside Monetary Loan) which Loan Repayment Schedule has been updated to eliminate the January 1, 2022 payment as requested by the Successor Agency on its Amended ROPS 21-22B and updated available residual revenues based on the 2021-22 Assessed Valuation as set forth in the updated Loan Repayment Schedule (Seaside Monetary Loan) attached as Exhibit "C" and by this reference incorporated herein.

NOW, THEREFORE, BE IT RESOLVED by the Successor Agency to the Former Sand City Redevelopment Agency that:

SECTION 1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

SECTION 2. The Successor Agency hereby finds and determines, based on all of the evidence presented, that the Loan Agreement was a proper and legally authorized loan agreement that constitutes an enforceable obligation of the Successor Agency pursuant to Health & Safety Code section 34171(d)(2) in that: (A) the Loan Agreement and the related sales and use tax ordinances adopted by the Former Agency and the City were required by the Seaside Agreement, (B) the Loan Agreement pledged the sales and use taxes from the Redevelopment Project Area to the payment due under the Seaside Agreement and the Costco Agreement and restricted the use of those funds solely for these purposes, and (C) the Loan Agreement was a requisite component part of the indebtedness established by the Seaside Agreement such that the Loan Agreement, the ordinances and the Seaside Agreement constitute a single transaction entered into "at the same time" and intended from the outset to be taken for the purpose of reaching the ultimate result of securing the Former Agency's repayment of funds borrowed from the City to meet the Former Agency's indebtedness obligations to Seaside and to Costco.

SECTION 3. The Successor Agency hereby finds and determines, based on all of the evidence presented and the findings of the Oversight Board, that the Loan Agreement and the funds borrowed by the Former Agency from the City thereunder were for legitimate redevelopment purposes in that such funds were used to satisfy the Former Agency's obligations under the Seaside Agreement and the Costco Agreement which agreements were entered into to effectuate the Redevelopment Plan and mitigate the impacts of the redevelopment activities in the Project Area on the City of Seaside in accordance with the CRL.

SECTION 4. Based on all of the evidence presented, the Successor Agency further finds, determines and confirms its reinstatement of the Loan Agreement as an enforceable obligation within the meaning of Section 34171(d) of the Dissolution Act eligible for payment through the ROPS from RPTTF in accordance with the formula set forth in Health & Safety Code Section 34191.4(b) providing for the recalculation of interest at a 3% simple interest rate from the date of origination on a quarterly basis.

SECTION 5. The Successor Agency hereby approves the updated Revised Repayment Schedule (Seaside Loan) attached hereto as Exhibit "C" and incorporated herein by reference ("**Repayment Schedule**") and authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to include repayment of the Seaside Loan on the ROPS to meets its obligation to repay the City the sum of $6,367,545.96 (as of June 30, 2022), together with simple interest at the rate of 3% per annum, recalculated quarterly, on any outstanding balance of the Seaside Loan from its RPTTF until repaid in full in accordance with the Repayment Schedule.

SECTION 6. To the extent that the amount of RPTTF available for repayment in any given year is insufficient to make the full payment shown on Exhibit "C", the scheduled payment amount shall be reduced accordingly and the repayment schedule for subsequent years will then be adjusted accordingly to provide for repayment of the outstanding balance of the Seaside Loan. To the extent that the amount of RPTTF available for repayment in any given year exceeds the amount of the scheduled payment, the payment amount shall be increased up to the maximum payment of RPTTF available for the repayment that year, and the repayment scheduled for subsequent years will then be adjusted accordingly.

SECTION 7. This Resolution shall take effect at the time and in the manner prescribed in Health & Safety Code Section 34179(h).

PASSED, APPROVED AND ADOPTED by the Successor Agency to the Former Sand City Redevelopment Agency, this 21st day of December 2021 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

APPROVED:

_____
Mary Ann Carbone, Chair of the
Successor Agency

ATTEST:

_____
Connie P. Horca, Clerk of the
Successor Agency

RESOLUTION NO. (SC) 42 1989

AGREEMENT BETWEEN THE CITY OF SAND CITY AND THE SAND CITY REDEVELOPMENT AGENCY CONCERNING CERTAIN SALES AND USE TAXES

WHEREAS, the Sand City Redevelopment Agency in cooperation with the City of Sand City has entered into certain agreements with the City of Seaside and Costco Wholesale Inc, which require certain financial contributions be made to said parties, and

WHEREAS, said contributions are based on formula's keyed to the amount of sales and use tax generated from private development occuring in the Sand City Redevelopment Area, and

WHEREAS, The City Council and the Redevelopment Agency have passed Ordinances to allow passage of the Sales and Use Taxes to the Redevelopment Agency for the purpose of paying said Agency contributions, and

WHEREAS, the City and the Agency have agreed that it is the responsibility of the Agency to administer the procedures and accounting of repaying said debts, and

WHEREAS, the City is supportive of financially assisting the Agency by making available City sales and use taxes on a as needed basis, and

WHEREAS, the City intends that the Agency shall repay any and all portion of the City owned Sales and Use Taxes from future tax increment generated from the Redevelopment Project Area.

NOW THEREFORE BY IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAND CITY THAT.

1. The City Council approves the Agreement attached as Exhibit "A" and authorizes that Mayor to sign said agreement.

2. The Redevelopment Agency shall prepare and maintain all necessary books of accounts to keep clear, concise and accurate records of the use of City sales and use taxes.

3. The Redevelopment Agency shall prepare an annual audited statement for review and approval of the City Council.

4. The Redevelopment Agency shall return any unused portions of said sales and use taxes back to the City on a periodic basis as determined by the Council as necessary to continue normal city operations.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SAND CITY THIS 18 DAY OF July 1989 BY THE FOLLOWING VOTE:

AYES: Ritter, Francini and Mayor Pendergrass

NOES: None

ABSENT: None

David K. Pendergrass, Mayor

ATTEST: _____
City Clerk

I certify, under oath, that the above is a true and correct copy of documents on file in City Hall.

_____ _____
City Clerk Date

AGREEMENT BETWEEN THE CITY OF SAND CITY

AND THE REDEVELOPMENT AGENCY OF THE CITY OF SAND CITY

CONCERNING CERTAIN SALES AND USE TAXES

EXHIBIT "A" TO RESOLUTION NO. SC-421989

This Agreement is made as of this 18th day of July 1989, by and between the City of Sand City, a municipal corporation (the "City") and the Redevelopment Agency of the City of Sand City, a public body, corporate and politic, (the "Agency").

RECITALS

A. Pursuant to Revenue and Taxation Code Section 7202.6, the Agency has enacted Ordinance No. (RA) 1, 1989 and the City has enacted Ordinance No. (SC) 89-3, 1989 imposing a sales and use tax upon retail sales within the Sand City Redevelopment Project Area ("the Project Area").

B. The purposes of the above two Ordinances are to transfer from the City to the Agency a portion of the sales and use tax collected within a portion of the Project Area as further described in the Ordinances (the "Transferred Sales and Use Taxes").

C. On May 18, 1989 the Agency and City entered into an agreement with the City of Seaside (the "Seaside Agreement") whereby the Agency agreed to pay to the City of Seaside a portion of the sales and use tax collected from the portion of the Project Area. The Payments to the City of Seaside are to compensate the City of Seaside for impacts it will suffer due to development within portions of the project area in accordance with the Sand City Redevelopment Plan. Pursuant to the terms of the agreement with the City of Seaside, the Agency will pay to the City of Seaside a portion of the transferred Sales and Use Tax.

D. The Redevelopment Agency, on May 31, 1989 adopted Resolution No. (RA) 6, authorizing the entering of an Owner Participation Agreement with Costco Wholesale Inc. Said Agreement requires certain financial reimbursements to Costco Wholesale Inc. for the purpose of writing down land costs. The reimbursements are calculated on a sales and use tax formula, until the time when the Agency's tax increment is adequate to make the reimbursement payments.

E. The parties to this Agreement now desire to enter into this Agreement whereby the Agency shall transfer to the City all of the Transferred Sales and Use Tax not required to be paid to the City of Seaside by the Agency.

NOW THEREFORE, the parties agree as follows:

SECTION 1. Pledge of Transferred Sales and Use Taxes

Pursuant to Revenue and Taxation Code Section 7202.8 and Health and Safety Code Section 33641, the transferred Sales and Use Taxes are pledged to the payment due under the Seaside Agreement and as pledged in the Costco Wholesale Inc. Owner Participation Agreement. Such pledges shall constitute the obligation of contract between the Agency and the City of Seaside and the Agency and Costco Wholesale Inc. and shall be protected from impairment by the United States and California Constitutions. Pursuant to the provisions of Revenue and Taxation Code Section 7202.8, Ordinance No. (RA) 1, 1989 of the Agency and Section 13.16.140 of the Sand City Municipal Code may not be repealed during the time that any of the payments due under the Seaside Agreement or the Owner Participation Agreement remains outstanding.

SECTION 2. Use of transferred Sales and Use Taxes

The Transferred Sales and Use Taxes shall only be used to the extent necessary to pay any amounts due pursuant to the Seaside Agreement and the Costco Wholesale Inc. Owner Participation Agreement, and to pay any amounts due to the State Board of Equalization for administration of the sales and use tax pursuant to Revenue and Taxation Code Section 7204.3.

SECTION 3. Payment to City.

A. In consideration for the City's agreement to allow sales and use tax revenues to be transferred to the Agency in order to pay the amounts due under the above agreements, the Agency agrees to pay to the City the amount of Transferred Sales and Use Taxes not required to be paid by the Agency to Seaside or Costco Wholesale Inc. pursuant to the Seaside Agreement and/or the Costco Wholesale Inc. Owner Participation Agreement.

B. Any use by the Agency of the City's sales and use tax revenue are, to the extent allowed by law, to be considered a loan from the City to the Agency and eligible for repayment from future tax increment generated from the Rede-

velopment Project Area. Said loan is subordinate to the REDIP Loan Agreement between the Agency and the State of California Department of Commerce. The City may charge the Agency interest up to the amount legally authorized by law.

E. The Agency shall file with the City an annual report on the status of the use of the sales and use taxes, included in such report will be an independent audit of the use of the funds.

F. This Agreement to be effective upon adoption of the City's Ordinance and the Agency's Ordinance.

IN WITNESS WHEREOF, the City and Agency have caused this Agreement to be executed on this 18th day of July, 1989.

ATTEST:

City Clerk

CITY OF SAND CITY

BY: David K. Pendergrass, Mayor

REDEVELOPMENT AGENCY OF THE CITY OF SAND CITY

BY: Chairman, Redevelopment Agency of the City of Sand City

Sand City Successor Agency
City Loan - Seaside Monetary Loan

	Principal	Interest	Payment	Ending Balance	Principal Balance
7/1/1992	$0.00			$0.00	$0.00
9/3/1992	$9,242.83			$9,242.83	$9,242.83
9/30/1992		$0.00		$9,242.83	$9,242.83
12/10/1992	$23,464.38			$32,707.21	$32,707.21
12/31/1992		$69.32		$32,776.53	$32,707.21
2/12/1993	$21,860.91			$54,637.44	$54,568.12
3/31/1993		$245.30		$54,882.75	$54,568.12
5/27/1993	$17,598.57			$72,481.32	$72,166.69
6/30/1993		$409.26		$72,890.58	$72,166.69
9/9/1993	$18,927.26			$91,817.84	$91,093.95
9/30/1993		$541.25		$92,359.09	$91,093.95
12/3/1993	$17,599.13			$109,958.22	$108,693.08
12/31/1993		$683.20		$110,641.42	$108,693.08
3/11/1994	$22,750.40			$133,391.82	$131,443.48
3/31/1994		$815.20		$134,207.02	$131,443.48
6/7/1994	$19,965.39			$154,172.41	$151,408.87
6/30/1994		$985.83		$155,158.24	$151,408.87
9/22/1994	$20,134.37			$175,292.61	$171,543.24
9/30/1994		$1,135.57		$176,428.17	$171,543.24
12/13/1994	$24,046.91			$200,475.08	$195,590.15
12/31/1994		$1,286.57		$201,761.66	$195,590.15
3/8/1995	$18,593.64			$220,355.30	$214,183.79
12/31/1994		$1,466.93		$221,822.22	$214,183.79
5/25/1995	$18,215.38			$240,037.60	$232,399.17
6/30/1995		$1,606.38		$241,643.98	$232,399.17
9/26/1995	$18,366.58			$260,010.56	$250,765.75
9/30/1995		$1,742.99		$261,753.55	$250,765.75
12/7/1995	$24,463.82			$286,217.37	$275,229.57
12/31/1995		$1,880.74		$288,098.12	$275,229.57
2/26/1996	$23,082.10			$311,180.22	$298,311.67
3/31/1996		$2,064.22		$313,244.44	$298,311.67
5/24/1996	$18,146.13			$331,390.57	$316,457.80
6/30/1996		$2,237.34		$333,627.91	$316,457.80
8/28/1996	$20,005.12			$353,633.03	$336,462.92
9/30/1996		$2,373.43		$356,006.46	$336,462.92
12/10/1996	$20,742.20			$376,748.66	$357,205.12
12/31/1996		$2,523.47		$379,272.13	$357,205.12
3/6/1997	$25,730.23			$405,002.36	$382,935.35
3/31/1997		$2,679.04		$407,681.40	$382,935.35
6/20/1997	$27,438.95			$435,120.35	$410,374.30
6/30/1997		$2,872.02		$437,992.37	$410,374.30

Sand City Successor Agency
City Loan - Seaside Monetary Loan

	Principal	Interest	Payment	Ending Balance	Principal Balance
9/30/1997	$31,225.01	$3,077.81		$472,295.18	$441,599.31
12/22/1997	$57,418.97			$529,714.15	$499,018.28
12/31/1997		$3,311.99		$533,026.15	$499,018.28
3/15/1998	$76,250.67			$609,276.82	$575,268.95
3/31/1998		$3,742.64		$613,019.45	$575,268.95
6/10/1998	$59,617.63			$672,637.08	$634,886.58
6/30/1998		$4,314.52		$676,951.60	$634,886.58
9/30/1998		$4,761.65		$681,713.25	$634,886.58
10/22/1998	$64,595.37			$746,308.62	$699,481.95
12/29/1998	$69,403.16			$815,711.78	$768,885.11
12/31/1998		$4,761.65		$820,473.43	$768,885.11
3/31/1999		$5,766.64		$826,240.07	$768,885.11
4/21/1999	$89,966.65			$916,206.72	$858,851.76
6/30/1999		$5,766.64		$921,973.36	$858,851.76
8/4/1999	$73,173.35			$995,146.71	$932,025.11
9/29/1999	$72,753.50			$1,067,900.21	$1,004,778.61
9/30/1999		$6,441.39		$1,074,341.60	$1,004,778.61
10/6/1999	$64,003.72			$1,138,345.32	$1,068,782.33
10/25/1999	$20,700.00			$1,159,045.32	$1,089,482.33
11/23/1999	$27,585.00			$1,186,630.32	$1,117,067.33
12/31/1999		$7,535.84		$1,194,166.16	$1,117,067.33
1/13/2000	$39,399.74			$1,233,565.90	$1,156,467.07
1/20/2000	$13,493.27			$1,247,059.17	$1,169,960.34
2/1/2000	$26,430.00			$1,273,489.17	$1,196,390.34
2/28/2000	$35,235.00			$1,308,724.17	$1,231,625.34
3/30/2000	$32,827.20			$1,341,551.37	$1,264,452.54
3/31/2000		$8,378.00		$1,349,929.37	$1,264,452.54
4/20/2000	$26,308.42			$1,376,237.79	$1,290,760.96
4/26/2000	$20,835.00			$1,397,072.79	$1,311,595.96
6/19/2000	$27,809.55			$1,424,882.34	$1,339,405.51
6/30/2020		$9,483.39		$1,434,365.73	$1,339,405.51
7/17/2000	$33,816.86			$1,468,182.59	$1,373,222.37
8/21/2000	$22,710.00			$1,490,892.59	$1,395,932.37
8/21/2000	$1,578.79			$1,492,471.38	$1,397,511.16
9/20/2000	$30,255.00			$1,522,726.38	$1,427,766.16
9/30/2000		$10,045.54		$1,532,771.93	$1,427,766.16
10/10/2000	$27,130.00			$1,559,901.93	$1,454,896.16
10/24/2000	$8,978.08			$1,568,880.01	$1,463,874.24
11/7/2000	$23,415.00			$1,592,295.01	$1,487,289.24
12/11/2000	$31,215.00			$1,623,510.01	$1,518,504.24
12/31/2000		$10,708.25		$1,634,218.25	$1,518,504.24

Sand City Successor Agency
City Loan - Seaside Monetary Loan

	Principal	Interest	Payment	Ending Balance	Principal Balance
1/18/2001	$46,234.09			$1,680,452.34	$1,564,738.33
2/27/2001	$28,695.00			$1,709,147.34	$1,593,433.33
3/2/2001	$10,031.28			$1,719,178.62	$1,603,464.61
3/23/2001	$38,280.00			$1,757,458.62	$1,641,744.61
3/31/2001		$11,388.78		$1,768,847.40	$1,641,744.61
4/10/2001	$33,920.20			$1,802,767.60	$1,675,664.81
5/21/2001	$22,950.00			$1,825,717.60	$1,698,614.81
5/25/2001	$16,497.24			$1,842,214.84	$1,715,112.05
6/30/2001	$30,615.00	$12,313.08		$1,885,142.93	$1,745,727.05
7/13/2001	$32,377.99			$1,917,520.92	$1,778,105.04
9/30/2001		$13,092.95		$1,930,613.87	$1,778,105.04
12/31/2001		$13,335.79		$1,943,949.66	$1,778,105.04
2/12/2002	$57,747.23			$2,001,696.89	$1,835,852.27
3/31/2002		$13,335.79		$2,015,032.68	$1,835,852.27
4/8/2002	$125,249.38			$2,140,282.06	$1,961,101.65
6/30/2002		$13,768.89		$2,154,050.95	$1,961,101.65
7/10/2002	$89,698.26			$2,243,749.21	$2,050,799.91
9/30/2002		$14,708.26		$2,258,457.47	$2,050,799.91
10/29/2002	$90,793.66			$2,349,251.13	$2,141,593.57
12/31/2002		$15,381.00		$2,364,632.13	$2,141,593.57
3/31/2003		$16,061.95		$2,380,694.08	$2,141,593.57
4/10/2003	$103,416.62			$2,484,110.70	$2,245,010.19
6/3/2003	$119,605.60			$2,603,716.30	$2,364,615.79
6/30/2003		$16,061.95		$2,619,778.25	$2,364,615.79
7/21/2003	$96,016.56			$2,715,794.81	$2,460,632.35
9/30/2003		$17,734.62		$2,733,529.43	$2,460,632.35
10/23/2003	$95,227.08			$2,828,756.51	$2,555,859.43
12/31/2003		$18,454.74		$2,847,211.25	$2,555,859.43
1/9/2004	$98,142.86			$2,945,354.11	$2,654,002.29
3/31/2004		$19,168.95		$2,964,523.06	$2,654,002.29
4/21/2004	$125,867.70			$3,090,390.76	$2,779,869.99
6/30/2004		$19,905.02		$3,110,295.78	$2,779,869.99
7/15/2004	$98,969.02			$3,209,264.80	$2,878,839.01
9/30/2004		$20,849.02		$3,230,113.82	$2,878,839.01
11/17/2004	$103,839.30			$3,333,953.12	$2,982,678.31
12/31/2004		$21,591.29		$3,355,544.42	$2,982,678.31
3/31/2005		$22,370.09		$3,377,914.50	$2,982,678.31
4/15/2005	$178,986.35			$3,556,900.85	$3,161,664.66
6/30/2005		$22,370.09	$26,714.83	$3,552,556.11	$3,134,949.83
7/12/2005	$59,762.11			$3,612,318.22	$3,194,711.94
9/6/2005	$104,960.76			$3,717,278.98	$3,299,672.70

Sand City Successor Agency
City Loan - Seaside Monetary Loan

	Principal	Interest	Payment	Ending Balance	Principal Balance
9/30/2005		$23,512.12		$3,740,791.10	$3,299,672.70
11/22/2005	$109,034.90			$3,849,826.00	$3,408,707.60
12/31/2005		$24,747.55		$3,874,573.55	$3,408,707.60
1/27/2006	$111,663.26			$3,986,236.81	$3,520,370.86
3/31/2006		$25,565.31		$4,011,802.12	$3,520,370.86
4/17/2006	$132,761.38			$4,144,563.50	$3,653,132.24
6/30/2006		$26,402.78	$59.96	$4,170,906.32	$3,653,072.28
7/20/2006	$109,769.22			$4,280,675.54	$3,762,841.50
9/30/2006		$27,398.04		$4,308,073.58	$3,762,841.50
10/10/2006	$103,299.72			$4,411,373.30	$3,866,141.22
12/31/2006		$28,221.31		$4,439,594.61	$3,866,141.22
1/23/2007	$115,246.30			$4,554,840.91	$3,981,387.52
3/31/2007		$28,996.06		$4,583,836.97	$3,981,387.52
4/17/2007	$131,769.98			$4,715,606.95	$4,113,157.50
6/30/2007		$29,860.41		$4,745,467.36	$4,113,157.50
7/12/2007	$105,037.92			$4,850,505.28	$4,218,195.42
9/30/2007		$30,848.68		$4,881,353.96	$4,218,195.42
10/15/2007	$103,273.44			$4,984,627.40	$4,321,468.86
12/31/2007		$31,636.47		$5,016,263.86	$4,321,468.86
3/18/2008	$109,791.12			$5,126,054.98	$4,431,259.98
3/31/2008		$32,411.02		$5,158,466.00	$4,431,259.98
4/30/2008	$121,445.84			$5,279,911.84	$4,552,705.82
6/30/2008	$90,875.94	$33,234.45	$219,165.02	$5,184,857.21	$4,424,416.74
9/30/2008		$33,183.13		$5,218,040.33	$4,424,416.74
10/3/2008	$94,862.94			$5,312,903.27	$4,519,279.68
11/19/2008			$206,347.89	$5,106,555.38	$4,312,931.79
12/31/2008		$33,183.13		$5,139,738.51	$4,312,931.79
1/20/2009	$95,525.50			$5,235,264.01	$4,408,457.29
3/31/2009		$32,346.99		$5,267,611.00	$4,408,457.29
5/1/2009	$106,002.44			$5,373,613.44	$4,514,459.73
6/11/2009			$301,986.86	$5,071,626.58	$4,212,472.87
6/30/2009	$83,970.14	$33,063.43	$27,290.41	$5,161,369.74	$4,269,152.60
7/14/2009			$19,919.09	$5,141,450.65	$4,249,233.51
9/30/2009		$32,018.64		$5,173,469.29	$4,249,233.51
11/9/2009			$84,422.23	$5,089,047.06	$4,164,811.28
12/10/2009			$141,362.46	$4,947,684.60	$4,023,448.82
12/31/2009		$31,869.25		$4,979,553.85	$4,023,448.82
1/15/2010			$52,700.75	$4,926,853.10	$3,970,748.07
2/25/2010	$169,473.82		$62,589.59	$5,033,737.33	$4,077,632.30
3/31/2010		$30,175.87		$5,063,913.20	$4,077,632.30
4/9/2010			$42,760.07	$5,021,153.13	$4,034,872.23

Sand City Successor Agency
City Loan - Seaside Monetary Loan

	Principal	Interest	Payment	Ending Balance	Principal Balance
6/1/2010	$104,013.98			$5,125,167.11	$4,138,886.21
6/30/2010	$81,914.66	$30,582.24	$149,402.90	$5,088,261.11	$4,071,397.97
9/30/2010		$30,535.48		$5,118,796.60	$4,071,397.97
10/27/2010	$83,196.76			$5,201,993.36	$4,154,594.73
12/31/2010		$30,535.48		$5,232,528.84	$4,154,594.73
1/26/2011	$86,989.22			$5,319,518.06	$4,241,583.95
2/9/2011			$332,888.68	$4,986,629.38	$3,908,695.27
3/9/2011			$44,230.53	$4,942,398.85	$3,864,464.74
3/31/2011		$31,159.46		$4,973,558.31	$3,864,464.74
6/27/2011	$104,998.26			$5,078,556.57	$3,969,463.00
6/30/2011	$83,843.92	$28,983.49	$209,066.87	$4,982,317.11	$3,844,240.05
9/30/2011		$28,831.80		$5,011,148.91	$3,844,240.05
11/20/2011	$88,691.74			$5,099,840.65	$3,932,931.79
12/31/2011		$28,831.80		$5,128,672.45	$3,932,931.79
3/31/2012		$29,496.99		$5,158,169.44	$3,932,931.79
6/30/2012		$29,496.99		$5,187,666.43	$3,932,931.79
9/30/2012		$29,496.99		$5,217,163.41	$3,932,931.79
12/31/2012		$29,496.99		$5,246,660.40	$3,932,931.79
3/31/2013		$29,496.99		$5,276,157.39	$3,932,931.79
6/30/2013		$29,496.99		$5,305,654.38	$3,932,931.79
9/30/2013		$29,496.99		$5,335,151.37	$3,932,931.79
12/31/2013		$29,496.99		$5,364,648.36	$3,932,931.79
3/31/2014		$29,496.99		$5,394,145.35	$3,932,931.79
6/30/2014		$29,496.99		$5,423,642.33	$3,932,931.79
9/30/2014		$29,496.99		$5,453,139.32	$3,932,931.79
12/31/2014		$29,496.99		$5,482,636.31	$3,932,931.79
3/31/2015		$29,496.99		$5,512,133.30	$3,932,931.79
6/30/2015		$29,496.99		$5,541,630.29	$3,932,931.79
9/30/2015		$29,496.99		$5,571,127.28	$3,932,931.79
12/31/2015		$29,496.99		$5,600,624.26	$3,932,931.79
3/31/2016		$29,496.99		$5,630,121.25	$3,932,931.79
6/30/2016		$29,496.99		$5,659,618.24	$3,932,931.79
9/30/2016		$29,496.99		$5,689,115.23	$3,932,931.79
12/31/2016		$29,496.99		$5,718,612.22	$3,932,931.79
3/31/2017		$29,496.99		$5,748,109.21	$3,932,931.79
6/30/2017		$29,496.99		$5,777,606.19	$3,932,931.79
9/30/2017		$29,496.99		$5,807,103.18	$3,932,931.79
12/31/2017		$29,496.99		$5,836,600.17	$3,932,931.79
3/31/2018		$29,496.99		$5,866,097.16	$3,932,931.79
6/30/2018		$29,496.99		$5,895,594.15	$3,932,931.79
9/30/2018		$29,496.99		$5,925,091.14	$3,932,931.79

Sand City Successor Agency
City Loan - Seaside Monetary Loan

	Principal	Interest	Payment	Ending Balance	Principal Balance
12/31/2018		$29,496.99		$5,954,588.13	$3,932,931.79
3/31/2019		$29,496.99		$5,984,085.11	$3,932,931.79
6/30/2019		$29,496.99		$6,013,582.10	$3,932,931.79
9/30/2019		$29,496.99		$6,043,079.09	$3,932,931.79
12/31/2019		$29,496.99		$6,072,576.08	$3,932,931.79
3/31/2020		$29,496.99		$6,102,073.07	$3,932,931.79
6/30/2020		$29,496.99		$6,131,570.06	$3,932,931.79
9/30/2020		$29,496.99		$6,161,067.04	$3,932,931.79
12/31/2020		$29,496.99		$6,190,564.03	$3,932,931.79
3/31/2021		$29,496.99		$6,220,061.02	$3,932,931.79
6/30/2021		$29,496.99		$6,249,558.01	$3,932,931.79
9/30/2021		$29,496.99		$6,279,055.00	$3,932,931.79
12/31/2021		$29,496.99		$6,308,551.99	$3,932,931.79
3/31/2022		$29,496.99		$6,338,048.97	$3,932,931.79
6/30/2022		$29,496.99		$6,367,545.96	$3,932,931.79
	$5,853,839.93	$2,434,614.17	$1,920,908.14		

Sand City Successor Agency
Proposed Loan Repayment Schedule

Seaside Monetary Loan
Pursuant to Resolution No. (SC) 42 1989 adopted on July 18, 1989

Original Loan Amount	$5,853,840
Annual Interest Rate - Quarterly	3%
Loan period in years	30
Number of payments per year	See amortization Schedule Below

Pmt No	Payment Date	Beginning Balance	Interest	Scheduled Payment	Extra Payment	Total Payment	Ending Balance	Principal Balance
								3,932,932
	1/1/2022	6,308,552	29,497			0	6,338,049	3,932,932
	4/1/2022	6,338,049	29,497			0	6,367,546	3,932,932
1	7/1/2022	6,367,546	29,497	500,000		500,000	5,897,043	3,432,932
	10/1/2022	5,897,043	25,747			0	5,922,790	3,432,932
	1/1/2023	5,922,790	25,747			0	5,948,537	3,432,932
	4/1/2023	5,948,537	25,747			0	5,974,284	3,432,932
2	7/1/2023	5,974,284	25,747	121,021		121,021	5,879,010	3,311,911
	10/1/2023	5,879,010	24,839			0	5,903,849	3,311,911
	1/1/2024	5,903,849	24,839			0	5,928,689	3,311,911
	4/1/2024	5,928,689	24,839			0	5,953,528	3,311,911
3	7/1/2024	5,953,528	24,839	108,273		108,273	5,870,094	3,203,637
	10/1/2024	5,870,094	24,027			0	5,894,121	3,203,637
	1/1/2025	5,894,121	24,027			0	5,918,148	3,203,637
	4/1/2025	5,918,148	24,027			0	5,942,176	3,203,637
4	7/1/2025	5,942,176	24,027	144,773		144,773	5,821,430	3,058,864
	10/1/2025	5,821,430	22,941			0	5,844,371	3,058,864
	1/1/2026	5,844,371	22,941			0	5,867,313	3,058,864
	4/1/2026	5,867,313	22,941			0	5,890,254	3,058,864
5	7/1/2026	5,890,254	22,941	142,880		142,880	5,770,315	2,915,984
	10/1/2026	5,770,315	21,870			0	5,792,185	2,915,984
	1/1/2027	5,792,185	21,870			0	5,814,055	2,915,984
	4/1/2027	5,814,055	21,870			0	5,835,925	2,915,984
6	7/1/2027	5,835,925	21,870	315,800		315,800	5,541,995	2,600,184
	10/1/2027	5,541,995	19,501			0	5,561,496	2,600,184
	1/1/2028	5,561,496	19,501			0	5,580,998	2,600,184
	4/1/2028	5,580,998	19,501			0	5,600,499	2,600,184
7	7/1/2028	5,600,499	19,501	647,030		647,030	4,972,971	1,953,154
	10/1/2028	4,972,971	14,649			0	4,987,620	1,953,154
	1/1/2029	4,987,620	14,649			0	5,002,268	1,953,154
	4/1/2029	5,002,268	14,649			0	5,016,917	1,953,154
8	7/1/2029	5,016,917	14,649	559,808		559,808	4,471,758	1,393,347
	10/1/2029	4,471,758	10,450			0	4,482,208	1,393,347
	1/1/2030	4,482,208	10,450			0	4,492,658	1,393,347
	4/1/2030	4,492,658	10,450			0	4,503,108	1,393,347
9	7/1/2030	4,503,108	10,450	621,344		621,344	3,892,214	772,003
	10/1/2030	3,892,214	5,790			0	3,898,004	772,003
	1/1/2031	3,898,004	5,790			0	3,903,794	772,003
	4/1/2031	3,903,794	5,790			0	3,909,584	772,003
10	7/1/2031	3,909,584	5,790	608,859		608,859	3,306,515	163,143
	10/1/2031	3,306,515	1,224			0	3,307,739	163,143
	1/1/2032	3,307,739	1,224			0	3,308,962	163,143
	4/1/2032	3,308,962	1,224			0	3,310,186	163,143
11	7/1/2032	3,310,186	1,224	633,751		633,751	2,677,658	0
	10/1/2032	2,677,658	0			0	2,677,658	0
	1/1/2033	2,677,658	0			0	2,677,658	0
	4/1/2033	2,677,658	0			0	2,677,658	0
12	7/1/2033	2,677,658	0	640,328		640,328	2,037,331	0
	10/1/2033	2,037,331	0			0	2,037,331	0
	1/1/2034	2,037,331	0			0	2,037,331	0
	4/1/2034	2,037,331	0			0	2,037,331	0
13	7/1/2034	2,037,331	0	656,442		656,442	1,380,889	0
	10/1/2034	1,380,889	0			0	1,380,889	0
	1/1/2035	1,380,889	0			0	1,380,889	0
	4/1/2035	1,380,889	0			0	1,380,889	0

	Payment Date	Beginning Balance	Interest	Scheduled Payment	Extra Payment	Total Payment	Ending Balance	Principal Balance
14	7/1/2035	1,380,889	0	668,176		668,176	712,713	0
	10/1/2035	712,713	0			0	712,713	0
	1/1/2036	712,713	0			0	712,713	0
	4/1/2036	712,713	0			0	712,713	0
15	7/1/2036	712,713	0	682,495		682,495	30,218	0
	10/1/2036	30,218	0			0	30,218	0
	1/1/2037	30,218	0			0	30,218	0
	4/1/2037	30,218	0			0	30,218	0
16	7/1/2037	30,218	0	30,218		30,218	0	0
	10/1/2037	0	0			0	0	0
	1/1/2038	0	0			0	0	0
	4/1/2038	0	0			0	0	0
17	7/1/2038	0	0	0		0	0	0
	10/1/2038	0	0			0	0	0
	1/1/2039	0	0			0	0	0
	4/1/2039	0	0			0	0	0
18	7/1/2039	0	0	0		0	0	0
	10/1/2039	0	0			0	0	0
	1/1/2040	0	0			0	0	0
	4/1/2040	0	0			0	0	0
19	7/1/2040	0	0	0		0	0	0
	10/1/2040	0	0			0	0	0
	1/1/2041	0	0			0	0	0
	4/1/2041	0	0			0	0	0
20	7/1/2041	0	0	0		0	0	0
	10/1/2041	0	0			0	0	0
	1/1/2042	0	0			0	0	0
	4/1/2042	0	0			0	0	0
21	7/1/2042	0	0	0		0	0	0

Loan Terms

This loan originated in 1989 and is payable over a twenty-two year period commencing in January 2, 2022. To the extent that the amount of Real Property Tax Trust Funds available for repayment in any given year is insufficient to make the full payment, the above scheduled payment amount will be reduced accordingly, and the repayment schedule for subsequent years then will be adjusted accordingly to provide for repayment of the full loan amount. Also, to the extent the amount of Real Property Tax Trust Funds available for repayment in any given year exceeds the above scheduled payment amount, the above scheduled payment amount will be increased, up to a maximum payment of the Real Property Tax Trust Funds available for repayment that year, and the repayment scheduled for subsequent years then will be adjusted accordingly.

DEPARTMENT OF FINANCE

EDMUND G. BROWN JR. • GOVERNOR
915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

August 1, 2013

RECEIVED
AUG 02 2013
CITY OF SAND CITY

Mr. Steve Matarazzo, City Administrator
City of Sand City
1 Sylvan Park
Sand City, CA 93955

Dear Mr. Matarazzo:

Subject: Request for a Finding of Completion

The California Department of Finance (Finance) has completed the Finding of Completion for the City of Sand City Successor Agency.

Finance has completed its review of your documentation, which may have included reviewing supporting documentation submitted to substantiate payment or obtaining confirmation from the county auditor-controller. Pursuant to Health and Safety Code (HSC) section 34179.7, we are pleased to inform you that Finance has verified that the Agency has made full payment of the amounts determined under HSC section 34179.6, subdivisions (d) or (e) and HSC section 34183.5.

This letter serves as notification that a Finding of Completion has been granted. The Agency may now do the following:

- Place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4 (b) (1). Loan repayments will be governed by criteria in HSC section 34191.4 (a) (2).

- Utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4 (c).

Additionally, the Agency is required to submit a Long-Range Property Management Plan to Finance for review and approval, per HSC section 34191.5 (b), within six months from the date of this letter.

Please direct inquiries to Andrea Scharffer, Staff Finance Budget Analyst, or Chris Hill, Principal Program Budget Analyst, at (916) 445-1546.

Sincerely,

for
STEVE SZALAY
Local Government Consultant

cc: Ms. Linda Scholink, Director of Administrative Services, Sand City
Ms. Connie Horca, Deputy City Clerk, Sand City
Ms. Julie Aguero, Auditor Controller Analyst II, Monterey County
California State Controller's Office

City of Sand City

Memorandum

TO: Consolidated Oversight Board for the County of Monterey Chair and Board Members
FROM: Aaron Blair, Executive Director, Sand City Successor Agency
DATE: August 27, 2021 (for September 16, 2021 Consolidated Oversight Board meeting)
SUBJECT: Resolution of the Consolidated Oversight Board for the City of Sand City, County of Monterey, approving reinstatement of a loan agreement between the City of Sand City and the former Sand City Redevelopment Agency, finding the loan was made for legitimate redevelopment purposes and approving a schedule for repayment by the Successor Agency of the amount of the loan used to fund payments under the Seaside Agreement

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Background:

In accordance with the Dissolution Act (AB1x 26 as amended by AB 1484 and further amended by SB 107), at the time that redevelopment agencies were dissolved, the repayment of many loans made in good faith by a city to its redevelopment agency became unenforceable as of February 1, 2012, and not eligible for repayment.

AB 1484 amended the original Dissolution Act and provided that after receiving a finding of completion from the California Department of Finance ("**DOF**"), loan agreements between a former redevelopment agency and a city would be eligible for repayment provided the Oversight Board made a finding that the loan was for legitimate redevelopment purposes.

In 1989, the Sand City Redevelopment Agency ("**Former Agency**") entered into the following two agreements:

1) "Agreement Regarding Future Impacts on the Provision of Public Services" dated May 18, 1989 with the City of Seaside to mitigate and provide a funding mechanism for the mitigation of the impacts on streets located within the City of Seaside resulting from the Former Agency's redevelopment activities within the Redevelopment Project Area pursuant to and in furtherance of the Redevelopment Plan (the "**Seaside Agreement**"); and

2) "Owner Participation Agreement" dated May 31, 1989 with Costco Wholesale Corporation pursuant to which the Former Agency agreed to reimburse Costco for certain property acquisition costs associated with the Costco project in order to facilitate and expedite the financing and construction of public and infrastructure improvements and to stimulate

redevelopment and revitalization within the Redevelopment Project Area pursuant to and in furtherance of the Redevelopment Plan (the "**Costco Agreement**").

To enable the Former Agency to meet its obligations to make payments under the Seaside Agreement (the "**Seaside Loan**") and the Costco Agreement (the "**Costco Loan**"), the City agreed to financially assist the Former Agency by loaning City Sales and Use Taxes generated in the Redevelopment Project Area on an "as needed" basis pursuant an "Agreement Between the City of Sand City and the Redevelopment Agency of the City of Sand City Concerning Certain Sales and Use Taxes" dated July 18, 1989, a copy of which is attached to the proposed Resolution marked Exhibit "A" (the "**Loan Agreement**"). Under the terms of the Loan Agreement, the Former Agency agreed to repay the City from future property tax increment funds received by the Former Agency. Pursuant to that repayment obligation, the Former Agency paid the City $1,920,908 as a principal reduction of the Seaside Loan from available property tax increment funds commencing in 2005 through 2011 prior to dissolution.

Discussion:

The Successor Agency received a Finding of Completion from the Department of Finance on August 1, 2013. A copy of the Finding of Completion is attached to this Report as Attachment 2. Pursuant to Health & Safety Code Section 34191.4, the Successor Agency is now eligible to request Oversight Board approval to repay amounts due to the City of Sand City pursuant to the Loan Agreement. Loans from the City to the Former Agency are eligible for repayment pursuant to Health & Safety Code Section 34191.4 provided that the Oversight Board determines that the loans were for legitimate redevelopment purposes.

The Former Agency was authorized to borrow from the City.

The funds borrowed by the Former Agency under the 1989 Loan Agreement were used to satisfy the Former Agency's obligations under the Seaside Agreement and the Costco Agreement. The Seaside Agreement and the Costco Agreement were entered into to effectuate the Redevelopment Plan and mitigate the impacts of the redevelopment activities in the Project Area in accordance with the California Community Redevelopment Law (the "**CRL**") (Health & Safety Code Section 33000, et seq.). Pursuant to Health & Safety Code Section 33601, the Former Agency was authorized to borrow money from any public agency, including the City, for redevelopment projects within the Project Area.

The Loan proceeds were used for legitimate redevelopment purposes.

CRL Section 33020 defines "redevelopment" as the "planning, development, replanning, redesign, clearance, reconstruction, or rehabilitation, or any combination of these, or all or part of a survey area, and the provision of those residential commercial, industrial,

public, or other structures or spaces as may be appropriate or necessary in the interest of the general welfare, including recreational and other facilities incidental or appurtenant to them...".

The Costco Loan

The Costco Agreement was entered into pursuant to the owner participation provisions of the CRL and Sections 33433 and 33445 for the development of a commercial project and related on-site and off-site improvements located in the Sand City Redevelopment Project Area in furtherance of the redevelopment objectives of the Redevelopment Plan.

The purpose of the Costco Agreement is set out as follows:

> "1.2 Purpose of Agreement
>
> The purpose of this Agreement is to effectuate a portion of the Redevelopment Plan for a portion of the Project by providing for the redevelopment of the Participation Parcel. The redevelopment being undertaken pursuant to this Agreement, and the fulfillment generally of this Agreement are in the vital and best interests of the City and the Agency, will facilitate and expedite the financing and construction of public and infrastructure improvements in the City and adjacent public rights-of-way, will stimulate redevelopment and revitalization elsewhere within the Project Area, will enhance the economic climate of the community, and otherwise will promote the health, safety and welfare of the City's residents, all in accordance with public purposes and provisions of applicable law and requirements."

Under the Costco Agreement, the Former Agency committed to provide off-site infrastructure generally consisting of the grading and paving of public rights-of-way and the construction of public streets, curbs, gutters, sidewalks, utilities and water, sewer and storm drain systems, including Tioga Avenue and La Playa Avenue. In addition, the Costco Agreement obligated the Former Agency to reimburse Costco for a portion of its property acquisition costs in exchange for Costco's construction of certain on-site improvements and the performance of related obligations.

Funds loaned by the City to the Former Agency to meet the financial obligations of the Costco Agreement as listed on ROPS Item # 28 were for these legitimate redevelopment purposes. The Successor Agency is not requesting an allocation of RPTTF at this time in connection with the Costco Loan.

The Seaside Loan

The Seaside Agreement was entered into by the Former Agency to effectuate three major commercial redevelopment projects and related on-site and off-site improvements (Phase I – Sand Dollar Center; Phase II – Edgewater Center; and Phase III – Sand City's coastal zone west of Highway One) located in the Sand City Redevelopment Project Area and to mitigate the impacts of those redevelopment activities on the City of Seaside. The Seaside Agreement recites that the parties to the agreement found the future redevelopment projects would have impacts within Seaside and that the parties desired to enter into the agreement for the mitigation of all such impacts and to provide a funding mechanism for such mitigation costs. These mitigation costs were integral to implementing these redevelopment projects and effectuating the Redevelopment Plan.

Indeed, the Seaside Agreement was upheld as a valid and enforceable obligation by the Superior Court of the State of California County of Santa Clara in Case No. 1-13-CV-243063. The Judgment filed on January 19, 2016 orders the Successor Agency to "list an enforceable obligation of $364,521 per year on its Recognized Obligation Payment Schedules ("ROPS") which constitutes the annual payment amounts owed by the Former Agency to Seaside pursuant to the May 18, 1989 [Seaside] Agreement." The Judgment further orders the Successor Agency to "promptly pay to Seaside funds allocated to it from the Real Property Tax Trust Fund ("RPTTF")" for the Seaside Agreement. A copy of the Judgment is attached to this Report as Attachment 3. ROPS Item #11 is included on the Successor Agency ROPS in compliance with the Judgment and provides for the implementation of the Seaside Agreement post-dissolution. Funds borrowed by the Former Agency to satisfy its obligations under the Seaside Agreement prior to dissolution as listed on ROPS Item #13 were for the same legitimate redevelopment purpose.

Repayment of the loans.

The Dissolution Act provides that interest on the outstanding principal of amounts due to the City pursuant the Loan Agreement is to be recalculated from the date of origination of the loan on a quarterly basis at 3% simple interest. (Health & Safety Code Section 34191.4(b)(3).) Attached to the proposed Resolution marked Exhibit "B" is a true and correct accounting of all funds the Former Agency borrowed from the City under the Loan Agreement for the Seaside Loan, all payments made by the Former Agency from available tax increment prior to dissolution to reduce the outstanding principal amount and recalculation of the total amount due from the Successor Agency to the City for the Seaside Loan in accordance with Health & Safety Code Section 34191.4(b)(3). As of December 31, 2021, the unpaid balance of the funds borrowed by the Former Agency from the City under the Loan Agreement for the Seaside Loan is $6,308,551.99.

On January 16, 2018, the Successor Agency adopted Resolution No. SA 18-02 approving a repayment schedule for the Seaside Loan. Resolution SA 18-02 was repealed by the adoption of Resolution No. SA 21-02 on September 7, 2021 approving a revised and

recalculated Loan Repayment Schedule (Seaside Monetary Loan) attached to the proposed Resolution marked Exhibit "C." Under the revised and recalculated Seaside Loan Repayment Schedule (Exhibit "C") the unpaid balance was reduced from $6,448,068 to $6,308,551.99 as of December 31, 2021 and the projected amortized repayment schedule was shortened from 26 years to 16 years. The first payment of $440,858 in accordance with the Repayment Schedule is reflected as a requested adjustment for the allocation of RPTTF on the Successor Agency's Amended ROPS 20-21B, Item #13.

CEQA:

The actions set forth in the recommended accompanying resolution, as summarized above, are exempt under Guideline 15378(b)(4) of the California Environmental Quality Act (CEQA) in that the actions do not constitute a "project" which may result in a potentially significant physical impact on the environment, but instead are required to continue a governmental funding mechanism for enforceable obligations of the former Agency and to perform the statutorily mandated unwinding of the assets, liabilities, and functions of the former Agency pursuant to the Dissolution Act.

Recommendation:

Based on the evidence presented, the Successor Agency seeks the Consolidated Oversight Board approval of the attached Resolution approving reinstatement of the Loan Agreement, finding the loan by the City of the Former Agency pursuant thereto was made for legitimate redevelopment purposes, and approving a schedule for repayment by the Successor Agency of the amount of the loan used to fund payments under the Seaside Agreement.

Attachments:
1. Resolution No. 2021-09
   - A. Loan Agreement
   - B. Seaside Loan – Seaside Monetary Loan
   - C. Loan Repayment Schedule – Seaside Monetary Loan
2. Finding of Completion
3. Judgment - Seaside Agreement

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BEFORE THE CONSOLIDATED OVERSIGHT BOARD
SUCCESSOR AGENCY FOR THE CITY OF SAND CITY
COUNTY OF MONTEREY, STATE OF CALIFORNIA

RESOLUTION NO. 2021-09

RESOLUTION OF THE CONSOLIDATED OVERSIGHT BOARD SUCCESSOR AGENCY FOR THE CITY OF SAND CITY, COUNTY OF MONTEREY, APPROVING REINSTATEMENT OF A LOAN AGREEMENT BETWEEN THE CITY OF SAND CITY AND THE FORMER SAND CITY REDEVELOPMENT AGENCY, FINDING THE LOAN WAS MADE FOR LEGITIMATE REDEVELOPMENT PURPOSES AND APPROVING A SCHEDULE FOR REPAYMENT BY THE SUCCESSOR AGENCY OF THE AMOUNT OF THE LOAN USED TO FUND PAYMENTS UNDER THE SEASIDE AGREEMENT

WHEREAS, the Sand City Redevelopment Agency ("**Agency**") was established as a redevelopment agency organized and existing under the California Community Redevelopment Law, Health & Safety Code Section 33000, et seq. ("**CRL**") and authorized to transact business and exercise powers of a redevelopment agency pursuant to Ordinance No. 86-12 adopted by the City Council of the City of Sand City ("**City**) on October 16, 1986; and

WHEREAS, the Redevelopment Plan ("**Redevelopment Plan**") for the Sand City Redevelopment Project Area ("**Project Area**) was approved and adopted by the City Council on July 20, 1987 by Ordinance No. 87-6; and

WHEREAS, on May 18, 1989, the Agency entered into an agreement with the City of Seaside to mitigate and provide a funding mechanism for the mitigation of the impacts on streets located within the City of Seaside resulting from the Agency's redevelopment activities within the Project Area pursuant to and in furtherance of the Redevelopment Plan (the "**Seaside Agreement**"); and

WHEREAS, on May 31, 1989, the Agency entered into an Owner Participation Agreement with Costco Wholesale Corporation pursuant to which the Agency agreed to reimburse Costco for certain property acquisition costs associated with the Costco project in order to facilitate and expedite the financing and construction of public and infrastructure improvements and to stimulate redevelopment and revitalization within the Project Area pursuant to and in furtherance of the Redevelopment Plan (the "**Costco Agreement**"); and

WHEREAS, on July 18, 1989, the Agency and the City entered into that certain "Agreement Between the City of Sand City and the Redevelopment Agency of the City of Sand City Concerning Certain Sales and Use Taxes", a copy of which is attached hereto marked Exhibit "A" and by this reference incorporated herein (the "**Loan Agreement**"); and

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WHEREAS, under the terms of the Loan Agreement the City agreed to loan sufficient funds to the Agency to enable the Agency to meet its obligations to make payments under the Seaside Agreement (the "**Seaside Loan**") and the Costco Agreement (the "**Costco Loan**") and the Agency agreed to repay such loans from property tax increment funds received by the Agency; and

WHEREAS, on February 1, 2012 the Agency was dissolved pursuant to Assembly Bill 1X 26 (the "**Dissolution Act**") and its rights, powers, duties and obligations were transferred to a successor agency; and

WHEREAS, the City Council of the City elected to act as the former Agency's successor agency ("**Successor Agency**") under Section 34173 of the Dissolution Act, and, as such, is charged with implementing enforceable obligations and winding down the affairs of the former Agency by administering the retirement of the former Agency's debts and other obligations; and

WHEREAS, Assembly Bill 1484 added Health & Safety Code Section 34191.4(b) to the Dissolution Act which allows reinstatement of loans previously made by the City to the former Agency as enforceable obligations payable from Real Property Tax Trust Funds over time subject to certain limitations and provided the following conditions are satisfied: (1) the Department of Finance ("**DOF**") must have issued a Finding of Completion to the Successor Agency; (2) the Oversight Board must find that the loans were made for legitimate redevelopment purposes and must approve repayment of the loans as enforceable obligations in the Recognized Obligation Payment Schedule ("**ROPS**"); and (3) the Oversight Board's action is subject to review and approval by the DOF; and

WHEREAS the DOF issued the Finding of Completion to the Successor Agency on August 1, 2013; and

WHEREAS, attached hereto marked Exhibit "B" and by this reference incorporated herein is a true and correct accounting of all funds the former Agency borrowed from the City under the Loan Agreement for the Seaside Loan, all payments made by the former Agency from available tax increment prior to dissolution to reduce the outstanding principal amount and recalculation of the total amount due from the Successor Agency to the City for the Seaside Loan in accordance with Health & Safety Code Section 34191.4(b)(3) which amount as of December 31, 2021 is $6,308,551.99; and

WHEREAS, on January 16, 2018, the Successor Agency adopted Resolution No. SA 18-02 approving a repayment schedule for the Seaside Loan which Resolution was repealed by the adoption of Resolution No. SA 21-02 on September 7, 2021 approving a revised and recalculated Loan Repayment Schedule (Seaside Monetary Loan) attached hereto marked Exhibit "C" and by this reference incorporated herein.

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NOW, THEREFORE, **BE IT RESOLVED** by the Consolidated Oversight Board that:

1. The Consolidated Oversight Board hereby finds and determines, based on all of the evidence presented, that the Loan Agreement was entered into and that the funds borrowed by the former Agency from the City thereunder were for legitimate redevelopment purposes in that such funds were used to satisfy the former Agency's obligations under the Seaside Agreement and the Costco Agreement which agreements were entered into to effectuate the Redevelopment Plan and mitigate the impacts of the redevelopment activities in the Project Area on the City of Seaside in accordance with the CRL.

2. The Consolidated Oversight Board further finds and determines, based on all of the evidence presented, that upon approval by the Consolidated Oversight Board and the DOF, the Loan Agreement shall constitute enforceable obligations within the meaning of Section 34171(d) of the Dissolution Act.

3. The Consolidated Oversight Board further finds and determines, based on all of the evidence presented, that the Seaside Loan as reinstated pursuant to the Loan Agreement constitutes an enforceable obligation eligible for payment through the ROPS from Real Property Tax Trust Funds ("**RPTTF**") in accordance with the formula set forth in Health & Safety Code Section 34191.4(b) providing for the recalculation of interest at a 3% simple interest rate from the date of origination on a quarterly basis.

4. The Consolidated Oversight Board approves the reinstatement of the Seaside Loan pursuant of the Loan Agreement and authorizes and directs the Successor Agency to take all actions necessary under the Dissolution Act to include repayment of the Seaside Loan on the ROPS to meets its obligation to repay the City the sum of $6,308,551.99 (as of December 31, 2021), together with simple interest at the rate of 3% per annum, recalculated quarterly, on any outstanding balance of the Seaside Loan from its RPTTF until repaid in full in accordance with the Loan Repayment Schedule (Seaside Monetary Loan) attached hereto marked Exhibit "C" and by this reference incorporated herein.

5. To the extent that the amount of RPTTF available for repayment in any given year is insufficient to make the full payment shown on Exhibit "C", the scheduled payment amount shall be reduced accordingly and the repayment schedule for subsequent years will then be adjusted accordingly to provide for repayment of the outstanding balance of the Seaside Loan. To the extent that the amount of RPTTF available for repayment in any given year exceeds the amount of the scheduled payment, the payment amount shall be increased up to the maximum payment of RPTTF available for the repayment that year, and the repayment scheduled for subsequent years will then be adjusted accordingly.

6. This Resolution shall take effect at the time and in the manner prescribed in Health & Safety Code Section 34179(h).

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PASSED AND ADOPTED this 16th day of September, 2021 by the following vote:

AYES: Poitras, LeBarre, Reed, Bousum, Cordiero-Martinez
NOES:
ABSTAIN:
ABSENT: Crow, Gamotan

APPROVED:

DocuSigned by:
Warren "Pete" Poitras
6161D22F54A64CB...

Chairperson, Consolidated Oversight Board County of Monterey

ATTEST:

By: DocuSigned by:
Jennifer Forsyth
4E7E657875454AE...

Clerk of the Consolidated Oversight Board County of Monterey

AGENDA ITEM
10D.

Consideration of Successor Agency RESOLUTION Approving the Recognized Obligation Payment Schedule (ROS 22-23) and Administrative Budget for the period July 1, 2022 through June 30, 2023

City of Sand City

Staff Report

TO: Successor Agency Chair and Agency Members
FROM: Vibeke Norgaard, City Attorney
DATE: December 16, 2021 (for December 21, 2021 Successor Agency meeting)
SUBJECT: Resolution Approving the Recognized Obligation Payment Schedule (ROPS 22-23) and Administrative Budget for the period July 1, 2022 - June 30, 2023

Background/Discussion:

Pursuant to Assembly Bill No. 1X 26, enacted on June 28, 2011, and as subsequently amended by AB 1484 enacted on June 27, 2012 and SB 107 enacted September 22, 2015 ("**Dissolution Act**"), the Sand City Redevelopment Agency ("**Former Agency**") was dissolved on February 1, 2012. The City of Sand City elected to serve as the Successor Agency for the Former Agency ("**Successor Agency**") and is vested with all of the authority, rights, powers, duties and obligations of the Former Agency.

As part of the dissolution of the former Redevelopment Agency, Health and Safety Code Section 34177 (added by AB 1X 26, as amended to date) requires the Successor Agency to adopt a Recognized Obligation Payment Schedule ("**ROPS**") that lists all obligations of the former redevelopment agency that are enforceable within the meaning of subdivision (d) of Section 34167 for each twelve month period of each fiscal year.

ROPS 22-23
Successor Agency staff has prepared a proposed ROPS for the period of July 1, 2022 through June 30, 2023 ("**ROPS 22-23**"), substantially in the form shown in Attachment "2." The ROPS 22-23 follows the form prescribed by the DOF and incorporates the remaining obligations identified in the previous ROPS. The ROPS 22-23 is separated into two annual periods known as ROPS 22-23A (July 1, 2022-December 30, 2022) and ROPS 22-23B (January 1, 2023 – July 30, 2023).

For the period 22-23A (July – December), the Successor Agency is requesting funding for the following obligations:

Line 2	2008B Tax Allocation Bonds	$ 111,788
Line 3	Sand City Admin. Cost Allowance	$ 125,000
Line 11	Tax Sharing Agreement (City of Seaside)	$ 182,261
Line 13	Sand City Redevelopment Project (City Loan)	$ 500,000
Line 26	Series 2017 Refunding Tax Allocation Bonds	$ 215,963
Line 27	Fiscal Agent Fees – 2017 Bonds	$ 2,000
Total Requested RPTTF Funding		$ 1,137,012
Total coming from Reserves		$ 272,500
Total for ROPS 22-23A		**$ 1,409,512**

For the period 22-23B (January – June), the Successor Agency is requesting funding for the following obligations:

Line 2	2008B Tax Allocation Bonds	$ 222,075
Line 3	Sand City Admin. Cost Allowance	$ 125,000
Line 11	Tax Sharing Agreement (City of Seaside)	$ 182,261
Line 21	Fiscal Agent Fees – 2008 Bonds	$ 2,000
Line 22	Bond Disclosure Services (HdL)	$ 1,400
Line 26	2017 Refunding Tax Allocation Bonds	$ 305,320
Total Requested RPTTF Funding		$ 838,056
Total Coming from Reserves		0
Total for ROPS 22-23B		**$ 838,056**

As outlined above, the Successor Agency's primary remaining enforceable obligations are the outstanding bonds and the City of Seaside Agreement. The ROPS 22-23 also requests Redevelopment Property Tax Trust Fund ("**RPTTF**") monies toward repayment of the City Loan (ROPS Item #13) in accordance with the City Loan Repayment Schedule (Seaside) approved by Successor Agency Resolution SA 21-02 and by the Consolidated Oversight Board for the County of Monterey Resolution No. 2021-09. No new enforceable obligations are included in the ROPS 22-23 that were not included in the previously adopted ROPS.

Administrative Budget 22-23

The Successor Agency staff has prepared an administrative budget for the fiscal period commencing on July 1, 2022 and continuing through June 30, 2023 ("FY 22-23 Administrative Budget"), substantially in the form shown in Attachment "3", attached hereto and incorporated herein by this reference.

In compliance with DOF guidance, all administrative costs, including city staff support costs, professional outside services, auditors and other administrative expenses have been combined into one line item. Pursuant to Health and Safety Code Sections 34171(b) and 34183(a)(3) the Successor Agency is entitled to an administrative cost allowance (the "Administrative Cost Allowance") in the amount of $250,000.

Oversight Board and Department of Finance (DOF) Review

Pursuant to Section 34177 and 34180(g) of the Health & Safety Code, the ROPS 22-23 and Administrative Budget 22-23 have been submitted to the Countywide Consolidated Oversight Board for consideration and approval at its January 14, 2022 meeting.

Applicable law requires that the ROPS 22-23 be submitted to DOF and the State Controller's office, after approval by the Riverside Countywide Oversight Board, no later than February 1, 2022. The DOF has five (5) days after submittal to request a review and forty-five (45) days to review the ROPS if it decides to do so.

CEQA:

Pursuant to the California Environmental Quality Act (CEQA), based upon a review of the evidence and information presented on the matter as it relates to the adoption of the ROPS 22-23, the Successor Agency has determined that such approval is categorically exempt from CEQA pursuant to Section 15061(b)(3) of the State CEQA Guidelines because there is no possibility that the activities in question will have a significant impact on the environment and the amendment is merely the adoption of annual budget; it will not require any construction activities and will not lead to any direct or reasonably foreseeable indirect physical environmental impacts.

Fiscal Impact:

Total RPTTF requested on ROPS 22-23 is $1,975,068 necessary to satisfy enforceable obligations. If the attached ROPS 22-23 is approved by the Sand City Successor Agency, the Consolidated Oversight Board and the Department of Finance, the fiscal impact will be reflected during the fiscal year 2022-2023 for the amount approved.

Recommendation:

Staff seeks Successor Agency approval of the attached Resolution approving the Recognized Obligation Payment Schedule (ROPS 22-23) and Administrative Budget for the period July 1, 2022 through June 30, 2023.

Attachments:
1. - Resolution No. 21- ___
2. - ROPS 22-23
3. - Administrative Budget FY 22-23

SAND CITY SUCCESSOR AGENCY
RESOLUTION SA _____, 2021

RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER SAND CITY REDEVELOPMENT AGENCY, APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 22-23) AND ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2022 THROUGH JUNE 30, 2023

WHEREAS, pursuant to Assembly Bill No. 1X 26, enacted on June 28, 2011, and as subsequently amended by AB 1484 enacted on June 27, 2012 and SB 107 enacted September 22, 2015 (**"Dissolution Act"**), the Sand City Redevelopment Agency was dissolved on February 1, 2012 and its rights, powers, duties and obligations were transferred to a successor agency; and

WHEREAS, the City Council of the City of Sand City elected to act as the former Redevelopment Agency's successor agency ("**Successor Agency**") under Section 34173 of the Dissolution Act, and, as such, is charged with implementing enforceable obligations and winding down the affairs of the former Redevelopment Agency; and

WHEREAS, the Dissolution Act requires the Successor Agency to prepare and adopt a "Recognized Obligation Payment Schedule" ("**ROPS**") that lists all obligations of the former Redevelopment Agency that are enforceable within the meaning of subdivision (d) of Section 34171 for twelve month periods, including July 2022 through June 2023; and

WHEREAS, applicable law requires that the ROPS for the period July 1, 2022 through June 30, 2023 be submitted to the Department of Finance and the State Controller's office, after approval by the by the Consolidated Oversight Board of the County of Monterey ("**Consolidated Oversight Board**"), no later than February 1, 2022 or be subject to penalties; and

WHEREAS, the Successor Agency staff has prepared the ROPS 22-23 attached as Exhibit "A" and incorporated herein by reference and a FY 2022-23 Administrative Budget attached as Exhibit "B" and incorporated herein by reference for the fiscal period commencing on July 1, 2022 and continuing through June 30, 2023; and

WHEREAS, the ROPS 22-23 and the FY 2022-23 Administrative Budget are not considered projects under the California Environmental Quality Act (CEQA) and therefore no environmental analysis is necessary.

NOW, THEREFORE, BE IT RESOLVED by the Successor Agency to the Former Sand City Redevelopment Agency that:

SECTION 1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

SECTION 2. The Successor Agency finds the items on the ROPS 22-23 and the FY 2022-23 Administrative Budget are necessary for the continued administration of the ongoing enforceable obligations and the expeditious winding-down of the affairs of the former Redevelopment Agency.

SECTION 3. The Successor Agency hereby approves the attached Recognized Obligation Payment Schedule for the period July 1, 2022 through June 30, 2023 (ROPS 22-23) (Exhibit

"A"). Pursuant to Health & Safety Code Section 34173, the Successor Agency's liability, including, but not limited to, its liability for the obligations on the attached schedule, is limited to the total sum of property tax revenues it receives pursuant to Part 1.85 of AB X1 26.

SECTION 4. The Successor Agency hereby approves the attached FY 2022-23 Administrative Budget (Exhibit "B").

SECTION 5. The Successor Agency hereby authorizes and directs the Clerk of the Successor Agency to forward the ROPS 22-23 and the FY 2022-23 Administrative Budget to the Consolidated Oversight Board for consideration at its January 14, 2022 meeting and, following final approval and any amendments by the Consolidated Oversight Board, to the County of Monterey Auditor Controller, State Controller's Office, and the California Department of Finance, to place the ROPS 22-23 and FY 2022-23 Administrative Budget on the Sand City website, and to take such other actions on behalf of the Successor Agency as may be necessary in accordance with applicable law.

SECTION 6. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Successor Agency hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

SECTION 7. This Resolution shall take effect from and after the date of its passage and adoption in accordance with, and subject to, all applicable requirements of the Health & Safety Code.

PASSED, APPROVED AND ADOPTED by the Successor Agency to the Former Sand City Redevelopment Agency, this 21st day of December 2021 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

_____
Mary Ann Carbone, Chair of the
Successor Agency

ATTEST:

_____
Connie P. Horca, Clerk of the
Successor Agency

Recognized Obligation Payment Schedule (ROPS 22-23) - Summary
Filed for the July 1, 2022 through June 30, 2023 Period

Successor Agency: Sand City

County: Monterey

	Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	22-23A Total (July - December)	22-23B Total (January - June)	ROPS 22-23 Total
A	**Enforceable Obligations Funded as Follows (B+C+D)**	**$ 272,500**	**$ -**	**$ 272,500**
B	Bond Proceeds	-	-	-
C	Reserve Balance	272,500	-	272,500
D	Other Funds	-	-	-
E	**Redevelopment Property Tax Trust Fund (RPTTF) (F+G)**	**$ 1,137,012**	**$ 838,056**	**$ 1,975,068**
F	RPTTF	1,012,012	713,056	1,725,068
G	Administrative RPTTF	125,000	125,000	250,000
H	**Current Period Enforceable Obligations (A+E)**	**$ 1,409,512**	**$ 838,056**	**$ 2,247,568**

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name Title

/s/

Signature Date

Sand City
Recognized Obligation Payment Schedule (ROPS 22-23) - ROPS Detail
July 1, 2022 through June 30, 2023

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	**ROPS 22-23 Total**	**ROPS 22-23A (Jul - Dec)**					**22-23A Total**	**ROPS 22-23B (Jan - Jun)**					**22-23B Total**
											Fund Sources						**Fund Sources**					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								$20,803,870		$2,247,568	$-	$272,500	$-	$1,012,012	$125,000	$1,409,512	$-	$-	$-	$713,056	$125,000	$838,056
2	2008B Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	01/18/ 2008	11/01/2023	US Bank	Finance Redevelopment Activities	Sand City	445,650	N	$433,863	-	100,000	-	111,788	-	$211,788	-	-	-	222,075	-	$222,075
3	Sand City	Admin Costs	02/01/ 2012	06/30/2023	City acting as Successor Agency	Administrative Cost Allowance	Sand City	250,000	N	$250,000	-	-	-	-	125,000	$125,000	-	-	-	-	125,000	$125,000
5	City of Sand City	Miscellaneous	04/01/ 1995	07/20/2037	City of Sand City	COP Reimbursement	Sand City	1,454,766	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-
6	SERAF Payment	SERAF/ERAF	05/10/ 2010	06/30/2020	City of Sand City	Repay loan from LMIHF	Sand City	-	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-
7	SERAF Payment	SERAF/ERAF	05/04/ 2011	06/30/2020	City of Sand City	Repay loan from LMIHF	Sand City	-	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-
10	McDonald Coastal Project	OPA/DDA/ Construction	06/20/ 2001	07/20/2037	John King - DDA	Contingency Reimbursement	Sand City	1,455,000	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-
11	Tax Sharing Agreement	Litigation	05/18/ 1989	12/31/2027	City of Seaside	Judgment Entered 1-19-2016	Sand City	1,998,861	N	$364,522	-	-	-	182,261	-	$182,261	-	-	-	182,261	-	$182,261
12	Sand City Redevelopment Project	City/County Loan (Prior 06/28/11), Cash exchange	01/20/ 1987	07/20/2037	City of Sand City	Repay loans for Staff and Facilities ***	Sand City	3,628,058	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-
13	Sand City Redevelopment Project	City/County Loan (Prior 06/28/11), Cash exchange	01/20/ 1987	07/20/2037	City of Sand City	Repay for Monetary Loans (Seaside) ***	Sand City	6,308,552	N	$500,000	-	-	-	500,000	-	$500,000	-	-	-	-	-	$-
21	Fiscal Agent Fees	Fees	01/30/ 2008	11/01/2023	US Bank	Annual Fiscal Agent for bond issues	Sand City	2,250	N	$2,000	-	-	-	-	-	$-	-	-	-	2,000	-	$2,000
22	Bond Disclosure Services	Fees	01/17/ 2017	11/01/2027	HdL Coren & Cone	Annual continuing disclosure/ dissemination services for bond issues	Sand City	2,800	N	$1,400	-	-	-	-	-	$-	-	-	-	1,400	-	$1,400
23	PERS Unfunded	Unfunded Liabilities	05/18/ 1989	11/01/2027	Sand City	Unfunded liability due to	Sand City	-	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	**ROPS 22-23 Total**	**ROPS 22-23A (Jul - Dec)**					**22-23A Total**	**ROPS 22-23B (Jan - Jun)**					**22-23B Total**
											Fund Sources						**Fund Sources**					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
	Liability-Pension					PERS																
24	PERS Unfunded Liability-OPEB	Unfunded Liabilities	05/18/1989	11/01/2027	Sand City	Unfunded liability due to OBEP	Sand City	-	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-
25	CalPERS	Unfunded Liabilities	01/27/2017	12/31/2017	Bartel Associates, LLC	Acturial Study to determine the Unfunded accrued liability related to CalPers	Sand City	-	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-
26	Subordinate Tax Allocation Refunding Bonds, Series 2017	Bonds Issued After 12/31/10	08/10/2017	11/01/2027	US Bank	Refinance RDA Activities	Sand City	3,347,683	N	$693,783	-	172,500	-	215,963	-	$388,463	-	-	-	305,320	-	$305,320
27	Fiscal Agent Fees	Fees	08/10/2017	11/01/2027	US Bank	Annual Fiscal Agent for bond issues	Sand City	10,250	N	$2,000	-	-	-	2,000	-	$2,000	-	-	-	-	-	$-
28	Sand City Redevelopment Project	City/County Loan (Prior 06/28/11), Cash exchange	01/20/1987	07/20/2037	City of Sand City	Repay for Monetary Loans (Costco) ***	Sand City	1,900,000	N	$-	-	-	-	-	-	$-	-	-	-	-	-	$-

Sand City
Recognized Obligation Payment Schedule (ROPS 22-23) - Report of Cash Balances
July 1, 2019 through June 30, 2020
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H
	ROPS 19-20 Cash Balances (07/01/19 - 06/30/20)	**Fund Sources**					**Comments**
		Bond Proceeds		**Reserve Balance**	**Other Funds**	**RPTTF**	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	
1	**Beginning Available Cash Balance (Actual 07/01/19)** RPTTF amount should exclude "A" period distribution amount.	1,283,249	23	367,515	6,555	141,851	
2	**Revenue/Income (Actual 06/30/20)** RPTTF amount should tie to the ROPS 19-20 total distribution from the County Auditor-Controller	867	46	-	75,020	1,406,099	
3	**Expenditures for ROPS 19-20 Enforceable Obligations (Actual 06/30/20)**	487	69	367,515	3,621	1,222,111	
4	**Retention of Available Cash Balance (Actual 06/30/20)** RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	1,283,629	-	-	-	320,093	
5	**ROPS 19-20 RPTTF Prior Period Adjustment** RPTTF amount should tie to the Agency's ROPS 19-20 PPA form submitted to the CAC		No entry required			5,744	
6	**Ending Actual Available Cash Balance (06/30/20) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)**	**$-**	**$-**	**$-**	**$77,954**	**$2**	

Sand City
Recognized Obligation Payment Schedule (ROPS 22-23) - Notes
July 1, 2022 through June 30, 2023

Item #	Notes/Comments
2	Amount requested for 22-23B is in accordance with the Indenture for the 2008 Series B Bonds.
3	
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26	Amount requested for 22-23B is in accordance with the Indenture for the Subordinate Tax Allocation Refunding Bonds, Series 2017.
27	
28	

SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAND CITY	
PROPOSED ADMINISTRATIVE BUDGET	
July 1, 2022 through June 30, 2023	
EMPLOYEE COSTS:	
Salaries	$49,597.50
Deferred Compensation	$630.00
PERS Retirement	$6,408.75
Medicare	$1,005.00
Health	$10,455.00
Dental	$743.25
Vision	$125.25
LTD	$386.25
Life	$77.63
Workers Comp	$3,375.00
Fitness	$191.25
Auto	$450.00
SUBTOTAL	$73,444.88
SUPPLIES & SERVICES:	
Audit Services	$7,500.00
Attorney/Legal Services	$132,000.00
Mgmnt/Consultant Services	$29,305.12
Office Supplies	$500.00
Implementation of LRPMP/EMC	$2,500.00
SUBTOTAL	$171,805.12
ALLOCATED COSTS:	
Technical Support	$500.00
Liability Insurance	$2,500.00
Property Insurance	$250.00
Misc. Expense (Property/Taxes/Expenses)	$1,500.00
SUBTOTAL	$4,750.00
TOTAL	**$250,000.00**

AGENDA ITEM
10E.

Comments by Council Members on Items of Interest to Sand City

AGENDA ITEM
10F.

Upcoming Meetings/Events