

MONTEREY COUNTY PLANNING COMMISSION

MEETING: April 16, 2008	AGENDA NO.:
Project Description: Modifications to approved Combined Development Permit (The Commons at Rogge Road PLN030065) to revise Condition of Approval #61 and revise the recorded Workforce Housing Agreement (PLN08153)	
Project Location: 1001 A-E & 1003 Rogge Road, Salinas (Assessor's Parcel Numbers 211-012-002-000 and 211-012-040-00)	
Plan Area: Greater Salinas Area Plan	Flagged and Staked: No
Zoning Designation: High Density Residential, 15 Units per Acre ("HDR/15")	
CEQA Action: Mitigated Negative Declaration	
Department: RMA, Redevelopment and Housing Office	

RECOMMENDATION:

It is recommended that the Planning Commission consider requested modifications to the Workforce Housing Agreement and related Condition of Approval #61 for the Commons at Rogge Road Project, and forward the following recommendation onto the Board of Supervisors:

- a) Adopt the findings necessary to amend the recorded final map conditions for the Rogge Road Project;
- b) Modify Condition of Approval #61 to revise the required affordability levels and remove the equity sharing provisions as contained in Attachment 7; and
- c) Modify the recorded Workforce Housing Agreement to:
 1. Eliminate the long term affordability restrictions;
 2. Convert all the single family units to be priced at the Workforce II level for the initial sale;
 3. Increase the initial buyer income limit to be based on 250% of the Area Median Income and on the number of bedrooms contained in the unit;
 4. Include provisions to prevent buyer speculation;
 5. Provide for the County to have the first right of refusal to purchase the units from the initial buyers for a period of 2 years from the date of the initial purchase; and
 6. Allow the developer to rent unsold units for a period of up to 2 years.

SUMMARY:

The Commons at Rogge Road Housing Project was approved by the Board of Supervisors on March 28, 2006 as a Combined Development Permit. Condition #61 of the project approval required that the developer enter into a Workforce Housing Agreement with the County prior to the recordation of the Final Map. The final map and the Workforce Housing Agreement (Agreement) have been recorded. The current developer of the Workforce (for-sale) component, Woodman Development, is requesting modifications to the recorded Agreement to address current market conditions. The requested modifications to the Agreement also require revisions to Condition #61 for the approved Combined Development Permit. A draft Resolution is included as Attachment 1 and the recorded Agreement is included as Attachment 2. Condition #61 can be modified if appropriate findings are made.

DISCUSSION

On January 24, 2006 the Board endorsed a general concept for developing an Affordable/Workforce Housing Program and distinguished it from the Inclusionary Housing Program to make it effective for the target income group (households earning between 120% and 180% of the Area Median Income). The endorsed Program concept includes income qualification criteria and sales price limitations for the initial sale to ensure that the homes (for which incentives would be provided) would be affordable to the targeted group. The concept did not require long-term affordability (the Workforce Housing Program Concept endorsed by the Board of Supervisors is contained in Attachment 3).

Also on January 24, 2006, the Board of Supervisors endorsed a preliminary incentive program for The Commons at Rogge Road Project, which had been designated as a "Pilot Project" for the preparation of the County's Affordable/Workforce Housing Program (see Attachment 4). That action endorsed certain incentives to be provided to the project including modification of development regulations, processing/application fee waivers for the Inclusionary units, employee marketing preferences for the Workforce Units, Inclusionary credits, and processing assistance. The Board action also endorsed an Affordable Housing Implementation Program for the Commons at Rogge Road Project that included developing rental units as the Inclusionary Housing compliance for the entire project, concurred with the developer-proposed conditions that the for-sale units would be restricted through an equity sharing program between the homeowner and the Monterey County Housing Trust, and that buyer preferences would be provided for Don Chapin Company employees and to people who work within close proximity to the site.

On March 28, 2006, The Commons at Rogge Road Project was approved by the Board of Supervisors (Attachment 5) as a Combined Development Permit which included a General Plan Amendment, Rezoning, tentative map, and use permits. That approval included Condition #60 which required that the project applicant enter into an Inclusionary Housing Agreement to provide 48 Inclusionary rental units and Condition #61 which required a Workforce Housing Agreement to provide 123 Workforce and Moderate for-sale (non-Inclusionary) units. The two agreements were required to be consistent with the Affordable Housing Program for the project, which was developed by the applicant. Both agreements have been recorded on the project site.

The rental component consists of 48 apartments affordable to very low, low and moderate-income households. The rental component serves as the project's compliance with the Inclusionary Ordinance requirements. The original developer, Don Chapin, has retained ownership of this component and is currently constructing the apartments under the terms of the recorded agreement. Woodman Development purchased the for-sale component from Don Chapin. This component consists of 123 single-family units with affordability restrictions ranging from moderate to workforce households (up to 180% AMI).

As depicted in the Findings and Evidence of the Board approval of the Project (Attachment 5), the project was determined to qualify for special concessions and incentives consistent with provisions contained in the State Density Bonus Law (Section 65915 of the Government Code). The project qualified based on the number of very low and low income rental apartments included in the project. Specifically, the Board of Supervisors approved two concessions under the State Density Bonus provisions; 1) Inclusionary Housing credits (13.8) for the number of Inclusionary rental units supplied that are in excess of the number of units required to comply with the Inclusionary Ordinance requirements for the project; and 2) a reduction to the width of a portion of the required agricultural buffer.

In addition, the project received some application (processing) waivers, building permit fee waivers and a reduction in the regional (TAMC) traffic impact fees. The TAMC fees were reduced for the Project based on approved affordability levels, consistent with County policies in place at that time. The single-family units qualified for a 40% TAMC fee reduction based on the provision of Workforce units in a 100% affordable project. The apartments received fee reductions ranging from 40% to 80% based on the affordability levels. The entire project received pro-rated application fee waivers based on the provision of Inclusionary units. The rental units also received a waiver of the building permit fees. Application fees and building permit fees were charged for the Workforce units.

Woodman Development is currently requesting a number of modifications to the recorded Workforce Housing agreement (see Attachment 6) as summarized below:

- Remove the long-term affordability restrictions;
- Convert all units to Workforce II pricing (set at up to 180% of AMI);
- Modify buyer qualification requirements to be based on 250% of AMI based on the number of bedrooms in the unit to be purchased; and

- Allow unsold units to be rented by the developer.

No changes in the physical layout or development of the project, only financial considerations respecting the for-sale, non-inclusionary, units.

The developer is contending that the homes in the Project are currently not selling due to the decrease in prices of market rate homes in the area (that are not restricted) to levels approaching the price of the restricted homes in this project, the inability of potential buyers to obtain financing due to a tightening of the lending market, and that the interested buyers, particularly those households with two incomes without children, have incomes above the current income qualifying thresholds. The requested modifications would require revisions to Condition of Approval #61 (Attachment 7) as well as revisions to the recorded Agreement.

In order to adequately provide input to the decision makers on the specifics of the requested modifications and also on the broader policy issues related to the County's Affordable/Workforce Housing Developer Incentive Program, the Redevelopment and Housing Office retained a financial analyst to evaluate the request (as it was presented to the Housing Advisory Committee), given the current market conditions and potential buyer profile. His analysis is included as Attachment 8. As indicated in the analysis, the shift in the current market conditions have been significant and need to be addressed in order for the project to be successful.

The modifications currently requested by the developer for the most part, appear reasonable given the current market conditions and could be found to be generally consistent with the overall Workforce Housing Program goals and concept endorsed by the Board. Restricting the initial sales prices of all the units to 180% of AMI would still fall within the Program concept previously endorsed by the Board, as would the elimination of the long-term affordability restrictions. Although there are currently market rate homes for sale in the Salinas areas that are priced near the restricted price cap, retaining the restriction would ensure that units remain affordable should the market recover prior to full build-out of the project. Revising the homebuyer qualification restrictions would expand the pool of potential buyers to purchase the homes who are more likely to be able to qualify for a mortgage and to include two-income households that do not currently have children. Allowing the developer to rent units in the short term would allow the project to become occupied if units remain unsold.

State law and the County Code permit the amendment of final subdivision maps and related conditions if appropriate findings are made. These findings are attached in the draft Resolution (Attachment 1) and include that there are changes in circumstances that justify the proposed modification, that the proposed modification does not pose an additional burden on the fee owners of the real property, and that modifications otherwise conform to applicable regulations. As noted above, there is sufficient support for these findings.

OTHER AGENCY INVOLVEMENT:

The requested modifications do not affect the recorded Final Map or involve technical issues. The County's Subdivision Ordinance (Title 19) specifies that any modifications to the Conditions of Approval related to a recorded Final Map requires that all the approving and recommending bodies consider the proposed modifications. The project was originally considered by the Housing Advisory Committee, the Standard Subdivision Committee, the Planning Commission, and was ultimately approved by the Board of Supervisors. The requested modifications to Condition #61 therefore require that all those recommending and approving bodies consider the request. The Board of Supervisors is authorized to approve modifications to the recorded Workforce Housing Agreement, but it is recommended that the Planning Commission consider the requested modifications and provide input to the Board.

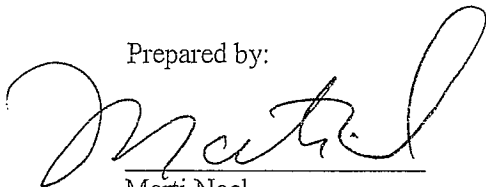
On March 12, 2008, the Monterey County Housing Advisory Committee (HAC) considered the modification request and approved a recommendation to be forwarded onto the Planning Commission and Board of Supervisors. The HAC recommended that the Planning Commission recommend that the Board

of Supervisors approve modifications to the recorded Workforce Housing Agreement and to Condition of approval #61 to provide for the following:

- Remove the long- term affordability restrictions;
- Price restrict all units to a maximum of 180% of AMI;
- Allow initial buyers to qualify with incomes up to 250% of AMI, adjusted for their family size;
- Include provisions that would reduce the opportunity for speculative buyers to purchase the units; and
- Provide for the County to have the first right of refusal to purchase homes that are going to be resold for a 2-year period from the time of the initial sale.

On March 27, 2008 the Standard Subdivision Committee considered the modification request as required by the Subdivision Ordinance. The Subdivision Committee forwarded the request onto the Planning Commission with no comments as the modification does not involve any technical issues.

Prepared by:



Marti Noel
Assistant Director

Attachments:

- Attachment 1: Draft Planning Commission Resolution
- Attachment 2: Recorded Workforce Housing Agreement
- Attachment 3: Workforce Housing Program Concept Endorsed By the Board of Supervisors
- Attachment 4: Rogge Road Affordable Housing Program Endorsed By the Board of Supervisors
- Attachment 5: Board of Supervisors Approval of The Commons at Rogge Road Project
- Attachment 6: Letter Request from Woodman Development
- Attachment 7: Revisions to Condition of Approval #61
- Attachment 8: Economic Analysis of Requested Modifications

ATTACHMENT 1
**Before the Planning Commission in and for the
County of Monterey, State of California**

Resolution No. _____
Resolution of the Monterey County Planning
Commission recommending that the Board of
Supervisors approve modifications to the
Workforce Housing Agreement and Condition of
Approval #61 related to the Commons at Rogge
Road Combined Development Permit PLN030065

The requested modifications to the Workforce Housing Agreement and Condition of Approval #61 related to the Commons at Rogge Road Combined Development Permit (PLN030065) came before the Planning Commission on April 16, 2008. Having considered all the written and documentary evidence, the administrative record, the staff report, oral testimony, and other evidence presented, the Planning Commission hereby makes the following recommendation with reference to the following facts:

RECITALS

1. On January 24, 2006, the Monterey County Board of Supervisors endorsed an Affordable/Workforce Housing Incentive Program Concept in order for an effective program to be developed.
2. On January 24, 2006, the Monterey County Board of Supervisors endorsed an Preliminary Incentive Program for the Commons at Rogge Road Project including the applicant's Affordable Housing Implementation Program.
3. On March 28, 2006 the Monterey County Board of Supervisors approved a Combined Development Permit (PLN030065) which included approval of a tentative map for the Commons at Rogge Road Project (Project). The approval included Condition #61 which required that the developer execute a Workforce Housing Agreement that would specify, among other provisions, certain affordability levels and include an equity sharing component.
4. On April 24, 2007 the final map for the Project was recorded for the Project.
5. On April 24, 2007 a Workforce Housing Agreement was recorded for the Project which, among other provisions, sets forth the provisions for developing the single-family residential component of the project and specific affordability levels, buyer qualification requirements and resale restrictions.
6. On July 18, 2007 Amendment #1 to the Workforce Housing Agreement (Agreement) for the Project was recorded to replace Exhibit B – Map Showing location of Workforce Units with a revised map.
7. On January 18, 2008 the current developer of the Workforce component of the Project submitted a letter requesting modifications to the recorded Agreement due to changes in the regional housing market.

8. Government Code Section 66472.1 permits the amending or modification of a recorded final map, if authorized by local ordinance, and if certain findings are made.
9. Title 19 of the County Code contains the local ordinance authorizing amendments to final recorded maps, and sets forth requirements for amendments to recorded final maps, including requiring that the modification be considered at consecutive public hearings by the appropriate decision making body(s) that approved or recommended approval of the original tentative map.
10. On March 12, 2008 the Monterey County Housing Committee considered the developer's request and forwarded a recommendation onto the Planning Commission and the Board of Supervisors.
11. On March 27, 2008 the Monterey County Standard Subdivision Committee considered the Developer's request and forwarded the request onto the Planning Commission without any comments.
12. On April 1, 2008 the current developer of the Workforce component of the Project submitted a revised request for modifications to the recorded Agreement.
13. Pursuant to Section 66472.1 of the State Map Act the recommended modifications to Condition #61 of the Combined Development Permit approval have been considered in light of changes in circumstances in the housing market conditions that make the requested modifications appropriate and do not impose any additional burden on the fee owners of the real property and do not alter any right, title, or interest in the real property reflected on the recorded map.
14. Pursuant to section 66474 of the State Map Act the recommended modifications to Condition #61 have been considered in light of the following:
 - The recommended modifications:
 - a. are consistent with the Monterey County General Plan;
 - b. do not affect the physical design or improvements contained in the Final Map;
 - c. do not affect the physical suitability of the site for the approved development;
 - d. do not affect the approved density of the Project;
 - e. will not result in any physical changes to the approved Project and will therefore not result in any environmental impacts;
 - f. will not cause any public health problems; and
 - g. will not affect access or use of the Property or easements contained on the Final Map.

DECISION

NOW, THEREFORE, the Planning Commission of the County of Monterey, State of California, hereby recommends that the Board of Supervisors:

1. Adopt the following findings allowing modification of Condition #61:
 - a) There are changes in circumstances relating to the dramatic fall in prices and the tightening of credit within the housing market of the

State and County of Monterey that make the conditions imposed by Condition #61 no longer appropriate.

- b) The proposed modifications to Condition #61 do not impose any additional burden on the fee owners of the real property reflected on the recorded map.
 - c) The proposed modifications to Condition #61 of the recorded map (1) are consistent with the Monterey County General Plan; (2) do not affect the physical design or improvements of the recorded map and are therefore still consistent with the Monterey County General Plan; (3) do not affect the physical suitability of the approved development or the site; (4) do not affect the approved density of the approved development or the site; (5) will not result in any physical changes to the approved Project and will therefore no result in any environmental impacts; (6) will not cause any serious public health problems; and (7) will not affect any easements for access to or use of property within the approved subdivision.
2. Modify Condition of Approval #61 to the Combined Development Permit for the Commons at Rogge Road (PLN030065) to revise the required affordability levels and remove the equity sharing provisions; and
3. Modify the related recorded Workforce Housing Agreement to:
- a) Eliminate the long term affordability restrictions;
 - b) Convert all the single family units to be priced at the Workforce II level for the initial sale;
 - c) Increase the initial buyer income limit to be based on 250% of the Area Median Income and on the number of bedrooms contained in the unit;
 - d) Include provisions to prevent buyer speculation;
 - e) Provide for the County to have the first right of refusal to purchase the units from the initial buyers for a period of 2 years from the date of the initial purchase; and
 - f) Allow the developer to rent unsold units for a period of up to 2 years.

Upon a motion of Commissioner _____,

Seconded by Commissioner _____,

And carried by the following vote:

AYES:
NOES:
ABSENT:

Attachment 2

St

Monterey County Recorder

7/18/2007

Recorded at the request of

8:19:25

County of Monterey

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

County of Monterey
Resource Management Agency
168 W. Alisal Street, 3rd Floor
Salinas, CA 93901
Attn: Housing and Redevelopment Director

DOCUMENT: 2007056576

Titles: 1/ Pages: 6



Fees
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No fee for recording pursuant to
Government Code Section 27383

(Space above for Recorder's Use)

AMENDMENT #1

WORKFORCE HOUSING AGREEMENT

Between Rogge Commons, LLC and the County of Monterey

Pertaining to the Commons at Rogge Road

Recorded on April 24, 2007 (Document #2007032757)

THIS AMENDMENT NO. 1 to the Workforce Housing Agreement between the County of Monterey (the "County") and Rogge Commons, LLC, a California limited liability company (the "Developer") dated March 22, 2007 and recorded on April 24, 2007 (Document #2007032757), is made and entered into by and between the County and the Developer. For purposes of reference, the date of this Amendment No. 1 is July 2, 2007.

WHEREAS, the County and the Developer have heretofore entered into the Workforce Housing Agreement (the "Agreement") dated March 22, 2007, relating to the provision of Workforce Housing within the Rogge Commons Project (the "Project"), which was approved by the County on March 28, 2006.

WHEREAS, the County and the Developer desire to amend the Agreement to replace Exhibit B – Map Showing Location of Workforce Units with a revised map that modifies the location of certain unit types within the Project while maintaining the total numbers of units within each income category as required by the Project approval.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein and in the Agreement, the parties agree as follows:

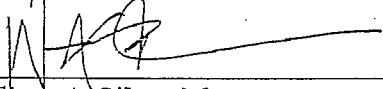
- A. Exhibit B of the Agreement is amended to substitute the Map Showing Location of Workforce Units, dated October 2006 with a revised Map, dated July 2007, (Attachment 1 to this Amendment #1).
- B. Except as herein stated all terms, provisions and exhibits of original agreement are to remain in full force and effect.

C. A copy of this Amendment No. 1 shall be attached to the Workforce Housing Agreement dated March 22, 2007

IN WITNESS WHEREOF, the parties hereby execute this Amendment No. 1 to the Workforce Housing Agreement (The Commons at Rogge Road) as of the day and year last written below.


DEVELOPER:

ROGGE COMMONS, LLC,
a California limited liability company
By: JAWS Land Company, LLC, a California
limited liability company,
Its Sole Member

By: 
William A. Silva, Manager


MCWH:

Monterey County Workforce Housing, Inc., a California nonprofit
public benefit corporation

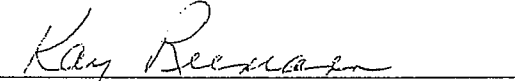
By: 
KENNETH STEEN JR
Its: PRESIDENT

COUNTY:

COUNTY OF MONTEREY, a political subdivision of the State of California

By: 
Jim Cook
Its: Director


APPROVED AS TO FORM:

By: 
Deputy County Counsel

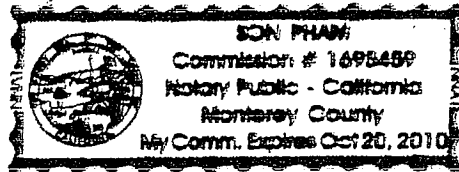
STATE OF CALIFORNIA)
) ss
COUNTY OF MONTEREY)

On JULY 3rd, 2007, before me, SON PHAM,
personally appeared WILLIAM A. SILVA, personally known to me (or 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.

WITNESS my hand and official seal.



Notary Public in and for said
County and State



[SEAL]

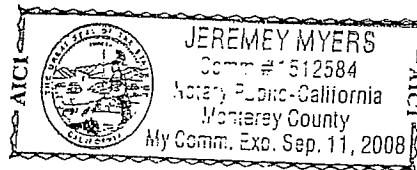
STATE OF CALIFORNIA)
) ss
COUNTY OF MONTEREY)

On July 5th, 2007, before me, Jeremy Myers Notary Public
personally appeared Kenneth Steen, personally known to me (or 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.

WITNESS my hand and official seal.



Notary Public in and for said
County and State



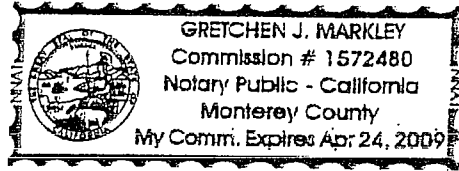
[SEAL]

STATE OF CALIFORNIA)
) ss
COUNTY OF MONTEREY)

On July 17, 2007, before me, GRETCHEN J. MARKLEY, personally appeared Tim Cook, personally known to me (or 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.

WITNESS my hand and official seal.

Gretchen Markley
Notary Public in and for said
County and State



[SEAL]

ATTACHMENT 1

REVISED EXHIBIT B
MAP SHOWING LOCATION OF WORKFORCE UNITS



SCALE: 1" = 100'
 DATE: JULY 2007
 JOB NO. 263
 SHEET 1
 OF 1 SHEETS



APPROVED BY:
 CHARLES E. POTTER R.C.R. No. 25705

LANDSET

ENGINEERS, INC.

5208 CRAZY HORSE CANYON ROAD, SALINAS, CALIFORNIA
 (831) 443-8970 CPOTTER@LANDSETENG.COM FAX (831) 443-3901

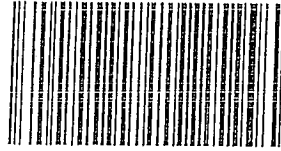
FOR SALE BREAKDOWN
 THE COMMONS @ ROGGE ROAD
 A.P.N.s 211-012-002 & 211-012-040
 CITY OF SALINAS, COUNTY OF MONTEREY, CALIFORNIA

KEY
 M=MODERATE
 F1=WORK FORCE 1
 F2=WORK FORCE 2

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

County of Monterey
Resource Management Agency
168 W. Alisal Street, 3rd Floor
Salinas, CA 93901
Attn: Housing and Redevelopment Director

DOCUMENT: **2007032757**



Titles: 1/ Pages: 79

Fees
Taxes
Other
AMT PAID _____

No fee for recording pursuant to
Government Code Section 27383

(Space above for Recorder's Use)

WORKFORCE HOUSING AGREEMENT
(Master Developer – Workforce For Sale Units)
(The Commons at Rogge Road)

This WORKFORCE HOUSING AGREEMENT ("Agreement") is entered into as of this 22nd day of MARCH 2007, by and among the COUNTY OF MONTEREY, a political subdivision of the State of California (the "County"), Rogge Commons, LLC, a California limited liability company (the "Developer"), and Monterey County Workforce Housing, Inc., a California nonprofit public benefit corporation ("MCWH"), with reference to the following facts:

A. Developer is the owner of certain real property in the County of Monterey, California generally located at the corner of Rogge Road and San Juan Grade Road (the "Master Development Property").

B. Developer has received County approval for the construction of one hundred twenty-three (123) for-sale housing units and forty-eight (48) rental housing units on the Master Development Property, in a one hundred seventy-one (171)-unit development commonly known as The Commons at Rogge Road (the "Master Development"). On March 28, 2006, the County approved an Affordable Housing Program for the Master Development by Board of Supervisors Resolution No. 2006-091 (the "Resolution").

C. Pursuant to the Resolution, Developer will meet the inclusionary housing requirements of the Ordinance for the Master Development by constructing forty-eight (48) rental housing units on the Property (the "Inclusionary Rental Units") and renting them to very low, low, and moderate income households at affordable rents. Developer and the County have entered into an Inclusionary Housing Agreement (Master Developer-Inclusionary Rental Units) dated MARCH 22, 2007 (the "Inclusionary Housing Agreement"), which sets forth the parties' agreements concerning the construction of the Inclusionary Rental Units.

D. The Resolution further provides that the Developer will sell all one hundred twenty-three (123) for-sale housing units in the Master Development (the "Workforce Units") to households with incomes between one hundred ten-percent (110%) and one hundred eighty percent (180%) of area median income at affordable prices, as further set forth in the Resolution

and this Agreement. The portion of the property where the Workforce Units will be constructed is referred to in this Agreement as the "Workforce Unit Property" and is described in Exhibit A attached hereto and incorporated herein. Pursuant to the Resolution, this Agreement shall be executed prior to recordation of the Final Subdivision Map for the Property, and recorded against the Property immediately following the recordation of the Final Subdivision Map for the Property.

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

Section 1. Definitions. In addition to those terms defined in the Recitals to this Agreement, the following terms have the following meanings in this Agreement:

- (a) "Administrative Manual" means the manual prepared pursuant to subsection 18.40.110H of the Inclusionary Housing Ordinance.
- (b) "Affordable" means the sales prices meeting the requirements set forth in Section 8 of this Agreement.
- (c) "Eligible Buyer" means a Moderate Income Household, Workforce I Household, or Workforce II Household, who has been determined by MCWH to be income eligible to purchase a Workforce Unit.
- (d) "First Approval" means the first approval to occur with respect to the Master Development.
- (e) "Homebuyer/MCWH Deed of Trust" means the deed of trust, in the form attached hereto as Exhibit G, executed by each buyer of a Workforce Unit at the time of purchase of the Workforce Unit, running to the benefit of MCWH and securing the buyer's performance under the Homebuyer Agreement and the Homebuyer/Housing Trust Note.
- (f) "Homebuyer/MCWH Note" means the promissory note, in the form attached hereto as Exhibit F, executed by each buyer of a Workforce Unit at the time of purchase of the Workforce Unit, and running to the benefit of MCWH.
- (g) "Indemnitees" is defined in Section 17.
- (h) "Maximum Initial Sales Price" means the purchase price for Workforce Units that are Affordable to Moderate Income Households, Workforce I Households and Workforce II Households, determined pursuant to Section 8 of this Agreement.
- (i) "MCWH" means Monterey County Workforce Housing, Inc., a California nonprofit public benefit corporation.

(j) "Median Income" means the median household income as determined by the California Department of Housing and Community Development for the Salinas Metropolitan Statistical Area on an annual basis.

(k) "Moderate Income Household" means a household with an annual income which does not exceed one hundred twenty percent (120%) of the Median Income, adjusted for household size.

(l) "Moderate Income Unit" means a housing unit reserved for sale to Moderate Income Households at an Affordable sales price.

(m) "Property" means the legal parcel(s) of land on which the Workforce Units will be constructed.

(n) "Resale Restriction Agreement" means a Workforce Buyer's Occupancy and Resale Restriction Agreement, in the form attached hereto as Exhibit E, to be executed by each buyer of a Workforce Unit and MCWH and recorded against the Workforce Unit at the time of purchase by the buyer.

(o) "Workforce I Household" means a household with an annual income which does not exceed one hundred forty percent (140%) of Median Income, adjusted for household size.

(p) "Workforce I Unit" means a housing unit reserved for sale to Workforce I Households at an Affordable sales price.

(q) "Workforce II Household" means a household, with an annual income which does not exceed one hundred eighty percent (180%) of the Median Income, adjusted for household size.

(r) "Workforce II Unit" means a housing unit reserved for sale to Workforce II Households at an Affordable sales price.

(s) "Workforce Unit" shall mean a housing unit qualifying as a Moderate Income Unit, a Workforce I Unit, or a Workforce II Unit pursuant to this Agreement.

(t) "Workforce Unit Property" shall mean the portion of the Property where the Workforce Units will be constructed, as described in Exhibit A attached hereto and incorporated herein.

Section 2. Satisfaction of Workforce Housing Obligation and Conditions of Approval. The workforce housing conditions of the Resolution shall be satisfied with respect to the Master Development Property if the following conditions are met: (a) Developer constructs or causes to be constructed the Workforce Units meeting the requirements of Sections 3 through 5 below, and the Workforce Units are sold to homebuyers in compliance with Sections 7 through 9 below.

Section 3. Number of Workforce Units. To satisfy the Developer's workforce housing requirements pursuant to the Resolution, Developer shall construct, or cause to be constructed, at least onehundred twenty-three (123) Workforce Units, of which nineteen (19) shall be Moderate Income Workforce Units, fifty-nine (59) shall be Workforce I Units, and forty-five (45) shall be Workforce II Units.

Section 4. Location of Workforce Units. The Workforce Units shall be constructed on the Property in the location(s) shown or described in the attached Exhibit B, and with the Moderate Income Units, Workforce I Units and Workforce II Units reasonably intermingled throughout the Property.

Section 5. Appearance, Size and Bedroom Count. The Workforce Units shall be detached single family three and four bedroom homes, all of the same general design and appearance.

Section 6. Schedule for Developing Workforce Units. Developer shall construct the Workforce Units concurrently with the Inclusionary Units, pursuant to the schedule set forth in the Inclusionary Housing Agreement.

Section 7. Sale by Developer to Eligible Buyers. Following completion of construction, the Developer shall sell nineteen (19) Workforce Units to Moderate Income Households, fifty-nine (59) Workforce Units to Workforce I Households, and forty-five (45) Workforce Units to Workforce II Households, all at Affordable purchase prices as described in Section 8 below. Developer shall deliver to the County satisfactory evidence of homebuyer income eligibility prior to each close of a sale of a home to an Eligible Buyer. Developer shall conduct marketing efforts in both English and Spanish, and shall sell all units in compliance with applicable state and federal fair housing requirements. Developer may implement employee and geographic preferences in buyer selection, subject to compliance with applicable fair housing requirements. Purchase contracts between Developer and Eligible Buyers shall include requirements that buyers execute documents for the benefit of MCWH described in Section 9 below.

Section 8. Affordable Purchase Prices.

(a) The Workforce Units shall be sold to Eligible Buyers at prices that do not exceed the Maximum Initial Sales Prices calculated pursuant to the formula set forth in subsection 8(b) below. Maximum Initial Sales Prices for the Workforce Units, as of the date of this Agreement (and subject to change annually when published income figures are updated by the California Department of Housing and Community Development) are shown in Exhibit C attached hereto and incorporated herein. Developer acknowledges and agrees that Maximum Initial Sales Prices are determined based on current income levels in the County, changes to which are published annually by the California Department of Housing and Community Development, the number of bedrooms in the Workforce Unit, and the County's determination of the allowance for homeowners' association dues, property taxes and assessments, and insurance costs. Developer agrees that the allowance for homeowners' association dues, property taxes and assessments and insurance costs shall be calculated by the County on an annual basis in the exercise of its reasonable discretion within ten (10) days of the California Department of

Housing and Community Development's publication of current income levels and the provision of information by the Developer necessary for the County to establish the allowance for homeowners' association dues, property taxes and assessments and insurance costs. The County's calculation of Maximum Initial Sales Prices shall be determinative and binding upon Developer. The Developer shall contact the County for verification that it possesses the most current and accurate Maximum Initial Sales Prices prior to marketing any of the Workforce Units. The Maximum Initial Sales Price established for each Workforce Unit by the County shall be the absolute maximum price that the Developer may charge for a standard Workforce Unit or may receive as compensation for a standard Workforce Unit. A standard Workforce Unit shall generally have all the features described in Exhibit H. The Developer may not charge or receive any additional amount for a standard Workforce Unit regardless of whether the additional amount is (i) paid through escrow or outside of escrow, (ii) paid prior to, after or as part of the purchase escrow, or (iii) paid in cash or in kind. Developer may charge homebuyers additional amounts for the options, upgrades or additional improvements to the Workforce Unit described in Exhibit H to this Agreement, as requested by the homebuyer prior to close of escrow and as paid through escrow as part of the purchase escrow.

(b) The County shall provide Developer with the Maximum Initial Sales Prices for the Workforce Units on an annual basis within ten (10) days of publication of the updated Median Income by the California Department of Housing and Community Development. The Maximum Initial Sales Prices shall be calculated as follows:

(i) Moderate Income Units.

(A) Determine appropriate household size, which shall be the number of bedrooms in the unit plus one (1) person;

(B) Identify Median Income for the appropriate household;

(C) Determine the monthly household allowance by (I) multiplying 35% times 110% of Median Income for the appropriate household size, and (II) dividing by 12 months.

(D) Determine the Maximum Initial Sales Price based on the following assumptions with respect to the monthly mortgage payment: (I) 7.5% fixed interest rate mortgage, (II) 30-year mortgage with principal and interest fully-amortized over the term of the mortgage, and (III) 10% downpayment upon purchase, and taking into consideration the actual projected monthly cost for homeowners association dues, and an allowance for property taxes, assessments and insurance costs equal to 1.25% of the Maximum Initial Sales Price.

(ii) Workforce I Units.

(A) Determine appropriate household size, which shall be the number of bedrooms in the unit plus one (1) person;

(B) Identify 140% of Median Income for the appropriate household;

(C) Determine the monthly household allowance by (I) multiplying 35% times 140% of Median Income for the appropriate household size, and (II) dividing by 12 months.

(D) Determine the Maximum Initial Sales Price based on the following assumptions with respect to the monthly mortgage payment: (I) 7.5% fixed interest rate mortgage, (II) 30-year mortgage with principal and interest fully-amortized over the term of the mortgage, and (III) 10% downpayment upon purchase, and taking into consideration the actual projected monthly cost for homeowners association dues, and an allowance for property taxes, assessments and insurance costs equal to 1.25% of the Maximum Initial Sales Price.

(iii) Workforce II Units.

(A) Determine appropriate household size, which shall be the number of bedrooms in the unit plus one (1) person;

(B) Identify 180% of Median Income for the appropriate household;

(C) Determine the monthly household allowance by (I) multiplying 35% times 180% of Median Income for the appropriate household size, and (II) dividing by 12 months.

(D) Determine the Maximum Initial Sales Price based on the following assumptions with respect to the monthly mortgage payment: (I) 7.5% fixed interest rate mortgage, (II) 30-year mortgage with principal and interest fully-amortized over the term of the mortgage, and (III) 10% downpayment upon purchase, and taking into consideration the actual projected monthly cost for homeowners association dues, and an allowance for property taxes, assessments and insurance costs equal to 1.25% of the Maximum Initial Sales Price.

Section 9. Homebuyer Documents and Security Instruments. Prior to the sale of each Workforce Unit, Developer shall ensure that:

(a) The Eligible Buyer and MCWH execute a Resale Restriction Agreement. The Resale Restriction Agreement shall be recorded against the Workforce Unit Property at close of escrow on the Sale to the Eligible Buyer. The Resale Restriction Agreement shall be recorded prior to any deed of trust or mortgage on the Workforce Unit Property, and shall not be subordinated to any deed of trust or mortgage on the Workforce Unit Property, except as expressly set forth herein.

(b) The Eligible Buyer signs a Homebuyer/MCWH Note that obligates the Eligible Buyer to pay MCWH a share of appreciation in Workforce Unit, in conformance with the requirements of Exhibit D, attached hereto and incorporated herein.

(c) The Eligible Buyer signs a Homebuyer/MCWH Deed of Trust to secure performance of the Buyer's covenants under the Resale Restriction Agreement and payment of the amounts due under the Homebuyer/MCWH Note if the Eligible Buyer fails to comply with

the terms of the Resale Restriction Agreement. The Homebuyer/MCWH Deed of Trust shall be recorded against the Workforce Unit, subordinate only to the Resale Restriction Agreement and the lien for the first mortgage loan and second mortgage loan, if any, obtained by the homebuyer to finance the purchase of the Workforce Unit.

(d) The County has received a copy of the preliminary Department of Real Estate public report for the Master Development, including the Workforce Units.

Section 10. County Approval of Documents. The following documents, to be approved in writing by the County, shall be used in connection with the development and sale of the Workforce Units. Approval of the following documents by the County shall be required prior to the issuance of building permits for the Workforce Units.

(a) A schedule of Maximum Initial Sales Prices for the Workforce Units, subject to adjustment to reflect published changes in Median Income.

(b) Form of Resale Restriction Agreement, Homebuyer/MCWH Note, and Homebuyer/MCWH Deed of Trust, substantially in the forms shown in Exhibits E, F, and G to this Agreement, and conforming to the requirements set forth in Exhibit D.

Section 11. Compliance Reports, Inspections, Monitoring. Following completion of construction of any of the Workforce Units, a compliance report verifying compliance by Developer with the terms of this Agreement, and certified as correct by the Developer under penalty of perjury, shall be submitted quarterly to the County on the first (1st) calendar day of each January, April, July and October, following the date of the first sale of a Workforce Unit to an Eligible Buyer, and continuing until all Workforce Units have been sold to Eligible Buyers. Further, for a period of five (5) years following the date of the last initial sale of the Workforce Units and commencing no later than the date one (1) year from the date of the last sale, MCWH shall submit to the County an annual status report documenting the initial sales prices for the Workforce Units, the restricted resale prices for all Workforce Units that have resold, and MCWH's share of all appreciation upon resale. Developer shall retain all records related to compliance with obligations under this Agreement and the Resolution for a period not less than five (5) years from the date of sale of the last of all Workforce Units and make them available to County employees or others designated by the County for inspection and copying on five (5) business days' written notice. Developer shall permit County employees or others designated by the County to inspect the Property to monitor compliance with this Agreement following two (2) business days' written notice to Developer, and the Developer shall cooperate fully in such monitoring.

Section 12. Release of Property From Agreement. The covenants and conditions herein contained shall apply to and bind, during their respective periods of fee ownership, Developer and its heirs, executors, administrators, successors, transferees, and assignees having or acquiring any right, title or interest in or to any part of the Property and shall run with and burden such portions of the Property until terminated in accordance with this Section 12. Until portions of the Property are released from the burdens of this Agreement pursuant to this Section 12, the owners of fee title to the Property shall expressly make the conditions and covenants contained in this Agreement a part of any deed or other instrument conveying any interest in such

property. As Workforce Units are sold to Eligible Buyers in compliance with this Agreement, and Resale Restriction Agreement and Homebuyer/MCWH Deeds of Trust are recorded against the Workforce Units, the portions of the Workforce Unit Property sold to Eligible Buyers shall be released from the burdens of this Agreement, and the County shall record a Notice of Release in substantially the form attached hereto as Exhibit J to evidence such release with respect to the portion of the Workforce Unit Property sold upon the closing of such sale to an Eligible Buyer in compliance with this Agreement.

Section 13. Default and Remedies. Failure of the Developer to cure any default in the Developer's obligations under the terms of this Agreement within thirty (30) days after the delivery of a notice of default from the County will constitute a default under this Agreement and a failure to satisfy the conditions of approval with respect to the Property and, in addition to remedies for breach of this Agreement, the County may exercise any and all remedies available to it under the Subdivision Map Act, or otherwise, with respect to the Developer's failure to satisfy the conditions of Approval, including but not limited to:

(a) withholding, conditioning, suspending or revoking any permit, license, subdivision approval or map, or other entitlement for the Master Development, including without limitation final inspections for occupancy and/or certificates of occupancy;

(b) instituting against the Developer, or other parties, a civil action for declaratory relief, injunction or any other equitable relief, or relief at law, including without limitation an action to rescind a transaction and/or to require repayment of any funds received in connection with such a violation;

~~(c) where one or more persons have received financial benefit as a result of~~ violation of this Agreement or of any requirement imposed under the Resolution, the County may assess, and institute legal action to recover as necessary, a penalty in any amount up to and including the amount of financial benefit received, in addition to recovery of the benefit received; or,

(d) any other means authorized under the Monterey County Code.

Section 14. Remedies Cumulative. No right, power, or remedy given to the County by the terms of this Agreement or the Resolution is intended to be exclusive of any other right, power, or remedy; and each and every such right, power, or remedy shall be cumulative and in addition to every other right, power, or remedy given to the County by the terms of any such document, the Resolution, or by any statute or otherwise against Developer and any other person. Neither the failure nor any delay on the part of the County to exercise any such rights and remedies shall operate as a waiver thereof, nor shall any single or partial exercise by the County of any such right or remedy preclude any other or further exercise of such right or remedy, or any other right or remedy.

Section 15. Attorneys Fees and Costs. The County shall be entitled to receive from the Developer or any person violating the requirements of this Agreement, in addition to any remedy otherwise available under this Agreement or at law or equity, whether or not litigation is instituted, the costs of enforcing this Agreement, including without limitation reasonable attorneys' fees and the costs of County staff time.

Section 16. Appointment of Other Agencies. At its sole discretion, the County may designate, appoint or contract with any other public agency, for-profit or non-profit organization to perform some or all of the County's obligations under this Agreement.

Section 17. Hold Harmless. Developer will indemnify and hold harmless (without limit as to amount) County and its elected officials, officers, employees and agents in their official capacity (hereinafter collectively referred to as "Indemnitees"), and any of them, from and against all loss, all risk of loss and all damage (including expense) sustained or incurred because of or by reason of any and all claims, demands, suits, actions, judgments and executions for damages of any and every kind and by whomever and whenever made or obtained, allegedly caused by, arising out of or relating in any manner to the Master Development, the Workforce Units, or Developer's performance or non-performance under this Agreement, including without limitation any claims related to the construction and sale of the Workforce Units, and shall protect and defend Indemnitees, and any of them with respect thereto, except to the extent arising from the gross negligence or willful misconduct of the County. The provisions of this section shall survive expiration or other termination of this Agreement or any release of part or all of the Property from the burdens of this Agreement, and the provisions of this section shall remain in full force and effect.

Section 18. Insurance Requirements. Until the initial sale of all of the Workforce Units to Eligible Buyers has been consummated in compliance with this Agreement, Developer and its successors and assigns acquiring title to the Property shall obtain, at their expense, comprehensive general liability insurance for development of the Workforce Units, naming Indemnitees as additional named insureds with aggregate limits of not less than Five Million Dollars (\$5,000,000), for bodily injury and death and property damage, including coverages for contractual liability and products and completed operations, purchased by Developer or its successors or assigns from an insurance company duly licensed to engage in the business of issuing such insurance in the State, with a current Best's Key Rating of not less than A-V, such insurance to be evidenced by an endorsement which so provides and delivered to the County Housing and Redevelopment Office prior to the issuance of any building permit for the Workforce Units.

Section 19. Notices. All notices required pursuant to this Agreement shall be in writing and may be given by personal delivery or by registered or certified mail, return receipt requested, to the party to receive such notice at the addressed set forth below:

To the County: County of Monterey
Resource Management Agency
168 W. Alisal Street, 3rd Floor
Salinas, CA 93901
Attn: Housing and Redevelopment Director

With a copy to: County of Monterey
Office of County Counsel
168 W. Alisal Street, 3rd Floor
Salinas, CA 93901

Attn: Kay Reimann

To the Developer: Rogge Commons, LLC
c/o William A. Silva
24571 Silver Cloud Court, Suite 101
Monterey, CA 93940

To MCWH: Monterey County Workforce Housing, Inc.
751 Neeson Road
Marina, CA 93933
Attn: Affordable Housing Program Coordinator

Any party may change the address to which notices are to be sent by notifying the other parties of the new address, in the manner set forth above.

Section 20. Integrated Agreement. This Agreement constitutes the entire Agreement between the parties and no modification hereof shall be binding unless reduced to writing and signed by the parties hereto.

Section 21. Duration and Amendment of Agreement. This Agreement shall remain in effect for a period of five (5) years following the sale of all of the Workforce Units to Eligible Buyers, as required to ensure that Developer complies with its records retention obligations under Section 11 of this Agreement. This Agreement, and any section, subsection, or covenant contained herein, may be amended only upon the written consent of the Resource Management Agency Director or his/her designee, who shall have authority to approve or disapprove minor or technical amendments on behalf of the County. If the amendment makes a substantive or material change to this Agreement it shall be effective only following approval of the County Board of Supervisors.

Section 22. No Claims. Nothing contained in this Agreement shall create or justify any claim against the County by any person that Developer may have employed or with whom Developer may have contracted relative to the purchase of materials, supplies or equipment, or the furnishing or the performance of any work or services with respect to the Property or the construction of the Master Development.

Section 23. Applicable Law. This Agreement shall be governed by California law.

Section 24. Waivers. Any waiver by the County of any obligation or condition in this Agreement must be in writing. No waiver will be implied from any delay or failure by the County to take action on any breach or default of Developer or to pursue any remedy allowed under this Agreement or applicable law. Any extension of time granted to Developer to perform any obligation under this Agreement shall not operate as a waiver or release from any of its obligations under this Agreement. Consent by the County to any act or omission by Developer shall not be construed to be a consent to any other or subsequent act or omission or to waive the requirement for the County's written consent to future waivers.

Section 25. Title of Parts and Sections. Any titles of the sections or subsections of this Agreement are inserted for convenience of reference only and shall be disregarded in interpreting any part of the Agreement's provisions.

Section 26. Multiple Originals: Counterpart. This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

Section 27. Recording of Agreement. The Developer shall cause this Agreement to be recorded against the Workforce Unit Property in the Official Records of the County of Monterey.

Section 28. Severability. In the event any limitation, condition, restriction, covenant, or provision contained in this Agreement is to be held invalid, void or unenforceable by any court of competent jurisdiction, the remaining portions of this Agreement shall nevertheless, be and remain in full force and effect.

Section 29. No Third Party Beneficiaries. There shall be no third party beneficiaries to this Agreement.

Section 30. Exhibits. The following exhibits are attached to this Agreement:

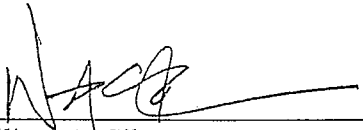
- Exhibit A Legal Description of the Workforce Unit Property
- Exhibit B Map Showing Location of Workforce Units, Including Indication of Location of Moderate Income Units, Workforce I Units and Workforce II Units
- Exhibit C Maximum Initial Sales Prices for the Workforce Units and Maximum Income Level of Homebuyers
- Exhibit D Requirements for Homebuyer Documents
- Exhibit E Form of Resale Restriction Agreement
- Exhibit F Form of Homebuyer/MCWH Note
- Exhibit G Form of Homebuyer/MCWH Deed of Trust
- Exhibit H Standard Features and Possible Options and Upgrades
- Exhibit I Form of Notice of Release

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

DEVELOPER:

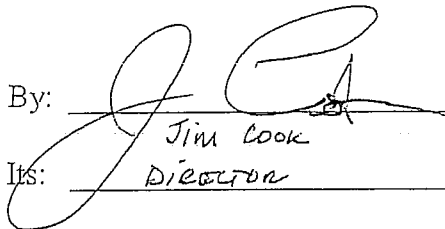
ROGGE COMMONS, LLC,
a California limited liability company

By: JAWS Land Company, LLC, a California
limited liability company,
Its Sole Member

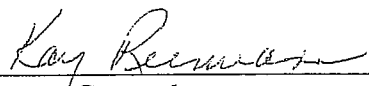
By: 
William A. Silva, Manager

COUNTY:

COUNTY OF MONTEREY, a political
subdivision of the State of California

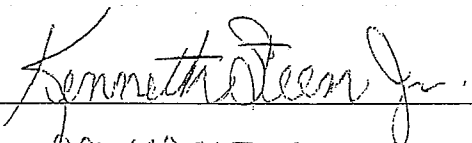
By: 
Jim Cook
Its: Director

APPROVED AS TO FORM:

By: 
County Counsel

MCWH:

Monterey County Workforce Housing, Inc., a
California nonprofit public benefit corporation

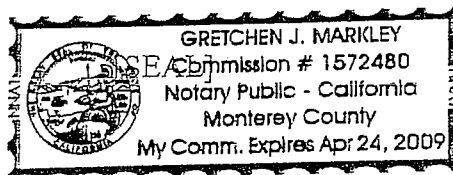
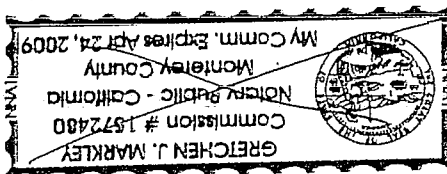
By: 
Its: PRESIDENT

STATE OF CALIFORNIA)
) ss
COUNTY OF MONTEREY)

On MARCH 22, 2007, before me, GRETCHEN J. MARKLEY, personally appeared WILLIAM L. SILVA, personally known to me (or 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.

WITNESS my hand and official seal.

Gretchen Markley
Notary Public in and for said
County and State



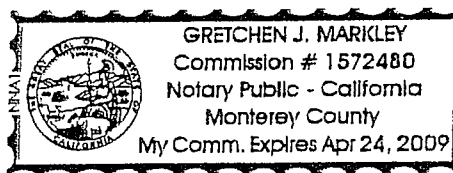
STATE OF CALIFORNIA)
) ss
COUNTY OF MONTEREY)

On MARCH 22, 2007, before me, GRETCHEN J. MARKLEY, personally appeared Jim Cook, personally known to me (or 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.

WITNESS my hand and official seal.

Gretchen Markley
Notary Public in and for said

County and State



[SEAL]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

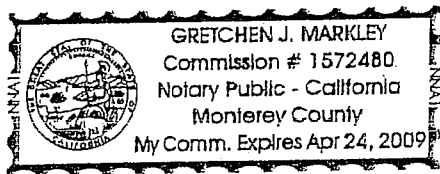
County of MONTEREY

ss.

On MARCH 23, 2007 before me, GRETCHEN J. MARKLEY
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared KENNETH STEEN, JR
Name(s) of Signer(s)

- personally known to me
- 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.

WITNESS my hand and official seal.

Gretchen Markley
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: WORKFORCE HOUSING AGREEMENT - ROGEE ROAD

Document Date: MARCH 22, 2007 Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____

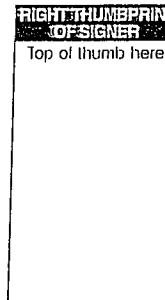


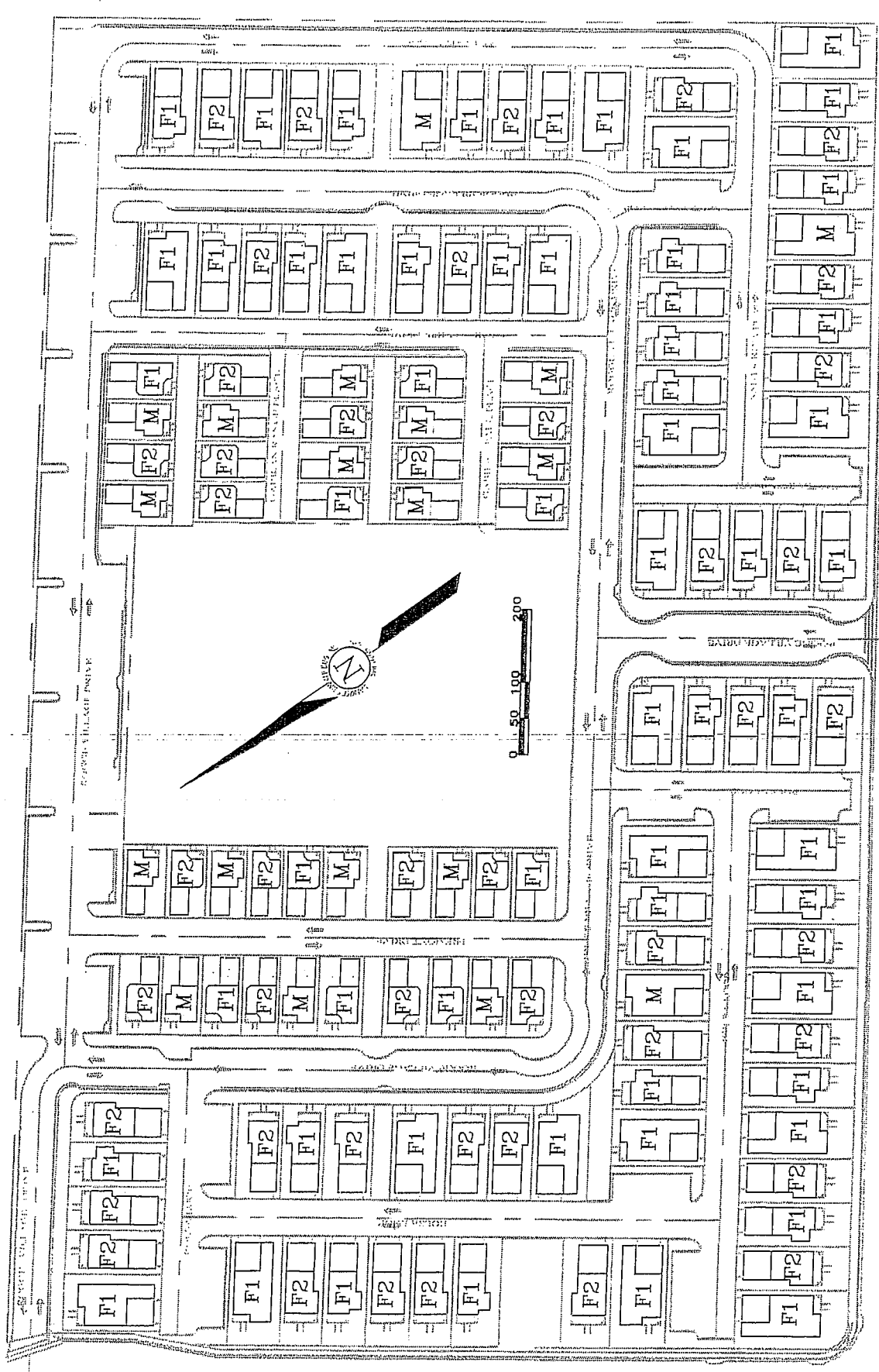
EXHIBIT A

LEGAL DESCRIPTION OF THE WORKFORCE UNIT PROPERTY

That certain real property located in the unincorporated area of the County of Monterey, State of California, described as Lots 1 through 123 as shown on that certain map entitled, "Tract No. 1484 The Commons at Rogge Road," filed in Volume 24 of Maps, "Cities and Towns", at Page 3, in the office of the County Recorder of the County of Monterey, State of California.

EXHIBIT B

MAP SHOWING LOCATION OF WORKFORCE UNITS,
INCLUDING INDICATION OF LOCATION OF MODERATE INCOME UNITS,
WORKFORCE I UNITS AND WORKFORCE II UNITS



KEY
 M=MODERATE
 F1=WORK FORCE 1
 F2=WORK FORCE 2

FOR SALE BREAKDOWN
 THE COMMONS @ ROGGE ROAD
 A.P.N.s 211-012-002 & 211-012-040
 CITY OF SALINAS, COUNTY OF MONTEREY, CALIFORNIA

LANDSET
 ENGINEERS, INC.
 5208 CRAZY HORSE CANYON ROAD, SALINAS, CALIFORNIA
 (831) 443-8870 CPOTTER@LANDSETENG.COM FAX (831) 443-3801

APPROVED BY:

CHARLES E. POTTER R.C.E. No. 26705



SCALE: 1" = 100'
 DATE: OCT. 2006
 JOB NO. 263
 SHEET 1
 OF 1 SHEETS

EXHIBIT C

MAXIMUM INITIAL SALES PRICES
AND MAXIMUM INCOME LEVELS FOR HOMEBUYERS

(Effective only until updated by County after publication of new income limits by the California Department of Housing and Community Development and calculation of updated allowances for HOA dues, property taxes, assessments and insurance)

I. Maximum Initial Sales Prices.

A. Moderate Income Units

3 Bedroom	\$273,553
4 Bedroom	\$295,551

B. Workforce I Units

3 Bedroom	\$348,342
4 Bedroom	\$376,136

C. Workforce II Units

3 Bedroom	\$447,723
4 Bedroom	\$483,517

II. Maximum Income of Homebuyers

A. Moderate Income

8 person household	\$98,500
7 person household	\$92,500
6 person household	\$86,500
5 person household	\$80,600
4 person household	\$74,600
3 person household	\$67,100
2 person household	\$59,700
1 person household	\$52,200

B. Workforce I

8 person household	\$114,940
7 person household	\$107,940
6 person household	\$101,080
5 person household	\$94,080
4 person household	\$87,080
3 person household	\$78,400
2 person household	\$69,720
1 person household	\$60,900

C. Workforce II

8 person household	\$147,780
7 person household	\$138,780
6 person household	\$129,960
5 person household	\$120,960
4 person household	\$111,960
3 person household	\$100,800
2 person household	\$89,640
1 person household	\$78,300

EXHIBIT D

REQUIREMENTS FOR HOMEBUYER DOCUMENTS

1. Shared Appreciation between Homeowner and MCWH, including the following elements:

Appreciation is difference between the purchase price paid by the selling Homebuyer and the restricted resale price under the Resale Restriction Agreement. The Homebuyer's share of appreciation upon resale shall be based upon the percentage set forth below less applicable administrative fees and costs:

- Resale in year one is 10% appreciation to homeowner, 90% to MCWH
- Resale in year two is 20% appreciation to homeowner, 80% to MCWH
- Resale in year three is 30% appreciation to homeowner, 70% to MCWH
- Resale in year four is 40% appreciation to homeowner, 60% to MCWH
- Resale in year five is 50% appreciation to homeowner, 50% to MCWH
- Resale in year six is 60% appreciation to homeowner, 40% to MCWH
- Resale in year seven is 70% appreciation to homeowner, 30% to MCWH
- Resale in year eight is 80% appreciation to homeowner, 20% to MCWH
- Resale in year nine is 90% appreciation to homeowner, 10% to MCWH
- Resale in years ten through 20 is 100% appreciation to homeowner, 0% to MCWH

2. Resale Restriction Agreement between Homeowner and MCWH, including the following elements:

- 20-year term, new 20-year term begins again on transfer with new buyer signing new documents meeting requirements of this Exhibit D, with the resale price and the homebuyer's share of appreciation to be restricted for 20 years on the terms set forth herein

- Homeowner may not rent the unit out except under following conditions: (i) approved in writing by MCWH as necessary due to extreme hardship circumstances of owner as determine by MCWH in its sole and absolute discretion; (ii) no longer than 18-month rental; (iii) rental must be to Moderate Income Household at an affordable rent, as defined in County Administrative Manual

- Resale price limited to initial purchase price paid by the homeowner plus 5% increase a year based on initial purchase price (including cost of upgrades, options, and additional improvements), plus documented value of capital improvements installed by homeowner with County permits, provided initial cost of the capital improvements was at least 1 % of homeowner's purchase price (but not to exceed market value of unit)

- Buyers on resale must be income eligible at same income level as initial owner, with income certification at resale to be performed by MCWH unless MCWH determines in its reasonable discretion, after diligent efforts to transfer a Workforce Unit to a purchaser with the same income level as the initial owner, that the purchaser may be income eligible at a different income level

- Units may be devised or inherited without regard to income but new owner is bound by homeowner documents, which continue with original 20 term continuing to run

- MCWH shall have right of first refusal/option to buy each Workforce Unit upon resale for the restricted resale price

A maximum administrative fee of 3% of the restricted resale price shall be due MCWH upon resale; provided that such fee shall be reduced by MCWH's share of appreciation.

Attachment 3

Before the Board of Supervisors in and for the
County of Monterey, State of California

Endorse Draft Affordable/Workforce)
Housing Program Concepts.....)

Upon motion of Supervisor Armenta, seconded by Supervisor Potter, and carried by those members present, effective January 24, 2006, the Board hereby;

Endorses the draft Affordable/Workforce Housing Program concept and direct staff to prepare regulations and environmental review for consideration by the Planning Commission and Board of Supervisors.

PASSED AND ADOPTED on this 24th day of January, 2006, by the following vote,
to-wit:

AYES: Supervisors Armenta, Calcagno, Lindley, Smith and Potter

NOES: None

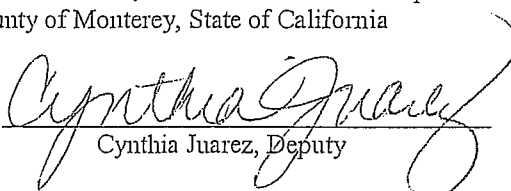
ABSENT: None

I, Lew C. Bauman, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof in Minute Book 73, on January 24, 2006.

Dated: February 6, 2006

Lew C. Bauman, Clerk of the Board of Supervisors,
County of Monterey, State of California

By:


Cynthia Juarez, Deputy

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING: January 24, 2006 – 3 p.m.	AGENDA NO.:
SUBJECT: Endorse the Draft Affordable/Workforce Housing Program Concept	
DEPARTMENT: Resource Management Agency-Housing and Redevelopment Office	

RECOMMENDATION

It is recommended that the Board of Supervisors endorse the draft Affordable/Workforce Housing Program concept and direct staff to prepare regulations and environmental review for consideration by the Planning Commission and Board of Supervisors.

SUMMARY

The County's Housing Office has been directed by the Board of Supervisors to prepare an Affordable/Workforce Housing Incentive Program. The recommended actions provide staff with specific direction relative to preparing the regulations to implement the Program.

DISCUSSION

The Affordable/Workforce Housing Incentive Program is intended to encourage housing developers to construct projects that include significant amounts of affordable housing that are located on appropriate sites and embody "smart growth" design principles. The draft Program includes two components, the State Density Bonus provisions and the 100% Affordable/Workforce Incentive Program. The draft Program Statement (Attachment 1) describes the primary objectives, the qualifying criteria for projects, the incentives to be offered, and the basic operational considerations of both Program components as summarized below:

State Density Bonus Provisions

On January 1, 2005 revisions to the State Density Bonus Law (Government Code Section 65915) went into effect. State law currently requires local jurisdictions to provide one or more incentives to projects that provide a minimum of 5 percent very low, 10 percent low, 10 percent moderate, or qualified senior housing. The State provisions have been incorporated into the proposed Incentive Program as follows:

- o Potential incentives include modification to development standards, density bonuses, and fee waivers.
- o Projects will be processed consistent with existing procedures.
- o Incentives will be finalized during the project approval process.
- o A new County Density Bonus Ordinance will be prepared and adopted to formalize this component of the Program.

100% Affordable/Workforce Projects

As specified in the existing Housing Element of the General Plan, the draft Affordable Housing Incentive Program includes a 100 % affordable component as summarized below:

- Projects must be affordable to very low, low, moderate and Workforce Level I and II
- To qualify, projects must meet stated criteria related to site location, project characteristics, and project economics.
- Projects are provided with specific incentives to make the project economically feasible and address project design objectives, including modifications to development regulations, density bonuses, processing fee reductions and waivers, entitlement facilitation, special marketing preferences, and adjustments to affordability levels.
- The Board of Supervisors will make a preliminary determination regarding project compliance with the stated qualifying criteria for the Program and specify the incentives to be offered prior to the formal processing of the project. The qualifying evaluation and incentives will be finalized as part of the actual project approval.
- As part of project approvals, the developer will be required to execute housing agreements that provide the details for implementation.
- This component of the Program will be regulated through a new 100% Affordable/Workforce Housing Ordinance.

OTHER AGENCY INVOLVEMENT:

A Subcommittee of the County Housing Advisory Committee provided direction to staff on finalizing the draft Program Statement. On December 14, 2005, the full Housing Advisory Committee adopted a recommendation to forward the Program Statement onto the Planning Commission and Board of Supervisors for consideration. On January 11, 2006, the Planning Commission conducted a workshop to review the draft Program Statement and voted to recommend that the concepts contained in the Program Statement be endorsed by the Board of Supervisors, and that staff be directed to prepare the necessary regulations and environmental review for consideration by the Planning Commission and Board of Supervisors.

FINANCING:

Preparation of the Program regulations and environmental review will be funded by Fund 011 Budget Unit 287 utilizing existing staff resources and budget appropriations. There is no fiscal impact on the General Fund.

Prepared by:


 Jim Cook
 Director-Housing and Redevelopment Office

ATTACHMENT 1

MONTEREY COUNTY AFFORDABLE/WORKFORCE HOUSING INCENTIVE PROGRAM

Draft Program Statement

January 3, 2006

INTRODUCTION AND SUMMARY:

The Affordable/Workforce Housing Incentive Program (Program) is intended to encourage the production of affordable housing by offering a range of incentives to private developers and non-profit housing providers who provide an amount of affordable housing that exceeds the County's Inclusionary Housing requirements. The incentives to be offered include modifications to standard development regulations, increases in allowed densities, fee reductions and deferrals, development processing assistance and other forms of financial assistance. The level of project assistance will be commensurate with the amount of affordable housing provided and the level of affordability provided.

For projects that are determined to qualify for the State Density provisions, applicants would apply for density bonuses and other incentives as part of the project application processing as is currently done. For projects which are 100% affordable to very low, low, moderate and workforce income level households, applicants would apply to be processed under the program prior to submitting the development application to the Planning Department formal processing. The project would be evaluated against the stated criteria in the Program by the Housing Advisory Committee (HAC), with assistance provided by the Resource Management Agency (RMA) staff. The HAC would determine if the project qualifies for the Program, appropriate incentives to be recommended; and any changes to the project that are recommended to better meet the Program criteria. A preliminary determination would be made by the Board of Supervisors relative to if a project qualifies for the Program and what incentives would be offered by the County prior to formal processing of the project entitlements. Compliance with the Program qualifying criteria and the specific incentives would be finalized as part of formal action on the project application.

BACKGROUND:

The County's Housing and Redevelopment Office has been working on identifying effective mechanisms to encourage the private sector to produce more affordable housing and further assist non-profit housing related organizations. To that end, in late 2003, the Board of Supervisors designated two projects as "pilot projects" for the purpose of "testing" various approaches to providing effective incentives and assistance. One of the projects, The Commons at Rogge Road, is a 100% affordable/workforce project being developed by a private market developer and the other is the demolition and reconstruction of low-income apartments in Pajaro (Salinas Road Reconstruction Project) by a non-profit housing developer. Over the past year, the Housing and Redevelopment Office has been assisting these projects by providing an experienced entitlement processing project manager from its staff, identifying potential fee waivers, coordinating with County departments and outside agencies to resolve issues, and working closely with the developers to refine the projects to address regulatory and policy questions. This exercise has provided insight into preparing an effective Incentive Program within the context of the County's current land development process and departmental structure.

Lessons Learned:

- One size does not fit all. Each project and site is unique, requiring flexibility in applying affordability levels, unit mix, project amenity criteria, and in offering effective incentives.
- All County reviewing departments must "buy into" providing incentives. Modifications or waiver of development regulations that would normally be applied to a project, commitment to "fast tracking" and waiver of fees must be agreed to in advance by the responsible department heads or these incentives can not be effectively offered. In addition, all responsible departments must assign experienced staff to the project to ensure that appropriate attention and flexibility is provided.
- Determine appropriate level of environmental review early. Identify any potential impacts that may be problematic in mitigating and could require that overriding considerations be adopted for the project approval. Adoption of overriding considerations requires the preparation of an EIR.
- Determine potential impacts and mitigation measures early. In coordinating with reviewing departments, identify specific analysis that will be required to determine impacts and mitigation. If possible, prepare technical analysis early in the project design phase so that mitigation can be incorporated into the project if possible.
- Assume that the project will need to "evolve". Recognize that affordable projects have very slim profit margins and that adjustments will probably need to be made to the design, unit mix, affordability levels, and amenities as technical analyses are completed and the project is reviewed in detail by County staff and outside agencies.

- Be prepared to make compromises. Successful affordable housing projects cannot be everything to everybody. In order to be financially feasible, the project must maximize the land area to provide enough units at an affordability mix to provide a reasonable return on investment. Generally this will result in the need for fairly high-density development. Site amenities and other development requirements must be carefully designed and considered to ensure that they “hit the mark” without making the project infeasible.

PROGRAM STATEMENT:

Program Overview:

The draft Affordable/Workforce Housing Incentive Program has been structured to implement various policies contained in the County’s adopted Housing Element that are intended to encourage the private sector to include more affordable housing in projects. The Program includes two primary components. The first component (tier) incorporates the State Density Bonus provisions, revised in 2005 by SB1818. The second tier would apply to projects that include 100% very low, low, moderate and workforce level housing. The Program will be implemented through the existing Inclusionary Housing Ordinance and the adoption of a new Density Bonus Ordinance and a new Workforce Housing Ordinance and associated Administrative Manual. Applicants would apply to the Tier 1 component as part of the normal development application process. Applicants would apply to Tier 2 component through the Resource Management Agency (RMA), prior to the submittal of a formal development application.

An application to the Tier 2 component would include an Affordable/Workforce Housing Incentive Proposal which would include a description of the project, how the project meets the stated criteria, and specifically identify the incentives that they are requesting from those listed in the Program for each tier. Specific evaluation criteria will be approved as part of the Program adoption and will be used to determine if a project qualifies. More detail about the evaluation is included in the following discussion about each of the tiers. The Housing Advisory Committee (HAC) will evaluate proposed projects (assisted by RMA staff) and make recommendations on if the project qualifies for the Program. The recommendations would be forwarded onto the Board of Supervisors for preliminary action prior to formal processing of the development application. Final confirmation of compliance with qualifying criteria and incentives would be part of the formal project approval actions.

Tier 1 – Density Bonus:

On January 1, 2005 revisions to the State Density Bonus Law (Government Code Section 65915) went into effect, increasing the number of incentives that need to be provided to qualified projects and reducing the amount of affordable housing necessary to qualify. The proposed Tier One Incentive Program conforms with the Density Bonus provisions of State law which are summarized below:

Qualified Projects:

To qualify for the density bonus and incentives a project must supply a minimum of one of the following: 5% of the units affordable to very low income households, 10% of the units to low income households, 10% of the units in a condominium or planned unit development affordable to moderate income households, or a qualifying seniors development. In addition, density bonuses may be given to projects that donate land, within the proposed project site, for affordable housing. The donated land must satisfy all of the following:

- Have appropriate General Plan and zoning designations to permit construction of very low income housing at an amount not less than 10% of the number of units in the market rate residential development;
- The donated land must be at least one acre in size or of sufficient size to permit development of at least 40 very low income units; and
- The donated land must be served by adequate public facilities and infrastructure.

Density Bonus:

If a project meets the minimum affordability levels specified, it qualifies for a 20% density bonus. Increased density is provided for projects that include an additional amount of affordable units, beyond the minimum requirements, on a sliding scale up to a maximum of 35% (this does not limit a local agency from providing additional density bonus) as follows:

- An additional 2.5% bonus for each additional increase of 1% of very low income units above the minimum threshold;
- An additional 1.5% bonus for each additional increase of 1% of low income units above the minimum threshold; and
- An additional 1% bonus for each 1% increase of moderate-income units above the minimum threshold.

Continued Affordability:

The very low and low-income units must be deed restricted for a minimum of 30-years to qualify. Rents or sales prices must meet the following pricing criteria: 30% of 50% for Very Low Income and 30% of 60% for Low Income. Moderate-income units may be structured to allow for equity sharing between the owner and the County upon resale. The unit must be sold to a qualified buyer, but may sell, for market rate provided that the County recaptures its proportionate share of the appreciation (less down payment and

value of any improvements) and that the recaptured funds are used within three years to promote lower and/or moderate- income level homeownership.

Concessions and Incentives:

For projects that meet the minimum affordability levels, the County shall provide at least one incentive or concession such as reduction or waiver in development standards or design requirements (an unlimited number maybe requested), mixed use zoning, or other incentive proposed by the developer to reduced costs, although the project still must meet health and safety requirements. As the project provides additional affordable units more incentives are provided on a sliding scale as follows:

- One incentive – projects that supply minimum affordability levels.
- Two incentives – projects that supply 10% very low income units, 20% low income units, or 20% moderate income units.
- Three incentives – projects that supply 15% very low income units, 30% low income units, or 30% moderate income units.

Projects that comply with the qualifying criteria would be processed by the Planning and Building Inspection Department with appropriate density bonuses and other incentives/concessions as is currently done.

Tier 2 – 100% Affordable/Workforce Projects:

Qualified Projects:

Projects that include 100% very low, low, moderate and workforce level housing, consistent with the Program criteria, qualify for the Tier Two Incentive Program. Potential incentives could include waiver of reduction or waiver of development or design standards, mixed use zoning, waiver of County processing/application fees, reduction of impact fees, and entitlement/expedited processing assistance by a designated staff person or county contracted staff person.

Affordability Levels:

Projects should strive to meet the following affordability levels as targets:

Very Low:	10%
Low:	15%
Moderate:	15%
WF 1:	20%
WF 2:	40%

Developers may submit a financial analysis demonstrating that they cannot feasibly reach these targets. If the project is determined to meet other program criteria that make it desirable, the Board of Supervisors could approve different percentages, including up to a maximum of 15% market rate housing, in certain specific cases.

Site Suitability:

To qualify for the Program a project site must embody the following characteristics:

- The site is in close proximity to an urban area (e.g. cities, Community Areas, Rural Centers) and/or employment for the targeted residents.
- The site is in proximity to services such as schools, public transportation, medical services and shopping for everyday needs. The appropriate distance from an existing community and services should be looked at on a site-specific basis to take into account the demographics of the future residents, nearby employment centers, availability of public transportation, and other factors.
- Required project specific infrastructure, including urban water and sewer service, is available or can be provided concurrent with the project.
- The site does not contain significantly constrained by physical, environmental or resource conditions such as steep topography, wetlands, cultural resources or environmentally sensitive habitat.

Project Characteristics:

To qualify for the Program the project design must include the following:

- The project consists of at least 25 units.
- 100% of the units must be affordable to very low, low, moderate and workforce level meeting the target affordability levels unless an exception is approved by the Board of Supervisors, based on economic feasibility, and if the project meets other Program criteria.
- The project contains appropriate unit types that match the needs of the targeted income levels.
- The project contains appropriate amenities for the occupants and the location such as adequate parking, a community room, park areas, public transit stop, and laundry facilities.

Affordability Restrictions:

Housing units within qualified projects will be deed restricted for affordability as follows:

- All very low, low, and moderate-income units shall be restricted under the County's Inclusionary Housing Program.
- All workforce level units shall be restricted using an equity sharing arrangement.

Incentives to be Offered:

The type and level of incentives provided to individual Projects, based on project economics, but may include any of the following:

- Processing fee waivers for Inclusionary Housing Units.
- Processing fee waivers for workforce level units or adjustment to affordability levels (including an allowance for up to 15% market rate units in special circumstances) necessary to make the project economically feasible.
- Density bonuses.
- Modifications to development standards.
- Expedited processing.

Standard for Approval:

Qualified projects that substantially meet the criteria and have no significant unmitigated impacts shall be approved. Qualified projects that substantially meet the criteria and have some significant unmitigated impacts may be approved.

Implementation of Projects:

Tier 1: Density Bonus Component:

Projects would be submitted as standard development applications with a request for density bonuses and/or specific incentives. The density bonuses and incentives would be approved as part of the overall approval of the development applications consistent with the current process.

Tier 2: 100% Affordable/Workforce Component:

An Affordable/Workforce Housing Project Program will be required to be submitted prior to the development (land entitlement) application. This submittal must include a description of the project, the number of affordable units and affordability levels, the location within the project and conceptual designs for the affordable units, the type of units (rental or for sale), any specific marketing preferences, and a description of the incentives requested with appropriate justification. The justification will typically require the submittal of a project proforma to demonstrate that without the incentives the project would be financially infeasible.

The applications to the 100% Affordable/Workforce Program will be processed by the Resource Management Agency (RMA). The RMA will assist the Housing Advisory Committee (HAC) in the review of the submitted Affordable Housing Programs to evaluate projects and provide input on the requested incentives. The Board of Supervisors will then consider the request and the staff analysis to preliminarily determine if the project should be designated as a qualified project and the incentive package to be offered. The preliminary processing steps are as follows:

1. Pre-Application Meeting: Project concept, including an affordable housing description and incentive request, is submitted to the Planning and Building Inspection Department for a pre-application meeting. Appropriate RMA staff review the project with the applicants and provide comments.
2. Application Concept: Applicant submits a refined project concept and affordable housing program including requested incentives along with a project.
3. Designation of Project: The HAC evaluates, assisted by RMA staff, (including an independent economic analysis prepared under contract with the County), the submittal and makes a recommendation to the Board of Supervisors on if the project should be designated as a qualified project under the Program and an appropriate incentive package. If the Board finds the project to be qualified it is processed by the RMA under the adopted Program guidelines.
4. Project Implementation: The RMA will coordinate confirmation of entitlement assistance/expedited processing, if requested as an incentive for the project. A qualified County staff person or a contract staff person (contracted by the County) will be provided and all affected County departments notified of that the project will receive expedited processing. The first approval of the project will specifically include approval and findings related to the Affordable Housing Program, including confirmation that the project qualifies for the Program and the specific incentives that included. It will also specify that, prior to the recordation of the first final map for a subdivision or issuance of a building permit for other types of development applications, the developer shall execute affordable housing agreements with the County as follows:

- Inclusionary Housing Agreement:

The developer shall execute an Inclusionary Housing Agreement, in a form acceptable to the County, for the very low, low and moderate income-units. These units shall be designated as Inclusionary Housing Units and administered as part of the County's Inclusionary Housing Program. The provisions in the Agreement shall be consistent with the Inclusionary Housing Ordinance and Administrative Manual that is in effect at the time that the project application was deemed complete by the County. This agreement shall specify, but not be limited to, the term of affordability, the number of Inclusionary units, type (rental or for sale), pricing of units, location within the project, marketing and selection of tenants and/or buyers, construction schedule for the Inclusionary Units relative to the project as a whole.

- Workforce Housing Agreement:

The developer shall execute a Workforce Housing Agreement, in a form acceptable to the County, for the Workforce level units. These units shall be designated as Workforce Units and administered as part of the County's Workforce Housing Program, which will be adopted by Ordinance and is described in the following section. The provisions in the Agreement shall be consistent with the Workforce Housing Ordinance and Program that is in effect at the time that the project application is deemed complete by the County. This

agreement shall specify, but not be limited to, the term of restricted affordability (if any), equity/appreciation capture, repayment of the original subsidy, subsequent documents required (deeds or trust and promissory notes), the number of Workforce units, type (rental or for sale), pricing of units, location within the project, marketing and selection of tenants and/or buyers, and construction schedule for the Workforce Units relative to the project as a whole.

Workforce Housing Program:

The County will prepare and adopt a Workforce Housing Ordinance for the creation and administration of Workforce Housing units. The Program will be adopted by Ordinance with an associated Administrative Manual similar to the Inclusionary Housing Program.

Workforce Housing units will be initially sold at affordable sales prices but may be sold at market prices at any time after the initial sale. The initial buyer will be encouraged to retain the unit through a requirement to repay the original subsidy (with interest) and share the appreciation of the value of the unit with the County or other organization as may be designated by the County Board of Supervisors. Alternatively, a developer may propose a specific equity-sharing program for a project that includes an annual cap on appreciation and specifies equity sharing percentages.

Upon resale of a unit, the County or other designated entity will use the proceeds to retain the unit in the Program or to assist in the creation of new Workforce Housing Units. Retention of Workforce Housing Units could be facilitated through the use of the proceeds from re-sales to provide gap financing (difference between the sales price and the price a qualified household can afford) to allow the purchase of an existing or new home by another Workforce Income Level household. The Program components are described below:

Affordability Levels:

Workforce Housing Units shall be affordable to households (adjusted for household size) with incomes between 121% to 140% (inclusive) of the County median income for Workforce I units and between 141% and 180% (inclusive) for Workforce II units.

Pricing of Units:

Unit sales prices shall be calculated consistent with the underwriting criteria used for the Inclusionary Housing Program for moderate-level units as follows:

- Household size shall be based on an assumption of one person per bedroom plus one person
- 30-year (360 payments) mortgage
- 10% down payment
- Interest rate of 7.5%
- 35% of monthly gross income based on 140% for Workforce I and 180% for Workforce II

Selection of Initial Buyers:

After the adoption of the Workforce Housing Program, the County Housing and Redevelopment Office will prepare an application and conduct a marketing/outreach effort for the Program. Applications will be collected for a period of time (with specified cut-off date) and reviewed for initial qualification (based on the information supplied by the applicants). An application list (A List) will be established. Applications will continue to be accepted after the cut-off date and put onto a backup list (B List). The Housing Advisory Committee (HAC) will then conduct a lottery drawing with all applications from the A List, where the applications will be drawn in a specific order. These applications will be placed on a Workforce Housing Lottery list in the order they were drawn. Additional lotteries will be held using the B List, if necessary to ensure that a ready supply of buyers is available as units are offered for sale. The Lottery List will be used to provide project developers with potential buyers. Developers will be required to use the Lottery List, unless an alternative marketing program is approved as part of the project approval or by the Board of Supervisors.

Recapture of Initial Subsidy:

At the time of the initial sale of each workforce housing unit, the amount of the initial subsidy (difference between the restricted sales price and the market rate price) shall be established through an appraisal. The initial buyer shall execute a promissory note, secured by a deed of trust, both benefiting the County or other entity as designated by the County Board of Supervisors. The documents shall be recorded on the property for the amount of the initial subsidy plus simple interest set at the Prime Interest Rate, due and payable upon re-sale of the unit. The proceeds shall be used for the purposes of assisting the construction or retention of Workforce Housing in Monterey County.

Equity Sharing:

At the time of the initial sale of each Workforce Housing unit, the initial buyer shall execute a second promissory note, secured by a deed of trust recorded on the property, for an amount to be calculated at the time of resale for an amount that equals the County's share of the appreciation of the unit as follows:

Equity Share Percentages:

Total Appreciation = Current market value at time of re-sale – initial market value

County share of Appreciation = percentage of initial market value for initial subsidy

Homeowner share of Appreciation = Total Appreciation – County Share of Appreciation

Example of Subsidy Recapture and Equity Sharing:

3 bedroom Workforce 1 unit sold in 2005.

2005:

Initial Market Value:	\$550,000
Restricted Initial Sales Price:	\$340,341
Initial Subsidy:	\$209,659
County Percentage:	38%
Homeowner Percentage:	62%

2010:

Market Value:	\$700,000
Total Appreciation:	\$150,000
County Share:	\$57,000
Homeowner Share:	\$93,000

Attachment 4

Before the Board of Supervisors in and for the
County of Monterey, State of California

Endorse the preliminary incentive)
program for The Commons at Rogge)
Road Project .)

Upon motion of Supervisor Armenta, seconded by Supervisor Potter, and carried by those members present, effective January 24, 2006, the Board hereby;

- 1) Confirms that the Commons at Rogge Road Project qualifies for incentives consistent with the draft Affordable/Workforce Housing Incentive Program;
- 2) Endorses the preliminary incentive program; and
- 3) Endorses the applicant's Affordable Housing Implementation Program.

PASSED AND ADOPTED on this 24th day of January 2006, by the following vote, to-wit:

AYES: Supervisors Armenta, Calcagno, Lindley, Potter, and Smith

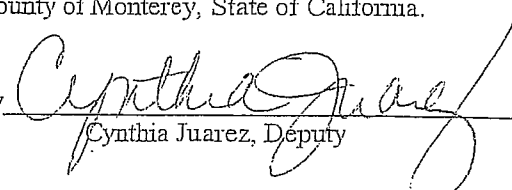
NOES: None

ABSENT: None

I, Lew Bauman, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the Minutes thereof Minute Book 73, on January 24, 2006.

Dated: January 24, 2006

Lew Bauman, Clerk of the Board of Supervisors,
County of Monterey, State of California.

By 
Cynthia Juarez, Deputy

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING: January 24, 2006 - 3 p.m.	AGENDA NO.:
SUBJECT: Endorse the preliminary incentive program for The Commons at Rogge Road Project	
DEPARTMENT: Resource Management Agency-Housing and Redevelopment Office	

RECOMMENDATION

It is recommended that the Board of Supervisors:

- 1) Confirm that the Commons at Rogge Road Project qualifies for incentives consistent with the draft Affordable/Workforce Housing Incentive Program;
- 2) Endorse the preliminary incentive program; and
- 3) Endorse the applicant's Affordable Housing Implementation Program.

SUMMARY

On October 28, 2003, the Board of Supervisors directed staff to prepare an Affordable/Workforce Housing Incentive Program and designated the Commons at Rogge Road as a "pilot project" to test concepts in the development of the Program. The recommended action will preliminarily endorse the requested incentives, all of which will be formally considered during the project approval process. A draft affordable housing implementation program prepared by the applicant (Attachment 1) and background information on the project (Attachment 2) are attached.

DISCUSSION

The Affordable/Workforce Housing Incentive Program (Incentive Program) is intended to encourage housing developers to include significant amounts of affordable housing in their projects by providing effective incentives. The Board of Supervisors has designated The Commons at Rogge Road as a "pilot project" to assist in the development of the Incentive Program. The following information provides background information on the recommended incentives for the project and the affordable housing implementation program proposed by the applicant.

The Rogge Road Project proposes to develop 171 units on a 12.5 acre site located at the corner of Rogge Road and San Juan Grade Road, east of the City of Salinas. The site is located in close proximity to schools, parks, shopping, jobs, and public transit. The proposed project includes both rental apartments and single family for sale units in a small lot, walkable community format. The project also includes a playing field, two tot lots and a par course. The units are modest in size with the aim of remaining affordable by design. The project includes 48 apartments (11 very low, 11 low, and 26 moderate) and 123 single family units (24 moderate, 54 workforce 1, and 45 workforce 2).

Project Qualifications

The draft 100% Affordable/Workforce Incentive Program provides that qualifying project should include affordability levels at 10% very low, 15% low, 15% moderate, 20% workforce 1, and 40% workforce 2. Further, projects must be located near available urban services, have appropriate amenities and be designed to address the housing needs of the target residents. Projects may deviate from the required affordability levels or contain up to 15% market rate units based on project economics.

The Commons at Rogge Road complies with the intent of the Program. The project applicant proposes to include 6.4% very low, 6.4% low, 29.3 moderate, 31.6% workforce 1, and 26.3% workforce 2. An independent economic analysis prepared as part of the evaluation process indicates that deviation from the draft Incentive Program targets is necessary in order to enhance project viability. The project meets all the site and design criteria specified in the draft Program.

Incentive Package

The Affordable/Workforce Housing Incentive Program is intended to provide effective incentives to encourage developers to produce quality projects with significant amounts of affordable housing. The following incentives are recommended to be granted as part of the project approval process:

- Development Regulations- reductions in required setbacks, lot sizes, site coverage and amount of parking for the single-family units.
- Processing Fee Waivers for the Inclusionary Units – totaling approximately \$91,000 for County application and permit fees for the rental units.
- Employee marketing preferences – allow up to 40 for sale units to be first marketed to employees of the Don Chapin Company or affiliate entities.
- Inclusionary Credits – allow up to 13.8 Inclusionary housing credits to be used for compliance for other projects undertaken by the Don Chapin Company or affiliate entities in the future.
- Processing Assistance – the County assigned experienced staff through the Housing Office to “shepherd” the project through the entitlement process.

Affordable Housing Implementation Program

The draft 100% Affordable/Workforce Housing Incentive Program includes project implementation provisions. However, applicants may also request implementation provisions specifically tailored to meet their project objectives, as long as the provisions conform with State law and the intent of the Incentive Program. The attached information includes a detailed project implementation program prepared by the applicant, as summarized below:

- The Inclusionary rental units will be restricted and administered under the County’s existing Inclusionary Housing Program.
- Affordability for the single-family homes will be achieved through an equity-sharing program. Under the proposed equity-sharing program, appreciation will be shared between the homeowners and the Monterey County Workforce Housing Trust (MCWFH) on a sliding scale up to 5% per year. If the home is sold prior to the end of the 20-year term, the MCWFH Trust has first right to purchase the home. If the MCWFH Trust does not purchase the home, it will use its share of the appreciation to provide down payment assistance for other workforce housing units.
- Buyer preferences will be provided to qualified Don Chapin Company, affiliate entity employees, or to people who work within close proximity of the project site.

OTHER AGENCY INVOLVEMENT:

On December 14, 2005 the Housing Advisory Committee (HAC) considered the proposed Affordable Housing Program for the project and voted to recommend that it be approved by the Board of Supervisors.

FINANCING:

The recommended action will not have a financial impact on the County General Fund. The requested fee waivers for the Inclusionary Units are already granted by the County’s adopted Fee Waiver Resolution and affected County departments take these fee waivers into account in preparing their budgets.

Prepared by:



Jim Cook,
Director-Housing and Redevelopment Office

Before the Board of Supervisors in and for the
County of Monterey, State of California

Endorse the preliminary incentive)
program for The Commons at Rogge)
Road Project .)

Upon motion of Supervisor _____, seconded by Supervisor _____, and carried by those members present, effective _____, the Board hereby;

- 1) Confirms that the Commons at Rogge Road Project qualifies for incentives consistent with the draft Affordable/Workforce Housing Incentive Program;
- 2) Endorses the preliminary incentive program; and
- 3) Endorses the applicant's Affordable Housing Implementation Program.

PASSED AND ADOPTED on this ___ day of _____, 2006, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

I, Lew Bauman, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the Minutes thereof at page _____ of Minute Book _____, on _____.

Dated:

Lew Bauman, Clerk of the Board of Supervisors, County of Monterey, State of California.

By _____ Deputy

ATTACHMENT 1
ROGGE COMMONS
100% AFFORDABLE HOUSING PROGRAM

Blohm Road Joint Venture plans to develop the Rogge Road Village Residential Community ("Project") on a 12.5 +/- (gross) acre parcel of land located east of Highway 101 at the northeast corner of San Juan Grade Road and Rogge Road in Monterey County. Located in a generally urbanized area close to services, schools, and major employment centers, the Project offers a novel and innovative mixed residential development of 171 single-family rental and for sale units 100% affordable to very-low, low, moderate, workforce I and II income level households. Designated by the Monterey County Board of Supervisors as a "pilot project" for the Affordable Housing Developer Incentive Program¹, the Project is important in honing innovative approaches to Monterey County's affordable housing crisis by fostering cooperation between the County, Developers, and area employers. The County's lack of affordable housing stock threatens to erode the County's economic vitality as steadily rising housing prices make it difficult for County employers to attract and retain a stable workforce. The Project seeks to address this housing/jobs imbalance by offering affordable units on a priority basis to families working in proximity to the Project.

Components of the Project are set forth below.

- 1) The Project will consist of 171 single-family units. Of the 171 single-family units, 123 will be detached single family-residential units and 48 will be apartment units.
- 2) The 48 apartment units will all be dedicated to providing inclusionary rental housing for very-low (11 units), low (11 units), and moderate-income (26 units) households, with units provided on a priority basis to families currently living and/or working in Monterey County.²
- 3) In exchange for providing inclusionary units in excess of those statutorily required under the inclusionary housing ordinance for a 171 unit project, the Don Chapin Company and its affiliates will receive inclusionary housing credits, for the units provided in excess of those statutorily required, for use in any other Don Chapin Company or affiliate entity Monterey County development.³

¹ 2005 Monterey County Annual Housing Report, Final February 1, 2005, at p.10. The Report emphasizes County support for pilot projects "to test various forms of incentives to identify effective types of assistance that encourage the development of more affordable housing"; central to the County's Affordable Housing Developer Incentive Program is a Workforce Component to address the housing needs of the County's growing labor force.

² In accordance with the goals of the Inclusionary Housing Ordinance. See Section 18.40.020(a) & (h).

³ In order to meet the statutory criteria for a development of 171 units, Don Chapin is required to provide 10.26 very-low income, 10.26 low income, and 13.68 moderate-income inclusionary units. For each unit provided in excess of the aforementioned 20% set aside, the Don Chapin Company or its affiliates will receive a 1:1 inclusionary housing credit transferable to any other development in Monterey County at the discretion of the Don Chapin Company or its affiliates. In this case, 20% of 171 results in 34.2 required inclusionary units. Therefore, the 48 inclusionary units provided will yield a credit of 13.8 units.

4) The 123 for-sale housing units will be made available initially to moderate, workforce I, and workforce II income level households. Of the 123 for-sale housing units, the majority will be for sale in the mid-\$300,000 range or below⁴.

i. 69 3-bedroom houses for families of 4 persons or less (24 for moderate income households and 45 for workforce I income households)

a. 24 units with a current maximum sales price of \$291,750

b. 45 units with a current maximum sales price of \$340,341

ii. 54 4-bedroom houses for families of 5 and 6 persons (9 for workforce I and 45 for workforce II)

a. 9 units with a current maximum sales price of \$367,735

b. 45 units with a current maximum sales price of \$472,721

5) Up to 40 of the 123 for-sale units will be prioritized for eligible employees⁵ of The Don Chapin Company and affiliates as part of the Affordable Housing Developer Incentive Program and in recognition of the need to reward employers who are proactive in redressing the County's historical jobs and housing imbalance.

6) These 40 for-sale units shall be reserved for employees of The Don Chapin Company and its affiliates for a period of 16 weeks following DRE approval and the initial offering for sale of Project units. Should a Don Chapin Company or affiliate employee family fail to take advantage of the opportunity to purchase a Project home, the unpurchased home(s) shall then be available also to any other prescreened and pre-qualified family selected by the Housing and Redevelopment Office in accordance with the Project's preferences and priorities. Don Chapin Company and affiliate employees shall be designated as Priority One-A Candidates.

7) Priority for the remaining 83 units shall be based upon geographical/employment proximity to the Project.⁶ The Housing and Redevelopment Office will prescreen and

⁴ These figures are based upon 2004 Housing Affordability guidelines provided by the Monterey County Housing Office on March 9, 2005, and are subject to change upon the issuance of new guidelines at the time the homes are offered for sale or sold.

⁵ Don Chapin will present a list of employee candidates to the Housing and Redevelopment Office, which shall ensure those employee families meet the requisite County income and household size criteria.

⁶ While Don Chapin Company and affiliate employees will be Priority One-A Candidates, Priority One Candidates will be those who have been employed within 5 miles of the Project for a period of at least six months prior to the DRE approval and initial offering for sale of Project units; Priority Two Candidates will be those who have been employed for the same period and within 10 miles of the Project; Priority Three Candidates will be those who have been employed for the same period and within 15 miles of the Project; Priority Four shall be employees anywhere within Monterey County; Priority Five shall be open to anyone regardless of employment status. As currently envisioned, the Project will offer homes for sale to all County qualified applicants of all priority levels upon DRE approval and the initial offering for sale of Project units. However, the allocation of those units will be awarded based upon a qualified family's priority basis during the respective priority time frames, each of which shall be 16 weeks. So, for example, during weeks 1-16 priority One-A candidates shall have priority for 40 units and priority One candidates for the remaining 83 units. During weeks 17-32 priorities One-A, One, and Two shall have

pre-qualify these families and verify their priority level. Potential buyers must be pre-qualified to buy (i.e., by a lender) the house at the price for which it is offered for sale pursuant to then applicable County guidelines for moderate, workforce I and workforce II income families. All candidates must also be pre-qualified by income level and household size for the unit they wish to buy at the time the specific home is offered for sale.

- 8) Buyers of the for-sale housing units must have incomes that fall within then applicable Monterey County Housing Office Affordability Guidelines. Among the requirements currently envisioned for such owners are that they must have sufficient funds to cover closing costs (approximately 3%), and the minimum down payment must qualify for a first mortgage loan with a participating lender, and must agree to live in the unit as their principal residence with no renting/leasing of the home allowed. There shall be no other buyer qualification requirements and buyers need not be first time homebuyers nor meet any other asset qualification criteria.
- 9) The initial proposed sales structure enables the targeted qualified buyers to purchase a more valuable home than they could otherwise afford through a shared appreciation pilot program designed to recapture potential "windfall" to buyers without reducing them to effective rent status. This shared appreciation program will be established via CC&Rs approved and amendable by Monterey County Work Force Housing, Inc. ("MCWFH").
 - i. Initial and subsequent buyers will be able to sell their home at any time, and allowed an increase in the sales price up to⁷ a maximum of 5% per year based on the original sales price. For example, assume a buyer purchases a home for \$300,000 in 2005. Assuming 5% appreciation over time, the \$300,000 house purchased in 2005 could be sold for \$450,000 in 2015. For each year the buyer remains in the house, the buyer's share in the appreciation in the house will increase gradually (10% per year). If the buyer sells at the end of year one, he would receive 10% of the 5% appreciation, minus applicable fees and administrative costs.⁸ The MCWFH will get the balance (e.g. 90%) share of appreciation upon resale to a pre-qualified buyer.⁹ If the buyer sells at the end of year two, the buyer's share in appreciation would have increased to 20% of the 10% appreciation in the value of the home, with 80% of the 10% accruing to the MCWFH. If the buyer remains in the home for ten years, she would fully vest in the appreciated value of the home and can then sell to another qualified buyer at the maximum sales price. This subsequent sales price restriction (i.e., 5%

⁷ Any increase in sales price is dependent on the "market" value of the unit. If the market value of the unit is less than the 5%/yr. appreciation allowance then the appreciation shall be limited to the market value only. Measurement of appreciation shall be determined by MCWFH and may relate to an index such as Association of Realtors median home price appreciation in the Greater Salinas Area. 5% annual appreciation is NOT A GUARANTEE return to unit purchasers.

⁸ Upon resale an administrative fee equal to 3% of the sales price will be due to MCWFH. Said fee will be waived to the extent the amount is otherwise collected by MCWFH by way of MCWFH's share of appreciation upon resale.

⁹ Following the initial sale, the MCWFH will be responsible for qualifying and screening buyers and will determine criteria regarding the same. County moderate and workforce criteria will not necessarily apply

appreciation/yr.) would remain in place for twenty years with the original owner and would run with the land. If the original owner sells before the expiration of the twenty-year term, the subsequent owner would be subject to the same scheme and the sales price restriction upon that buyer would commence anew and remain in place for a new twenty-year period.¹⁰

This program would be overseen and implemented by the MCWFH.

- 10) In the event of a default by the buyer, if the lender, with first priority mortgage rights, forecloses they could resell the home unrestricted at current market rates to any potential buyer. This is a common stipulation in inclusionary housing programs and is necessary in order for institutional lenders to agree to be involved with this Affordable Housing Project. To minimize this possibility, the MCWFH will be given a right of first refusal to purchase the home and satisfy the debt so the home can be resold as affordable consistent with the appreciation program.
- 11) Buyers will be allowed to make capital improvements to their homes, and enjoy 100% of the increased value such improvements bring to the home upon resale, subject to such improvements first obtaining County permits of the same and documentation of value. In addition, in order to take advantage of such increased value the initial cost of such improvements must be at least one percent (1%) of the original purchase price.¹¹

¹⁰ The original owner may devise the home via any legal method of testamentary succession, but the devisee will still be bound by the original owner's twenty-year restriction.

¹¹ Method of adding the value of the improvement within the applicable County guidelines to be determined by MCWFH

PRIORITY SYSTEM

Weeks 1-16:	Priority One-A	40 units
	Priority One	83 units
Weeks 17-32:	Priority One-A, One, Two	All unsold units
Weeks 33-48:	Priority One-A, One, Two, Three	All unsold units
Weeks 49-64:	Priority One-A, One, Two, Three and Four	All unsold units
Weeks 65 →	Priority One-A, One, Two, Three, Four and Five	All unsold units

ATTACHMENT 2

The Commons at Rogge Road Project Summary

Project Overview:

The project consists of a total of 171 residential units, with 123 detached for-sale single-family homes and 48 rental apartments. The project also includes on-site park and recreation facilities and a transit stop. All 48 apartments are proposed to be under the County's Inclusionary Housing Program. The single-family homes are proposed to be under an equity-sharing program. The project is located east of the City of Salinas on the corner of Rogge Road and San Juan Grade Road. The project site is adjacent to the City of Salinas's Sphere of Influence but is not adjacent to the City limits.

Affordability Restrictions:

The applicant is proposing to permanently deed restrict all the rental units consistent with the Inclusionary Program requirements.

The single-family units will be price restricted to be affordable to the initial buyers. The homes will then be restricted to increase in value up to 5% per year with equity-sharing documents recorded on title that provide for the owner and the Monterey County Workforce Housing Trust to share in the appreciation of the unit. The owner's share of the appreciation increases over time to provide an incentive to retain the unit. The term of the restriction will be 20-years with a new term commencing with each re-sale of the unit. Only income-qualified buyers could purchase the homes during the 20-year term. After the 20-year term is up, the home could be sold at market rate. The Housing Trust would use the proceeds from re-sales to assist subsequent buyers (ie., providing down payment assistance) or to assist other affordable housing in the County.

The affordability restrictions will be put into place through the execution and recordation of an Inclusionary Rental Housing Developer Agreement for the rental units and an Affordable Housing Developer Agreement for the single-family units.

Levels of Affordability and Types of Units:

LEVELS OF AFFORDABILITY	TYPE OF UNIT	NUMBER OF UNITS	PERCENTAGE OF PROJECT
Very Low	Rental	11	6.4%
Low	Rental	11	6.4%
Moderate	Rental	26	15.2%
Moderate	SFR	24	14.1%
Workforce 1	SFR	54	31.6%
Workforce 2	SFR	45	26.3%

The applicant has requested that he be granted "credits" for the inclusionary units that exceed the requirements to be used for inclusionary compliance on his future projects. The project also proposes to provide a preference for eligible employees of the Don Chapin Company and Affiliate Companies to purchase up to 40 of the single-family homes. Priority in purchasing the remaining single-family homes will be given based on geographic location of the buyer's employment (buyers who work closer to the project site will be given preference).

Site Suitability and Community Compatibility:

The project is located adjacent to urban development and is less than .5 mile from the City of Salinas city limits. An elementary school and small commercial center are located directly across Rogge Road. A church is located to the west and a school district bus yard is located to the east. An existing single-family residential neighborhood is located to the south and Royal Oaks Regional Park is located approximately two miles to the north. The project is within walking distance to neighborhood services and will be served by City of Salinas water and sewer services. Public transportation is available in the project area, allowing easy access to jobs and services located in and around the City of Salinas. The site is generally level and does not contain any significant environmental resources that constrain the development.

Project Design Features:

The project proposes a mixed income neighborhood with an on-site playing field, par course, two tot lots, a transit stop and a lighted cross walk connecting to the elementary school and commercial center located across Rogge Road. The rental apartments are located in the center of the project with the single-family homes arranged along pedestrian friendly streets and lanes on the remainder of the site. A range of one, two and three bedroom rental units are provided. The single-family homes are three and four bedrooms on small lots, efficiently using the available land area.

Attachment 5

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING: March 28, 2006	Time: 1:30 PM	AGENDA NO:
SUBJECT: a. Consider adoption of the Mitigated Negative Declaration; b. Consider adoption of a resolution approving the General Plan and Greater Salinas Area Plan Amendments; c. Consider adoption of an Ordinance amending Title 21 (Zoning Code); d. Consider adopting a resolution approving the Combined Development Permit that includes a Standard Subdivision Vesting Tentative Map to divide two existing lots of record into 126 lots of varying size and a Use Permit for removal of one landmark oak tree, modification of parking standards and an apartment building exceeding 10 units per acre; e. Consider adopting the Mitigation Monitoring and Reporting Program; and f. Consider adopting a resolution approving the Affordable Housing Program.		
Project Location: 1001 A-E & 1003 Rogge Road, Salinas (Assessor's Parcel Numbers 211-012-002-000 and 211-012-040-000)		
Plan Area: Greater Salinas Area Plan	Flagged and staked: No	
Zoning Designation: 211-012-002-000: Medium Density Residential, 2 Units per Acre ("MDR/2"); 211-012-040-000: Farmlands, 40 Acre Minimum ("F/40")		
CEQA Action: Mitigated Negative Declaration		
Department: RMA – Planning and Building Inspection Department		

RECOMMENDATIONS:

It is recommended that the Board of Supervisors:

- a. Adopt the Mitigated Negative Declaration based on the Findings and Evidence (Exhibit "C");
- b. Adopt a resolution approving the General Plan and Greater Salinas Area Plan Amendments (Exhibit "M");
- c. Adopt an Ordinance amending Title 21 (Zoning Code) (Exhibit "N");
- d. Adopt a resolution approving the Combined Development Permit based on the Findings and Evidence (Exhibit "C") and subject to recommended conditions of approval (Exhibit "D");
- e. Adopt the Mitigation Monitoring and Reporting Program (Exhibit "D"); and
- f. Adopt a resolution approving the Affordable Housing Program (Exhibit "O").

SUMMARY:

The project is a Combined Development Permit to construct a 100% affordable housing development consisting of 171 dwelling units on 12.5 acres. Out of the 171 units proposed, 123 will be detached single-family dwellings and 48 will be attached rental apartments. The proposal consists of General/Area Plan Amendment, Zoning District Reclassification, Standard Subdivision Vesting Tentative Map, and Use Permits for parking modifications, tree removal and exceeding the allowed density on the apartment parcel. The project qualifies for incentives under the state density bonus provisions in California Government Code Section 65915.

A Mitigated Negative Declaration was prepared and circulated for comments from November 8 to December 7, 2005. The document identified significant impacts and mitigation measures to reduce those impacts to a less-than-significant level. The Planning Commission considered the development proposal on March 8, 2006. At that hearing, comments were received on the

project regarding traffic, open space, environmental review, the agricultural buffer, density, parking and drainage. The comments have been addressed through modifications in the conditions and additions to the Findings & Evidence. Since the Planning Commission meeting, two additions have been made to the Findings and Evidence (Exhibit "C"). Finding 10 has been added to illustrate that the comments received on the project do not present substantial evidence of any unmitigated environmental effects. In addition, a summary of the Mitigation Measures (as shown on page 12 of the March 28, 2006 staff report) has been added to Finding 3 as Evidence (k). The Planning Commission recommended approval of the Mitigated Negative Declaration, General/Area Plan & Zoning Ordinance Amendments, Combined Development Permit and the Mitigation, Monitoring and Reporting Program to the Board of Supervisors.

DISCUSSION:

See attached Exhibit "B".

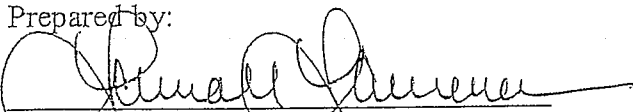
OTHER AGENCY INVOLVEMENT: The following agencies have reviewed the project and have comments and/or recommended conditions:

- ✓ Water Resources Agency
- ✓ Environmental Health Division
- ✓ Public Works Department
- ✓ Parks Department
- ✓ Monterey County Housing and Redevelopment Agency
- ✓ Salinas Rural Fire Protection District
- ✓ Monterey County Sheriff's Office
- ✓ Monterey County Agricultural Commissioner
- ✓ City of Salinas


FINANCING

The project will have no impact on the General Fund.

Prepared by:


Laura M. Lawrence, R.E.H.S.
Senior Planner
RMA – Planning & Building Inspection

Approved by:


Alana Knaster
Acting Director
RMA – Planning & Building Inspection

Date: March 14, 2006

cc: Board of Supervisors (30); County Counsel; Public Works; Water Resources Agency; Environmental Health; Parks Department; Redevelopment Agency; Agricultural Commissioner; Salinas Rural Fire Protection District; Jacqueline Onciano; Mike Novo; Alana Knaster; John Bridges – Fenton & Keller; Don Chapin – Blohm Road Joint Venture; Rob Russell – City of Salinas; Jean Getchell – Monterey Bay Unified Air Pollution Control District; Bob Jaques – Monterey Regional Water Pollution Control Agency; Jim Smith – California Water Service Company; John Olejnik – Cal Trans District 5; James Fontana – Santa Rita Union School District; Andy Cook – TAMC; File

Attachments: Exhibit "A" Project Data Sheet
Exhibit "B" Overview of Proposed Action
Exhibit "C" Recommended Findings & Evidence

- Exhibit "D" Recommended Conditions and Mitigation Monitoring and Reporting Program
- Exhibit "E" Initial Study / Mitigated Negative Declaration & Attachments
- Exhibit "F" Initial Study Comment Letters
- Exhibit "G" Vicinity Map
- Exhibit "H" Tentative Map
- Exhibit "I" Agricultural Buffer Zone
- Exhibit "J" Other Comment Letters
- Exhibit "K" Comments Letters from the Subdivision Committee Hearing and Planning Commission Hearing
- Exhibit "L" Letter from Illingworth & Rodkin, Inc., Air Quality Consultant and from John Olejnik, Caltrans District 5
- Exhibit "M" Resolution for Approval of General Plan Amendment and Greater Salinas Area Plan Amendment and Maps as Attachments "A" and "B"
- Exhibit "N" Zoning Ordinance and Zoning Map
- Exhibit "O" Resolution for Approval of the Affordable Housing Program

All Attachments are on file with the Clerk of the Board

EXHIBIT "A"

Project Information for PLN030065

Project Title: THE COMMONS AT ROGGE ROAD
Location: 1001 A-E & 1003 ROGGE RD SALINAS
Applicable Plan: Greater Salinas Area Plan
Permit Type: Standard Subdivision
Environmental Status: MND
Advisory Committee: N/A
Primary APN: 211-012-040-000-M
Coastal Zone: No
Zoning: MDR/2 F/40
Plan Designation: MED. DENS. RES. & FARMLANDS
Final Action Deadline (884): 4/10/2006

Project Site Data:

Lot Size: 12.525 AC
Existing Structures (sf): N/A
Proposed Structures (sf): N/A
Total Sq. Ft.: N/A
Coverage Allowed: 60% (HDR)
Coverage Proposed: 28.5%
Height Allowed: 35 FEET
Height Proposed: 30.5 FEET
FAR Allowed: N/A
FAR Proposed: N/A

Resource Zones and Reports:

Environmentally Sensitive Habitat: No
Biological Report #: N/A
Forest Management Rpt. #: N/A
Archaeological Sensitivity Zone: LOW
Archaeological Report #: LIB030119
Fire Hazard Zone: LOW
Erosion Hazard Zone: LOW
Soils Report #: LIB030121
Geologic Hazard Zone: MOD. LOW
Geologic Report #: LIB030121
Traffic Report #: LIB040321

Other Information:

Water Source: PUBLIC SYSTEM
Water Dist/Co: CALIFORNIA WATER SERVICE
Fire District: SALINAS RURAL FIRE
Tree Removal: 1/MATURE OAK
Sewage Disposal (method): SEWER
Sewer District Name: MRWPCA
Grading (cubic yds.): 74,000

EXHIBIT "B"
OVERVIEW OF PROPOSED ACTION

Project Site

The project site is located at the northeast corner of Rogge Road and San Juan Grade Road, east of the City of Salinas, in unincorporated Monterey County. The site is approximately 12.5 acres. On the southwest side of the property, approximately 2.5 acres of the project site contains two mature oak trees and is developed with seven single-family residences and several out buildings. These structures will be demolished to make way for the project. The remaining 10 acres of the site is under strawberry cultivation. One tree is proposed to be retained in the project on the lot. The other tree is in the future San Juan Grade right-of-way and will be removed to make way for the frontage improvements. The project site is bordered by San Juan Grade Road to the northwest and Rogge Road to the southwest. The project site is within a suburban/agricultural interface area, and is bordered across San Juan Grade Road by a single-family neighborhood (Bolsa Knolls) and across Rogge Road by the Oak Park Food Center and La Joya Elementary School. Salinas Valley Community Church is located to the northwest of the site and agricultural fields and the Santa Rita School District school bus yard is adjacent to the southeast border. There are five parks in the project vicinity: a baseball field on Cornwall Street, approximately ¼ mile southwest of the project site; Santa Rita Park and Soto Square Park, approximately 1 mile southwest of the project site in the City of Salinas; McKinnon Park and El Dorado Park approximately 1½ miles south of the project site in the City of Salinas. Water is to be supplied by California Water Service Company. Sewage disposal is to be provided by connection to the City of Salinas public sewer.

Proposed Action

The project includes General Plan and Greater Salinas Area Plan Amendments, Zoning District Reclassification, and a Combined Development Permit consisting of a Standard Subdivision Vesting Tentative Map and Use Permits to develop a 100% affordable housing development consisting of 171 dwelling units. Out of the 171 units proposed, 123 will be three or four bedroom detached single-family dwellings and 48 will be one, two or three bedroom attached rental apartments. Overall density is approximately 14 units per acre. Below is the project affordability profile:

Rogge Road Village Affordable Housing Profile			
Levels of Affordability	Definition	Percent of Project	Number of Units
Very Low (inclusionary)	Household that makes less than 50% of the median income for the area (maximum annual income of \$30,400 for a 4-person household)	6.4	11 ¹
Low (inclusionary)	Household that makes 50% to 70% of the median income for the area (maximum annual income of \$40,650 for a 4-person household)	6.4	11 ¹
Moderate (inclusionary)	Household that makes 70% to 110% of the median income for the area (maximum annual income of \$72,950 for a 4-person household)	15.2	26 ^{1,2}
Moderate (SFD)	Household that makes 70% to 110% of the median income for the area (maximum annual income of \$72,950 for a 4-person household)	11.2	19 ³
Workforce I (SFD)	Household that makes 110% to 140% of the median income for the area (maximum annual income of \$85,100 for a 4-person household)	34.5	59 ³
Workforce II (SFD)	Household that makes 140% to 180% of the median income for the area (maximum annual income of \$109,450 for a 4-person household)	26.3	45 ³

¹ Inclusionary per Monterey County Code Chapter 18.40

² Includes 13.8 units of inclusionary housing credit for use by Don Chapin or affiliates on projects elsewhere in Monterey County pursuant to the Commons at Rogge Road Affordable Housing Program.

³ Actual mix of non-inclusionary units (Moderate, Workforce I, and Workforce II) may vary depending upon qualifying criteria, family size, etc.

General/Area Plan and Zoning Ordinance Amendments: The project will require a General Plan amendment and rezoning of the project site. The General Plan and Greater Salinas Area Plan and the Zoning Ordinance currently designate the site as Medium Density Residential (2 units per acre) and Farmland (40 acres/unit). The project will change the General/Area Plan designation to High Density Residential, 5-20 units per acre and the zoning to High Density Residential, 15 units per acre and High Density Residential, 15 units per acre with a B-6 Building Site Combining District.

Standard Subdivision Tentative Map: The project includes a Standard Subdivision Vesting Tentative Map to subdivide 2 existing lots into 126 lots consisting of 123 single-family residential lots, one apartment lot (1.527 acres), one park parcel, tot lot and par courses (.5991 acres) and one common area parcel for streets, driveways, public utilities and open space.

Use Permits: The project includes Use Permits to modify the number of onsite parking spaces required for single family dwellings, for the removal of one landmark oak tree and for the apartment parcel, which exceeds 10 dwelling units per acre.

The project is required to have a total of 354 parking spaces including 246 (123 covered) parking spaces for the detached units. The project proposes a total of 391 parking spaces. Section 21.58.040 of the Monterey County Code requires 2 off-street parking spaces per unit for single-family detached dwellings. Although the project provides 37 spaces in excess of the required number, the project does not provide for the required two off-street parking spaces for each of the detached units. Therefore, the proposal would require the granting of Use Permit (MCC Section 21.58.050.C) allowing the reduced number of off-street parking spaces for the single family dwellings.

Two mature oak trees are on the project site, in addition to various other trees. One landmark oak tree is proposed to be retained in the project on the designated park parcel. The other landmark oak tree is in the future San Juan Grade right-of-way and will be removed to make way for the proposed frontage improvements. In order to grant a use permit for tree removal, Section 21.64.260.D of the Monterey County Code requires that findings be made based on substantial evidence. Because the tree is in the San Juan Grade right-of-way, removal of the tree is the minimum required under the circumstances. Removal of the tree will not cause soil erosion, degrade water quality, impact biological or ecological systems, increase noise pollution, affect wind velocities or reduce wildlife habitat (see Evidence (c) in Finding #5). Because of the size of the tree and the density of dwellings on the project site, relocation of the tree on the project site is not feasible. The landscape plan for the project will be required to incorporate the planting of oak trees on the project site as a condition of approval for the project.

Density Bonus: The project is an affordable development that qualifies for incentives under the State Density Bonus provisions in California Government Code Section 65915. California Government Code Section 65915 (1) defines incentives as a reduction in site development standards or a modification of zoning code requirements or architectural design requirements that exceed the minimum building standards. The project seeks to deviate from the development standard and the zoning code by seeking a reduction in setbacks, a reduction in minimum building site square footage requirements, a reduction in the width of the agricultural buffer zone for 10 units, and a reduction in the number of parking spaces required for single family

residences. The project seeks these concessions in order to achieve the necessary density to make the project economically feasible.

Key Issues

Water Use: Water use on the project site is allocated for residential uses and strawberry cultivation. The applicant has provided the Monterey County Water Resources Agency (MCWRA) with documentation that the historic land use on site has been agricultural cultivation. According to the meter records from California Water Service Company, the seven existing residences utilize the equivalent of 2.58 acre-feet (AF) per year. Agricultural water use on the parcel has been estimated from past and present crop uses. Historically, the strawberries were furrow irrigated, but were converted to drip irrigation two years ago. According to the Monterey County Cooperative Agricultural Extension, 4.0 AF/year/acre is the customary quantity of applied water for furrow-irrigated strawberries in Northeast Salinas. Using the water use factor of 4.0 AF/year/acre, we establish a historical agricultural irrigation baseline of 40.0 AF/year for the site. The Monterey County Water Resources Agency has determined the water use factor for drip-irrigated berries to be approximately 2.5 AF/year. Using the water use factor of 2.5 AF/year/acre, the current agricultural irrigation needs are 25.0 AF/year.

The total baseline water use for the entire project site ranges from 27.58 to 42.58 AF/year for the project site. For the proposed residential uses and common area landscaping, the 123 single family dwellings will use an average of 0.3 AF/year per unit and the 48 apartments will use an average of 0.2 AF/year per unit. The proposed residential water use figures are on the high side to account for the water use on the common areas. The single family lots are much smaller than average city lots (1,394 to 3,136 square feet) and will use less water per year than average city lots. The largest area to be irrigated would be the main park near the apartment and it is about 0.3 acres. The total proposed water use for the residential uses and common area landscaping is 46.5 AF/year. With the proposed project, water use will increase by an estimated 3.92 to 18.92 AF/year.

The Commons at Rogge Road	Power Use (7.2 AF/year/acre)	Average Use*** (AF/year/acre)	Furrow Irrigation (4 AF/year/acre)	Drip Irrigation (2.5 AF/year/acre)
Agricultural Water Use (for 10 acres)	72.0	56.0	40.0	25.0
Residential Water Use*	2.58	2.58	2.58	2.58
Total Historic Water Use	74.58	58.58	42.58	27.58
Proposed Water Use**	46.5	46.5	46.5	46.5
Difference	28.08	12.08	<3.92>	<18.92>

* Based on Cal Water Service records

** 0.3 AF/year for detached (123 units) and 0.2 AF/year for attached (48 units)

***Average of Power Use and Furrow Irrigation

With an average of 3.16 people per dwelling unit⁴, the production of wastewater on the project site is estimated to be 60 gallons per day (gpd) per person (36.32 AF/year)⁵. The wastewater from the project site will be collected by the City of Salinas and processed by the Monterey Regional Water Pollution Control Agency (MRWPCA) regional treatment plant in Marina. The wastewater from that facility is treated to tertiary standards and is reused for crop irrigation 7 months of the year as one of the primary water projects within the Monterey County Water

⁴ Final Environmental Impact Report for the Rancho San Juan Specific Plan and HYH Property Project, certified December 14, 2004, page 5.1-24

⁵ Ibid, page 5.12-2

Resources Agency Zone 2C. As a result, an estimated 21.18 AF/year of the project wastewater will be recycled for irrigation uses. Reuse of the wastewater within the groundwater basin will further reduce the impact of the project's water use.

Traffic: The proposed project is estimated to generate 1,640 net new daily trips, including 118 net new AM peak-hour trips (28 inbound / 90 outbound) and 167 net new PM peak-hour trips (106 inbound / 61 outbound). All study intersections are projected to operate at LOS B or better, under Project Conditions. The intersection at San Juan Grade Road and Rogge Road is projected to degrade to LOS F, an unacceptable level, under Year 2020 cumulative conditions (including the build-out of the 4,000 unit Rancho San Juan Specific Plan area). To mitigate the impact, the project will pay its fair share contribution toward the installation of a signal at the intersection at San Juan Grade Road and Rogge Road. The project is required to pay appropriate Transportation Agency of Monterey County (TAMC) Regional Development Impact Fee and the City of Salinas traffic impact fees. These fees are applied toward the construction and completion of city and regional transportation projects. The remaining intersections are projected to operate at LOS C or better under Year 2020 cumulative Conditions.

In addition to the fair share contribution toward the signalization of Rogge Road and San Juan Grade Road and payment of TAMC & City of Salinas traffic impact fees, the developer will pay its fair share contribution toward the left turn channelization of San Juan Grade Road at Crazy Horse Canyon Road. The developer will provide the following improvements as part of project approval: widen San Juan Grade Road along the project frontage to provide for four through lanes, left turn channelization at Rogge Road, two Class 2 bike lanes and a bus stop; widen Rogge Road along the project frontage to provide for two through lanes, left turn channelization and two Class 2 bike lanes. As an additional safety improvement, and condition of approval, the applicant will construct a mid-block, pedestrian-actuated lighted crosswalk on Rogge Road to provide safe pedestrian access to the school located across the road.

Drainage: The eastern two-thirds of the property drain to Rogge Road, then along Rogge Road to its intersection with San Juan Grade Road and into the existing storm drain system. Most of the western one-third of the property drains into San Juan Grade Road, then along San Juan Grade Road to its intersection with Rogge Road and into the existing storm drain system. The northern corner of the property drains into an existing culvert that runs under San Juan Grade Road and outlets into a drainage swale. The estimated undeveloped runoff from the site is 4.87 cubic feet per second (cfs) with the majority of the runoff (4.44 cfs) entering the existing storm drain system at Rogge Road and San Juan Grade Road. The remaining portion of the site (0.43 cfs) drains to the culvert located on San Juan Grade Road.

The drainage for the project will be collected in catch basins and conveyed to the existing storm drain system through the subsurface storm drain system detention facilities to be installed under the open space area adjacent to the apartment parcel and under the parking area on the southwestern side of the project site. The detention facilities consist of a series of storage pipes that are designed to capture the 100 year developed site runoff and the release it at the 10 year undeveloped site runoff rate per Monterey County Water Resources Agency requirements.

Jobs/Housing Balance: This project is a pilot project under the Affordable Housing Developer Incentive Program proposed by the Board of Supervisors. The Association of Monterey Bay Area Governments' (AMBAG) Revised Regional Housing Needs Allocation (RHNA) for the unincorporated areas of Monterey County is 2,511 additional housing units between the years

2003 and 2008. Of those units, 2,366 are to be affordable to very low, low and moderate income households. This project provides 48 rental units affordable to very low, low and moderate income households and 19 for-sale units affordable to moderate income households toward that goal. The project is located near job centers in Salinas, urban services and has key infrastructure available (water and public sewer) to serve the project.

The 48 rental units are provided in compliance with the County's Inclusionary Housing ordinance and will remain permanently affordable. The 123 single family units, which range from Moderate income to Workforce II affordability levels, will be subject to the Commons at Rogge Road Affordable Housing Program which will restrict the initial sales prices, provide for appreciation capped at 5%, and allow for equity sharing with the Monterey County Work Force Housing Trust. The actions before the Board include approval of the Commons at Rogge Road Affordable Housing Program as set forth in Exhibit "O" of the March 28, 2006 staff report.

Environmental Review

An Initial Study and Mitigated Negative Declaration, filed on November 8, 2005, was circulated for public review until December 7, 2005. Four comment letters were received from the California Water Service Company, Cal Trans District 5, Monterey Regional Water Pollution Control Agency (MRWPCA) and the Monterey Bay Unified Air Pollution Control District (MBUAPCD) prior to the close of the comment period. One letter, from Santa Rita Union School District, was received on December 14, 2005 (see Exhibit "F" of the March 28, 2006 staff report). California Water Service Company reiterated language from their "can and will serve" letter stating that it may be necessary for the developer to advance the cost of special facilities, such as wells, booster pumps or a storage tank, in addition to the cost of mains and services.

Cal Trans District 5 commented that Monterey County has established a PM peak-hour fee for new trips traveling on the Prunedale Highway 101 corridor (Prunedale Improvement Project or "PIP"). Over the past two years, the Public Works Department has been working with Transportation Agency of Monterey County (TAMC) in the development of the TAMC Regional Development Impact Fee. The goal of the County-wide fee is to develop a traffic mitigation fee to address impacts to the regional circulation network, not including the PIP because it is fully funded with other funds. The Public Works Department is no longer recommending that the PIP fees be collected as mitigation from proposed development projects.

The MRWPCA commented that the project site has not been annexed into the boundaries of their District. After conducting a sanitary sewer study, the project has received a "can & will serve" letter from the City of Salinas indicating that their system will be able to handle the additional flow and that they will provide sewer service to the project. An additional condition of approval has been placed on the project requiring that proof of annexation into the MRWPCA District be submitted prior to filing the final map.

The MBUAPCD submitted comments relating to the demolition of structures and diesel exhaust. Prior to obtaining a demolition permit from Monterey County, applicants are required to have a Certified Asbestos Consultant survey the structures for asbestos. This requirement will be added as an additional condition of approval. New regulations, intending to reduce the impact of diesel exhaust on people during the operation of diesel equipment, require the contractor to use equipment with a model year of 2003 or newer. Contractors using older equipment shall retrofit

older equipment with diesel oxygenation catalyst filters. These requirements have been added as further mitigation under Mitigation Measure 3-2.

The Santa Rita Union School District commented that the state statutory developer fees are insufficient to cover the actual cost of the additional students. However, California Government Code Section 65996 (b) is deemed to provide full and complete mitigation of the impacts on school facilities.

AMBAG submitted a letter stating that their Board of Directors considered the project on January 11, 2006 and have no comments at this time.

On January 27, 2006, a letter was received from James Reyff, Illingworth & Rodkin, Inc., revising Mitigation Measure 3-1 for the project (see Exhibit "L" of the March 28, 2006 staff report). These revisions are addressed under Finding 9.

Other Comment Letters

The City of Salinas submitted a letter on December 20, 2005, commenting on the technical aspects of the project, as addressed in a meeting with PBI staff and the applicant on December 9, 2005 (see Exhibit "J" of the March 28, 2006 staff report). Those technical issues are: 1) inconsistencies with City standards; 2) open space provided on the project site; and 3) public improvements adjacent to San Juan Grade and Rogge Roads. The applicant revised the project by eliminating parking spaces on one side of eastern and western one-way main access roads to accommodate the City's emergency vehicles. The following addresses other concerns:

Inconsistencies: The letter notes inconsistencies with City standards pertaining to density. The City's proposed standard for detached small-lot single-family residence is being reduced from 4,000 square feet to 3,600 square feet or 2,900 square feet with a density bonus. The overall density proposed for the project is 15 dwelling units per acre, an average of 1,965 square feet per lot. The lot sizes within the proposed project vary from 1,394 to 3,136 square feet. Because the project is an affordable development, the project is deviating from development standards as density bonus incentive under the State Density Bonus provisions in California Government Code Section 65915.

Open Space: The letter notes that the project has "very little useable open space." The project provides a 0.3-acre park, tot lot and par courses within the development. Condition #50 requires the applicant to comply with Section 19.12.010 of the Monterey County Code, by paying a fee in lieu of parkland dedication for 0.801 acres of the total 1.4-acre park requirement for this project or by providing new recreation improvements to a school site within the Santa Rita School District equivalent to that fee. The acceptance of improvements in lieu of the fee is contingent upon the Applicant entering into a 3-party agreement with the County of Monterey and the Santa Rita School District.

Public Improvements: The letter indicates that the stairs providing pedestrian access to the residences fronting along San Juan Grade and Rogge Roads encroach into the public right-of-way, as shown on the current site plans. The applicant has indicated that these private facilities will be shifted out of the road-widening parcel and public right-of-way.

At the Subdivision Committee Hearing on January 12, 2006, two letters, from Annemarie Tresch and John Tresch, were read into the record and submitted. In particular, the letter from John Tresch indicated that the project site has an underground fuel storage tank on it. The Phase I and II Environmental Site Assessments conducted on the project site indicate that although there is an above ground diesel storage tank, no underground tanks were found on the site. The issues raised in both letters have been evaluated in the Mitigated Negative Declaration and have been adequately addressed through the project's conditions of approval and mitigation measures. An e-mail was received from Gilbert & Sylvia Mullen, neighbors of the project, in support of the project. In addition, Santa Rita Union School District submitted a letter stating that they will work with the Applicant toward a mutually beneficial arrangement (see Exhibit "K" of the March 28, 2006 staff report).

On January 30, 2006, we received a letter from John Olejnik, Caltrans District 5, regarding a statement made in the Initial Study about future projects covered by the TAMC Regional Development Impact Fee. Although the Nexus Study clearly states "development impact fees cannot be used to fund maintenance projects, safety projects, or to relieve existing traffic congestion", staff acknowledges that some of the operational projects proposed in the Nexus Study indirectly improve traffic congestion and safety on the public roadways (see Exhibit "L" of the March 28, 2006 staff report).

The City of Salinas submitted a second letter on February 22, 2006. The content of that letter was directed toward the adequacy of the environmental review process for the project. Analyses of the policies of both the General Plan and Greater Salinas Area Plan have been prepared to demonstrate how the project is consistent with both plans. Those analyses are attached in Finding 1 as Evidence (n). Other notable issues raised in the letter are:

- The City of Salinas contends the project is surrounded by agricultural land: It isn't; as illustrated in the November 8, 2005 Initial Study, the project is surrounded by development.
- The City of Salinas contends the project is inconsistent with the City's General Plan: Currently, there are no plans to annex the project because the project is not within the City's new 20 year General Plan and not within the City's sphere of influence. As such, this project is not required to comply with the City's General Plan. However, in recognition of its proximity to the City boundaries, the project was modified to accommodate the City's concerns.
- The City of Salinas contends that a biological survey should be performed on the project site: This project site is a completely disturbed site with housing and agriculture. Staff reviewed all resource maps and available data, conducted site visits, and concluded that there was no potential for significant biological impacts. The Initial Study was circulated to the State Clearinghouse and the Department of Fish & Game. They did not identify any concerns with the analysis.
- The City of Salinas states the development will locate residential uses near existing agricultural uses: A church, residences, a school district bus barn, a small commercial shopping center and an elementary school border the site. The property's current farming activities are incompatible with these residential and commercial uses. As presented earlier, the project is consistent with the state density bonus Provisions in its reduction of the agricultural setback requirement.
- The City of Salinas contends that Mitigation Measure 1-2 defers mitigation to occupancy of the dwellings: The mitigation measure requires submission and approval of the lighting plan

prior to the issuance of building permits. The lighting plan requires that the lighting illuminate only the intended area.

- The City of Salinas states that the mitigation measures be fully enforceable: The combined development permit includes conditions and a mitigation monitoring agreement to address this issue. Both are legally binding.
- The City of Salinas contends that the environmental document does not sufficiently address the exposure of people to diesel exhaust: The Initial Study identified potential impacts from diesel particulate matter. In response to the air district's letter, staff contacted the district staff for clarification. The air district suggested 2 additional methods to better achieve compliance. Those methods are to use off-road construction equipment manufactured during or after 2003 and to retrofit off-road construction equipment older than 2003 with diesel oxidation catalyst filters.

The remaining issues in the letter have been addressed in the staff report and the recommended conditions of approval (see Exhibit "J" of the March 28, 2006 staff report).

On March 2, 2006, the Local Agency Formation Commission (LAFCO) submitted a letter with regard to the two actions that will need to come before LAFCO after project approval. Those actions are: 1) the annexation of the project area into the existing County Service Area #9 (CSA #9) for storm drain and street light maintenance, and 2) the annexation of the project area into the Monterey Regional Water Pollution Control Agency (MRWPCA) boundary. Staff responded to LAFCO's concerns, in writing, and added language to Finding 3 as Evidence (i) and (j) (see Exhibit "J" of the March 28, 2006 staff report).

Mitigation Measures

To mitigate the physical impacts of the project, the following is a summary of the mitigation measures proposed:

- **Aesthetics:** To reduce off-site glare, two mitigation measures have been proposed: Street lights will be full cut-off fixtures and lighting on the dwelling units shall be unobtrusive and illuminate only the intended area. (Mitigation Measures 1-1 and 1-2)
- **Air Quality:** To reduce the air quality impacts expected during construction, two mitigation measures have been proposed: Best Available Control Measures shall be implemented to reduce PM₁₀ and construction equipment shall be retrofitted and properly maintained to reduce vehicle emissions. (Mitigation Measures 3-1 and 3-2)
- **Geology/Soils:** To ensure that the foundations are installed correctly on the site's expansive soils, four mitigation measures have been proposed. Those mitigation measures address the spread footing installation, foundation excavation, foundation slab thickness and subgrade soil moisture for driveways. (Mitigation Measures 6-1 through 6-4)
- **Hydrology and Water Quality:** To reduce the impacts of stormwater run-off, two mitigation measures have been proposed. Those mitigation measures address construction site waste management and the construction of stormwater retention/detention facilities. (Mitigation Measures 8-1 and 8-2)
- **Noise:** To ensure that the proposed residences located along San Juan Grade Road and adjacent to the bus barn meet the interior noise standard of 45 dBA CNEL with the windows closed, two mitigation measures have been proposed. Those mitigation measures require documentation that the residences can meet the standard or the lots shall

be eliminated. To reduce the impacts of construction noise on the surrounding residential areas, three mitigation measures have been proposed: days and times for noise-generating construction activities shall be limited, construction equipment shall meet the county noise standard of a maximum of 85 decibels at 50 feet and contact information for noise-related complaints shall be posted on the project site and be clearly visible. (Mitigation Measures 11-1 through 11-5)

- **Traffic:** To reduce project related traffic impacts, four mitigation measures have been proposed. Those mitigation measures require fair share contribution to a signal at Rogge Road & San Juan Grade Road and left turn channelization at San Juan Grade Road & Crazy Horse Canyon Road, payment of TAMC and City of Salinas traffic impact fees, and the construction of frontage improvements (curb, gutter, sidewalk, left turn channelization and bike lanes) on Rogge Road and San Juan Grade Road. (Mitigation Measures 15-1 through 15-4)

EXHIBIT "C"
RECOMMENDED FINDINGS AND EVIDENCE

1. **FINDING: CONSISTENCY** - The proposed project, as conditioned and with the proposed General Plan and Zoning Ordinance amendments, is consistent with applicable plans, policies, requirements and standards of the Monterey County Subdivision Ordinance (Title 19), the Monterey County General Plan, The Greater Salinas Area Plan and the Monterey County Zoning Ordinance (Title 21) which designates this area as appropriate for residential development.

- EVIDENCE:** (a) On May 30, 2003, the applicant, Don Chapin of Blohm Road Joint Venture, filed an application for a Combined Development Permit consisting of General/Area Plan Amendment, Zoning District Reclassification, Standard Subdivision Vesting Tentative Map, and Use Permits to develop a 100% affordable housing development consisting of 171 dwelling units. The application was deemed complete on October 12, 2005. The application, plans, and support materials submitted by the project applicant to the Monterey County Planning and Building Inspection Department for the proposed development are found in Project File PLN030065.
- (b) The project site is located at 1001 A-E and 1003 Rogge Road (Assessor's Parcel Numbers 211-012-002-000 and 211-012-040-0000, Salinas, in the County of Monterey.
- (c) PBI staff has reviewed the project as contained in the application and accompanying materials for conformity with the Monterey County Subdivision Ordinance (Title 19), the Monterey County General Plan, The Greater Salinas Area Plan and the Monterey County Zoning Ordinance (Title 21).
- (d) The project is an affordable development that qualifies for incentives under the State Density Bonus provisions in California Government Code Section 65915. See Finding #7.
- (e) General Plan Policy 27.3.3 states that residential subdivisions shall be sited with sufficient distance from normal agricultural activities to prevent these activities from becoming hazardous. A 40-foot right-of-way easement, between the project's property line and the fields, currently exists along the southeast property line to provide access to Salinas Valley Community Church from Rogge Road. The proposed residential uses will also be separated from the agricultural uses by a physical barrier, a 6-foot block wall, along the property line. The alleys between the block wall and residential units provide further separation between the residential and the agricultural uses. The 40-foot easement, the 6-foot high block wall, a 25-foot wide alley and a 60+ foot wide parking lot of the project's design provide a sufficient distance (a minimum of 90 feet) between the cultivation and the residential uses (see Exhibit "I" of the March 28, 2006 Board of Supervisors staff report). A deed notification notifying property owners of Lots 73 through 82, inclusive, of the Protection of Agricultural Activities Ordinance (Monterey County Code Section 16.40.020.C) will be required as a condition of approval.
- (f) The proposed development has been reviewed by the Monterey County Planning and Building Inspection Department, Water Resources Agency,

Public Works Department, Environmental Health Division, Parks Department, the Housing and Redevelopment Agency, the Monterey County Sheriff's Office and the Salinas Rural Fire Protection District. Recommended conditions for the proposed development have been incorporated.

- (g) Technical reports by archaeology, environmental, historic resource, hydrology and geotechnical consultants indicate that no physical or environmental constraints exist on the project site that would indicate the site is not suitable for the use proposed. Findings and recommendations from the reports prepared by these professional have been incorporated into the analysis and impact mitigation. All technical reports are in project File PLN030065.
- (h) Project planner conducted an on-site inspection on September 7, 2005 to verify that the project on the subject parcel conforms to the plans submitted under PLN030065.
- (i) The Initial Study, dated November 8, 2005, is on file in the office of the Planning and Building Inspection Department and is hereby incorporated by reference (File No. PLN030065).
- (j) The project is consistent with the Monterey County Housing Element policies for new residential growth because the development is proposed in an area already committed to an urban level of development. The project site is surrounded by a church, residential neighborhoods, elementary school and school district facilities. The project as proposed provides for permanently affordable living quarters for people with very low, low and moderate incomes.
- (k) The project is consistent with Monterey County Transportation policies by providing impact fees and site improvements to reduce the project's impact on exiting transportation facilities (General Plan Policies 37.2.1, 38.1.5, 39.1.4). The project is contributing bicycle lanes and a bus stop to encourage transportation alternatives (General Plan Policies 38.1.4, 37.5.1).
- (l) The project is consistent with Monterey County Water Resources & Water Quality Policies through project conditions that minimize stormwater runoff, require oil & grease separators, low-flow fixtures, drought tolerant landscaping and water conservation measures (General Plan Policies 5.1.2, 6.1.1, 6.1.2, 21.2.3). The water service for the project will be provided by California Water Service Company (General Plan Policy 53.1.4).
- (m) Monterey County Code Section 21.10.060.A allows deviation from the minimum building site standard of 5,000 square feet if approved as part of a planned unit development. This project meets the definition of planned unit development as defined under Monterey County Code Section 21.06.875.
- (n) General Plan and Greater Salinas Area Plan Consistency Analysis:

Resource	Objective/Policy	Finding/Discussion
Geology, Minerals and	Objective 4.1: Identify the extent and locations of important agricultural lands in the County and	Consistent. A church, residential development, a school district bus barn, a small commercial shopping

Resource	Objective/Policy	Finding/Discussion
Soils	<p>devise regulations and techniques which will be effective in preserving and enhancing these lands.</p> <p><u>Policy 4.1.3:</u> All farmlands designated as prime, of statewide importance, unique or of local importance shall be protected from incompatible uses on adjacent lands.</p>	<p>center and an elementary school border or are in close proximity to the site. The current farming activities are incompatible with these residential and commercial uses. Strawberry cultivation typically requires the use of fumigants as part of the operations. Maintaining the agricultural uses on the project site would require extra care and buffer zones from these uses when using fumigants.</p>
Water Resources	<p><u>Objective 5.1:</u> Protect and preserve watersheds and recharge areas, particularly those critical for replenishment of reservoirs and aquifers.</p> <p><u>Policy 5.1.1:</u> Vegetation and soil shall be managed to protect critical watershed areas.</p> <p><u>Policy 5.1.2:</u> Land use and development shall be accomplished in a manner to minimize runoff and maintain groundwater recharge in vital water resource areas.</p>	<p>Consistent. A Preliminary Drainage Control Plan has been prepared by LandSet Engineers for the Commons at Rogge Road Subdivision, which outlines improvement plans that minimize runoff and maintain groundwater recharge. The drainage plan is subject to the review and approval of the Monterey County Water Resources Agency and the Public Works Department. Project approval will require submission of a final drainage and improvement plan reflecting any modifications or recommendations made by the County.</p>
Vegetation and Wildlife Habitats	<p><u>Objective 7.2:</u> Encourage the use of drought-resistant plants for landscaping, particularly in water deficient areas.</p> <p><u>Policy 7.2.2:</u> Native and native compatible species, especially drought resistant species, shall be utilized to the extent possible in fulfilling landscaping requirements imposed as conditions of discretionary permits.</p>	<p>Consistent. Oak trees will be used in landscaping throughout the project site on the park/open space areas and along street frontages. Monterey County Water Resources Agency conditions of approval require the use of low water and drought resistant plants in the landscaping of the project site, following the provision of Monterey County Ordinance No. 3932.</p>
Environmentally Sensitive Areas	<p><u>Objective 11.1:</u> Establish protective measures for areas of particular environmental sensitivity or concern.</p> <p><u>Policy 11.1.2:</u> The California Department of Fish and Game shall be consulted and appropriate measures shall be taken to protect</p>	<p>Consistent. This project site is a completely disturbed site with housing and agriculture. Staff reviewed all resource maps and available data, conducted site visits, and concluded that there was no potential for significant biological impacts. The Initial Study was circulated to the State</p>

Resource	Objective/Policy	Finding/Discussion
	Areas of Special Biological Importance.	Clearinghouse and the California Department of Fish and Game, Region 3. They did not identify any concerns with the analysis.
Archaeological Resources	<p><u>Objective 12.1:</u> Identify and conserve important representative and unique archaeological sites and features.</p> <p><u>Policy 12.1.5:</u> Projects proposed for low sensitivity zones shall not be required to have an archaeological survey taken unless specific additional information has been obtained to suggest that archaeological resources are present.</p>	<p>Consistent. Project is in a low archaeological sensitivity zone. Preliminary Archaeological Reconnaissance by Archaeological Consulting recommended that the project not be delayed for archaeological reasons. Should cultural resources be discovered during construction, standard permit conditions regarding the identification, treatment and protection of cultural resources would apply.</p>
Seismic and other Geological Hazards	<p><u>Objective 15.1:</u> Reduce the risks resulting from earthquakes to an acceptable level by regulating type, density, location, and/or design and construction of development in seismic hazard areas.</p> <p><u>Policies 15.1.1 through 15.1.12:</u> Provide detailed requirements for geotechnical investigations and soil reports.</p>	<p>Consistent. The project site is within a moderately low geologic hazard area. Detailed geotechnical and soils analyses for the proposed site are contained in reports prepared by Soil Survey, Inc., dated September 18, 2001. The report made recommendations for the design of the foundations on moderately expansive soils. These recommendations are included in the project as Mitigation Measures 6-1 through 6-4.</p>
Flood Hazards	<p><u>Objective 16.2:</u> Reduce the risk from flooding and erosion to an acceptable level by regulating the location, type and density of land use.</p> <p><u>Policies 16.2.1 through 16.2.7:</u> Establish the means for regulating land uses within flood prone areas and reducing erosion potential.</p> <p><u>Policy 16.2.7.1 (GS):</u> Properties in the Planning Area shall be protected from flooding caused by runoff from new development by using appropriate design and engineering techniques and through establishment of appropriate districts and zones. Developers</p>	<p>Consistent. No areas within the Commons at Rogge Road Subdivision are within the 100-year floodplain. A Preliminary Drainage Control Plan has been prepared by LandSet Engineers for the Commons at Rogge Road Subdivision, which outlines improvement plans that minimize runoff. Project approval will require submission of a final drainage and improvement plan subject to the review and approval of the Monterey County Water Resources Agency and the Public Works Department.</p> <p>The drainage for the project will be collected in catch basins and conveyed to the existing storm drain system</p>

Resource	Objective/Policy	Finding/Discussion
	<p>shall submit a preliminary drainage plan prior to any discretionary development approvals.</p>	<p>through the subsurface storm drain system detention facilities to be installed under the open space area adjacent to the apartment parcel and under the parking area on the southwestern side of the project site. The detention facilities consist of a series of storage pipes that are designed to capture the 100 year developed site runoff and the release it at the 10 year undeveloped site runoff rate per Monterey County Water Resources Agency requirements.</p>
<p>Fire Hazards</p>	<p><u>Objective 17.3:</u> Reduce fire hazards to an acceptable level of risk by prescribing the use, location, type and design of roadways.</p> <p><u>Policies 17.3.1 through 17.3.14:</u> Provide detailed standards for the use, location, type and design of roadways to reduce fire hazard risk.</p> <p><u>Objective 17.3:</u> Reduce fire hazards to an acceptable level by regulating the type, density, location and/or design and construction of the development.</p> <p><u>Policies 17.4.1 through 17.4.10:</u> Provide detailed standards for regulating the type, density, location and/or design and construction to reduce fire hazard risk.</p>	<p>Consistent. The Commons at Rogge Road Subdivision has been reviewed for compliance with Fire District requirements by the Salinas Rural Fire Protection District. Project approval will require conditions of approval recommended by the Fire District, ensuring compliance with these policies.</p>
<p>Air Quality</p>	<p><u>Objective 20.2:</u> Improve the air quality of Monterey County by regulating all sources of air pollutants and by adopting programs to improve the County's air quality by 1984.</p> <p><u>Policy 20.2.5:</u> The County shall encourage the use of best available control technology as defined in the most current Monterey Bay Unified Air Pollution Control District rules and regulations in reducing air pollution emissions.</p>	<p>Consistent. An Environmental Air Quality Analysis for the project was conducted and submitted by Illingworth & Rodkin, Inc. The Commons at Rogge Road project Mitigation Measure 3-1 requires the incorporation of best available control measures during grading and construction operations. In addition, project Mitigation Measure 3-2 incorporates measures to reduce diesel particulate emissions from onsite construction equipment. Both mitigation measures were reviewed by</p>

Resource	Objective/Policy	Finding/Discussion
	<p><u>Policy 20.1.1.1 (GS):</u> Land use decisions shall conform to the requirements of the Monterey Bay Unified Air Pollution Control District.</p>	<p>Air District staff and comply with the latest CEQA Air Quality Guidelines issued by the Monterey Bay Unified Air Pollution Control District.</p>
<p>Water Quality</p>	<p><u>Objective 21.2:</u> Enhance the quality of water in the County by regulating type, location, and intensity of land use and grading operations.</p> <p><u>Policy 21.2.1:</u> The County shall require all new and existing development to meet federal, state and County water quality standards.</p> <p><u>Policy 21.2.2:</u> The County shall allow only those land uses that do not pollute the groundwater system beyond acceptable limits.</p> <p><u>Policy 21.2.3:</u> Residential, commercial, and industrial developments which require 20 or more parking spaces shall include oil, grease and silt traps, or other suitable means, as approved by the Monterey County Surveyor, to protect water quality; a condition of maintenance and operation shall be placed on the development.</p>	<p>Consistent. The Commons at Rogge Road project has been reviewed for compliance with water quality standards by the Monterey County Water Resources Agency. Project approval will require conditions of approval recommended by the Monterey County Water Resources Agency, ensuring compliance with these policies.</p>
	<p><u>Objective 21.3:</u> Ensure that sewage and industrial waste disposal from new and existing development will not contaminate surface or ground waters.</p> <p><u>Policy 21.3.3:</u> No division of land or use permit for residential, commercial, or industrial uses shall be approved without proof that an adequate waste disposal system can be developed.</p>	<p>Consistent. The Commons at Rogge Road project will be served by public sewer. The sewage will be collected by the City of Salinas and processed by the Monterey Regional Water Pollution Control Agency (MRWPCA) regional treatment plant in Marina. The plant has a permitted treatment capacity of 27 million gallons per day (mgd) and currently processes 21.5 mgd. The facility has adequate capacity to serve the proposed project. The wastewater from that facility is treated to tertiary standards and is reused for crop irrigation 7 months of the year. Project approval will require a</p>

Resource	Objective/Policy	Finding/Discussion
		condition of approval requiring annexation to the MRWPCA district prior to filing the final map.
Noise Hazards	<p><u>Objective 22.2:</u> Ensure through land use planning, a quiet acoustic environment in portions of the County to be developed.</p> <p><u>Policies 22.2.1:</u> The County shall require new development to conform to the noise parameters established by Table 6, Land Use Compatibility for Exterior Community Noise Environments.</p> <p><u>Policy 22.2.3:</u> The County shall require environmental review of all proposed new development, expansion of industrial facilities, and quarry excavation and processing activities which may increase the noise level in surrounding areas or generate noise levels greater than those specified in Table 6.</p>	<p>Consistent. Mitigation Measures 11-1 and 11-2 require that the proposed residences on Lots 5-14, 57, 58 and 74-83 meet the interior noise standard of 45 dBA CNEL with the windows closed. If the lots cannot meet the standard, the lots shall be eliminated.</p> <p>A Mitigated Negative Declaration has been circulated for the project. Mitigation Measures 11-3 through 11-5, relating to construction-generated noise, limit noise generating activities to specific hours, require equipment to meet the noise levels specified in Table 6 and provide a method for receiving noise complaints.</p>
General Land Use	<p><u>Objective 26.1:</u> Direct development and conservation efforts in the County through use of the planning process.</p> <p><u>Policy 26.1.1:</u> The County, in coordination with the cities, shall manage the type, location, timing and intensity of growth in the unincorporated area.</p> <p><u>Policy 26.1.2:</u> The County shall discourage premature and scattered development.</p> <p><u>Policy 26.1.2.1 (GS):</u> Land use patterns shall promote compact, orderly, community-centered growth.</p>	<p>Consistent. The project is a compact & orderly development surrounded by residential and commercial uses. It is adjacent to developed neighborhoods in Bolsa Knolls and in close proximity to City boundaries. There are no plans to annex the project at this time because the project is not within the City's new 20 year General Plan and not within the City's sphere of influence. As such, this project is not required to comply with the City's General Plan. However, in recognition of it's proximity to the City boundaries, we modified the project's design to accommodate the City's standards.</p>
	<p><u>Policy 26.1.4:</u> The County shall designate growth areas only where there is provision for an adequate level of services and facilities such as water, sewerage, fire and police</p>	<p>Consistent. Adequate public services exist for the project. The Commons at Rogge Road development will not require the development of new public facilities such as fire, police, schools</p>

Resource	Objective/Policy	Finding/Discussion
	<p>protection, transportation and schools. Phasing of development shall be required as necessary in growth areas in order to provide a basis for long-range services and facilities planning.</p> <p><u>Policy 26.1.4.3:</u> A standard tentative subdivision map and/or vesting tentative and/or Preliminary Project Review Subdivision map application for either a standard or minor subdivision shall not be approved until:</p> <p>(1) The applicant provides evidence of an assured long-term water supply in terms of yield and quality for all lots which are to be created through subdivision. A recommendation on the water supply shall be made to the decision making body by the County's Health Officer and the General Manager of the Water Resources Agency, or their respective designees.</p> <p>(2) The applicant provides proof that the water supply to serve the lots meets both the water quality and quantity standards as set forth in Title 22 of the California Code of Regulations, and Chapters 15.04 and 15.08 of the Monterey County Code subject to the review and recommendation by the County's Health Officer to the decision making body.</p>	<p>or other public facilities. The project will be connected to public water and sewer facilities.</p> <p>The project site is located within Zone 2C. An estimated 21.18 AF/year of the project wastewater will be recycled for irrigation uses within the groundwater basin. The wastewater from the Monterey Regional Water Pollution Control Agency is treated to tertiary standards and is reused for crop irrigation 7 months of the year as one of the primary water projects within the Monterey County Water Resources Agency Zone 2C. Reuse of the wastewater within the groundwater basin will further reduce the impact of the project's water use.</p> <p>The Monterey County Division of Environmental Health and Water Resources Agency has reviewed the project for compliance with long-term water supply and water quality and quantity. Project approval will require conditions of approval recommended by the Division of Environmental Health and Monterey County Water Resources Agency, ensuring compliance with these policies.</p>
	<p><u>Policy 26.1.5:</u> The County shall designate future land uses in a manner which will achieve compatibility with adjacent uses.</p>	<p>Consistent. The project is surrounded by development. It is adjacent to developed neighborhoods in Bolsa Knolls and in close proximity to City boundaries and is compatible with adjacent land uses.</p>
	<p><u>Policy 26.1.20:</u> All exterior lighting shall be unobtrusive and constructed or located so that only the intended area is illuminated,</p>	<p>Consistent. Project approval will require compliance with mitigation measures that call for review and approval of lighting plans and</p>

Resource	Objective/Policy	Finding/Discussion
	long range visibility is reduced, and offsite glare is fully controlled.	installation of lighting consistent with this policy.
Residential Land Use	<p><u>Objective 27.1:</u> Designate adequate sites for a variety of residential development.</p> <p><u>Policy 27.1.4:</u> If appropriate, high density residential areas shall be designated closest to urban areas or unincorporated communities.</p>	<p>Consistent: Project approval will modify the General Plan and Zoning of the Commons at Rogge Road project area to high density residential. The project is adjacent to developed neighborhoods in Bolsa Knolls and in close proximity to the City of Salinas boundaries.</p>
	<p><u>Objective 27.2:</u> Provide for adequate access to and circulation within residential areas.</p> <p><u>Policy 27.2.1:</u> Residential areas shall be located with convenient access to employment, shopping, recreation and transportation. High density residential areas should also be located with convenient access to public transit.</p> <p><u>Policy 27.2.2:</u> Adequate circulation rights-of-way shall be delineated within each residential area.</p>	<p>Consistent. The Commons at Rogge Road project incorporates recreational features such as a park, tot lot and par courses within the development. The project is adjacent to a shopping center and in close proximity to services within the City of Salinas boundaries. Monterey-Salinas Transit (MST) provides bus service within the project vicinity on Route 32. The stop closest to the project site is across the street on Rogge Road and San Juan Grade Road. To provide more access to public transit, the project includes a bus stop as part of the project design. Road alignments are proposed as part of the Tentative Map.</p>
	<p><u>Objective 27.3:</u> Ensure compatibility between residential development and surrounding land uses.</p> <p><u>Policy 27.3.2:</u> The County shall encourage that open space be provided within and on the fringes of residential areas.</p>	<p>Consistent. The Commons at Rogge Road project incorporates open space, a park, tot lot and par courses within the development. Project approval will require conditions of approval recommended by the Parks Department that would allow the developer to enter into an agreement with the Santa Rita School District for the construction of recreation facilities at a Santa Rita School District facility within the vicinity of the project site.</p>
	<p><u>Policy 27.3.3:</u> Residential subdivisions shall be sited with sufficient distance from normal agricultural activities to prevent these activities from becoming</p>	<p>Consistent. New development adjacent to agricultural uses requires the establishment of well-defined buffer zones within the area to be developed. Tomatoes and strawberries</p>

Resource	Objective/Policy	Finding/Dis
	hazardous or attractive nuisances to the residents of the subdivisions.	are currently in cult eastern corner of the parcel owned by the District. The propo will be separated from the agricou uses by a 40-foot right-of-way easement, a 6-foot high block wall, a 25-foot wide alley and a 60+ foot wide parking lot; providing a sufficient distance (a minimum of 90 feet) between the cultivation and the residential uses.
Agricultural	<p><u>Policy 30.0.1:</u> The County shall prevent non-agricultural uses which could interfere with the potential of normal agricultural operations on viable farmlands designated as prime, of statewide importance, unique, or of local importance.</p> <p><u>Policy 30.0.3:</u> The County shall allow division of viable farmland designated as prime, of statewide importance, unique, or of local importance only for exclusive agricultural purposes, when demonstrated not to be detrimental to the agricultural viability of adjoining parcels.</p>	<p>Consistent. A church, residential development, a school district bus barn, a small commercial shopping center and an elementary school border or are in close proximity to the site. The current farming activities on the project site are incompatible with these residential and commercial uses. Maintaining the agricultural uses on the project site would require extra care and buffer zones from these uses when using fumigants. Tomatoes and strawberries are currently in cultivation along the eastern corner of the project site on a parcel owned by the Santa Rita School District. For the project, a deed notification notifying property owners of Lots 73 through 82, inclusive, of the Protection of Agricultural Activities Ordinance (Monterey County Code Section 16.40.020.C) will be required as a condition of approval.</p>
	<u>Policy 30.0.2:</u> The County shall require that permanent, well-defined buffer areas be provided as part of new non-agricultural development proposals which are located adjacent to agricultural land uses on viable farm lands designated as prime, of statewide importance, unique, or of local importance. These buffer areas shall be dedicated in perpetuity, shall be	<p>Consistent. The proposed residential uses will be separated from the agricultural uses by a 40-foot right-of-way easement, a 6-foot high block wall, a 25-foot wide alley and a 60+ foot wide parking lot; providing a sufficient distance (a minimum of 90 feet) between the cultivation and the residential uses. The County is applying a "B-6" building site overlay zoning district to prevent further</p>

Resource	Objective/Policy	Finding/Discussion
	<p>of sufficient size to protect agriculture from the impacts of incompatible development and to mitigate against the effects of agricultural operations on adjacent land uses, and shall be credited as open space.</p>	<p>subdivision. The Santa Rita School District owns the adjoining agricultural lands and may not keep them in cultivation.</p>
<p>Transportation</p>	<p><u>Objective 37.2:</u> Promote optimum use of existing and future transportation facilities.</p> <p><u>Policy 37.2.1:</u> Transportation demands of proposed development shall not exceed an acceptable level of service for existing transportation facilities, unless appropriate increases in capacities are provided for.</p> <p><u>Policy 39.1.4:</u> New development shall be located where there is existing road and highway capacity or where adequate road and highway capacity will be provided.</p>	<p>Consistent. Transportation Impact Analysis for the project was prepared by Fehr & Peers Associates. The analysis concluded that the study intersections are projected to operate at LOS C or better under Project and Year 2020 plus Project conditions. The intersection at San Juan Grade Road and Rogge Road is projected to degrade to LOS F with or without the project. The Commons at Rogge Road project is required to pay TAMC Regional Traffic Impact Fees, pay City of Salinas Traffic Impact Fees, pay fair share contributions toward roadway improvements and make physical improvements to adjacent roadways.</p>
<p>Road and Highway Transportation</p>	<p><u>Objective 39.2:</u> Provide an integrated system of roads and highways that serve land use needs.</p> <p><u>Policy 39.2.1:</u> All new road and interior circulation systems shall be designed, developed, and maintained according to adopted County standards.</p> <p><u>Policy 39.2.2:</u> The needs of bicyclists, pedestrians, utilities, and drainage shall be considered and, where appropriate, provided for on all public rights-of-way.</p> <p><u>Policy 39.2.4:</u> Additional local and collector roads shall be located and designed so as to minimize disruption of existing development, discourage through auto traffic, and provide for bicycle and pedestrian traffic.</p>	<p>Consistent. The interior roads for the Commons at Rogge Road project will be private roads constructed to the adopted County standards for private roads. Bicycle lanes and pedestrian access has been incorporated to the project design. As an additional safety improvement, and condition of approval, the applicant will construct a mid-block, pedestrian-actuated lighted crosswalk on Rogge Road to provide safe pedestrian access to the school located across the road. All utilities and drainage facilities are located underground in the common areas parcel. Project approval will require conditions of approval recommended by the Public Works Department, ensuring compliance with these policies.</p>
<p>Public Transit</p>	<p><u>Objective 45.1:</u> Map an integrated system of suggested bicycle routes</p>	<p>Consistent. The Commons at Rogge Road project has incorporated bicycle</p>

Resource	Objective/Policy	Finding/Discussion
Services	<p>for Monterey County as part of each area plan, and use the map as an initial step for establishing a comprehensive bicycle plan.</p> <p><u>Policy 45.1.4:</u> Bicycle routes in transportation corridors shall be improved, where feasible.</p> <p><u>Policy 45.1.5:</u> Construction or expansion of all major arterials shall consider separate bike paths.</p>	lanes along Rogge Road and San Juan Grade Road. Project approval will require compliance with mitigation measures recommended by the Public Works Department, ensuring compliance with these policies.
Parks and Recreation Facilities	<p><u>Policy 51.3.3 (GS):</u> Developers of new residential, industrial and commercial subdivisions shall be required to provide facilities dedicate land and/or pay fees in lieu of dedication for the acquisition and development of recreational facilities which directly serve the needs of the subdivision.</p>	Consistent. To partially fulfill the obligation, the project will dedicate land through out the development for a park, tot lot and par courses. The remainder of the recreational facilities requirement will be satisfied through conditions of approval recommended by the Parks Department, ensuring compliance with these policies. One of the conditions would allow the developer to enter into an agreement with the Santa Rita School District for the construction of recreation facilities at a Santa Rita School District facility as an alternative to paying the in lieu fee at the applicant's discretion.
Water Service	<p><u>Objective 53.1:</u> Achieve a sustained level of adequate water services.</p> <p><u>Policy 53.1.3:</u> The County shall not allow water consuming development in areas which do not have proven adequate water supplies.</p> <p><u>Policy 53.1.4:</u> New development shall be required to connect to existing water service providers which are public utilities, where feasible.</p>	Consistent. The project will be connected to public water facilities. The Monterey County Division of Environmental Health and Water Resources Agency has reviewed the project for compliance with long-term water supply and water quality and quantity. Project approval will require conditions recommended by the Division of Environmental Health and Monterey County Water Resources Agency, ensuring compliance with these policies.
Public Utilities	<p><u>Objective 56.2:</u> Ensure the aesthetic placement of utility lines.</p> <p><u>Policy 56.2.1:</u> The County shall, in accordance with the Monterey County Subdivision Ordinance, require that all new utility lines be placed underground.</p>	Consistent. Project approval will require conditions of approval recommended by the Planning and Building Inspection Department, ensuring compliance with this policy.

2. **FINDING: SITE SUITABILITY** - The site is suitable for the use proposed.

EVIDENCE: (a) The proposed development has been reviewed by the Monterey County Planning and Building Inspection Department, Water Resources Agency, Public Works Department, Environmental Health Division, Parks Department, the Housing and Redevelopment Agency, the Monterey County Sheriff's Office and the Salinas Rural Fire Protection District. Recommended conditions for the proposed development have been incorporated.

(b) Technical reports by outside archaeology, environmental, historic resource, hydrology and geotechnical consultants indicate that no physical or environmental constraints exist on the project site that would indicate the site is not suitable for the use proposed. Findings and recommendations from the reports prepared by these professionals have been incorporated into the analysis and impact mitigation. All technical reports are in project File PLN030065.

(c) Project planner conducted an on-site inspection on September 7, 2005 to verify that the project on the subject parcel conforms to the plans submitted under PLN030065.

(d) Necessary public facilities are available. The site will be served by California Water Service Company for water service and the Monterey Regional Water Pollution Control Agency for sewer service. Can and Will Serve letters are on file from California Water Service Company and the City of Salinas.

(e) The Initial Study, dated November 8, 2005, is on file in the office of the Planning and Building Inspection Department and is hereby incorporated by reference (File No. PLN030065).

3. **FINDING: CEQA** - On the basis of the whole record before the Monterey County Board of Supervisors, there is no substantial evidence that the proposed project as designed, conditioned, and mitigated, will have a significant effect on the environment. The Mitigated Negative Declaration reflects the independent judgment and analysis of the County.

EVIDENCE: (a) The proposed project is subject to environmental review due to the potential for significant environmental effects pursuant to CEQA Guidelines Section 15070 (Decision to Prepare a Negative or Mitigated Negative Declaration).

(b) Potentially adverse environmental effects were identified during staff review of the development application.

(c) Monterey County prepared an Initial Study pursuant to CEQA. The Initial Study is on file in the office of the Planning and Building Inspection Department and is hereby incorporated by reference (File No. PLN030065). All project changes required to avoid significant effects on the environment have been incorporated into the project and/or are made conditions of approval. The Initial Study identified potentially significant effects relative to Aesthetics, Air Quality, Geology & Soils, Hydrology & Water Quality, Noise, and Transportation/Traffic. Substantial evidence supports the conclusion that impacts will be less than significant with mitigation incorporated for these issues.

- (d) The Mitigated Negative Declaration was circulated for public review from November 8, 2005 to December 7, 2005.
- (e) The Monterey County Department of Planning and Building Inspection, (located at 168 W. Alisal Street, 2nd Floor, Salinas, CA, 93901) is the custodian of documents and other materials that constitute the record of proceedings upon which the decision to adopt the Mitigated Negative Declaration is based.
- (f) A Mitigation Monitoring and Reporting Program (MMRP) has been prepared and is designed to ensure compliance with conditions and that mitigation measures are monitored and reported during project implementation. The applicant must enter into an "Agreement to Implement a Mitigation Monitoring and Reporting Program" as a condition of project approval.
- (g) For purposes of implementing Section 735.5 of Title 14, California Code of Regulations, the project may cause changes to the resources listed under Section 753.5. Therefore, payment of the Fish and Game fee is required.
- (h) Evidence that has been received and considered includes the application, plans, materials, and technical reports, which are listed under Section IX (References) of the Initial Study and contained in project file PLN030065.
- (i) In response to the LAFCO letter dated March 2, 2006, the following language will be added to the Initial Study Project Description to reflect LAFCO's role as a Responsible Agency for the annexation of the project into County Service Area #9 (storm drain and street light maintenance) and the Monterey Regional Water Pollution Control Agency district boundaries (sewer service): LAFCO will utilize this document as a Responsible Agency under CEQA for the annexation of the project site into County Service Area #9 ("CSA #9") and the Monterey Regional Water Pollution Control Agency ("MRWPCA") district boundaries.
- (j) The physical impacts of the project connecting to CSA #9 and the MRWPCA were analyzed in the Mitigated Negative Declaration under Section VI, 16 B, C, & E (Utilities and Service Systems). This analysis demonstrated that the project's impacts to the facilities are less than significant.
- (k) To mitigate the physical impacts of the project, the following is a summary of the mitigation measures proposed:
- **Aesthetics:** To reduce off-site glare, two mitigation measures have been proposed: Street lights will be full cut-off fixtures and lighting on the dwelling units shall be unobtrusive and illuminate only the intended area. (Mitigation Measures 1-1 and 1-2)
 - **Air Quality:** To reduce the air quality impacts expected during construction, two mitigation measures have been proposed: Best Available Control Measures shall be implemented to reduce PM₁₀ and construction equipment shall be retrofitted and properly maintained to reduce vehicle emissions. (Mitigation Measures 3-1 and 3-2)
 - **Geology/Soils:** To ensure that the foundations are installed correctly on the site's expansive soils, four mitigation measures have been proposed. Those mitigation measures address the spread footing installation, foundation excavation, foundation slab thickness and subgrade soil moisture for driveways. (Mitigation Measures 6-1 through 6-4)

- **Hydrology and Water Quality:** To reduce the impacts of stormwater run-off, two mitigation measures have been proposed. Those mitigation measures address construction site waste management and the construction of stormwater retention/detention facilities. (Mitigation Measures 8-1 and 8-2)
- **Noise:** To ensure that the proposed residences located along San Juan Grade Road and adjacent to the bus barn meet the interior noise standard of 45 dBA CNEL with the windows closed, two mitigation measures have been proposed. Those mitigation measures require documentation that the residences can meet the standard or the lots shall be eliminated. To reduce the impacts of construction noise on the surrounding residential areas, three mitigations measures have been proposed: days and times for noise-generating construction activities shall be limited, construction equipment shall meet the county noise standard of a maximum of 85 decibels at 50 feet and contact information for noise-related complaints shall be posted on the project site and be clearly visible. (Mitigation Measures 11-1 through 11-5)
- **Traffic:** To reduce project related traffic impacts, four mitigation measures have been proposed. Those mitigation measures require fair share contribution to a signal at Rogge Road & San Juan Grade Road and left turn channelization at San Juan Grade Road & Crazy Horse Canyon Road, payment of TAMC and City of Salinas traffic impact fees, and the construction of frontage improvements (curb, gutter, sidewalk, left turn channelization and bike lanes) on Rogge Road and San Juan Grade Road. (Mitigation Measures 15-1 through 15-4)

4. **FINDING: NO VIOLATIONS** - The subject property is in compliance with all rules and regulations pertaining to zoning uses, subdivision and any other applicable provisions of the County's zoning ordinance. No violations exist on the property. Zoning violation abatement cost, if any, have been paid.

- EVIDENCE:** (a) Staff reviewed Monterey County Planning and Building Inspection Department records and is not aware of any violations existing on subject property.
- (b) Project planner conducted an on-site inspection on September 7, 2005 to verify that the project on the subject parcel conforms to the plans submitted under PLN030065.

5. **FINDING: TREE REMOVAL** – The tree removal is the minimum required under the circumstances of the case and the removal will not involve a risk of adverse environmental impacts.

- EVIDENCE:** (a) A landmark oak tree is in the future San Juan Grade right-of-way and will be removed to make way for the proposed frontage improvements, including the widening to four lanes as required by cumulative growth in the region. Because the tree is in the San Juan Grade right-of-way, removal of the tree is the minimum required under the circumstances.
- (b) Monterey County Code Section 21.64.260.C.5 requires that a Use Permit be obtained for the removal of landmark oaks. The removal of any landmark oak trees in any area of the County requires approval of a tree removal permit. Landmark trees are those which are 24 inches or more in

diameter when measured two feet above the ground, or trees which are visually significant, historically significant, or exemplary of their species.

- (c) The proposed tree removal will not involve a risk of adverse environmental impacts or ecological impacts. The project site is flat and is in a low erosion hazard zone. The area will be paved over as part of the San Juan Grade Road right-of-way; therefore, tree removal will not contribute to water quality degradation. The tree is an isolated tree so its removal will not have an impact upon existing biological or ecological systems or create a significant reduction of available wildlife habitat for wildlife existence and reproduction or result in the immigration of wildlife from adjacent or associated ecosystems. The tree has no noise reduction qualities nor does it restrict air movement. The conditions of approval require protection measures for the other tree to be retained during construction.
- (d) Section 21.64.260 of the Monterey County Zoning Ordinance (Title 21 of the Monterey County Code).

6. **FINDING:** **TENTATIVE MAP** – None of the findings found in Section 19.03.025.F of the Monterey County Code Title 19 (Subdivision Ordinance) can be made.

EVIDENCE: (a) Section 19.03.025.F requires that the subdivision be denied if any one of the findings is made. Planning staff has analyzed the project against the findings for denial outlined in this section. The map and its design and improvements are consistent with the County General Plan, the Greater Salinas Area Plan and the Monterey County Zoning Ordinance (see Evidence for Findings 1, 2, 3, 4, 5, & 8). The site has been determined to be physically suitable for the type and density of development (see Evidence for Findings 1, 2, 3, 4, 7, & 8). The design and improvements, as conditioned, are not likely to cause substantial environmental damage, substantially and avoidably injure fish or wildlife or their habitat, or cause serious public health problems as demonstrated in the Mitigated Negative Declaration prepared for this project (See Evidence for Findings 1, 2, 3, 4, 5, 8, & 9). The design and improvements will not conflict with easements for access through or use of property within the proposed subdivision.

(b) The Title Report, dated March 4, 2003, shows no evidence of easements on the property.

(c) The application, plans, and support materials submitted by the project applicant to the Monterey County Planning and Building Inspection Department for the proposed development, found in the project file (PLN030065).

7. **FINDING:** **DENSITY BONUS** – The project is an affordable development that qualifies for incentives under the State Density Bonus provisions in California Government Code Section 65915.

EVIDENCE: (a) California Government Code Section 65915 (l) defines incentives as a reduction in site development standards or a modification of zoning code requirements or architectural design requirements that exceed the minimum building standards. The project seeks to deviate from the development standards found in the zoning code by seeking a reduction in setbacks, a reduction in minimum building site square footage

requirements, a reduction in the width of the agricultural buffer zone for Lots 73 to 82 inclusive (10 units), and a reduction in the number of onsite vehicular parking spaces required for single family residences. The project seeks these concessions in order to achieve the necessary density to make the project economically feasible and achieve the proposed levels of affordability.

- (b) The application, plans, and support materials submitted by the project applicant to the Monterey County Planning and Building Inspection Department for the proposed development, found in the project file (PLN030065).
- (c) It is the intent to provide to the applicant 13.8 credits of inclusionary housing affordable to moderate income households pending the appropriate evaluation and environmental review to apply said credits to future projects.

8. FINDING: HEALTH AND SAFETY - The establishment, maintenance or operation of the project applied for will not under the circumstances of this particular case, be detrimental to the health, safety, peace, morals, comfort, and general welfare of persons residing or working in the neighborhood of such proposed use, or be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the County.

EVIDENCE: (a) The project as described in the application and accompanying materials was reviewed by the Department of Planning and Building Inspection, Environmental Health Division, Public Works Department, Water Resources Agency, Parks Department, Sheriff's Department, Agricultural Commissioner, and Salinas Rural Fire District as part of the project design process and as part of the environmental review process. The respective departments have recommended conditions, where appropriate, to ensure that the project will not have an adverse effect on the health, safety, and welfare of persons either residing or working in the neighborhood; or the County in general.

- (b) The application, plans, and support materials submitted by the project applicant to the Monterey County Planning and Building Inspection Department for the proposed development, found in the project file (PLN030065).
- (c) Preceding Findings and supporting evidence.
- (d) The project provides 37 parking spaces, in excess of the required number of spaces. In order to achieve the necessary density to make the project economically feasible and to allow for yard space on the smaller lots, the project does not provide for the required two off-street parking spaces for some of the detached units. Therefore, the proposal requires the granting of a Use Permit to allow the reduced number of off-street parking spaces for the single family dwellings (Monterey County Code Section 21.58.050.C).
- (e) In order to achieve the necessary density to make the project economically feasible, the project proposes 48 apartment units on a 1.527 acre parcel (31 units per gross acre). Monterey County Code 21.10.050.A requires a Use Permit for any residential use, except the first single family dwelling on a vacant lot, exceeding 10 dwelling units/acre gross.

9. FINDING: SUBSTITUTION OF MITIGATION MEASURES – The new mitigation measures are equivalent or more effective in mitigating or avoiding potential significant effects and will not themselves cause any potentially significant effect on the environment.

- EVIDENCE:** (a) Mitigation Measure 1-1 has been revised as follows: “The applicant shall place street lights only at road intersections, or as otherwise approved by the Director of Planning and Building Inspection, and the street lights shall be sodium vapor with full cut-off fixtures.” This change will allow the flexibility to add more street lights in the subdivision as necessary for safety while controlling off-site glare in the surrounding neighborhoods. An additional monitoring action to ensure installation of lighting “concurrent with the installation of adjacent subdivision improvements” has been added to the measure. These changes make the mitigation measure more effective by specifying submission requirements for review of the plan. Mitigation Measure 1-2 is still effective in mitigating off-site glare. The timing has been changed to “prior to issuance of grading permits.”
- (b) Mitigation Measure 1-2 has been revised as follows: “All exterior lighting shall be unobtrusive, harmonious with the local area, and constructed or located so that only the intended area is illuminated and off-site glare is fully controlled. The applicant shall submit 3 copies of an exterior lighting plan which shall indicate the location, type, and wattage of all light fixtures and include catalog sheets for each fixture. The exterior lighting plan shall be subject to approval by the Director of Planning and Building Inspection, prior to the issuance of building permits.” The timing has been changed to “prior to issuance of grading permits.” An additional monitoring action to ensure installation of lighting “prior to occupancy” has been added to the measure. These changes make the mitigation measure more effective by specifying submission requirements for review of the plan.
- (c) Mitigation Measure 3-1, 3rd bullet, has been revised as follows: “Haul trucks shall maintain ~~at least two feet~~ a minimum of 6 inches of freeboard or ~~and either be covered or sprinkled with water in such a manner that visible dust will not be emitted during transportation and debris will not be spilt on to public roadways when transporting materials off-site.~~” This change makes the revised mitigation equivalent to the mitigation measure proposed in the Initial Study in mitigating or avoiding potential significant effects and that it in itself will not cause any potentially significant effect on the environment. Refer to the January 27, 2006 letter from Illingworth and Rodkin, Inc. (see Exhibit “L” of the March 28, 2006 Board of Supervisors staff report).
- (d) Mitigation Measure 3-1, 12th bullet, has been revised as follows: “All exit points to the site used by construction vehicles shall be lined with clean gravel or cobblestones so that debris can be removed. The gravel or cobblestone beds shall be maintained and adjacent roadways shall be kept clean of tracked materials using street sweepers. If necessary, wheels of vehicles exiting the site shall be washed to ensure that debris is not tracked on to roadway. Install wheel washers for all exiting trucks, or wash off all trucks and equipment leaving the site.” This change makes the revised mitigation equivalent to the mitigation measure proposed in the Initial Study

in mitigating or avoiding potential significant effects and that it in itself will not cause any potentially significant effect on the environment. Refer to the January 27, 2006 letter from Illingworth and Rodkin, Inc. (see Exhibit "L" of the March 28, 2006 Board of Supervisors staff report).

- (e) Mitigation Measure 3-2 has been revised to include the following additions and changes (summarized): 1) Use off-road construction equipment, manufactured during or after 2003 and retrofit off-road construction equipment older than 2003 with diesel oxidation catalyst filters. This change makes the mitigation measure more effective by adding additional methods to ensure that exposure to diesel exhaust will have a less-than-significant impact on sensitive receptors. 2) Use off-road construction equipment, manufactured during or after 1996, that meets the NOx emissions standard of 6.9 grams per brake horsepower or use alternative fuels such as biodiesel that result in lower particulate emissions. This change makes the mitigation equally effective because biodiesel reduces emissions of volatile organic compounds, particulate matter and acrolein. Low-sulfur diesel reduces nitrogen oxide, but this is not a critical issue in this air basin.
- (f) The timing of Mitigation Measures 11-1 and 11-2 has been changed to "prior to filing the final map." Changing the timing makes the mitigation more effective in the ability to eliminate lots if the interior noise level of 45 dBA cannot be met.
- (g) Mitigation Measure 15-1 has been revised to include the specific dollar amount of the fair share contribution of the costs of the installation of a traffic signal at the San Juan Grade Road/Rogge Road Intersection (\$37,950) and the left turn channelization on San Juan Grade Road at Crazy Horse Canyon Road (\$28,090). The revised mitigation measure is equally effective by providing a specific dollar amount required for the mitigation and merely clarifies the intent of the measure.
- (h) Mitigation Measures 15-3 and 15-4 have been combined into one mitigation measure as MM 15-3. Additional language has been added to not only ensure the bonding of the improvements, but that the improvements are installed. The timing for compliance has been revised to reflect the timing for preparation and approval of improvement plans, bonding of improvements, obtaining encroachment permits and installation of improvements. The mitigation measure now reads: "The applicant shall have plans and specifications prepared by a Registered Civil Engineer, dedicate required right of way, obtain an encroachment permit from the Department of Public Works and construct the following improvements: a) Install curb, gutter and sidewalk, including one driveway, along the frontage of San Juan Grade Road and widen San Juan Grade Road to provide for four through lanes, left turn channelization at the intersection with Rogge Road, two Class 2 bike lanes and a bus stop; b) Install curb, gutter and sidewalk, including one driveway, along the frontage of Rogge Road and widen Rogge Road to provide for two through lanes, left turn channelization and two Class 2 bike lanes. Applicant shall be responsible to obtain all required permits and environmental clearances for the above improvements." The revised mitigation measure is more effective by specifying in detail all of the steps necessary for the construction of the improvements.

10. FINDING: CEQA – Comments received on the project did not present substantial evidence of any unmitigated significant environmental effects.

EVIDENCE: (a) California Water Service Company letter dated November 22, 2005. California Water Service Company reiterated language from their “can and will serve” letter stating that it may be necessary for the developer to advance the cost of special facilities, such as wells, booster pumps or a storage tank, in addition to the cost of mains and services. The “can and will serve” also states that California Water Service Company meets all State and Public Utilities Commission regulations pertaining to water quality and quantity. The letter did not identify any potentially significant environmental effects.

(b) Cal Trans District 5 letter dated November 30, 2005. Cal Trans District 5 commented that Monterey County has established a PM peak-hour fee for new trips traveling on the Prunedale Highway 101 corridor (Prunedale Improvement Project or “PIP”). Over the past two years, the Public Works Department has been working with the Transportation Agency of Monterey County (TAMC) in the development of the TAMC Regional Development Impact Fee. A Nexus Study (“Study”) has been adopted by TAMC. The Study identifies projects to provide adequate transportation infrastructure and the fees necessary to fund the projects. The Commons at Rogge Road will pay the fee identified in the Study to fully mitigate its fair share of regional, cumulative impacts. The goal of the County-wide fee is to develop a traffic mitigation fee to address impacts to the regional circulation network, not including the PIP because it is fully funded with other funds.

(c) Monterey Regional Water Pollution Control Agency (MRWPCA) letter dated December 5, 2005. The MRWPCA commented that the project site has not been annexed into the boundaries of their District. After conducting a sanitary sewer study, the project has received a “can & will serve” letter from the City of Salinas indicating that their system will be able to handle the additional flow and that they will provide sewer service to the project. An additional condition of approval has been placed on the project requiring that proof of annexation into the MRWPCA District be submitted prior to filing the final map.

(d) Monterey Bay Unified Air Pollution Control District (MBUAPCD) letter dated December 6, 2005. The MBUAPCD submitted comments relating to the demolition of structures and diesel exhaust. Prior to obtaining a demolition permit from Monterey County, applicants are required to have a Certified Asbestos Consultant survey the structures for asbestos. This requirement will be added as an additional condition of approval. New regulations, intending to reduce the impact of diesel exhaust on people during the operation of diesel equipment, require the contractor to use equipment with a model year of 2003 or newer. Contractors using older equipment shall retrofit older equipment with diesel oxygenation catalyst filters. These requirements have been added as further mitigation under Mitigation Measure 3-2 (see Evidence (e) in Finding 9).

(e) Santa Rita Union School District letters dated December 5, 2005 and January 11, 2006. In the December 5 letter, the Santa Rita Union School District commented that the state statutory developer fees are insufficient

to cover the actual cost of the additional students. However, California Government Code Section 65996 (b) is deemed to provide full and complete mitigation of the impacts on school facilities. In the January 11 letter, the Santa Rita Union School District submitted a letter stating that they will work with the Applicant toward a mutually beneficial arrangement. The January 11, 2006 letter did not identify any potentially significant environmental effects.

- (f) City of Salinas letter dated December 15, 2005. The City of Salinas commented on the following technical aspects of the project:
1. Inconsistencies: The letter notes inconsistencies with City standards pertaining to access and density. The applicant has revised the project by eliminating parking spaces on one side of eastern and western one-way main access roads to accommodate emergency vehicles. The City's proposed standard for detached small-lot single-family residence is being reduced from 4,000 square feet to 3,600 square feet or 2,900 square feet with a density bonus. The overall density proposed for the project is 15 dwelling units per acre, an average of 1,965 square feet per lot, and is consistent with County standards per Monterey County Code Section 21.10.060.A. The lot sizes within the proposed project vary from 1,394 to 3,136 square feet. Because the project is an affordable development, the project is deviating from development standards as density bonus incentive under the State Density Bonus provisions in California Government Code Section 65915 (see Evidence in Finding 7).
 2. Open Space: The letter notes that the project has "very little useable open space." The project provides a 0.3-acre park, tot lot and a par course within the development. Condition #50 requires the applicant to comply with Section 19.12.010 of the Monterey County Code, by paying a fee in lieu of parkland dedication for 0.801 acres of the total 1.4-acre park requirement for this project or by providing new recreation improvements to a school site within the Santa Rita School District equivalent to that fee. The acceptance of improvements in lieu of the fee is contingent upon the Applicant entering into a 3-party agreement with the County of Monterey and the Santa Rita School District.
 3. Public Improvements: The letter indicates that the stairs providing pedestrian access to the residences fronting along San Juan Grade and Rogge Roads encroach into the public right-of-way, as shown on the current site plans. The applicant has indicated that these private facilities will be shifted out of the road-widening parcel and public right-of-way.
- (g) Annemarie Tresch letter dated January 12, 2006. In her letter, Ms. Tresch identified the following concerns with the project: 1) the 6-foot block wall along the southeast property line; 2) Project Density; 3) Parking; 4) Fire Hazards; 5) Energy efficient windows; 6) Traffic; 7) Flooding & Run-off; 8) Area of Development Concentration in 1986 Greater Salinas Area Plan; 9) Public Safety (Sheriff); 10) School Impacts; 11) Open Space; 12) Aesthetics; 13) Emissions from furnaces; 14) Water use; 15) Land use and Planning; 16) Circulation. The issues raised in the letter have been

evaluated in the Mitigated Negative Declaration and have been adequately addressed through the project's recommended conditions of approval and mitigation measures.

- (h) John Tresch letter dated January 12, 2006. In his letter, Mr. Tresch identified the following concerns with the project: 1) Aesthetics; 2) Agricultural Resources; 3) Air Quality; 4) Biological Resources; 5) Cultural Resources; 6) Hazards and Hazardous Materials; 7) Hydrology & Water Quality; 8) Land Use and Planning; 9) Noise; 10) Population & Housing; 11) Public Services; 12) Transportation & Traffic. In particular, the letter indicated that the project site has an underground fuel storage tank on it. The Phase I and II Environmental Site Assessments conducted on the project site indicate that although there is an above ground diesel storage tank, no underground tanks were found on the site. The issues raised in the letter have been evaluated in the Mitigated Negative Declaration and have been adequately addressed through the project's recommended conditions of approval and mitigation measures.
- (i) Association of Monterey Bay Area Governments (AMBAG) letter dated January 13, 2006. The letter stated that their Board of Directors considered the project on January 11, 2006 and have no comments at this time.
- (j) Cal Trans District 5 letter dated November 30, 2005. In the letter, Cal Trans District 5 referenced a statement made in the Initial Study about future projects covered by the TAMC Regional Development Impact Fee. Although the Nexus Study clearly states "development impact fees cannot be used to fund maintenance projects, safety projects, or to relieve existing traffic congestion", staff acknowledges that some of the operational projects proposed in the Nexus Study indirectly improve traffic congestion and safety on the public roadways.
- (k) City of Salinas letter dated February 22, 2006. The City of Salinas commented on the adequacy of the environmental review process for the project. Analyses of the policies of both the General Plan and Greater Salinas Area Plan have been prepared to demonstrate how the project is consistent with both plans. Those analyses are summarized in Finding 1 as Evidence (n). Other notable issues raised in the letter are:
 - 1. The City of Salinas contends that the conversion of prime agricultural land is a potentially significant effect. The Initial Study, dated November 8, 2006, identified the impact as less-than-significant. A church, residential development, strawberry and tomato fields, a school district bus barn, a small commercial shopping center and an elementary school border the site. The current farming activities on the project site are incompatible with these residential and commercial uses. Because strawberry cultivation typically requires the use of fumigants as part of the operations, maintaining the agricultural uses on the project site requires extra care and buffer zones from these uses when using fumigants. While the proposal would convert prime farmland and conflict with existing zoning for agricultural use, the approval of the proposal would eliminate the zoning conflict and would create a less than significant impact to the overall lands designated as "Prime" in Monterey County. Given the size of the cultivated area,

10-acres, and the fact that the subject location is surrounded by urban uses, viability of the parcel as a productive working farm is low.

2. The City of Salinas contends the project is inconsistent with the City's General Plan: There are no plans to annex the project at this time because the project is not within the City's new 20 year General Plan and not within the City's sphere of influence. As such, this project is not required to comply with the City's General Plan. However, in recognition of it's proximity to the City boundaries, the project was modified to accommodate the City's concerns.
3. The City of Salinas contends that a biological survey should be performed on the project site: This project site is a completely disturbed site with housing and agriculture. Staff reviewed all resource maps and available data, conducted site visits, and concluded that there was no potential for significant biological impacts. The Initial Study was circulated to the State Clearinghouse and the Department of Fish & Game. They did not identify any concerns with the analysis.
4. The City of Salinas states the development will locate residential uses near existing agricultural uses: A church, residences, a school district bus barn, a small commercial shopping center and an elementary school border the site. The property's current farming activities are incompatible with these residential and commercial uses. The project is consistent with the State Density Bonus Provisions in its reduction of the agricultural setback requirement (see Evidence in Finding 7), which is a requirement of the Monterey County Zoning Ordinance.
5. The City of Salinas contends that Mitigation Measure 1-2 defers mitigation to occupancy of the dwellings: The mitigation measure requires submission and approval of the lighting plan prior to the issuance of building permits. The lighting plan requires that the lighting illuminate only the intended area (see Evidence (a) and (b) in Finding 9).
6. The City of Salinas states that the mitigation measures be fully enforceable: The combined development permit includes mitigation measures as conditions and requires a mitigation monitoring agreement to address this issue. Both are legally binding.
7. The City of Salinas contends that the environmental document does not sufficiently address the exposure of people to diesel exhaust: The Initial Study identified potential impacts from diesel particulate matter. In response to the air district's letter, County staff contacted the district staff for clarification. The air district suggested two additional methods to better achieve compliance. Those methods are to use off-road construction equipment manufactured during or after 2003 and to retrofit off-road construction equipment older than 2003 with diesel oxidation

catalyst filters [see Evidence (e) in Finding 9 and Evidence (d) in Finding 10]. These have been added as conditions of approval.

The remaining issues in the letter have been addressed in the staff report, the conditions of approval, and are addressed in response to other letters in this Finding.

- (l) Local Agency Formation Commission (LAFCO) letter dated March 2, 2006. The letter stated that two actions will need to come before LAFCO after project approval. Those actions are: 1) the annexation of the project area into the existing County Service Area #9 (CSA #9) for storm drain and street light maintenance, and 2) the annexation of the project area into the Monterey Regional Water Pollution Control Agency (MRWPCA) boundary. The letter also requested that the environmental document address any potential environmental impacts for the annexation of the projects into CSA #9 and the MRWPCA district. In a letter to LAFCO, dated March 3, 2006, County staff indicated that the environmental document analyzed the physical impacts the project would have by connecting to the storm drain system (CSA #9) and to the Monterey Regional Water Pollution Control Agency (MRWPCA) under Section VI, 16 B, C, & E (Utilities and Service Systems). This analysis demonstrated that the project's impacts to the facilities are less than significant. Further, staff indicated that the following language would be added to the Initial Study Project Description to reflect LAFCO's role as a Responsible Agency for the annexation of the project into CSA #9 and the MRWPCA: "LAFCO will utilize this document as a Responsible Agency under CEQA for the annexation of the project site into County Service Area #9 ("CSA #9") and the Monterey Regional Water Pollution Control Agency ("MRWPCA") district boundaries" (see Evidence (i) and (j) in Finding 3).
- (m) The Evidence in Findings 1, 2, 3, 4, 5, 6, 7, 8, and 9.
- (n) The Board of Supervisor's staff report dated March 28, 2006.
- (o) The Initial Study dated November 8, 2005, as modified by Findings 1 – 10.

EXHIBIT "D"

**Monterey County Planning and Building Inspection
Condition Compliance and Mitigation Monitoring
Reporting Plan**

Project Name: The Commons at Rogge Road
 File No: PLN030065 APNs: 211-012-002-000 and 211-012-040-000
 Approval by: Board of Supervisors Date: March 28, 2006

*Monitoring or Reporting refers to projects with an EIR or adopted Mitigated Negative Declaration per Section 21081.6 of the Public Resources Code.

Permit Cond Number	Mitig Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Designation	Compliance or Monitoring Actions to be performed. If not applicable, a certified professional's required for actions to be accepted.	Responsible Party for Compliance	Ongoing unless otherwise stated	Verification of Compliance (state date)
1.		<p>PBD029 - SPECIFIC USES ONLY</p> <p>This Combined Development Permit (PLN030065) allows 1) an amendment to the General Plan Land Use Designation from Medium Density Residential (Two Units per Acre) and Farmlands, 40 Acre Minimum to High Density Residential (5-20 Units Per Acre); 2) A Zoning District Reclassification from Medium Density Residential, Two Units per Acre ("MDR/2") and Farmlands, 40 Acre Minimum ("F/40") to High Density Residential, 15 Units per Acre ("HDR/15"); 3) Standard Subdivision Vesting Tentative Map to divide two existing lots of record into 126 lots of varying size, consisting of 123 single-family residential lots; one apartment lot consisting of 48 attached units; one park parcel and one common area parcel for streets, driveways, public utilities and open space; and 4) a Use Permit for removal of one landmark oak tree, parking and an apartment building exceeding 10 Units per Acre. The property is located at 1001 A-E & 1003 Rogge Road (Assessor's Parcel Number 211-012-002 & 040), Salinas. This permit was approved in accordance with County ordinances and land use regulations subject to the following terms and conditions. Neither the uses nor the</p>	Adhere to conditions and uses specified in the permit.	Owner/ Applicant	Ongoing unless otherwise stated	

Permit Condition Number	Mitigation Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be Performed Where applicable, a certified professional is required for action to be accepted	Responsible Party for Compliance	Timing	Verification of Compliance (time/date)
2.		<p>construction allowed by this permit shall commence unless and until all of the conditions of this permit are met to the satisfaction of the Director of Planning and Building Inspection. Any use or construction not in substantial conformance with the terms and conditions of this permit is a violation of County regulations and may result in modification or revocation of this permit and subsequent legal action. No use or construction other than that specified by this permit is allowed unless additional permits are approved by the appropriate authorities. (Planning and Building Inspection)</p>	<p>See Previous Page</p>			
2.		<p>PBD025 - NOTICE-PERMIT APPROVAL The applicant shall record a notice which states: "A permit (Resolution [REDACTED]) was approved by the Board of Supervisors for Assessor's Parcel Numbers 211-012-002-000 and 211-012-040-000 on March 28, 2006. The permit was granted subject to 87 conditions of approval which run with the land. A copy of the permit is on file with the Monterey County Planning and Building Inspection Department." Proof of recordation of this notice shall be furnished to the Director of Planning and Building Inspection prior to issuance of building permits or commencement of the use. (Planning and Building Inspection)</p>	<p>Proof of recordation of this notice shall be furnished to PBI.</p>	<p>Owner/ Applicant</p>	<p>Prior to Issuance of grading and building permits or start of use.</p>	
3.		<p>PBD012 - FISH AND GAME FEE-NEG DEC/UR Pursuant to the State Public Resources Code, State Fish and Game Code, and California Code of Regulations, the applicant shall pay a fee, to be collected by the County, within five (5) working days of project approval. This</p>	<p>The applicant shall submit a check, payable to the <i>County of Monterey</i>, to the Director of Planning and Building Inspection.</p>	<p>Owner/ Applicant</p>	<p>Within 5 working days of project approval.</p>	

Permit Count Number	Mitig. Number	Conditions of Approval/and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed where applicable, as certified by professionals required for action to be accepted.	Responsible Party for Compliance	Prior to the recording of the final map, the start of use or the issuance of building or grading permits	Verification of Compliance (Date)
		fee shall be paid before the Notice of Determination is filed. If the fee is not paid within five (5) working days, the project shall not be operative, vested or final until the filing fees are paid. (Planning and Building Inspection)	If the fee is not paid within five (5) working days, the applicant shall submit a check, payable to the County of Monterey, to the Director of Planning and Building Inspection.	Owner/ Applicant	Prior to the recording of the final map, the start of use or the issuance of building or grading permits	
4.		PBD014 - GRADING-WINTER RESTRICTION No land clearing or grading shall occur on the subject parcel between October 15 and April 15 unless authorized by the Director of Planning and Building Inspection. (Planning and Building Inspection)	Applicant's engineer shall include note on Final Map	Owner/ Applicant	Ongoing	

Permit Condition Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (date)
5.	<p>PBD022 - MITIGATION MONITORING PROGRAM</p> <p>The applicant shall enter into an agreement with the County to implement a Mitigation Monitoring and/or Reporting Plan in accordance with Section 21081.6 of the California Public Resources Code and Section 15097 of Title 14, Chapter 3 of the California Code of Regulations. Compliance with the fee schedule adopted by the Board of Supervisors for mitigation monitoring shall be required and payment made to the County of Monterey at the time the property owner submits the signed mitigation monitoring agreement. (Planning and Building Inspection)</p>	<p>1) Enter into agreement with the County to implement a Mitigation Monitoring Program.</p> <p>2) Fees shall be submitted at the time the property owner submits the signed mitigation monitoring agreement.</p>	<p>Owner/ Applicant</p>	<p>Within 60 days after project approval or prior to issuance of grading and building permits, whichever occurs first.</p>		

Permit Code Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Upon demand of County Counsel or concur- rent with the issuance of building permits, use of the property, filing of the final map, which- ever occurs first and as applic- able	Verification of Compliance (Name/Date)
6.	PBD016 - INDEMNIFICATION AGREEMENT The property owner agrees as a condition and in consideration of the approval of this discretionary development permit that it will, pursuant to agreement and/or statutory provisions as applicable, including but not limited to Government Code Section 66474.9, defend, indemnify and hold harmless the County of Monterey or its agents, officers and employees from any claim, action or proceeding against the County or its agents, officers or employees to attack, set aside, void or annul this approval, which action is brought within the time period provided for under law, including but not limited to, Government Code Section 66499.37, as applicable. The property owner will reimburse the county for any court costs and attorney's fees which the County may be required by a court to pay as a result of such action. County may, at its sole discretion, participate in the defense of such action; but such participation shall not relieve applicant of his obligations under this condition. An agreement to this effect shall be recorded upon demand of County Counsel or concurrent with the issuance of building permits, use of the property, filing of the final map, whichever occurs first and as applicable. The County shall promptly notify the property owner of any such claim, action or proceeding and the County shall cooperate fully in the defense thereof. If the County fails to promptly notify the property owner of any such claim, action or proceeding or fails to cooperate fully in the defense thereof, the property owner shall not thereafter be responsible to defend, indemnify or hold the county harmless. (Planning and Building Inspection)	Proof of recordation of the Indemnification Agreement, as outlined, shall be submitted to PBI.	Owner/ Applicant	Upon demand of County Counsel or concurrent with the issuance of building permits, use of the property, filing of the final map, which- ever occurs first and as applicable		

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. When applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (Time/date)
7.		<p>PBSP001 - LANDSCAPE PLAN AND MAINTENANCE (SINGLE FAMILY DWELLING ONLY) (NON STANDARD CONDITION)</p> <p>A note shall be placed on the final map stating "The site shall be landscaped. At least 60 days prior to occupancy, three (3) copies of a landscaping plan shall be submitted to the Director of Planning and Building Inspection for approval. A landscape plan review fee is required for this project. Fees shall be paid at the time of landscape plan submittal. The landscaping plan shall be in sufficient detail to identify the location, species, and size of the proposed landscaping materials and shall be accompanied by a nursery or contractor's estimate of the cost of installation of the plan. The landscaping shall be installed and inspected prior to occupancy. All landscaped areas and fences shall be continuously maintained by the owner; all plant material shall be continuously maintained in a litter-free, weed-free, healthy, growing condition." (Planning and Building Inspection)</p>	<p>Final recorded map with notes shall be submitted to PBI & Public Works for review and approval.</p> <p>Submit landscape plans and contractor's estimate to PBI for review and approval. Install landscaping prior to occupancy.</p> <p>All landscaped areas and fences shall be continuously maintained by the applicant; all plant material shall be continuously maintained in a litter-free, weed-free, healthy, growing condition.</p>	<p>Owner/ Applicant</p> <p>Owner/ Applicant/ Contractor</p> <p>Owner/ Applicant</p>	<p>Prior to recording of final map.</p> <p>At least 60 days prior to final inspection or occupancy</p> <p>Ongoing</p>	

Permit Condition Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a Certified Professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (Name/Date)
8.		<p>PBDS002 - LANDSCAPE PLAN AND MAINTENANCE (OPEN SPACE, PARK PARCELS AND APARTMENT PARCEL) (NON STANDARD CONDITION)</p> <p>A note shall be placed on the final map stating "The site shall be landscaped. At least 60 days prior to occupancy or use, three (3) copies of a landscaping plan shall be submitted to the Director of Planning and Building Inspection for approval. A landscape plan review fee is required for this project. Fees shall be paid at the time of landscape plan submittal. The landscaping plan shall be in sufficient detail to identify the location, species, and size of the proposed landscaping. The landscaping shall be installed and inspected prior to occupancy or use. All common landscaped areas and fences shall be continuously maintained by the homeowner's association; all plant material shall be continuously maintained in a litter-free, weed-free, healthy, growing condition." (Planning and Building Inspection)</p>	<p>Final recorded map with notes shall be submitted to PBI & Public Works for review and approval.</p> <p>Submit landscape plans and contractor's estimate to PBI for review and approval. Install landscaping prior to occupancy.</p> <p>All landscaped areas and fences shall be continuously maintained by the homeowner's association; all plant material shall be continuously maintained in a litter-free, weed-free, healthy, growing condition.</p>	<p>Owner/ Applicant</p> <p>Owner/ Applicant/ Contractor</p> <p>Homeowner's Association</p>	<p>Prior to recording of final map.</p> <p>At least 60 days prior to final inspection or occupancy of adjacent residential unit.</p> <p>Ongoing</p>	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (time/date)
9.		<p>PBDS003 – OAK TREE PLANTING (NON-STANDARD CONDITION)</p> <p>As referenced above in Planning and Building Inspection's non standard conditions PBDS001 & 002, a landscaping plan shall be submitted for review and approval at least 60 days prior to occupancy. The landscaping plan shall incorporate a minimum of five (5) 15 gallon oak trees to be planted throughout the project site in park/open space areas and along street frontages. (Planning and Building Inspection)</p>	<p>Submit landscape plans to PBI for review and approval. Plans shall incorporate a minimum of five (5) 15 gallon oak trees to be planted throughout the project site in park/open space areas and along street frontages.</p>	Owner/ Applicant/ Contractor	At least 60 days prior to final inspection or occupancy	
10.		<p>PBDS004 – LANDSCAPING ALONG SAN JUAN GRADE ROAD FRONTAGE (NON-STANDARD CONDITION)</p> <p>As referenced above in Planning and Building Inspection's non standard conditions PBDS001 & 002, a landscaping plan shall be submitted for review and approval at least 60 days prior to occupancy. The landscaping plan shall demonstrate that the landscaping proposed for the homes fronting along San Juan Grade Road is complimentary to the existing neighborhood. (Planning and Building Inspection)</p>	<p>Submit landscape plans to PBI for review and approval. Plans shall demonstrate that the landscaping proposed for the homes fronting along San Juan Grade Road is complimentary to the existing neighborhood.</p>	Owner/ Applicant/ Contractor	At least 60 days prior to final inspection or occupancy	

Permit Condition Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Bureaucratic Department	Compliance or Monitoring Actions to be performed. Where applicable, a copy of professional is required for action to be accepted.	Responsible Party for Compliance	Prior to recor- dation of final map.	Verification of Compliance (time/date)
11.		PBD024 - NOTE ON MAP-STUDIES A note shall be placed on the final map or a separate sheet to be recorded with the final map stating that: "A Preliminary Drainage Study dated December 26, 2003, has been prepared on this property by LandSet Engineers, Inc., and is on file in the Monterey County Planning and Building Inspection Department, Library No. LIB050769. The recommendations contained in said report shall be followed in all further development of this property." The note shall be located in a conspicuous location, subject to the approval of the County Surveyor. (Planning and Building Inspection)	Final recorded map with notes shall be submitted to PBI and Public Works for review and approval.	Owner/ Applicant	Prior to recor- dation of final map.	
12.		PBD024 - NOTE ON MAP-STUDIES A note shall be placed on the final map or a separate sheet to be recorded with the final map stating that: "A Geotechnical Investigation report has been prepared for this parcel by Soil Surveys, Inc., dated September 18, 2001 and is on record in the Monterey County Planning and Building Inspection Department, Library No. LIB030121. All development shall be in accordance with this report." The note shall be located in a conspicuous location, subject to the approval of the County Surveyor. (Planning and Building Inspection)	Final recorded map with notes shall be submitted to PBI and Public Works for review and approval.	Owner/ Applicant	Prior to recor- dation of final map.	

Permit Condition Number	Permit Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (Name/Date)
13.		<p>PBD024 - NOTE ON MAP-STUDIES</p> <p>A note shall be placed on the final map or a separate sheet to be recorded with the final map stating that: "A Transportation Impact Analysis dated November 2004 (LIB040321), a memo entitled 'Supplemental Analysis for Rogge Road Village Traffic Study' dated May 2, 2005 (LIB050772), and a memo entitled 'Turn Restrictions at the San Juan Grade Road Driveway to the Proposed Rogge Road Village Residential Development' dated October 31, 2005 (LIB050771) have been prepared for this parcel Fehr & Peers, and are on record in the Monterey County Planning and Building Inspection Department. All development shall be in accordance with this report and subsequent memorandum." The note shall be located in a conspicuous location, subject to the approval of the County Surveyor. (Planning and Building Inspection)</p>	Final recorded map with notes shall be submitted to PBI and Public Works for review and approval.	Owner/ Applicant	Prior to recording of final map.	
14.		<p>PBDSP005 - STOP WORK - RESOURCES FOUND (NON STANDARD CONDITION)</p> <p>A note shall be placed on the final map stating that: "If, during the course of construction, cultural, archaeological, historical or paleontological resources are uncovered at the site (surface or subsurface resources) the work shall be halted immediately within 50 meters (165 feet) of the find until a qualified professional archaeologist can evaluate it. The Monterey County Planning and Building Inspection Department and a qualified archaeologist (i.e., an archaeologist registered with the Society of Professional Archaeologists) shall be immediately contacted by the responsible individual present on-site. When contacted, the project planner and archaeologist shall immediately visit the site to determine</p>	This condition shall be placed as a note on the final map, grading plans and subdivision improvement plans (SIP). Map and plans with notes shall be submitted to PBI and Public Works for review and approval. Stop work within 50 meters (165 feet) of uncovered resource and contact the Monterey County Planning and Building Inspection Department and a qualified archaeologist immediately if cultural, archaeological, historical or paleontological resources are uncovered. When contacted, the project planner and the archaeologist shall immediately visit	Owner/ Applicant	Prior to recording of final map.	

Permit Cond. Number	Ming Number	Conditions of Approval and/or Mitigation Measures and Responsible Building Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (time/date)
		the extent of the resources and to develop proper mitigation measures required for the discovery.” (Planning and Building Inspection)	the site to determine the extent of the resources and to develop proper mitigation measures required for the discovery.	Owner/ Applicant/ Archaeo- logist	Ongoing	
15.		PBDSF006 – TREE AND ROOT PROTECTION (NON STANDARD CONDITION) Trees which are located close to the construction site(s) shall be protected from inadvertent damage from construction equipment by fencing off the canopy driplines and/or critical root zones (whichever is greater) with protective materials, wrapping trunks with protective materials, avoiding fill of any type against the base of the trunks and avoiding an increase in soil depth at the feeding zone or drip-line of the retained trees. Said protection shall be demonstrated prior to issuance of building permits subject to the approval of the Director of Planning and Building Inspection. (Planning and Building Inspection)	This condition shall be placed as a note on the grading and subdivision improvement plans (SIP). Map and plans with notes shall be submitted to PBI and Public Works for review and approval.	Owner/ Applicant	Prior to the issuance of a grading permit or approval of SIP	
			Submit evidence of tree protection to PBI for review and approval.	Owner/ Applicant	Prior to Issuance of Grading and/or Building Permits	

Permit Condition Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed where applicable, a certified professional is required for action to be accepted	Responsible Party for Compliance	Limiting	Verification of Compliance (Name/Date)
16.		<p>PBD033 – UTILITIES – SUBDIVISION</p> <p>A note shall be placed on the final map or a separate sheet to be recorded with the final map indicating that "Underground utilities are required in this subdivision in accordance with Chapter 19.10.005, Title 19 of the Monterey County Code." Such facilities shall be installed or bonded prior to filing the (parcel or final) map. The note shall be located in a conspicuous manner subject to the approval of the Director of Public Works. (Planning and Building Inspection)</p>	<p>Place note on map or a separate sheet and submit to PBI for review and approval.</p>	Applicant/ Owner	Prior to recording of final map.	
17.		<p>PBDSP007 – HEIGHT VERIFICATION FOR APARTMENTS (NON STANDARD CONDITION)</p> <p>The applicant shall have a benchmark placed upon the property and identify the benchmark on the building plans for the apartment buildings. The benchmark shall remain visible onsite until final building inspection. The applicant shall provide evidence from a licensed civil engineer or surveyor, to the Director of Planning and Building Inspection for review and approval, that the height of the apartment buildings from the benchmark is consistent with what was approved on the building permit associated with this project. (Planning and Building Inspection)</p>	<p>1) The applicant shall have a benchmark placed upon the property and identify the benchmark on the building plans. The benchmark shall remain visible onsite until final building inspection</p> <p>2) The applicant shall provide evidence from a licensed civil engineer or surveyor, to the Director of Planning and Building Inspection for review and approval, that the height of the structure(s) from the benchmark is consistent with what was approved on the building permit.</p>	Owner/ Applicant Engineer/ Owner/ Applicant	Prior to Issuance of Grading or Building Permits Prior to Final Inspection	

Permit Condition Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures with Responsible Land Use Department	Compliance or Monitoring Actions to be performed where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Prior to filing of Final Map(s)	Verification of Compliance (Date)
18.		<p>PBDSP008 – GARBAGE COLLECTION (NON-STANDARD CONDITION)</p> <p>A note shall be included on the final map or by a separate document that shall indicate its relationship to the final map, recorded simultaneously with the final map as follows: <i>"Mandatory garbage collection shall be required and that the project shall comply with the Monterey County Solid Waste Management Plan including recycling efforts."</i> (Planning and Building Inspection & Environmental Health)</p>	<p>Applicant's engineer shall include note on Final Map</p>	<p>Engineer/ Owner/ Applicant</p>	<p>Prior to filing of Final Map(s)</p>	
19.		<p>PBDSP009 – TRASH ENCLOSURE (NON-STANDARD CONDITION)</p> <p>A trash enclosure area shall be provided for the apartment units in conformance with the provisions of Monterey County Code Section 21.10.070.A. (Planning and Building Inspection & Environmental Health)</p>	<p>Applicant shall submit a plan showing the location and design of the trash enclosure area to the Director of Environmental Health and the Director of Planning and Building Inspection for review and approval.</p>	<p>Owner/ Applicant</p>	<p>Prior to Issuance of Building Permits</p>	

Permit Condition Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. If not applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (date)
20.		<p>PBDS010 – SPECIAL SETBACKS (NON-STANDARD CONDITION)</p> <p>The Final Map shall indicate the following setbacks for the single family dwelling lots:</p> <p>Setbacks for Plan 1 (Lots 84, 86, 88, 90, 92, 94, 98, 101, 103, 104, 106, 109, 111, 115, 119 and 122) shall be Front: 4.0 feet; Side: 3.0 feet; Rear: 2.0 feet.</p> <p>Setbacks for Plan 2 (Lots 85, 87, 89, 91, 93, 95, 96, 97, 99, 100, 102, 105, 107, 108, 110, 112, 113, 114, 116, 117, 118, 120, 121 and 123) shall be Front: 3.5 feet; Side: 3.0 feet; Rear: 2.0 feet.</p> <p>Setbacks for Plan 30 (Lots 5, 6, 13, 14, 18, 21, 24, 25, 30, 33, 36, 37, 40, 44, 49, 53, 57, 59, 64, 65, 69, 73, 76, 79 and 83) shall be Front: 4.0 feet; Side: 3.5 feet; Rear: 5.0 feet.</p> <p>Setbacks for Plan 40 (Lots 2, 8, 11, 16, 19, 23, 26, 28, 31, 35, 42, 46, 48, 51, 54, 56, 60, 61, 62, 63, 66, 68, 70, 72, 74, 78, 80 and 82) shall be Front: 6.0 feet; Side: 3.5 feet; Rear: 5.0 feet.</p> <p>Setbacks for Plan 50 (Lots 1, 3, 4, 7, 9, 10, 12, 15, 17, 20, 22, 27, 29, 32, 34, 38, 39, 41, 43, 45, 47, 50, 52, 55, 58, 67, 71, 75, 77 and 81) shall be Front: 6.0 feet; Side: 3.5 feet; Rear: 5.0 feet.</p> <p>The setbacks shall either be indicated as a note on the final map or applied to each individual lot on the final map. (Planning and Building Inspection)</p>	<p>Applicant's engineer shall include note on Final Map or shall apply the setbacks to each lot on the Final Map</p>	<p>Engineer/ Owner/ Applicant</p>	<p>Prior to filing of Final Map(s)</p>	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures with Responsible Land Use Department	Compliance or Monitoring Actions to be Performed. When applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Prior to filing of Final Map(s)	Verification of Compliance (time/date)
21.		<p>PBDS011 – “B-6” COMBINING DISTRICT (NON-STANDARD CONDITION)</p> <p>The applicant shall request in writing combining B-6 (High Density Residential, 15 Units per Acre, B-6 “HDR/15-B-6”) zoning classification for the 123 single family dwelling parcels (Lots 1-123 inclusive). (Planning and Building Inspection)</p>	<p>Applicant shall submit request in writing to the Director of Planning and Building Inspection for review and approval.</p> <p>Rezoning to Board of Supervisors for consideration</p>	<p>Engineer/ Owner/ Applicant</p> <p>PBI</p>	<p>Prior to filing of Final Map(s)</p> <p>Within 120 days of map recordation</p>	
22.		<p>PBDS012 – DEED RESTRICTION – PROTECTION OF AGRICULTURAL ACTIVITIES DISCLOSURE (NON-STANDARD CONDITION)</p> <p>The applicant shall record a deed restriction on Lots 73 through 82 inclusive which states: "As a property owner, you should be aware that Monterey County has an adopted Protection of Agricultural Activities Ordinance (Monterey County Code Chapter 16.40, Ord. 3728, 1993), and you should be prepared to accept agricultural practices that are operated in full compliance with applicable state and county laws and regulations and consistent with accepted customs and standards. Accepted agricultural practices that may cause inconveniences to property owners at any time include, but are not limited to, extended hours of operation, noise, odors, fumes, dust, smoke, pests, operation of farm equipment, storage, application and disposal of manure and the application of pesticides, herbicides, fertilizers and other chemicals by ground or air." (Planning and Building Inspection)</p>	<p>Submittal of approved and Recorded Deed Restriction to PBI.</p>	<p>Owner/ Applicant</p>	<p>Concurrent with filing the final map</p>	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted	Responsible Party for Compliance	Timing	Verification of Compliance (name/date)
23.		<p>PBDSF013 – ASBESTOS SURVEY (NON STANDARD CONDITION)</p> <p>The applicant shall have a Certified Asbestos Consultant conduct an asbestos survey of all the buildings on the project site. A report shall be prepared and submitted to the Monterey Bay Unified Air Pollution Control District for review and approval a minimum of ten (10) working days prior to commencing asbestos removal, or if no asbestos is present, a minimum of ten (10) working days prior to demolition.</p>	<p>A Certified Asbestos Consultant shall conduct an asbestos survey of all the buildings on the project site. A report shall be submitted to the MBUAPCD for review and approval a minimum of ten (10) working days prior to commencing asbestos removal.</p> <p>If no asbestos is present, a report shall be submitted to the MBUAPCD for review and approval a minimum of ten (10) working days prior to demolition.</p>	Certified Asbestos Consultant /Owner/ Applicant	Prior to the issuance of a demolition permit	

FIRE CONDITIONS OF APPROVAL

24.		<p>FIRESP001 – ROAD ACCESS (NON-STANDARD CONDITION)</p> <p>Access roads shall be required for every building when any portion of the exterior wall of the first story is located more than 150 feet from fire department access. All roads shall be constructed to provide a minimum width of 20 feet with an unobstructed vertical clearance of not less than 13 feet 6 inches. Any on-street parking shall be permitted when the minimum additional road width is provided for the parking spaces as approved by the Salinas Rural Fire District. The roadway surface shall provide unobstructed access to conventional drive vehicles including sedans and fire apparatus and shall be an all-weather surface designed to support the imposed load of fire apparatus (22 tons). Each road shall have an approved name. (Salinas Rural Fire Protection District)</p>	<p>Applicant shall incorporate specification into design and enumerate as "Fire Dept. Notes" on plans.</p> <p>Applicant shall schedule fire dept. clearance inspection for each phase of development.</p>	Applicant or owner	Prior to issuance of grading and/or building permit.	
				Applicant or owner	Prior to final building inspection.	

Permit Code Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Prior to issuance of grading and/or building permit.	Verification of Compliance (date/date)
25.		FIREP002 – ROADWAY SURFACE (NON-STANDARD CONDITION) The grade for all roads shall not exceed 15 percent. Where road grades exceed 8 percent, a minimum structural roadway surface of 0.17 feet of asphaltic concrete on 0.34 feet of aggregate base shall be required. The length of vertical curves in roadways, exclusive of gutters, ditches and drainage structures designed to hold or divert water, shall not be less than 100 feet. No roadway turn shall have a horizontal inside radius of less than 50 feet. A roadway turn radius of 50 to 100 feet is required to have an additional 4 feet of roadway surface. A roadway turn radius of 100 to 200 feet is required to have an additional 2 feet of roadway surface. Roadway turnarounds shall be required on dead-end roads in excess of 150 feet of surface length. The minimum turning radius for a turnaround shall be 40 feet from the center line of the road. If a hammerhead/T is used, the top of the "T" shall be a minimum of 60 feet in length. (Salinas Rural Fire Protection District)	Applicant shall incorporate specification into design and enumerate as "Fire Dept. Notes" on plans. Applicant shall schedule fire dept. clearance inspection for each phase of development. Applicant shall schedule fire dept. clearance inspection for each phase of development. Applicant shall schedule fire dept. clearance inspection for each phase of development.	Applicant or owner Applicant or owner Applicant or owner	Prior to issuance of grading and/or building permit. Prior to final building inspection Prior to final building inspection	
26.		FIRE010 – ROAD SIGNS All newly constructed or approved roads and streets shall be designated by names or numbers, posted on signs clearly visible and legible from the roadway. Size of letters, numbers and symbols for street and road signs shall be a minimum 4-inch letter height, ½-inch stroke, and shall be a color that is reflective and clearly	Applicant shall incorporate specification into design and enumerate as "Fire Dept. Notes" on plans.	Applicant or owner	Prior to issuance of grading and/or building permit.	

Permit Condition Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (time/date)
		<p>contrasts with the background color of the sign. All numerals shall be Arabic. Street and road signs shall be non-combustible and shall be visible and legible from both directions of vehicle travel for a distance of at least 100 feet. Height, visibility, legibility, and orientation of street and road signs shall meet the provisions of Monterey County Ordinance No. 1241. This section does not require any entity to rename or renumber existing roads or streets, nor shall a roadway providing access only to a single commercial or industrial occupancy require naming or numbering. Signs required under this section identifying intersecting roads, streets and private lanes shall be placed at the intersection of those roads, streets and/or private lanes. Signs identifying traffic access or flow limitations (i.e., weight or vertical clearance limitations, dead-end road, one-way road or single lane conditions, etc.) shall be placed: (a) at the intersection preceding the traffic access limitation; and (b) not more than 100 feet before such traffic access limitation. Road, street and private lane signs required by this article shall be installed prior to final acceptance of road improvements by the Reviewing Fire Authority. (Salinas Rural Fire Protection District)</p>	<p>Applicant shall schedule fire dept. clearance inspection for each phase of development.</p>	<p>Applicant or owner</p>	<p>Prior to issuance of building permit(s) for development on individual lots within the phase of the subdivision.</p>	
27.		<p>FIRE011 – ADDRESSES FOR BUILDINGS All buildings shall be issued an address in accordance with Monterey County Ordinance No. 1241. Each occupancy, except accessory buildings, shall have its own permanently posted address. When multiple</p>	<p>Applicant shall incorporate specification into design and enumerate as "Fire Dept. Notes" on plans.</p>	<p>Applicant or owner</p>	<p>Prior to issuance of building permit.</p>	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for actions to be accepted	Responsible Party for Compliance	Timing	Verification of Compliance (Date/Date)
		<p>occupancies exist within a single building, each individual occupancy shall be separately identified by its own address. Letters, numbers and symbols for addresses shall be a minimum of 4-inch height, 1/2-inch stroke, contrasting with the background color of the sign, and shall be Arabic. The sign and numbers shall be reflective and made of a noncombustible material. Address signs shall be placed at each driveway entrance and at each driveway split. Address signs shall be visible and legible from both directions of travel along the road. In all cases, the address shall be posted at the beginning of construction and shall be maintained thereafter. Address signs along one-way roads shall be visible from both directions of travel. Where multiple addresses are required at a single driveway, they shall be mounted on a single sign. Where a roadway provides access solely to a single commercial occupancy, the address sign shall be placed at the nearest road intersection providing access to that site. Permanent address numbers shall be posted prior to requesting final clearance. (Salinas Rural Fire Protection District)</p>	<p>Applicant shall schedule fire dept. clearance inspection</p>	<p>Applicant or owner</p>	<p>Prior to final building inspection</p>	
28.		<p>FIREP003 – HYDRANTS AND FIRE FLOW (NON-STANDARD CONDITION) Hydrants for fire protection shall be provided at locations approved by the Salinas Rural Fire District and shall conform to the following requirements: a. Pursuant to Uniform Fire Code Appendix III-A Fire Flow Requirements for Buildings, the minimum fire flow require for the apartment buildings that are protected with approved automatic fire sprinkler</p>	<p>Applicant shall incorporate specification into design and enumerate as "Fire Dept. Notes" on plans.</p>	<p>Applicant or owner</p>	<p>Prior to issuance of grading and/or building permit.</p>	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed Where applicable, a certified professional is required for action to be accepted	Responsible Party for Compliance	Timing	Verification of Compliance (time/date)
		<p>systems shall be 1,500 gallons per minute with a residual pressure of 20 psi under normal operating conditions for a duration of 2 hours. The minimum fire flow for one- and two-family dwellings that are protected with approved automatic fire sprinkler systems is 500 gallons per minute with a residual pressure of 20 psi under normal operation conditions.</p> <p>b. TIMING OF INSTALLATION - Approved fire protection water supply systems must be installed and made serviceable prior to the time of construction.</p> <p>c. HYDRANT/FIRE VALVE (ADDITION) - A new hydrant shall be installed.</p> <p>d. HYDRANT/FIRE VALVE (LOCATION) - The hydrant or fire valve shall be 18 inches above grade, 8 feet from flammable vegetation, no closer than 4 feet nor further than 12 feet from a roadway, and in a location where fire apparatus using it will not block the roadway.</p> <p>e. FIRE HYDRANTS - Hydrants shall be installed in accordance with spacing set forth in Uniform Fire Code Appendix III-B and in accordance with the following specifications:</p> <p>f. HYDRANT SIZE - The hydrant shall have a minimum of two (2) 2-1/2 inch outlets NST and one (1) 4-1/2 inch outlet NST. The riser shall be a minimum of six (6) inches and shall be wet barrel type with a coefficient of 0.9.</p> <p>g. SIGNING OF WATER SOURCES - Hydrant or fire valve identification may be allowed as specified in the <u>State Fire Marshal's Guidelines for Fire Hydrant Markings Along State Highways and Freeways, May 1988. (Salinas Rural Fire Protection District)</u></p>	<p>Applicant shall provide improvement plans to the fire district. Applicant shall schedule fire dept. clearance inspection for each phase of development.</p>	<p>Applicant or owner</p>	<p>Prior to issuance of Building Permit</p>	

Permit Cond. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Verification of Compliance (Name/Date)	
29.	<p>FIRESP004 – FIRE SPRINKLER SYSTEM (NON-STANDARD CONDITION)</p> <p>The one- and two-family dwellings and the apartment building(s) shall be fully protected with automatic fire sprinkler system(s). A note shall be placed on the final map or a note be recorded at the time of recordation of the final map which requires that the building shall be fully protected with automatic sprinkler systems. The following notation is required on the plans when a building permit is applied for: <i>“The building shall be fully protected with an automatic fire sprinkler system. Installation, approval and maintenance shall be in compliance with applicable National Fire Protection Association and/or Uniform Building Code Standards, the editions of which shall be determined by the enforcing jurisdiction. Four (4) sets of plans for fire sprinkler systems must be submitted and approved prior to installation. Rough-in inspections must be completed prior to requesting a framing inspection.”</i> (Salinas Rural Fire Protection District)</p>	<p>Applicant shall incorporate specification into design and enumerate as “Fire Dept. Notes” on Final Map.</p> <p>Applicant shall incorporate specification into design and enumerate as “Fire Dept. Notes” on plans.</p> <p>Applicant shall schedule fire dept. rough sprinkler inspection</p> <p>Applicant shall schedule fire dept. final sprinkler inspection</p>	<p>Applicant or owner</p> <p>Applicant or owner</p> <p>Applicant or owner</p> <p>Applicant or owner</p>	<p>Prior to recordation of final map.</p> <p>Prior to issuance of grading and/or building permit.</p> <p>Prior to final framing inspection</p> <p>Prior to final building inspection</p>	
30.	<p>FIRESP005 – FIRE SPRINKLERS SYSTEM (NON-STANDARD CONDITION)</p> <p>In the one- and two-family dwellings and the apartment buildings, fire sprinklers shall be installed in attached garages. (Salinas Rural Fire Protection District)</p>	<p>Applicant shall incorporate specification into design and enumerate as “Fire Dept. Notes” on plans.</p>	<p>Applicant or owner</p>	<p>Prior to issuance of grading and/or building permit.</p>	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Party/Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (Name/Date)
			Applicant shall schedule fire dept. rough sprinkler inspection	Applicant or owner	Prior to final framing inspec- tion	
			Applicant shall schedule fire dept. final sprinkler inspection	Applicant or owner	Prior to final building inspec- tion	
			Applicant shall enumerate as "Fire Dept. Notes" on plans.	Applicant or owner	Prior to issuance of building permit.	
			Applicant shall submit fire alarm plans and obtain approval.	Applicant or owner	Prior to rough sprinkler or framing inspec- tion	
			Applicant shall schedule fire alarm system acceptance test.	Applicant or owner	Prior to final building inspec- tion	
31.		<p>FIRESP006 – FIRE ALARM SYSTEM (NON-STANDARD CONDITION)</p> <p>The apartment building(s) shall be fully protected with an approved central station, proprietary station or remote station automatic fire alarm system as defined by National Fire Protection Association Standard 72 - 1999 Edition. Plans and specifications for the fire alarm system must be submitted and approved by the enforcing agency prior to requesting a framing inspection. All fire alarm system inspections and acceptance testing shall be done in accordance with Chapter 7 of NFPA 72 - 1999. (Salinas Rural Fire Protection District)</p>				

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Drafting Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Prior to Issuance of Building Permit	Verification of Compliance (Date)
32.		FIREP007 – ROOF CONSTRUCTION (CLASS B MINIMUM) (NON-STANDARD CONDITION) Roof construction shall be Class A or Class B, with fire resistive materials, or as approved by the Reviewing Authority. This requirement shall apply to all new construction and existing roofs that are repaired so as to affect 50 percent or more of the roof. Vegetation removal will not be allowed as a means of removing high or very high fire hazard area designation from an entire parcel. (Salinas Rural Fire Protection District)	Applicant shall enumerate as "Fire Dept. Notes" on plans.	Applicant or owner	Prior to issuance of building permit.	
PUBLIC WORKS CONDITIONS OF APPROVAL						
33.		PW0015 – UTILITY'S COMMENTS Submit the approved tentative map to impacted utility companies. Subdivider shall provide confirmation to the Department of Public Works that the utility companies have reviewed and approved the tentative map. (Public Works)	Subdivider shall provide tentative map to impacted utility companies for review. Subdivider shall provide confirmation to DPW that the utilities have reviewed and approved the tentative map.	Owner/Applicant	Prior to Recording of Map	
34.		PW0016 – MAINTENANCE OF SUBDIVISIONS Pay for all maintenance and operation of subdivision improvements from the time of installation until acceptance of the improvements for the Subdivision by the Board of Supervisors as completed in accordance with the subdivision improvement agreement and until a homeowners association or other agency with legal authorization to collect fees sufficient to support the services is formed to assume responsibility for the services. (Public Works)	Subdivider shall be responsible to maintain improvements until maintenance is assumed by another entity.	Subdivider	Ongoing	

Permit Cont. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Mitigating Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing of Compliance	Verification of Compliance (Time/Date)
35.		PW0020 – PRIVATE ROADS Designate all subdivision roads as private roads. (Public Works)	Subdivider's Surveyor shall designate private roads on final map.	Subdivider	Ongoing	
36.		PW0021 – ROAD NAMES Submit all proposed road names to the Department of Public Works for approval by County Communications. (Public Works)	Subdivider shall submit proposed road names to DPW. DPW will submit to County Communications for Approval.	Subdivider	Prior to Recordation of Final Map	
37.		PW0023 – IMPROVEMENT PLANS Provide improvement plans for approval of the Department of Public Works and that the roads be constructed in accordance with the typical section shown on the tentative map. (Public Works)	Subdivider shall submit improvement plans prepared by his Engineer to DPW for approval. Improvements to be bonded prior to recordation of final map.	Subdivider	Prior to Recordation of Final Map	
38.		PW0024 – STOP SIGN Install and maintain a stop sign on project access roads at Rogge Road and at San Juan Grade Road. (Public Works)	Subdivider/Applicant shall install and maintain stop sign.	Subdivider/Applicant	Ongoing	

Permit Code Number	Mitig Number	Conditions of Approval and/or Mitigation Measures and Responsible Party Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Prior to Recor- dation of Final Map	Verification of Compliance (Date/Date)
39.		PW0026 – PLANTING FOR GRADED AREAS Plant and maintain all graded areas of the street right-of-way as required by the Department of Public Works to control erosion. The area planted shall include all shoulder areas and all cut and fill slopes. A report and plan prepared by a qualified person shall be submitted for approval of the Department of Public Works and include the following: a. That the cut and fill slopes be stabilized. b. Specific method of treatment and type of planting, by area, for each soil type and slope required to satisfy item (a). c. Type and amount of maintenance required to satisfy item (a). (Public Works)	Subdivider's Engineer to include erosion control measures on improvement plans.	Subdivider/ Engineer	Prior to Recor- dation of Final Map	
40.		PW0027 – CUT/FILL SLOPE (2:1) Cut and fill slopes shall not exceed 2 to 1 except as specifically approved in concurrence with the geo-technical report. (Public Works)	Engineer shall include notes on Improvement Plans	Subdivider/ Engineer	Prior to Recor- dation of Final Map	
41.		PW0030 – HOMEOWNERS ASSOCIATION Form a homeowners association for road and drainage maintenance. Prepare an operation and maintenance plan for all facilities. Implement a fee program to fund operation and maintenance, and have appropriate documentation recorded against each parcel within the subdivision. (Public Works)	Subdivider shall submit documentation to DPW and WRA for formation of homeowners association or other entity to maintain roads and drainage improvements.	Subdivider	Prior to Recor- dation of Final Map	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (name/date)
42.		PW0032 – AS BUILT PLANS A Registered Civil Engineer shall file as built plans (originals) in the Department of Public Works with a letter certifying improvements have been made in conformance to improvement plans and local ordinance. (Public Works)	Subdivider's Engineer shall submit as built plans and stamped notice of completion letter to DPW for review and approval.	Subdivider/ Engineer	Prior to Release of Bonds	
43.		PWSP001 – PETITION FOR NO PARKING (NON-STANDARD CONDITION) Applicant shall petition the County for no parking on Rogge Road and San Juan Grade Road. (Public Works)	Applicant shall submit a letter to the Department of Public Works requesting no parking on Rogge Road and on San Juan Grade Road.	Owner/ Applicant	Prior to Issuance of Building Permits	

Permit Code Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be Performed Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (Name/Date)
44.		<p>PWSP002 – CONSTRUCT IMPROVEMENTS (NON-STANDARD CONDITION)</p> <p>The applicant shall have plans and specifications prepared by a Registered Civil Engineer, obtain an encroachment permit from the Department of Public Works, provide bonding to ensure construction and construct the following improvement:</p> <ol style="list-style-type: none"> a. Install a crosswalk with in-road warning lights on Rogge Road. The design and location shall be subject to the approval of the Department of Public Works. <p>Applicant shall be responsible to obtain all required permits and environmental clearances for the above improvement. (Public Works)</p>	<p>Prior to recordation of the final map, applicant's engineer shall prepare improvement plans for the approval of the Department of Public Works and applicant shall provide bonding to ensure construction of the improvement.</p> <p>Following recordation of the final map, applicant shall obtain an encroachment permit and construct the required improvement</p>	Owner/ Applicant	Prior to Recordation of Final Map Bonds provided prior to recordation of the final map. Improve- ment comple- ted in accor- dance with the Subdivi- sion Improve- ment Agree- ment.	

Permit Condition Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (name/date)
45.		<p>PWSP003 – ANNEXATION REQUIRED</p> <p>The applicant shall provide evidence from the Local Agency Formation Commission (LAFCO) that the property has been annexed into the County Service Area #9 for storm drain and street light maintenance. (Public Works)</p>	<p>Submit evidence from LAFCO and the CSA #9 that the property has been annexed into the service area for the CSA #9 to the Director of Public Works for review and approval.</p>	Owner/ Applicant	Prior to filing the final map	
PARKS CONDITIONS OF APPROVAL						
46.		<p>PKSSP001 – PARK AND RECREATION FACILITIES MAINTENANCE AND OPERATION PLAN (NON-STANDARD CONDITION)</p> <p>The Applicant shall submit to the Parks Department a Park and Recreation Facilities Maintenance and Operation Plan. The purpose of this plan is to assure the County that the park and recreational facilities will be maintained and operated in perpetuity for the enjoyment and health and safety of the residents of the subdivision with an appropriate funding source and maintenance entity. (Parks Department)</p>	<p>The Applicant shall submit a Park and Recreation Facilities Maintenance and Operation Plan to the Parks Department for review and approval.</p>	Owner/ Applicant	Prior to filing of first final map	

Permit Cond Number	Mitig Number	Conditions of Approval/and/or Mitigation Measures and Responsible Party/Use Department	Compliance of Monitoring Actions to be performed. Where applicable, a Certified professional is required for actions to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (time/date)
47.		<p>PKSSP002 – RECREATION REQUIREMENTS/ LAND DEDICATION (NON-STANDARD CONDITION)</p> <p>The Applicant shall comply with Section 19.12.010 – Recreation Requirements, of the County Subdivision Ordinance, Title 19, Monterey County Code, by dedicating land and constructing recreation improvements in accordance with the Park and Open Space Areas Plan Sheet for The Commons At Rogge Road, dated 2/1/05, and amended on 10/4/05, the Recreation Facilities Detail Sheet, dated 1/17/05, and the Playground Submittals for The Commons, dated 1/19/04, with one exception as follows: the open field area shown on the Park and Open Space Plan Sheet shall be modified to incorporate basketball and other active court facilities. The total park requirement of 1.4 acres for this project shall be satisfied by the dedication of 0.599 acres of parkland on-site and by payment of a park in-lieu fee to cover the remaining 0.801 acres. The amount of the fee shall be "net" of credit for improvements to and recreational equipment installed on the project site, as determined by the Monterey County Parks Department. (Parks Department)</p>	<p>The Applicant shall comply with the Recreation Requirements contained in Section 19.12.010 of the Subdivision Ordinance Title 19, Monterey County Code.</p>	Owner/ Applicant	Prior to filing of first final map	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (time/date)
48.		<p>PKSSP003 – PARK AND RECREATION FACILITIES PLAN (NON-STANDARD CONDITION)</p> <p>The Applicant shall submit a final Park and Recreation Facilities Plan and cost estimate for the improvements to be made on the dedicated parcels to the Parks Department for review and approval. The Plan shall delineate park and recreation structures, park improvement and landscaping components with a cost estimate for each park site. The Plan shall also include the design plans for the mid-block, lighted crosswalk on Rogge Road, as approved by the Public Works Department, which will provide pedestrian access to the school located across the road from the project site. If the development is phased, the Recreation Plan shall also indicate the phasing and construction schedule for each park site. The final approved Park and Recreation Plan shall be recorded concurrently with the recordation of the first Final Map. (Parks Department)</p>	<p>The Applicant shall submit a final Park and Recreation Facilities Plan and cost estimate for the improvements to be made on the dedicated parcels to the Parks Department for review and approval.</p>	Owner/ Applicant	Prior to filing of first final map	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Jurisdiction Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (Name/Date)
49.		<p>PKSP004 – PARK AND RECREATION FACILITIES PERFORMANCE BOND (NON-STANDARD CONDITION)</p> <p>The Applicant shall provide the County with adequate security in the form of a performance bond or other suitable security acceptable by the County of Monterey in the amount of one hundred percent (100%) of the costs for the recreation improvements shown on the final approved Park and Recreation Plan. This requirement shall be met prior to recordation of the Final Map or, if the development is phased, prior to recordation of the Final Map for each phase of development that incorporates a park site. (Parks Department)</p>	<p>Submit evidence to the satisfaction of Monterey County Parks Department that adequate financial surety has been provided.</p>	Owner/ Applicant	Prior to recordation of final map or, if development is phased, prior to recordation of final map for each phase of development that incorporates a park site.	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed Where applicable, a certified professional is required for action to be accepted	Responsible Party for Compliance	Timing	Verification of Compliance (main date)
50.		<p>PKSSP005 – RECREATION REQUIREMENTS/ FEES (NON-STANDARD CONDITION)</p> <p>The Applicant shall comply with Section 19.12.010 – Recreation Requirements, of the Subdivision Ordinance, Title 19, Monterey County Code, by paying a fee in lieu of parkland dedication for 0.801 acres of the total 1.4-acre park requirement for this project. Prior to recordation of the Final Map (first phase), the Parks Department shall determine the fee in accordance with provisions contained in Section 19.12.010(G). The amount of the fee shall be "net" of credit for improvements to and recreational equipment installed on the project site, as determined by the Monterey County Parks Department. (Parks Department)</p>	<p>Applicant shall, at applicant's discretion, comply with either Action 1 or 2 below:</p> <p>1. The Applicant shall enter into a 3-party agreement between the Applicant, the Monterey County Parks Department ("County") and the Santa Rita School District. The agreement shall outline the terms of use, in perpetuity, of the school recreation facilities at La Joya Elementary School, or other Santa Rita School District Facility acceptable to the County, by the residents of the Homeowner's Association. In return for use by the Homeowner's Association, in perpetuity, the applicant shall construct new recreation improvements at La Joya Elementary School, or other Santa Rita School District Facility acceptable to the County, equivalent to the dollar amount of the in lieu fee as determined by the Monterey County Parks Department.</p>	Owner/ Applicant	Prior to recordation of first final map	
			<p>The Applicant shall provide the County with adequate security in the form of a performance bond or other suitable security acceptable by the County of Monterey in the amount of one hundred percent (100%) of the costs for the</p>	Owner/ Applicant	Prior to recordation of first final map	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance to Monitorable Action to be performed where applicable, a certified professional is required for action to be accepted	Responsible Party for Compliance	Timing	Verification of Compliance (date)
50. cont.	See Previous Page		<p>recreation improvements within the Santa Rita School District.</p> <p>The Applicant shall submit a final School Recreation Facilities Plan and cost estimate for the improvements to be made within the Santa Rita School District to the Santa Rita School District and the Parks Department for review and approval.</p> <p>The Applicant shall construct new recreation improvements within the Santa Rita School District.</p> <p>2. The Applicant shall pay the fee required to the Monterey County Parks Department in lieu of full park dedication.</p>	<p>Owner/ Applicant</p> <p>Owner/ Applicant</p> <p>Owner/ Applicant</p>	<p>Prior to recorda- tion of first final map</p> <p>Prior to occupan- cy of the first unit</p> <p>Prior to recorda- tion of first final map</p>	

Permit Code Number	Ming Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Prior to filing final map	Verification of Compliance (name/date)
ENVIRONMENTAL HEALTH CONDITIONS OF APPROVAL						
51.		EH3 - WATER SYSTEM IMPROVEMENTS (STATE PERMITTED SYSTEM) Design the water system improvements to meet the standards as found in Titles 17 and 22 of the California Code of Regulations and as found in the Residential Subdivision Water Supply Standards. (Environmental Health)	Submit engineered plans for the water system improvements to California Water Service Company for review and approval. Submit evidence to the Director of Environmental Health that the proposed water system improvements have been approved by California Water Service Company prior to installing or bonding the improvements	CA Licensed Engineer /Owner/ Applicant	Prior to filing final map	
52.		EH4 - FIRE FLOW STANDARDS Design the water system improvements to meet fire flow standards as required and approved by the local fire protection agency. (Environmental Health)	Submit evidence to the Division of Environmental Health that the proposed water system improvements have been approved by the local fire protection agency.	CA Licensed Engineer /Owner/ Applicant	Prior to install- ing or bonding water system improve ments	
53.		EH5 - INSTALL/BOND WATER SYSTEM IMPROVEMENTS The developer shall install the water system improvements to and within the subdivision and any appurtenances needed or shall enter into a Subdivision Improvement Agreement with the County to install the water system improvements and provide security guaranteeing the performance of the Agreement. (Environmental Health)	The developer shall install the water system improvements to and within the subdivision and any appurtenances needed or shall enter into a Subdivision Improvement Agreement with the County to install the water system improvements and provide security guaranteeing the performance of the Agreement.	CA Licensed Engineer /Owner/ Applicant	Prior to filing final map	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Building Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Prior to filing a final map and/or issuance of a building permit	Verification of Compliance (Date)
54.		EH7 - ABANDONED WELLS Destroy the existing abandoned well(s) according to the standards found in State of California Bulletin 74 and all its supplements, and Chapter 15.08 of the Monterey County Code. The well shall not be considered abandoned if satisfactory evidence is provided that the well is functional, is used on a regular basis, and does not act as a conduit for contamination of groundwater. (Environmental Health)	Prior to destruction, a permit for the destruction of the well(s) shall be obtained by a CA licensed well contractor from the Division of Environmental Health. After destruction submit the Well Completion Report to the Division of Environmental Health	CA Licensed Engineer. /Owner/ Applicant	Prior to filing a final map and/or issuance of a building permit	
55.		EH25 - INSTALL/BOND SEWER SYSTEM IMPROVEMENTS The developer shall install the sewer system improvements to and within the subdivision and any appurtenances needed or shall enter into a Subdivision Improvement Agreement with the County to install the sewer system improvements and provide security guaranteeing the performance of the Agreement. (Environmental Health)	Submit evidence to the Division of Environmental Health that the sewer system improvement installation has been accepted by the regulating agency or that the developer has entered into a Subdivision Improvement Agreement and has provided security acceptable to the County.	Owner/ Applicant	Prior to filing the final parcel map.	
56.		EH27 - SEWER SYSTEM IMPROVEMENTS Engineered plans for the sewage disposal system including all necessary redundancies shall be submitted to and approved by the appropriate sewer service district. (Environmental Health)	Submit written verification to the Division of Environmental Health that plans have been reviewed and approved.	Owner/ Applicant	Prior to filing the final/ parcel map or issuance of a building permit.	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (name/date)
57.		EH37 - RECYCLABLES IN RENTAL HOUSING Submit a written plan on how recyclables will be collected and stored for each of the multifamily rental housing units. (Environmental Health)	Submit a plan to the Division of Environmental Health for review and approval.	Owner/ Applicant	Prior to issuance of building permits.	
58.		EH38 - SEPARATE RECYCLABLES All persons shall separate all recyclables from other solid waste generated at their premises and shall place such recyclables into a different approved container to facilitate segregation at a solid waste facility (MCC 10.41.020.B). (Environmental Health)	Submit a plan to the Division of Environmental Health for review and approval.	Owner/ Applicant	Prior to issuance of building permits/ Continuous condition	
59.		EHSP001 - ANNEXATION REQUIRED The applicant shall provide evidence from the Local Agency Formation Commission (LAFCO) that the property has been annexed into the Monterey Regional Water Pollution Control Agency (MRWPCA) District. (Environmental Health)	Submit evidence from LAFCO and the MRWPCA that the property has been annexed into the service area for the MRWPCA to the Director of Environmental Health for review and approval.	Owner/ Applicant	Prior to filing the final map	

Permit Cond Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for actions to be accepted.	Responsible Party for Compliance	Verification of Compliance (Name/date)
60.		<p>OHRSP001 – INCLUSIONARY HOUSING (NON-STANDARD CONDITION) The project shall provide 48 residential rental units as inclusionary housing units to be located on the project site. Of these, 11 units shall be affordable to very low income, 11 units to low-income, and 26 units to moderate-income households. Prior to the recordation of the final subdivision map that will cover the entire development, the developers and property owners shall execute a Master Developer Inclusionary Housing Agreement with the County, in a form acceptable to the County, that will permanently deed restrict the Inclusionary rental units for affordability and provide the specific requirements for the project's Inclusionary Housing component, in compliance with Ordinance #04185 and the adopted Inclusionary Housing Administrative Manual. (Housing and Redevelopment Agency)</p>	<p>The developers and property owners shall execute a Master Developer Inclusionary Housing Agreement with the County, in a form acceptable to the County, that will permanently deed restrict the Inclusionary rental units for affordability and provide the specific requirements for the project's Inclusionary Housing component, in compliance with Ordinance #04185 and the adopted Inclusionary Housing Administrative Manual.</p>	Owner/ Applicant	Prior to filing of final map

HOUSING AND REDEVELOPMENT CONDITIONS OF APPROVAL

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Verification of Compliance (time/date)
61.		<p>OHRSP002 – SINGLE FAMILY AFFORDABLE (NON-INCLUSIONARY) HOUSING (NON-STANDARD CONDITION) The project shall provide 123 for sale residential units within the project as non-inclusionary moderate-income units and workforce level housing units. Of these, 19 units shall be affordable for moderate-income households (up to 110% of County median income), 59 to Workforce I level households (up to 140% of County median income), and 45 to Workforce II level households (up to 180% of County median income). Prior to the recordation of the final subdivision map that will cover the entire development the developers and property owners shall execute an Affordable Housing Development Agreement with the County, in a form acceptable to the County, that sets forth the specific requirements for the project's workforce housing component, consistent with the adopted Commons at Rogge Road Affordable Housing Program and including, but not limited to, subsequent regulatory agreements, the number of units to be provided, the affordability levels, the affordability restrictions, the type and location of units, and the marketing and selection of buyers.</p>	<p>The developers and property owners shall execute an Affordable Housing Development Agreement with the County, in a form acceptable to the County, that sets forth the specific requirements for the project's workforce housing component, consistent with the adopted Commons at Rogge Road Affordable Housing Program and including, but not limited to, subsequent regulatory agreements, the number of units to be provided, the affordability levels, the affordability restrictions, the type and location of units, and the marketing and selection of buyers.</p>	Owner/ Applicant	Prior to filing of final map

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance of Monitoring Actions to be performed, if applicable, a certified professional is required for action to be accepted	Responsible Party for Compliance	Timing	Verification of Compliance (date/date)
WATER RESOURCES AGENCY CONDITIONS OF APPROVAL						
62.		<p>WRSP001 - HOMEOWNERS ASSOCIATION CC&R'S (NON STANDARD CONDITION) A homeowner's association shall be formed for the maintenance of roads, drainage facilities, and open spaces. The Director of Public Works, the Director of Planning and Building Inspection, and the County Water Resources Agency shall approve documents for formation of association. The covenants, conditions and restrictions (CC&R's) shall include provisions for a yearly report by a registered civil engineer and the monitoring of impacts of drainage and maintenance of drainage facilities. Report shall be approved by the County Water Resources Agency. (Water Resources Agency and Public Works)</p>	<p>Subdivider shall submit documentation to the Director of Public Works, the Director of Planning and Building Inspection, and the County Water Resources Agency for review and approval for the formation of a homeowners association or other entity to maintain roads and drainage improvements.</p> <p>Submit the CC&R's to the Water Resources Agency for review and approval.</p>	Owner/ Applicant	Prior to filing of final map	
63.		<p>WR41 - NOTICE OF WATER CONSERVATION REQUIREMENTS A notice shall be recorded on the deed for each lot stating: "All new construction shall incorporate the use of low water use plumbing fixtures and drought tolerant landscaping, in accordance with County Water Resources Agency Ordinance No. 3932." Prior to recordation of the final map, a copy of the completed notice shall be provided to the Water Resources Agency for approval. (Water Resources Agency)</p>	<p>Submit a recorded notice to the Water Resources Agency for review and approval.</p> <p>(A copy of the County's standard notice can be obtained at the Water Resources Agency.)</p>	Owner/ Applicant	Recorda- tion of the notice shall occur concur- rently with the final map	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Verification of Compliance (Date)
64.		<p>WR37 - DRAINAGE & FLOOD CONTROL SYSTEMS AGREEMENT</p> <p>If the homeowners' association after notice and hearing fails to properly maintain, repair or operate the drainage and flood control facilities in the project, Monterey County Water Resources Agency shall be granted the right by the property owners to enter any and all portions of the property to perform repairs, maintenance or improvements necessary to properly operate the drainage and flood control facilities in the project. The County Water Resources Agency shall have the right to collect the cost for said repairs, maintenance or improvements from the property owners upon their property tax bills. A hearing shall be provided by the Board of Supervisors as to the appropriateness of the cost. Prior to filing the final map, a copy of a signed and notarized <i>Drainage and Flood Control Systems Agreement</i> shall be provided to the Water Resources Agency for approval. (Water Resources Agency)</p>	<p>Submit the signed and notarized original Agreement to the Water Resources Agency for review and approval prior to recordation.</p> <p>(A copy of the County's standard agreement can be obtained at the Water Resources Agency.)</p>	Owner/Applicant	The agreement shall be recorded concurrently with the final map
65.		<p>WR42 - LANDSCAPING REQUIREMENTS</p> <p>A notice shall be recorded on the deed for each lot stating: "The front yards of all homes shall be landscaped at the time of construction. Low water use or drought tolerant plants shall be used together with water efficient irrigation systems." Prior to recordation of the final map, a copy the completed notice shall be provided to the Water Resources Agency for approval. (Water Resources Agency)</p>	<p>Submit the recorded notice to the Water Resources Agency for review and approval.</p> <p>(A copy of the County's standard notice can be obtained at the Water Resources Agency.)</p>	Owner/Applicant	Recordation of the notice shall occur concurrently with the final map

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professionalist required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (Date/Date)
66.		<p>WR46 - C.C. & R. WATER CONSERVATION PROVISIONS</p> <p>The applicant shall provide the Water Resources Agency with a copy of the subdivision Covenants, Conditions and Restrictions containing the following provisions from Monterey County Ordinance No. 3932:</p> <p>“All new construction incorporate the use of low water use plumbing fixtures including, where applicable, hot water recirculation systems; the front yards of all homes shall be landscaped at the time of construction; low water use or drought tolerant plants shall be used together with water efficient irrigation systems; leak repair is the property owner’s responsibility; vehicle and building washing shall use hoses equipped with shutoff nozzles; no potable water to be used for sidewalk washing; no water spillage into streets, curbs, and gutters; no emptying or refilling of swimming pools except for structural repairs or if required for public health regulations; no fountains unless water is recycled within the fountain.” (Water Resources Agency)</p>	<p>Submit the CC&R’s to the Water Resources Agency for review and approval.</p>	<p>Owner/ Applicant</p>	<p>Prior to filing the final map</p>	

Permit Cond. Number	Mits Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Action to be Performed Where applicable a certified professional is required for action to be accepted	Responsible Party for Compliance	Timing	Verification of Compliance (Name/Date)
67.		<p>WRSP002 - STORMWATER DETENTION (NON STANDARD CONDITION)</p> <p>The applicant shall provide the Water Resources Agency a drainage plan prepared by a registered civil engineer addressing on-site and off-site impacts with supporting calculations and construction details. The plan shall include detention facilities to mitigate the impact of impervious surface stormwater runoff, and oil-grease water separators for the paved parking areas. Pond(s) shall be fenced for public safety. Drainage improvements shall be constructed in accordance with plans approved by the Water Resources Agency. (Water Resources Agency)</p>	<p>Submit 3 copies of the drainage plan to the Water Resources Agency for review and approval.</p>	<p>Owner/ Applicant</p>	<p>Prior to filing of the final map</p>	
68.		<p>WRSP003 - DRAINAGE NOTE (NON STANDARD CONDITION)</p> <p>A note shall be recorded on the final map stating: "Impervious surface stormwater runoff shall be directed to the stormwater drainage system for The Commons @ Rogge Road. If stormwater runoff from an individual lot cannot be directed to the subdivision drainage improvements, a drainage plan shall be prepared by a registered civil engineer or architect prior to issuance of any building permits. Drainage improvements shall be constructed in accordance with plans approved by the Water Resources Agency." Prior to recordation of the final map, the applicant shall provide the Water Resources Agency a copy of the map to be recorded. (Water Resources Agency)</p>	<p>Submit a copy of the final map to the Water Resources Agency for review and approval prior to recordation.</p>	<p>Owner/ Applicant</p>	<p>Prior to filing of final map</p>	

Permit Code Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Building Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certificate of completion is required for action to be accepted.	Responsible Party for Compliance	Prior to Timings	Verification of Compliance (date)
SHERIFF'S OFFICE CONDITIONS OF APPROVAL						
69.	SOSP001 – PUBLIC SAFETY AND SECURITY (NON-STANDARD CONDITION)	Prior to occupancy, the applicant shall comply with the Monterey County Public Safety and Security Guidelines to the satisfaction of the Monterey County Sheriff's Department. Each of the 171 units shall meet the required conditions regarding security measures, addressing, signage, doors, windows, locks, lighting, rooftops, parking, and landscaping. (Sheriff-Marshal-Coroner-Public Administrator Department)	Applicant shall incorporate specifications into the design of the project. Applicant shall prepare a security plan for the review and approval of the Monterey County Sheriff.	Owner/ Applicant	Prior to occupancy	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (time/date)
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MITIGATION MEASURES

70.	MM 1-1	The applicant shall place street lights only at road intersections, or as otherwise approved by the Director of Planning and Building Inspection, and the street lights shall be sodium vapor with full cut-off fixtures. (Planning and Building Inspection)	Submit three copies of the lighting plans to PBI for review and approval. This mitigation measure shall be placed as a note on the subdivision improvement plans.	Owner/ Applicant	Prior to issuance of grading permits or approval of subdivision improvement plans.	
			The lighting shall be installed in accordance with the approved lighting plan.	Owner/ Applicant	Concurrent with the installation of adjacent subdivision improvements	
71.	MM 1-2	PBD021 – LIGHTING – EXTERIOR LIGHTING PLAN All exterior lighting shall be unobtrusive, harmonious with the local area, and constructed or located so that only the intended area is illuminated and off-site glare is fully controlled. The applicant shall submit 3 copies of an exterior lighting plan which shall indicate the location,	Submit three copies of the lighting plans to PBI for review and approval. This mitigation measure shall be placed as a note on the final map and shall be incorporated into the CC&R's of the homeowner's association.	Owner/ Applicant	Prior to issuance of building permits.	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Action to be performed where applicable as certified by professional responsible for action to be accepted	Responsible Party for Compliance	Timing	Verification Of Compliance (date)
		type, and wattage of all light fixtures and include catalog sheets for each fixture. The exterior lighting plan shall be subject to approval by the Director of Planning and Building Inspection, prior to the issuance of building permits. (Planning and Building Inspection)	The lighting shall be installed in accordance with the approved lighting plan.	Owner/ Applicant	Prior to occupan- cy	
72.	MM 3-1	<p>The use of best available control measures (BACMs) shall be required during grading and construction operations. BACMs that shall be incorporated into the project are described below.</p> <ul style="list-style-type: none"> On-site grading and construction activities will be limited to two-acres or less per day to ensure that thresholds for construction-related air impacts are not exceeded. During the grading and construction phase of the Project, the active grading and construction areas shall be watered at least twice daily or more often when conditions warrant. Frequency shall be based on the type of operation, soil and wind conditions. Haul trucks shall maintain a minimum of 6 inches of freeboard and either be covered or sprinkled with water in such a manner that visible dust will not be emitted during transportation and debris will not be spilt on to public roadways. 	<p>This mitigation measure shall be placed as a note on the grading plans and subdivision improvement plans.</p> <p>The Applicant shall submit a plan to the Director of PBI for review and approval, demonstrating how the best available control measures for controlling PM₁₀ emissions will be implemented during grading and construction.</p> <p>Contractor shall be responsible for implementing the approved plan to ensure control of PM₁₀ emissions during construction.</p>	Owner/ Applicant / Contractor	On-going during grading & cons- truction	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (Name/Date)
	MM 3-1 cont.	<ul style="list-style-type: none"> • Pave, apply water three times daily or apply non-toxic soil stabilizers on all unpaved access roads, parking areas and staging areas at construction sites. • Sweep daily all paved access roads, parking areas and staging areas at construction sites. • Sweep streets daily if visible soil material is carried onto adjacent public streets. • Hydroseed or apply non-toxic soil stabilizers to inactive construction areas. • Enclose, cover, water twice daily or apply non-toxic soil binders to exposed stockpiles such as dirt, sand, etc. • Limit traffic speeds on unpaved roads to 15 miles per hour. • Install sandbags or other erosion control measures to prevent silt runoff to public roadways. • Replant vegetation in disturbed areas as quickly as possible. • All exit points to the site used by construction vehicles shall be lined with clean gravel or cobblestones so that debris can be removed. The gravel or cobblestone beds shall be maintained and adjacent roadways shall be kept clean of tracked materials using street sweepers. If necessary, wheels of vehicles exiting the site shall be washed to ensure that debris is not tracked on to roadway. • Suspend grading activities when winds exceed 25 miles per hour (mph) and visible dust clouds cannot be prevented from extending beyond active construction areas. 	See Previous Page	Owner/ Applicant/ Contractor	On-going during grading & cons- truction	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance of Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (title/date)
	MM 3-1 cont.	<ul style="list-style-type: none"> Post a publicly visible sign at the Project site which specifies the telephone number and person to contact regarding complaints related to air pollution. This person shall respond to complaints and take necessary corrective actions within 48 hours. The phone number of the Monterey Bay Unified Air Pollution Control District (MBUAPCD) shall be visible on the sign to ensure compliance with Rule 402 (Nuisance). Limit the area subject to excavation, grading and other construction activity at any one time. <p>This mitigation measure shall be placed as a note on the grading plans and subdivision improvement plans.</p>	See Previous Page	Owner/ Applicant/ Contractor	On-going during grading & construction	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Action to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (time/date)
73.	MM 3-2	<p>In order to reduce diesel particulate emissions from onsite construction equipment, the following measures shall be incorporated into the project:</p> <ul style="list-style-type: none"> • Use off-road construction equipment, manufactured during or after 2003. • Use off-road construction equipment, manufactured during or after 1996 or use biodiesel. • Retrofit off-road construction equipment older than 2003 with diesel oxidation catalyst filters. • Properly maintain all construction equipment. • Minimize equipment idling times to 5 minutes or less. <p>This mitigation measure shall be placed as a note on the grading plans.</p>	<p>This mitigation measure shall be placed as a note on the grading plans.</p> <p>The Applicant shall submit a plan to the Director of PBI for review and approval, demonstrating how the equipment meets the emissions standard.</p> <p>Contractor shall maintain equipment in order for the equipment to meet the emissions standard.</p> <p>Equipment operators shall minimize idling times to 5 minutes or less.</p>	Owner/ Applicant/ Contractor	Prior to issuance of grading permits and On-going during grading & construction	
74.	MM 6-1	<p>Spread footings (constructed in native soil) shall be constructed a minimum 12 inches below finished inside building pad (soil) grade for one-story buildings and 18 inches below finished inside building pad (soil) grade for two-story buildings, measured from the low side of the footing; and continuous footings shall be reinforced with two #4 reinforcing bars placed near the bottom of the footing.</p>	<p>This mitigation measure shall be placed as a note on the foundation plans. The Applicant shall submit foundation plans from a Registered Civil Engineer to the Building Division of the Planning and Building Inspection Department for review and approval.</p>	Owner/ Applicant	Prior to issuance of Grading Permits	

Permit Code Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (Name/Date)
75.	MM 6-2	Foundation excavations shall be flooded with three to four inches of water at least 24 hours prior to pouring concrete, and subgrade for building slabs and foundations shall be brought to the plastic limit range of moisture (9% to 11%) for a depth of at least eight inches prior to pouring concrete. No standing water shall be allowed to remain in the footing during concrete pour.	This mitigation measure shall be placed as a note on the foundation plans. The Building Division of the Planning and Building Inspection Department shall inspect the project site for compliance.	Owner/ Applicant	At least 24 hours prior to concrete pour	
76.	MM 6-3	Concrete floor slabs-on-grade shall be at least 5 inches thick and shall be reinforced with a minimum of #3 steel rebar placed 18 inches on center, each way or #4 steel rebar placed 24 inches on center, each way; rebar shall be bent a minimum of eight inches into the perimeter footings.	This mitigation measure shall be placed as a note on the foundation plans. The Applicant shall submit foundation plans from a Registered Civil Engineer to the Building Division of the Planning and Building Inspection Department for review and approval.	Owner/ Applicant	Prior to issuance of Building Permits	
77.	MM 6-4	Prior to placing aggregate base, the subgrade soil for driveways shall be brought to at least 3% over optimum moisture for a depth of eight inches.	This mitigation measure shall be placed as a note on the foundation & building plans. The Building Division of the Planning and Building Inspection Department shall inspect the project site for compliance.	Owner/ Applicant	Prior to issuance of Building Permits	

Permit Cond. Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Party Use Department	Compliance or Monitoring Actions to be performed. Where applicable a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (Name/Date)
78.	MM 8-1	WR47 - WASTE MANAGEMENT PLAN The applicant shall provide the Water Resources Agency a Construction Site Waste Management Plan prepared by a registered civil engineer that addresses the proper disposal of building materials and other construction site wastes including, but not limited to, discarded building materials, concrete truck washout, chemicals, litter and sanitary wastes. The Site Waste Management Plan must also address spill prevention, control and clean up of materials such as petroleum products, fertilizers, solvents, pesticides, paints and cleaners. (Water Resources Agency)	Submit the plan to the Water Resources Agency for review and approval.	Owner/ Applicant	Prior to issuance of any grading or building permits	
79.	MM 8-2	WR8 - COMPLETION CERTIFICATION The applicant shall provide the Water Resources Agency certification from a registered civil engineer or licensed contractor that stormwater detention/retention facilities have been constructed in accordance with approved plans. (Water Resources Agency)	Submit a letter to the Water Resources Agency, prepared by a registered civil engineer or licensed contractor, certifying compliance with approved drainage plan.	Owner/ Applicant/ Engineer/ Contractor	Prior to final inspect- ion	
80.	MM 11-1	Documentation shall be provided to show that the residences located along the San Juan Grade Road frontage (lots 5 through 14 inclusive) meet the interior noise standard of 45 dBA CNEL with the windows closed. Where the interior noise levels would not be less than 45 dBA CNEL, the documentation shall identify architectural or other measures to be taken to assure that interior noise levels will not exceed 45 dBA. If the interior noise standard of 45 dBA CNEL cannot be met, the lots shall be eliminated.	Applicant shall submit evidence from a licensed Acoustical Engineer that the residences along the San Juan Grade Road frontage meet the interior noise standard of 45 dBA CNEL with the windows closed. If the residences cannot meet the interior noise standard, the documentation shall identify architectural or other measures to be taken to assure that interior noise levels will not exceed 45 dBA. If the interior noise standard of 45 dBA CNEL cannot be met, the lots shall be eliminated.	Owner/ Applicant	Prior to Filing the Final Map	

Permit Condition Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable a certified professional is required for action to be accepted.	Responsible Party for Compliance	Prior to Filing the Final Map	Verification of Compliance (time/date)
81.	MM 11-2	Documentation shall be provided to show that the 6-foot block wall constructed along the southeastern property line reduces exterior noise to a level that the residences located along the southeastern property line (lots 57, 58, and 74-83 inclusive) meet the interior noise standard of 45 dBA CNEL with the windows closed. Where the interior noise levels would not be less than 45 dBA CNEL, the documentation shall identify architectural or other measures to be taken to assure that interior noise levels will not exceed 45 dBA. If the interior noise standard of 45 dBA CNEL cannot be met, the lots shall be eliminated.	Applicant shall submit evidence from a licensed Acoustical Engineer that the 6-foot block wall constructed along the southeastern property line reduces exterior noise to a level that the residences meet the interior noise standard of 45 dBA CNEL with the windows closed. If the residences cannot meet the interior noise standard, the documentation shall identify architectural or other measures to be taken to assure that interior noise levels will not exceed 45 dBA. If the interior noise standard of 45 dBA CNEL cannot be met, the lots shall be eliminated.	Owner/ Applicant	Prior to Filing the Final Map	
82.	MM 11-3	The applicant shall ensure that noise generating construction activities are limited to Monday through Friday between the hours of 7:00 am and 7:00 pm, and Saturdays between 8:00 am and 5:00 pm. Noise generating construction is not allowed on Sundays or County holidays.	The Applicant shall restrict noise-generating construction activities to Monday through Friday between the hours of 7:00 am and 7:00 pm, and Saturdays between 8:00 am and 5:00 pm to the satisfaction of the Director of the Planning and Building Inspection Department.	Owner/ Applicant/ Contractor	On-going	
83.	MM 11-4	The applicant shall ensure that all construction equipment operated on the project site shall be equipped to limit noise generation to a maximum of 85 decibels 50 feet from the source. If the equipment does not meet the noise standard, work shall be stopped until that equipment is removed or is equipped to meet noise standards.	Applicant shall submit evidence acceptable to the Director of FBI that the equipment operated on the project site does not exceed the County Noise Standard of 85 decibels, 50 feet from the source.	Owner/ Applicant/ Contractor	On-going	

Permit Condition Number	Mitig. Number	Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department	Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.	Responsible Party for Compliance	Timing	Verification of Compliance (Date)
84.	MM 11-5	Prior to the commencement of construction activities, the applicant shall post a publicly visible sign that specifies the project construction noise mitigation measures, the telephone number of the on-site contractor and telephone number of the person to contact regarding noise complaints. This contact person shall respond to complaints and take corrective action within 24 hours. The telephone number of Monterey County Planning and Building Inspection Department shall be posted on the sign.	Applicant shall submit evidence acceptable to the Director of PBI that the required sign has been visibly posted.	Owner/Applicant	Prior to Start of Construction Activities	
85.	MM 15-1	Prior to the issuance of building permits, the applicant shall pay the appropriate fair share contribution of the costs of the installation of a traffic signal at the San Juan Grade Road/Rogge Road Intersection (\$37,950) and the left turn channelization on San Juan Grade Road at Crazy Horse Canyon Road (\$28,090).	Submit evidence to the satisfaction of Monterey County Public Works that the appropriate fees have been paid.	Owner/Applicant	Prior to Issuance of First Building Permit	
86.	MM 15-2	Prior to the issuance of building permits, the applicant shall pay the appropriate Transportation Agency of Monterey County (TAMC) Regional Development Impact Fee and City of Salinas traffic impact fees.	Submit evidence to the satisfaction of Monterey County Public Works that the appropriate fees have been paid.	Owner/Applicant	Prior to Issuance of First Building Permit	
87.	MM 15-3	The applicant shall have plans and specifications prepared by a Registered Civil Engineer, dedicate required right of way, obtain an encroachment permit from the Department of Public Works, provide bonding to ensure construction and construct the following improvements: a. Install curb, gutter and sidewalk, including one driveway, along the frontage of San Juan Grade Road and widen San Juan Grade Road to provide	The applicant's engineer shall prepare improvement plans for the approval of the Department of Public Works and applicant shall provide bonding to ensure construction of the improvements. Dedication of any required right-of-way shall be done on the final map.	Owner/Applicant	Prior to Recording of Final Map	

Permit Cond. Number	Ming Number	Conditions of Approval and Mitigation Measures with Responsible Party Use Department	Compliance or Mitigating Actions to be followed where applicable, a Certified Professional is required for action to be completed.	Responsible Party for Compliance	Verification of Compliance (name/date)
	MM 15-3 cont.	<p>for four through lanes, left turn channelization at the intersection with Rogge Road, two Class 2 bike lanes and a bus stop.</p> <p>b. Install curb, gutter and sidewalk, including one driveway, along the frontage of Rogge Road and widen Rogge Road to provide for two through lanes, left turn channelization and two Class 2 bike lanes.</p> <p>Applicant shall be responsible to obtain all required permits and environmental clearances for the above improvements.</p>	<p>Following recordation of the final map, applicant shall obtain an encroachment permit and construct the required improvements.</p>	Owner/ Applicant	<p>Bonds provided prior to recordation of the final map. Improvements completed in accordance with the Subdivision Improvement Agreement</p>

Rogge Commons, LLC
24571 Silver Cloud Court, Suite 101
Monterey, CA 93940

APR 04 2008

Attachment 6

April 1, 2008

Marti Noel
County of Monterey
Resource Management Agency
168 West Alisal Street, 3rd Floor
Salinas, CA 93901

Re: The Commons at Rogge Road

Dear Marti:

In follow up to our recent e-mails, this letter is to provide a formal request to change our proposed modifications to the Workforce Housing Agreement for the Commons at Rogge Road.

As per the recommendation of the Housing Advisory Committee (HAC) and the prior suggestion of your office, we are willing to retain income restrictions on prospective homebuyers in the Commons at Rogge Road. Based on the HAC recommendation we propose that the maximum allowable income for a buyer be 250% of the Area Median Income (AMI). Per your suggestion, we agree that the income limit be fixed to the size of the house rather than the size of the household so as to not discriminate against households without children. In other words, a 3-bedroom home would allow a maximum household income of 250% of AMI for a family of four and a 4-bedroom home would allow a maximum household income of 250% for a family of five.

Based upon the HAC recommendation and your suggestion of this approach, we believe our agreement to this approach should allow staff to recommend approval of these modifications to the Planning Commission and then the Board of Supervisors. We hope you will concur.

We also request that the Workforce Housing Agreement be assignable/assumable such that we could sell a block of homes to a local employer. We want the local employer to inherit the terms of the agreement which would then apply to the employer's resale of the homes to its employees.

Finally, we want to make sure there is nothing in the Workforce Housing Agreement that would preclude us from renting the units out if we are unable to sell them. This is an essential tool to make sure that they don't stand empty at the risk of bank foreclosure if the housing market worsens precluding us from selling them in the near future.

Marti Noel
County of Monterey
April 1, 2008
Page 2 of 2

Otherwise, our requested modifications would remain unchanged. We request that the three distinct income categories currently in place be consolidated into a single Workforce 2 category for all homes. This ensures that the project remains 100% affordable. In fact, based upon market conditions, we will sell the homes for much less than the allowable prices, so that they are even more affordable to the workforce.

We also request that the re-sale restrictions be removed altogether. There is no place for them in this market. This proposal is consistent with the original staff recommendation that this project be price restricted on the initial sale only.

Thank you in advance for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read 'WASA', with a long horizontal line extending to the right.

William A. Silva

cc: Jim Cook
John Bridges
Virginia Howard
John Anderson

Attachment #7

PROPOSED MODIFICATIONS TO CONDITION OF APPROVAL #61 The Commons At Rogge Road PLN030065

OHRSP002-SINGLE FAMILY AFFORDABLE (NON-INCLUSIONARY) HOUSING (NON-STANDARD CONDITION) The project shall provide 123 for sale residential units within the project as non-inclusionary moderate-income units and workforce level housing units. ~~Of these, 19~~ 123 units shall be initially priced to be affordable for moderate-income households (up to 110% of County median income). ~~59~~ to Workforce I level households (up to 140% of County median income), and 45 to Workforce II level households (up to 180% of County median income). Prior to the recordation of the final subdivision map that will cover the entire development the developers and property owners shall execute an Affordable Housing Development Agreement with the County, in a form acceptable to the County, that sets forth the specific requirements for the project's workforce housing component, consistent with the adopted Commons at Rogge Road Affordable Housing Program and including, but not limited to, ~~subsequent regulatory agreements,~~ the number of units to be provided, the affordability levels, ~~the affordability restrictions,~~ the type and location of units, and marketing and selection of buyers. ~~The units shall be deed restricted to ensure that they are affordable for the initial purchase, then be subject to an equity sharing provision as specified in the Commons at Rogge Road Affordable Housing Program and adopted as part of the project approval.~~ **(Housing and Redevelopment Agency)**

Attachment 8

February 15, 2008 (Revised)

Memorandum To: Jim Cook, Director
Monterey County Housing and Redevelopment Office

From: Dan Lopez, Consultant

Re: The Commons at Rogge Road

Summary

Rogge Commons, LLC, a California limited liability company (Developer) has requested that the County of Monterey (County) eliminate all qualifying income requirements and resale restrictions for the Workforce I and II homes as well as the Moderate Income homes (Please see Attachment 1. In addition, in subsequent e-mails the Developer has requested relief from the Moderate Income sales price requirements). The Developer agrees to sell all Workforce I and II homes at or below the Maximum Initial Sales Prices per the Workforce Housing Agreement (Agreement), but wants to increase the sales prices on the Moderate Income homes beyond that identified in the Agreement.

The basic problem the Developer has had in selling the initial 46 completed homes of the development has been that while the project is receiving a lot of interest via foot traffic, the pool of qualified prospective homebuyers has not been there. The housing market has declined significantly due to foreclosures and tightening credit standards resulting in decreasing sales prices for both existing and newly constructed homes both of which represent significant competition for the initial 46 homes. Removing the long-term resale restrictions and decreasing the sales prices on the Workforce I and II homes will help resolve the project's lack of sales and allow the remaining 77 units of the development to be completed and sold.

While it is recommended that the resale restrictions be completely removed, it is important to retain a portion of the initial buyer qualifying income requirements so as to be consistent with previous Board of Supervisors' policy direction on the overall Workforce Housing Program. In addition, it is important to recognize the intent and "spirit" reflected in the project's initial approval, which included significant incentives to the Developer in the promotion of this pilot program. For these reasons, the initial sales prices of all homes should be affordable to households earning at or below 200% AMI.

Background

The Developer and the County entered into the Agreement dated March 22, 2007. This Agreement was subsequently amended by Amendment #1: Workforce Housing Agreement, which was recorded on July 18, 2007. Amendment #1 simply replaced

Memo To: Jim Cook
Re: The Commons at Rogge Road
February 15, 2008 (Revised)
Page 2 of 11

Exhibit B of the Agreement, which is a map that identifies the location of prospective Workforce Units. Amendment #1 modified the location of certain unit types within the proposed project while maintaining the total number of units within each income category.

The Agreement states that the master development, known as the Commons at Rogge Road, was approved by the County and consists of 123 units of for-sale housing and 48 units of rental housing. The Agreement states in paragraph C of the opening recitals that "Pursuant to the Resolution, Developer will meet the inclusionary housing requirements of the Ordinance for the Master Development by constructing forty-eight (48) rental units on the Property (the "Inclusionary Rental Units") and renting them to very low, low, and moderate income households at affordable rents." The following paragraph D states, "The Resolution further provides that the Developer will sell all one hundred twenty-three (123) for sale units in the Master Development (the "Workforce Units") to households with incomes between one hundred ten percent (110%) and one hundred eighty percent (180%) of area median income at affordable prices..." Page 4, Section 7 of the Agreement states "...Following completion of construction, the Developer shall sell nineteen (19) Workforce Units to Moderate Income Households, fifty-nine (59) Workforce Units to Workforce I Households, and forty-five (45) Workforce Units to Workforce II Households, all at Affordable purchase prices as described in Section 8..." Section 8 outlines the basic parameters for determining affordability to the three identified categories of households: Moderate Income (households earning up to 120% of County Median Income adjusted for household size); Workforce I (households earning up to 140% of County Median Income adjusted for household size); and Workforce II (households earning up to 180% of County Median Income adjusted for household size). Under the Agreement, the County is to annually provide to the Developer the Maximum Initial Sales Prices for the Workforce Units.

From the beginning as reflected in a memorandum dated December 14, 2005 from the County Housing and Redevelopment Office to the Monterey County Housing Advisory Committee, The Commons at Rogge Road was viewed as a "pilot project" for the purposes of developing the Affordable Housing Incentive Program. It was noted that the project met qualification criteria in the draft Program including "...the suitability of the site in regards to proximity to an urban area, being able to connect to urban water and sewer systems, and having limited environmental constraints." Later in the memorandum, there is reference to a completed economic analysis indicating "...that the project cannot meet the target affordability levels and still be financially feasible...The analysis determined that the project requires processing fee waivers for the rental units and either processing fee waivers for the for-sale units or a modification to the affordability levels proposed to result in a project that achieves a ROI in the target range of 15-20%." On page 2 of the memorandum, staff states, "...The analysis indicates that a

governmental subsidy in the amount of \$370,000 is required.”

In a letter dated January 18, 2008 from William A. Silva on behalf of Rogge Commons, LLC to Marti Noel of the County of Monterey Resource Management Agency, Mr. Silva requests that the County eliminate all homes in the Workforce I category (59 units) and transfer the Workforce I homes to the Workforce II category, which would increase the number of Workforce II units from 45 to 104 units. However, he also requests that all qualifying income requirements and resale restrictions be removed from the Workforce II homes although he states that they will continue to honor the commitment to sell these homes at or below the Maximum Initial Sales Prices per the Agreement. The only other part of the original Agreement that Mr. Silva states to keep in force is to maintain a mix of 19 moderate income homes with the sale prices, qualifying requirements, and the resale restrictions remaining unchanged (Please see Attachment 1. In addition, in subsequent e-mails the Developer has requested relief from the Moderate Income sales price requirements). Additionally, Mr. Silva has stated that the Developer is willing to agree to sell the homes to owner-occupants only, not to investors.

The Mortgage Crises

The mortgage crises has been well documented. California has the highest number of foreclosures in the country according to RealtyTrac, Inc. In areas all around California, households are feeling the impacts of the mortgage crises. Stockton has 4,200 homes in foreclosure with a combined approximate value of \$1.4 billion. One out of every 43 households in San Bernardino and Riverside counties are currently experiencing foreclosure according to the Foreclosure Prevention Initiative campaign.

Locally, the Salinas Californian reported in its The Year in Review 2007 publication that Monterey County saw 688 foreclosure filings in the third quarter 2007. This represented nearly a 400% increase over the similar period in 2006 according to RealtyTrac, Inc. The Salinas Californian reported in its December 31, 2007 issue that it expects home sales to increase as prices decline further. The publication quotes a local realtor, “The market is tough right now, but it has its cycles—I think we’ll continue to see more of a buyers’ market.” The publication in its November 17, 2007 issue noted how the real estate boom of the past several years has assisted Latinos in record numbers to enter the homeownership market. However, the article is quick to highlight that because of the past rapid increases in home prices in California in general and Monterey County in particular, prospective homebuyers turned to non-traditional mortgage instruments such as interest only loans and other types of sub prime loans. Such loans were typically made to borrowers with poor credit scores as a means to get these households into homeownership. According to the article, 42% of Monterey County Latinos—nearly

twice the rate of non-Latinos—took out such sub prime loans. These new market-lending innovations outpaced current federal regulations resulting in a number of lending abuses all of which have contributed to the current foreclosure situation and soft for-sale market conditions.

The Commons at Rogge Road

The Commons at Rogge Road offer three and four-bedroom homes for sale. The current prices of the units depending on income category (i.e., Moderate, Workforce I, or Workforce II) range from \$261,000 for a three-bedroom to \$390,000 for a four-bedroom. On a per square foot basis, the Moderate Income homes range in price from \$226-\$237 per square foot; Workforce I homes range in price from \$256-\$293 per square foot; and Workforce II homes range in price from \$249-\$279 per square foot. According to data reported by www.trulia.com, in the past year median sales prices for three and four-bedroom homes in Salinas have declined by 34% and 38% respectively. During the same time period sold homes on a per square foot basis showed similar declines of 33% and 23% respectively for three and four-bedroom units. Currently in the 93906 zip code, where The Commons at Rogge Road are located, the average listing price has declined by 5.5% in the past month; the median sales price has declined by 8.3% in the past quarter; and the average square foot sales price declined by 11.1% also in the past quarter.

A survey of homes listed for sale on www.realtor.com found 150 homes currently listed in the same zip code and with the same price range as currently exist at The Commons at Rogge Road. Generally, the price per square foot decreases as the square footage increases and adjustments in comparison between units were made to consider the number of bathrooms and garages/on-site parking. The need to make these types of adjustments was stressed by the Developer and other real estate professionals. Three bedroom units with one to two and a half bathrooms have asking prices in the \$179-\$319 per square foot range with a heavy concentration in the \$246-\$261 range. Three bedroom units are by far the most common type of for sale unit not only in this zip code, but also throughout the Salinas area. The four-bedroom units listed for sale represented a much smaller sample in the 93906 zip code, so data for all of Salinas was used. There are 74 four-bedroom units listed for sale. The asking prices generally ranged from \$167-\$309 a square foot with a smaller range of \$243-\$252 per square foot being most dominant.

In an effort to further determine what best to do given these market conditions, the advice of two workout managers from two of California's major banks was sought. These managers head groups whose chief charge is to recover through restructuring and liquidation bank investments in for sale developments. Generally, a bank's workout group would ask the developer/borrower of a troubled asset/property to devise a plan for

how the project is going to sell out thereby allowing the bank to make a full recovery. The workout groups approve these plans and closely monitor progress. Basically, what these two managers said is that it is important for a project that is having difficulty selling to establish momentum. Often times, if a project is not selling it can develop a negative reputation in the market place. They stressed the need to review marketing efforts and to generate sales by pricing the units to sell and creating the project's own market. They felt that if the developer was going to error, it was best to error on the low side initially because they felt the developer could always adjust prices upward if the market sales prices began to increase. Absorption-- how fast can the market place absorb units through closed sales—is the key question. In the case where there continues to be declines in asking prices and sales prices it becomes a very difficult situation to manage. The two managers stated that if a project has a "story", i.e., disclosure items such as income requirements and resale controls, then most prospective buyers would question why they should buy such a unit in a buyers' market. They believe that while many developments get foot traffic, most projects are having difficulty closing sales because prospective buyers are tentative to commit in this market because they're not convinced things have hit bottom. In short, they suggested that aggressive marketing and pricing are the keys to selling out a troubled project, but the developer needs to keep an eye on the market so as to be nimble enough to make needed price adjustments.

The above conditions represent the market that The Commons at Rogge Road finds itself. While the market will ultimately improve, no one can really say when that will occur. In the meantime, the completed 46 units representing Phase I are not selling. In terms of construction of the remaining 77 units, the Developer's construction lender (First National Bank) is requiring that 20 of the initial 46 units be pre-sold before the bank will fund the next phase of 20 units. According to the Developer, this 20 pre-sold unit requirement for funding rolls forward until the entire development has been built. It is clear from the data available on-line; from the sage advice of work-out specialists; and from the project's own experience to date that an adjustment in sales prices and regulatory relief from the County must occur in order to generate sales and "create momentum". Assuming this can be achieved, what is the best-case scenario for this project and what kind of potential for sales and project build-out exist? What follows is a best-case scenario assuming sales prices are reduced; the County provides some regulatory relief for the development; and that the market gradually improves while project build-out is being achieved:

I. May 1, 2008

-County takes formal action granting relief
-Developer commences with new price strategy and begins sales

II. August 1, 2008

-Developer able to sell units at the rate of 7 per month
-Bank funds next 20 units; 26 units of original phase remain unsold
-Developer begins construction of next 20 units-Phase II (assume 6 months to build)

III. November 1, 2008

-Sales activity continues at 7 per month; next 20 units from Phase I sold
-Bank funds next 20 units or Phase III (assume 6 months to build)
-Slow sales period begins

IV. February 1, 2009

-The remaining 6 units from Phase I sold as market has recovered but is in the middle of a slow period
-Phase II units completed and 4 are pre-sold/sold

V. April 1, 2009

-Sales activity begins to pick-up 8 more Phase II units sold

VI. May 1, 2009

-Phase III units completed
-Market begins to get healthy; 8 remaining Phase II units sold
-Bank funds next 20 units or Phase IV

VII. June 1, 2009

-9 Phase III units sell

VIII. July 1, 2009

-Final 11 units from Phase III sold
-Bank funds final 17 units-Phase V
-Phase V begins construction

IX. August 1, 2009

-Improved market allows 12 of Phase IV units to be pre-sold

X. September 1, 2009

-8 final Phase IV units sold

XI. November 1, 2009

-Phase IV units completed
-Slow sales period begins

XII. December 1, 2009

-Phase V units completed
-6 units sold

XIII. March 1, 2010

-Final 10 Phase V units sold

The above timeframe shows a 22-month period from May 1, 2008 to March 1, 2010 for the project to be fully built-out and sold. The assumed six-month period for building each phase of approximately 20 units is aggressive and given the circumstances in today's for-sale market, the above sales pace truly is a best-case scenario. However, there are key assumptions being made in terms of reducing prices and the project receiving regulatory relief from the County. How much should prices be reduced? Again, the project needs to create its own market in this current environment.

In discussions with the Developer this past two weeks, the Developer is reviewing possible suggested prices that are lower than the project's current pricing structure as outlined in his January 18, 2008 letter to Marti Noel. Please consider the Developer's possible suggested prices as shown below as an attempt to find the market based upon the market data described earlier above as well as the Developer's sales team's experience on-site at the project. In general, I agree with the Developer's suggested pricing schedule because it is supported by the data and information available. Over time, as sales proceed the Developer's suggested pricing schedule may need to be modified as also suggested by the two work-out managers. The Developer's suggested pricing schedule is shown along side the project's current pricing per the January 18, 2008 letter as well as the variance from the Maximum Initial Sales Prices.

<u>Home Type</u>	<u>Projected Pricing</u>	<u>Current Prices</u>	<u>Variance from Max Prices</u>
Moderate Income			
3-bedroom home	\$277,000	\$261,000	+\$16,000/\$0
4-bedroom home	\$319,000	\$283,000	+\$36,000/\$0
Workforce I			
3-bedroom home	\$284-\$329,000	\$325-\$335,000	(\$35,500-\$52,500)/ (\$1,500-\$11,500)
4-bedroom home	\$319,000	\$350,000	(\$45,500)/(\$14,500)
Workforce II			
3-bedroom home	\$329,000	\$365,000	(\$108,400)/(\$72,400)
4-bedroom home	\$365,000	\$390,000	(\$108,900)/(\$83,900)

As shown above, for the most part there are significant decreases in projected sales prices not only from the Maximum Initial Sales Prices, but from the current price structure as well. The exceptions to this are the Moderate Income three and four-bedroom homes which under the suggested Projected Pricing increase by \$16,000 and \$36,000 respectively. These suggested prices are consistent with the market data above and assuming the project receives regulatory relief from the County, the project may be able to garner these prices. On a per square foot basis, the Moderate Income homes would range in price from \$252-\$255 per square foot (versus the current \$226-\$237 range); Workforce I homes would range in price from \$252-\$256 per square foot (versus the

current \$256-\$293 range); and Workforce II homes would range in price from \$233-\$252 (versus the current \$249-\$279 range). In addition, the projected gross sales revenues total \$39,350,000 or approximately 15.3% less (i.e., over \$7.1 million) than the maximum allowed the Developer under the Agreement.

A key question is if you assume the suggested Projected Pricing, what kinds of households in terms of income levels can qualify? Some of the key conservative underwriting assumptions used below to address this question are: (1) buyers provide a 5% down payment; (2) loans are a fully amortizing at 30-years fixed at 6%; (3) homeowners association fees are \$120 per month; (4) real estate taxes are at 1.25% of the purchase price; (5) insurance is \$600 annually; (6) mortgage insurance is at 75 basis points or 0.75% of the loan amount annually; and (7) a qualifying ratio of 35% of gross household income.

	<u>Three-Bedroom Units</u>			<u>Four-Bedroom Units</u>	
Sales Price	\$277,000	\$284,000	\$329,000	\$319,000	\$365,000
Down	(13,850)	(14,200)	(16,450)	(15,950)	(18,250)
Loan Amt.	\$263,150	\$269,800	\$312,550	\$303,050	\$346,750
Monthly P&I	\$1,578	\$1,618	\$1,874	\$1,817	\$2,079
Insurance	50	50	50	50	50
Taxes	289	296	343	332	380
Mort. Ins.	164	169	195	189	217
HOA	120	120	120	120	120
Total	\$2,201	\$2,253	\$2,582	\$2,508	\$2,846
Assume Household of 4 and Ratio 35%				Assume 5 person Household	
Annual Income	\$75,463	\$77,246	\$88,526	\$85,989	\$97,577
AMI %	119%	122%	140%	126%	142%

As illustrated in the above chart, assuming the suggested Projected Pricing is used along with the conservative underwriting assumptions results in units affordable to households earning 119% to 142% of the adjusted County median income depending on unit and household size. However, as stated above the project is not selling its units. By increasing the income levels of prospective buyers, the pool of buyers will increase. If the County were to redefine what a Workforce Household then two key objectives can be achieved: (1) the project can establish sales momentum, be totally built-out, and sold; and (2) at least some of the initial intent as to why the County provided this project with incentives in its approval can be maintained.

There is a broad array of occupations in the County. In fact, according to Occupational Employment Statistics Survey Results released in June 2007, there are 158,090 workers in the County with an average income of \$38,910. As a consequence, in order to purchase a home a household generally needs two-wage earners. For example, a four-person household with a combined income of \$118,300 (approximately 190% AMI) might be a household where one worker is a Court Reporter (\$75,095) and the other wage earner is an Emergency Medical Technician (\$43,205). At 200% adjusted median income, a three-person household earning up to \$114,200 might be a household where the two wage earners are a Librarian (\$57,559) and a Firefighter (\$55,895). Clearly, increasing the allowable adjusted median income level increases the number of prospective homebuyers who are potentially already wage earners working in the County.

Conclusion

Basically, the market for for-sale housing continues to decline in the Salinas area. As highlighted above, both median home sales prices (-8.3%) and average listing prices (-5.5%) have recently declined significantly. Median sales prices for three and four-bedroom units have decreased by 34% and 38% respectively over the past year. It is difficult to determine how fast units can sell in this market without testing the market and making price adjustments as needed in order to create a market place for units. As discussed above, in meetings with two major bank work-out group managers specializing in the restructuring and liquidation of for-sale subdivisions in order to recover bank investments, it is clear that when a project is having difficulty selling the developer/owner needs to create momentum in order to generate interest in order to begin selling units to prospective buyers. This momentum can be generated through a sales price reduction or incentives or a combination of both that is sufficient enough to distinguish the project from its competition, which includes both other new developments as well as existing homes. These price reductions can be temporary with sales price increases occurring once the project has "re-established" itself in its market or can be tied to future phases of the project. Of course, a bank's main concern is going to be getting repaid its loan principal and interest so the bank will generally error on the conservative side in terms of pricing strategy. Similarly, a developer who is trying to either recoup their investment or losing money will be motivated to generate sales sooner versus later largely because of their monthly carrying costs. For example, if the developer has to pay \$100,000 a month to the bank in order to keep their loan current but is not consummating any sales and this continues for say four months, the developer would have paid-out \$400,000 and still have no sales to show for it. The developer would be better off to reduce the aggregate sales price of their units by an equal or greater amount in order to generate sales. The quicker the developer has repaid the bank, the more flexibility the developer will have on pricing the remaining units assuming the bank is repaid prior to the sale of the final unit(s)/phase(s).

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While the project has met its inclusionary housing requirement with the construction of the 48 rental units, the development did receive a fee waiver from the County for the for sale units. In exchange for this waiver and other "consideration", the County was hoping to attain units priced to households earning between 110% and 180% of adjusted County Median Income. While it is apparent that the project is not able to fully meet its contractual obligations to the County as detailed in the Agreement at this time due to market conditions, the County should take some steps so as to retain the possibility that units might be made affordable to Moderate and Workforce households in the future. The bottom line is that the project needs relief from both the income requirements and resale restrictions in order to sell the initial 46 units as well as achieve build out of the entire development. Recently, CHISPA a Salinas-based nonprofit housing developer released such income requirements and resale restrictions from its Vineyard Green subdivision in Greenfield in order to generate sales and ensure financial viability. What is being proposed here is that the pricing of the initial 46 homes be consistent for all eventual 123 units.

Recommendations

The Developer needs the opportunity to complete his project while minimizing the financial impacts of the down turn in the market place. The Developer has offered to agree to a maximum price for each house as a ceiling in case prices increase in the next couple of years as well as agreed to only sell homes to owner occupants, not investors. As the above chart on page 8 demonstrates, households in the 119% to 142% adjusted median income range could potentially qualify to purchase a home at the project. However, given the current market realities much more aggressive marketing needs to occur to a wider range of prospective homebuyers. This most decisive action the County can take in this regard is to increase the maximum allowable adjusted median income level to a point that allows a broader marketing of the project to higher income workforce households with an eye towards enticing current wage earners in the County to become homebuyers at this project.

In a February 27, 2008 memorandum to Jim Cook, Director of the Monterey County Housing and Redevelopment Office on the subject of Monterey County occupations and wages, there is an attachment that highlights some of the occupations found in the County along with each job's corresponding wage. The information reflects the diverse economy found in the County from agriculture to high technology to public service. Modifying the Workforce Household definition to include households earning up to 200% of the adjusted County median income not only increases the number of prospective homebuyers for this project, but also increases the possibility that current Monterey County workers reflected in the labor force statistics would purchase one of these homes.

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In addition, such a modification would not eliminate the possibility that households in the 119% to 142% range of adjusted County median income could also purchase a home in this development.

As a consequence, the following is recommended:

- Convert all Workforce I units to Workforce II.
- Allow sales prices to be reduced for Workforce II homes.
- Remove long term resale restrictions
- Require that initial homebuyers qualify at incomes at or below 200% of AML.
- In an attempt to preserve a potential future opportunity, the County should record a "Right of First Refusal" on the resale of each home.

This final recommendation, the recordation of a "Right of First Refusal", would require that the County be notified when the home goes on the market for resale. Once notified, the County will have a 30-day window to determine if the County wishes to assist a Moderate, Workforce I, or Workforce II household as the County may define at any point in the future to purchase a home. The County may assign the task of developing and maintaining a list of such qualified homebuyers to the Monterey County Workforce Housing, Inc. or some other such agency. This "Right of First Refusal" would remain in force during the first five (5) years after the initial sale of the home. Recordation of the "Right of First Refusal" should not hinder potential initial sales or resales since it only provides the County with the opportunity to assist an identified household, it would not require the County to act. From the sellers point of view the requirement is for a limited time period (5 years) and the window is relatively short (30 days) so as not to be an overwhelming burden. What it will hopefully achieve is an opportunity in the near future for the County to perhaps attain Moderate and Workforce units consistent with its initial attempts in approving this development.

March 3, 2008 (Revised March 20, 2008)

Memorandum To: Jim Cook, Director
Monterey County Housing and Redevelopment Office

From: Dan Lopez, Consultant

Re: Occupation and Wage Information in Terms of Housing Affordability at the
Commons at Rogge Road

In terms of the Commons at Rogge Road, the current obligation of the Developer is to set aside all of the proposed 123 units to households with incomes between 110% and 180% with 19 Workforce Units affordable to Moderate Income Households (households earning up to 120% of County Median Income adjusted for household size); 59 Workforce Units to Workforce I Households (households earning up to 140% of County Median Income adjusted for household size); and 45 Workforce Units to Workforce II Households (households earning up to 180% of County Median Income adjusted for household size). The proposed project upon completion will be a mixture of three and four bedroom units. Corresponding assumed household sizes for each of these homes is four and five persons.

What follows is a breakdown of household income levels by the three above described median income levels adjusted for household size along with income levels at the 190%, 200%, 220% and 250% adjusted median income (AMI) levels.

<u>Income Levels</u>	<u>2 persons</u>	<u>3 persons</u>	<u>4 persons</u>	<u>5 persons</u>
140% AMI	\$70,980	\$79,940	\$88,760	\$95,900
180% AMI	\$91,260	\$102,780	\$114,120	\$123,300
190% AMI	\$96,330	\$108,490	\$120,460	\$130,150
200% AMI	\$101,400	\$114,200	\$126,800	\$137,000
220% AMI	\$111,540	\$125,620	\$139,480	\$150,700
250% AMI	\$126,750	\$142,750	\$158,500	\$171,250

A key question here is who are these people behind the income figures? Attachment A is a sample of the occupations and median wages that households earn in Monterey County. For example, a 140% AMI two-person household could be household with one wage earner who is a Physician Assistant (\$79,650) or a Radiological Technician (\$69,416) or a two-wage earning household with one worker a Dental Assistant (\$35,717) and the other a Farm Labor Contractor (\$34,427). Also, in the case with a two-person household with only one wage earner, the worker could be a single parent as well. A three-person household could be a Carpenter (\$50,840) and a Bank Teller (\$26,668) with no children. A four-person household could be a household where there is one wage earner who might either be a Registered Nurse (\$88,117) or a Construction Manager (\$86,265) or have two wage earners who are a Roofer (\$44,578) and a Legal Secretary (\$44,266). At 180% AMI, a two-person household with two wage earners could be a Postal Service Mail Carrier (\$45,800) and a Photographer (\$42,914) or have one wage earner who is a Human

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Resources Manager (\$91,715). At 200% AMI, this same two person two wage earner household could have a Firefighter (\$55,895) and an Emergency Medical Technician (\$43,205) as workers. A three-person household with one wage earner who is a Computer and Information System Manager (\$112,850) would be at 200% AMI. The point being that taking the occupations that currently exist in the County given each occupation's wage creates a pool of potential homebuyers for this development.

Currently, the average annual wage for all occupations in Monterey County is \$38,910 and there are approximately 158,090 workers. As identified above, Attachment A is a sampling of occupations and each occupation's corresponding median wage in the County. If you take the highest identified wage used in Attachment A (i.e., \$112,850) and eliminate all occupations that earn more than this amount, there are an estimated 156,860 workers or approximately 99.2% of all workers in the County who could potentially qualify to purchase one of the homes offered by this development given adjustments for household size. However, it should be noted that the higher the income, the more likely that the household already owns a home.

Generally, in order to purchase a home a household needs two-wage earners. For example, a four-person household with a combined income of approximately \$118,300 (190% AMI) could be a household where one worker is a Court Reporter (\$75,095) and the other worker an Advertising Sales Agent (\$42,644). This household would be eligible to purchase one of the three-bedroom homes in the proposed development if the definition of Workforce Household was increased to 190% AMI. Similarly, a five-person household at approximately 190% AMI earning \$130,150 could be a household where one worker is a Computer Programmer (\$76,884) and the other worker a Licensed Vocational Nurse (\$49,092). At 200% AMI, a four-person household earning up to \$126,800 could purchase a three-bedroom home. This household could be comprised of a Librarian (\$57,559) and a Construction Trades Manager (\$68,667). If the definition of Workforce Housing was increased to 220% AMI, a household comprised of a Marketing Manager (\$93,608) and a Legal Secretary (\$44,266) would be able to qualify as a Workforce Household and be eligible to purchase a three-bedroom home in this proposed development.

Clearly, increasing the AMI level increases the number of prospective homebuyers. The project has to date suffered from a lack of sales and needs to establish some momentum in order to sell its homes. At the Projected Prices suggested by the Developer (please refer to page 7 of The Commons at Rogge Road memorandum), households earning up to 119% AMI to 142% AMI can potentially purchase these homes at the Projected Prices. However, the universe of prospective homebuyers greatly increases, if you redefine what a Workforce Household is by increasing the AMI level. The Developer's interest is understandable-- he wants to sell the existing completed units and build-out and sell the

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remaining 77 homes to anyone willing to pay the asking price and able to secure a loan as soon as possible. In short, he doesn't want any income restrictions on the initial sale of the units. The County's interest is also clear--it wishes to retain a portion of the initial homebuyer qualifying income requirements so as to be consistent with previous Board of Supervisors' policy direction on the overall Workforce Housing Program. If the County were to have no income restrictions on the initial sale of the units, it is expected that the units would be sold to any prospective homebuyer. If after the project established momentum and the County were to require that some of the future units in later phases be restricted, there could potentially be negative repercussions from the initial homebuyers who may believe that the value of their homes was now being suppressed by the County's requirement. As a consequence, in order to balance these competing interests the County should consider increasing the initial sales prices to households earning at or below 200% AMI. It is important that the County receive some form of "consideration" for the significant incentives the project received in promotion of this pilot program.

As Attachment A highlights, the sample of occupations and wages earned by Monterey County workers reflects the many facets of the County from agriculture to high technology to public service. Modifying the Workforce Household definition to include households earning up to 200% AMI not only increases the number of prospective homebuyers for this development, but also increases the possibility that current Monterey County workers reflected in the labor market statistics would purchase one of these homes. In addition, such a modification would not eliminate the possibility that households earning in the 119% to 142% AMI range could also purchase a home in this development.

Attachment A
Sample Occupations and Wage Information from EDD Data Base

<u>Occupational Title</u>	<u>Median Wage</u>
Computer and Information System Manager	\$112,850
Engineering Manager	\$111,477
Dental Hygienists	\$107,920
Attorneys	\$96,437
Supervisor of Police and Detectives	\$95,585
Marketing Manager	\$93,608
Human Resources Manager	\$91,715
Secondary School Administrator	\$90,286
Computer Hardware Engineer	\$89,926
Registered Nurse	\$88,117
Construction Manager	\$86,265
Commercial Pilot	\$82,502
Mechanical Engineer	\$82,500
Civil Engineer	\$81,793
Chiropractors	\$81,273
Physician Assistant	\$79,650
Physical Therapists	\$78,901
Sales Representatives for Wholesale/Manufacturing	\$77,466
Financial Analysts	\$76,946
Computer Programmers	\$76,884
Medical/Clinical Lab Technicians	\$76,280
Court Reporters	\$75,095
Land Surveyors	\$71,954
Radiological Technicians	\$69,416
Construction Trades Managers	\$68,667
Postmaster/Mail Supervisors	\$68,022
Special Education Teacher	\$65,517
Structural Iron and Steel Workers	\$64,819
Police and Sheriff Patrol Officers	\$63,716
Drywall and Ceiling Tile Installers	\$63,550
Loan Officers	\$63,300
Sheet Metal Workers	\$62,198
Management Analysts	\$61,886
Computer Analysts	\$61,823
Librarians	\$57,559
Construction/Building Inspectors	\$56,040
Firefighters	\$55,895
Kindergarten Teachers	\$54,976
Cement Masons and Concrete Finishers	\$53,752
Market Research Analysts	\$53,710
Insurance Sales Agents	\$53,586
Graphic Designers	\$53,419

<u>Occupational Title</u>	<u>Median Wage</u>
Carpenters	\$50,840
Licensed Vocational Nurse	\$49,092
Training and Development Specialists	\$48,739
Groundskeeper Workers	\$46,721
Chefs and Head Cooks	\$46,534
Legal Support Workers	\$46,076
Preschool/Childcare Center Administrator	\$45,806
Postal Service Mail Carriers	\$45,800
Roofers	\$44,578
Legal Secretaries	\$44,266
Emergency Medical Technicians/Paramedics	\$43,205
Photographer	\$42,914
Advertising Sales Agents	\$42,644
Human Resources Assistants	\$42,519
Mental Health & Substance Abuse Social Worker	\$42,498
Refuse and Recyclable Material Collectors	\$40,647
Mechanics	\$39,690
Managers of Farming and Fishing Workers	\$38,151
Child and Family/Social Workers	\$37,922
Printing Machine Operators	\$37,610
Agricultural Inspectors	\$37,152
Retail Managers	\$37,111
Bus Driver	\$36,923
Dental Assistant	\$35,717
Farm Labor Contractors	\$34,427
Radio/Television Announcers	\$33,845
Mental Health Counselor	\$33,096
Agricultural and Food Science Technician	\$31,640
Tax Preparer	\$30,204
Bank Teller	\$26,668
Teacher Assistant	\$26,574

Source: "Occupational Employment (May 2006) & Wage (2007-1st Quarter) Data";
Occupational Employment Statistics (OES) Survey Results. Released June 2007 at
www.labormarketsinfo.edd.ca.gov