GREATER SALINAS AREA
MEMORANDUM OF UNDERSTANDING

Preface

The negotiated terms of the Greater Salinas Area Memorandum of Understanding (MOU) will replace the previous Boronda Memorandum of Understanding between the City of Salinas and the County of Monterey and shall be adopted only after a joint public meeting of the Monterey County Board of Supervisors and the Salinas City Council. In the event of a successful challenge to any provision of this MOU by a third party, such provision shall be removed from the Greater Salinas Area MOU.

This Memorandum of Understanding (MOU), by and between the County of Monterey (County) and the City of Salinas (City), is to set forth certain agreements between the parties to express their intent to jointly pursue action to assure orderly and appropriate land use development in the area designated in the General Plan of Monterey County as the Greater Salinas Area Plan area and in the City of Salinas. Specific objectives to be achieved through the implementation of the land use and associated policies included in this MOU are the preservation of certain agriculture land, the provision of future growth areas, and the provision of adequate financing for the services and facilities of benefit to the residents of the Greater Salinas Area Plan area and the City. It is recognized that, with respect to some of the provisions set forth herein, numerous actions must be taken pursuant to State and local laws and regulations before such policies can be implemented. Such actions include, in some instances, the need to comply with the California Environmental Quality Act (CEQA), the need to hold public hearings and/or otherwise seek public input before reaching binding decisions, and the need to obtain approvals from other agencies such as the Local Agency Formation Commission (LAFCO). For all such provisions, this MOU shall be understood to constitute tentative policy commitments that can only become fully binding after all such legal prerequisites have been satisfied. Even so, both parties agree to make a good faith effort to follow and implement the provisions of this MOU subject to the foregoing.

The City and County do hereby mutually agree to the following:

City Growth

1. City and County agree that the future growth direction of the City shall be to the north and east of the current City limits, except as otherwise provided for in this MOU.

2. County supports the City's 2005 Preliminary Sphere of Influence/Annexation Proposal to LAFCO to the north and east of the City's existing City Limits (Exhibit A).

3. County supports the City's 2005 Preliminary Sphere of Influence/Annexation Proposal to LAFCO to the south of the City's existing City Limits (Exhibit A) for the exclusive purpose of agricultural processing and processing capacity (Fresh Express). County further supports future City Sphere of Influence / Annexation proposals to the

south of the City's existing City Limit for the exclusive purpose of agricultural processing and processing capacity (Unikool), subject to the establishment of appropriate agricultural conservation easements.

4. City and County agree to the creation and implementation of agricultural conservation easements in the unincorporated areas to the west and south of the City's Sphere of Influence insofar as the easements are consistent with the adopted General Plans of the two jurisdictions.

5. City and County agree to work cooperatively and in concert with the affected property owners to annex developed unincorporated areas (e.g. Bolsa Knolls) adjacent to or within the City's Sphere of Influence as shown in Exhibit A and to transfer existing County sanitation facilities (e.g. Boronda) upon future City annexation that support these areas subject to the property owners paying any required sanitation system connection fees established by MRWPCA. It is anticipated that an initial effort consistent with this annexation commitment shall be cooperation by all parties to consider and facilitate the proposed Chapin Rogge Road annexation application insofar as the annexation is consistent with the provisions of LAFCO.

6. City and County agree that developments within the City's 2005 Preliminary Sphere of Influence/Annexation Proposal shall only occur after annexation to the City and that the City shall consult with the County in the planning process. City and County also agree that the developments within the area designated by the County General Plan as the Greater Salinas Planning Area shall only occur after consultation with the City in the planning process.

7. City and County agree that the County shall not process any proposals for development in areas contiguous (immediately adjacent) to the City's City Limit if those proposals would require either or both a County General Plan amendment or a rezoning. Proposals for development requiring a General Plan amendment or a rezoning shall be referred to the City for consideration and possible annexation to the City.

8. City and County agree to work cooperatively and expeditiously in annexation matters consistent with this agreement.

9. City and County agree to support fees and taxes needed to mitigate the collective impact of new and existing development on the regional transportation system to the extent that the fees and taxes reflect the overall financing program adopted by TAMC.

10. City and County agree that County will develop a County-wide Traffic Impact fee program for the improvement of major County roads in accordance with the County's adopted General Plan. The County fee program will be developed in consultation with TAMC and Monterey County cities. It is recognized that there

will be development within the City of Salinas related to the anticipated annexation of land to the north and east of the existing City Limits, and it is the desire of both jurisdictions that the County not rely upon the imposition of an ad hoc traffic fee on City development. Therefore the development of the Traffic Impact Fee for the Salinas Area, as shown in Exhibit B, will be a priority and a nexus study and hearing process should be completed within 18 months of adoption of the 2006 County General Plan. The County Traffic Impact Fee will be imposed on development in affected cities and unincorporated areas.

11. City and County agree to work cooperatively on establishing the alignment, phasing and financing of the regional roadway facility commonly referred to as the Westside Bypass and will expedite the completion of a Project Study Report for this future roadway. City and County agree that the ultimate alignment of the future Westside Bypass shall establish the development boundary for the City. It is the intent of both parties to minimize the impact on agricultural land in establishing the Westside Bypass alignment so that the ultimate alignment shall not result in the development of acres of agricultural land in excess of that anticipated in the Westside Bypass alignment as shown in the City of Salinas 2002 adopted General Plan (Exhibit C).

12. City and County agree that future development between the area west of Davis Road and east of the future Westside Bypass, excluding the Boronda Redevelopment Project area, shall be limited to expansion of the City' retail sales capacity and shall take place after annexation.

13. City and County agree to work cooperatively to address the collective impact of current and anticipated land uses in the Reclamation Ditch Watershed Area. There is a recognition that a comprehensive financing program is needed that includes grants, benefit assessments, appropriate development impact fees, and special taxes required to address current and anticipated impacts. The County, in consultation with the City, should complete a nexus study and hearing process, assessing benefit of current and existing land uses, within 36 months of adoption of this MOU. The adopted impact fee will be imposed on current and existing land uses in both the City and unincorporated areas.

Boronda Redevelopment Project Area

14. City and County agree that in the undeveloped southern portion of the Boronda Redevelopment Project Area (Exhibit D) the County shall take the lead in the planning, review, and approval process subject to concurrent City review so that the final approved project is consistent with existing City development standards. City recognizes the County's desire and intent to assure development that is consistent with commitments made to the Boronda community regarding required amendments to the current adopted Boronda Community Plan and that the anticipated development is assumed to provide financial benefit (i.e. tax increment) to the Boronda Development Area. City and County will work

cooperatively to assure that those commitments will result from and through the final approvals for development and annexation to the City of Salinas. City and County further agree that there will be no final development approvals prior to the completion of all requirements (including final LAFCO approval) for annexation of the subject area to the City of Salinas.

City and County agree that infill development in the northern portion of the Boronda Redevelopment Project Area (Exhibit D) will continue to be processed by the County subject to consultation with the City.

15. City and County agree that property tax generated within the Boronda Redevelopment Area shall continue to accrue to the Boronda Redevelopment Area for implementation of the current (January 1, 2006) adopted Redevelopment Area Plan. Upon completion of the aforementioned Plan, the former Redevelopment Property Tax increment shall be allocated between the City and the County on a 50/50 basis.

Affordable Housing

16. City and County agree to support each other's efforts to construct affordable housing throughout the County necessary to achieve the Fair Share Housing Allocation as approved by the Association of Monterey Bay Area Government (AMBAG).

17. City and County agree that if the 100% affordable housing project on Rogge Road approved by the County in 2006 is annexed to the City that the project shall be credited to the County's Fair Share Housing Allocation.

Other

18. City and County mutually agree that neither will pursue future development related litigation against the other insofar as the subject development is consistent with this agreement.

CITY OF SALINAS A municipal corporation of the State of California By: _____ Anna M. Caballero, Mayor Dated: 8-29-06	COUNTY OF MONTEREY A political subdivision of the State of California By: _____ Jerry Smith Chairman of the Board of Supervisors Dated: 8-29-06

ATTESTED TO:

City Clerk

County Clerk

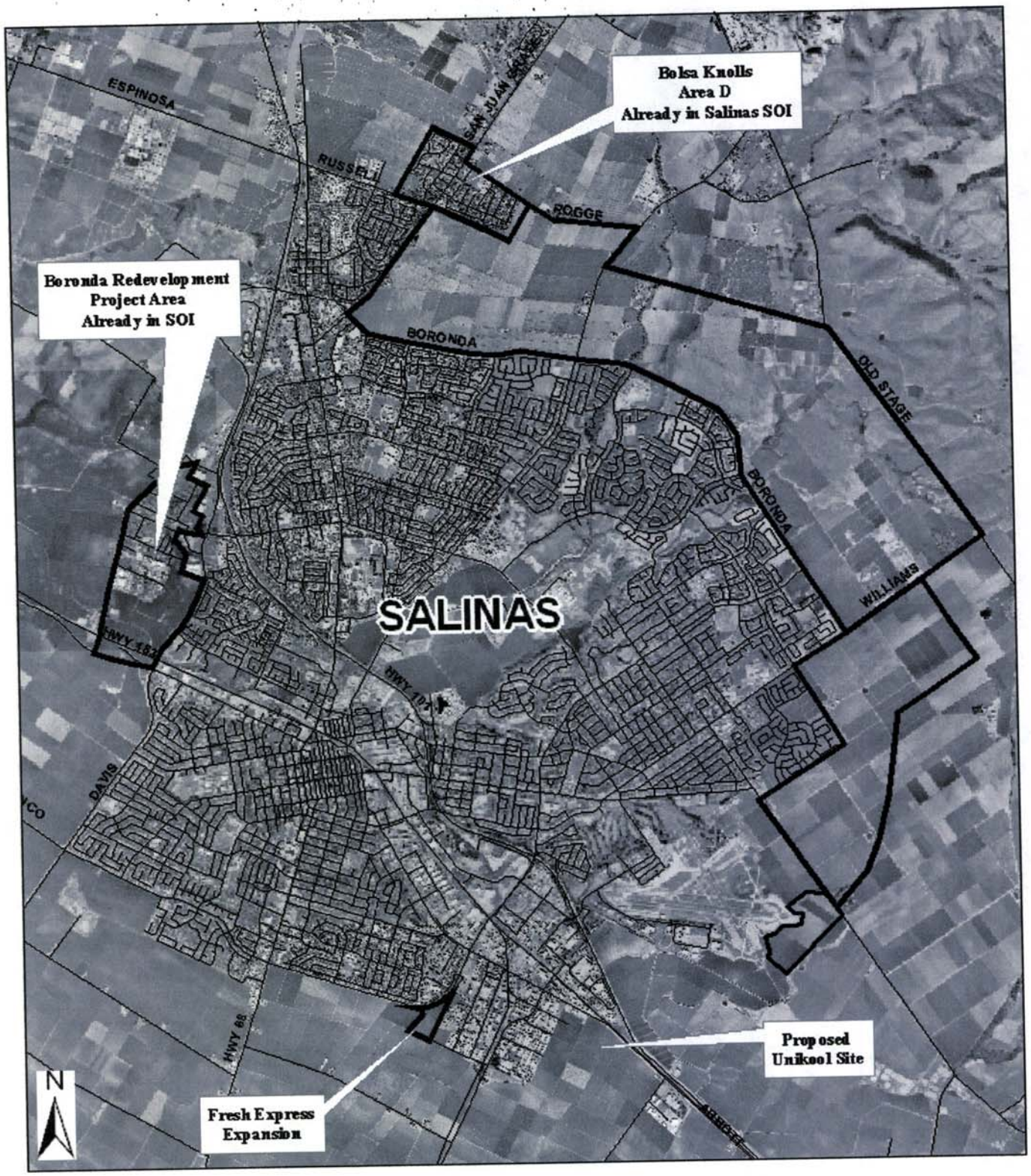


EXHIBIT A

Salinas 2005 Preliminary Sphere of Influence (SOI)/
Annexation Proposal Map

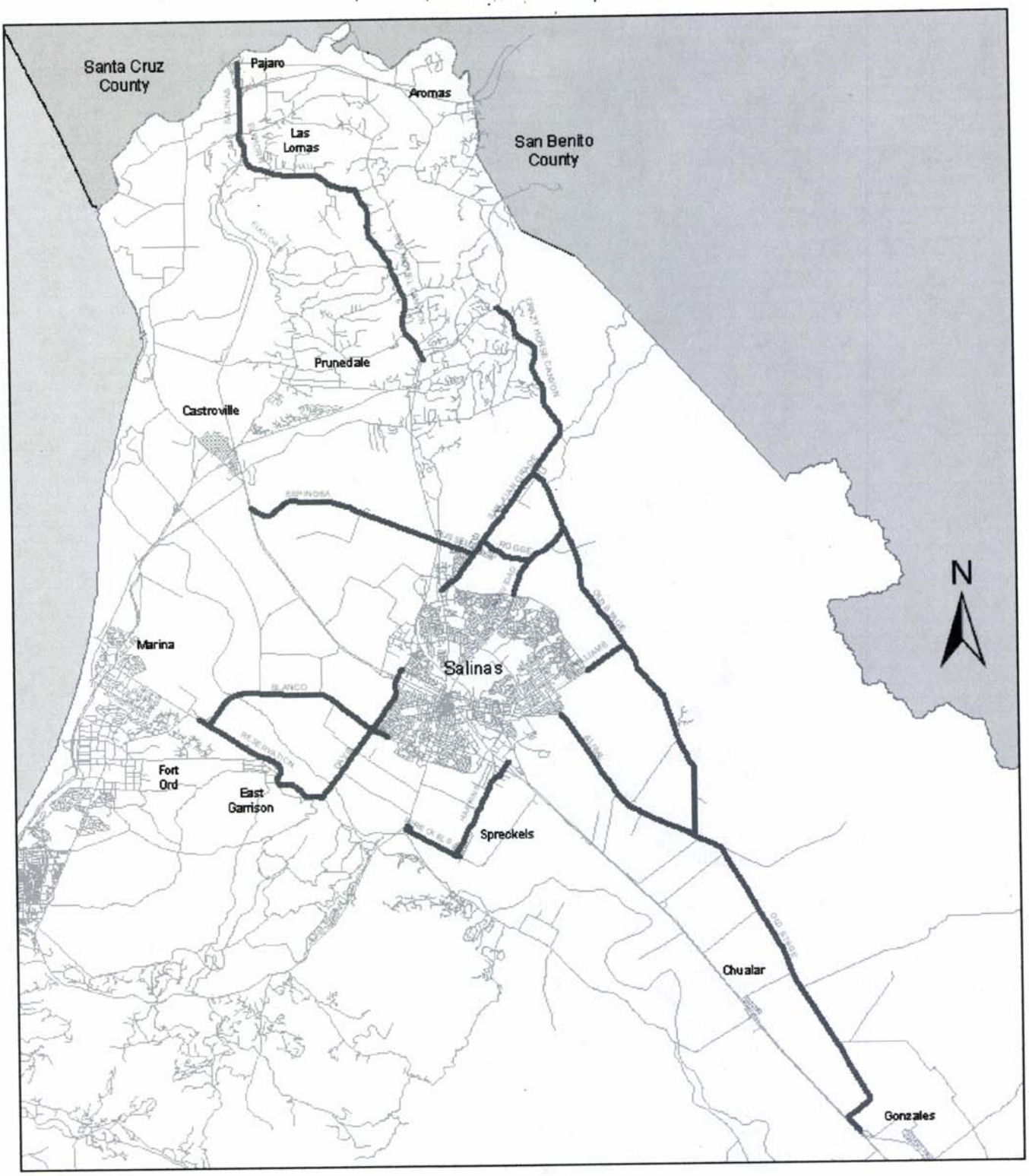
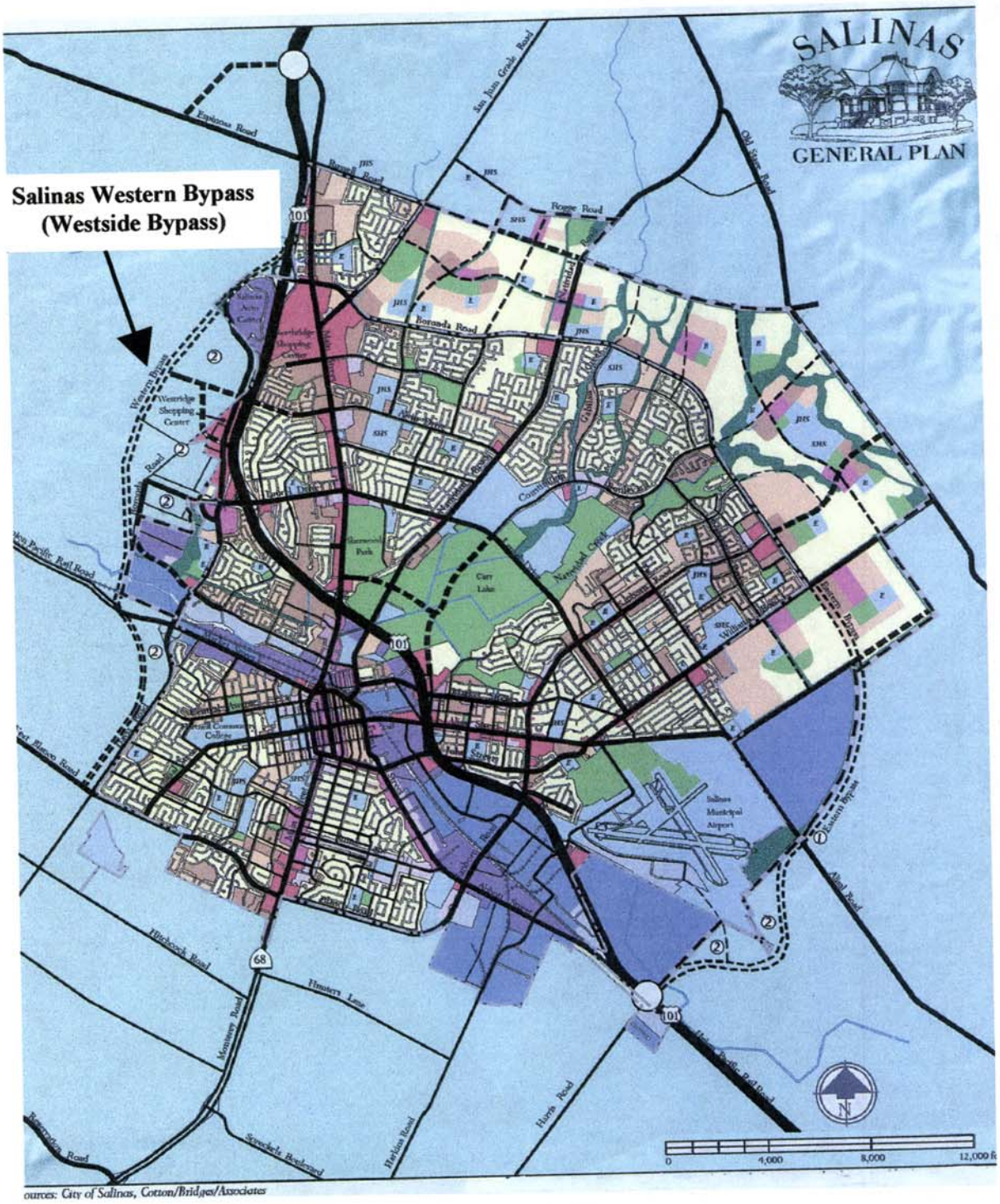


EXHIBIT B

Salinas Area Traffic Impact Fee
Affected Major County Roads



ources: City of Salinas, Cotton/Bridges/Associates

EXHIBIT C

Westside Bypass Alignment
City Salinas 2002 General Plan

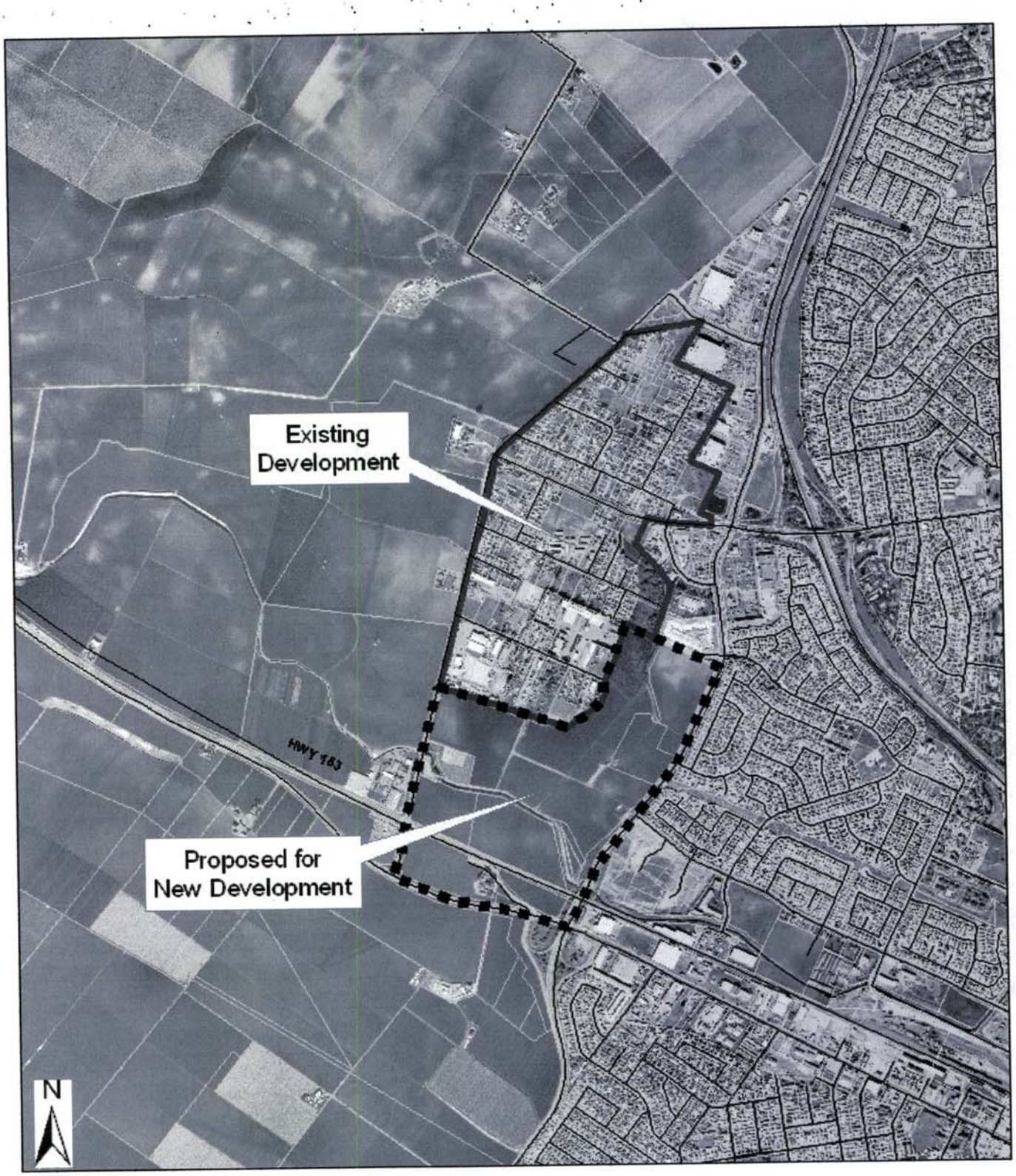


EXHIBIT D

North Boronda Redevelopment Project Area
South Boronda Redevelopment Project Area