

RESOLUTION NO. _____ (N.C.S.)

A RESOLUTION AUTHORIZING THE TRANSFER OF \$87,000 FROM THE AIRPORT ENTERPRISE FUND BALANCE TO CIP 9050-CORE AREA DEVELOPMENT

WHEREAS, the City of Salinas (“City”) is the owner of the real property located at 1341 Mercer Way identified as Assessor Parcel Number (APN) 003-862-001 (“Core Area”) at the Salinas Municipal Airport; and

WHEREAS, the Core Area is underutilized due to the costs associated with significant site work required in order to make the property useable for tenants; and

WHEREAS, RN Borelli Inc, DBA Borelli Investment Company, a California corporation, and Green Valley Corporation, a California Corporation (collectively the “Developer”) have entered into a Ground Lease of the Core Area for pursuant to which the Developer has proposed to develop a light industrial business park; and

WHEREAS, on March 19, 2024, through Resolution No. 22927, the Salinas City Council approved the Ground Lease, and affirmed the CEQA Initial Study/ Mitigated Negative Declaration (IS/MND) and subsequent Mitigation Monitoring and Reporting Program for the proposed project; and

WHEREAS, the proposed Ground Lease would facilitate the redevelopment of the Core Area to current standards, and are expected over the life of the Ground Lease to provide a positive fiscal benefit to the City; and

WHEREAS, the Ground Lease requires the City to obtain a No Further Action (NFA) from Department of Toxic Substance Control (DTSC) as part of the Voluntary Cleanup Agreement (VCA), which was entered into on March 5, 2021; and

WHEREAS, the VCA requires a Supplemental Site Investigation (SSI) Work Plan be executed as part of DTSC’s process to identify if any additional remedial action is necessary prior to issuance of a NFA, and

WHEREAS, the City of Salinas is responsible for implementing the SSI Work Plan and reporting program to obtain a NFA from the DTSC; and

WHEREAS, Kimley-Horn and Associates has the ability to complete the work required by the Work Plan and currently provides various professional consulting services to the City pursuant to a professional services agreement; and

WHEREAS, the total cost for Kimley-Horn and Associates to complete the work required under the Work Plan is \$87,000, which funding is available in the Airport’s Enterprise Fund; and

WHEREAS, at the June 27, 2024, Airport Commission meeting, the Airport Commission recommended that the City Council approve a resolution approving the execution of the SSI Work

Plan and associated fees for property located at 1341 Mercer Way identified as APN 003-862-001 at the Salinas Municipal Airport; and

NOW, THEREFORE BE IT RESOLVED THAT the City Council authorizes the transfer of funds in the amount of \$87,000 from the Airport Fund Balance (6100) to CIP No. 9050-Core Area Development to cover the cost of the SSI Work Plan.

PASSED AND APPROVED this 25th day of March 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dennis Donohue, Mayor

ATTEST:

Patricia M. Barajas, City Clerk